

April 26, 2016

To whom it may concern,

Company name: SANYO DENKI CO., LTD.
Representative: Shigeo Yamamoto
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(Code number: 6516,
listed on the First Section of the Tokyo
Stock Exchange)
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Notice Regarding the Calculation of Extraordinary Loss and Amendments to Financial Forecast

1. Recording of extraordinary loss (non-consolidated accounts)

SANYO DENKI SINGAPORE PTE. LTD. is a wholly-owned consolidated subsidiary of SANYO DENKI CO., LTD. (hereinafter “the Company”). Although currently undergoing restructuring, its financial status has not yet recovered. Therefore, with regards to shares of SANYO DENKI SINGAPORE PTE. LTD. held by the Company, loss on valuation of stocks of subsidiaries and affiliates of ¥285 million will be recorded under extraordinary loss for FY2016. This loss on valuation of stocks shall be eliminated in the consolidated accounts, and therefore does not affect the consolidated income.

Going forward, the Company shall work closely with the operations of said subsidiary, aiming for early restoration of its business results.

2. Amendments to financial forecast

Amendments to consolidated financial forecast for FY2016 (from April 1, 2015 to March 31, 2016)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	¥ Million 86,000	¥ Million 7,900	¥ Million 8,000	¥ Million 5,600	Yen 90.16
Amended forecast (B)	80,282	5,342	5,387	3,685	59.34
Change (B-A)	(5,717)	(2,557)	(2,612)	(1,914)	-
Change (%)	(6.6)	(32.4)	(32.7)	(34.2)	-
(Reference) Actual results of FY2015 (Note)	91,745	7,478	8,409	5,720	92.09

(Note) For the 14 overseas consolidated subsidiaries of the Company included in the FY2015 consolidated financial statements, the Company used financial statements based on the provisional settlement of accounts (15 months) as of the consolidated closing date.

Amendments to non-consolidated financial forecast for FY2016 (from April 1, 2015 to March 31, 2016)

	Net sales	Ordinary income	Profit	Net income per share
Previous forecast (A)	¥ Million 70,100	¥ Million 6,000	¥ Million 4,200	Yen 67.62
Amended forecast (B)	60,301	3,516	2,272	36.60
Change (B-A)	(9,798)	(2,483)	(1,927)	-
Change (%)	(14.0)	(41.4)	(45.9)	-
(Reference) Actual results of FY2015	68,102	5,898	3,948	63.57

3. Reason for amendment

Due to the economic slowdown in China, the demand for machine tools, injection molding machines, and robots declined drastically, falling further than the originally forecast results. With regards to non-consolidated results, extraordinary loss will be recorded as described in Item 1. Therefore, the Company made amendments to the consolidated and non-consolidated financial forecasts for FY2016 as stated above.

(Note) The business results forecasts and others included in this document are based on information available to the Company and the premise that they are deemed reasonable. Actual results may differ due to various factors occurring in the future.