

October 30, 2017

To whom it may concern,

Company name: SANYO DENKI CO., LTD.  
Representative: Shigeo Yamamoto  
Chief Executive Officer  
President and Chief Operating Officer  
(Code number: 6516,  
listed on the First Section of the Tokyo  
Stock Exchange)  
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### Announcement Regarding Earnings Forecast Revisions

In light of recent business trends, Sanyo Denki announces the following revisions to its earnings forecast released on April 27, 2017.

#### 1. Revision of earnings forecast figures

Revision of consolidated earnings forecast for the second quarter of FY2017 (from April 1, 2017 to September 30, 2017)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share*
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Previously announced forecast (A)	40,800	3,100	3,200	2,400	196.27
Revised forecast (B)	42,241	3,873	3,994	2,900	237.19
Amount of increase/decrease (B-A)	1,441	773	794	500	—
Percentage of increase/decrease (%)	3.5	24.9	24.8	20.8	—
Reference: Second quarter of FY2016	35,818	2,403	1,936	1,372	111.95

\* On October 1, 2017, a reverse stock split was conducted merging five shares of common stock into one share. Accordingly, basic earnings per share is calculated assuming the reverse stock split was conducted at the beginning of the previous consolidated fiscal year.

Revision of consolidated earnings forecast for FY 2017 (from April 1, 2017 to March 31, 2018)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share*
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Previously announced forecast (A)	82,500	6,500	6,600	4,900	400.72
Revised forecast (B)	87,900	8,500	8,600	6,100	498.91
Amount of increase/decrease (B-A)	5,400	2,000	2,000	1,200	–
Percentage of increase/decrease (%)	6.5	30.8	30.3	24.5	–
Reference: FY2016	74,798	5,414	5,332	4,031	329.25

\* On October 1, 2017, a reverse stock split was conducted merging five shares of common stock into one share. Accordingly, basic earnings per share is calculated assuming the reverse stock split was conducted at the beginning of the previous consolidated fiscal year.

## 2. Reason for the revision

With regard to the earnings forecast for the second quarter of FY2017, demand has increased for machine tools, robots, injection molding machines, semiconductor manufacturing equipment and electronic component mounting machines, which are the core industries for our servo system products. The earnings forecast was revised to reflect revenue and operating profit that is expected to be higher than previously forecast.

With regard to the full year forecast, the revisions were made for the same reason as indicated for the interim period.

Note: Forecasted business results and other items included in this material are based on information currently available to the Company. In some cases, certain assumptions deemed to be reasonable may differ from actual results for various reasons going forward.