



January 12, 2021

To Whom It May Concern

Company Name Toyo Denki Seizo K.K.
 Representative Akira Watanabe, President
 (Code: 6505, 1st Section of the Tokyo Stock Exchange)
 Inquiries Toshihito Nakanishi, Operating Officer, General Manager, Management Planning Division
 (Tel. 03-5202-8122)

Notice of Difference between Consolidated Business Forecast and Results for the First Half of Fiscal Year Ending May 2021 and Recording of Extraordinary Income as Well as Dividend Forecast

Toyo Denki Seizo K.K. (hereinafter “Toyo Denki”) today announces the consolidated business results for the first half of the fiscal year ending May 2021 and the difference from the forecast for the same period, which was publicized on November 27, 2020, as well as the recording of extraordinary income as follows.

Additionally, please be advised that the meeting of the Board of Directors, held today, decided on a dividend forecast for the fiscal year ending May 2021.

1. Difference between Consolidated Business Forecast and Results for the First Half of Fiscal Year Ending May 2021

(1) Difference between consolidated business forecast and results for the first half of the current fiscal year (June 1, 2020 to November 30, 2020)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A)	Millions of yen 17,500	Millions of yen 40	Millions of yen 230	Millions of yen 400	Yen 44.73
Results (B)	16,720	177	355	451	50.49
Change (B-A)	(780)	137	125	51	
Change (%)	(4.5)	342.5	54.3	12.7	
(Reference) Results for the first half of the previous fiscal year (First half of the fiscal year ended May 2020)	Millions of yen 19,392	Millions of yen 302	Millions of yen 380	Millions of yen 470	Yen 52.63

(2) Reason for the difference

Although net sales decreased as some projects were postponed at the end of the second quarter of the fiscal year ending May 2021, operating income was not affected considerably. During the same period, some projects that had been planned to register as sales in the third quarter of the fiscal year ending May 2021 were moved up, and this increased net sales and operating income. As a whole, net sales were 16,720 million yen as opposed to the forecast of 17,500 million yen (down 4.5%), and operating income reached 177 million yen against the forecast of 40 million yen (up 342.5%). For the same reason, ordinary income was 355 million yen while the forecast

was 230 million yen (up 54.3%).

Please be advised that the consolidated business full-year forecast for the fiscal year ending May 2021 remains unchanged. In case the need arises for any revision including due to other factors, Toyo Denki will make an announcement without delay.

2. Recording of Extraordinary Income (Gain on Sales of Investment Securities)

(1) Reason for sale of investment securities

Toyo Denki sold a portion of its investment securities to improve asset efficiency and strengthen its financial position.

(2) Sales period

From June 18, 2020 to November 12, 2020

(3) Details of the sale

i. Type of assets sold

One stock name of listed securities owned by Toyo Denki

ii. Gain on sales of investment securities

407 million yen

(4) Outlook for the future

Toyo Denki will continue to strive to reduce its cross holdings.

The above gain on sales of investment securities was incorporated into the consolidated business forecast for the first half of the fiscal year ending May 2021, publicized on November 27, 2020.

3. Dividend Forecast

(1) Dividend forecast for the fiscal year ending May 2021

	Annual dividend		
	End of the second quarter	Fiscal year-end	Total
Previous forecast		Undecided	Undecided
New forecast		30.00 yen	30.00 yen
Current year results	0.00 yen		
Previous year results (Fiscal year ended May 2020)	0.00 yen	30.00 yen	30.00 yen

(2) Reason

The dividend forecast for the fiscal year ending May 2021 has remained undecided. This is because it was difficult to reasonably calculate the impact of the new coronavirus on the business performance of Tokyo Denki. However, taking its dividend policy, its financial position and other factors into comprehensive consideration on the basis of the consolidated business forecast for the fiscal year ending May 2021, announced on November 27, 2020, Toyo Denki today announces it has set the fiscal year-end dividend forecast per share at 30 yen.