October 30, 2020

Dear Shareholders,

Listed company name:	KROSAKI HARIMA CORPORATION
Representative:	Kazuhiko Egawa, President
Securities Code:	5352

Notice of Variance between the Forecast and Actual Results of Consolidated Performance for the First Half of the Fiscal Year Ending March 31, 2021

Krosaki Harima Corporation informs you of a variance that arose as follows between the forecast of consolidated performance for the first half of the fiscal year ending March 31, 2021 (from April 1, 2020, to September 30, 2020), released on July 31, 2020, and the actual results released today.

1. Details of the Variance

(1) Variance between the forecast and actual results of consolidated performance for the first half of the fiscal year ending March 31, 2021 (From April 1, 2020, to September 30, 2020)

	Net sales (¥ Million)	Operating income (¥ Million)	Ordinary income (¥ Million)	Net income attributable to owners of the parent (¥ Million)	Net income per share (¥)
Forecast (A)	53,000	1,000	1,500	1,200	142.46
Actual (B)	55,671	1,459	2,227	1,688	200.48
Variance by amount (B – A)	2,671	459	727	488	
Variance by percentage (%)	5.0	45.9	48.5	40.7	
(Reference) Actual results for the first half of the previous fiscal year ended March 2020	70,839	4,889	4,923	3,166	375.88

2. Reasons for the Variance

Owing to the recovering demand for refractories, as the crude steel output of steel industries in Japan and overseas is recovering, and slashed costs due to increased productivity, the Group enjoyed significantly higher income figures than the previous forecast.

For details on the full-year forecast of consolidated performance, please refer to Notice of Revision to the Performance Forecasts released today.