October 30, 2020

Dear Shareholders,

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

Notice of Revision to the Performance Forecasts

Based on its recent performance trends, Krosaki Harima Corporation has revised the performance forecasts announced on July 31, 2020, as detailed below.

● Revision to Performance Forecasts

Revision to the Consolidated Performance Forecasts for the Fiscal Year Ending March 2021

(From April 1, 2020, to March 31, 2021)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous estimate (A)	110,000	—	4,000	—	—
Revised estimate (B)	113,000	4,000	5,000	3,400	403.63
Variance by amount (B – A)	3,000	—	1,000	—	
Variance by percentage (%)	2.7	—	25.0	—	
Results for the fiscal year ended March 2019	137,395	9,387	9,764	6,444	765.04

Reasons for the Revision

As Japanese and overseas steel industries—major customers of the Group—continued to reduce their steel output, decreasing the demand for refractories and construction projects, the full-year forecasts of consolidated performance for the fiscal year ending March 31, 2021, are set lower than the previous year.

However, the crude steel output of steel industries in Japan and overseas is on a recovery track and the demand for refractories is recovering faster than previously expected. Therefore, the forecasts of consolidated net sales and ordinary income have been revised upward from the previous estimates.

Forecasts of business results are subject to a significant change due to fluctuations in demand for refractories caused by crude steel output fluctuations as well as the market trend of refractory materials.