May 14, 2026

Company name: Sanoh Industrial Co., Ltd.
Representative: Genya Takeda, Director & President
(Code No: 6584)
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Notice Regarding Recording of Extraordinary Losses (Loss on Valuation of Investments in Affiliated Companies), Recording of Non-Operating Expenses (Provision for Allowance for Doubtful Accounts), and Differences Between Full-Year Non-Consolidated Financial Results and Previous Fiscal Year Results

We hereby announce that extraordinary losses (loss on valuation of investments in affiliated companies) and non-operating expenses (provision for allowance for doubtful accounts) were recorded in the full-year non-consolidated financial results, and that differences have arisen between the full-year non-consolidated financial results for the fiscal year ended March 31, 2026 and the results for the previous fiscal year, as described below.

1. Differences Between Full-Year Non-Consolidated Results and Previous Fiscal Year Results

(April 1, 2025 – March 31, 2026)

(All amounts are rounded to the nearest million except for percentages and earnings per share data)

	Net Sales	Operating Income	Ordinary Income	Net Income	Earnings Per Share
Previous Fiscal Year Results (A)	47,928	868	1,839	1,959	54.72
Current Fiscal Year Results (B)	51,784	2,296	2,026	△424	－
Change (B − A)	＋3,856	＋1,428	＋186	△2,382	－
Change (%)	＋8.0	＋164.6	＋110.1	－	－

Reasons for the Differences

Regarding the non-consolidated financial results, net sales increased due to increased sales of equipment for new project launches and parts sales. Operating income exceeded the previous fiscal year's results mainly due to increased sales, despite increases in personnel expenses associated with higher salary levels and depreciation expenses resulting from capital investments. Ordinary income also exceeded the previous fiscal year's results mainly due to the increase in operating income, despite the recording of non-operating expenses of ¥1,719 million as provision for allowance for doubtful accounts resulting from the deterioration in the business performance of the U.S. subsidiary. Meanwhile, despite the increase in ordinary income, net income fell below the previous fiscal year's results and resulted in a net loss for the fiscal year, primarily due to the recording of extraordinary losses of ¥1,271 million for loss on valuation of investments in affiliated companies associated with the liquidation of a subsidiary.