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To whom it may concern:

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Notification regarding Booking of Deferred Tax Assets and Revision of Consolidated Full-year Earnings Forecasts

Sansan, Inc. (the “Company”) announces today that it will book the following deferred tax assets in the financial results for the fiscal year ended May 31, 2020 (“FY2019”).

The Company would like to advise that the consolidated full-year earnings forecasts for FY2019, announced on April 13, 2020, have been revised, as set out below. The forecast for profit attributable to owners of parent had previously remained undisclosed, as the Company had been carefully scrutinizing the forecast figures.

1. Booking of Deferred Tax Assets

As a result of careful consideration of the recoverability of deferred tax assets based on FY2019, future performance trends and other factors, the Company has decided to book deferred tax assets of ¥145 million for FY2019. As a result, it is expected that the corporate tax adjustment amount (- denotes profit) will be recorded as -¥145 million yen in FY2019.

2. Revised Consolidated Full-year Earnings Forecasts for FY2019

	Net sales	Operating profit	Ordinary Profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (a)	13,221	591	485	—	—
Revised forecasts (b)	13,362	757	435	339	10.96
Variance (b-a)	141	166	-50	—	—
% change (b/a)	1.1	28.1	-10.3	—	—
(For reference) Results for FY2018	10,206	-849	-891	-945	-40.42

3. Reason for the Revision

Since the Sansan Business and the Eight Business have performed well, net sales and operating profit

are expected to exceed the previously announced values. Ordinary profit is expected to fall below the previously announced value, as loss on cancellation of rental contracts charges of ¥187 million will be recorded as non-operating expenses, as was announced on May 29, 2020. Profit attributable to owners of parent had previously remained undisclosed but, as stated in 1. above, we have newly disclosed this figure because we were able to scrutinize the forecast figures for the amount of deferred tax assets recorded and the corporate tax adjustment amount.

* Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. Results may differ materially from the consolidated forecasts due to various factors.