

[Translation]

**[NOTICE: Please note that the following is a translation of the Japanese language original for convenience purposes only, and in the event of any discrepancy, the Japanese language original shall prevail.]**

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For immediate release

Company: Nisshinbo Holdings Inc.  
Representative: Masahiro Murakami, President  
Securities Code: 3105  
TSE (First Section)

### **Notice Regarding Revisions to Operating Performance Forecast and Recording of Extraordinary Profits and Extraordinary Losses (Non-Consolidated)**

Nisshinbo Holdings Inc. announces the following revisions to its consolidated operating performance forecast for the fiscal year ended December 31, 2020, from the figures announced on November 12, 2020. In addition, extraordinary profits and extraordinary losses are expected to be recorded in the fiscal year ended December 31, 2020.

#### **1. Revisions to Operating Performance Forecast**

Revisions to Consolidated Operating Performance Forecast for the Fiscal Year Ended December 31, 2020  
(January 1, 2020 to December 31, 2020)

(Millions of yen, unless otherwise stated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (Yen)
Previously announced forecast (A)	462,000	(4,000)	(3,000)	1,000	6.01
Revised forecast (B)	457,000	1,200	3,400	13,500	81.13
Change (B – A)	(5,000)	5,200	6,400	12,500	
Change (%)	(1.1%)	—	—	—	
Reference: Results for the fiscal year ended December 31, 2019	509,660	6,482	11,703	(6,604)	(39.45)

#### **Reasons for the Revisions**

In the fourth quarter of the fiscal year 2020, despite higher sales in the brake business and precision instruments business due to a recovery in global automobile production volume, sales in the wireless and communications business, the micro devices business and the textiles business are expected to decline, resulting in lower sales than expected in the previous forecast.

Operating income and ordinary income are expected to exceed previous forecasts due to progress in cost improvement activities and cost reduction activities throughout the company, as well as sales growth in the brake business and precision instruments business.

In addition, net income attributable to owners of the parent is expected to exceed the previous forecast due to an increase in ordinary income and an increase in gain on sales of investment securities, despite an increase in impairment loss.

## **2. Recording of Extraordinary Profits and Extraordinary Losses (Non-Consolidated)**

Nisshinbo Holdings (the Company) made a group loan to TMD, a consolidated subsidiary, and TMD repaid the loan in full. These loans were guaranteed by the Company.

As a result, the Company expect to record an extraordinary profit of ¥12,977 million from the reversal of reserve for loss on guarantees of subsidiaries and associates. In addition, the Company expect to record an extraordinary loss of ¥18,114 million for the provision of allowance for doubtful accounts for affiliated companies for loans to TMD based on the financial position.

Reversal of allowance for losses on guarantees of subsidiaries and affiliates and provision for doubtful accounts of subsidiaries and affiliates described above are eliminated in the consolidated financial statements, and therefore have no impact on the consolidated financial results.

Note: Performance forecasts included in this document are based on information available as of the date of announcement of this document and certain assumptions deemed to be reasonable. Actual results may differ from the forecasts due to changes in various factors.