



November 9, 2023

To whom it may concern

Company Name: Nisshinbo Holdings Inc.
Representative: Masahiro Murakami,
President and Representative Director

(Code No. 3105, Prime Market of Tokyo Stock Exchange)
Contact: Corporate Communications Group

**Notice Regarding the Recording of Extraordinary Losses in Connection
with the Transfer of the TMD Group**

As disclosed in the “Notice Regarding Transfer of Shares and Loan Receivables of Consolidated Subsidiary by Nisshinbo Holdings Inc.” dated August 22, 2023, at the Board of Directors meeting held on August 22, 2023, Nisshinbo Holdings Inc. resolved to transfer all shares outstanding of TMD Friction Group S.A. (“TMD”), one of the main pillars of the Company’s automobile brake business, and loan receivables against TMD and its subsidiary TMD Friction Holdings GmbH, to a special purchase vehicle fully owned by AEQUITA SE & Co. KGaA., a global industrial group with headquarters in Munich, Germany.

Accordingly, as a result of comparing the book value of fixed assets held by the TMD Group as of the end of the third quarter of the fiscal year ending December 31, 2023 with the recoverable amount, which takes into account the transfer value of stocks and receivables, the recoverable amount was lower than the book value, and as a result, an impairment loss of 28,547 million yen and a provision for loss on business liquidation of 6,706 million yen were recorded in the consolidated financial statements for the third quarter of the fiscal year ending December 31, 2023.

The extraordinary loss has already been included in the consolidated earnings forecast for the fiscal year ending December 31, 2023, which was announced on August 22, 2023, and the earnings forecast remains unchanged.

End