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To Whom It May Concern

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Notice of Revision of the Business Results Forecast

The company announces that it has revised its 1st-half and full-year forecast for the fiscal year ending March 31, 2020, which was announced on May 8, 2019, in light of recent market trends and other factors, as follows.

1. Revision of the Forecasted Business Results for the Six months ending September 30, 2019

(From April 1, 2019 to September 30, 2019)

	Net Sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A) (Announced on May 8, 2019)	(millions of yen) 85,000	(millions of yen) 3,500	(millions of yen) 2,800	(millions of yen) 400	(yen) 16.51
Revised forecast (B)	80,400	0	-700	-2,800	-115.55
Change (B-A)	-4,600	-3,500	-3,500	-3,200	-
Ratio of change (%)	-5.4%	-100.0%	-	-	-
<Reference> Results of the six months ended September 30, 2018	88,230	6,319	5,317	2,247	92.72

Note: As of October 1, 2018, we implemented a reverse split of the shares of five common shares at the rate of one share.

Net income per share in the table is calculated on the assumption that the reverse stock split occurred at the beginning of the previous fiscal year.

2. Revision of the Forecasted Business Results for the Fiscal Year (From April 1, 2019 to March 31, 2020)

	Net Sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A) (Announced on May 8, 2019)	(millions of yen) 178,000	(millions of yen) 11,500	(millions of yen) 10,000	(millions of yen) 4,300	(yen) 177.44
Revised forecast (B)	168,400	5,800	4,300	600	24.76
Change (B-A)	-9,600	-5,700	-5,700	-3,700	-
Ratio of change (%)	-5.4%	-49.6%	-57.0%	-86.0%	-
<Reference> Results of the previous year (FY ended March 31, 2019)	173,650	10,531	9,173	3,967	163.70

Note: The above description about future matters including financial forecast is based upon information available as of the present time and assumptions we considered valid. Due to various factors, our actual performance could greatly differ from the forecast.

3. Reasons of the Revision

The economic slowdown in China and the impact of U.S.-China trade frictions are resulting in a deterioration in global business sentiments, including in Europe and the U.S., and the car-mounted market, which is the main market for the Company's products, is experiencing a continued slump in sales of car-mounted products by the U.S. subsidiary as the decrease in the number of automobiles sold in China spreads to the European and U.S. markets, while orders for products for industrial machinery are also sluggish. As a result, a decrease in sales of high-value-added products as well as reduced utilization ratios at production bases led to a reduction in profit ratios, and business results for the first quarter significantly worsened compared to the same period in the previous year. In addition, although at the beginning of the fiscal year we expected market conditions, including the market for car-mounted products, to recover from the third quarter, and while the downturn in car-mounted products appears to be bottoming out, the recovery of orders from the third quarter is expected to be below the initial forecasts. For this reason, despite increasing production of white goods, which are continuing to perform well, and implementing measures to secure profits, including measures to improve production utilization rates by switching some external production to internal production, we have revised the financial forecasts for the second quarter and the full year announced at the beginning of the current fiscal year, based on the business results for the first quarter.

There is no change to the exchange rate forecast during the current fiscal year of 1US\$=¥105 for the fiscal year ending March 31, 2020.