



March 11, 2019

To whom it may concern

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Announcement Concerning Recognition of Extraordinary Loss (Impairment Loss)

NOK Corporation hereby announces that it has decided to record an extraordinary loss as below in the fiscal year 2018 (April 1, 2018 to March 31, 2019).

1. Recognition of extraordinary loss (impairment loss)

Nippon Mektron, Ltd., NOK Corporation's consolidated subsidiary engaging in the electronic product business, saw a decrease in profitability due to changes in the market and business environment. Having identified this decrease as an indication of impairment, NOK Corporation assessed the future recoverability pursuant to the Accounting Standard for Impairment of Fixed Assets. Based on the results of the assessment, the company decided to reduce the book value of the fixed assets (such as buildings and manufacturing facilities) owned by the subsidiary to the recoverable value and record an impairment loss of approximately 14.4 billion yen as an extraordinary loss in the consolidated financial statements for the fiscal year ending March 31, 2019.

NOK Corporation will continue to work on improving the profitability of the electronic product business through maintaining competitiveness and measures to increase productivity.

2. Prospects for the future

NOK Corporation is currently examining the impact of recording the extraordinary loss on its consolidated financial projections for the fiscal year ending March 31, 2019. The company will promptly announce any matters that require disclosure.

*Forward-looking statements on business results projections that are stated in this disclosure are based on information currently available to NOK Corporation and certain assumptions that NOK Corporation deems reasonable, and are not meant to promise the achievement of such projections. Furthermore, actual financial results may differ significantly due to various factors.