



August 31, 2017

To all concerned parties

Company name: Nittobo (Registered as NITTO BOSEKI Co., Ltd.)

Representative: Yuichi Tsuji, Director, Representative and Chief Executive Officer

(Securities Code: 3110, Tokyo 1st Stock Exchange listing)

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Notice Concerning Transfer of Non-current Assets, Extraordinary Income and Revisions of Earnings Forecast

Nittobo (“the Company”) announces that the Board of Directors has resolved to transfer its non-current assets and post extraordinary income at a meeting held today, and as a result, it has revised the performance forecast announced on August 3, 2017.

1. Reason for the transfer

As a result of the review of the owned non-current assets, in order to improve the efficiency of assets through the effective utilization of management resources, the Board of Directors has resolved to transfer the idle part of the Chiba Enterprise Center in Chiba-shi, Chiba.

2. Details of the assets to be transferred

(1) Name of the assets	Idle part of the Chiba Enterprise Center
(2) Location	210, Ropposho, Inage-ku, Chiba-shi, Chiba
(3) Land area	96,335.26 square meters
(4) Gains on the transfer	Approximately 3,700million yen
(5) Current status	Vacant land

*The transfer value is not disclosed due to the purchaser’s request, but it is a fair and reasonable value reflecting market prices set at auctions. The gains on the transfer represent the estimated amount obtained by deducting the book value, estimated transfer-related expenses, etc. from the transfer value.

3. Purchaser

The purchaser is a Japanese corporation whose name is not disclosed due to its request. However, there is no capital, personal or transactional relationship with the Company. In addition, the purchaser is not a party related to the Company.

4. Scheduled date of the transfer

Resolution at the Board of Directors meeting: August 31, 2017

Conclusion of the purchase and sale agreement: September 7, 2017 (provisional)

Transfer of ownership: September 29, 2017 (provisional)

5. Posting extraordinary income

The company will record gains on the transfer of the non-current assets of approximately 3,700million yen as gain on sales

of non-current assets of extraordinary income in the consolidated financial statement for the second quarter of the fiscal year ending March 31, 2018.

6. Revision of performance forecast

As a result of the transfer of the non-current assets, the Company has revised the consolidated performance forecasts for the first half of and full fiscal year ending March 31, 2018 as follows.

Nittobo Macau Glass Weaving Co., Ltd., which is one of the company's consolidated subsidiaries and a manufacturer of glass fiber fabrics located in the Macau Special Administrative Region of the People's Republic of China, has suspended production due to damage caused by Typhoon Hato (known as "Typhoon 13" in Japan) on August 23. The subsidiary is checking the damage on the buildings and production facilities and has not decided when to resume production yet. The company is evaluating the impact of the damage on the consolidated results and has not incorporated the effect within the following forecasts. If any fact arises that requires an announcement, it will promptly make such announcement.

Revision of consolidated earnings forecast for the first half of the fiscal year ending March 31, 2018 (From April 1, 2017 to September 30, 2017)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Million yen 42,400	Million yen 6,000	Million yen 6,000	Million yen 4,100	Yen 21.13
Revised forecast (B)	42,400	6,000	6,000	6,700	34.53
Amount of difference (B-A)	0	0	0	2,600	
Rate of difference (%)	0.0	0.0	0.0	63.4%	
(For reference) Actual performance during the same period last year (The first half of the fiscal year ended March 31, 2017)	40,893	5,476	5,280	3,634	18.25

Revision of consolidated performance forecast for the fiscal year ending March 31, 2018 (From April 1, 2017 to March 31, 2018)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Million yen 85,000	Million yen 11,500	Million yen 11,600	Million yen 7,800	Yen 40.20
Revised forecast (B)	85,000	11,500	11,600	10,400	53.60
Amount of difference (B-A)	0	0	0	2,600	
Rate of difference (%)	0.0	0.0	0.0	33.3%	
(For reference) Actual performance last year (Fiscal year ended March 31, 2017)	83,324	11,148	11,396	7,479	37.71

(Note) 1. As the Company announced on May 10, 2017, it will implement the share consolidation of common shares on a one for

five basis on October 1, 2017 as the effective date. However, it did not take the share consolidation into consideration for the consolidated forecast of basic earnings per share for the fiscal year ending March 31, 2018. On the assumption that the said share consolidation was executed at the beginning of the fiscal year, basic earnings per share for the first half are 172.64yen and those for the full fiscal year are 267.98 yen.

2. The above forecast is based on certain information available at the time of announcement and actual performance, etc. may differ from the forecast due to various factors.