

March 25th, 2020

Junya Suzuki

Chairman of the Board, President and CEO

Nissha Co., Ltd.

Exchanges Listed: Tokyo Stock Exchanges, First Section 7915

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Notice of the Recording of Impairment Loss

Nissha Co., Ltd. (“the Company”) hereby announces that the Company recorded an impairment loss in its consolidated financial results for the fiscal year ended December 31, 2019 under International Financial Reporting Standards (“IFRS”). The Company voluntarily adopted IFRS from the consolidated financial statements of Annual Security Report for the fiscal year ended December 31, 2019, and the impairment loss was recorded in the consolidated financial results under IFRS. The consolidated financial results for the fiscal year ended December 31, 2019 under Japanese Generally Accepted Accounting Principles (“J-GAAP”) were disclosed as of February 14th, 2020.

1. Details of the impairment loss

The Company implemented an impairment test under IFRS for the fiscal year ended December 31, 2019 and as a result, impairment loss of 10,671 million yen on Property, plant and equipment, Intangible assets and Right-of-use assets in the Devices, and 3,634 million yen on Property, plant and equipment, Intangible assets and Right-of-use assets, and 1,612 million yen on Goodwill in the Industrial Materials were posted in Other expenses.

2. Future outlook

The above-mentioned impairment loss is included in the consolidated financial results for the fiscal year ended December 31, 2019 under IFRS, announced today. In addition, the Company reflected the impact of impairment loss in the consolidated financial results forecast for the fiscal year ending December 31, 2020 (January 1, 2020 to December 31, 2020) under IFRS, announced today.

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