



03-Aug-20

Dear All

Company name: Fujikura Ltd.
 Stock exchange listing: First Sections of TSE
 Code No. : 5803
 Representative: Masahiko Ito, President, CEO
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Notice of Provision for Allowance for Losses on Guarantees (Non-consolidated) and Forecasts for the First Half for the Fiscal Year Ending March 31, 2021

Fujikura Ltd. (the "Company") hereby announces the record of Provision for Allowance for Losses on Guarantees in the first quarter non-consolidated financial statements and the forecast of its Consolidated Business Performance for the first half of the fiscal year ending March 31, 2021, which was announced as undecided in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (Japan GAAP)," on June 10, 2020. The forecasts are as follows.

Regarding the forecast of the Company's Consolidated Business Performance and Divided for the fiscal year ending March 31, 2021, the Company will announce them as soon as it becomes to calculate the forecasts.

1. Provision of Allowance for Loss on Guarantees (Non-consolidated)

In Fujikura Automotive Europe S.A.U. (FAE), a consolidated subsidiary of the Company, the record of loss on fire amounts to 714 million yen and the suspension of operations at its plants due to the spread of the novel coronavirus infection (COVID-19), led to an increase in the amount of excess liabilities. In line with this, the Company recorded provision for allowance for loss on guarantees amounts to 2,724 million yen to FAE in the first quarter non-consolidated financial statements for the fiscal year ending March 31, 2021 as a non-operating expense.

The loss on fire is included in an insurance coverage.

The above-mentioned provision for allowance for loss on guarantees is eliminated in the consolidated financial statements, so there is no impact on the consolidated results.

2. Forecast of Consolidated Business Performance

(1) Forecast for the First Half of the Fiscal Year Ending March 31, 2021 (April 1, 2020 - September 30, 2020)

(Consolidated Basis)

(Unit: Million yen)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Net Income per Share (Yen)
The Previous Forecast (A)	-	-	-	-	-
Current Forecast (B)	290,000	1,000	△ 2,000	△ 6,500	△ 23.61
Change (B - A)	-	-	-	-	
Changed Ratio (%)	-	-	-	-	
Result for the first half of the previous fiscal year	343,499	5,773	4,973	814	2.85

(2) Reasons for Revision of Forecast of Consolidated Business Performance

The Company announces the forecast of its Consolidated Business Performance for the first half of the fiscal year ending March 31, 2021, which was calculated based on the available information at this time, although the Company announced that the forecast was undecided because it was difficult to calculate the effect of the novel coronavirus infection.

As for the Company's consolidated financial performances for the first half of the fiscal year ending March 31, 2021, the Automotive Products Business Division has suspended operations at some of its bases in requests from governments and customer demand due to the impact of the novel coronavirus infection and Electronics Business Division experienced intensified competition for certain products so both sales and incomes are expected to decrease compared to the same period for the previous year.

With regard to the consolidated business performance for the fiscal year ending March 31, 2021, the Company will make an announcement as soon as it is possible to reasonably calculate the forecast.

Notes: The aforementioned forecasts are based on the information currently available to the Company.

Actual results may differ from the forecasts due to various factors arising in the future.