



2-Nov-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 Business Forecast and Dividend for the Fiscal Year Ending March 31, 2021, and
 Recording of Extraordinary Income and Extraordinary Loss (Non-consolidated)**

Fujikura Ltd. (the "Company") hereby announced a difference between its consolidated business forecast for the first half of the fiscal year as disclosed in the "Notice of Provision for Allowance for Losses on Guarantees (Non-consolidated) on August 3, 2020, and Forecasts for the First Half of the Fiscal Year Ending March 31, 2021", and actual results. In addition, the Company has revised its consolidated business forecast and dividends for the fiscal year ending March 31, 2021, which were not yet determined on August 3, 2020.

The Company also announced that it has recorded extraordinary profit and extraordinary loss in its non-consolidated financial statements for the second quarter of the current fiscal year.

1. Forecast of Consolidated Business Performance

(1) Difference between Forecast and Actual for 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)	290,000	1,000	△ 2,000	△ 6,500	△ 23.61
Actual (B)	300,512	8,906	7,444	746	2.71
Change (B - A)	10,512	7,906	9,444	7,246	-
Changed Ratio (%)	3.6	790.6	-	-	-
Result for the First Half of the Previous Fiscal Year	343,499	5,773	4,973	814	2.85

* Reason for Deference between Forecast of Consolidated Business Performance and Actual

The Company had conservatively estimated the impact of the novel coronavirus infection (COVID-19) in its previous business forecast for the first half of the fiscal year, however, sales and income increased. In the Power & Telecommunication Systems Company experienced a faster-than-expected recovery in domestic and overseas customer demand for both Power Business Division and Telecommunications Systems Business Division, in addition Electronic Products & Connector Division sales of FPCs for smartphones and electronic components for PCs and game consoles, reflecting special demand from Staying Home by (COVID-19).

(2) Forecast for the Full-year of the Fiscal Year Ending March 31, 2021 (April 1, 2020 - March 31, 2021)

(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)	600,000	11,000	4,500	△ 10,000	△ 36.31
Change (B - A)	-	-	-	-	-
Changed Ratio (%)	-	-	-	-	-
Result for the Full-Year of the Previous Fiscal Year	672,314	3,346	1,312	△ 38,510	△ 136.58

* Reasons for Revision of Forecast of Consolidated Business Performance

The Company had not yet released its business performance due to the difficulty of reasonably estimating the impact of the COVID-19.

The consolidated full-year business forecast for the fiscal year ending March 31, 2021 is expected to decrease due to a decline in demand for electric cables in Japan at the Power Division, and decrease in customer demand because the suspension of plant operations due to the impact of COVID-19 in the first quarter of the fiscal year, mainly in the Automotive Business Division.

Operating income and ordinary income are expected to increase due to an increase in sales of ultra high density and small diameter optical fiber cable (Spider Web Ribbon®/Wrapping Tube Cable™), a strategic product of the Telecommunications Business Division, mainly to customers in Europe and the United States, as well as the effects of fixed cost reductions due to structural reforms that we have been working on since FY19.

Profit Attributable to Owners of Parent is expected to decline due to affects of impairment losses and tax expenses from the reversal of deferred tax assets in the previous fiscal year.

In the current fiscal year, we will continue to implement business structural improvements and work to improve profitability.

2.Dividend Forecast, etc.

Dividends for the fiscal year ending March 31, 2021 are as follows

(1) Determination of Interim Dividends

	Determined	The prior Forecast (April 3, 2020)	Result in FY2019
Dividend Record Date	September 30,2019	Same as the Left	September 30,2019
Net Income per Share	0.00 Yen	— Yen	5.00 Yen
Total Dividends	—	—	1,432 Million yen
Date of Effectiveness	—	—	December 3,2019
Dividend Source	—	—	Earned Surplus

(2) Forecasts for year-end dividends

	Dividend				
	1Q	2Q	3Q	4Q	Total
The prior Forecast (April 3, 2020)	— Yen	— Yen	— Yen	— Yen	— Yen
This time Forecast	—	—	—	0.00	0.00
Result in FY2020	—	0.00	—		
Result in FY2019	—	5.00	—	0.00	5.00

(3) Reason

The interim and year-end dividends for the fiscal year ending March 31, 2021 were undetermined due to the unpredictability of the full-year business forecast, but in light of the above consolidated business forecast for the fiscal year ending March 31, 2021 and the business environment, the Company have taken a comprehensive view and regrettably decided to forgo dividends.

The company apologize to our shareholders for this decision, but the company will continue to work to improve our business structure so that the Company can resume dividend payments as soon as possible.

3. Recording of Extraordinary Profit and Extraordinary Loss (Non-consolidated)

In order to resolve Fujikura Automotive Europe S.A.U.(FAE)'s excess liabilities in its financial statements for fiscal 2019, the Company increases its capital in Fujikura Europe (Holding) B.V., the holding company of FAE, by 2,896 million yen (23 million EUR), and recorded this amount of capital increase as a loss on valuation of shares of subsidiaries and associates as an extraordinary loss.

In addition, the provision for loss on guarantees, which was previously set aside for FAE, was reversed in accordance with the capital increase described above, and was recorded as a reversal of allowance for Loss on guarantees in extraordinary profit.

There was no impact on the non-consolidated and consolidated business performance of the Company as a result of this capital increase.

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.