

PRESS RELEASE

December 19, 2018  
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Notice concerning revisions to results forecasts

KYB Corporation (HQ: Tokyo, President: Yasusuke Nakajima; hereinafter “the Company”) announces that the consolidated results forecasts for the fiscal year ending March 31, 2019 have been revised, which the Company announced on November 6, 2018, in conjunction with the “Notice concerning nonconforming acts in the inspection process of seismic isolation/mitigation oil dampers for buildings manufactured by us and our subsidiary (additional matter)” announced on December 19, 2018. Details are as follows.

1. Revisions to the consolidated results forecasts for the fiscal year ending March 31, 2019  
 (April 1, 2018 to March 31, 2019)

	Net sales	Segment profit	Operating profit	Profit before taxes	Profit for the period	Profit attributable to owners of the parent	Basic earnings per share
Previously announced forecasts (A) (Nov. 6, 2018)	Millions of yen 416,000	Millions of yen 21,300	Millions of yen 700	Millions of yen -500	Millions of yen -1,800	Millions of yen -2,300	Yen -90.04
Revised forecasts (B)	416,000	21,300	-1,800	-3,000	-3,700	-4,200	-164.42
Changes (B–A)	—	—	-2,500	-2,500	-1,900	-1,900	—
Rate of change (%)	—	—	—	—	—	—	—
(Reference) Results for the same period of the previous fiscal year (Fiscal year ended March 31, 2018)	393,743	22,949	20,885	20,881	15,786	15,202	595.09

2. Reason for revisions

Because of a change in the number of seismic isolation/mitigation oil dampers to which the product warranty is to be applied, the Company expects to set aside an additional provision for product warranties of 2,500 million yen in the third quarter.

As a result, full-year results forecasts are expected to fall short of the previously announced forecasts in terms of operating profit and profits/losses at each level up to the operating profit.

(Note) The above forecasts are prepared based on information available as of the date of announcement of this document, and actual results may differ from the forecasts due to a range of factors in the future. For the provision for product warranties for the seismic isolation/mitigation oil dampers, it has been set aside based on expenses for which a reliable estimate can be made as of this time. Expenses required for replacement work that will arise in relation to the nonconforming acts and incidental expenses such as compensation that will arise in association with the implementation of the replacement work could have significant impact on the consolidated financial results of the Company, depending on future progress in the nonconforming acts, at a time when a reliable estimate of these expenses becomes available.