

February 12, 2021

Notice of the Decrease in Exchange Loss

In the consolidated cumulative third quarter of the fiscal year ending March 2021, exchange loss decreased from the consolidated cumulative second quarter of the fiscal year ending March 2021, as there was exchange gain thanks to the yen depreciation against the yuan. Details are as follows.

1. Details of non-operating expenses

Account item	a. Consolidated cumulative 2nd quarter of the fiscal year ending March 2021	b. Consolidated cumulative 3rd quarter of the fiscal year ending March 2021	Increase/decrease (b-a)
Exchange loss	1,187 million yen	639 million yen	-548 million yen

2. Reason for the decrease

As the depreciation of the yen against the yuan progressed, there was exchange gain in obligations, such as yen-denominated borrowings and deferred payment (lease) for capital investment mainly at Chinese subsidiaries.