



March 27, 2018

Company name: Warabeya Nichiyo Holdings Co., Ltd.  
 Representative: Hiroyuki Otomo, Representative Director, President  
 (Securities code: 2918, Tokyo Stock Exchange First Section)  
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## Notice of Extraordinary Losses and Revisions to Financial Forecasts

Warabeya Nichiyo Holdings Co., Ltd. (the “Company”) has recorded extraordinary losses for the fiscal year ended February 28, 2018, as detailed below. As a result, the Company has revised its consolidated financial forecasts announced on January 10, 2018.

### 1. Recording of Extraordinary Losses

In accordance with Accounting Standards for Impairment of Fixed Assets, non-consolidated eel farming subsidiary Nichiman Co., Ltd. (a subsidiary of the Company’s consolidated subsidiary Nichiyo Co., Ltd.) has recorded impairment losses on fixed assets following revisions to its future profit projections due to a poor catch of glass eels and other factors.

Consequently, Nichiyo has increased provisions for loss on loans to Nichiman and provisions for loss on guarantees for Nichiman’s borrowings from financial institutions, resulting in the recording of total extraordinary losses of ¥365 million.

### 2. Revisions to Consolidated Financial Forecasts for the Fiscal Year Ended February 28, 2018 (March 1, 2017 – February 28, 2018)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Previous forecasts (A)	219,000	3,700	4,000	2,350	134.01
Current forecasts (B)	219,000	3,700	4,000	2,050	116.90
Change (B – A)	—	—	—	(300)	
Change (%)	—	—	—	(12.8)	
(Ref.) Results for previous fiscal year (ended February 28, 2017)	214,305	4,099	4,304	2,281	130.09

### 3. Reasons for Revisions

The Company has revised its consolidated financial forecasts for the fiscal year ended February 28, 2018 to reflect the above extraordinary losses and the latest business projections.

There is no change to the Company's year-end dividend forecast (¥40 per share).

Note: The above financial forecasts are based on information available at the time of this announcement and on certain assumptions that are deemed to be reasonable. Actual results may differ materially from these forecasts due to a range of factors.