



March 25, 2019

Company Name: NGK INSULATORS, LTD.
Listing Code: 5333
Stock Exchange Listings: Tokyo and Nagoya
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Notice Regarding Revision to the Financial Results Forecasts for the full year ending March 31, 2019

NGK INSULATORS, LTD. ("NGK") has resolved to dissolve a subsidiary as described in "Notice Regarding Dissolution of a Subsidiary" released today. In addition, NGK expects extraordinary loss at the end of March 2019, mainly due to impairment of fixed assets. NGK hereby announces that it has revised the consolidated financial results forecasts for the full year ending March 31, 2019 announced on October 30, 2018 in light of extraordinary loss hereinabove and recent performance trends.

1. Revisions to the consolidated financial results forecasts for the full year ending March 31, 2019

Forecasts of consolidated financial results for the full year ending March 31, 2019(April 1, 2018 to March 31, 2019)

(Millions of yen)	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	470,000	70,000	68,000	44,000	(yen) 136.74
Revised forecast (B)	462,000	63,000	63,000	34,500	107.22
Change (B-A)	(8,000)	(7,000)	(5,000)	(9,500)	—
Change (%)	(1.7%)	(10.0%)	(7.4%)	(21.6%)	—
For Reference: Results from previous year (the year ended March 31, 2018)	451,125	70,026	70,615	45,814	142.42

2. Reason for revisions

In terms of net sales and operating income, in the Ceramics Business Segment, shipments of ceramic substrates for catalytic conversion (HONEYCERAM) dropped in conjunction with a slowdown in passenger car sales in the Chinese market. In the Electronics Business Segment, demand for package products was sluggish on the backdrop of stagnant capital investments for mobile phone base stations in China. In the Process Technology Business Segment, demand of products for semiconductor manufacturing equipment decreases in the phase of postponement of capital investments and inventory adjustment by semiconductor manufacturer. As a result, company-wide net sales and operating income are expected to fall short of previous forecasts.

In addition to hereinabove, NGK expects loss on business of subsidiaries and associates following dissolution of a subsidiary, and impairment loss of fixed assets due to decline of profitability in the Package Business and the Power Insulator Business. As a result, profit attributable to owners of parent will be less than previous forecasts. The year-end dividend forecast (¥25 per share) remains unchanged.

The consolidated financial results forecasts for the of the fiscal year assume that average exchange rates during the period: ¥111 to the U.S. dollar and ¥129 to the euro. Financial results forecasts are based on information available at the time of the release, but are subject to many uncertainties. Actual results therefore may vary from forecasts due to changes in business conditions and other factors. Your understanding is appreciated.

(Reference)

March 25, 2019
NGK INSULATORS, LTD.

Consolidated Results — Segment Information
(After Elimination of Inter-Segment Transactions)

(Billions of yen)

	FY2017 Results
Total	
Consolidated Sales	451.1
Consolidated Op. Income	70.0
Op. Income Ratio	16%

FY2018	
Previous Forecast	Revised Forecast
470.0	462.0
70.0	63.0
15%	14%

Power Business

Consolidated Sales	54.4
Consolidated Op. Income	(4.7)
Op. Income Ratio	-

48.0	48.0
(6.5)	(8.5)
-	-

Ceramics Business

Consolidated Sales	240.7
Consolidated Op. Income	56.7
Op. Income Ratio	24%

252.0	249.0
56.5	55.0
22%	22%

Electronics Business

Consolidated Sales	61.3
Consolidated Op. Income	0.9
Op. Income Ratio	1%

62.0	59.0
1.0	(0.5)
2%	-

Process Technology Business

Consolidated Sales	94.7
Consolidated Op. Income	17.1
Op. Income Ratio	18%

108.0	106.0
19.0	17.0
18%	16%