



October 30, 2020

Company Name: NGK INSULATORS, LTD.
 Listing Code: 5333
 Stock Exchange Listings: Tokyo and Nagoya
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**Notice Concerning the Difference between Consolidated Financial Forecasts and Actual Results
 for the Six Months Ended September 30, 2020 and Revisions to the Full-Year Consolidated
 Financial Forecasts for the Fiscal Year Ending March 31, 2021**

NGK INSULATORS, LTD. ("NGK") hereby announce that there is a difference between the consolidated financial forecasts for the six months ended September 30, 2020, announced on September 24, 2020, and the actual results we announced today. We also announce that, in light of recent earnings trends, we have revised the full-year consolidated financial forecasts for the fiscal year ending March 31, 2021.

1. Differences between the consolidated financial forecasts and the actual consolidated financial results for the six months ended September 30, 2020 (April 1, 2020 to September 30, 2020)

(Millions of yen)	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	195,000	10,000	10,000	5,000	(yen) 15.80
Actual result (B)	194,942	11,573	12,218	7,267	22.96
Change (B-A)	(57)	1,573	2,218	2,267	—
Change (%)	(0.0)%	15.7%	22.2%	45.3%	—
For Reference: Results from the same period of the previous year (the six months ended September 30, 2019)	219,766	31,643	29,679	21,244	66.02

2. Revisions to the consolidated financial forecasts for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	420,000	33,000	34,000	21,000	(yen) 66.35
Revised forecast (B)	435,000	42,000	43,000	28,000	88.45
Change (B-A)	15,000	9,000	9,000	7,000	—
Change (%)	3.6%	27.3%	26.5%	33.3%	—
For Reference: Results from the previous year (the fiscal year ended March 31, 2020)	441,956	55,000	51,952	27,135	84.73

3. Reason for differences and revisions

For the first six months of the fiscal year under review, net sales were almost in line with the previous forecast. In terms of profits, however, cost reductions progressed more than expected and non-operating income and expenses including foreign exchange gain and loss improved at overseas subsidiaries. This meant that operating income, ordinary income and profit attributable to owners of parent all exceeded the previous forecast.

For the full year ending March 31, 2021, the automobile market, including China, is predicted to recover at a faster-than-expected pace although concern remains about a second wave of the COVID-19 pandemic. As such the year-on-year rate of decline is expected to be shorter than the previous forecast. Demand for our automotive-related products is expected to exceed the previous forecast as we believe the automobile industry will maintain its supply chain recovery in the second half as well.

For the full-year forecasts for the fiscal year ending March 31, 2021, both corporate sales and profits are estimated to beat the previous forecast due to the effect of corporate-wide cost reductions, increased sales in the Ceramics Business and improved capacity utilization.

The assumed exchange rates for the second half of the fiscal year are ¥105 to the U.S. dollar and ¥115 to the euro. The dividend forecast remains unchanged at the year-end dividend of ¥20 per share.

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)

October 30, 2020
NGK INSULATORS, LTD.

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

(Billions of yen)

Total	FY2020 1st half	
	Previous Forecast	Result
Consolidated Sales	195.0	194.9
Consolidated Op. Income	10.0	11.6
Op. Income Ratio	5%	6%

FY2020 YTD	
Previous Forecast	Revised Forecast
420.0	435.0
33.0	42.0
8%	10%

Energy Infrastructure Business

Consolidated Sales	20.0	19.1
Consolidated Op. Income	(2.5)	(2.3)
Op. Income Ratio	-	-

43.0	43.0
(4.5)	(4.5)
-	-

Ceramics Business

Consolidated Sales	98.0	98.3
Consolidated Op. Income	6.0	6.6
Op. Income Ratio	6%	7%

210.0	225.0
25.0	33.0
12%	15%

Electronics Business

Consolidated Sales	27.0	26.8
Consolidated Op. Income	0.5	0.6
Op. Income Ratio	2%	2%

57.0	57.0
1.5	2.0
3%	4%

Process Technology Business

Consolidated Sales	50.0	50.7
Consolidated Op. Income	6.0	6.6
Op. Income Ratio	12%	13%

110.0	110.0
11.0	11.5
10%	10%