

(English Translation)¹

July 30, 2019
NHK Spring Co., Ltd.

Guilty Plea Agreement between United States Department of Justice Regarding
HDD Suspension

NHK Spring Co., Ltd. has been under investigation on a potential violation of the United States Sherman Act (antitrust law) for manufacturing and sales of Hard Disk Drive (HDD) suspension since July, 2016 and we have fully cooperated thereto. On July 29, a charge was filed in a US court for a violation of the Sherman Act and we agreed to plead guilty and pay a 28.5 million US Dollars as a criminal fine.

We NHK Spring Co., Ltd. made a significant improvement of our compliance program including providing training to our employees, strengthening of our monitoring system to ensure internal rules are intact, and is committed in ensuring compliance to various laws and regulations including antitrust laws and will continue engaging in compliance globally to regain trust from stakeholders which may have been lost.

As a result of the Agreement, we expect to post 28.5 million US Dollars (approximately 3.1 billion Japanese Yen) as extra ordinary loss in the 1st quarter of our fiscal year 2019 ending in March, 2020.

Meanwhile, our consolidated financial forecast is now under review. We will disclose as soon as our review is completed.

¹ This is the English translation of the original Japanese text and in case of any doubts, the language and interpretation of the original Japanese text shall always supersede.