To whom it may concern,

Company name: Nabtesco Corporation

Representative: Katsuhiro Teramoto, Representative Director, President & CEO

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Announcement on Records of Extraordinary Income of Affiliated Companies

Nabtesco Corporation (hereinafter, "Nabtesco") hereby announces that it has recorded on first quarter in 2018 financial results (consolidated) based on recent recognition of extraordinary income of affiliated companies.

1. Records of extraordinary income amount and its details

Harmonic Drive Systems Inc. (hereinafter, "HD Systems") which is one of the Affiliated companies of Nabtesco realized new issue and disposal of treasury stock. In accordance with this realization, stockholding ration of Nabteco to HD systems has decreased. On the other hands, net assets amount as of March 31st, 2018 of Nabtesco was increased extremely.

Consequently Nabtesco recorded 6,000 million JPY(Consolidated) as return of investment of affiliated companies during 1Q 2018, (January 1st, 2018 through March 31st, 2018)

2. Forecast 2018FY

Regarding total impact to forecast of the consolidated financial results for 2018FY first half result and 2018FY full year result, Nabtesco is now estimating results based on the uncertainly market environment changes surrounding overseas subsidiaries and will announce once total impact is estimated.