

May 14, 2020

Press Release

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Notice of Posting of Extraordinary Loss

Citizen Watch Co., Ltd. (the "Company") hereby announces that the Company has posted an extraordinary loss in the consolidated financial results for the fiscal year ended March 31, 2020 as detailed below:

1. Overview of extraordinary loss

Given the significant downturn in the business environment in the wake of the novel coronavirus outbreak, the Company has developed a realistic assessment of collectability for its trade receivable balances associated with sales of movement manufacturing equipment and hybrid smartwatches. Based on the reassessment, the Company posted a 19,272 million yen impairment loss along with a 2,835 million yen premium severance payment associated with Citizen Electronics Co., Ltd. and its subsidiary in the Devices and Components segment, resulting in a 24,559 million yen extraordinary loss.

2. Impact on financial results

The above-mentioned effect has been reflected on the consolidated financial results (Japanese GAAP) for the fiscal year ended March 31, 2020 announced today.