

Company name: Citizen Watch Co., Ltd.
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Notice of Differences Between Consolidated Operating Results Forecasts and Actual Results for FY2019, and Non-Consolidated Operating Results for FY2019 and FY2018

Citizen Watch Co., Ltd. (“the Company”) hereby announces the differences between the full-year consolidated operating results forecasts for the fiscal year ended March 31, 2020 announced on February 12, 2020 and the actual results announced today. The Company also announces differences between non-consolidated operating results for the fiscal year ended March 31, 2020 and the actual results of the previous fiscal year. Details are as follows.

1. Differences between consolidated operating results forecasts and actual results for FY2019 (from April 1, 2019 to March 31, 2020)

(Unit: millions of yen, %)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Forecast previously announced (A) (February 12, 2020)	287,500	9,000	10,500	4,000	12.72 yen
Actual results (B)	278,531	6,136	7,531	(16,667)	—
Change (B – A)	(8,968)	(2,864)	(2,968)	(20,667)	—
Change (%)	(3.1)	(31.8)	(28.3)	—	—

Reason for differences

Sales of watches and movements, among other products, fell sharply, reflecting the serious deterioration of the business environment attributable to the impact of the spread of COVID-19. In addition, the Company posted an impairment loss with respect to manufacturing facilities for movements. Such factors contributed to the results that fell short of the previous forecast.

2. Differences between non-consolidated operating results for FY2019 and those for the previous fiscal year (from April 1, 2019 to March 31, 2020)

(Unit: millions of yen, %)

	Net sales	Ordinary profit	Profit for the term	Earnings per share
Actual results for FY2018 (A)	100,055	10,818	4,876	15.32 yen
Actual results for FY2019 (B)	91,302	7,529	2,446	7.79 yen
Change (B – A)	(8,753)	(3,289)	(2,429)	—
Change (%)	(8.7)	(30.4)	(49.8)	—

Reason for differences

Sales of watches and movements, among other products, fell sharply, reflecting a lingering decline in consumer interest following the consumption tax hike and a serious deterioration in the business environment attributable to the impact of the spread of COVID-19. In addition, the Company posted an impairment loss with respect to hybrid smartwatches. Such factors contributed to a decline from the previous fiscal year’s results.