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For Immediate Release

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**Notification Concerning Status of Response to COVID-19 Coronavirus and Its Impact, etc.**

We wish to offer our heartfelt condolences to those who lost their lives due to infection to COVID-19 coronavirus and express our sincerest sympathy to all sufferers.

The Okabe Group's response to the new coronavirus and its impact, etc. are as described below.

**1. Response aimed at mitigating the risk of infection**

The Okabe Group's top priority is to ensure the health and safety of our customers and business partners, employees of the Group and their families and is taking measures to mitigate the risk of infection as follows.

- Promote and recommend telework, staggered commuting, etc.
- Postpone or cancel non-essential or non-urgent meetings, etc.
- Carry out enlightenment activities for employees to encourage body temperature checks and health management.

**2. Current impact on corporate activities, etc.**

Water Gremlin Aquila Company S.p.A., a locally incorporated company in Italy, engaged in the development, manufacture and sales of automotive battery parts, etc., is suspending its corporate activities between March 21 and April 3, at the request of the Italian government.

Currently, the company plans to resume corporate activities from April 4 onwards. However, depending on the impact of the novel coronavirus, it is quite possible that we will be requested to extend the period of suspension of corporate activities. Accordingly, the company will continue to collect and update information, etc.

**3. Potential impact, etc. in the future**

**(1) Impact on corporate activities**

In the event that an employee of the Okabe Group becomes infected with the new coronavirus or that there is a request, etc. from the relevant government, we may temporarily suspend our corporate activities.

(2) Impact on trends in demand, etc. in the construction-related product business

With regard to trends in demand in the construction market in Japan and the United States, the major source of demand for the construction-related product business, the level of investment in construction in the private sector may decline as a result of a business slowdown, or there may be delays in the progress of construction work due to outbreaks of infection among construction workers.

(3) Impact on trends in demand, etc. in the automotive-related product business

The auto market, the major source of demand for the automotive-related product business, may face significant decreases in global automotive sales due to a decline in personal consumption, etc.

**4. Impact on operational results**

Currently, the direct impact from the new coronavirus is as described in “2. Current impact on corporate activities, etc.” above. Sales at Water Gremlin Aquila Company S.p.A., a locally incorporated company in Italy, accounts for approximately 3% of the consolidated net sales of the Okabe Group. Accordingly, the impact of the new coronavirus on the Group’s operating results is minimal based on currently available information.

However, as described in “3. Potential impact, etc. in the future,” we recognize the possibility that a significant impact will be felt in the Okabe Group’s corporate activities and on demand trends related to the Group’s major businesses. Accordingly, the Okabe Group will make continuous efforts to minimize the impact from the new coronavirus by collecting information and implementing response measures.

The Okabe Group will promptly disclose any possibility of the emergence of a new significant impact, etc.