



April 26, 2019

To whom it may concern:

Company Name: U-Shin Ltd.  
Representative: Kanae Okabe  
Representative Director, President  
and CEO  
(Code No. 6985, TSE Div. No. 1)  
Contact: Kazuya Tao  
Executive Officer,  
Chief of Accounting & Corporate  
Finance Headquarters  
Phone: +81-(0)3-5401-4660  
+81-(0)3-5539-6064 (from May 1,  
2019)

Notice of Postponement of Announcement of Financial Results for the Three Months (1Q) Ended  
March 31, 2019 and the Establishment of an Investigation Committee

We hereby announce as follows that we have decided to postpone the announcement of financial results for the three months (1Q) ended March 31, 2019 scheduled for May 14, 2019.

We offer our deepest apologies for any inconvenience or concern caused to our shareholders, investors, and all other stakeholders.

1. Reason for Postponement of Announcement of Quarterly Financial Results

With respect to U-SHIN (THAILAND) CO., LTD. (Rayong, Thailand), a consolidated subsidiary of our company, it has come to our attention through an internal investigation conducted at the time of the physical inventory at the end of the three months (1Q) ended March 31, 2019 that the inventory assets may have been overstated and the cost of sales may have been under-recorded in and after the fiscal year ending November 2012. (We are carefully assessing the amount, but we currently estimate the amount to be approximately one billion yen in total.) Due to the time required for the investigation by the investigation committee whose members include third parties, additional auditing procedures by the accounting auditor, and the like, we will postpone the disclosure of the summary of financial results for the three months (1Q) ended March 31, 2019.

2. Establishment of Investigation Committee

We established an investigation committee composed mainly of outside experts on April 26, 2019.

(1) Composition of the Investigation Committee

Chairman: Daisuke Morimoto (attorney at law, Nishimura & Asahi)

Member: Kenji Kawae (certified public accountant)

Member: Nobuhide Miyamori (outside director, Audit and Supervisory Committee  
Member, certified public accountant, certified public tax accountant)

(2) Purposes of Investigation

- Investigation of the facts relating to this matter (including whether any similar

incidents have occurred)

- Determination of the amount of impact on the consolidated financial statements and individual financial statements
- Ascertainment of the primary factors that led to this matter, and proposal of measures to prevent recurrence

### 3. Future Prospects

We are expected to receive the report by the investigation committee in early June and will announce the results of the investigation and the like once we receive the report. We will disclose the summary of financial results for the three months (1Q) ended March 31, 2019 in mid-June. We are examining measures to be taken regarding the submission of the quarterly report for the same quarter, and we will promptly announce if we determine the measures. In addition, we plan to postpone the Extraordinary General Meeting of Shareholders scheduled for June until July. For details of the Extraordinary General Meeting of Shareholders, please refer to the disclosed material dated April 23, 2019 entitled “Notice of Setting the Record Date for Convening the Extraordinary General Meeting of Shareholders.”

End