



(Translation)

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Notification Regarding the extraordinary loss due to the Revision of the Retirement Pension Scheme

Azbil Corporation has used the defined benefit corporate pension plan and the defined contribution pension plan for its retirement pension scheme. The company decided to terminate the defined benefit corporate pension plan and unify the plans to the defined contribution pension plan. Application for approval for the revision of the scheme was submitted to the Ministry of Health, Labour and Welfare on March 30, 2015, after the agreement between management and labor.

This revision to the scheme is based on the approval of the Ministry of Health, Labour and Welfare.

1. Outline and purpose of the revision of the retirement pension scheme

The company has implemented various measures for maintaining the retirement pension scheme, such as returning the entrusted employees' pension fund to the government, shifting from the qualified retirement pension plan to the defined contribution pension plan, revising the pension payment rate, and so on. This time, the company has decided to terminate the defined benefit corporate pension plan on June 1, 2015, and shift it to the defined contribution pension plan. Accordingly, these retirement pension plans are unified into the defined contribution pension plan, except for the current and future beneficiaries of the defined benefit corporate pension plan.

The purpose of this revision is to support the self-sustaining life plan of employees, stabilize our business administration by minimizing the effects of changes in market economies, etc. on our business performance, and actualize a sustainable corporate pension scheme.

2. Effects on business performance

This revision of the retirement pension scheme is estimated to record an extraordinary loss of about 3 billion yen in the consolidated fiscal year ending March 2015, although the exact amount is still being calculated.

The effects of this revision and other factors on the financial results expected for the full year are being scrutinized. If revision of the results expected for the full year is considered necessary, we will inform you immediately, but as of now, there are no changes to the forecast of financial results, considering the already announced other extraordinary income, etc. for the current fiscal year.