

October 30, 2017  
Nippon Electric Glass Co., Ltd.

## **Investment for the expansion of glass fiber production capacity in Europe and USA**

Nippon Electric Glass Co., Ltd. (Head Office: Otsu, Shiga, Japan; President: Motoharu Matsumoto) (the Company) has decided to expand its production capacity of glass fiber in its subsidiaries in the Netherlands and USA, which is used for the reinforcement of high functional thermoplastic resin for automotive applications.

Today, use of advanced composite materials such as highly-functional glass fiber-reinforced resin materials in automotive products are attracting much attention for their contribution to energy conservation and weight reduction.

Under these circumstances, the Company will increase the production capacity of European and USA glass fiber production base that acquired from PPG after 2016, in order to, firstly cope with demand expansion of glass fiber market in European and USA positively, and also improve the efficiency of the business by production in optimal locations, and diversify the supply risk as well. Overview of the business plan is as follows.

### <Outline of business plan>

Name of subsidiaries	Electric Glass Fiber America, LLC	Electric Glass Fiber NL, B.V.
Location	Lexington, North Carolina, USA	Hoogezand, The Netherlands
Product	Glass fiber for reinforcement of high functional thermoplastic resin	
Main equipment	Melting furnace, forming and process equipment for glass fiber	
Capacity increase	40,000 metric ton per year	100,000 metric ton per year
Investment amount	Approximately 3 billion yen	Approximately 7 billion yen
Production start	2 <sup>nd</sup> Q of 2018 (planned)	1 <sup>st</sup> Q of 2019 (planned)

By these investments, the glass fiber production capacity of the Company's group is expected to rise approximately 10% than before.