Notice on Closure of Wakasa-Kaminaka Plant

Nippon Electric Glass Co., Ltd. (NEG) has decided at the board of directors’ meeting held today, December 26, 2016, to close its Wakasa-Kaminaka Plant as below.

1. Reason for Closure
NEG suspended its operation of thin film coating process of glass for flat panel displays in Wakasa-Kaminaka Plant at the end of June 2016, and transferred the production capacity to Shiga-Takatsuki Plant for business restructuring due to the business withdrawal of its customers. According to the change of production base from Wakasa-Kaminaka to Shiga-Takatsuki, customers’ quality approval of Shiga-Takatsuki products were required and NEG has been working for obtaining the approval from customers. This time, as the approval process has almost completed, NEG has decided to close Wakasa-Kaminaka Plant, at which operations have been suspended.

2. Overview of Wakasa-Kaminaka Plant
- Location: 1-1 Wakasa Techno-valley, Wakasa-cho, Mikata-kaminaka-gun, Fukui, Japan
- Business: Production of glass for flat panel displays (thin film coating process)
- Establishment: November 1991

3. Future Prospects
NEG will remove all equipment from the site, and dispose of the buildings and land by sale in accordance with the prescribed procedure. NEG has already posted an impairment loss on fixed assets at Wasaka-Kaminaka Plant in the past fiscal year, so the effect on its consolidated performance will be negligible.