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## **Notice of Recording of Loss on Valuation of Shares of Subsidiaries and Associates (Non-consolidated Basis)**

Nippon Electric Glass Co., Ltd. (the “Company”) hereby announces that it has recorded an extraordinary loss as loss on valuation of shares of subsidiaries and associates in the non-consolidated financial results for the fiscal year ended December 31, 2021 (from January 1, 2021 to December 31, 2021).

### 1. Reasons for the loss

Since early 2020, a subsidiary in the U.S. operating a glass fiber business, Electric Glass Fiber America, LLC (“EGFA”) was suffering deteriorated revenues as a result of decreased sales and low productivity due to production adjustments made in response to the deteriorated market caused by the spread of the novel coronavirus disease (COVID-19). The market did recover afterwards and EGFA strove to improve revenues as production was increased at facilities in line with the market’s recovery. However, EGFA’s revenues were slow to recover due to delays in recovery of production capacity resulting from a shortage of worker as well as soaring logistics costs and fuel costs resulting from global supply chain disruption.

As a result of such circumstances, the value of the equity interest that U.S. subsidiary Nippon Electric Glass America, Inc. (“NEGA”) holds in EGFA fell significantly, causing NEGA’s own financial position to deteriorate. In response, the Company has recognized an impairment loss on NEGA’s shares held by the Company as a loss on valuation of shares of subsidiaries and associates.

### 2. Amount of the loss

8,658 million yen

### 3. Impact on our business performance

The amount of extraordinary loss stated in 2. above, which is recorded in the non-consolidated financial results, will be offset and eliminated when accounted for on a consolidated basis, and accordingly will have no impact on the consolidated results.