

Announcement of Transfer of the Dielectric Business

Nagoya, July 1st, 2014 —NGK SPARK PLUG CO., LTD. (President and CEO: Shinichi Odo, Headquarters: Nagoya, hereafter NTK) announced that it reached an agreement with MARUWA CO., LTD. (President: Sei Kanbe, Owariasahi, hereafter MARUWA) to transfer its dielectric business to MARUWA.

Background and purpose of the business transfer

The dielectric business is one section of the technical ceramics business of NTK. Using a wide range of process technology and dielectric material, we have developed, manufactured and sold mainly dielectric resonator of communication industry to the whole world.

As for MARUWA, it has positioned the ceramic technology as a core since its foundation. It holds the considerable share in quartz parts materials and parts such as ceramic substrate and dielectric ceramics.

NTK achieved the highest record of ordinary income in the fiscal year ended March 31, 2014, however, in order to achieve further improvement in results, we have been proceeded various restructuring measures in the sixth medium-term management plan currently in progress.

For example of these measures, as for automotive components businesses, it has just started operation of a new plant for the insulator, which is a key part of the spark plug. As for the semiconductor business in technical ceramics businesses, it conducts drastic measures to improve performance such as manufacturing transfers and strategic promotions of core products. As for the fine ceramic of technical ceramics businesses, a new organization named “i project” launched in this April. In this project, it reviews current business potential and competitive advantages precisely and makes decision to minimize or retreat for optimizing investment in prominent business and cultivate new businesses.

This transfer is one part of the restructuring measures to focus management resources on areas where we have competitive advantages, and also means to intend strengthening the technical ceramics business.

Schedule of Business Transfer

We plan to close the dielectric business by the end of September 2014, and transfer our production equipment to MARUWA will be started. MARUWA will succeed our long cultivated dielectric material, know-how and process technology. With their highly competitive dielectric products, this business will be aimed at further development in future.

There is no transfer of our personnel with the conclusion of this agreement.

Future prospects

It is a minor impact on the consolidated financial results for the year after transferring the business to MARUWA.

■About NGK SPARK PLUG CO., LTD.

NGK SPARK PLUG CO., LTD., headquartered in Nagoya, Japan, is a world leader of spark plugs and automotive sensors for internal combustion engines, which also offers a broad lineup of IC packages, cutting tools, bio ceramics and industrial ceramics. Since its foundation in 1936, we are delivering solutions based on the philosophy of producing quality products with participation by all employees. We have a global network of sales and manufacturing organizations, and over 12,000 employees work for creating values to the world. We are now pursuing to contribute the growth of a sustainable society by developing products related to the environment energy and electric vehicles.

For more information, please visit our website:

<http://www.ngkntk.co.jp/english/index.html>

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