

September 10, 2015

NGK SPARK PLUG CO., LTD.

**Announcement of a new plant construction in Korea  
for further strengthen of the Cutting Tools Department**

Nagoya, September 10, 2015 —NGK SPARK PLUG CO., LTD. (President and CEO: Shinichi Odo, Headquarters: Nagoya; hereafter NTK) is pleased to announce that our 100% owned subsidiary, NTK TECHNICAL CERAMICS KOREA CO., LTD. (President: Masamichi Yamada, Headquarters: Namdong-gu, Incheon, KOREA; hereafter NTK KOREA), decided to build a new plant in Korea.

**Purpose of a New Plant Construction**

We have been offering not only automotive-related business solutions but also offering the machine tool business solutions, such as Ceramic Tools in the world. Along with a tailwind of increasing the automobile productions in Europe and the United States, our business has been expanding in recent years. In the Ceramic Tools Department, we have positioned the ceramic tools, the SS tools (\* 1), the CBN tools (\* 2) and the rotating tools as a “growing segment”. Especially, we are planning to expand further sales of NTK Korea’s CBN tools which are highly competitive products in our global strategy, however, our current production capacity will not meet expanding demands from the market.

To provide the market’s needs, we have decided to build a new plant and strengthen its production capability.

We will promote a new plant operation along with Komaki plant and KAMIOKA CERAMIC, a subsidiary of NTK, and establish a consolidated production structure.

(\*1) SS tools: Applicable to almost automatic CNC lathe and small type CNC lathe for the purpose of turning small parts for auto mobile field, watch, camera, home electric appliances and OA instruments.

(\*2) CBN tools: This product is used for the cutting of ultra-hard material (HRC60 or more), wet high-speed finish-cutting, and slice-cutting of normal cast iron.

**Overview of a New Plant**

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|---------------------------------|---|
| 1. Site                         | 1656-3, ORYU-DONG, SEO-GU, INCHEON, KOREA   |
| 2. Production item              | CBN tools, Ceramic tools, SS byte tools etc.  |
| 3. Production Capacity          | increase by 250% from current production capacity<br>by the end of the fiscal year ending March, 2022 |
| 4. Site area                    | about 7,200 m <sup>2</sup>  |
| 5. Construction date (expected) | October, 2015   |
| 6. Completion date (expected)   | December, 2016  |
| 6. Operation date (expected)    | January, 2017   |
| 7. Investment amount            | about 2 billion yen (land, plant and facilities)  |

**About NTK KOREA**

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|----------------------------|---|
| 1. Company name            | NTK TECHNICAL CERAMICS KOREA<br>CO., LTD.             |
| 2. Site                    | 240, CHEONGNEUNG-DAERO,<br>NAMDONG-GU, INCHEON, KOREA |
| 3. Representative          | Masamichi Yamada                                      |
| 4. The year of established | 1993  |
| 5. Capital                 | 13.5 billion won<br>(100% subsidiary of NTK)          |
| 6. Description of business | sales and production of ceramic related<br>products   |
| 7. Number of Employees     | 68 (as of June 30, 2015)                              |

**Image of a New Plant**



■About NGK SPARK PLUG CO., LTD.

NGK SPARK PLUG CO., LTD., headquartered in Nagoya, Japan, is a comprehensive ceramics processing manufacturer. We hold a world leading share of spark plugs and automotive sensors for internal combustion engines and also offer a broad lineup of packages, cutting tools, bio ceramics and industrial ceramics. Our global network of sales and manufacturing organizations, and over 13,000 employees deliver value creation to the world. We are now contributing to a sustainable society by developing products related to the environment energy, next generation vehicles and the medical device and diagnostic. The company's belief is to embrace the challenge of new era under the catch-phrase of "manufacturing only one and number one product".

For more information, visit

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

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