

September 28, 2015

NGK SPARK PLUG CO., LTD

**Announcement of extraordinary loss due to the payment for settlement**

On September 28, 2015 (Japan Standard Time), —NGK SPARK PLUG CO., LTD. (President and CEO: Shinichi Odo, Headquarters: Nagoya) had expected to count the extraordinary loss for the second quarter of fiscal year ending March 2016. Below is the announcement of this content.

1. Outline of this extraordinary loss:

NGK SPARK PLUG CO., LTD. had agreed to pay US \$52.1 million for the violation of US anti-trust law against the part of business of spark plugs and oxygen sensors in USA, on August 19, 2014 (US Eastern Standard Time). After this plea agreement, we had been negotiated with some of the customers about settlement. Considering the negative affection of long term negotiation to our business with these customers, at today's board member's meeting, we decided to pay \$125 million (about 15 billion Japanese yen) as settlement fee toward some of the customers, determining quick settlement on this matter would contribute our total benefit. Detail of the settlement needs to follow Non-Disclosure agreements among customers and we are not allowed to disclose the contents.

2. Impact to the financial forecast:

This extraordinary loss would be counted to the second quarter of fiscal year ending March 2016.

The impact on the Company's financial forecast for the second quarter of fiscal year ending March 2016 is described on "Notice regarding revised financial forecast", which is released at the same time.