September 30, 2015

To whom it may concern:

NPC Incorporated
1-7-15 Higashi-ueno, Taito-ku
Tokyo 110-0015, Japan

Announcement on Booking Non-operating Income and Extraordinary Loss

NPC Incorporated, hereinafter referred to as “the Company”, hereby announces that non-operating income and extraordinary loss will be booked for consolidated and non-consolidated business results for the fiscal year ended August 31, 2015. Details are as follows:

Descriptions

1. Non-operating income detail

To complete liquidation of the Company’s former consolidated subsidiary NPC-Meier GmbH, located in Germany, the Company booked provision for loss on liquidation of subsidiaries and associates of 222 million yen in the fiscal year 2013.

Having proceeded with adjustment of debts and liquidation procedures successfully, the Company will partly reverse the provision for loss on liquidation of subsidiaries and associates, and will book non-operating income of 72 million yen for the fiscal year ended August 31, 2015.

2. Extraordinary loss detail

Despite the efforts to extend the module assembly contract with the customer in the contract module assembly business, its contract expired at the end of August, 2015. While the Company has been negotiating with some customers for new contracts, it has a plan to change specifications of the manufacturing line for improving production efficiency. Therefore, it has decided to book an impairment loss for a part of the machinery and equipment as extraordinary loss of 44 million yen for the fiscal year ended August 31, 2015.

3. Impact on business forecast

The non-operating income and extraordinary loss will be booked for the fiscal year ended August 31, 2015, however, there will be only a negligible impact on the consolidated forecast.

The Company is scheduled to announce the business results for the fiscal year ended August 31, 2015 on October 7, 2015.

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