

June 27, 2019

To all persons concerned:

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

Announcement on Dissolution of Joint Venture

PV Techno Cycle, Inc. (“PV Techno Cycle”), a joint venture, hereby notifies that it has resolved to dissolve itself as of June 30, 2019.

Descriptions

1. Reasons for dissolution

PV Techno Cycle was established as a joint venture by NPC Incorporated (“the Company”) and HAMADA Co., Ltd. (“HAMADA”) in August 2016, for the purpose of establishment of reuse and recycling method of photovoltaic (“PV”) panels.

The business related to reuse panels by PV Techno Cycle has grown by various actions utilizing the PV industry network of the Company and the nationwide network of industrial waste treatment of HAMADA. The two companies participated together in the PV recycling technology development project by New Energy and Industrial Technology Development Organization (“NEDO”) in 2015, and achieved its cost target at an early stage through the panel disassembly equipment, developed by the Company. The project completed in December 2018, earlier than the initial schedule. Through the project, the cost efficient, low environmental impact and the most appropriate recycling process has been established.

Thus, the Company believes the purpose of the joint venture establishment was fulfilled and excellent results were yielded. With the completion of the NEDO project, both companies have agreed to dissolve the joint venture to develop the reuse/recycling business independently. The Company will continuously cooperate with HAMADA as a business partner and each company will develop its PV panel reuse/recycling business.

2. Future strategy and impact on business results of the Company

The Company will enhance its PV panel reuse and recycling business based on the achievement so far. The Company will also launch intermediate treatment of PV panels with a PV panel disassembly line featuring “the separation method using heated blade,” which it has developed, at the Matsuyama Factory. Further, the Company will sell PV panel disassembly lines to industrial waste disposers throughout Japan to establish a nationwide structure to accept and recycle PV panels.

Impact on the dissolution is expected to be minor, as PV Techno Cycle is an unconsolidated subsidiary. Also, the amount of money similar to the investment (approximately 4.5 million yen) is expected to be returned after completion of liquidation procedures.

3. Outline of the joint venture to be dissolved

- (1) Company name : PV Techno Cycle Inc.
- (2) Head office : Keihin-jima 2-7-5, Ota-ku, Tokyo, Japan
- (3) Representative : Taisuke Doi (NPC Incorporated)
- (4) Main business : Recycle and reuse of PV panels
- (5) Capital : 9 million yen
- (6) Date of establishment : August 1, 2016 (planned)
- (7) Capital contribution ratio : NPC: 50%, HAMADA: 50%

4. Outline of the counterpart of the joint venture

- (1) Company name : HAMADA Co., Ltd.
- (2) Head office : Akutagawa-cho 2-24-5, Takatuki-shi, Osaka, Japan
- (3) Representative : President, Tokusuke HAMADA
- (4) Main business : Industrial waste treatment
- (5) Capital : 31 million yen
- (6) Date of establishment : November 8, 1969
- (7) Fiscal year end : July 31

5. Schedule

Date of resolution *	June 27, 2019
Date of dissolution	June 30, 2019
Completion of liquidation (planned)	November, 2019

*The dissolution was deemed to have been resolved at the meeting of shareholders as the entire shareholders agreed on the dissolution by document.

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