October 31, 2025

Company Name:	NGK INSULATORS, LTD.
Listing Code:	5333
Stock Exchange Listings:	Tokyo and Nagoya
Representative:	President Shigeru Kobayashi (Mr.)
Contact:	Vice President, General Manager Finance & Accounting Dept. Hideaki Tsukui (Mr.) (TEL) +81-52-872-7230

Notice Concerning Company Split with Subsidiary (NGK ELECTRONICS DEVICES, INC.) and Absorption-Type Merger between Subsidiaries

NGK INSULATORS, LTD. (the “Company”) hereby announces that, at the Board of Directors meeting held on October 31, 2025, it has resolved to conduct a company split (simplified absorption-type company split), effective on April 1, 2026 (planned), whereby the sales division of its wholly owned subsidiary, NGK ELECTRONICS DEVICES, INC. (“NGKED”), will be succeeded by the Company (the “Company Split”). Since the Company Split is a simplified absorption-type company split involving a wholly owned subsidiary, certain disclosure items and details have been omitted.

In addition, it will implement an absorption-type merger (the “Merger”), under which NGK CERAMIC DEVICE CO., LTD. (“NCDK”), a wholly owned subsidiary of the Company, will be the surviving entity. Through the Merger, NCDK will absorb NGKED and acquire its manufacturing division. (NGKED will be dissolved as a result of the Merger.)

Although the Merger is not subject to disclosure requirements under listing regulations, it is included here as it constitutes a major part of the organizational restructuring.

This organizational restructuring will be executed by first implementing the Company Split, followed by the Merger on the same day.

1. Purpose of the Company Split

The ceramic package segment of the Company’s group has, until now, been fully managed by NGKED, which handled development, manufacturing, and sales functions. However, due to the difficulty in securing human resources and the need to improve operational efficiency, maintaining and strengthening competitiveness has become a key challenge. To achieve sustainable growth and enhance competitiveness in the electronics components business, including the ceramic package segment, by fully leveraging the Group’s proprietary ceramic technologies, the Company will implement the following organizational restructuring, including the Company Split:

- The Company will succeed the sales division of NGKED through a simplified absorption-type company split, aiming to improve efficiency. In addition, the Company will newly take on the development of the ceramic package segment to enhance synergies with other fields and strengthen development capabilities. Furthermore, the Company will acquire the shares of NGK ELECTRONICS DEVICES (M) SDN. BHD. and NGK GLOBETRONICS TECHNOLOGY SDN. BHD., subsidiaries located in Malaysia that entrusted with manufacturing operations by NGKED, as part of the assets transferred through the Company Split. As a result, both entities shall become subsidiaries of the Company and will be utilized as manufacturing bases for the Company’s electronics components business, including the ceramic package segment.
- It will implement the Merger, under which NCDK, a wholly owned subsidiary of the Company entrusted with manufacturing operations, will be the surviving entity. Through the Merger, NCDK will absorb NGKED and acquire its manufacturing division. NGKED will be dissolved as a result of the Merger. The Merger will enable the sharing of manufacturing know-how and equipment between the two companies, flexible personnel allocation, and reduction of indirect costs, thereby enhancing the Group’s overall profitability through a manufacturing-specialized subsidiary.

By optimally reallocating the functions previously handled by NGKED within the Group, we aim to enhance the specialization of each function and concentrate management resources on the production of high-value-added products that require highly precise processes, thereby building a stronger and more sustainable business foundation.

2. Overview of the Company Split

(1) Schedule of the Company Split

Date of the Board of Directors' resolution	October 31, 2025
Date of conclusion of the absorption-type company split agreement	January 31, 2026 (Scheduled)
Date of the absorption-type company split (effective date)	April 1, 2026 (Scheduled)

(Note) Since the Company Split falls under a simplified absorption-type company split as stipulated in Article 796, Paragraph 2 of the Companies Act, it will be carried out without obtaining approval by resolution at general meeting of shareholders.

(2) Type of the Company Split

This is an absorption-type company split in which the Company will be the succeeding company and NGKED will be the splitting company.

(3) Details of allotment related to the Company Split

There will be no allotment of shares or other assets.

(4) Treatment of share acquisition rights and bonds with share acquisition rights in connection with the Company Split

Not applicable.

(5) Increase or decrease in share capital due to the Company Split

There will be no change in the Company's share capital.

(6) Rights and obligations to be succeeded by the successor company

The Company will succeed to the assets, liabilities, and other rights and obligations related to the business subject to the Company Split, as specified in the absorption-type company split agreement.

(7) Prospects for fulfillment of obligations

The Company have determined that there are no issues regarding the prospects for the fulfillment of obligations that the Company will bear after the effective date of the Company Split.

3. Overview of the companies involved in the Company Split (As of March 31, 2025)

	Succeeding company	Splitting company
Company Name	NGK INSULATORS, LTD.	NGK ELECTRONICS DEVICES, INC.
Location	2-56 Suda-cho, Mizuho, Nagoya 467-8530, JAPAN	2701-1 Higashi-bun, Omine-cho, Mine, Yamaguchi 759-2212, Japan
Job title and name of representative	Shigeru Kobayashi, President and Representative Director	Yutaka Tomiyama, President and Representative Director
Description of business	Manufacturing and Sales of Ceramic Products	Manufacturing and Sales of Ceramic Products
Share capital	70,064 million yen	3,450 million yen
Date of establishment	May 5, 1919	March 26, 1991
Number of shares outstanding	297,956,996 shares	9,659 shares
Fiscal year-end date	March 31	March 31
Major shareholders and ownership ratios	The Master Trust Bank of Japan, Ltd. (Trust Account) 17.38% Meiji Yasuda Life Insurance Company 7.40% The Dai-ichi Life Insurance Co., Ltd. 7.32% Custody Bank of Japan, Ltd. (Trust Account) 5.95%	NGK Insulators, Ltd. 100.00%

Financial conditions and operating results for the latest fiscal year	Fiscal year ended March 31, 2025 (consolidated)	Fiscal year ended March 31, 2025 (non-consolidated)
Net assets	727,506 million yen	(14,599 million yen)
Total assets	1,142,986 million yen	11,973 million yen
Net assets per share	2,455.87 yen	(1,511,483.54 yen)
Net sales	619,513 million yen	13,111 million yen
Operating income (loss)	81,241 million yen	(4,501 million yen)
Ordinary income (loss)	78,249 million yen	(4,646 million yen)
Net income (loss) attributable to owners of the parent	54,933 million yen	*Net loss (5,184 million yen)
Net income (loss) per share	185.96 yen	(536,746.90 yen)

4. Overview of business division to be split and succeeded to in the Company Split

(1) Description of the business division to be split and succeeded to

Sales division of NGKED

(2) Operating results of the division to be split and succeeded to (Fiscal year ended March 31, 2025)

Net sales: 13,111 million yen

(3) Items and amounts of assets and liabilities to be split and succeeded to (Fiscal year ended March 31, 2025)

Item	Book value	Item	Book value
Current assets	3,746 million yen	Current liabilities	— million yen
Non-current assets	84 million yen	Non-current liabilities	197 million yen
Total assets	3,831 million yen	Total liabilities	197 million yen

(Note) Since the above amounts are calculated based on the balance sheet as of March 31, 2025, the actual amounts to be succeeded will be adjusted to reflect any increases or decreases up to the day before the effective date of the Company Split.

5. Status after the Company Split

There will be no changes to the Company's name, location, representative's title and name, business activities, share capital, or fiscal year as a result of the Company Split.

6. Future outlook

Since the Company Split is between the Company and the Company's wholly owned subsidiary, the impact on the Company's consolidated financial results will be immaterial.