

May 11, 2016

2nd Notice Concerning Shutdown of Part of the Production Operation in One of our Subsidiaries

On May 10, 2016, YAMASHIN-FILTER CORP. announced that the YAMASHIN CEBU FILTER MANUFACTURING CORP., one of the company's subsidiaries, shut down part of the production operation. We announce that the subsidiary restarted the production operation in May 11, 2016 around 1:30 pm, local time (2:30 pm Japan time). Details are as follows;

1. Subsidiary's name and location

- (1) Subsidiary's name: YAMASHIN CEBU FILTER MANUFACTURING CORP.
- (2) Location: Mactan Economic Zone 2-Special Economic Zone Basak, Lapulapu-City6015
Mactan Cebu, Philippines

2. Impact on operations

We confirmed that there were no injuries to our employees. Although the part of the processing equipment was damaged, the equipment has been restored, and the production line involving the equipment has been returned to normal until now. There is no change to the future shipping schedule.

3. Cause of fire

We are investigating the cause of the fire. We will disclose the details of the cause of the fire and the future preventative methods in regards to fire when the details are clear.

4. Impact on business performance

The impact on our business performance is not significant.

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