

Setup of a wholly owned subsidiary and takeover of business

NPC Europe GmbH, a wholly owned subsidiary of NPC Incorporated, has set up its wholly owned subsidiary in Germany, which took over the business of Meier Solar Solutions GmbH (hereinafter referred to as MSS) which was a German company and had gone bankrupt in July 2010.

[History of MSS]

- 1976 Hübers Meier OHG founded for a purpose of manufacturing and sales of vacuum related equipment.
- 1984 The company name was changed to A. Meier KG.
- 1993 Deutsche Vakuumapparate Holland-Merten GmbH, located in Roßla, Germany, was absorbed.
- 1995 R&D on laminators for photovoltaic industry started.
- 2008 Photovoltaic laminator division became independent as MSS.
- 2010 MSS business was on sales under the insolvency administrator.

[Subsidiary outline]

- 1) Name Meier Solar Solutions GmbH
- 2) Location Bocholt, Germany
- 3) Representative Petra Katharina Meurer
- 4) Business R&D, designing, manufacturing, sales and services of manufacturing equipment for photovoltaic system
- 5) Fiscal end July 31
- 6) Employee# about 110 people (taken over from MSS)
- 7) Capital EUR25,000.00
- 8) Foundation August 31, 2010
- 9) Shareholder NPC Europe GmbH 100%

[Assets taken over]

Purchase price: EUR8,800,000.00

- A) Inventories including finished products
- B) Work-in-progress (unfinished products)
- C) Advance payments received
- D) Prepayments paid to suppliers
- E) Goodwill
- F) Patents and other intangibles

[Expected effects]

Takeover of MSS business including two factories in Germany and 12 offices (*) in the world could cause great synergy effects with the NPC group business. Expected effects are listed below; (*) including MSS's agent offices.

- A) Strengthen the "Worldwide Leadership."
- B) Lead to closer relations with more customers.
- C) Build flexible and optimized production network.
- D) Build sales and service network closer to customers.
- E) Create technology fusion to launch the state-of-the-arts.