15<sup>th</sup> September, 2017 Hosokawa Micron Corporation Corporate Planning & International Administration Div.

## Announcement of Factory Renewal Project

Hosokawa Micron Corporation hereby announces that our current Osaka Plant near headquarters building (Hirakata, Osaka) will be rebuilt, which was resolved at the board of director meeting held on September 15<sup>th</sup>, 2017 as set forth below.

## Purpose:

Factory Renewal of Osaka Factory, which has been past 50 years after construction, will ensure the safety and earthquake resistance, create a better working environment and review the layout in the factory to improve productivity for high-value added products in the future.

## Overview of New Factory:

Name of Facility: Hosokawa Micron Corporation, Osaka Plant

at 1-9, Shodaitajika, Hirakata-shi, Osaka 573-1132, Japan

Total Floor Space: 10,030 m<sup>2</sup>

Construction Plant One-story x 5 buildings, 7,600m<sup>2</sup>

Office Building Four-story, 2,430 m<sup>2</sup> (for design department and indirect division)

Investment: approx. JPY3.6 billion in total

## Construction Schedule:

Demolition and construction work will be divided into two phases in order to maintain current production work.

October, 2017 Basic design, Detail design

March, 2018 1st phase of the construction work will be started

April, 2019 1st phase will be completed April, 2020 2nd phase will be completed

Influence to the consolidated business result of this fiscal 2017 will be negligible.