



July 14, 2009

To whom it may concern:

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Announcement of Establishment of Joint Venture Company for Functional Membranes for Water Treatment

NOK Corporation announces the establishment of a joint venture company for the production of functional membranes for water treatment through joint investment with the Tsinghua Tongfang Co., Ltd. (“Tongfang”) syndicate supported by Tsinghua University, China.

1. Date of establishment and company name

Date of establishment: July 8, 2009
Company name: Tongfang NOK (Wuxi) Membrane Technology Co., Ltd. (“TNMT”)

2. Background

- (1) Tongfang is a company operating water treatment business in China. To cover its rapidly increasing need for water treatment membranes, Tongfang has been considering self-manufacturing of membranes and looking for a business partner possessing membrane manufacturing technology.
- (2) As one of its ongoing challenges, NOK has been trying to promote globalization of production and marketing of membranes for household water purifiers and water treatment membranes for industrial use. To this end, NOK needs to increase its production capacity (effluent processing capacity), realize cost reduction, and upgrade and expand its global marketing network.
- (3) As the two companies meet the needs of each other, both have agreed to establish a joint venture company.

3. Profile of TNMT and Tongfang

Company	TNMT	Tongfang
Date of establishment	July 8, 2009	June 25, 1997
Location	Xishan Economic Development Zone, Wuxi	City of Beijing
Capital	40 million yuan (approx. 560 million yen)	110.7 million yuan (approx. 1,550 million yen)
Investment ratio	Tongfang : NOK = 50 : 50	—————
Description of business	Manufacturing and marketing of functional membranes for water treatment and related products	Marketing of household appliances, electronics products, water treatment equipment, etc.
Major clients (purchasers)	Membranes for industrial use: Chinese clients Membranes for household water purifiers: Japanese clients	—————
Annual sales	FY 2009: 34 million yen FY 2014 (Target): 2,800 million yen	FY 2008: 14,626 million yuan (204.8 billion yen)
Representative	Zhang Yuzhou, Chairman of the Board	Rong Yonglin, Chairman of the Board