

August 30, 2021

Air Water Inc.

Nihon Dennetsu Co., Ltd. Plans to Construct a New Plant Building to Increase Production of Heat Control Equipment for Semiconductor Manufacturing Devices
-- Increased Production by 1.5 Times through Aggressive Investment for Further Expansion of Electronics-Related Business --

Air Water Inc. is pleased to announce that Nihon Dennetsu Co., Ltd. (Hiroyuki Matsuda, CEO and President; head office: Azumino-shi, Nagano), an Air Water Group company that manufactures and sells various heating equipment, has decided to construct a new building for manufacturing heat control equipment for major semiconductor manufacturers in Japan on the premises of its Azumino head office and plant. The company made this decision in anticipation of rapid expansion of the semiconductor market. Construction of the new building is planned to be started in January 2022 and completed on September 30 of the same year.

1. Overview

Air Water Inc. believes that the electronics-related domain, the market for which is expanding rapidly, will continue to drive the growth of its industrial gas business in the future. In response to the ongoing increase in production by major semiconductor manufacturers in Japan, the company is advancing construction of large onsite plants on an unprecedented scale, so as to supply nitrogen gas, which is essential for the semiconductor manufacturing process, via pipelines. The company is also expanding its business domains in peripheral fields, such as special chemical materials, the equipment for supplying them, and gas purification equipment, aiming to obtain a position comparable to that of the global gas giants in the electronics field.

In 1949, just after the end of the Second World War, Nihon Dennetsu became the first company in Japan to successfully develop and domestically manufacture the sheathed heater, the precursor of heaters. Since then, Nihon Dennetsu has been built an extensive track record in the field of heat in numerous industries. As a result, it holds the leading market share for industrial heat control equipment in Japan. In addition, by taking advantage of the heat control technologies it has developed through many years of operation, Nihon Dennetsu supplies heat control equipment, essential for manufacturing semiconductors, to major semiconductor manufacturers. They include hot plates, which evenly heat wafers, and cooling plates.

In recent years, semiconductor manufacturers have been stepping up efforts to increase their production capacity in response to the global growth in demand for semiconductors. Moreover, the miniaturization of semiconductors and spread of multi-layer semiconductors have increased the importance of heat control technologies in the semiconductor manufacturing process. In this environment, Nihon Dennetsu will increase its capacity to produce heat control equipment for semiconductor manufacturing devices by a factor of 1.5 compared with the current level by constructing a new building.

2. Overview of the new building to be constructed

- (1) Location: 3788-1 Misatoyutaka, Azumino-shi, Nagano (On the premises of the Azumino head office and plant)
- (2) Areas: 6,260 m² (total floor area), 3,700 m² (building area)
- (3) Structure: 2-story steel frame building
- (4) Construction schedule: Planned to be started in January 2022 and completed on September 30, 2022
- (5) Investment amount: Approx. 3.5 billion yen (including production equipment)

3. Overview of Nihon Dennetsu Co., Ltd.

- (1) Established: March 1946
- (2) Capital: 95,000,000 yen
- (3) Representative: Hiroyuki Matsuda, CEO and President
- (4) Sales: 5.2 billion yen (FY2020)
- (5) Number of employees: 187 (As of April 30, 2021)
- (6) Shareholder: Air Water Inc. (100%)

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