



December 24, 2020

Notice regarding Transfer of Shares in Consolidated Subsidiary

Company name : **SMC Corporation**
Stock exchange listing : Tokyo Stock Exchange first section
Security code : 6273
URL : <https://www.smcworld.com/ir/en/>
Representative : Katsunori Maruyama, President
Contact person : Akinori Kato, General Manager of Corporate Communications Office

SMC Corporation (hereinafter “SMC”) hereby announces that it resolved at the board of directors' meeting held today, to transfer all shares of its consolidated subsidiary, Toyo Warehouse and Transportation Co., Ltd. (hereinafter, “Toyo Warehouse & Transportation”) to SBS Holdings, Inc.

After this share transfer, Toyo Warehouse & Transportation will no longer be a consolidated subsidiary of SMC.

1. Reason for the share transfer

Toyo Warehouse & Transportation owns two large warehouse in the Tokyo coastal area, and operates a warehouse business and other businesses.

This time, SMC decided this share transfer, to concentrate its management resources to the business of manufacturing and sales of automatic equipment as its main business, and to utilize the resources more efficiently.

Furthermore, SMC considers it is the best decision for the future development of Toyo Warehouse & Transportation to join in a group of a leading logistics company.

2. Overview of subsidiary to be transferred

(1) Name	Toyo Warehouse and Transportation Co., Ltd.	
(2) Address	1-22-10, Nishi-Shimbashi, Minato-ku, Tokyo, Japan	
(3) Representative	Kojiro Okada, Representative Director	
(4) Major Business	Warehousing, Customs broker, Freight forwarding	
(5) Share capital	JPY 191 million	
(6) Date of establishment	April 18, 1960	
(7) Major shareholder	SMC Corporation (100% owned)	
(8) Relationship with SMC	Capital relationship	100% of Toyo Warehouse & Transportation's shares are owned by SMC
	Personal relationship	2 directors and 1 corporate auditor of SMC serves Toyo Warehouse & Transportation
	Business relationship	Consignment of cargo handling and delivery operations

(9) Operating results and financial positions for the last three fiscal years (in millions of Yen, except per share figures)			
Financial Years Ended	March 31, 2018	March 31, 2019	March 31, 2020
Net Assets	5,655	5,803	5,950
Total Assets	7,439	7,481	7,617
Net Assets per Share	14,765.85 yen	15,150.97 yen	15,356.18 yen
Revenue	2,153	2,326	2,436
Operating Profit	189	220	220
Ordinary Profit	189	220	223
Net Income	137	153	156
Net Income per Share	358.72 yen	400.21 yen	408.40 yen
Dividend per Share	0	0	0

3. Overview of the company purchasing the shares

(1) Name	SBS Holdings, Inc.	
(2) Address	4-1-3, Taihei, Sumida-ku, Tokyo, Japan	
(3) Representative	Masahiko Kamata, President and Representative Director	
(4) Major Business	Logistics, Real estate, and other business	
(5) Share capital	JPY 3,920 million	
(6) Date of establishment	December 16, 1987	
(7) Net Assets	JPY 54,077 million	
(8) Total Assets	JPY 180,047 million	
(9) Major shareholders and shareholding ratio (as of December 31, 2019)	Masahiko Kamata	36.22%
	Japan Trustee Services Bank, Ltd. (Trust Account)	15.86%
	Employee stock ownership association of SBS Holdings	3.46%
	Master Trust Bank of Japan (Trust Account)	3.31%
	Trustee of Specified Money Trust, SMBC Trust Bank Ltd.	3.02%
	Tobu Real Estate Co., Ltd.	2.40%
	Hiroshi Date	2.09%
	Government of Norway	2.08%
	Junichi Ouchi	2.01%
	Masaru Wasami	0.91%
(10) Relationship with SMC	Capital relationship	None
	Personal relationship	None
	Business relationship	None
	Applicability to related parties	None

(note) Japan Trustee Service Bank, Ltd. changed its corporate name to Custody Bank of Japan, Ltd. after the merger on July 27, 2020.

4. Number of shares transferred, and Status of holdings before and after the share transfer

(1) Number of shares owned before the transfer	383,008 shares (number of voting rights: 383,008) (ratio of ownership of voting rights: 100%)
(2) Number of shares to be transferred	383,008 shares
(3) Transfer price	JPY 7,200 million
(4) Number of shares to be owned after the transfer	0 share

5. Schedule

(1) Date of resolution at the board of directors' meeting	December 24, 2020
(2) Execution date of share transfer agreement	December 24, 2020
(3) Closing date	January 29, 2021 (scheduled)

6. Future outlook

In association with this share transfer, SMC expects to record gain on sales of shares of subsidiary in the 4th quarter of the fiscal year ending March 31, 2021.

The impact on our consolidated operating results will be minor.

End