



October 1st, 2018

To whom it may concern

This document is an English translation of a statement written initially in Japanese. The Japanese original should be considered as the primary version.

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Representative; President & CEO Hiroshi Otsuka
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**Notice of the acquisition of share of ASADAKATAN CHUTETSUSHO Co., Ltd.
(To be consolidated)**

Musashi Seimitsu Industry Co., Ltd. (hereinafter called “MSI”) announces its decision to acquire all shares of ASADAKATAN CHUTETSUSHO Co., Ltd.(Headquarters: Fukuchiyama, Kyoto-fu, Chairman & CEO Takayoshi Asada, hereinafter called “ASADAKATAN CHUTETSUSHO”) to consolidate (hereinafter called the “Agreement”) as outlined below.

1. Purpose of the acquisition

Since its foundation in 1938, MSI, based on the founding spirit of “Shitsujitsu - Goken” (Simple and Sturdy), “Shisei – Ikkan” (Consistent Sincerity), has taken it as a corporate mission to seek an innovative “Monozukuri” and to contribute to global society through providing trusted and attractive products. To realize “Musashi Global Vision 2020”, MSI has committed itself to generate MSI branded products for next generation through many efforts such as strengthening original and high precision forging technology, expansion of global production and sales network, optimization of global operations and strengthening product development capability. At present, MSI offers services to clients globally from 30 production sites (16 bases in Asia, 5 bases in Americas, 9 bases in Europe). MSI's business consists of Power train business unit for four-wheel vehicles (*1), L&S business unit for automotive components (2*) and Motorcycle business unit. Powertrain, in particular, under the growing global trend favoring reduction of environmental impacts, is also increasing its demand for newly structured parts. Therefore, MSI has been sharpening integrated processing technologies focusing on competitive and precise forging technology and is further accelerating its development of smaller, lighter and higher precision products such as Differential Assembly (*3) and Planetary Assembly (*4) .

ASADAKATAN CHUTETSUSHO, which was founded in 1916, is a manufacturer specializing in ductile products and machining for automobile, construction machines and industrial machines with highly competitive casting lineups sustained by original casting technology and quality control knowhow. In addition, ASADAKATAN CHUTETSUSHO has built a strong network with major automobile manufacturers, mechanical system manufacturers and automotive parts suppliers.

Through this Agreement, MSI expects to achieve synergies in development, production and sales as followings.

- Strengthen the infrastructure for our main product, Differential Assembly through casting processes.
- Enhancing product development capabilities for Power Train business by gaining casting knowledge.
- Expansion of global supply system by utilizing the established production system in Japan.

Through this Agreement, MSI will strengthen its business platform as a global company supplying highly

competitive products worldwide.

*1 Automotive powertrain components.

*2 Automotive parts business for linkage of frame, suspension parts.

*3 Parts which allocate torque and absorb the rotational difference between left and right wheels as vehicles turn.

*4 Parts converting engine power to the vehicle's adequate revolution speed and torque

2. Outline of ASADAKATAN CHUTETSUSHO Co., Ltd.

(1)	Corporate Name	ASADAKATAN CHUTETSUSHO Co., Ltd.	
(2)	Address	1-29 Osadano, Fukuchiyama, Kyoto	
(3)	Name and Title of Representative	Chairman & CEO Takayoshi Asada	
(4)	Business	Manufacturer and processor of ductile products for automobile, construction machine and industrial machine	
(5)	Capital amount	¥ 45 million	
(6)	Established	May 6 th , 1948	
(7)	Relation between listed company and relevant company	Capital Relationship	Not applicable
		Personal Relationship	Not applicable
		Business Relationship	MSI has had transactions of parts supply with ASADAKATAN CHUTETSUSHO.

3. Outline of the other parties to the acquisition of share

The other parties to the acquisition of share are individuals and MSI has an obligation to maintain confidentiality, as such MSI sincerely requests your understanding that the parties are not disclosed.

Further, there is no capital or business relationship between MSI and ASADAKATAN CHUTETSUSHO.

4. Number of shares before and after the transfer

(1)	Number of shares before transfer	0 share (Number of voting rights: 0) (Ratio of Ownership of Voting Rights: 0%)
(2)	Number of shares to be acquired	900,000 (Number of voting rights: 900,000)
(3)	Number of shares to be held after the transfer	900,000 (Number of voting rights: 900,000) (Ratio of Ownership of Voting Rights: 100%)

5. Schedule

(1)	Date of stock transfer	October 19 th , 2018 (Planned)
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6. Future prospects

We recognize this matter does not have a significant impact on the consolidated financial results for the fiscal year ended March 31, 2019.