



February 7, 2020

Company name:	KOMORI CORPORATION
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Securities Code:	6349 (First Section, Tokyo Stock Exchange)
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## **Komori Corporation Announces Its Decision to Acquire an Equity Stake in the Germany-based MBO Group and Make It a Subsidiary**

Komori Corporation (“Komori” or “the Company”) hereby announces that it has signed a basic agreement with the MBO Group, a global company based in Germany that specializes in the manufacture and sale of post-press equipment, regarding the acquisition of a 100% equity stake in the latter with the aim of making it a Komori subsidiary. This information is voluntarily disclosed by Komori, as it does not fall under Tokyo Stock Exchange’s timely disclosure standards.

### **1. Purposes of the Acquisition of Shares**

Since its founding in 1923, the Komori Group has been engaged in the manufacture and sale of offset printing presses. Although the Group has developed the offset printing press business as its core operation, the Group is currently pushing ahead with transforming its business structure under the Sixth Medium-Term Management Plan (April 2019 – March 2024) in line with the plan’s key strategy aimed at expanding Komori’s range of marketing.

In particular, Komori has been focused on developing the Print Engineering Service Provider (PESP) business since 2009. To embody the PESP business approach, Komori launched the marketing of paper cutters, die-cutters, blanking machines, pile turning machines and other post-press equipment that supports package printing. These products are greatly helping resolve major issues printing companies are now confronting, such as labor shortages.

The Germany-based MBO Group was founded in 1965 to manufacture paper folding machines, a type of machinery that performs an important post-press process. The MBO Group has operated in this field for more than a half century since then, successfully commanding a considerable market share in Europe, the United States and elsewhere. Today, the MBO Group boasts plants in two locations in Germany (Oppenweiler in southern Germany and Bielefeld in central Germany) as well as in Portugal. It also operates local subsidiaries in the United States, France and China while maintaining collaboration with a variety of sales partners in countries around the globe. Taking full advantage of these networks, the MBO Group is currently engaged in the marketing of

paper folding machines and the provision of after-sales services in more than 60 countries.

Products manufactured by the MBO Group are known for highly precise performance and superior productivity. The group is distinguished by its technological capabilities in multiple fields, including paper folding for general commercial printing and inline processing employing a combination of paper folding machines and digital printing systems (DPS). Furthermore, Herzog+Heymann, a subsidiary of the MBO Group, boasts machinery designed to perform a complex folding process that handles thin paper and requires specialized technology unmatched by competitors. In recent years, the MBO Group also launched collaboration with robot makers, resulting in the creation of labor-saving systems as part of the MBO Group product lineup.

In addition, the MBO Group's operations do not overlap with those undertaken by Komori. Through the acquisition of the equity stake in the MBO Group, Komori expects to be able to market unique products that will support its PESP business. Specifically, the inclusion of the aforementioned operations into Komori's business portfolio will help it introduce post-press solutions for commercial printing, a new field for the Company. When coupled with IoT-based cloud solutions, KP-Connect Komori is promoting on a global basis, the MBO Group's products will also help provide customers with even more robust, seamless printing production systems that include post-press processing. Komori is also looking to develop new solutions through the combination of the MBO Group's technologies and Komori's DPS, offset printing presses and other key products.

In sum, Komori believes that both companies are well-positioned to supplement each other. Going forward, Komori will therefore strive to bring together technologies and networks possessed by both companies in the field of post-press equipment marketing. In these ways, Komori will effectively push ahead with its initiatives aimed at transforming its business structure.

## 2. Overview of the Company to Be Acquired

(1)	Name	Maschinenbau Oppenweiler Binder GmbH & Co. KG
(2)	Address	Grabenstr. 4-6, 71570 Oppenweiler, Germany
(3)	Name and title of representatives	Thomas Heininger, Christian Kunz (Managing Directors of General Partner Maschinenbau Oppenweiler GmbH)
(4)	Main business	Manufacture and marketing of post-press equipment and its peripheral equipment and expendables as well as provision of related services
(5)	Capital	EUR 3,459,933 (approximately ¥415 million)
(6)	Establishment	November 9, 1965
(7)	Major shareholders and ratios of their shareholdings	HB Vermögensverwaltungsgesellschaft mbH & Co. KG 97.78% (Limited Partner)
		Maschinenbau Oppenweiler GmbH 2.22% (General Partner)

(8)	Relationship between the listed company and the company to be acquired	Capital relationship	None.
		Personnel relationship	None.
		Transactional relationship	Komori procures products from the company to be acquired.
(9) Operating results and financial position of the company to be acquired			
Fiscal year		Fiscal year ended December 31, 2018	
Total assets		37.9 million EUR (approximately ¥4.5 billion)	
Net sales		51.7 million EUR (approximately ¥6.2 billion)	

Note: Figures presented above have not undergone accounting audits by an audit firm or certified public accountant. Figures in parentheses are calculated based on the exchange rate of 1 EUR = ¥120.

### 3. Overview of the Transferors of Equity Stake

(1)	Name	Maschinenbau Oppenweiler GmbH and HB Vermögensverwaltungsgesellschaft mbH & Co. KG
(2)	Relationship between the listed company and the transferors and their shareholders	The above companies are asset administrators acting on behalf of shareholders of the MBO Group. Komori has no capital, personnel or transactional relationships with these companies or with shareholders of the MBO Group.

### 4. Status of Equity Stake to Be Acquired

(1)	Equity stake currently held by the listed company	0.0%
(2)	Equity stake to be acquired	100.0%
(3)	Equity stake to be held by the listed company	100.0%

Note: Komori will refrain from disclosing the acquisition cost, per an agreement with the transferors. To secure fair and appropriate pricing, the process for determining acquisition cost included sufficient discussion by the parties involved based on an appraisal value calculated by a third-party appraiser.

### 5. Schedule for the Acquisition

(1)	Date of the acquisition agreement	February 6, 2020
(2)	Date of the transfer of the equity stake	Subject to regulatory clearances: April 1, 2020 at the earliest.

## 6. Outlook

As the share transfer is scheduled for April 1, 2020 at the earliest, its impact on Komori's consolidated operating results for the fiscal year ending March 31, 2020 is negligible.