

(TRANSLATION FOR REFERENCE PURPOSES ONLY)

September 29, 2017

To Whom it May Concern:

Company Name	AIDA ENGINEERING CO., LTD.
Name of Representative:	Kimikazu Aida President and Representative Director (Stock listing: First Section, Tokyo Stock Exchange, Code number: 6118)
Contact Person for Inquiries:	Hiromitsu Ugawa Operating Officer, Division Manager General Administration Headquarters (Telephone No.: +81 42-772-5231)

**Notice of Acquisition of Shares of Reliance Electric Limited (Making the Company a
Subsidiary) and Transfer of Sub-subsidiary**

AIDA ENGINEERING CO., LTD. (the “Company”) hereby announces that, at the Board of Directors’ meeting held on September 29, 2017, the Company resolved to acquire 80% of the shares of Reliance Electric Limited (“Reliance Electric”) (the “Share Acquisition”), thereby making it a subsidiary of the Company, as described below.

The Company also announces that, in connection with the Share Acquisition, RAS Co., Ltd. (“RAS”), a wholly-owned subsidiary of Reliance Electric, will become the Company’s sub-subsidiary.

1. Reason for Acquisition of Shares

As a comprehensive manufacturer of press-molding systems, the Company has for many years been supporting its clients’ manufacturing by providing solutions for their entire production lines, including press machines, as a core, and auxiliary equipment, such as material supply devices and automated conveyor devices.

In recent years, as the need for automation and robotization of production facilities to improve

productivity grows globally, there is an urgency to improve technological and development capabilities for automation in press-molding systems provided by the Company. Therefore, under its new medium-term business plan that commenced from this fiscal year, the Company has adopted a strategy to aggressively invest in the field of automation products(so-called “FA”) as a focused business, and to strengthen its system development capabilities for automation surrounding press machines.

Reliance Electric and RAS, which will be made subsidiaries through the Share Acquisition, develop, manufacture, sell and maintain devices such as automated control devices for industrial machinery, and they have extensive experience in supplying, among others, press line system control devices, process line control devices, and servo drives, mainly to automotive and steel related companies.

With the addition of Reliance Electric and RAS, which possess high technological and service provision capabilities, to the Company’s group, the group can strengthen its automation system development capabilities and enhance the competitiveness of its products, while exploring new business areas, with a foothold in both companies’ technological capabilities and customer bases. For these reasons, the Company decided to conduct the Share Acquisition.

2. Overview of Subsidiary to be Acquired (Reliance Electric Limited) and Sub-subsidiary to be Acquired (RAS Co., Ltd.)

a) Overview of Subsidiary to be Acquired (Reliance Electric Limited)

(1)	Name	Reliance Electric Limited	
(2)	Location	2-3-2 Fukuura, Kanazawa-ku, Yokohama-shi, Kanagawa	
(3)	Name and Title of Representative	Junichi Ishizaki, Representative Director and President	
(4)	Business Activities	Manufacturing and sales of drive systems for industrial machinery	
(5)	Capital	300 million yen	
(6)	Date of Incorporation	January 10, 1964	
(7)	Major Shareholders and Shareholding Ratio	TAKAOKA TOKO CO., LTD.	80.0%
		ULVAC, Inc.	20.0%

(8) Relationship between Company and Concerned Company	Capital Relationship	Not applicable.	
	Personnel Relationship	Not applicable.	
	Business Relationship	Our company has been purchasing products such as various kinds of controllers, etc.	
(9) Financial Results and Financial Positions of Concerned Company for Previous Three Fiscal Years (*)			
Fiscal year	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2017
Net assets	649 million yen	761 million yen	858 million yen
Total assets	4,480 million yen	4,287 million yen	4,237 million yen
Net assets per share	1,082.10 yen	1,268.96 yen	1,431.13 yen
Net sales	3,536 million yen	4,618 million yen	4,491 million yen
Operating income	4 million yen	100 million yen	77 million yen
Ordinary income	55 million yen	148 million yen	160 million yen
Net income	53 million yen	131 million yen	140 million yen
Net income per share	89.86 yen	219.57 yen	234.31 yen
Dividend per share	30.00 yen	73.00 yen	78.00 yen

(*) Due to the change in the fiscal year-end, financial results of the fiscal year ended in March 31, 2015 cover nine months.

b) Overview of Sub-subsidiary to be Acquired (RAS Co., Ltd.)

(1) Name	RAS Co., Ltd.	
(2) Location	2-23-4 Sachiura, Kanazawa-ku, Yokohama-shi, Kanagawa	
(3) Name and Title of Representative	Junichi Ishizaki, Representative Director and President	
(4) Business Activities	Service maintenance business of drive systems for industrial machinery	
(5) Capital	30 million yen	
(6) Date of Incorporation	April 14, 1988	
(7) Major Shareholders and Shareholding Ratio	Reliance Electric Limited	100.0%

(8) Relationship between Company and Concerned Company	Capital Relationship	Not applicable.	
	Personnel Relationship	Not applicable.	
	Business Relationship	Not applicable.	
(9) Financial Results and Financial Positions of Concerned Company for Previous Three Fiscal Years (*)			
Fiscal year-end	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2017
Net assets	460 million yen	504 million yen	508 million yen
Total assets	1,092 million yen	1,040 million yen	961 million yen
Net assets per share	766,767.96 yen	840,922.66 yen	847,728.73 yen
Net sales	999 million yen	1,465 million yen	1,162 million yen
Operating income	44 million yen	85 million yen	38 million yen
Ordinary income	45 million yen	102 million yen	50 million yen
Net income	16 million yen	56 million yen	34 million yen
Net income per share	27,090.83 yen	94,154.69 yen	56,806.08 yen
Dividend per share	20,000.00 yen	50,000.00 yen	40,000.00 yen

(*) Due to the change in the fiscal year-end, financial results of the fiscal year ended in March 31, 2015 cover nine months.

3. Overview of Parties from which Shares to be Acquired

(1) Name	TAKAOKA TOKO CO., LTD.
(2) Location	5-6-36 Toyosu, Koto-ku, Tokyo
(3) Name and Title of Representative	Hiroaki Takatsu, Representative Director and President
(4) Business Activities	Manufacturing and sales of products in Power System Business, Equipment Business, Energy Solution Business, and Information and Applied Optics Inspection System Business, etc., and contracting thereof, etc.
(5) Capital	8,000 million yen
(6) Date of Incorporation	October 1, 2012
(7) Consolidated Net Assets	51,155 million yen

(8)	Consolidated Total Assets	107,822 million yen	
(9)	Major Shareholders and Shareholding Ratio	TEPCO Power Grid, Incorporated 34.84%	
(10)	Relationship between Company and Concerned Company	Capital Relationship	Not applicable.
		Personnel Relationship	Not applicable.
		Business Relationship	Not applicable.
		Status as a Related Party	Not applicable.

4. Number of Shares to be Acquired, Price of Acquisition, and Number of Shares owned before and after Acquisition

(1)	Number of Shares owned before Acquisition	0 share (Number of voting rights: 0) (Ownership ratio of voting rights : 0.0%)	
(2)	Number of Shares to be Acquired	480,000 shares (Number of voting rights: 480,000)	
(3)	Price of Acquisition	Common shares of Reliance Electric Limited	2,000 million yen
		Advisory fee, etc. (estimated amount)	30 million yen
		Total amount (estimated amount)	2,030 million yen
(4)	Number of Shares owned After acquisition	480,000 shares (Number of voting rights: 480,000) (Ownership ratio of voting rights : 80.0%)	

5. Schedule

(1)	Date of Resolution of Board of Directors	September 29, 2017
(2)	Execution Date of Share Transfer Agreement	September 29, 2017

(3)	Closing Date of Share Transfer	November 1, 2017 (scheduled)
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6. Future Outlook

The impact of the Share Acquisition on the consolidated results during the current fiscal year ending March 31, 2018 is under review. If any matters to be disclosed arise, the Company will announce such matters promptly.

(Reference) Forecasts of Consolidated Results for Current Fiscal Year (disclosed as of May 12, 2017) and Consolidated Results for Previous Fiscal Year

(Unit: Millions of yen)

	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Net income attributable to owners of parent
Forecasts of Consolidated Results for Current Fiscal Year ending March 31, 2018	72,000	7,000	7,100	5,000
Consolidated Results for Previous Fiscal Year ending March 31, 2017	67,547	6,617	6,775	4,985

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