

Acquisition of capital interest accompanying change in subsidiary companies

Mitsubishi Steel Mfg. Co., Ltd. is pleased to announce that acquisition of capital interest in a company in Europe has been approved in the meeting of the Board of Directors held on December 8, 2017 as follows:

1. Purposes

In order to become so-called “Global Supplier” for suspension spring (coil spring / stabilizer bar), which is one of the main direction set in 2016 Mid-term Business Plan, Mitsubishi Steel Mfg. Co., Ltd. will penetrate into the European market through acquiring a local coil spring manufacturer, following the newly established plant in Mexico and the production line for stabilizers installed in the existing China plant.

By utilizing fundamental resources of the new subsidiary, Mitsubishi Steel Mfg. Co., Ltd. will install new equipment to produce stabilizers, in addition to maximizing synergy effect with the existing domestic and overseas manufacturing capabilities, and proceed to further global business expansion.

2. General information of the new subsidiary

(1) Company name	Gebrüder Ahle GmbH & Co. KG [※]
(2) Location	Lindlar, Nordrhein=Westfalen, Germany
(3) Representative	Götz-Peter Ander, Managing Director
(4) Business segment	Design, produce and sale of various kinds of springs used for automotives, etc.
(5) Capital	3 million Euro
(6) Foundation	1904
(7) Relationship with Purchaser	No connection in capital, personnel and business transaction
(8) Sales amount	24 million Euro (FY2016)

※ Name of the new subsidiary after transaction is planned to be “MSSC Ahle Deutschland GmbH” (tentative)

3. Schedule

(1) Resolution at Board of Directors meeting	December 8, 2017
(2) Date of signing Definitive Agreement	Late December 2017 (Plan)
(3) Closing	Late February 2018 (Plan)

4. Impact on Earnings of Mitsubishi Steel MFG. Co., Ltd.

There will be no impact on earnings of Mitsubishi Steel MFG. Co., Ltd. for the fiscal year ending March 2018

<Status of overseas expansion for spring business>

