

April 7, 2015



Coating Equipment & Systems Division

3176, Shinyoshida-cho, Kohoku-ku,
Yokohama 223-8501, Japan

**Announcement of an Agreement on Capital and Business Alliances
between ANEST IWATA Corporation and Takubo Engineering Co., Ltd.**

ANEST IWATA Corporation (hereinafter "ANEST IWATA") and Takubo Engineering Co., Ltd. (hereinafter "Takubo Engineering") signed a capital alliance contract (hereinafter the "Capital Alliance Contract") and a business alliance contract (hereinafter the "Business Alliance Contract") (the two contracts are collectively referred to as the "Capital and Business Alliance Contracts"). The contracts are as outlined below.

1. Reason for the Capital and Business Alliance Contracts

Since its foundation, ANEST IWATA has devoted efforts, under the motto of creative, cutting-edge manufacturing, toward meeting the most advanced needs of customers around the world as a manufacturer specializing in coating equipment, coating systems, small- and medium-size compressors, and vacuum equipment with the aim of becoming a "truly global company."

Embracing the motto of "exploring every aspect of painting to solve problems," Takubo Engineering has been committed to technology development to improve the painting environment. Its efforts have not been confined just to developing technologies for more efficient painting but encompassed technologies to mass-produce high-quality products while minimizing the impact of painting on final products, humans, and local communities, as well as technologies for using energy efficiently to save costs.

Amid the current situation where information and technology innovations are accelerating globalization and standardization, bringing with them fierce competition and waves of change, ANEST IWATA and Takubo Engineering agreed to sign the Capital and Business Alliance Contracts.

By combining ANEST IWATA's leading-edge atomization technology and global network with Takubo Engineering's outstanding technological prowess, the two companies intend to develop an innovative painting method that minimizes energy consumption to the extreme (next-generation painting system) and bring it to market, thus benefiting customers across the world.

Both companies will seek to become the world's leading suppliers of painting systems with excellent film forming technology.

2. Contents of the Capital and Business Alliance Contracts

(1) Content of the capital alliance

ANEST IWATA acquired 10% of Takubo Engineering's common shares.

(2) Content of the business alliance

Under this alliance, the two companies will explore the possibilities of collaboration pursuant to related laws in areas including:

- ① Sharing of procurement, manufacturing, distribution, sales, and after-sales service sites in Japan and abroad
- ② Sales and sales promotion
- ③ Joint research and development
- ④ Exchange of human resources

3. Profiles of the two companies

| Company Name | ANEST IWATA Corporation | Takubo Engineering Co., Ltd. |
|------------------|--|--|
| Representative | Takahiro Tsubota , President | Eiji Sasaki, President |
| Head Office | 3176,Shinyoshida-cho,Kohoku-ku, Yokohama 223-8501, Japan | 5-15-17 Togoshi, Shinagawa-ku, Tokyo, JAPAN |
| Capital | 3,354 million yen | 20 million yen |
| Incorporated | June, 1948 | February, 1975 |
| Line of Business | <ul style="list-style-type: none"> · Manufacture and sale of air compressors, pneumatic equipment, and air driven equipment · Manufacture and sale of vacuum equipment and systems · Manufacture and sale of Coating equipment · Manufacture, sale, and installation of Coating systems · Manufacture and sale of adhesive equipment and systems · Manufacture and sale of medical equipment · Manufacture and sale of power supply units and power transmission devices · Renewable energy-based power generation and sale of such power · Development, design, and installation of and consulting services for the products and systems mentioned above, and sale of the technologies and know-how related to those products and systems · Businesses related to the above | <ul style="list-style-type: none"> · Planning, proposal, design, installation, and maintenance of coating systems of various types · Development, sales, and maintenance of industrial coating products, such as robot coating systems |

4. Future prospect

The major effects that these alliances will have on the two companies' business are expected to be mid- and long-term ones. It is anticipated that the alliances will have only a slight impact on the two companies' business performance and financial standing in fiscal 2015.

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