



11th October, 2019

**Announcement of acquisition of the balancer business of
Schmitt Industries, Inc. by Tosei Engineering Corp.**

Tokyo Seimitsu Co., Ltd. hereby announces that its 100 % owned subsidiary Tosei Engineering Corp. (hereinafter "Tosei"), has reached an agreement to acquire the balancer product line of Schmitt Industries, Inc. (hereinafter "SMIT") by Tosei America Inc., its US subsidiary.

1. Purpose of this transaction and future operation policy

SMIT, founded in 1987, designs, manufactures and sells high precision test and measurement products, solutions and services through its SBS®, Acuity® and Xact® product lines.

Tosei, a subsidiary of Tokyo Seimitsu Co., Ltd., designs, manufactures and sells semiconductor manufacturing equipment and measuring products under the corporate brand of ACCRETECH.

Through this acquisition, SBS balancers enables to enhance Tosei's product line up for further satisfying customers's needs. SBS® balancers are highly recognized for its superior quality and service, and expects strong expansion supported by ACCRETECH's worldwide networks.

2. Outline of SMIT

- (1) Company Name Schmitt Industries, Inc.
- (2) Head office location 2765 NW Nicolai Street, Portland, Oregon, 97210, USA
- (3) Representatives Chairman & CEO, Michael Zapata
- (4) Year of establishment 1987
- (5) Total Shareholder's equity 8,472,933 USD as of the end of May 2019
- (6) Business Segments high precision test and measurement products
- (7) Location Production base: the United States of America
- (10) Net sales 13,810,161USD (fiscal year ended May 2019)

Outline of SBS®

(1) Business Segment design, manufacture and sell of balancer systems

(2) Location Production base: Oregon, USA

3. Schuedule:

Signing: October 10th, 2019

Closing: November 22nd, 2019*

*Above is the current schedule subject to change, as the procedure proceeds hereafter, depending on reporting to the relevant German authorities, the acquisition of licenses, and other reasons.

4. Impact on Business Results

The impact of this acquisition on our business results is minimal.

Company Name: Tokyo Seimitsu Co., Ltd.

Representative: Yoshida Hitoshi, President and CEO

(Code No. 7729 TSE Div. No. 1)

Contact: Kawamura Koichi, CFO

Phone: +81- (0)42-642-1701