

# **Tender Offer to Make Nissin Electric Co., Ltd. and TECHNO ASSOCIE Co., Ltd. Wholly Owned Subsidiaries**

Sumitomo Electric Industries, Ltd.  
February 2, 2023

# Agenda

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- **Purpose of the Transaction**
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- TECHNO ASSOCIE Co., Ltd. (“TECHNO ASSOCIE”)**
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  - Transaction Overview

## Schedule

# ■ Background of the Transaction

## Global Business Environment

With social changes such as GX, DX and CASE, the **global business environment** surrounding Sumitomo Electric Group, including the environment and energy sectors, is changing rapidly.

In light of the geopolitical risks regarding the supply chain and other prolonged risks during a period of dramatic upheaval, Sumitomo Electric Group recognizes that **unleashing all of its capabilities to further increase the Group's corporate value** is an urgent issue at hand.

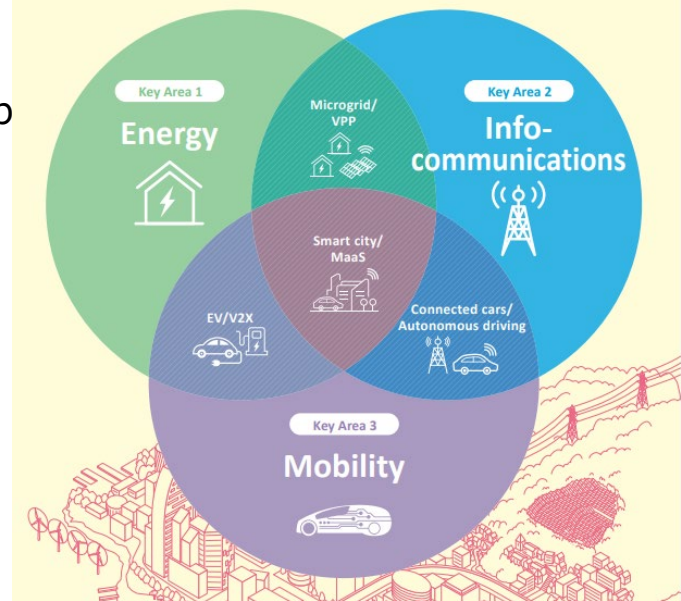
## Sumitomo Electric Group "2030 VISION"

Sumitomo Electric Group announced its **"2030 VISION"** in May 2022 based on the spirit of **"contributing to the public benefit through business while striving to ensure mutual prosperity with our stakeholders"**.

Under this vision, the **"purpose"** of Sumitomo Electric Group is defined as **"contributing to building a better society by pursuing Top Technology, using the integrated capabilities of the Group."**

By appropriately managing changes in the global business environment and utilizing **Sumitomo Electric Group's integrated power**, it will continue to **provide an extensive range of products and services for the development of infrastructure and industries** to pursue its ambition to achieve a **"Green Planet"** and a **"Safer"** and **more "Comfortable" Society**.

### Products that Support the Development of Infrastructure and Industries



# ■ Purpose of the Transaction

## To Reinforce and Maximize the Group's Integrated Power

Under the “**2030 VISION**”, Sumitomo Electric Group has considered the means to **reinforce and maximize the Group's integrated power**.

As a result, Sumitomo Electric Industries **has decided to implement tender offers to make Nissin Electric and TECHNO ASSOCIE its wholly owned subsidiaries to aggressively pursue alliances and partnerships with the two companies, allowing for an integrated management system to elevate the Group's global presence in a wide range of business areas, reinforce the Group's integrated power and further increase the Group's corporate value.**

- **Nissin Electric** provides unique technology and products through its power supply and environment system, beam and plasma, and equipment and parts solution businesses.
- **TECHNO ASSOCIE** provides products for business areas including electronics business, automotive business, and area sales, utilizing its unique sales capacities and broad supplier and processing network

 **NISSIN ELECTRIC CO., LTD.**

 **TECHNO ASSOCIE**

**Reinforce and  
Maximize the Group's  
Integrated Power**



**SUMITOMO  
ELECTRIC**

# ■ Nissin Electric: Transaction Rationale

## Expected Synergies

- **Merging and combining core technologies will enhance the ability to offer solutions for customers**
  - e.g.)
    - Carve out new markets and increase incoming orders for power infrastructure systems
      - Offering total solutions to efficiently transmit power
      - Developing and offering a total package of products to meet new and diversified needs of customers with the advent of a carbon-neutral society and renewable energy
    - Further utilize Nissin Electric's technology in electronics and metal processing to expand the business
- **Maximum utilization of human resources through the integration, exchange, and rotation of teams and personnel**
- **Accelerating global expansion and reducing costs and risks through the mutual utilization of overseas offices and customer bases**

**Reinforce and Maximize the Group's Integrated Power  
Enhance the Group's Corporate Value**

# ■ Nissin Electric: Transaction Overview

<b>Company Name</b>	<p>Nissin Electric (Prime Market of the Tokyo Stock Exchange: Code 6641)            Business Overview: Power Supply and Environment System Business            Beam and Plasma Business            Equipment and Parts Solution Business</p>
<b>Tender Offer Period</b>	<p>February 3, 2023 to March 22, 2023 (32 business days)</p>
<b>Tender Offer Price</b>	<p>Tender offer to make Nissin Electric a wholly owned subsidiary of Sumitomo Electric Industries</p> <ul style="list-style-type: none"> <li>■ Tender Offer Price: JPY 1,700/Share              &lt;Premium&gt;             <ul style="list-style-type: none"> <li>– vs. share price of February 1, 2023: 23.8 %</li> <li>– vs. one-month average: 29.9 %</li> <li>– vs. three-month average: 28.4 %</li> <li>– vs. six-month average: 23.6 %</li> </ul> </li> </ul>
<b>Number of Shares to be Purchased</b>	<p>51,883,220 shares (Minimum: 16,258,425 shares, Maximum: None)</p> <ul style="list-style-type: none"> <li>– Excluding all shares owned by Sumitomo Electric Industries and all treasury shares owned by Nissin Electric</li> </ul>
<b>Total Purchase Price</b>	<p>JPY 88.2 bn</p>
<b>Tender Offer Agent</b>	<p>Nomura Securities Co, Ltd.</p>

※ If Sumitomo Electric Industries is unable to acquire all shares of Nissin Electric through the tender offer, it plans to implement additional procedures to acquire all shares.

# ■ TECHNO ASSOCIE: Transaction Rationale

## Expected Synergies

- **Enhancing the added value and expanding the sales revenue of the Group by utilizing the unique sales capabilities and broad supplier and processing network of TECHNO ASSOCIE**

e.g.)

- Effectively expand even further TECHNO ASSOCIE's "development proposal-based sales"
  - Utilization of technology and customer information from an early stage to enhance proposal-making capabilities
  - Increase the quality and breadth of proposals for customers of small-lot and specified products
- Utilize TECHNO ASSOCIE's wide supplier and processing network to improve prototype development speed and reduce manufacturing costs

- **Utilization of Group resources such as corporate functions**

e.g.)

- Mutual introduction of purchasing and logistics suppliers, delegation of procurement and centralized utilization of procurement contract
- Sharing of corporate function resources for smooth expansion of global business activities

**Reinforce and Maximize the Group's Integrated Power  
Enhance the Group's Corporate Value**

# ■ TECHNO ASSOCIE: Transaction Overview

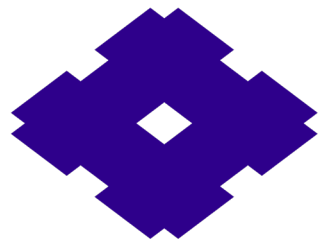
<b>Company Name</b>	TECHNO ASSOCIE (Standard Market of the Tokyo Stock Exchange: Code 8249) Business Overview: Electronics Business Automotive Business Area Sales
<b>Tender Offer Period</b>	February 3, 2023 to March 22, 2023 (32 business days)
<b>Tender Offer Price</b>	Tender offer to make TECHNO ASSOCIE a wholly owned subsidiary of Sumitomo Electric Industries <ul style="list-style-type: none"> <li>■ Tender Offer Price: JPY 1,695/Share</li> <li>&lt;Premium&gt; <ul style="list-style-type: none"> <li>– vs. share price of February 1, 2023: 39.5 %</li> <li>– vs. one-month average: 43.0 %</li> <li>– vs. three-month average: 45.9 %</li> <li>– vs. six-month average: 47.8 %</li> </ul> </li> </ul>
<b>Number of Shares to be Purchased</b>	9,154,184 shares (Minimum: 2,938,074 shares, Maximum: None) <ul style="list-style-type: none"> <li>– Excluding all shares owned by Sumitomo Electric Industries and all treasury shares owned by TECHNO ASSOCIE</li> </ul>
<b>Total Purchase Price</b>	JPY 15.5 bn
<b>Tender Offer Agent</b>	Nomura Securities Co, Ltd.

※ If Sumitomo Electric Industries is unable to acquire all shares of TECHNO ASSOCIE through the tender offer, it plans to implement additional procedures to acquire all shares.



## ■ Schedule

<b>February 2</b>	Announcement of the Transaction
<b>February 3</b>	Start of the Tender Offer
<b>March 22</b>	End of the Tender Offer
<b>March 23</b>	Announcement of results of the Tender Offer
<b>March 29</b>	Settlement of the Tender Offer



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