

27th July 2018

**Daido Metal Co., Ltd.**

Seigo Hanji  
Chairman and Chief Executive Officer

(For inquiry)  
Keiichi Kogure  
Managing Executive Officer  
Head of Corporate and Financial Planning  
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**Partial transfer of shares of NPR of Europe GmbH**  
**from Nippon Piston Ring Co., Ltd. to Daido Metal Co., Ltd.**

Today, 27 July 2018, Daido Metal Co., Ltd. (hereinafter “Daido”) resolved to sign a share purchase agreement (hereinafter “SPA”) with Nippon Piston Ring Co., Ltd. (hereinafter “NPR”), regarding the transfer of 30% equity share of NPR of Europe GmbH (hereinafter “NOE”) from NPR to Daido. NOE is a German subsidiary of NPR.

1. Reason for the purchase

Daido and NPR have been working together from the past in Europe, with NOE selling Daido’s engine bearings and various other products to European car makers and engine makers.

As reported in our previous press release dated 22 December 2017, Daido and NPR signed a Memorandum of Understanding regarding the share transfer. Since then, Daido and NPR continued its discussion, and concluded that the tighter co-operation through capital alliance is beneficial to both companies by further strengthening our market presence in Europe through the increased European sales to OEM makers, and by enhancing our business foundation and corporate value, and thus we reached an agreement on the 30% share transfer of.

2. Overview of NPR of Europe GmbH

(1) Name	NPR of Europe GmbH
(2) Address	Siemensstr.56, 70825 Korntal-Münchingen, F. R. Germany
(3) Representative	Hironobu SEKIYA, Managing Director, President
(4) Business	Sales of automotive parts
(5) Share Capital	EURO 2,500,000
(6) Founded	2 December, 1999
(7) Shareholder	Nippon Piston Ring Co., Ltd. 100%

### 3. About Nippon Piston Ring Co., Ltd.

(1) Name	Nippon Piston Ring Co., Ltd.
(2) Address	5-12-10, Honmachi-Higashi, Chuo-ku, Saitama City, Saitama, JAPAN
(3) Representative	Akira YAMAMOTO, President
(4) Business	Production and sale of automobile engine parts, marine engine parts and the other parts.
(5) Share Capital	JPY 9,839 million
(6) Founded	20 December, 1934
(7) Sales (Consolidated)	JPY 55,932 million (Fiscal year ended March 2018)

### 4. Schedule

Date of resolution at board meeting 27 July 2018

Date of Share Purchase Agreement 27 July 2018 (Plan)

Date of share transfer 1 October 2018 (Plan)

Note: Share transfer is subject to and conditional upon approval of relevant authorities

### 5. Impact on current period's financial result

The partial transfer will have no material impact on our financial result of current period ending 31 March 2019.