

December 22, 2017

To whom it may concern

TAYCA CORPORATION

Notice Concerning the Acquisition of Shares (Ownership) of TRS Technologies, Inc.

TAYCA CORPORATION hereby announces that, at a Board of Directors' meeting, a resolution was passed to acquire all shares of TRS Technologies, Inc. (hereinafter, TRS) to make it our subsidiary company.

1. Reasons for acquiring shares

TAYCA CORPORATION ranks the electronic industry materials business as an important growth strategic area, and actively invests our management resources in piezoelectric ceramic products with the aim of expanding business.

Piezoelectric ceramics can expand or contract when a voltage is applied, and conversely generate a voltage when subjected to a pressure. Utilizing this characteristic, piezoelectric ceramics are used for main parts of ultrasonic device including ultrasonic diagnostic equipment, non-destructive testing equipment and washing apparatus.

Among them, the health care sector is expanding strongly and TAYCA's piezoelectric ceramics used for ultrasonic diagnostic equipment gains the largest share in the world, recognized for our high quality and technological capabilities.

TRS to be acquired was established in 1990. It currently focuses on piezoelectric materials, especially on piezoelectric single crystal, and is recognized as one of leading companies in this area. Piezoelectric single crystal has high conversion efficiency of electrical energy into vibrational energy and can enhance the quality of diagnostic imaging of ultrasonic diagnostic equipment, and therefore, it is increasingly adopted to premium-grade ultrasonic diagnostic equipment. This could lead to improving quality of diagnosis in a medical setting as well as exploring new application fields. Meanwhile, piezoelectric ceramics are materials used for various fields and have extremely high complementary relationship with piezoelectric single crystal.

By utilizing the synergy effect with TRS, TAYCA is committed to facilitate further technological innovation of piezoelectric materials, with the aim of developing it as one of our core businesses.

2. Acquisition price

Approximately 3 billion yen

3. Overview of new subsidiary company (TRS Technologies, Inc.)

(1) Name	TRS Technologies, Inc.	
(2) Location	Suite J, 2820 East College Ave. State College, PA 16801	
(3) Representative (name & position)	Wesley S. Hackenberger, President & COO	
(4) Business operations	Piezoelectric materials manufacturer Manufacturing and sale of piezoelectric ceramics and piezoelectric single crystal for medical device and industrial use, etc.	
(5) Capital	USD 124,000	
(6) Date of establishment	June 1990	
(7) Relationships with the said company	Capital relationship	Not applicable
	Personal relationship	Not applicable
	Transactional relationship	Not applicable
(8) Recent business performance and financial position of the said company		
Fiscal year end	FYE December 2015	FYE December 2016
Net assets (USD in thousands)	3,149	3,553
Total assets (USD in thousands)	6,803	8,124
Sales (USD in thousands)	8,519	9,853

4. Status of holding shares before and after acquisition, the number of shares to be acquired and scheduled date of acquisition

(1) Number of holding shares before acquisition	0 shares (percentage of voting rights: 0%)
(2) Number of shares to be acquired	100,000 shares (percentage of voting rights: 100%)
(3) Scheduled date of acquisition	January 5, 2018 (scheduled)

End of report