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October 30, 2017

For immediate release

Company: Nisshinbo Holdings Inc.
Representative: President Masaya Kawata
Securities Code: 3105
TSE (First Section); NSE (First Section); SSE; FSE

**Notice Regarding Acquisition of Shares of Ricoh Electronic Devices Co., Ltd.
(and Making it a Subsidiary)**

At the Board of Directors meeting held today (October 30, 2017), Nisshinbo Holdings Inc. resolved to acquire from Ricoh Company, Ltd. (“**Ricoh**”) 160 shares of the Ricoh subsidiary Ricoh Electronic Devices Co., Ltd. (the “**Target Company**”) (equal to an ownership percentage of 80.0%) (the “**Share Acquisition**”) and to make the Target Company our subsidiary.

1. Reason for the Share Acquisition

On the basis of our corporate philosophy of *Public Entity, Consistent Integrity, and Innovation*, the Nisshinbo Group contributes to global society as an *Environment and Energy Company* group engaged in the strategic business domains of Wireless Communications and Electronics, Automotive Parts and Devices, Lifestyle and Materials, and New Energy and Smart Society.

In the Nisshinbo Group’s electronics business we are engaged in businesses in a wide variety of fields, from wireless communications systems for infrastructure and shipping to electronic devices for vehicles and smartphones, mainly through our two subsidiaries Japan Radio Co., Ltd., which is focused on information and communications systems, and New Japan Radio Co., Ltd., which supplies analog semiconductors and microwave technology products (“**New JRC**”).

On this occasion, by acquiring a majority of the shares of the Target Company, which is focused on analog power management integrated circuits (“**PMICs**”), and making the Target Company a subsidiary, we will strengthen our business foundation in the semiconductor and electronic devices fields, and accelerate the expansion and enhancement of our electronic devices business mainly in the automotive and IoT fields, in which future growth is expected.

While New JRC, a Nisshinbo Group company, has specialties in analog semiconductors, mainly low-noise amplifiers and PMICs used in audio equipment, vehicles, and industrial equipment, and devices for wireless communications and IoT, the Target Company on the other hand has specialties in small-size, energy efficient, and high efficiency “CMOS analog semiconductors,” with a focus on PMICs. The PMICs of the Target Company boast top-class adoption rates in smartphones, and the Target Company is pursuing the expansion and enhancement of its business in the automotive and IoT fields by the adaptation of its technology.

In the automotive field, there has been an increase in the number of electronic devices embedded in vehicles due to increased demand for advanced driving assistance systems (ADAS), connected cars, and electric power trains. As a result of this, there is a growing demand for analog integrated circuits such as low-noise amplifier integrated circuits, PMICs, communications integrated circuits, and power supply control integrated circuits. And in the same way as for automotive, the market for analog integrated circuits is expanding in the IoT field as well due to being components of embedded computer systems. By bringing together the bipolar technology of New JRC and the CMOS technology of the Target Company, the Nisshinbo Group will seek to strengthen its business by responding to a wide range of needs in the automotive and IoT fields.

Further, it can be expected that the Target Company and New JRC will have a mutually cooperative and complementary relationship in respect of the various processes of semiconductor fabrication. In the development and design processes, they will shift their overlapping resources in the PMIC field to the automotive and IoT fields and accelerate the development, enhancement,

and expansion of product lines in these fields. In addition, through cost reductions achieved by utilizing the fabrication bases of the Target Company for fabrication upstream processes and by utilizing the New JRC subsidiaries Saga Electronics Co., Ltd. and Thai NJR Co., Ltd. in the downstream processes, the Target Company and New JRC will enhance their price competitiveness and seek to strengthen their business foundation.

Note that Ricoh plans to continue to hold 40 shares of the Target Company (equal to an ownership percentage of 20.0%) for the time being. Also, the Target Company plans to continue to use its current trade name and branding for the time being.

2. Overview of the Target Company

| | | | | |
|-----|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| (1) | Name | Ricoh Electronic Devices Co., Ltd. | | |
| (2) | Address | 13-1, Himemuro-cho, Ikeda-shi, Osaka | | |
| (3) | Representative's name and title | Satoru Taji, President | | |
| (4) | Business | Development, manufacturing and sales of electronic device products, and entrusted design service and entrusted manufacturing service of electronic devices | | |
| (5) | Capital | 100 million yen | | |
| (6) | Date of establishment | June 2, 2014 | | |
| (7) | Major shareholders and their ownership percentages | Ricoh Company, Ltd. 100% (200 shares) | | |
| (8) | Relationships with the Nisshinbo Holdings Inc. | Capital relationships | None | |
| | | Personal relationships | None | |
| | | Business relationships | Subsidiaries of the Nisshinbo Holdings Inc. and the Target Company sell and supply semiconductor products and other products to each other. | |
| (9) | Business performance and financial status over the immediately preceding three years | | | |
| | Accounting year-end | March 2015 | March 2016 | March 2017 |
| | Net assets | 10,265 million yen | 10,319 million yen | 9,155 million yen |
| | Total assets | 18,585 million yen | 18,849 million yen | 16,923 million yen |
| | Net assets per share | 51,325,256 yen | 51,595,459 yen | 45,775,054 yen |
| | Net sales | 12,638 million yen | 24,895 million yen | 23,086 million yen |
| | Operating income | 482 million yen | 631 million yen | 451 million yen |
| | Ordinary income | 580 million yen | 662 million yen | 754 million yen |
| | Net income | 398 million yen | 495 million yen | 536 million yen |
| | Net income per share | 1,993,849 yen | 2,478,312 yen | 2,683,375 yen |
| | Dividends per share | 1,993,849.325 yen | 7,478,312.34 yen | 2,683,375.855 yen |

Note: With respect to the business performance for the year ended March 2015, because it was the first fiscal year after the Target Company was established, the fiscal year commenced on June 2, 2014 and ended on March 31, 2015.

3. Overview of the Company Selling Shares

| | | |
|-----|---------------------------------|-------------------------------------------------------------------------------------------------------------|
| (1) | Name | Ricoh Company, Ltd. |
| (2) | Address | 8-13-1 Ginza, Chuo-ku, Tokyo (Address of the registered head office: 1-3-6, Naka-Magome, Ohta-Ku, Tokyo) |
| (3) | Representative's name and title | Yoshinori Yamashita, President and CEO |
| (4) | Business | Development, manufacturing and sales of business equipment and optical equipment |
| (5) | Capital | 135,364 million yen (as of March 31, 2017) |

| | | | |
|------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------|
| (6) | Date of establishment | February 6, 1936 | |
| (7) | Net assets | 547,360 million yen (as of March 31, 2017) | |
| (8) | Total assets | 1,071,239 million yen (as of March 31, 2017) | |
| (9) | Major shareholders and their ownership percentages | (as of March 31, 2017) | |
| | | The Master Trust Bank of Japan, Ltd. (Trust Account) | 8.00% |
| | | Goldman Sachs International (Standing proxy: Goldman Sachs Japan Co., Ltd.) | 7.39% |
| | | Japan Trustee Services Bank, Ltd. (Trust Account) | 5.31% |
| | | Nippon Life Insurance Company | 3.95% |
| | | Royal Bank of Canada Trust Company (Cayman) Limited (Standing proxy: Tachibana Securities Co., Ltd.) | 3.29% |
| | | Japan Trustee Services Bank, Ltd. (Trust Account 9) | 3.19% |
| | | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 2.90% |
| | | BNYMSANV as Agent/Clients Lux Ucits Non Treaty 1 (Standing proxy: The Bank of Tokyo-Mitsubishi UFJ, Ltd.) | 2.69% |
| | | The New Technology Development Foundation | 2.13% |
| | Sompo Japan Nipponkoa Insurance Inc. | 1.80% | |
| (10) | Relationships with the Nisshinbo Holdings Inc. | Capital relationships | None |
| | | Personal relationships | None |
| | | Business relationships | None |
| | | Related party status | None |

4. Number of Shares to be Acquired, Acquisition Price and Share Ownership Before and After Acquisition

| | | |
|-----|---------------------------|---------------------------------------------------------------------------------|
| (1) | Shares held before change | 0 share (Voting rights: 0) (Percentage of voting rights held: 0.0%) |
| (2) | Shares to be acquired | 160 shares (Voting rights: 160) |
| (3) | Shares held after change | 160 shares (Voting rights: 160) (Percentage of voting rights held: 80.0%) |

Note: The acquisition price will not be disclosed in consideration of the fact that it is subject to a non-disclosure obligation under the agreement regarding the Share Acquisition with the counterparty to the Share Acquisition. However, that price was determined through negotiations with the counterparty to the Share Acquisition, and we consider it to be a fair price.

5. Timeline of the Share Acquisition

| | | |
|-----|------------------------------------|-------------------------|
| (1) | Board of Directors meeting | October 30, 2017 |
| (2) | Execution of the agreement | October 30, 2017 |
| (3) | Execution of the Share Acquisition | March 1, 2018 (planned) |

Note: The execution of the Share Acquisition requires the approval of the Japan Fair Trade Commission and other competition authorities with which the Share Acquisition needs to be filed pursuant to applicable laws and ordinances.

6. Future Prospects

The effects that the Share Acquisition will have on the performance of Nisshinbo Holdings Inc. will be minor.

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