



11th November, 2016

FOR IMMEDIATE RELEASE:

Integral Announces Tender Offer for Shares of OHIZUMI MFG Co., Ltd.

Integral Corporation (“Integral”) is pleased to announce that Integral OS Partnership 1 and Spring L.P. (the “Offerors”), have decided today to launch a joint tender offer (the “Tender Offer”) for shares of common stock and stock options of OHIZUMI MFG Co., Ltd (“Ohizumi”; TSE 6618). The Offerors are funds advised by Integral.

Ohizumi is an industry-leading manufacturer of electronics parts using thermistors made of electroceramics, in which the electrical resistance value varies depending on temperature, and temperature sensors, used in the automotive and HVAC industries amongst others.

Through this Tender Offer, Integral aims to enhance the corporate value of Ohizumi through active participation in its management by sending management personnel from Integral. Preceding the Tender Offer, the Offerors executed a tender offer agreement with Asia Recovery Fund L.P., the largest shareholder of the Target Company, WLR Recovery Fund II L.P., the second largest shareholder of the Target Company and Asia Recovery Co-Investment Partners L.P., the third largest shareholder of the Target Company (collectively, the “Shareholders Intending to Tender”), agreeing to tender all of their Ohizumi shares to the Tender Offer.

Integral, with a corporate mission to become the “Trusted Investor” of choice, makes long-term equity investments based on a relationship of deep trust with the management of invested companies. After investment, Integral will share the “same objectives and time horizon as the management” and provide suitable support to maximize corporate value by utilizing its network of talent in both managerial and financial areas and its knowhow pertaining to management and governance. For details of the Tender Offer, please refer to the attached press release by the Offerors, the “Investors’ Guide to Tender the Shares etc. of OHIZUMI MFG Co., Ltd” and Ohizumi’s press release published on their website (<http://www.ohizumi-mfg.jp/ir/>).

Please Contact Integral For Additional Information:

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About Integral

Integral (Representative Directors: Nobuo Sayama and Reijiro Yamamoto) was founded in September 2007 as an independent Japanese private equity company investing in listed and unlisted companies in Japan. “Integral” stands for “integral calculus – accumulation over time” meaning that the company will strive to establish a relationship of highest trust with the management of invested companies, and will aim to accumulate the highest wisdom over time. Integral makes equity investments from a long-range perspective through its unique “hybrid investment” approach, utilizing both principal and fund money for investment. Subsequent to investment, the company will provide optimal support in terms of management and finance through the “i-Engine” corporate value enhancement team, and will collaborate with the invested company sharing the same objectives and time horizon and seeing eye-to-eye with its management. Integral aspires to be a trusted investment fund, contributing to society through the success of invested companies.

[Translation]

November 11, 2016

To whom it may concern:

Company name: Integral OS Partnership 1
Name of Representative: Integral OS Corporation, Partner
Yoshihiro Henmi, Representative
Director
Tel: 03-6212-6097

Company name: Spring L.P.
Name of Representative: Integral Partners (Cayman) II (A)
Limited, General Partner
John Cullinane, Director

Notice of Commencement of Tender Offer for Shares, etc. of Ohizumi MFG. Co., Ltd.
(Securities Code: 6618)

Integral OS Partnership 1 and Spring L.P. (Integral OS Partnership 1 and Spring L.P. are hereinafter collectively referred to as the “**Offerors**”) hereby announce that they decided on November 11, 2016 to acquire common stock (the “**Target Company Shares**”) and Stock Acquisition Rights (as described in “(ii) Stock Acquisition Rights” of “(2) Class of Share Certificates, Etc. for Tender Offer” below; the same applies hereinafter) of Ohizumi MFG. Co., Ltd. (Tokyo Stock Exchange Mothers market, Securities Code 6618; the “**Target Company**”) through a tender offer (the “**Tender Offer**”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the same applies hereinafter).

The Offerors are (i) Integral OS Partnership 1, a partnership (*nin-i kumiai*) under the Civil Code formed on September 30, 2016 and (ii) Spring L.P., an exempted limited partnership under the laws of the British Overseas Territory of the Cayman Islands formed on August 18, 2016, mainly for the purpose of investing in the Target Company. Integral OS Partnership 1 holds one hundred (100) shares of the Target Company, and Spring L.P. does not hold any shares of the Target Company as of today. The Offerors are affiliated entities of Integral Corporation (“**Integral**”), and were newly formed for the purpose of conducting the Tender Offer.

Integral makes long-term equity investments based on a relationship of deep trust with the management of invested companies, with its corporate mission of being a “Trusted Investor” and by basing all of its business decisions on the following three principles: “A relationship of deep trust is the foundation of all business activities,” “Pursue single mindedly, the long-term enhancement of corporate value,” and “Aim for creating ‘innovations’ by concentrating the ‘highest wisdom’.” Integral has made investments in thirteen (13) companies in total including, but not limited to, QB Net Holdings Co., Ltd. and Skymark Airlines Inc., and after

each investment, shares the same objectives and time horizon as the management of invested companies and supports in both managerial and financial areas with the aim to enhance their corporate value.

With respect to operation of invested companies, Integral in principle respects their existing management framework and provides as necessary management assistance for various management issues by dispatching members of Integral to those companies, and, by truly sharing the “same objectives and time horizon as the management of invested companies”, Integral provides the most suitable support in both managerial and financial areas in order to maximize corporate value. Integral’s motto is to aim for permanent business growth and development by conducting long-term investments and resource allotment rather than to pursue a short-term profit only by conducting cost reduction and enhancing operational efficiency. As an independent domestic fund with personnel who have engaged in M&A related businesses and corporate management for a long time and have a high level of expertise regarding these areas, Integral makes every effort to support invested companies in facilitating their growth strategies by giving the highest priority to enhancing the corporate value of invested companies while fully understanding and respecting the characteristics of management teams in Japanese companies.

The Offerors decided on November 11, 2016 to conduct the Tender Offer mainly for the purpose of acquiring the Target Company Shares listed on the Tokyo Stock Exchange Mothers market and aiming to enhance the Target Company’s corporate value through participating in the Target Company's management based on sending managing personnel to the Target Company.

The Offerors executed tender offer agreements (the “**Tender Agreements**”) on November 7, 2016 with Asia Recovery Fund L.P., the largest shareholder of the Target Company, WLR Recovery Fund II L.P., the second largest shareholder of the Target Company and Asia Recovery Co-Investment Partners L.P., the third largest shareholder of the Target Company (collectively, the “**Shareholders Intending to Tender**”), and the Shareholders Intending to Tender agreed to tender all of their Target Company Shares (2,094,000 shares; Ownership Ratio (see Note) : 25.03%) to the Tender Offer.

The Offerors have set minimum number of Share Certificates, Etc. to be purchased to 2,094,000 shares (Ownership Ratio (see Note) : 25.03%) which is equal to the number of shares expected to be tendered pursuant to the Tender Agreement. Therefore, Offerors will not conduct any purchase, etc. if total number of Share Certificates, Etc. tendered to the Tender Offer (the “**Tendered Share Certificates, Etc.**”) is less than 2,094,000 shares.

Although the Offerors do not intend to delist the Target Company Shares, taking into consideration recent movements in the price of the Target Company Shares and other factors, the Offerors have not set maximum number of Share Certificates, Etc. to be purchased in order to secure a broad opportunity for the shareholders of the Target Company other than the Shareholders Intending to Tender who so desire to sell their shares at the price for purchase, etc. per Target Company Share offered in the Tender Offer to sell it. Therefore, if the total number of the Tendered Share Certificates, Etc. is equal to or exceeds the minimum number of Share Certificates, Etc. to be purchased, the Offerors will purchase all of the Tendered Share Certificates, Etc.

Note: The “Ownership Ratio” is the ratio (rounded to two decimal places) to the sum of (a) the total number of issued Target Company Shares as of September 30, 2016 (7,882,968 shares) as will be set forth in the Second Quarterly Securities Report for the 103rd Fiscal Year to be filed by the Target Company on November 14, 2016, less the number of treasury shares held by the Target Company as of September 30, 2016 (121 shares) as set forth in the Target Company 103rd Fiscal Year Second Quarterly Securities Report, and (b) the number of the Target Company Shares (5,000 shares) issued upon exercise of 50 options of the Stock Acquisition Rights and the number of the Target Company Shares (479,500 shares) to be issued upon exercise of the Stock Acquisition Rights (4,795 options) outstanding as of October 31, 2016 as set forth in the “Notice Regarding Monthly Exercise Status of Second Series Stock Acquisition Rights (Subject to Exercise Value Change) by way of Third-Party Allotment” announced by the Target Company on November 1, 2016 (i.e., 8,367,347 shares). According to the interviews with the Target Company, while 60,000 Company Shares were issued upon the exercise of 600 Stock Acquisition Rights on November 11, 2016, (i) there has been no change on the total number of issued Company Shares and the number of treasury shares held by the Company during the period from September 30, 2016 through November 11, 2016, except for such delivery of 65,000 Company Shares in total upon the exercise of the Stock Acquisition Rights, and (ii) there has been no change in the number of the Stock Acquisition Rights outstanding during the period from after October 31, 2016 through November 11, 2016, except for the subtraction of the 600 Stock Acquisition Rights which were exercised on November 11, 2016 (the number of the Stock Acquisition Rights outstanding after the subtraction is 4,195 Stock Acquisition Rights).

The outline of the Tender Offer is as follows:

(1) Name of the Target Company

Ohizumi MFG. Co., Ltd.

(2) Class of Share Certificates, Etc. for tender offer

(i) Common stock

(ii) Stock acquisition rights

Second Series Stock Acquisition Rights (Moving Strike Warrants) issued pursuant to the resolution at the board of directors meeting of the Target Company held on March 9, 2015 (“Stock Acquisition Rights”)

(3) Initial tender offer period as of registration

From Monday, November 14, 2016 through Tuesday, December 13, 2016 (21 business days)

(4) The possibility of extension of tender offer period upon request of the Target Company

In accordance with Article 27-10 Paragraph 3 of the Financial Instruments and Exchange Act, if the Target Company submits the Target Company's Position Statement requesting to extend the purchase period for the Tender Offer ("Tender Offer Period"), the Tender Offer Period will be extended to Tuesday, December 27, 2016 (30 business days).

(5) Price of tender offer

(1) 370 yen per share of Common Stock

(2) One yen per Stock Acquisition Right

(6) Number of Share Certificates, Etc. to be purchased in tender offer

Number of Share Certificates, Etc. to be purchased	Minimum number of Share Certificates, Etc. to be purchased	Maximum number of Share Certificates, Etc. to be purchased
8,367,247 (shares)	2,094,000 (shares)	- (shares)

(7) Commencement date of settlement

December 20, 2016 (Tuesday)

Note: In accordance with Article 27-10 Paragraph 3 of the Financial Instruments and Exchange Act, if the Target Company submits the Target Company's Position Statement including a request of extension of Tender Offer Period, the commencement date of settlement will be Thursday, January 5, 2017.

(8) Name of Tender Offer Agent

Daiwa Securities Co. Ltd. 1-9-1, Marunouchi, Chiyoda-ku, Tokyo

For further details of the Tender Offer, please refer to the Tender Offer Registration Statement which will be filed on November 14, 2016 by the Offerors in respect of the Tender Offer.

End

This press release is intended for the announcement of the Tender Offer to the general public and is not intended to solicit sales of shares. If any shareholder desires to sell his or her shares, the shareholder should review the Tender Offer explanatory statement and accept the Tender Offer in his or her own discretion. This press release is not considered as an offer or solicitation of sales of securities or as a solicitation of a purchase offer, and does not constitute any such part. This press release (or any part thereof) or the fact of its distribution does not provide a basis of any kind of agreement pertaining to the Tender Offer, and it may not be relied upon when executing any such agreement.

Although the Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed in the Financial Instruments and Exchange Act, these procedures and information disclosure standards may differ from the procedures and information disclosure standards in the United States. In particular, Sections 13(e) and 14(d) of the U.S. Securities Exchange Act of 1934, and the rules prescribed thereunder, do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. The financial statements contained in this press release may not necessarily be comparable to the financial statements of U.S. companies. It may be difficult to enforce any right or claim arising under U.S. federal securities laws because the Offerors and the Target Company are a company or a partnership established outside the United States and their directors are non-U.S. residents. Shareholders may not be able to sue a company or partnership outside the United States and its directors in a non-U.S. court for violations of the U.S. federal securities laws. There is no guarantee, either, that shareholders may be able to compel a company or partnership outside the United States and its subsidiaries and affiliated companies to subject themselves to a U.S. court's jurisdiction.

This press release may include certain forward-looking statements with expressions such as "anticipate," "forecast," "intend," "plan," "believe" and "assume," including those related to the future business of the Offerors and other corporations. Such forward-looking statements are based on the views of the management of the Offerors on its business forecasts at this time, and actual results may differ from such descriptions depending on future circumstances. As for the press release, the Offerors shall undertake no obligation to update any forward-looking statements to reflect events or circumstance that may arise after this release

Some countries or regions may impose restrictions on the announcement, issue or distribution of this press release. In such cases, please take note of such restrictions and comply with them. In countries or regions where the implementation of the Tender Offer is illegal, even upon receiving this press release, such receipt shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.

Unless otherwise specified, all procedures relating to the Tender Offer shall be conducted entirely in Japanese. While some or all of the documentation relating to the Tender Offer will be prepared in English, if there is any inconsistency between the English documentation and the Japanese documentation, the Japanese documentation will prevail.

Each of the financial advisors (including their affiliated companies) to the Offerors and the Target Company may, in its ordinary course of business, purchase shares in the Target Company for its own account or for the account of its clients prior to the Tender Offer or during the Tender Offer Period outside the Tender Offer in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934 or take actions for such purchase to the extent permitted by financial instruments and exchange related laws and regulations and other applicable laws and regulations of Japan. If any information concerning such purchase is disclosed in Japan, the relevant financial adviser will disclose such information on its English website (or by any other means of public disclosure).