



28th November, 2018

FOR IMMEDIATE RELEASE:

Integral Announces Investment in Toyo Engineering Corporation

Integral Corporation ("Integral") is pleased to announce that Integral Team Limited Partnership and Innovation Alpha Team L.P., investment funds advised by Integral, have reached an agreement with Toyo Engineering Corporation ("TOYO"; TSE 6330) on the third-party allotment of newly-issued-preferred stock of TOYO for the amount of 15 billion Japanese yen (the "Transaction").

TOYO has a robust track record in industrial plant construction across many countries and regions in the world and has established a firm position as a leading engineering company. In this industry, various expertise such as technical skills and knowledge, establishment of trustful relationship with clients, and organizing local execution workforce are key success factors to acquire new projects and secure profits. TOYO has such expertise mainly in petrochemical and chemical fertilizer plants in Asia including Japan, Russia and Central Asia. Now TOYO is planning to further concentrate its resources on advantageous business area with expertise to secure profitability.

Meanwhile, it is important for TOYO to recover its net asset deteriorated due to financial losses incurred on an ethylene project in the U.S.. TOYO, with effort of all members, aims to strengthen the business fundamentals and go back to its steady growth path as soon as possible by this capital raising. TOYO will invest in (i) business development for business portfolio expansion, (ii) acceleration of plant maintenance services with IoT, (iii) R&D, (iv) innovation of EPC business by digital transformation, and (v) optimization of administrative operation. Integral provides not only funds but also supports to TOYO's further business growth together with Integral's management expertise, "i-Engine" function and human network. Integral believes that the Transaction will be beneficial to all the stakeholders of TOYO including employees, clients, business partners, and shareholders on a global basis.

Respecting TOYO's current management policy and strategy, Integral trusts that the intelligence and passion of TOYO human capital are core value, and supports TOYO to realize its long-term and sustainable growth by taking into consideration of the social and industrial significance.

End



Please Contact Integral for Additional Information:

19 F, Meiji Yasuda Life Building 2-1-1, Marunouchi, Chiyoda-ku, Tokyo 100-0005 Japan

Integral Corporation

Tel: +81-3-6212-6100 Fax: +81-3-6212-6099

URL: <https://www.integralkk.com/en-home/>

About Integral

Integral (Representative Directors: Nobuo Sayama, 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 the invested companies.