



NEWS RELEASE
February 4, 2019

Company name: ALCONIX CORPORATION
Representative: Masato Takei, President and CEO
Stock code: 3036
Contact: Hiroshi Teshirogi, Director, Senior Executive
Officer and General Manager of Corporate
Planning Div.
Tel: +81-(0) 3-3596-7400

(Disclosure Progress Report)

Notice of Acquisition of Fuji Carbon Stock (Making it a Consolidated Subsidiary)

ALCONIX CORPORATION announced on August 7, 2018, the approval of a resolution by its Board of Directors for the acquisition of the stock of Fuji Carbon Manufacturing Co., which will make this company a consolidated subsidiary. This announcement was made in a release titled “Notice of Acquisition of Fuji Carbon Stock (Making it a Subsidiary) and Establishment of Intermediate Holding Company (Japanese version only).” On January 18, 2019, ALCONIX established FUJI CARBON MANUFACTURING CORPORATION as an intermediate holding company for the purpose of acquiring Fuji Carbon stock. Today, by using this intermediate holding company, ALCONIX has purchased the stock of Fuji Carbon, which is now a consolidated subsidiary.

1. Number of shares of Fuji Carbon stock to be acquired by the intermediate holding company, acquisition cost and share ownership before and after acquisition

(1) Share ownership before acquisition	0 share	(Percentage of voting rights: 0%)
(2) Number of shares to be acquired	153,600 shares	(Acquisition cost: 8,000 million yen)
(3) Share ownership after acquisition	153,600 shares	(Percentage of voting rights: 100%)

2. Overview of seller

(1) Name	Takehiko Sugiyama
(2) Address	Anjo City, Aichi Prefecture
(3) Relationships between ALCONIX and Mr. Sugiyama	There are no significant capital, personnel or business relationships between ALCONIX and Mr. Sugiyama (including his immediate family and any companies, etc. and their subsidiaries that are majority-owned by Mr. Sugiyama and his immediate family). In addition, there are no significant capital, personnel or business relationships between persons or companies affiliated with ALCONIX, Mr. Sugiyama, and persons or companies affiliated with Mr. Sugiyama.

3. Three-year financial highlights (Note)

(Millions of yen)

	December 2015	December 2016	December 2017
Net sales	6,039	6,315	6,459
Operating profit	611	711	564
Ordinary profit	631	601	441
Profit	439	394	375
Total assets	9,859	10,297	10,345
Net assets	6,338	6,650	6,928

(Note) The financial highlights use simplified consolidated figures that have not been audited.

4. Impact on the earnings forecasts for the current fiscal year

Since the accounting period for Fuji Carbon ends at the end of December, there is only a negligible effect on the consolidated forecast for the fiscal year ending on March 31, 2019. An announcement will be made promptly if there is any information that requires disclosure. Consolidated results of operations for the third quarter of fiscal year ending March 31, 2019 will be announced on February 12, 2019.