

July 20, 2018

New Horizon Capital Co., Ltd.

**NHC Transfers Marumo Industry Shares to Precision Machining Corporation
~ Revitalization Support Complete; Aim for Further Growth through Integrated
Manufacturing, from Forging to Processing ~**

New Horizon Capital Co., Ltd. (Head Office: Minato-ku, Tokyo; Chairman: Yasushi Ando; hereinafter NHC), a leading independent private-equity fund, announced today that it has transferred the stock of mid-sized forging-parts manufacturer Marumo Industry Co., Ltd. (Head Office: Tokoname-shi, Aichi Prefecture; President: Namamasa Iwase; hereinafter Marumo Industry), which had been under business revitalization and growth support by NHC since 2014, to precision machining parts manufacturer Hamamatsu Tekko Co., Ltd. (Head Office: Iwata-shi, Shizuoka Prefecture; Chairman: Kimiyasu Terada; hereinafter called Hamamatsu Tekko) on July 20.

NHC had been working on revitalization support, including improving Marumo Industry profit structure and manufacturing efficiency, for over four years since its stock acquisition in June, 2014. Marumo Industry now is able to proceed to a new growth phase.

NHC made a decision to sell Marumo Industry to Hamamatsu Tekko as the best counterpart to continue to supply existing customers in addition to improving customer relationships, to leverage the strengths of both parties and to be able to anticipate the manufacture of new high-value-added products.

About NHC:

New Horizon Capital (NHC) is a top-tier Japanese PE fund targeting small- to mid-cap buyout deals, with approximately 15 years of experience and a cumulative AUM of 260 billion yen. NHC was spun off from Phoenix Capital, which was founded by Yasushi Ando. NHC has been managing three funds since its foundation and nine funds in total as Phoenix Capital and NHC. The NHC team led by Yasushi Ando who has been a key man for nine funds has an excellent equity-investment track record, including Mitsubishi Motors Corporation, Teac Corporation, Tokyu Construction, Fudo Construction, Seikitokyo Kogyo, Ichida, Tsumura, Hitachi Housotec, Marumo Industry, Mag2, iae Holdings, Tachikichi, Takeda Industry, SnSnap, Shibaura Fire Pump Corporation, Kawasaki Holdings, and Showa Corporation. NHC possesses the largest track record of investment, having invested in more than 100 firms, including about 40 equity investments, in Japan.

For inquiries and further information, please contact:

NHC's PR desk (IFC): Hideko Takee (Ms.), Emi Nonami (Ms.)

Phone: 03-5532-8921