

November 15, 2017

Listed company name: Tohoku Steel Co., Ltd.
Company representative: Keiichiro Yamaguchi,
Representative Director & President
(JASDAQ: 5484)
Inquiries: Hiroshi Yoshida, Director
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To Whom It May Concern,

Transfer of MR Prober Business

We would like to announce that, as a result of the Board of Directors meeting on November 15, 2017, we have decided to transfer the MR prober business to OHT Inc.

Details

1. Background

In line with the direction of the business of our corporate group, we explored ways to optimize our business portfolio from a long-term perspective. As a result, we concluded that we must boost management efficiency by further concentrating management resources on our key businesses, primarily the steel business, as well as on magnetostrictive materials and the thermal compression bonding technique, which have growth potential.

2. Overview

(1) Business to be transferred

Design, production and sale of MR probers*

* MR prober: an inspection system that measures the magnetic properties of MRAM and HDD magnetic heads at the wafer level

(2) Assets, liabilities and amount to be transferred

Assets: 90.919 million yen; liabilities: 54 million yen

(3) Transfer price and settlement method

Transfer price: undisclosed as agreed upon with the transferee

Settlement method: cash

3. Schedule

Date of decision by the Board of Directors: November 15, 2017

Business transfer due date: December 28, 2017 (scheduled)

4. Impact on consolidated business results

Although we concluded that the impact of the business transfer on our consolidated business results will be minimal, we will make an announcement promptly should we discover there will be a significant impact.