



December 2, 2020

To Whom It May Concern:

Name of Company: Arisawa Mfg., Co., Ltd.
Representative: Yuta Arisawa, Representative Director and CEO
(Code No.: 5208 Tokyo Stock Exchange, 1st Section)
Contact: Takeshi Masuda, Senior Operating Officer in charge of
Corporate Planning Department
(TEL: 025-524-7101)

Notice of Commencement of Tender Offer for Shares of ThinFlex Corporation of Taiwan

The Company resolved at the Board of Directors' meeting held on December 2, 2020 to acquire additional shares in ThinFlex Corporation of Taiwan (hereinafter referred to as "ThinFlex"), a consolidated subsidiary of the Company, by means of tender offer under Taiwanese laws (hereinafter referred to as "Taiwanese Tender Offer"), and accordingly, we hereby notify you as follows.

1. Reason for the Acquisition of Shares and the Tender Offer

The Company and ThinFlex both manufacture and sell raw materials for flexible printed wiring boards, and based on our respective specialized products and major customers/markets, we have coexisted separate from each other.

In anticipation of intensifying competition in the coming years, it will be necessary to deepen our alliance to take advantage of our respective strengths and enhance our competitiveness in all aspects of development, sales, and manufacturing, as well as to capture growth in Asia including peripheral areas of business, focusing on Greater China. For this reason, the Company has decided to acquire additional shares of ThinFlex.

2. Outline of the Taiwanese Tender Offer

(1) Tender Offeror	Arisawa Mfg., Co., Ltd.
(2) Target Company	ThinFlex Corporation
(3) Tender Offer Period	Scheduled from December 8, 2020 to January 26, 2021 (Note) The Tender Offer Period may be extended for up to 50 days if the terms of purchase are not met.
(4) Class of Shares to be Purchased	Common Shares
(5) Tender Offer Price	36 Taiwanese dollars per common share (Note) The Tender Offer Price is determined based on the stock price level of the Target Company, taking into consideration a comprehensive view of the marketability (trading volume, market making, etc.) and future profits, etc., of the Target Company's shares.
(6) Funds Required for Tender Offer	1,728 million Taiwanese dollars (6,325 million yen) (Note) This is the amount required to purchase 47.7% of the number of shares issued of ThinFlex.
(7) Minimum Number of Shares to be Subscribed	17,813,244 shares (17.7% of the number of shares issued)
(8) Maximum Number of Shares to be Subscribed	48,004,569 shares (47.7% of the number of shares issued)

(9) Conditions of Tender Offer	This will be conducted on condition that subscription for 17,813,244 shares (17.7% of the number of shares issued) be made, clearance from the Investment Commission and the Financial Supervisory Commission of Taiwan be obtained, and any other conditions normally required for similar transactions be met.
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3. Outline of the Target Company

(1) Name	ThinFlex Corporation		
(2) Location	No.8, Luke 2nd Rd., Luzhu Dist., Kaohsiung City 821, Taiwan		
(3) Representative	Chia Neng Huang, Chairman		
(4) Capital	1,006,378 thousand Taiwanese dollars		
(5) Number of Shares Issued	100,637,750 Shares		
(6) Date of Establishment	June 2, 2000		
(7) Business Description	Development, manufacturing, and sales of FPC materials, etc.		
(8) Stock Exchange of Listing	Taiwan Gre Tai Securities Market (Stock Code: 3144)		
(9) Major Shareholders and Shareholding Ratio	The Company (Arisawa Mfg., Co., Ltd.): 52.30% Chang Wah Electromaterials Inc.: 5.01%		
(10) Relationship with the Company	Capital Relationship	The Company owns 52,633,181 common shares (52.30% of the number of shares issued) of ThinFlex.	
	Personal Relationship	Three of the Company's officers and employees serve as directors of ThinFlex concurrently.	
	Business Relationship	The Company supplies raw materials and sells products relating to electronic materials to ThinFlex.	
	Status as a Related Party	ThinFlex is a consolidated subsidiary of the Company, and therefore falls under a related party.	
(11) Business Performance and Financial Position for the Past Three Years			
Fiscal Year	Fiscal Year ended December 31, 2017	Fiscal Year ended December 31, 2018	Fiscal Year ended December 31, 2019
Net Assets	1,435 million TWD	1,479 million TWD	1,506 million TWD
Total Assets	2,916 million TWD	3,475 million TWD	3,690 million TWD
Net Assets Per Share	14.27 TWD	14.70 TWD	14.97 TWD
Sales	2,491 million TWD	2,616 million TWD	2,909 million TWD
Operating Profit	234 million TWD	216 million TWD	212 million TWD
Current Net Profit	173 million TWD	164 million TWD	140 million TWD
Current Net Profit per Share	1.72 TWD	1.64 TWD	1.40 TWD
Dividend per Share	1.1 TWD	1.0 TWD	0.9 TWD

4. Schedule

(1) Date of Resolution of the Board of Directors	December 2, 2020
(2) Commencement of Acceptance of Subscription to the Tender Offer	December 8, 2020
(3) End of Subscription Period for the Tender Offer	January 26, 2021 (planned) (Note)
(4) Date of Share Transfer	February 1, 2021 (planned) (Note)

(Note) Subject to change or extension due to the permission procedures, etc., of the Taiwanese authorities.

5. Future Outlook

Results of the Taiwanese Tender Offer will be disclosed as soon as available. If this Taiwanese Tender Offer is successfully concluded and any impact on the forecast of business results arises, details will be disclosed as soon as they are finalized.