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J-STAR Co., Ltd.

Gregory Hara

President & Representative Director

Announcement of Acquisition of LM Contract Manufacturing Services Inc. by Kugami Seiki Kogyo Holdings Co., Ltd.

Yokohama, Kanagawa – April 1 2016 - Kugami Seiki Kogyo Holdings (“KGH”), a portfolio company of J-STAR No. 2 Investment Limited Partnership, announced that it has acquired LM Contract Manufacturing Services Inc. (“LMC”, headquarters in British Columbia, Canada), and that it established KUGAMI MEXICO, S.A. DE C.V. (“KGMMEX”) in Mexico jointly with its subsidiary Kugami Co., Ltd.,. Kugami as a group will further develop the North American business with its production base in Mexico in cooperation with LMC and KGMMEX.

Founded in 2000 by a Canadian couple with mold engineering background, LMC has been manufacturing plastic injection mold tools and moldings mainly used for auto parts and industrial instrument in Saltillo, Mexico since 2006. The company has expanded and been providing full services in plastic injection from designing to manufacturing and to EU/US customers.

KGH manufactures plastic parts mainly for mobile phones and automobiles in Japan and China with two production sites respectively. By acquiring LMC with a production base in Mexico, Kugami as a group will respond to multi-regional customers’ needs in three major auto-parts markets.

KGH will continue to build up management infrastructure for global business opportunities including strategic alliance and acquisitions both in Japan and overseas.

J-STAR continues to support KGH for growth and building management and operations.

Baker and McKenzie as its legal advisor and KPMG as financial and tax advisor were engaged for this transaction.

J-STAR

J-STAR Co., Ltd. (www.j-star.co.jp)

Founded in 2006 as an independent firm, J-STAR is involved in private equity investments, targeting at corporate value enhancement via acquiring management rights. J-STAR has the following three standards for investment: (1) a superior management team and staff, (2) ample potential for increasing added value through the contributions of fund managers and (3) a uniqueness / superiority of market status and business models. Following these standards, it focuses on companies with a corporate value ranging from 3 billion yen to 10 billion yen. Since its founding, J-STAR invested in more than 26 transactions in various industries such as consumer durables, services, healthcare, environment and manufacturing.