

Wednesday, September 21, 2022

(C) Method of settlement

Notification of the repurchases under the tender offer will be sent to the address of tendering shareholders (or the standing proxy for foreign shareholders) after the conclusion of the tender offer period without delay.

Repurchases will be settled in cash. Tendering shareholders will be able to receive the repurchase amount for the tender offer, less applicable withholding taxes (see note), by wire transfer or method as instructed by the tendering shareholder without delay after the settlement commencement date.

Note : Taxes on shares repurchased under the tender offer

*Please make any decisions after consulting a tax advisor or other professional about specific tax questions.

(a) For tendering shareholders who are residents, or non-residents with a permanent establishment in Japan

When the amount of money received for accepting the tender offer exceeds the amount of the portion of the Company's capital (or for a consolidated corporation, its consolidated individual stated capital) attributable to the shares that are the basis for that payment (when the per-share repurchase amount is greater than the per-share amount of capital), the amount in excess will be deemed a dividend and taxed accordingly. The amount deemed to be a dividend is subject to a withholding of 20.315% (15.315% for income tax and special income tax for reconstruction and 5% for resident tax) (There will be no special withholding of the 5% resident tax for non-residents with a permanent establishment in Japan). However, if the shareholder is considered a principal shareholder, the withholding is 20.42% (income tax and special income tax for reconstruction only). As a general rule, the amount after deducting the cost of acquiring the shares from the transfer income is subject to declared separate income taxes.

(b) For tendering shareholders who are non-residents without a permanent establishment in Japan

The amount deemed to be a dividend will be subject to withholding of 15.315% (income tax and special income tax for reconstruction only). If the shareholder is considered a principal shareholder, the withholding will be 20.42% (income tax and special income tax for reconstruction only). As a general rule, the transfer income will

not be taxed.

(c) For corporate shareholders

when the amount of money received for accepting the tender offer exceeds the amount of the portion of the Company's capital (or for a consolidated corporation, its consolidated individual stated capital) attributable to the shares that are the basis for that payment, the amount of this excess will be deemed a dividend. As a general rule, the portion deemed to be a dividend is subject to withholding of 15.315% (income tax and special income tax for reconstruction only).

Foreign shareholders who wish to receive an income tax reduction or exemption for such deemed dividends pursuant to an applicable tax treaty should submit to the Tender Offer Agent a tax treaty application form together with a tender offer application form.

2. Results of the Purchase

(1) Number of shares purchased

Share class	Anticipated number of shares to be purchased	Number of excess shares to be purchased	Number of shares tendered	Number of shares to be purchased
Common shares	10,000,000 shares	- shares	9,025,337 shares	9,025,337 shares

(2) Calculation method where proportional allocation is used.

Not applicable.

3. Locations for Examination of Copies of the Tender Offer Report

DENSO corporation	1-1, Showa-cho, Kariya, Aichi, Japan
Tokyo Stock Exchange, Inc.	2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan
Nagoya Stock Exchange, Inc.	8-20, Sakae3-chome, Naka-ku, Nagoya, Japan

(Reference) Resolution about repurchase of its stock adopted by the Board of Directors on July 29, 2022

(A) Class of shares to be repurchased	Common stock
(B) Total number of shares to be repurchased	Up to 16,000,000 shares (2.10 percent pf total outstanding shares excluding treasury stock)

(C) Total cost of the repurchased

Up to 100,000 million yen

(D) Tender Offer Period

August 1, 2022 to December 31, 2022

II. Change of Major Shareholder

1. Background for the change

The Company conducted the Tender Offer from August 1, 2022 to August 29, 2022, and ended on August 29, 2022. As a result of the Tender Offer, the number of voting rights of all shareholders will decrease, which will result in a relative increase in the ratio of the number of voting rights of Toyota Industries Corporation (“Toyota Industries”) to the number of voting rights of all shareholders. Toyota Industries is therefore expected to become a major shareholder of the Company as of September 21, 2022(settlement commencement date of the Tender Offer).

2. Overview of the shareholder subject to the change

(1) Name	Toyota Industries Corporation
(2) Location	2-1, Toyoda-cho, Kariya, Aichi, Japan
(3) Job title and name of Representative	President Akira Onishi
(4) Description of business	Manufacture and sales of textile machinery, materials handling equipment, automobiles and automobile parts
(5) Share capital	80.462 billion yen (as of June 30, 2022)

3. Number of voting rights (number of shares) held by said shareholder and its ratio to the voting rights held by all shareholders before and after the change

	Number of voting rights (Number of shares held)	Ratio of voting rights held	Ranking among major shareholders
Before the change (As of March 31, 2022)	761,707 units (76,170,764 shares)	9.98%	3 rd
After the change	761,707 units (76,170,764 shares)	10.10%	3 rd

(Note 1) The number of voting rights includes 67,980 units, which are contributed as a trust asset for employees' retirement benefits by Toyota Industries.

(Note 2) Ratio of voting rights before the change is calculated by dividing by the number of voting rights of all shareholders (7,629,008) as of March 31, 2022.

(Note 3) Ratio of voting rights after the change is calculated by dividing by the number of voting rights of all shareholders (7,538,755) excluded the number of voting rights (90,253) represented by the common shares repurchased by the Tender Offer.

(Note 4) Ratio of voting rights is rounded to third decimal places.

(Note 5) Ranking among major shareholders is based on the rank of shareholders in the

register of shareholders as of March 31, 2022.

4. Date of Change

September 21, 2022

5. Future outlook

The change of major shareholder is based on the relative increase in the number of voting rights of Toyota Industries due to the repurchase of its stock by the Tender Offer, and there are no matters to be stated regarding the future outlook.

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