

March 1, 2021

Nireco Corporation

Tokyo Stock Exchange code: 6863

Notice Concerning Conclusion of Business Cooperation Agreement

Nireco Corporation (Nireco) is pleased to announce that it has concluded a Business Cooperation Agreement with Erhardt+Leimer GmbH (E+L), a provider of solutions for web control and web guiding. The agreement includes Erhardt+Leimer Japan LTD (ELJ), E+L's branch in Japan.

1. Background and Purpose

Founded in 1919 and headquartered in Augsburg, Germany, E+L is a web* control equipment manufacturer and a global company with more than 1,600 employees in 15 countries. ELJ is the Japanese corporate branch of E+L.

Since its founding in 1950, Nireco has been expanding into the process control, web control, inspection systems and optics markets guided by its philosophy of "technology and trust." Its web control equipment business has a long track record of success, particularly in Japan.

Nireco and E+L have been discussing whether formal collaboration might support their mutual growth. Both companies concluded that they could benefit by complementing each other's products and services. As a result, both have entered into a business cooperation agreement that includes ELJ.

*Web: Refers to thin materials in sheet or roll form, such as paper for newspapers and other publications, resin sheets for PCs and smartphone panels, and packaging film for food products.

2. Outline of the Agreement

- (1) NIRECO will sell and provide services for E+L's web business products marketed to the paper, printing, film and other special applications industries in Japan, in addition to providing its existing line-up of its own Nireco products.
- (2) ELJ will continue to sell E+L products in the textile, tire, and corrugated cardboard markets as well as provide support for sales and services of E+L products to Nireco.
- (3) Both companies will continue to discuss collaboration on sales of Nireco's inspection and process control products in overseas markets.



3. Corporate Profile

(1) About E+L:

Company name	Erhardt+Leimer GmbH
Address	86391 Stadtbergen Germany
Representative	President: Hannelore Leimer CEO: Dr. Michael Proeller
Business	Manufacturing and sales of products for web control

(2) About ELJ:

Company name	Erhardt+Leimer Japan LTD.
Address	4388, Ikonobe-cho, Tsuzuki-ku, Yokohama-shi, Kanagawa, 224-0053 Japan
Representative	Representative Director: Ichirou Anzai
Business	Sales and services for the full line of E+L products

For further information:

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About Nireco Corporation

Established in November 1950, Nireco's main business field is development, manufacturing, sales and maintenance services for control and inspection equipment.

The company has capital of 3,072 million yen and had consolidated sales of JPY 8,775 million in FY2020/03. It is listed on the TSE JASDAQ (Standard) (securities code: 6863).

Website: <http://www.nireco.com/en/>