



June 17, 2016

Company Name: Oak Capital Corporation
Name of Representative: Hiroyasu Takei, Representative Director, Chairman and CEO
Securities Code Number: 3113 (Second Section of the Tokyo Stock Exchange)
Contact Person: Seiichi Kodama, IR and PR General Manager (Tel: 03-5412-7700)

Notification on Business Reorganization Support Investment in Wintest Corporation (TSE 2nd 6721)

We hereby announce that we have decided to provide a total of 800 M JPY in equity financing to Wintest Corporation (hereinafter “Wintest”) to support the reorganization of their business and reinforcement of their financial structure. The outline and background of the investment is as follows:

1. Reorganization investment aiming at stabilizing operations

Wintest are a fabless maker of semiconductor testers and automatic testing devices for flat display panels, providing their products to major domestic companies and R&D institutions.

Recently, the smartphone and tablet-related markets became sluggish due to the deceleration of China’s economy, and domestic semiconductor makers that are Wintest’s main customers suffered deterioration in their business results. Therefore, Wintest have worked to improve their sales in other Asian countries where the demand is still vigorous, but unfortunately were not able to offset the domestic sales reduction, and as a result booked an operating and net losses in the last business term.

In addition, the aggregate market value of Wintest’s shares as of February 2016 (both monthly average and end-of-month values) have fallen below 1 billion JPY, which means the company met the criteria to enter the grace period before being delisted from the Tokyo Stock Exchange due to market value.

In light of the above, Wintest have reevaluated their strategies and engaged in radical reorganization of their business structure aiming to create a new core business. We made the decision to provide them with equity financing to aid them in their strategy to expand into growth markets as well as to secure funds for M&A activities necessary to grow their business and create a stable income base while reinforcing their financial structure.

2. Expansion into fields of robotics, electric cars and IoT

As part of their business strategy to leverage their advanced testing, image processing, sensor and data analysis technologies, Wintest have decided to expand into fields with high growth potential, such as robotics, electric cars and IoT to establish a stable base of profitability and reinforce their financial structure.

(1) Robotics:

- Assistance robots for medical, nursing, disaster relief and other fields.
- Robots for the logistics market equipped with AI (Artificial Intelligence) and sensor technologies

(2) Electric cars:

- Development of VCU (Vehicle Control Unit) and BMS (Battery Management System) devices
- Joint research of remote control systems as well as development/production of such systems through acquisitions and/or business alliances
- Remote control services focused on Asian markets and utilizing GPS capabilities

(3) IoT:

- Support technologies to optimize the output of solar panels and provide stable energy
- Analysis services based on AI (Artificial Intelligence) and accumulated data

3. Breakdown of amount invested in Wintest

Equity warrants: 800 M JPY *390 M JPY in 6th financing round and 410 M JPY in 8th financing round (expected)

payment after exercising rights)

4. Capital contribution ratio following the investment

After the investment, Oak Capital's contribution ratio will equal 51.95%.

5. Planned investment execution date

Payment dates: July 4, 2016 (6th financing round)
July 26, 2016 (7th financing round)

6. Wintest overview (as of January 31, 2016)

- (1) Corporate name: Wintest Corporation (TSE 2nd 6721)
- (2) Representative: Shouji Nara, Representative Director and President
- (3) Address: Hiranuma, Nishi-ku, Yokohama-City, Kanagawa
- (4) Established in: August 1993
- (5) Accounting term: Account settlement in July
- (6) Employees: 17
- (7) Capital: 1,249 M JPY
- (8) Issued shares: 6,429,400 shares
- (9) Shareholder structure: Takatori Corporation (13.45%), Shouji Nara (12.85%), others
- (10) URL: <http://www.wintest.co.jp/>
- (11) Description of business: Development, design and sales of testing equipment for image sensors, displays and mixed signal devices.

7. Business reorganization investment

We consider it our mission to support financing efforts of listed companies through issuance of new shares and provide funds and financial strategy advice necessary to develop and implement growth strategies, engage in mergers and acquisitions and otherwise increase corporate value.

This business reorganization investment will help Wintest to realize their management strategy and to quickly innovate. As a provider of fair and transparent financing, we make sure that all our financing efforts are in strict compliance with all rules established by the Financial Services Agency and the stock exchange, and that they are fully transparent to the markets and do not put other investors at an disadvantage.