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17 May 2019



**SATO CORPORATION ANNOUNCES AN INVITATION TO  
PURCHASE NOTES FOR CASH**

SATO Corporation (the "**Issuer**") has today launched an invitation to holders of its €300,000,000 2.250 per cent. Notes due September 2020 (the "**2020 Notes**") and its €300,000,000 2.375 per cent. Notes due March 2021 (the "**2021 Notes**") and together with the 2020 Notes, the "**Notes**") to tender their Notes for purchase by the Issuer for cash (the "**Offer**").

The Offer is being made on the terms and subject to the conditions set out in a tender offer memorandum dated 17 May 2019 (the "**Tender Offer Memorandum**") and is subject to the offer restrictions set out below and as more fully described in the Tender Offer Memorandum. Capitalised terms used and not otherwise defined in this announcement have the meanings given in the Tender Offer Memorandum.

As a part of the refinancing transaction, the Issuer announces that it may issue new euro-denominated senior notes (the "**New Notes**"), the net proceeds of which will be used, among other things, to purchase Notes pursuant to the Offer.

Description of Notes	ISIN/Common Code	Aggregate Principal Amount Outstanding	Purchase Yield	Series Acceptance Amount
€300,000,000 2.250 per cent. Notes due September 2020 (the " <b>2020 Notes</b> ")	XS1245554859/ 124555485	€300,000,000	-0.200%	Subject as set out herein, an aggregate principal amount of Notes no greater than €300,000,000 across both Series combined. The Issuer may in its sole and absolute discretion determine the aggregate principal amount of each Series of Notes accepted for purchase pursuant to the Offers.
€300,000,000 2.375 per cent. Notes due March 2021 (the " <b>2021 Notes</b> ")	XS1384762271/ 138476227	€300,000,000	-0.100%	

*For information purposes only, the Purchase Price in respect of (i) the 2020 Notes would be 102.524 per cent. and (ii) the 2021 Notes would be 103.885 per cent., both assuming a Settlement Date of 31 May 2019 when determined in the manner described herein. Should the Settlement Date be amended, the Purchase Price in respect of the 2020 Notes and the 2021 Notes will be recalculated and will be announced as further described herein.*

The purchase of any Notes by the Issuer pursuant to the Offer is subject to, without limitation, the successful completion (in the sole determination of the Issuer) of the issue of the New Notes (the "**New Financing Condition**") or the waiver of such New Financing Condition at the sole discretion of the Issuer. The Issuer intends to announce its decision of whether to accept (subject to satisfaction or waiver of the New Financing Condition on or prior to the Settlement Date) valid tenders of Notes pursuant to the Offer and, if so accepted, the Purchase Price, the Accrued Interest, the Final Acceptance Amount, each of the Series Acceptance Amounts and the Pro-rata Factors (if any), on 27 May 2019.

A Noteholder that submits a valid Tender Instruction or has indicated their firm intention to tender their Notes to the Dealer Manager and wishes to subscribe for New Notes in addition to tendering Notes for purchase pursuant to the Offer may receive priority (the "**New Issue Priority**") in the allocation of the New Notes, subject to the completion of the Offer, the issue of the New Notes, the satisfaction of the various steps as set out in the Tender Offer Memorandum and such Noteholder making a separate application for the purchase of such New Notes to the Dealer Manager (in its capacity as a Joint Lead Manager) in accordance with the standard new issue procedures of the Dealer Manager. The aggregate principal amount of New Notes for which New Issue Priority will be given to such a Noteholder will be at the sole discretion of the Issuer and may be less than, equal to or greater than the aggregate principal amount of Notes validly tendered by such Noteholder in the Offers and accepted for purchase by the Issuer.

The Issuer is under no obligation to accept any valid tenders of Notes pursuant to the Offers. The acceptance for purchase by the Issuer of any Notes validly tendered is at the sole discretion of the Issuer and tenders of Notes pursuant to the Offers may be rejected by the Issuer for any reason. In addition, the Issuer, in its sole discretion, reserves the right to extend, re-open,

amend, waive any condition of or terminate the Offer at any time, subject to applicable laws and as provided in the Tender Offer Memorandum.

### **Rationale for the Offer**

The purpose of the Offers is to proactively manage the Issuer's debt redemptions and to extend the debt maturity profile of the Issuer.

### **Purchase Prices**

The Issuer will pay, for the Notes accepted by it for purchase pursuant to the relevant Offer, a price (the relevant "**Purchase Price**", expressed as a percentage of the principal amount of the relevant Note and rounded to the third decimal place, with 0.0005 per cent. being rounded upwards) calculated by reference to the relevant Purchase Yield. Specifically, the Purchase Price will equal (a) the value of all remaining payments of principal and interest on the relevant Notes up to and including the relevant Par Call Date (assuming the Notes are redeemed on such date), discounted to the Settlement Date at a discount rate equal to the relevant Purchase Yield, minus (b) the relevant Accrued Interest.

The calculation of the Purchase Price and Accrued Interest will be made by the Issuer in its sole and absolute discretion and such calculations will be final and binding on Noteholders, absent manifest error.

For information purposes only, the Purchase Price in respect of (i) the 2020 Notes would be 102.524 per cent. and (ii) the 2021 Notes would be 103.885 per cent., both assuming a Settlement Date of 31 May 2019 when determined in the manner described herein. Should the Settlement Date be amended, the Purchase Price in respect of the 2020 Notes and the 2021 Notes will be recalculated and will be announced as further described herein.

### **The Final Acceptance Amount and Scaling**

The Issuer proposes to accept for purchase pursuant to the Offers, an aggregate principal amount of Notes no greater than €300,000,000 across both Series of Notes combined (the "**Maximum Acceptance Amount**"). The Issuer may in its sole discretion determine the aggregate principal amount of each Series of Notes (each, a "**Series Acceptance Amount**") accepted for purchase pursuant to the Offers and may accept considerably more or less (or none) of one Series than the other. If the aggregate principal amount of Notes of either series validly tendered by Noteholders would result in the total amount of the tendered Notes (if all such Notes were accepted for purchase) exceeding the Series Acceptance Amount, such tendered Notes will be accepted on a pro-rata basis as further described herein.

### **Tender Instructions**

To tender Notes for purchase pursuant to the Offer a Noteholder should deliver, or arrange to have delivered on its behalf, via the relevant Clearing System and in accordance with the requirements of such Clearing System, a valid Tender Instruction that is received by the Tender Agent by 4.00 p.m. CET on 24 May 2019 (the "**Expiration Deadline**"). **Tender Instructions will be irrevocable** except in the limited circumstances described in the Tender Offer Memorandum.

Tenders of the Notes for purchase must be made to the Issuer in accordance with the procedures set out in the Tender Offer Memorandum. Holders wishing to participate in the Offer must deliver, or arrange to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by the Expiration Deadline.

### **Expected Timetable of Events**

*This is an indicative timetable showing one possible outcome for the timing of the Offers based on the dates in the Tender Offer Memorandum. This timetable is subject to change and dates and times may be extended or amended by the Issuer in accordance with the terms of the Offers as described in the Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.*

<b>Date</b>	<b>Action</b>
17 May 2019	<b><i>Commencement of the Offers</i></b>  Offers announced by way of announcements on the website of Euronext Dublin, the relevant Notifying News Service(s) and through the Clearing Systems.  Tender Offer Memorandum available from the Tender Agent. A Noteholder can receive the Base Prospectus by contacting a Joint Lead Manager of the issue of the New Notes.
24 May 2019 16.00, CET	<b><i>Expiration Deadline</i></b>

Deadline for receipt by the Tender Agent of all Tender Instructions in order for Noteholders to be able to participate in the Offers.

27 May 2019  
On or around 14.00, CET

#### **Announcement of Final Results**

Announcement of the Issuer's decision whether to accept (subject to satisfaction of or waiver of the New Financing Condition on or prior to the Settlement Date) valid tenders of Notes for purchase pursuant to any or all of the Offers (including, if applicable, the Settlement Date for such Offers) and, if so accepted, confirmation of:

- (i) the Purchase Price and the Accrued Interest;
- (ii) the Final Acceptance Amount;
- (iii) each of the Series Acceptance Amounts; and
- (iv) any applicable Pro-ration Factor,

distributed by way of announcements on the website of Euronext Dublin, the relevant Notifying News Service(s) and through the Clearing Systems.

31 May 2019

#### **Settlement**

Subject to satisfaction of or waiver of the New Financing Condition on or prior to the Settlement Date, expected Settlement Date for the Offers. Payment of the applicable Purchase Price and Accrued Interest Payment in respect of Notes accepted for purchase pursuant to the Offers.

Expected New Issue Settlement Date.

*The Issuer may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Offer at any time (subject to applicable law and as provided in the Tender Offer Memorandum) and the above times and dates are subject to the right of the Issuer to so extend, re-open, amend and/or terminate the Offer. Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer by the deadlines specified above. **The deadlines set by any such intermediary and each Clearing System for the submission and withdrawal of Tender Instructions will be earlier than the relevant deadlines specified above.***

*Announcements in connection with the Offers will be made by publication on the website of Euronext Dublin. Announcements may also be made by (i) delivery of notices to the Clearing Systems for communication to Direct Participants, (ii) publication on the website of the Issuer, and (iii) issue of a press release to a Notifying News Service.*

*Copies of all announcements, notices and press releases can also be obtained from the Tender Agent, the contact details for whom are on the last page of the Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offers. In addition, Noteholders may contact the Dealer Manager for information using the contact details on the last page of the Tender Offer Memorandum.*

#### **For Further Information**

A complete description of the terms and conditions of the Offer is set out in the Tender Offer Memorandum. Further details about the transaction can be obtained from:

##### **The Dealer Manager**

**Nordea Bank Abp**  
Satamaradankatu 5  
FI-00020 Nordea  
Finland

Telephone: +45 55 46 90 82  
+45 55 47 58 95

Attention: Nordea Liability Management

Email: [NordeaLiabilityManagement@nordea.com](mailto:NordeaLiabilityManagement@nordea.com)

**The Tender Agent****Citibank N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Telephone: +44 20 7508 3867

Attention: Exchange Team

Email: citiexchanges@citi.com

A copy of the Tender Offer Memorandum is available to eligible persons upon request from the Tender Agent.

**Disclaimer**

This announcement must be read in conjunction with the Tender Offer Memorandum. No offer or invitation to acquire or exchange any securities is being made pursuant to this announcement. This announcement and the Tender Offer Memorandum contain important information, which must be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Offer. None of the Issuer, the Dealer Managers or the Tender Agent, or any person who controls, or is a director, officer, employee or agent of such persons or any affiliate of such persons, makes any recommendation as to whether Noteholders should participate in the Offer.

This announcement is released by SATO Corporation and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("**MAR**"), encompassing information relating to the Offer described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Saku Sipola (Chief Executive Officer) of SATO Corporation.

**Offer and Distribution Restrictions*****United States***

The Offers are not being made and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to any U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended (the "**Securities Act**") (each a "**U.S. Person**")). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to a U.S. Person and the Notes cannot be tendered in the Offers by any such use, means, instrumentality or facility or from or within or by persons located or resident in the United States or by any U.S. Person. Any purported tender of Notes in the Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located in the United States a U.S. Person, by any person acting for the account or benefit of a U.S. Person, or by a person located in the United States or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in an Offer will represent that it is not a U.S. Person located in the United States and is not participating in such Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offer from the United States and who is not a U.S. Person. For the purposes of this and the above paragraph, "**United States**" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

***United Kingdom***

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**")) or persons who are within Article

43(2) or 49 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

### **France**

The Offers are not being made, directly or indirectly, to the public in the Republic of France ("**France**"). Neither this announcement, the Tender Offer Memorandum nor any other documents or materials relating to the Offers have been or shall be distributed to the public in France and only qualified investors (*investisseurs qualifiés*) other than individuals, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code Monétaire et Financier*, are eligible to participate in the Offers. The Tender Offer Memorandum and any other document or material relating to the Offers have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

### **Italy**

None of the Offers, the Tender Offer Memorandum or any other documents or materials relating to the Offers have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian laws and regulations.

The Offers are being carried out in the Republic of Italy as exempted offers pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "Financial Services Act") and article 35-bis, paragraph 4, of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "**Issuers' Regulation**").

Noteholders, or beneficial owners of the Notes located in the Republic of Italy, can tender some or all of their Notes pursuant to the Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offers.

### **General**

Neither this announcement, the Tender Offer Memorandum nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offers will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its respective affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by the Dealer Manager or such affiliate, as the case may be, on behalf of the Issuer in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Noteholder participating in an Offer will be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Offers*". Any tender of Notes for purchase pursuant to the Offers from a Noteholder that is unable to make these representations will not be accepted.

Nothing in this announcement, the Tender Offer Memorandum or the electronic transmission thereof constitutes an offer to sell or the solicitation of an offer to buy the New Notes in the United States or any other jurisdiction.

Each of the Issuer, the Dealer Manager and the Tender Agent reserves the right, in its sole and absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to an Offer whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such tender or submission may be rejected.