

May 21, 2018

KAGA ELECTRONICS CO., LTD.

8154 Tokyo Stock Exchange, First Section

To the press and whom it may concern

KAGA ELECTRONICS Introduces SAP S/4HANA® to Key Operations System

Strengthening Global Corporate Management Infrastructure with an Eye on
Development and Expansion of EMS Business Overseas

KAGA ELECTRONICS CO., LTD. (Head Office: Chiyoda-ku, Tokyo, President & COO: Ryouichi Kado, hereafter “Kaga Electronics”) today announced that it has decided to introduce the key operations system “SAP S/4HANA®” and corresponding infrastructure base “SAP HANA® Enterprise Cloud” provided by SAP Japan Co., Ltd. (Head Office: Chiyoda-ku, Tokyo, President: Yuzuru Fukuda, hereafter “SAP Japan”) in order to strengthen the company’s global corporate management infrastructure in accordance with the overseas development and expansion of its EMS business.

System construction and project management will be performed by TIS Inc. (Head Office: Shinjuku-ku, Tokyo, President: Toru Kuwano, hereafter “TIS”).

■ Purpose of Introduction and Reason for Selecting SAP S/4HANA

Kaga Electronics has thus far performed on-premises operations of original systems developed and built from scratch for procurement, production, sales, project management, and other business operations.

However, in conjunction with the company’s future growth strategy that includes overseas business expansion and M&A centering on the EMS business, Kaga Electronics has determined that a review of its IT infrastructure is needed to promote cost reduction through business reform, such as by standardizing and enhancing the efficiency of operations.

To achieve this, Kaga Electronics has decided to adopt SAP S/4HANA as a means of strengthening its global corporate management infrastructure in view of the high degree of package completion, including a feature-rich basic functionality and solid results of introduction by global companies.

The key points in selecting TIS as our partner for this introduction project are the expectation of project promotion know-how based on abundant business knowledge related to specialized trading companies, and TIS's high enterprise consulting capability means that total support can be anticipated, including not just system introduction but also operations design. Additional factors affecting the decision were past results introducing SAP S/4HANA EM and SAP HANA® Enterprise Cloud, and technical ability enabling to reflect SAP's latest technology to the project.

■ Future schedule

Kaga Electronics initiated this introduction project from April 2018, and operation by Kaga Electronics Co., Ltd. and some group companies in Japan is planned for April 2020. The system will then be developed successively for group companies both in Japan and overseas to promote global integration of our IT infrastructure using the SAP S/4HANA platform.

About TIS Inc.

TIS is a member of the TIS INTEC Group, and provides a variety of service type IT solutions such as system integration, outsourced development, data centers, and cloud services. TIS has also established a global support system centering on China and the ASEAN region, and contributes to the growth of clients' businesses as a business partner to more than three thousand companies in diverse sectors such as finance, manufacturing, distribution and service, public works, and telecommunications. For more information, please visit the TIS website.

URL: <http://www.tis.co.jp/>

About SAP Japan

SAP Japan was established in 1992 as the Japanese subsidiary of SAP SE (Head Office: Germany), which supports enterprises of all scales in every industry as a market leader in the field of enterprise application software. SAP provides various solutions that let companies collaborate more efficiently and make more accurate business decisions in areas ranging from back offices to boardrooms, from warehouses to storefronts, and from desktop to mobile environments, in order to help companies maintain their advantage in the market.

URL: <http://www.sap.com/japan>

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