

## Press Information

4 November 2004  
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### Akebono Establishes New Disc Pad Facility in Suzhou, China

Akebono has established a new friction material production facility in Suzhou, China. A business permit was acquired on November 3 for Akebono Corporation (Suzhou), which will manufacture Akebono's core product of disc brake pads. Following the establishment on October 18 of Akebono Corporation (Guangzhou), a drum and disc brake facility in Guangzhou, Akebono's disc brake production capability in China now ranges from disc pads to fully assembled brake calipers, with both new companies set to play a crucial role in the attainment of Global 30\*, Akebono's medium- to long-term objective.

Akebono Corporation (Suzhou) has been established with a capital of 9.1 million dollars on a site area of approximately 50,000 m<sup>2</sup>. Preparations are underway for production to commence from November 2005 with a workforce of approximately fifty people. As with Akebono Corporation (Guangzhou), the representative head of the new company will be Yoshihiro Ishigaki, a Senior Managing Executive Officer of Akebono Brake and head of its China Business Office. In the future, it is hoped that customers will include not only local Japanese manufacturers, but also European and US automakers present in the region.

With Akebono Corporation (Guangzhou) and Akebono Corporation (Suzhou) combined, sales for the Akebono group's Chinese business are forecast at approximately 3.5 billion yen for 2007, with both companies planning to achieve single-year profitability that same year. Capital investment will reach around 29.7 million dollars (approximately 3.2 billion yen) by 2007 as Akebono aims to rapidly establish a business base in a country where continued vigorous growth is anticipated.

As with Akebono Corporation (Guangzhou), the establishment of Akebono Corporation (Suzhou) has been carried out in cooperation with Itochu Corporation. While future details are yet to be finalized, Akebono will focus on manufacturing with originality, while utilizing the support of Itochu on administrative and labor management issues, thus benefiting from the two companies complementary fields of expertise.

\* Global 30: the Akebono group's medium- to long-term goal of securing a 30% worldwide market share of OEM automotive disc brake pads.

## Outline of the new company

1. Name  
Akebono Corporation (Suzhou)
2. Representative in charge  
Yoshihiro Ishigaki, (Position within Akebono Brake Industry Co., Ltd.: Senior Managing Executive Officer & General Manager, China Business Office)
3. Date of establishment  
3 November 2004
4. Location & site area  
Suzhou / Approximately 50,000 m<sup>2</sup>
5. Capital  
US\$9,100,000
6. Number of employees  
Approximately 50 (as of fiscal 2005)
7. Capital participation  
Wholly-owned by Akebono Brake Industry Co., Ltd. (Itochu Corporation to take over ownership of a part of the stock)
8. Outline of business  
Disc brake pad production

### Profile of Akebono Brake Industry Co., Ltd.

1. Founded  
January 1929
2. Representative Director  
Hisataka Nobumoto, Chairman, President & CEO
3. Capital  
9.2 billion JPY (As of March 2004)
4. Consolidated sales  
141.4 billion JPY (For the term ending March 2004)
5. Number of employees (Consolidated)  
4,600 (As of March 2004)
6. Outline of business  
Production of brakes for automobiles, rolling stock and industrial machinery