

Press Information

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Groundbreaking Ceremony Held for Akebono Corporation (Guangzhou)

Under clear skies on December 1, 2004, and with maximum temperatures reaching a balmy 27 degrees centigrade, a groundbreaking ceremony was held in the Yonghe Economic Zone of Guangzhou for Akebono Corporation (Guangzhou), Akebono's first Chinese affiliate established on October 18.

The ceremony was attended by approximately 60 people, including Hisataka Nobumoto, Chairman and CEO of Akebono Brake, Yoshihiro Ishigaki, Senior Managing Executive Officer and head of Akebono's China Business Office, and various other personnel from the Akebono Group, as well as representatives from co-investor Itochu Corporation, general contractor Fujita Corporation and the Guangzhou Economic Development Zone. The participants prayed for the safety of the construction, which will now get underway in earnest.

Due to the Chinese belief that the number eight brings good fortune, the ceremony started at precisely 9:08 AM. In accordance with Chinese traditions, sticks of incense were lit, a knife inserted into a golden pig, and offerings placed in the eyes of a lion mask. Following the groundbreaking and "earth-firming" activities, the ceremony ended without incident at 10:45.

Hisataka Nobumoto remarked in his address at the ceremony that Akebono Corporation (Guangzhou) was aiming for a local procurement rate of 60% or better from the outset, and was targeting an annual production of 1.5 million drum brakes and 1.2 million disc brakes by 2010 by providing brakes that accurately reflect user needs and utilize locally obtained materials and components. He also noted that the ceremony was like the first step in the Chinese saying that a journey of a thousand miles begins with but a single step, and that he was looking forward to the new company living up to its name, which in Chinese means "light of hope", for the Akebono Group.

Akebono Corporation (Guangzhou) is set to play a pivotal role in the next stage of global development for the Akebono Group, which has so far focused on establishing and consolidating its tri-polar operations spanning Japan, North America and Europe. The new facilities, which will occupy a site area of 28,000 square meters and a floor space of 12,000 square meters, are set for completion by July 2005, with operations planned to start from August 2005.

An Outline of Akebono Corporation (Guangzhou)

Location	Yonghe Economic Zone, Guangzhou
Representative	Yoshihiro Ishigaki, (Senior Managing Executive Officer & General Manager, China Business Office, Akebono Brake Industry Co., Ltd.)
Capital participation	Akebono Brake Industry Co., Ltd. (50%), Akebono Corporation (North America) (30%) and Itochu Corporation (20%)
Date of establishment	18 October 2004
Site area	28,000m ²
Floor space	12,000m ² (Plant floor space:10,400m ² ; Office space: 1,600m ²)
Capital Investment	7.5 million US dollars
Investment	10.3 million US dollars by 2007
Products	Drum brakes (assembly) and disc brakes (machining and assembly)
SOP	July 2005
Employees	Approximately 50

An impression of how Akebono Corporation (Guangzhou) will look:



A scene from the ceremony:

