

Press Information

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Akebono Brake Establishes New Companies to Reinforce Value-added Manufacturing

Akebono Brake will spin off two new companies, APS Corporation and Akebono Brake Hanyu Manufacturing Co., Ltd., on March 25 in order to reinforce the manufacturing of value-added products under the new "Global 30" three-year medium-term management plan that commences April 2005.

Akebono has for some time been developing various "Kaizen" or continuous improvement activities at its manufacturing facilities based on a thorough understanding and application of the lean production principles of "Just-in-time" and "Jidoka." This understanding and related activities are known as the "Akebono Production System." APS Corporation is to be established to provide consultation and guidance on these issues, aiming to reduce lead-time, attain more competitive costs, and extend the thorough elimination of waste to include corporate management, while further refining the "APS" concept as "Akebono Philosophy and Spirit."

In addition to this, Akebono's Hanyu plant, situated within the company's Ai-City complex, will be spun-off as an independent company to be called Akebono Brake Hanyu Manufacturing Co., Ltd. Taking advantage of its ideal location within Ai-City, the new company is expected to strengthen the business base as a production venue for various small-lot friction materials, including prototypes, while also contributing to the development of friction material manufacturing methods.

Akebono has been strengthening its production facilities by spinning them off as part of a process of clarifying responsibility and authority, and with the establishment of Akebono Brake Hanyu Manufacturing Co., Ltd., all of the Akebono group's production facilities, where it carries out the manufacture of value-added products, will have become independent.

With attainment of the "Global 30" targets firmly in mind, APS Corporation will work together with each of the Akebono group's production facilities to strengthen overall value-added manufacturing while also providing increased corporate value.

An Outline of APS Corporation

Established	25 March 2005
Location	5-4-71 Higashi, Hanyu-shi, Saitama Prefecture, Japan
Capital	10 million JPY (wholly owned by Akebono Brake)
Representative Director	Shunji Yokoo (concurrently Vice President & Member of the Board, Akebono Brake Industry)
President	Kazuhiko Seko (currently General Manager, APS Group, Akebono Brake Industry)
Number of Employees	Approximately 50 (Fiscal 2005)
Outline of Business	Consulting on rationalization issues, etc.

An Outline of Akebono Brake Hanyu Manufacturing Co., Ltd.

Established	25 March 2005
Location	5-4-71 Higashi, Hanyu-shi, Saitama Prefecture, Japan
Capital	20 million JPY (wholly owned by Akebono Brake Industry)
President & Representative Director	Kiyoshi Kondo (currently Hanyu Plant Manager, Akebono Brake Industry)
Number of Employees	Approximately 200 (Fiscal 2005)
Outline of Business	Production of friction materials for automotive and industrial machinery application