



December 16, 2005

Company Name: Akebono Brake Industry Co., Ltd.
Representative: Hisataka Nobumoto, Representative Director, Chairman & CEO
(First section of the Tokyo Stock Exchange; Code No.: 7238)
Contact: Yoshimasa Ogino, Managing Executive Officer & Member of the Board
(Tel: 048-560-1501)

Notice of Increased Investment in Consolidated Subsidiary

Akebono Brake will make an additional investment of capital into its US consolidated subsidiary Akebono Corporation (North America) as indicated below.

1. Regarding the investment in Akebono Corporation (North America)

- 1) Objective: To reinforce North American operations by strengthening the financial foundations of Akebono Corporation (North America).
- 2) Investment value: US\$36 million
- 3) Transaction date: 20 December 2005
- 4) Impact on performance: The additional investment in Akebono Corporation (North America) will have no significant impact on consolidated financial results.

An Outline of Akebono Corporation (North America)

1. Trade name: Akebono Corporation (North America)
2. Head office: 34385 W. Twelve Mile Road, Farmington Hills, MI 48331, U.S.A
3. Representative (COO): Sachi-yuki Ishige
4. Capital: US\$28 million (as of the end of November 2005)
5. Close of business year: December
6. Business activities: Development, production and sale of automotive brake components
7. Employees: 1,988
8. Shareholder: Akebono Brake Industry Co., Ltd. 100%