

Press Release

24 September 2009

No. 09-08

Conclusion of Asset Purchase Agreement with Robert Bosch GmbH regarding Its North American Brake Business

TOKYO — Akebono Brake Industry Co., Ltd., announced today that after discussions with Robert Bosch GmbH (Stuttgart, Germany, “Bosch GmbH”) regarding the possible acquisition from Robert Bosch LLC (MI, U.S.A., “Bosch LLC”), Bosch GmbH’s North American subsidiary, of part of Bosch LLC’s brake business (“Asset(s)”) through Akebono Corporation (North America) Inc., our North American subsidiary, we have reached agreement, and concluded an Asset Purchase Agreement.

1. Reason for Transaction

With respect to our North American business, in response to drastic changes in the business environment since 2005 we have implemented a number of restructuring measures including completing the integration of four production plants into two. Nevertheless, the global economic downturn has led to a significant decrease in automobile sales, resulting in excess production capacity and intensification of cost competition. This has meant that additional measures to significantly increase sales as well as further business restructuring have been required to enable the expansion of our business. Similarly, Bosch LLC will continue to carry out its own business restructuring. Under these circumstances, our acquisition of part of the Bosch LLC assets will enable the further adjustment of brake-production capacity in the entire North American region to an appropriate level as well as strengthen our competitiveness through utilizing the brake manufacturing expertise that we have built up over many years. At the same time, it is anticipated that the transfer of commercial rights will significantly increase sales as well as enable further benefit to sales and profit levels in our North American business as a whole.

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2. Outline of Business to be Acquired

(1) Details of Business to be Acquired

Business and commercial rights to manufacturing and sale in respect of Bosch GmbH's North American subsidiary Bosch LLC's foundation brake, disc rotor, brake drum and corner module businesses.

There is no succession of Account Receivables and Account payables.

Note: "Foundation brakes" signifies basic components relating to the control of brakes, except for operative parts, such as disc brakes, drum brakes, parking brakes. "Corner Modules" signifies products into which chassis parts such as foundation brakes, hub bearings, knuckles, etc. are to be pre-assembled.

Target Production Plants : Clarksville Plant (TN) and Columbia Plant (SC).
Other production assets (to be transferred to the existing production plant of our North American subsidiary)

(2) Business Results

Forecast of Sales Amount for calendar year 2009 : Approx. 580 Million US Dollars

(3) Purchase Price and Settlement

Purchase Price : 10 Million US Dollars

Note: The price will be finally determined after adjustment by taking account of actual assets, etc. at the closing.

Settlement : To be settled in cash

(4) Establishment of Company to Purchase the Asset

A new company named "ABMA, LLC" has been established for the purpose of purchase of Assets as a fully owned subsidiary of Akebono Corporation (North America) .

Outline of ABMA, LLC

Name : ABMA, LLC
Address : 310 Ring Road, Elizabethtown,
Kentucky 42701
Representative : Tsuyoshi Kashiwagi
Capital : One (1) US Dollar (To be increased later)
Date of Establishment : September 22, 2009

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3. Outline of Seller

Name : Robert Bosch, LLC
Address : 38000 Hills Tech Drive, Farmington Hills,
Michigan 48331
Representative : Peter J. Marks (Chairman, President and CEO)
Sales Amount : 8.6 Billion US Dollars (2008 Fiscal Year)

Robert Bosch LLC is our shareholder, holding 11.34% of the total amount of our issued securities (as of March 31, 2009). In the year ending March 2009, there were transactions totaling approximately JPY 4 billion between Robert Bosch LLC and Akebono Corporation (North America) Inc. There are no relationships in terms of personnel such as assignment of board members, etc.

4. Schedule

September 23, 2009 : Conclusion of Asset Purchase Agreement
November to End of December 2009 : Closing (Scheduled)

5. Affect of Acquisition on our Performance

Resulting financial impact on our business performance will be disclosed as soon as available.

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