



Aiming for Growth as a Trusted Global Company



Ever since its founding in 1929, Akebono Brake Industry Co., Ltd., has facilitated safety as an expert maker of brakes by pursuing *monozukuri*, the manufacture of value-added products. Akebono presently holds a 40% share of the OEM disc brake pad market in Japan and a 20% share worldwide. Through our development, production and sales bases we are building a global framework that encompasses Japan, North America, Europe and Asia. Launched on April 1, 2008, our updated medium-term management plan, “Akebono New Frontier 30,” aims at capturing a 30% share of the worldwide disc brake pad market. Akebono is expanding its business with the objective of being a global company that is trusted by automotive manufacturers and end-users throughout the world.

In order to achieve growth as a trusted global company, we have established the Akebono Corporate Mission: through “Friction and Vibration, their Control and Analysis,” we are determined to protect, grow and support every individual life. This mission gives direction to the broad range of Akebono’s business activities. Further, encapsulated in the words “protect...every individual life” is the determination to safeguard not only people but also nature and the environment as a whole.

Guided by the Akebono Corporate Mission, each and every Group employee is expected to consider what contributions they can make to achieve these goals. To continue offering value, we believe that we must continue to follow the path to growth as a global company that is not only financially successful but also trusted by society.

In fiscal 2006 (ended March 31, 2007), we started corporate brand activities to encourage all employees to engage in heightening the appeal of the corporate brand and to thereby become a company that is chosen by customers all over the world—a company where employees can take pride in their work.

As January 1, 2008 marked the start of the Kyoto Protocol’s five-year first commitment period, in fiscal 2007 Akebono undertook various activities as a company that delivers safety and security to society. The Companywide reduction of CO₂ and volatile organic compound (VOC) emissions, the securing of *Kurumin* certification from the Ministry of Health, Labour and Welfare thanks to the Company’s efforts to achieve a comfortable work environment for all employees and the supply of brake technology to the Vodafone McLaren Mercedes Formula 1 team are representative examples of these activities.

We hope this report of our efforts over the course of fiscal 2007 will foster a deeper understanding of Akebono’s Corporate Mission. We also welcome a frank exchange of views with you, our stakeholders, and invite your comments.

A handwritten signature in black ink, reading "Hisataka Nobumoto".

Hisataka Nobumoto
President and CEO
Akebono Brake Industry Co., Ltd.

Editorial Policy

Akebono Brake Industry Co., Ltd. and Group affiliates (hereafter "Akebono Group," "Akebono" or "the Group") have since fiscal 2002 prepared and disclosed environmental reports to increase public understanding of the Group's environmental preservation activities as well as to report on the results of such activities. Akebono is aware of its corporate social responsibility, which includes the protection of the environment as well as ongoing activities for society. Since fiscal 2005, from the viewpoint of accountability, we have reported on our activities in our *Environmental & Social Reports*. However, for the convenience of readers in a wider range of locations, we have from fiscal 2008 made available an English-language edition that is a digest based on the Japanese version.

Reporting Scope

Reporting Period

This report covers the annual results data from fiscal 2007 (April 1, 2007 to March 31, 2008). In addition, certain information on activities after the latter date as well as past examples are included to provide a better understanding of our ongoing efforts.

Organizations

Activity details and data are provided for Akebono Group locations in Japan, North America, Europe, Indonesia, Thailand and China.

Official names of some Group locations have been abbreviated. Please see pages 12-13 for a complete listing of Group locations.

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Inquiries

Akebono Brake Industry Co., Ltd.
Corporate Communications Office
Tel: +81(0) 3-3668-5183
Fax: +81(0) 3-5695-7391
URL: <http://www.akebono-brake.com/>
E-mail: ir_pr@akebono-brake.co.jp

Environmental & Social Report 2008

Akebono Brake Industry Co., Ltd.

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Akebono Crystal Wing (ACW) (Hanyu-City, Saitama Prefecture, Japan)

*Headquarters completed in 2001

Company Outline

Company Name:	Akebono Brake Industry Co., Ltd.
Established:	January 27, 1929
Global Head Office:	19-5, Nihonbashi Koami-cho, Chuo-ku, Tokyo
Ai-City* (Headquarters):	5-4-71, Higashi, Hanyu-City, Saitama
President & CEO:	Hisataka Nobumoto
Paid-in Capital:	¥13,600 million (as of end March 2008)
Net Sales:	¥184,700 million (fiscal 2007)
Number of Employees:	6,985 (as of end March 2008)

*Akebono established its Ai-City headquarters in 2001 with the objective of consolidating a diverse array of capabilities that had been dispersed throughout Japan and to integrate sales, management and other business operations to comprehensively reform the way we conduct our business. This has enabled us to take full advantage of the synergistic effects afforded through the maximum use of IT. The "Ai" in Ai-City refers to "Akebono Innovation" and "IT" (information technology). "Ai" is also the Japanese word for indigo blue, and refers to a textile dye unique to Hanyu-City, Japan where Ai-City is located.

Delivering a Higher Level of Safety as Brake Experts

The Akebono Group receives overwhelming support for its exceptionally safe and quiet yet responsive disc brake pads for automobiles, and Akebono's cutting-edge technology brings safety to countless people via its brakes for motorcycles and rolling stock. Moreover, we are steadily increasing performance in such fields as industrial machinery, including forklifts and wind turbine generators, and are nurturing a growing sensor business derived from control technology.

In fiscal 2007 (the year ended March 31, 2008), the Akebono Group posted record net sales and profit. Increased orders in both Japan and Indonesia underpinned a net sales improvement of ¥11.6 billion, or 6.7% over the previous fiscal year to ¥184.7 billion. Operating income rose ¥1.3 billion, or 9.2%, year on year to ¥15.2 billion owing to the effect of cost reductions. Net income was ¥6.6 billion, a slight increase of 0.1% from the previous fiscal year.

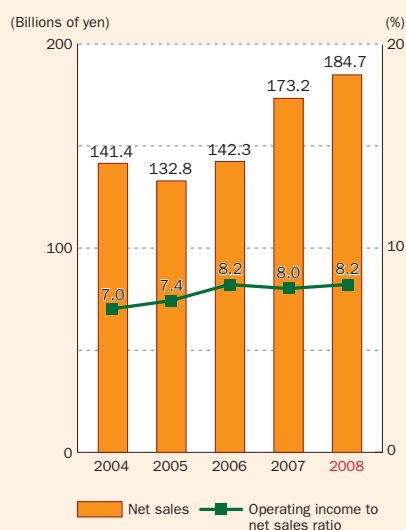
Financial Highlights

Akebono Brake Industry Co., Ltd. and Consolidated Subsidiaries
(Years ended March 31)

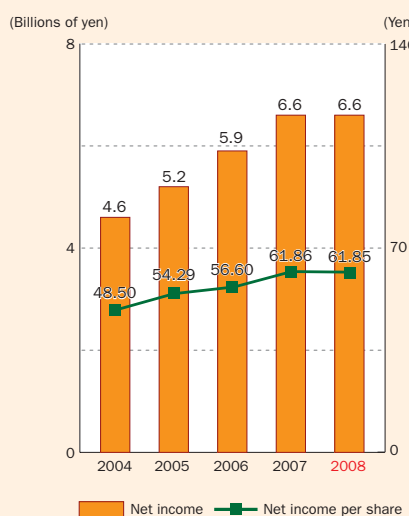
		2006	2007	2008
Fiscal year (billions of yen):	Net sales	142.3	173.2	184.7
	Operating income	11.7	13.9	15.2
	Net income	5.9	6.6	6.6
	Capital investment	8.2	8.9	14.9
	Depreciation and amortization	7.6	9.3	9.9
	Research and development	0.5	1.3	2.4
Year-end (billions of yen):	Total assets	150.1	155.6	163.3
	Net assets	41.0	52.3	56.5
(number):	Employees	6,736	6,810	6,985
Per share data (yen):	Net income	56.60	61.86	61.85
	Cash dividends	6.00	6.00	10.00
Key financial indicator (%):	Return on equity (ROE)	17.2	15.0	13.7

Overview of Business Performance

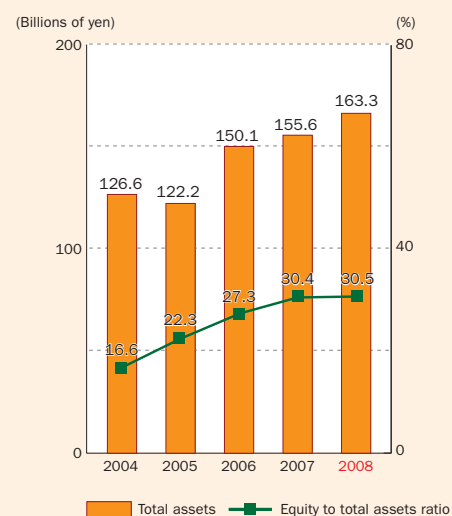
Net sales/
Operating income to net sales ratio
(Years ended March 31)



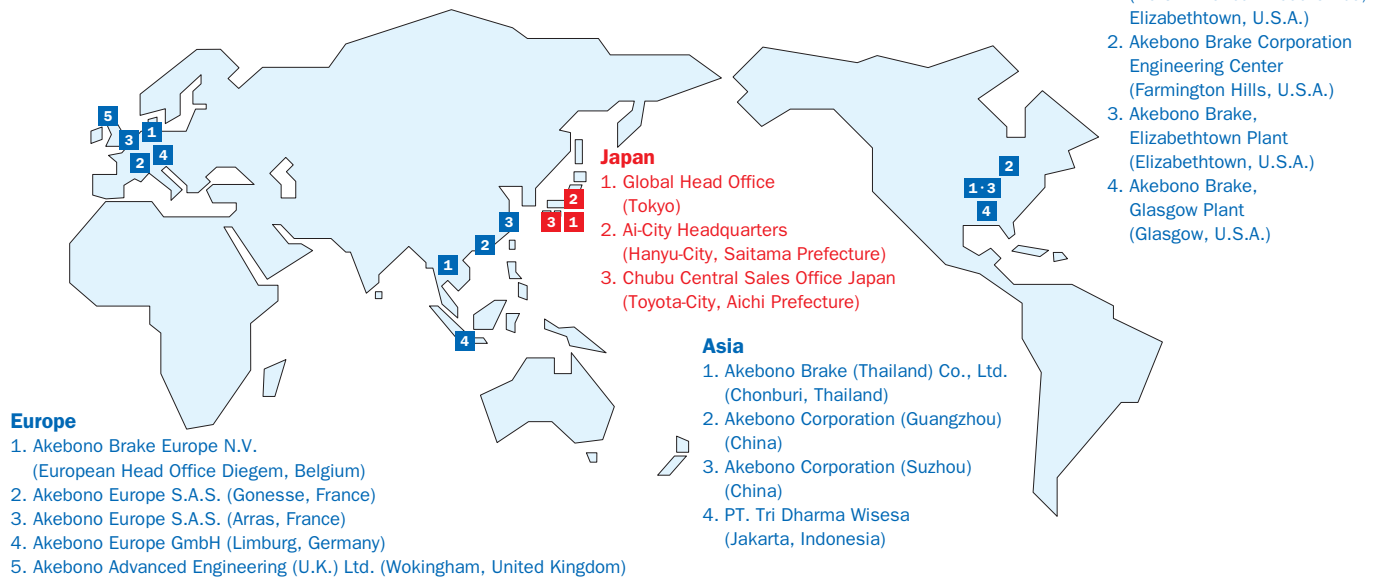
Net income/
Net income per share
(Years ended March 31)



Total assets/
Equity to total assets ratio
(Years ended March 31)



Akebono Group Global Network



Main Products

Products for Automobiles



Eight-pot aluminum caliper and rotor for high-performance vehicles (concept)



Drum brake



Disc brake caliper



Disc brake pads

Products for Motorcycles



Disc brake caliper



Master cylinder

Products for Rolling Stock



Bullet train disc brake caliper



Bullet train disc brake lining

Products for Industrial Machinery



Disc brake for cranes



Disc brake for wind turbine generators

Other Products



Sensor chip



Combined sensor

Aiming for Fair and Transparent Management Based on a Global Perspective

Corporate Goals

Customer needs first

Technology realignment

Establishing a global network

Akebono's Corporate Mission

Through "Friction and Vibration, their Control and Analysis,"
we are determined to protect, grow and support every individual life.

The following values are based on this mission statement:

(I) To our customers

1. We will always place the customer first.
2. We will develop advanced products based on the continuing refinement of technology.

(II) To our suppliers

1. We will always deal openly and fairly with our suppliers.
2. We will work with suppliers cooperatively and creatively.

(III) To all our shareholders

1. We will endeavor to achieve sustained growth in our corporate value.
2. We will fully disclose all corporate information.

(IV) To the global community and environment around us

1. We will be a responsible corporate citizen.
2. We will contribute positively to the global community and the global environment.

(V) As individuals at Akebono

1. We will respect the individuality of others.
2. We will strive to motivate ourselves toward continuous innovation and creativity.

Established May 7, 1999

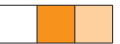
Akebono's Declaration for the 21st Century

We will continue to create value long into the 21st century
as we pursue our Corporate Mission.

We declare that we will:

1. Recognize the real value of what we create and provide.
2. Assure our own indispensability by continuously creating new value.
3. Accomplish our tasks with speed and the courage of our convictions without fear of failure.
4. Achieve our aspirations through the pride of each and every individual.

Established October 16, 1999



Enhancement of Corporate Governance as an Issue of Utmost Importance

Akebono undertakes a variety of initiatives to enhance corporate governance, an issue of the utmost importance to the company as it fulfills its corporate social responsibility. In April 2000, the Executive Officer System was implemented to separate executive duties from the management of the Company, to clarify responsibilities and authority, and to improve managerial efficiency. The Board of Directors is composed of ten Board Members, of whom two are External Directors in order to reflect an independent point of view. Furthermore, to ensure that management issues are fully addressed within the context of global management, we have adopted a system of prior deliberation wherein the Policy Council, Management Advisory Council and others deliberate upon relevant issues. Based on these deliberations, decisions are made and submitted to the Board of Directors for approval.

In addition to the risk management of each department and Group affiliate, the Risk Management Committee, chaired by the Representative Director & CEO, was formed to assess, manage and prevent risk throughout the whole Group. The Risk Management Committee establishes and executes countermeasure objectives for dealing with the most critical Companywide risks. Furthermore, to ensure internal and external oversight of business execution by management, we have put in place a three-part auditing system comprising the auditors, the independent auditor and the Internal Audit Office. In addition, external lawyers and certified public accountants provide direction and council on management issues as appropriate. Having put in place a corporate governance system, Akebono conducts transparent

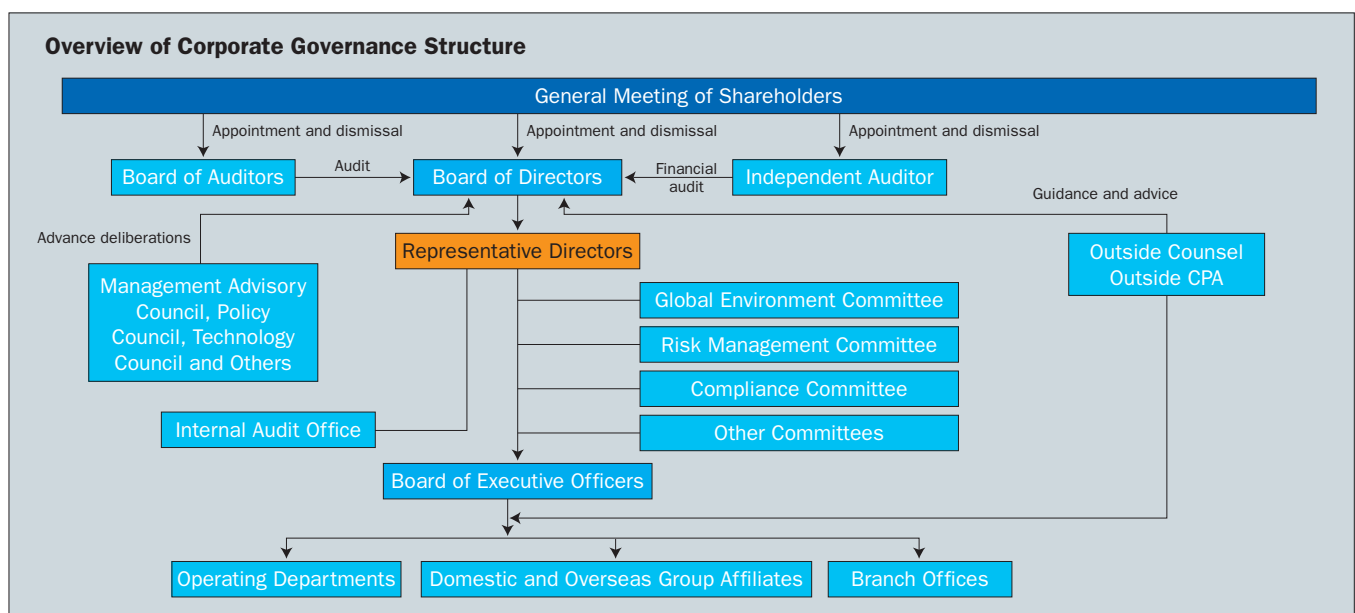
and fair management from a global perspective as it strives to maximize corporate value.

Establishing a System of Internal Control

Internal control is a “system” within business processes preventing the occurrence of improprieties as a result of either action or failure to act. At a meeting of the Board of Directors held in May 2006, Akebono determined the “Basic Policy Regarding the Establishment of In-House Regulatory Systems.” This resolution determined the systems to ensure that the execution of duties by the directors conforms to legal statutes as well as to the Articles of Incorporation and also to ensure appropriate work practices and risk management.

Furthermore, based on the Financial Instruments and Exchange Law, from the fiscal year commencing April 1, 2008, an internal control report with the date of record stated as the end of the fiscal year (March 31, 2009) will be submitted. The auditing of the internal control report will be conducted by an external auditing firm creating a practical system being deployed across the Group.

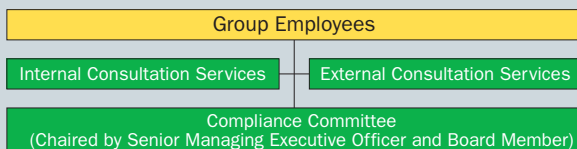
The objective of internal control is effective business performance, operational efficiency, the reliability of financial reporting, adherence to laws and regulations and the conservation of assets. To achieve these objectives, Akebono is now developing processes in its embrace of the concept of “Visualization” so that every issue, impediment and concern is identified, brought into the open and resolved in ways that encourage creative solutions to achieve cost reductions and improvements throughout the Company. Akebono is expanding its activities to appropriately manage these processes.



Compliance and Risk Management

Efforts to Spread Compliance Awareness

Akebono Group Compliance Structure



The Akebono Group believes that compliance is not limited to simply observing the letter of laws and regulations. We also recognize the need for employees to exercise good judgment in acting as responsible members of society by adhering to social customs and corporate ethics in both their work and private life.

Such standards for corporate behavior are gathered together with a code of conduct and other guidelines in the *Compliance Manual*. This manual was created to provide ongoing employee education, encourage sharing of information, and raise awareness.

We continue to promote the activities of the Compliance Committee, which we established in January 2003. The committee is chaired by a Senior Managing Executive Officer and Board Member, and General Managers of each department act as committee members.

General Compliance Meetings, which comprise regular members of the Compliance Committee, as well as compliance promotion officers, aim to raise compliance awareness by providing information and training to directors, auditors and employees.

Specific initiatives include training for employees, the monthly publication of *Compliance News*, posting compliance-related decisions on internal bulletin boards and the establishment of internal and external consultation services.

Akebono has established internal and external consultation services to deal with employees' questions, concerns and complaints. The services handle inquiries, including those made anonymously, from all Group employees including temporary and part-time employees. With this system we are able to identify and rectify issues at an early stage.

In September 2005, external consultation services were outsourced to a specialist external organization and the "Corporate Ethics and Work Environment Hotline" was launched.



The details of any inquiries and reports as well as personal information are kept confidential. To protect users of the consultation service from any prejudicial treatment, we have established internal rules to safeguard those who disclose information in the public interest. The Compliance Committee is mainly responsible for investigating reports and implementing remedial measures.

Efforts to Reduce Risk

Akebono considers the construction and maintenance of an appropriate risk management system to be an accurate response to the significant aspects of its commitment and responsibility toward society. In fiscal 2006 we therefore established the Risk Management Committee, chaired by the Representative Director & CEO. The Risk Management Committee identifies significant risks that may have a major impact on the business performance of the whole Group and assesses to what degree they could effect operations. In addition, each department and Group affiliate identifies risks in their own areas and takes action to reduce respective levels of risk. In fiscal 2007, we established a Risk Management Office charged with promoting Companywide awareness. The office held a total of 37 training sessions over the year, with 730 employees attending to gain a thorough awareness of risk management.

Information Security Activities

To adequately protect information assets, Akebono clarifies processes for handling each type of information. According to degree of risk and importance we protect customer data as well as internal system data from a variety of threats, including negligence, accidents, disasters and criminal activities. Akebono also ensures information security by raising awareness through education and training based on security rules. Such awareness is cultivated not only among the Board of Directors but also among employees across the Group, both in Japan and overseas. We regard information security as a matter of utmost importance and constantly improve a management system capable of adapting to a changing environment.

Code of Conduct

1. Compliance with laws, regulations and social standards
2. Provision of superior goods and services
3. Communication with society
4. Management with a global perspective
5. Consideration for the global environment
6. Creating a positive work environment

Established April 21, 2003

Akebono Aims for Global Expansion

<p>April •</p> <p>First English-language edition of Company newsletter <i>SEIWAKON</i> Work-Life Balance Committee launched New European Headquarters Akebono Brake Europe N.V., in Belgium established</p> <p>Tape-cutting ceremony at the new Akebono Brake Corporation (ABC) Headquarters in Elizabethtown, Kentucky, U.S.A.</p>  <p>The new ABC Headquarters building</p>	<p>(2007)</p> <p>04</p> <p>05</p> <p>06</p>	<p>• May</p> <p>Exhibited at Tokyo Special Import-Car Show 2007</p> <p>Groundbreaking ceremony for the new Nihonbashi Global Head Office in Tokyo</p>  <p>Groundbreaking ceremony for the new Global Head Office in Nihonbashi, Tokyo Right: President and CEO, Hisataka Nobumoto</p> <p>Sensor plant groundbreaking ceremony LET'Z All Akebono Session 2007 Spring Staff from Ai-City Headquarters as well as Akebono Brake Fukushima Manufacturing Co., Ltd. and others participated in spring volunteer cleanup activities</p>
<p>June •</p> <p>Tatebayashi foundry groundbreaking ceremony The 106th Ordinary General Meeting of Akebono Shareholders</p> <p>August •</p> <p>Summer festivals held at Akebono Group locations in Japan Akebono's open house and other activities at Ai-City Headquarters Factory tours of Akebono Brake Fukushima Manufacturing Co., Ltd. and Akebono Brake Iwatsuki Manufacturing Co., Ltd. plants</p>  <p>Exhibition booth at the Tokyo Motor Show</p>	<p>07</p> <p>08</p> <p>09</p>	<p>• July</p> <p>Akebono products equip N700 Series bullet trains in Japan Construction of Akebono Brake (Thailand) Co., Ltd. facility completed Groundbreaking ceremony held for Chubu Office</p> <p>• September</p> <p>Akebono Brake received the Saitama Governor's Award in recognition of outstanding achievement as an employer of people with disabilities as well as the Saitama Work Development Association Chairman's Award</p> <p>Participation in Formula 1 racing announced</p>  <p>Official supplier to the Vodafone McLaren Mercedes Formula 1 team</p>
<p>November •</p> <p>Exhibited at 2007 Tokyo Motor Show</p> <p>Recognized by the Minister of Health, Labour and Welfare as a "Company that takes the initiative to Support and Nurture the Next Generation"</p> <p>Staff from Ai-City Headquarters as well as Akebono Brake Sanyo Manufacturing Co., Ltd. and others participated in autumn volunteer cleanup activities</p> <p>President Nobumoto delivered a speech at Hitotsubashi University</p> <p>LET'Z All Akebono Session 2007 Autumn Exhibited at CYCLE MODE International 2007</p>  <p>Speech venue at Hitotsubashi University</p>	<p>10</p> <p>11</p> <p>12</p>	<p>Exhibited at 2007 Frankfurt Motor Show (IAA) in Germany Company team ranked in top eight at the All-Japan Corporate Basketball Competition Exhibited at Messe Nagoya 2007</p> <p>• October</p> <p>Akebono Brake Industrial Machinery & Rolling Stock Components Sales Co., Ltd. established Company team in the final of the Tokyo rounds of the 60th Japanese Corporate Baseball Games</p> <p>• December</p> <p>Received Yamaha Motor's VA Division Excellence Award Exhibited at the 40th Essen Motor Show in Germany</p>
<p>January •</p> <p>Communication Space "Waku Waku Station" opened at Ai-City Headquarters</p> <p>Akebono Brake Iwatsuki Manufacturing Co., Ltd. and Ai-City Headquarters conducted first joint disaster simulation</p>  <p>Disaster prevention training with disaster simulation at Akebono Brake Iwatsuki Manufacturing Co., Ltd.</p> <p>New Year's Party and Coming of Age Ceremony</p>	<p>(2008)</p> <p>01</p> <p>02</p> <p>03</p>	<p>• February</p> <p>Toyota Motor Corporation "Superior" Quality Control Award received for the third consecutive year</p> <p>• March</p> <p>"Ai Shuttle" bus service between Ai-City and Nihonbashi Global Head Office inaugurated The Hino Motors "Superior" Quality Control Award received for the second consecutive year</p> <p>Akebono Brake (Thailand) Co., Ltd. commenced shipment</p> <p>Updated medium-term management plan "Akebono New Frontier 30" announced</p>  <p>Commemorative photo of all Akebono Brake (Thailand) Co., Ltd. employees prior to first shipment</p>

Environmental Mission

Based on our corporate mission statement, together with our Declaration for the 21st Century, we will continue to create new value into the 21st century. As a global corporate citizen, we also strive to protect the environment on a global basis and implement voluntary ongoing activities aimed at creating a safe, vibrant society that co-exists in harmony with the environment.

Basic Environmental Policy

- 1) We will actively implement initiatives that give consideration to safety and the environment from the development and design phase, and promote the development of technologies and products that minimize environmental impact.
- 2) Each and every employee will make ongoing efforts to reduce environmental impact to promote a recycling society by conserving energy and resources, reducing waste and carrying out recycling.
- 3) In addition to complying with environmental laws, regulations and agreements, we will endeavor to enhance our environmental management by establishing voluntary management standards both inside and outside Japan.
- 4) We will actively disclose information to increase understanding of our environmental initiatives and encourage positive relationships with communities with the aim of realizing a better living environment.

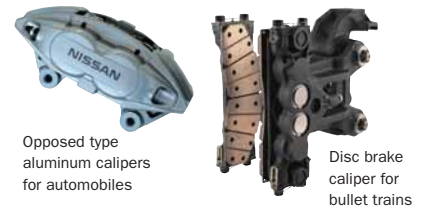
Established August 1, 2001

Highlights of Fiscal 2007 Activities

Efforts to Reduce CO₂ Emissions

In our efforts to create products that contribute to the reduction of CO₂, we developed brake calipers for automobiles that realize a 20% reduction in weight through the adoption of aluminum materials. Mass production of these calipers commenced in June 2007. In the non-automotive field, in fiscal 2007 Akebono's share of brakes and sintered disc brake linings equipped on bullet trains in Japan rose to approximately 50%.

Furthermore, together with promoting energy conservation at our production bases, at our Chubu Office located in Toyota-City, completed in March 2008, we deployed office heating and cooling systems that utilize underground water supplies in our efforts to reduce CO₂ generated by these offices.



The Chubu Office deploys heating and cooling systems that utilize underground water supplies



A REACH Compliance Briefing in August 2007

Compliance with REACH Regulations

In April 2007, we established the REACH Working Group as an organization to foster compliance with REACH (Registration, Evaluation, Authorisation and restriction of Chemicals) regulations in Japan. In August 2007, a total of 110 people representing 81 of our suppliers attended our REACH Compliance Briefing, where an outline of REACH regulations and information on compliance initiatives were offered.

U.S.-based ABC Establishes Environmental Policy

Akebono undertakes numerous environmental activities at locations around the world. In July 2007, Akebono Brake Corporation (ABC) established the Akebono Brake Corporation Environmental Policy to protect the health of the people who manufacture and use our products, promote the success of the communities in which we work and live, and preserve the environment that we all share.

U.S.-based ABG Attains Master-Level Membership in KY EXCEL

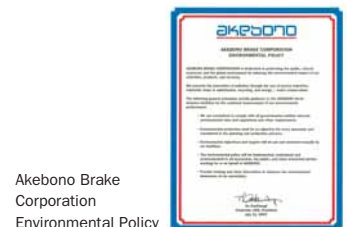
As a result of voluntary environmental activities undertaken based on ISO14001 and KY EXCEL certifications (Kentucky Excellence in Environmental Leadership), in February 2008 Akebono Brake, Glasgow Plant (ABG) became the first company in Barren County, Kentucky, to have been selected for the KY EXCEL master level of membership.

ABG Executive Chosen as LEPC Chairman

The chairman of ABG's Environment and Safety Committee, Eric Swafford was selected as chairman of the Barren County Local Emergency Planning Committee (LEPC). In his two-year tenure as committee chairman, Swafford is responsible for ensuring adherence to obligations to report to local authorities on the use of hazardous chemicals by companies and to conduct activities that promote environmental reporting to the state government.

Akebono Brake (Thailand) Commences Operations

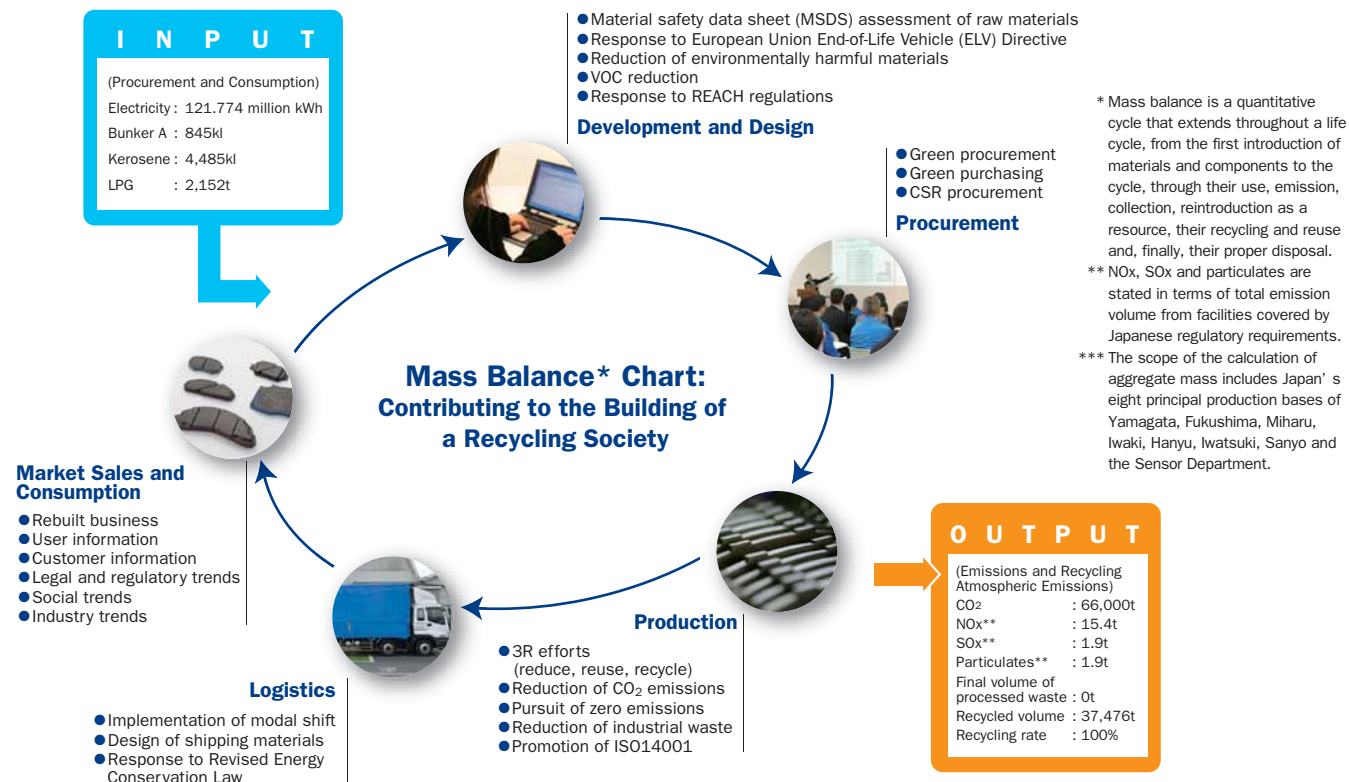
Having commenced operations in March 2008, Akebono Brake (Thailand) Co., Ltd. has, with the construction of facilities to treat drainage and exhaust emissions at different plants, met Thailand's environmental standards. Moreover, the company has devoted attention to the work environment, installing a fan blower equipped with mist extrusion equipment and lighting equipment that ensures a level of illumination surpassing criteria established by Thai authorities.



Local newspaper clipping covering news on the awarding of master-level membership in February 2008



Exterior view of Akebono Brake (Thailand) plant



Product Life Cycle and Environmental Burden Mass Balance

Akebono's environmental efforts extend through every stage of the product life cycle, from development and design through the collection and recycling of used products. We put into practice the effective utilization of resources with the objective of forming a recycling society.

Development and Design

As an example of putting into practice effective utilization of resources to help protect the environment, Akebono Brake Iwatsuki Manufacturing Co., Ltd. and Akebono Brake Yamagata Manufacturing Co., Ltd. have developed and designed proprietary initiatives that are working to reduce volatile organic compound (VOC) emissions.

Procurement

Akebono's efforts to protect the environment extend to our procurement policies, as demonstrated in January 2008 when we issued Guidelines for Akebono Purchasing Fair Business Practices.



First stage rinse tank equipped with conductivity meter (ABE)

Production

In fiscal 2007 we achieved a 100% recycling rate at consolidated production bases in Japan. We achieved reductions with regard to both CO₂ emissions, down 10.7% compared with fiscal 1990 levels, and water consumption, reduced 14.1%, from fiscal 2006. Moreover, we totally eliminated the use of hexavalent chromium from all production bases.

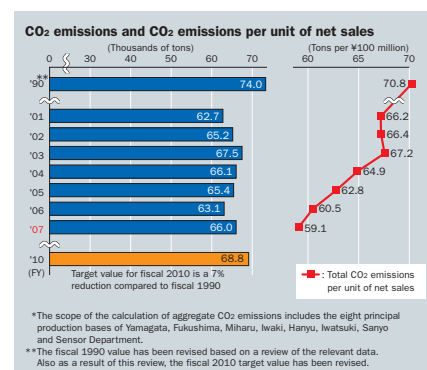
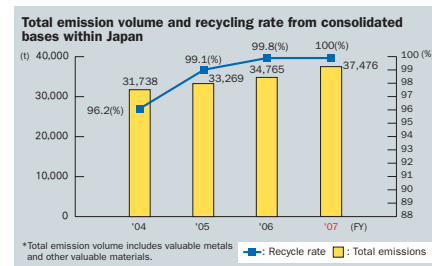
Overseas, due to the efforts of the Akebono Brake, Elizabethtown Plant (ABE), the volume of water required for cleansing operations was reduced from 7,000 gallons per day to 2,500 gallons. Additionally, by upgrading the capacitor bank of the electrical service entrance, we lowered electricity costs by \$9,580 for the year. In July 2007, hexavalent chromium was entirely eliminated from the zinc plating process.

At Akebono Europe S.A.S. (Arras), we reduced electricity consumption in fiscal 2007 by 21% compared to fiscal 2006, natural gas consumption was lowered 15%, and water consumption 21%.

Active throughout our global network, we introduced new initiatives in Suzhou, China to improve efficiency, reduce consumption and increase recycling.

Logistics

In Japan, improved shipping efficiency resulted in a 20% reduction of space required for Japan Railways (JR) container needs. Furthermore, by switching the manufacturing of drum brakes meant for the North American market to local production at ABE, long distance shipping from Japan was eliminated. Returnable containers for transport are now deployed for use in North America, Europe, Indonesia, China, Korea and Thailand.



Market Sales and Consumption

The rebuilt business for used brake shoes has been growing since 1965, and since 2005 has been augmented by the launch of the Akebono Eco Pads, a line of recycled brake pad products that continues to see expanded adoption in the Japanese aftermarket due to market trends toward recycling and Akebono's sales efforts to increase market share.



Akebono Eco Pads
(Registered Trademark in Japan)

Highlights of Fiscal 2007 Activities

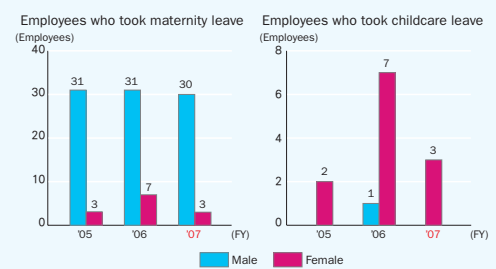
Promotion of an Enhanced Childcare Support System

Akebono has been preparing to implement an enhanced childcare support system with the aim of being a company where employees raising children, and in fact all employees, can work comfortably. In recognition of this, in November 2007, Akebono acquired certification for the *Kurumin* mark from the Minister of Health, Labour and Welfare as a “company that takes the initiative to Support and Nurture the Next Generation.”



Kurumin certification mark

Employees taking maternity leave and childcare leave (Japan)



Headquarters Tour for Elementary School Students

As one initiative taken to Support and Nurture the Next Generation, Akebono sponsored a tour of Ai-City (Headquarters) for local elementary school students. In fiscal 2007 we invited 330 students from four schools who learned of the importance and role of brakes.



Ai-City Headquarters Tour held on October 5, 2007

Outline of Work-Life Balance System for pregnancy and childcare terms (Japan)

During pregnancy	Prior to birth	At birth	Following birth	One year old	Three years old	Entering elementary school	Sixth grade of elementary school
	Leave prior to birth (six weeks), leave following birth (eight weeks)			Childcare leave (noncontiguous terms possible)			
*Excluding flex time, discretionary work, work set by business offices and those working staggered hours.							
Half-day annual leave (no limit)							
Child nursing leave (five days per year, without pay)							
Short-day/shift work (possible to shorten work day by two hours)							
Restrictions on working late at night to ensure proper childcare							
Restrictions on working outside of working hours to ensure proper childcare (24 hours per month, up to 150 hours)							



A firsthand look at brake caliper operation

Akebono Open House

In August 2007 and again in March 2008, Akebono held an open house day at Ai-City Headquarters for the families of employees. A total of 278 people from 103 families participated.

Tatebayashi Foundry: Policy Development

A Global Industry Leader

- Making the world's No. 1 brake castings

People

- Nurture the next generation of casting experts
- Encourage professionalism within occupational fields and job types
- Diversity

Plant Image

- Create a clean plant that overcomes the traditional image of foundries as dirty, dangerous and arduous workspaces

Environment and Safety

- Reduce CO₂ emissions, promote energy conservation and green initiatives

Facilities

- Automation and synchronization
- Akebono's unique production line

Method

- Akebono Production System (APS) used in foundries
- Optimal logistics

Materials

- Scrap recycling
- Optimal materials composition and optimal yields

Efforts to Nurture the Next Generation of Casting Experts

Akebono also makes efforts to encourage interest in casting among prospective employees. One example of this is the Tatebayashi Foundry which represents Akebono's commitment to attract the next generation of casting experts with the creation of foundry spaces that are clean, comfortable and dynamic.

Outline of Tatebayashi Foundry

Established December 1, 2007

Representative: Kenji Suzuki,
Director

Employees: 50

Business: Manufacture and sale
of brake casting components

Plant Outline

Land area: 30,000m²

Building area: 10,300m²



Brake casting components



Exterior view of Tatebayashi Foundry

Activities for Employee Families

In fiscal 2007, Akebono Group companies around the world conducted a variety of activities for employee families, including parties and picnics in North America, barbecue parties in China and participation in local festivals in Thailand. These efforts offered an opportunity for employees to meet in a social gathering and for spouses and children to get to know the families of other employees.

Additionally, the Akebono Group is fully aware of its social responsibility to employees. The Group is a leader in enabling its workers to lead healthier, balanced and more productive lives. Efforts include making available paternity leave for spouses and other social benefits.



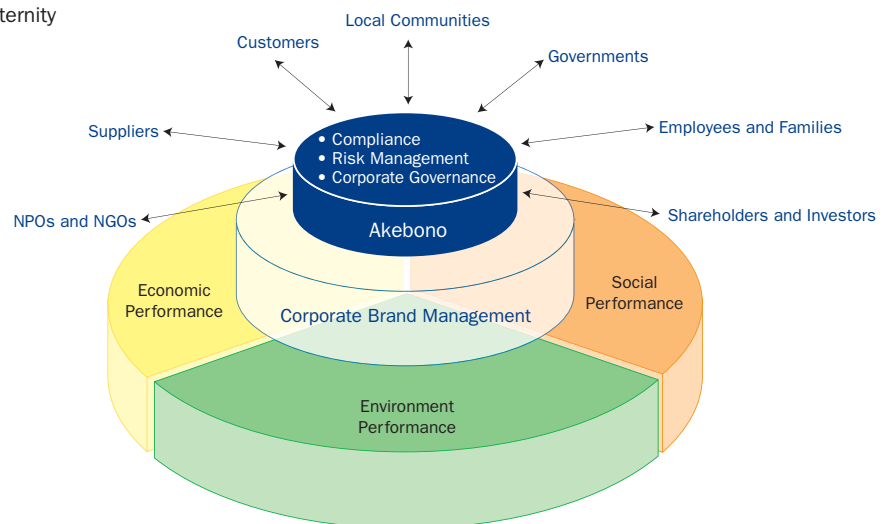
Spring Easter celebration for employees' children (North America)



Enjoying a barbecue party (China)

In Partnership with Stakeholders

Our customers, shareholders and employees are the stakeholders we come into contact with most during the course of business; therefore, Akebono promotes Corporate Brand Management that heightens the value we deliver to each. Moreover, Akebono fulfills its social responsibilities as a sustainable company while giving due consideration to balancing our activities appropriately among stakeholders as well as maintaining an optimal balance among economic, environmental and social concerns.



The Foundation of Akebono's Corporate Brand Management

Local Communities

In addition to volunteer cleanup activities, the summer festivals held on-site at Akebono Group locations in Japan are open to employees and their families as well as local residents. These festivals are firmly fixed seasonal events sponsored by Akebono in local communities.



Community cleanup activities (Akebono Brake Fukushima Manufacturing Co., Ltd.)

In North America, Akebono makes proactive efforts in close cooperation with local communities, from hands-on support of United Way of Kentucky, a charitable organization for which we also collected \$25,000 in donations, to activities undertaken in cooperation with local chambers of commerce and industry and employment training with the Human Resources Council in Glasgow, Barren County.

Customers

Akebono is moving forward with efforts for TS16949 and ISO9001 certification on a global level. As of September 2008, with the scheduled certification of Akebono (Headquarters), we will mark the certification of all our bases in Japan.

In addition, in fiscal 2007 Akebono was recognized with awards from Toyota Motor Corporation, Hino Motors, Ltd. and Yamaha Motor Co., Ltd. for its outstanding achievements regarding quality control.



Received Toyota Motor Corporation Award for "Superior" Quality Control Performance for the third consecutive year



Shareholders

In positioning efforts to return profits to all of our shareholders as a key management priority, Akebono continues to develop a global business that aims "to be the global No. 1 in quality and a low-cost tier-two supplier."

Suppliers

In February 2008 in Tokyo, in view of our constant efforts to strengthen the relationships with our suppliers, we convened "Partnership 2008," the fourth Suppliers' Meeting.

Employees

Among a variety of activities to advance diversity, we host overseas interns and are working to raise the ratio of female management executives.

Akebono also promotes communication with employees through *monozukuri* training (manufacturing & human resource (HR) development), which includes APS, Conservation, Safety and Environmental training, as well as by holding Coming of Age Day ceremonies, New Year's parties and other events at our production bases in Japan. In China, communication is fostered by such events as birthday parties, language classes and sporting competitions. Akebono promotes the creation of a secure and safe work place through disaster drills, sanitary workspaces and an ample health care support structure.



Japanese and English pamphlets are one initiative to support diversity



Fire extinguisher training at Suzhou, China

Akebono Group Locations

(As of September 1, 2008)

Japan

Akebono Brake Industry Co., Ltd.

Global Head Office

19-5 Nihonbashi Koami-cho, Chuo-ku, Tokyo 103-8534, Japan
Tel: +81 (0) 3-3668-5171

Ai-City

(Headquarters)
5-4-71 Higashi, Hanyu-City, Saitama 348-8508, Japan
Tel: +81 (0) 48-560-1500

Chubu Office

3-13 Obayashi-cho, Toyota-City, Aichi 473-0902, Japan
(Aftermarket products)
Tel: +81 (0) 565-25-1191 Fax: +81 (0) 565-25-1130
(Passenger vehicle OEM products)
Tel: +81 (0) 565-25-1192~3 Fax: +81 (0) 565-25-1130

Sapporo Sales Office

3-2-66 Kitaokadama Sanjo, Higashi-ku, Sapporo-City, Hokkaido 007-0883, Japan
Tel: +81 (0) 11-780-5031 Fax: +81 (0) 11-787-6297

Sendai Sales Office

3-7-13 Hinode-machi, Miyagino-ku, Sendai, Miyagi 983-0035, Japan
Tel: +81 (0) 22-284-4979 Fax: +81 (0) 22-238-9318

Kanto Sales Office

5-4-71 Higashi, Hanyu-City, Saitama 348-8501, Japan
Tel: +81 (0) 48-560-1481 Fax: +81 (0) 48-560-1487

Metropolitan Sales Office

Mizushin Building 2F, 3-15-15 Kotobuki, Taito-ku, Tokyo 111-0042, Japan
Tel: +81 (0) 3-3847-5801 Fax: +81 (0) 3-5806-7075

Osaka Sales Office

2-17 Enoki-cho, Suita-City, Osaka 564-0053, Japan
(Aftermarket products and passenger vehicle OEM products)
Tel: +81 (0) 6-6385-5803 Fax: +81 (0) 6-6368-2457
(Industrial machinery and rolling stock products)
Tel: +81 (0) 6-6385-6541 Fax: +81 (0) 6-6380-0454

Hiroshima Sales Office

4-1-13 Yanonishi, Aki-ku, Hiroshima-City, Hiroshima 736-0085, Japan
(Aftermarket products)
Tel: +81 (0) 82-888-7293 Fax: +81 (0) 82-820-4393
(Passenger vehicle OEM products)
Tel: +81 (0) 82-888-7296 Fax: +81 (0) 82-820-4393

Fukuoka Sales Office

6-12-41 Itazuke, Hakata-ku, Fukuoka-City, Fukuoka 812-0888, Japan
Tel: +81 (0) 92-501-0282 Fax: +81 (0) 92-583-1258

Tatebayashi Foundry

(Casting of brake components)
6012 Aza-Tobu Kogyo Danchi, Oshima-cho, Tatebayashi-City, Gunma 374-0001, Japan
Tel: +81 (0) 276-80-6788 Fax: +81 (0) 276-77-1102

Akebono Group Affiliates

Akebono Brake Yamagata Manufacturing Co., Ltd.

(Manufacture of disk brake pads and other brake-related components)
161-3 Chuo Kogyo Danchi, Sagae-City, Yamagata 991-0061, Japan
Tel: +81 (0) 237-83-1111 Fax: +81 (0) 237-83-1125

Akebono Brake Fukushima Manufacturing Co., Ltd.

(Manufacture of brake linings and other brake-related components)
10 Aza-Shinjuku, Oaza-Narita, Koori-machi, Date-gun, Fukushima 969-1652, Japan
Tel: +81 (0) 24-582-2191 Fax: +81 (0) 24-581-2007

Akebono Brake Miharu Manufacturing Co., Ltd.

(Manufacture of disc brakes, master cylinders and pressed parts for motorcycles)
1 Aza-Minamibara, Oaza-Kumagami, Miharu-machi, Tamura-gun, Fukushima 963-7704, Japan
Tel: +81 (0) 247-62-6111 Fax: +81 (0) 247-62-6247

Akebono Brake Iwaki Manufacturing Co., Ltd.

(Manufacture of rebuilt brakes and other brake-related components)
360 Marunouchi, Yabuki-machi, Nishishirakawa-gun, Fukushima 969-0235, Japan
Tel: +81 (0) 248-42-3135 Fax: +81 (0) 248-44-2375

Akebono Brake Hanyu Manufacturing Co., Ltd.

(Manufacture of disc brake pads and other brake-related components)
5-4-71 Higashi, Hanyu-City, Saitama 348-8501, Japan
Tel: +81 (0) 48-560-1402 Fax: +81 (0) 48-560-1072

Akebono Brake Iwatsuki Manufacturing Co., Ltd.

(Manufacture of drum brakes and other brake-related components)
1190 Kanamuro, Iwatsuki-ku, Saitama-City, Saitama 339-8601, Japan
Tel: +81 (0) 48-794-4111 Fax: +81 (0) 48-794-4125

Akebono Brake Sanyo Manufacturing Co., Ltd.

(Manufacture of drum brakes, disc brakes and wheel cylinders)
1966-8 Kushiro, Soja-City, Okayama 710-1201, Japan
Tel: +81 (0) 866-96-2111 Fax: +81 (0) 866-96-2119

Alocs Corporation

(Logistics)
255-1 Ainohara, Iwatsuki-ku, Saitama-City, Saitama 339-0071, Japan
Tel: +81 (0) 48-794-1321 Fax: +81 (0) 48-794-1925

Akebono Research & Development Centre Ltd.

(Brake-related R&D)
5-4-71 Higashi, Hanyu-City, Saitama 348-8511, Japan
Tel: +81 (0) 48-560-1421 Fax: +81 (0) 48-560-2900

Akebono Tec Corporation

(Proving grounds for testing and evaluation)
41-42 Aza-Kosaruda, Uwadaira, Ogawa-machi, Iwaki-City, Fukushima 979-3112, Japan
Tel: +81 (0) 246-83-1931 Fax: +81 (0) 246-48-4004

Akebono 123 Co., Ltd. (Special subsidiary)

(Cleaning-related services)
5-4-71 Higashi, Hanyu-City, Saitama 348-8508, Japan
Tel: +81 (0) 48-560-1231 Fax: +81 (0) 48-560-2855

APS Corporation

(Consultancy for business streamlining)
1190 Oaza-Kanamuro, Iwatsuki-ku, Saitama-City, Saitama 339-8601, Japan
Tel: +81 (0) 48-793-1650 Fax: +81 (0) 48-793-1656

Akebono Brake Industrial Machinery & Rolling Stock Components Sales Co., Ltd.

(Sales of industrial machinery and rolling stock brakes)
5-4-71 Higashi, Hanyu-City, Saitama 348-8508, Japan
Tel: +81 (0) 48-560-1555 Fax: +81 (0) 48-560-1556

NeoStreet Inc.

(Web shop)
5-4-71 Higashi, Hanyu-City, Saitama 348-8501, Japan
Tel: +81 (0) 48-563-0590 Fax: +81 (0) 48-560-1571

Overseas

North America

Akebono Brake Corporation (ABC)

(North America headquarters, sales and marketing)
310 Ring Road, Elizabethtown, KY 42701 U.S.A.
Tel: +1 270-234-5500 Fax: +1 270-234-5504

Akebono Brake Corporation Engineering Center

(R&D)
34385 W. Twelve Mile Road, Farmington Hills, MI 48331, U.S.A.
Tel: +1 248-489-7400 Fax: +1 248-489-7683

Akebono Brake, Elizabethtown Plant (ABE)

(Manufacture of brake components)
300 Ring Road, Elizabethtown, KY 42701 U.S.A.
Tel: +1 270-737-4906 Fax: +1 270-737-3044

Akebono Brake, Glasgow Plant (ABG)

(Manufacture of brake components)
1765 Cleveland Avenue, Glasgow, KY 42141-1057, U.S.A.
Tel: +1 270-678-1765 Fax: +1 270-678-5659

Europe

Akebono Brake Europe N.V.

(Sales and marketing)
Emiel Mommaertslaan 20, 1831 Diegem, Belgium

Akebono Europe S.A.S. (Gonesse)

(Centre de Recherche Européen Akebono)
(Sales and R&D)
6 Avenue Pierre Salvi BP 90111, 95505 Gonesse Cedex, France
Tel: +33 (0) 1-3445-1770 Fax: +33 (0) 1-3445-1771

Akebono Europe S.A.S. (Arras)

(Manufacture of brake components)
Site Artoipôle, 244 Allée d'Espagne, 62118 Monchy-le-Preux, France
Tel: +33 (0) 3-2124-4800 Fax: +33 (0) 3-2124-4801

Akebono Europe GmbH

(Sales and engineering)
Auf der Heide 11-13, 65553, Limburg-Dietkirchen, Germany
Tel: +49 (0) 6431-7798510 Fax: +49 (0) 6431-7798515

Akebono Advanced Engineering (UK) Ltd.

(R&D)
415 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire RG41 5RA
United Kingdom
Tel: +44 (0) 1189-445-100 Fax: +44 (0) 1189-445-101

Asia

Akebono Brake (Thailand) Co., Ltd.

(Manufacture and sale of brake components)
700/880 Moo 1 Tambol Panthong Amphur Panthong, Chonburi 20160, Thailand
Tel: +66 (0) 38-185-082 Fax: +66 (0) 38-185-089

Akebono Corporation (Guangzhou)

(Manufacture and sales of drum brakes and disc brakes)
No. 8 Hefeng 1st Street, Yonghe Economic Zone of Guangzhou Development District, Guangzhou, China 511356
Tel: +86 (0) 20-8298-6818 Fax: +86 (0) 20-8298-6820

Akebono Corporation (Suzhou)

(Manufacture and sale of disc brake pads)
Ting Lan Road No. 168 Chang Yang Street, Industrial Park, Suzhou, China 215021
Tel: +86 (0) 512-6283-1577 Fax: +86 (0) 512-6283-1580

PT. Tri Dharma Wisesa (TDW)

(Manufacture and sale of drum brakes, disc brakes, pads, linings and master cylinders)
Jl. Pegangsaan Dua Blok A1, Km. 1, 6 Kelapa Gading, Jakarta, Indonesia
Tel: +62 (0) 21-460-2755 Fax: +62 (0) 21-468-26659

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Akebono Brake Industry Co., Ltd.

Corporate Communications Office

19-5 Nihonbashi Koami-cho, Chuo-ku, Tokyo 103-8534, Japan
Tel: +81 (0) 3-3668-5183
Fax: +81 (0) 3-5695-7391

URL: <http://www.akebono-brake.com/>

E-mail: ir_pr@akebono-brake.co.jp

Please send your opinions and impressions to the above office.

