

March 16, 2011

**UPDATE No.2 - Report following the 2011 off the Pacific coast of Tohoku Earthquake**

Akebono Brake Industry, Co. Ltd. extends its most sincere sympathy to those who have suffered from Friday's devastating earthquake and subsequent tremors which struck off the northern coast of Japan. We wish for the soonest recovery.

Following to the disclosure on March 14th, we would like to provide further updates regarding the damage situations and the future operation forecast of Akebono group as of today.

1. Associates

As we disclosed at 17:00 on March 14th, we have confirmed the safety of all Akebono associates.

2. Facilities

• **Akebono Brake Fukushima Manufacturing Co., Ltd., Fukushima**

It has been in the process of recovery and testing. It is expected to be ready for production from Friday, the 18th of March.

• **Akebono Brake Yamagata Manufacturing Co., Ltd., Yamagata and Akebono Brake Iwatsuki Manufacturing Co., Ltd., Saitama**

They have started production since Monday, the 14th of March.

• **Tatebayashi Foundry:**

It has been ready for starting production since Tuesday, the 15th of March; however, it has stopped operations on the 16th of March due to the limited power supply.

As for the future production, we will make sure the safety first and continue to plan, considering the customers' production plans and infrastructure situations, such as planned brown-out and availability of fuel.

Also, we have thoroughly checked damages to our suppliers, as a result, we found out some challenge as to supply of certain materials and parts. While we continue to support our suppliers to the full recovery of production, we started to find other alternatives.

3. Effects on Financial Results

The effects of the earthquake on our financial results are uncertain at the moment. If we see the possibilities of the effects, we will make sure to disclose the details immediately.

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