

News Release

October 30, 2014

Akebono Brake Establishes New Joint Venture in Thailand

Akebono Brake Industry, Co., Ltd. (Chairman, President & CEO: Hisataka Nobumoto; Global Head Office: Chuo-ku, Tokyo; Ai-City Headquarters: Hanyu City, Saitama Prefecture; Akebono) has established a joint venture subsidiary for the manufacture of cast-iron components in Thailand. This initiative will enhance Akebono's competitiveness in the ASEAN area as part of the "acceleration of global development from Japan and the US to include Europe and Asia", a priority strategy in the company's current medium-term business plan, "akebono New Frontier 30-2013".

Upon rapid growth in 2012 and 2013, automobile manufacturing and sales in Thailand are currently slow, but the demand for cast-iron automotive components is expected to grow in the medium-to-long term.

The new joint venture's production will center on cast-iron brake caliper components for Akebono Brake (Thailand) Co., Ltd.. Production volume will be 600 metric tonnes per month and until 2017, and from 2018, in anticipation of market trends, is scheduled to rise to 1,300 metric tonnes per month. The new company is also considering the sale of cast-iron components to other companies in Thailand.

Outline of the Subsidiary

- (1) Name: A&M Casting (Thailand) Co., Ltd.
- (2) Location: Ratchaburi Industrial Estate, Ratchaburi Province, Kingdom of Thailand (approx. 100km west of Bangkok)
- (3) Representative: Keiichi Oka
- (4) Business: Manufacture and sale of cast-iron automotive components
- (5) Investment amount: 2,200 million yen (planned)
- (6) Date of establishment: October 2014
- (7) Equity ratios: Akebono Brake Industry, Co., Ltd. 74.9%
Mohka Manufacturing Co., Ltd. 25.1%
- (8) Lot area: approx. 37,000m²
- (9) Building area: approx. 5,000m²
- (10) Start of production: August 2016 (tentative)

Outline of Joint Venture Partner

- (1) Name: Mohka Manufacturing Co., Ltd.
- (2) Location: 8-banchi, Kinugaoka, Moka City, Tochigi Prefecture
- (3) Representative: Katsuya Nishina
- (4) Main business: Manufacture of cast-iron automotive components
- (5) Capital: 50 million yen

Mohka Manufacturing Co., Ltd. specializes in key safety components for passenger vehicles, which are the most important and most difficult cast-iron components to manufacture, and its products combine high quality with low cost. The company is also highly safety conscious and aims for zero workplace accidents, operating a House of Safety School that allows workers to experience simulated workplace accidents and raises their hazard awareness.