TRI establishes a new plant for automotive hose products in Indonesia
~preparing for the expansion of the automobile and motorcycle markets~

Tokai Rubber Industries, Ltd. (TRI) (Head office: Komaki City, Aichi Prefecture, President: Yoshiaki Nishimura) announces to build a new plant in Indonesia at PT. Tokai Rubber Auto Hose Indonesia (abbr. TRHI), a subsidiary specializing in the resin hose production and distribution in order to launch the production of automotive hose for both four- and two-wheel vehicles in autumn 2013.

The demand for automobiles has been on the increase in Indonesia following motorcycles thanks to its continuing economic development with Japanese and European automakers expanding their businesses one after another.

Meanwhile, TRI established TRHI in June 2011 and then started mass-producing resin hose products for two-wheel vehicles at our leased factory in February 2012. On the other hand, we have been considering building our own plant to prepare for expanding production in the future.

The new plant will have the existing production equipment transferred from the leased factory in addition to installing new lines in order to create our production base for hose products for automobiles and motorcycles. Moreover, we will also improve our system to stably supply hose products in line with the production increase at Japanese automakers. Also, we are considering making this plant our product delivery base to Japan.

TRI Group aims to capture growing Asian markets as one of our important business strategies in our group’s mid-term management plan, “2015 TRI Group Vision” that ends in fiscal 2015. Building this new plant is part of our efforts to penetrate the Asian markets.

<Outline of TRHI>
Location : Jababeka Industrial Park, Cikarang Bekasi, West Jawa, Indonesia
(Transferred to the following site after the new plant is complete)
Business Description : Manufacturing and sales of motorcycle and automotive hose products
(Mainly for motorcycles before the operation of the new plant)
Establishment : June, 2011
Capital Stock : 4.5 million US dollars (※1 about 360 million yen)
(Increased to 18 million US dollars by October 2012)
Representative : Takashi Nagao, President
Investment Ratio : Tokai Rubber Industries, Ltd. 100%
Payroll : About 200 (estimation for fiscal 2016)
Area of Plant : Site—about 1,400 m² Buildings—about 1,100 m² (Currently leased plant)
Sales Amount : About 300 billion rupiah (※2 about 2.6 billion yen, estimation for fiscal 2016)

<Outline of the new plant>
Location : Delta Silicon Industrial Park, Cikarang Bekasi, West Jawa, Indonesia
Production Item : Rubber and resin hose for automobiles and motorcycles
Area of Plant : Site—about 38,000 m², Buildings—about 11,000 m²
Investment Amount : About 220 billion rupiah (※1.9 billion yen)
(※1) Calculated 79.30 yen / US dollar
(※2) Calculated 0.0085 yen / rupiah

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