TRI holds Ground-Breaking Ceremony at New Automotive Hose Plant in Indonesia

Tokai Rubber Industries, Ltd. (TRI) (Head office: Komaki City, Aichi Prefecture, President: Yoshiaki Nishimura) has conducted a ground-breaking ceremony for the new plant in Indonesia that is scheduled to start operation in autumn, 2013 at PT. Tokai Rubber Auto Hose Indonesia (TRHI in short), our subsidiary to manufacture and distribute resin hose. TRHI has begun mass-production of motorcycle resin hoses at its leased plant in February, 2012 while considering building its own plant in expectation of production expansion in the future. The new plant will serve as the production base for automobile and motorcycle hose with new lines installed as well as the existing production equipment transferred from the leased factory. We aim to improve our system to stably supply our parts to Japanese automakers. We are also considering delivering the parts to Japan.

The ground-breaking ceremony was joined by our group’s officials and Mr. Katsunori Kanaoka, Managing Executive Officer of TRI, expressed his resolve to operate the new plant, saying, “We would like to contribute to the development of the local automobile industry. TRHI will take a leap forward towards the future.”

Regarding the development of our automotive hose business in Asia, we have production facilities not only in Indonesia but also in China and Thailand and will launch production in Vietnam in 2013 as well. We are determined to accelerate our efforts in supplying our products in Asia where automobile and motorcycle markets are growing further.

<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: 18 million US dollars (※1 about 1.43 billion yen)
Representative : Takashi Nagao, President
Investment Ratio : Tokai Rubber Industries, Ltd. 100%
Payroll : About 200 (estimation for fiscal 2016)
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 1.9 billion yen)
(※1) Calculated 79.30 yen / US dollar
(※2) Calculated 0.0085 yen / rupiah

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