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Indonesian Subsidiary's New Factory Complete

Tokai Rubber Industries, Ltd. (Head Office: Komaki City, Aichi Prefecture, President: Yoshiaki Nishimura) informs that at its Indonesian motorcycle and car hose manufacturing and sales subsidiary PT. Tokai Rubber Auto Hose Indonesia (abbreviation: TRHI), a new factory has been completed, and opening ceremony held.



Stakeholders gather for commemorative photograph



Exterior of TRHI's new factory

TRI group set up TRHI in August 2011 in order to support the expansion and increasing production activity of Japanese and European car makers in Indonesia, where amidst underlying economic growth, the demand for motorcycles has grown paving the way for that of 4-wheeled vehicles. Whilst starting work on the new factory soon after the company's establishment, in order to begin delivery of product as quickly as possible, TRHI did begin the mass production of motorcycle resin hose at a leased factory in 2012 as an interim measure until the new factory was completed. The new factory, along with the relocated production equipment from the previously leased factory, will also be fitted with new production lines, and will be a production base for 4-wheeled vehicles' resin and rubber hoses in addition to motorcycle resin hose.

Those present at the opening ceremony included the local Industrial Park associates and people from the motorcycle and automobile makers' subsidiaries etc., and they all celebrated the completion of the new factory. Group President Mr. Nishimura greeted the attendees with an emphasis on his intention to strengthen the business foundation in growth markets even further, saying "In Indonesia where we expect market growth for both motorcycles and 4-wheelers - it is very pleasing to be able to send out locally made products to our customers. We will continue to contribute to the growth and prosperity of the motorcycle and car industries and the local community".

<Outline of TRHI>

Physical Location: Delta Silicon Industrial Park, Cikarang, Bekasi, West Java, Indonesia

Business Content: The manufacture and sale of motorcycle resin hose, and automotive resin and rubber

hoses

Capital Funding: 18 million US Dollars (**1 Approximately 1.836 billion yen)

Representative Director: Company President, Takashi Nagao Investment Ratio: Tokai Rubber Industries, Ltd. - 100%

No. of Employees: Approximately 300 people (forecast for 2015)

Sales Revenue: Approximately 260 Billion Indonesian Rupiah (**2 Approximately 2.3 billion yen,

forecast for 2015)

<Outline of the New Factory>

Physical Location : Delta Silicon Industrial Park, Cikarang, Bekasi, West Java, Indonesia Factory Area : Premises approximately 38,000 m², Buildings approximately 11,000 m² : Approximately 310 billion Indonesian Rupiah (**2 Approximately 2.8*)

Billion Japanese Yen)

Production Capacity : Approximately 260 billion Indonesian Rupiah (**2 Approximately 2.3

Billion Japanese Yen, forecast for 2015)

(%1) Calculated at 1 US Dollar being 102 Japanese Yen

(%2) Calculated at 1 Indonesian Rupiah being 0.009 Japanese Yen