

December 19, 2007

To Whom It May Concern:

KIRIU Corporation
Toshio Nakagawa, President & CEO

KIRIU Corporation to Establish New Company in Oita

KIRIU Corporation (with corporate headquarters in Ashikaga-shi, Tochigi, under President Toshio Nakagawa) announced that it would establish a new company in Innai-machi, Usa-shi, Oita, for the manufacture of cast parts.

According to KIRIU's medium-term production outlook, the company anticipates its domestic production capacities to fall short of the demand in 2009 onward as KIRIU expands its business and customers in Japan increase their production volumes. Following an examination of the various options by which to enhance its supply capability, KIRIU determined that boosting its capacity in the Kyushu area would be most effective, given the geographical concentration of its customer base in the region. This led to the decision to redevelop the old KIRIU Oita site owned by the company.

The new company will adopt Integrated Manufacturing System to encompass casting and machining for automotive parts (mainly brake discs and drums). The new company's production capacities are expected to total 2,500 tons per month. The new company will be the third production site for KIRIU, after those located in Tochigi and Yamagata.

The Oita site will begin supplying products to the Kyushu factory of Nissan Motor, a key customer of KIRIU, aiming to gradually expand its operation to ensure a timely and stable supply of cast parts for customers in western Japan. The profile of the new company is shown below.

Profile of New Company

Company Name:	KIRIU Oita Co., Ltd. (tentative)
Establishment:	March 2008 (schedule)
Location:	Innai-machi, Usa-shi, Oita
Investment Ratio:	100% invested by KIRIU
Land Area:	77,192 m ²
Principal Business:	Casting parts (brake discs, drums, etc.)
Start of Production:	February 2009 (schedule)
Number of Employees:	Approx. 100 in 2011 (projection)
Investment:	Approx. 3 billion yen (first year)

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