

Establishment of a New Company in Mexico

April 27, 2015 - TOKAI RIKA CO., LTD. (Head Office: Oguchi-cho, Niwa-gun, Aichi, Japan. Yuzo Ushiyama, President) has decided to establish a new company in Salinas Victoria, Nuevo León, United Mexican States. The new company will be called TOKAI RIKA MEXICO, S.A. DE C.V. (TRMX) and is scheduled for incorporation in May 2015. This will be the first Tokai Rika base in Mexico.

Given the rapid expansion of the Mexican automotive industry and its proximity to the US market, which is expected to exhibit sustained growth, establishing TRMX is part of a strategy aimed at responding more quickly and proactively than ever to customer needs and strengthening Tokai Rika's business foundation in North America.

New Company Overview

1. Name of company: TOKAI RIKA MEXICO, S.A. DE C.V.
2. Established: May 2015 (planned)
3. Start of operations: Autumn 2016 (planned)
4. Location: Salinas Victoria (on the outskirts of Monterrey), Nuevo León, United Mexican States
5. Capital: 33 million US dollars (approx. 3.9 billion yen) (planned)
6. Capital composition: TRAM, Inc.*1 90%, Toyota Tsusho Corporation 10% (planned)
7. Articles produced and sold:
 - Switches (e.g., steering wheel switches)
 - Security devices (e.g., automatic transmission shift levers, key sets)
 - Safety devices (e.g., seatbelts)
8. Anticipated sales:
 - FY 2018: 52 million US dollars (approx. 6.2 billion yen)
 - FY 2020: 126 million US dollars (approx. 15.1 billion yen)
9. Investment: until FY 2018 34 million US dollars (approx. 4.0 billion yen)
10. Number of employees:
 - FY 2018: approx. 200
 - FY 2020: approx. 350
11. Plant scale: Land area: approx. 150,000 m²

Exchange rate: calculated at 120 yen to the dollar

*1 A 100% Tokai Rika Co., Ltd. North American subsidiary holding company