

Establishment of a New Company in China

-Strengthen our Sales Engineering function for future sales expansion-

TOKAI RIKA CO., LTD. (Head Office: Oguchi-cho, Niwa-gun, Aichi, Japan. Kenji Miura, President) established a new company in Wuxi, Jiangsu province, China called Tokai Rika (Jiangsu) Automotive Parts Co., Ltd. It is scheduled to start operation in January 2019 and will become our fourth base in China, including three production bases (Tianjin, Wuxi, and Foshan).

With the Chinese market continuously expanding, establishment of new Sales Engineering function which is independent from the production bases will enable us to respond quickly and proactively for customer needs, and strengthen our business foundation in China.

Overview of the New Company

1. Name	Tokai Rika (Jiangsu) Automotive Parts Co., Ltd.
2. Establishment	October 2018
3. Location	Wuxi, Jiangsu province, China
4. Capital	2 million US dollars (approximately 220 million yen)
5. Capital structure	Tokai Rika Co., Ltd. 100%
6. Representative	Chairman: Masato Hotta (currently a Member of the Board and Operating Officer of Tokai Rika)
7. Employees	Approximately 10 people
8. Main function	Sales Engineering

Exchange rate: calculated at 1 USD = 113JPY.