

October 10, 2013

Elematec to Establish Subsidiary in Mexico

Elematec Corporation decided to establish a subsidiary in Guanajuato, Mexico as follows.

1. Reason for establishing a subsidiary

Elematec Group places Latin America as a key area for business development to get businesses for automobile industry. Especially in Mexico, there are many automobile production and components factories and Japanese and foreign automobile manufacturers are expanding their productions. More vehicle-related companies are expected to expand into the industry in the future.

Elematec Group will conduct sales activities for vehicle-related companies to expand its scale of operations. Therefore, the Group decided to establish a subsidiary.

2. Profile of subsidiary

- a. Name Elematec Mexico S.A. de C.V. (scheduled)
- b. Location Guanajuato, Mexico
- c. Person in charge Kiwato Watanabe (current Elematec Deputy General Manager, Overseas Division)
- d. Establishment December 2013 (scheduled)
- e. Activities Import, export and domestic sales of electrical materials and electronic components in Mexico
- f. Fiscal year end December 31
- g. Capital 7,000 thousand MXM
- h. Investment ratio Elematec 99.9%, Elematec USA Corporation 0.1% (scheduled)
- i. Employees 2
- j. TEL To be determined
- k. FAX To be determined

3. Outlook for operating results

The effect of the establishment of subsidiary on Elematec consolidated operating results is insignificant and there are no revisions to the operating results for the current fiscal year announced on April 25, 2013.