

Announcement on our plant completion in Thailand

We are pleased to announce that Kyokuto Kaihatsu Kogyo Co., Ltd. (Head Office: 6-1-45, Koshienguchi, Nishinomiya-shi, Hyogo, Japan; Representative Director, President, COO: Kazuya Takahashi; Description of Business: Special Purpose Vehicle Division, Environmental Equipment and System Division, Parking Division etc.) and its subsidiary NIPPON TREX CO., LTD. (Head Office: 350 Minamiyama Shinden, Ina-cho, Toyokawa-shi, Aichi, Japan; Representative Director, President, COO: Ryuichiro Nishikawa; Description of Business: trailer/truck body manufacture and sales) has completed construction of a new plant in the Kingdom of Thailand.

A ceremony marking completion of construction was held on October 21, 2015. Attending were approximately 350 guests, including Ms. Pranee Phaoenchoke, Chairman of the Board, and Mr. Sompong Phaoenchoke, President, of Thai Rung Union Car Public Co., Ltd. (a joint venture partner company involved in car dealership management, selling automobile, and supplying parts to foreign manufacturers of vehicles and machinery expanding into Thailand [Thai Rung, below]); Mr. Shingo Sato, President, of Mitsiam International, Limited (local subsidiary of Mitsui & Co. (Thailand) Ltd. [Mitsiam, below]; administration officials and management; customers such as local subsidiaries of Japanese transport companies; and presidents and the management teams of local subsidiaries of Japanese truck manufacturers. Ms. Hirunya Suchinai, Acting Secretary General of the Thailand Board of Investment (BOI), commented that the completion of the new factory would significantly advance the future of the automobile and distribution industries in Thailand, and would serve as an excellent opportunity to bring Thai competitiveness to the next level over the long term.

Our plant in Thailand is the first overseas manufacturing base for NIPPON TREX, as well as the fourth such base for the Kyokuto Kaihatsu Group, following its factories in Kunshan (China), India, and Indonesia. Administered along with Thai Rung and Mitsiam, the joint venture will first manufacture wing vans and 10-door vans and dump trucks that will serve as local specifications, targeting cargo vehicles and construction-related customized vehicles. Demand for said vehicles is expected to dramatically increase as Japanese-style distribution is introduced and government-led large-scale infrastructure improvement plans are implemented in Thailand, which is seeing more and more Japanese companies setting up bases.

Many inquiries have already been received, and all involved parties will attempt to expand sales in order to contribute to Thai distribution.

We, Kyokuto Kaihatsu group, will continue to invest actively our management resources in overseas business developments and make concerted efforts to expand our business performance.

1. Thai Factory Overview

- (1) Trade name: TREX THAIRUNG CO., LTD.
- (2) Location (Head Office): No.10/95-97 Sukhumvit 13 Alley Klongtoey-Nua Sub-district, Vadhana District, Bangkok Metropolis 10110, Thailand
- (Factory): Amata City Industrial Estate, 7/462 Moo 6, T. Mapyangporn, A. Pluakdaeng, Rayong 21140, Thailand
(Amata City Industrial Estate: Rayong, Pluakdaeng)
* 120 km southeast from Bangkok

- (3) Business: Manufacture and sales of wing vans, 10-door vans, and dump trucks
- (4) Capital: 550,000,000 baht
- (5) Established: May 15, 2014
- (6) Shareholder composition: Kyokuto Kaihatsu Kogyo Co., Ltd. (15%)
 NIPPON TREX CO., LTD. (30%)
 Thai Rung Union Car Public Co., Ltd. (40%)
 Mitsiam International, Limited (15%)
- (7) Executives: Takaaki Fudetani, Chairman of the Board
 (Chairman of the Board, Kyokuto Kaihatsu Kogyo Co., Ltd.)
 Sompong Phaoenchoke, Vice-Chairman of the Board
 (President, Thai Rung Union Car Public Co., Ltd.)
 Hiroshi Matsubara, President (full-time)
 (Operating Officer, NIPPON TREX CO., LTD.)
 Ryuichiro Nishikawa, Director
 (Managing Director, NIPPON TREX CO., LTD.)
 Pranee Phaoenchoke, Director
 (Chairman of the Board, Thai Rung Union Car Public Co., Ltd.)
 Kaewjai Phaoenchoke, Director
 (Director, Thai Rung Union Car Public Co., Ltd.)
 Masataka Nishizaki, Director
 (Machinery Department Manager, Mitsiam International, Limited)
- (8) Factory area (land): Approx. 85,000 m²
- (9) Factory area (building): Approx. 15,000 m²



Panoramic view of factory and logo

2. Performance plan (for December 2016 term [*Calculated by an exchange rate of 1 baht = 3.35 JPY])

Sales: 329,000,000 baht (approximately 1,102,000,000 JPY)
 Employees: 80

3. Overview of Joint Management Partners

(1) Thai Rung

- (1) Trade name: Thai Rung Union Car Public Co., Ltd.
- (2) Location: Nong Khaem, Bangkok, Thailand
- (3) Representative: Sompong Phaoenchoke
- (4) Business: Manufacture/sales of press products, molds/jigs, car dealership management, real estate, etc.
- (5) Group employees: Approx. 2,000
- (6) Group sales (as of December 2014 [*Calculated by an exchange rate of 1 baht = 3.35 JPY]): 2,255,000,000 baht (approximately 7,554,000,000 JPY)

(2) Mitsiam

- (1) Trade name: Mitsiam International, Limited
- (2) Location: Sathon, Bangkok, Thailand
- (3) Representative: Shingo Sato
- (4) Business: Trading company in Thailand
(subsidiary of Mitsui & Co. (Thailand) Ltd.)

[Photos of the Opening Ceremony]



<<Ribbon cutting >>

(From the left)

- Mr. Ryuichiro Nishikawa, Managing Director, NIPPON TREX CO., LTD.
- Ms. Kaewjai Phaoenchoke, Director, Thai Rung Union Car Public Co., Ltd.
- Ms. Pranee Phaoenchoke, Chairwoman of the Board, Thai Rung Union Car Public Co., Ltd.
- Mr. Sompong Phaoenchoke, President, Thai Rung Union Car Public Co., Ltd.
- Ms. Hirunya Suchinai, Acting Secretary General, Thailand Board of Investment (BOI)
- Mr. Hiroshi Matsubara, President, TREX THAIRUNG CO., LTD.
- Mr. Takaaki Fudetani, Chairman of the Board, Kyokuto Kaihatsu Kogyo Co., Ltd.
- Mr. Masataka Nishizaki, Machinery Department Manager, Mitsiam International, Limited
- Mr. Shingo Sato, President, Mitsiam International, Limited



<< The photo of exhibiting our products to be manufactured and distributed by our plant and our joint venture company >>



<<Wing van>>



<<10-door van>>



<<Dump truck and full-trailer dump truck>>