

Company Name: KYB Corporation

(Official Name: Kayaba Industry Co., Ltd.)

World Trade Center Bldg.,

4-1, Hamamatsu-cho 2-chome, Minato-ku, Tokyo 105-6111, Japan

Representative Director, President Executive Officer: Masao Usui

Stock Code: 7242; First Section of Tokyo Stock Exchange

Construction of Plant for New Subsidiary in Mexico

KYB Corporation announced today the construction of a plant for a new KYB subsidiary in Mexico that will produce hydraulic pumps used in continuously variable transmissions (CVTs) for automobiles.

1. Reason for Constructing Plant for New Subsidiary

KYB has decided to manufacture and sell CVT hydraulic pumps in Mexico as part of ongoing investments in emerging countries with good prospects for economic growth. Outside Japan, KYB started manufacturing CVT pumps in Zhenjiang, China, in the first half of 2012 and plans to begin production in Chonburi, Thailand, in the first half of 2013. Mexico will thus be the third overseas CVT pump production facility. The plant will be constructed in Silao in the state of Guanajuato. In the future, this subsidiary will also manufacture and sell automotive steering components and hydraulic shock absorbers at the same location.

2. Outline of New Subsidiary / Plant

Trade name:	KYB Mexico S.A. de C.V.
Location:	Silao, Guanajuato (Guanajuato Inland Port industrial park)
Representative:	Yoshio Tsuchiya (Senior Staff Manager, Production Engineering Dept., Gifu North Plant, Automotive Components Operations KYB Corporation)
Principal business:	Manufacture and sales of CVT hydraulic pumps
Date of establishment:	October 2012
Construction:	Completion: December 2013, Start production: September 2014
Paid-in capital:	\$19 million (Approx. ¥1.7billion)
Ownership:	KYB Corporation: more than 99%, KYB Latinoamerica S.A. de C.V.: less than 1%
Capital investment:	¥5.4 billion
Floor area:	21,000 square meters
Total site area:	134,000 square meters
Production volume:	100 thousand per month
Number of employees:	About 130
Major client:	JATCO México, S.A. de C.V.



Rendering of the completed plant

3. For Further Information, Please Contact:

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