

December 16, 2015

Company Name: KYB Corporation
(Registered Name: Kayaba Industry Co., Ltd.)
Representative: Yasusuke Nakajima, Representative Director, President Executive Officer
Stock Code: 7242; First Section of Tokyo Stock Exchange
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Announcement of Newly Established Aircraft Components Division

KYB will establish a new business division for the purpose of making the Company's departments related to aircraft components independent from the jurisdiction of Hydraulic Components Operations (hereinafter HC Operations), which handles the manufacture of industrial hydraulic components, aircraft hydraulic components, railway hydraulic components, and other products.

1. Purpose of Establishment

KYB anticipates that the aviation industry will continue experiencing expanding growth. Global demand for passenger planes is rising, causing new passenger plane development and future production volumes increases, including for existing aircraft. Also, as cutting-edge technology and advanced materials are progressing in this field, we anticipate a technological ripple effect in other fields.

KYB plans to make the Aircraft Components Div. independent from HC Operations, quickly correspond to trends in the aviation industry and customer needs, and strengthen and expand its management base as a mainstay business division in the near future.

2. Outline of New Business Division

Name: Aircraft Components Div.
Date of Establishment: January 1, 2016
Business details: Manufacture and sales of aircraft component products, maintenance
General Manager: Kenji Yamanouchi, Managing Executive Officer
Number of Employees: Approx. 200

The purpose of the division is to establish a position as a systems supplier that is a trustworthy partner to customers, with a focus on landing gear systems, including wheel brakes equipped on aircraft, as well as all kinds of hydraulic components related to flight control systems.