

14<sup>th</sup> March, 2007

To whom it may concern

Company Name: Nifco Inc.  
Head Office: 184-1 Maioka-cho, Totsuka-ku,  
Yokohama, Kanagawa Pref., Japan  
Comp. Code no. 7988 (1st Board TSE)  
Rep. Director: Ryuji Watanabe, President  
Contact Person: Kenichi Sakurai, Managing Director  
(tel 03-5476-4857)

### **Notice concerning the establishment of a new subsidiary**

The Company would like to announce that a resolution was taken at a board of directors' meeting to establish a new subsidiary as detailed below.

#### **Notes**

##### **1. Purpose**

As the Japanese automobile manufacturers are increasing their manufacturing capabilities in North America, the Company has decided to establish a new company there in addition to Nifco America Corporation (Ohio).

##### **2. Outline of the new company**

- |                                         |                                                                                                                 |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| (1) Company name:                       | Nifco North America Inc.                                                                                        |
| (2) Date of establishment<br>(planned): | March, 2007                                                                                                     |
| (3) Planned location of factory:        | State of Kentucky, USA                                                                                          |
| (4) Investment:                         | 100% Nifco Inc.                                                                                                 |
| (6) Amount of capital (planned):        | US\$8.5 million (circa ¥1 billion)                                                                              |
| (7) President:                          | Hiroshi Takigawa (General Manager, Nagoya Branch)                                                               |
| (8) Lines of business:                  | The sale and manufacture of industrial plastic fasteners and parts for the automobile industry and their moulds |
| (9) No. of Employees (planned):         | 150 persons (in 2011)                                                                                           |
| (7) Major customers:                    | Japanese automobile manufacturers and their component suppliers situated in North America                       |

##### **3. Effect on the Company's business**

The effect of the establishment of this new company on the Company's business will be small.

**【 For questions related to this announcement, please contact the following】**

Nifco Inc., Overseas Planning Department, Mr. Kurata at telephone no. 03-5476-4857