

## Notice Concerning Establishment of a Joint Company in China

Company name: Unipres Corporation

Title and name of representative: Masanobu Yoshizawa, President and Representative Director

Securities code: 5949 (Tokyo Stock Exchange, First Section)

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Unipres Corporation (Head Office: Yokohama-City, Kanagawa-Pref., President: Masanobu Yoshizawa) passed a resolution at a meeting of its Board of Directors on November 7, 2016, to establish a joint company in China, with UNIPRES (CHINA) CORPORATION, a consolidated subsidiary of the Company, and Dongfeng (Wuhan) Industrial Co., Ltd.

### 1. Profile of joint company

- (1) Company name: Dongfeng Unipres Hot Stamping Corporation
- (2) Address: Guangzhou, Guangdong province, China
- (3) Name of representative: Yibin Wang
- (4) Capital: 100 million Chinese yuan (Approx. 1,527 million yen)
- (5) Equity ratio: UNIPRES (CHINA) CORPORATION      50%  
Dongfeng (Wuhan) Industrial Co., Ltd.      50%
- (6) Business Activities: Manufacture and sale of hot-stamped automobile body parts
- (7) Established: February 2017 (planned)
- (8) Start of operation: April 2019 (planned)
- (9) Number of employees: Approx. 60
- (10) Sales: 150 million Chinese yuan (Approx. 2,290 million yen) (planned for 2020)
- (11) Initial investment: 100 million Chinese yuan (Approx. 1,527 million yen) (planned)
- (12) Plant site area: 16,000 m<sup>2</sup>
- (13) Building area: 8,000 m<sup>2</sup>

### 2. Reason for establishment of joint company

In the automobile industry, where car body weight reductions and high strength have recently advanced, the adoption of hot-stamped parts is expected to expand in addition to the application of high tensile strength steel by cold pressing.

While our two plants in Japan and the UK are now producing parts by hot stamping, the Company has decided to establish Dongfeng Unipres Hot Stamping Corporation to produce hot-stamped parts in order to meet the diverse needs of car makers in China jointly with Dongfeng (Wuhan)

Industrial Co., Ltd. In China, the businesses of car body products and transmission products are developing, and setting up this new business will lead to further business expansion.

The joint venturer Dongfeng (Wuhan) Industrial Co., Ltd. is an automotive parts manufacturer affiliated with the Dongfeng Motor Group, which is a car maker representing China.

### 3. Impact on future business results

The establishment of a joint company is expected to have a negligible impact on consolidated business results for FY 2016 ending March 31, 2017.

#### (Reference)

##### Profile of Dongfeng (Wuhan) Industrial Co., Ltd.

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|---------------------------|--|
| 1. Trade name             | Dongfeng (Wuhan) Industrial Co., Ltd.  |
| 2. Address                | No. 9, Jinbei 1st Road, Dongxihu District, Wuhan City, Hubei province, China |
| 3. Name of representative | Wanbin Mi  |
| 4. Business Activities    | Manufacture and sale of automobile body parts                                |
| 5. Sales                  | 1,890 million Chinese yuan (Approx. 28,859 million yen)<br>(FY2015 results)  |