

30 January, 2012

To whom it may concern

Maruichi Steel Tube Ltd.

Announcement on Manufacturing Base Establishment in Mexico

Our subsidiary companies in the United States, Maruichi American Corporation (hereinafter called MAC) and MKK USA INC. (hereinafter called MKK USA), hereby announce that they will establish a local corporation through joint investment with Marubeni-Itochu Steel Inc. (hereinafter called Marubeni-Itochu Steel) and Toyota Tsusho Corporation (hereinafter called Toyota Tsusho) in the United Mexican States.

1. Purpose of the Establishment

In order to manufacture and sell various steel tubes mainly to Japanese automotive parts manufacturers, our two US subsidiary companies and two trading companies have decided to establish a local corporation through joint investment and to build a new factory in Aguascalientes State in Mexico. The Aguascalientes State attracts remarkable attention as automotive manufacturing base in the North and South America regions and Japanese automotive manufacturers are planning to move into there.

A Japanese automotive manufacturer has advanced into this area and is planning to expand their factory. Besides, in the nearby state of Guanajuato , new projects of factory construction by Japanese automotive manufacturers are ongoing, so Japanese automotive parts manufacturers are expected to begin operations in this area.

By utilizing the extensive experience in manufacturing and sales of automotive steel tubes in Japan, China, India & Indonesia, we plan to locally manufacture the high-quality automotive steel tubes and meet users' local procurement needs for raw materials.

2. Outline of the New Company

- ① Name of Company: MARUICHIMEX S.A. de C.V.
- ② Location: San Francisco Industrial Estate, Aguascalientes State, the United Mexican States
- ③ Capital Investors: MAC:60%、MKK USA:20%、Marubeni-Itochu Steel :10% (5% each invested by Parent Company & American Subsidiary)、Toyota Tsusho:10%
- ④ President: Wataru Morita (also President of MAC)
- ⑤ Business: Manufacturing & Sales of Various Steel Tube Products in Mexico & abroad
- ⑥ Capital: USD10 million equivalent
- ⑦ Factory Site: Approx. 30,000 m², Factory Building: Approx. 6,000 m²
- ⑧ Facility Summary:1st Period: Tube Mill x 1, Cutting Machine x 4 & others
2nd Period: Tube Mill x 1, Cutting Machine x 4 & others
- ⑨ Production Capacity: Steel Tube 12,000 tons per year (1st Period)
- ⑩ Number of Employees: Approx. 20
- ⑪ Start of Production: scheduled at the end of 2012

3. Outline of MAC

- ① Name of Company: Maruichi American Corporation
- ② Name of President: Wataru Morita
- ③ Location: 11529 Greenstone Avenue, P.O.Box 3187 Santa Fe Springs, California, USA
- ④ Date of Establishment: December 12, 1978
- ⑤ Capital: USD7.5 million
- ⑥ Business: Manufacturing & Sales of Steel Tubes
- ⑦ Number of Employees: 62

4. Outline of MKK USA

- ① Name of Company: MKK USA INC.
- ② Name of President: Hiroyuki Suzuki (also President of our company)
- ③ Location: Delaware State, USA
- ④ Date of Establishment: March 7, 2008
- ⑤ Capital: USD90 million
- ⑥ Business: Holding Company