

**Daido Metal Co., Ltd.**

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(For inquiry)  
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**Changes in Subsidiaries (Establishment of a New Company)**

Daido Metal Co., Ltd. (hereinafter “we”) resolved to establish a new subsidiary in Thailand at a board of directors’ meeting held on 27<sup>th</sup> December, 2017.

## 1. Objective

Daido Metal Group is a manufacturer of plain bearings servicing automotive industry and other industries such as ships, construction machinery. Based on our fundamental philosophy of “production in the area closer to the customer, provision of same quality and service worldwide”, we set up a global production and sales network in five areas, namely Japan, North America, Europe, Asia and China, and are delivering our products.

This New Company will manufacture aluminium die cast parts mainly for automotive industry. This is to provide for the increase in demands and establish itself as a leader in aluminium die cast parts for Electric Vehicles, in view of future market shift from internal combustion engine to EV.

## 2. Overview of New Company

|                                       |   |
|---------------------------------------|---|
| (1) Name                              | DM Casting Technology (Thailand) Co.,Ltd.   |
| (2) Address                           | Samutprakarn Province, Thailand   |
| (3) Representative                    | Nobuo HIROSE, Managing Director, President  |
| (4) Business                          | Production of aluminium die cast parts  |
| (5) Share Capital                     | THB 200,000,000 (Plan)<br>(approximately JPY 692,000,000 at the Exchange rate of 3.46THB/JPY) |
| (6) Date of incorporation             | January, 2018 (expected)  |
| (7) Major Shareholder and its holding | Daido Metal Co., Ltd. 99.9%   |

3. Schedule

|                                    |                |
|------------------------------------|----------------|
| Date of incorporation              | January, 2018  |
| Commencement of business operation | February, 2020 |

4. Impact on current period's financial result

The establishment of the subsidiary will have no significant impact on our financial result of current period. We will make further announcements if and when we know it is necessary.