

## News Release Dated May 9, 2011

Company name: EBARA-UDYLITE CO., LTD.  
Representative: Yoshimasa Kasuya,  
President and CEO  
Stock code: 4975  
Tokyo Stock Exchange, First Section  
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### Establishment of Subsidiary in Indonesia

The Board of Directors of EBARA-UDYLITE CO., LTD. approved a resolution on May 9, 2011 to establish a company in Indonesia that will be a consolidated subsidiary.

#### 1. Purpose of establishing subsidiary

A wholly owned subsidiary of the EBARA-UDYLITE Group will be established in Indonesia for the purpose of increasing sales of the Group's products in this country. Demand for automotive and motorcycle parts is increasing in Indonesia and the country has much potential for economic growth.

#### 2. Profile of the new company

- (1) Company name: PT. JCU Indonesia (tentative)
- (2) Establishment: September 2011 (plan)
- (3) Capital: US\$1,200,000 (about 98 million yen) (plan)
- (4) Equity ownership: EBARA-UDYLITE CO., LTD. : 95%  
EBARA-UDYLITE (ASIA-PACIFIC) CO., LTD. : 5%
- (5) Business: Sale of surface treatment chemicals and machines and provision of associated technical services
- (6) Location: Jakarta area

#### 3. Schedule

- (1) Resolution of Board of Directors May 9, 2011
- (2) Date of establishment September 2011 (plan)

#### 4. Outlook

The establishment of this subsidiary will have only a negligible effect on consolidated results of operations in the fiscal year ending on March 31, 2012.