

## News Release Dated October 23, 2009

Company name: EBARA-UDYLITE CO., LTD.  
Representative: Yoshimasa Kasuya, President  
Stock code: 4975, TSE, First Section  
Contact: Masaaki Kamitani, Managing Director,  
Managing Executive Officer  
Tel: +81-(0) 3-3833-0321

### Notice of Basic Agreement Regarding the Establishment of Joint Venture

The Board of Directors of EBARA-UDYLITE CO., LTD. (the “Company”) approved a resolution on October 23, 2009 to establish a joint venture with Nanmat Technology Co., Ltd. of Taiwan. Details are as follows.

#### 1. Purpose of establishing the joint venture and description

The Company has for some time been conducting market surveys for the exclusive coating technology of Nanmat Technology and explaining this technology to its customers. These activities led to the conclusion that there is significant market potential for this coating technology. The Company has therefore decided to establish a joint venture for the purpose of selling the coating and top coat products of Nanmat Technology in Japan and other countries except Taiwan.

#### 2. Profile of joint venture

- (1) Company name: JCU-Nanomate Co., Ltd. (tentative)
- (2) Established: November 2009 (tentative)
- (3) Head office location: Taito-ku, Tokyo
- (4) Representative: Undecided
- (5) Capital: 10,000,000 yen
- (6) Major shareholders: EBARA-UDYLITE 50%, Nanmat Technology 50%
- (7) Fiscal year end: March 31
- (8) Business: Purchase and sale of the following coating materials manufactured and sold by Nanmat Technology:
  - a. Coating materials for nuts and bolts, mainly for the automotive industry
  - b. Coating materials for cellular phones, PCs, digital cameras and other electronic products
  - c. Coating materials for glass used in solar panels and automobiles
  - d. Coating materials for furniture, cosmetics containers and many other applications

#### 3. Outlook

The effect on results of operations will be negligible. An announcement will be made once work on determining this effect has been finalized.