



May 30th, 2016

Dear all

Hiroaki Tanji, President and CEO  
Asahi Tec Corporation  
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### **Announcement**

**Aluminum High-Pressure Die-Casting business of Asahi Tec Aluminum (Thailand) Co., Ltd., a wholly-owned subsidiary of Asahi Tec Corporation (Company), being spun off to form another wholly-owned subsidiary of the Company**

In line with our corporate policy of business unit independence, the Company has decided the aluminum high-pressure die-casting business (ACT) of ASAHI TEC ALUMINIUM (THAILAND) CO., LTD, a wholly-owned subsidiary of the Company, to be spun-off to form another wholly-owned subsidiary of the Company (Spun-Off).

#### **1. Background and the reasons of Spun-Off.**

To advance our policy of business unit independence, based on the Company's basic policy to transform itself into a competitive business entity through the optimal business model development of each of our business, the Company has decided the Spun-Off. It aims to develop and strengthen the management layer to support the aluminum high-pressure die-casting business (Aluminum Business). Moreover, ACT is to accelerate to collaborate with ATA Casting Technology Co., Ltd. (ACJ) which was already spun off as the former aluminum company's technology department on May 2nd, 2016 (in Japan).

It is our purpose to build an organization to accelerate the global growth strategy of the Aluminum Business.

Also, by Spun-Off, ATA has become the aluminum wheel business (\*) company. We will also accelerate the organization construction in order to achieve the business unit independence. As a result of the Spun-Off, each business of the Company will be conducted by a separate legal entity. We would like to continuously support each business unit in order to pursue development of each business in the global market with our leading technology.

#### **2. Schedule of Spun-Off and the new company profile**



On July 1st, 2016 (targeted), Aluminum business of ATA will be transferred to the newly-established company, a wholly-owned subsidiary of ACJ.

New company outline (as planned)

- Company name: ATA CASTING TECHNOLOGY CO., LTD. (abbreviated as: ACT)
- Registered address : 361 Moo1, Rattanakaj Rd., Bangna-Trad Rd., Km 27, Tambol Bangbor, Amphur Bangbor, Samutprakarn (same as the current address)
- Representative: President Nobuo Hirose
- Main business: manufacture and sale of aluminum die-casting parts and machined parts for automotive, industrial machinery and construction equipment.
- Capital: about 4.5 billion yen (as planned)

\*ATA outline after Supn-Off is as follows. (as planned)

- Company name: ASAHI TEC ALUMINIUM (THAILAND) CO, LTD (no change)
- Headquartered address : 700/145 Moo 5, Klongtamharu, Muang, Chonburi 20000, Thailand (same as the current address of wheel business company)
- Representative: President Shigeaki Oda
- Main business: manufacture and sale of aluminum wheel rims and aluminum casting parts for automotive (four-wheel vehicles and motorcycles)
- Capital: about 4.9 billion yen (same as the current ATA)

### 3. Future prospects

All the assets of Aluminum Business will be transferred to ACT. ACT should be good enough to keep its supply capacity as a group of ATC company. For development of each business, we will continue to study any business opportunities and to implement necessary and appropriate measures under its solid policies.

ACT will keep its current business transactions as it's been handled under ATA. However, after Spun-Off, ACT will ask to open new account with our customer. More information is to follow soon later as it becomes available.

For your kind consideration and acception.

End