

October 24, 2019

Nippon Light Metal Holdings Company, Ltd.
Nippon Light Metal Company, Ltd.
Nikkeikin Aluminium Core Technology Company, Ltd.
ITOCHU Metals Corporation

Notice of Establishment of a Joint Venture Company in North America

Nippon Light Metal North America, Inc. (headquarters: Ohio, U.S.A.; President: Katsu Nakajima; hereinafter referred to as “NLMNA”), a wholly owned subsidiary of Nippon Light Metal Co., Ltd., and ITOCHU Metals Corporation (headquarters: Minato-ku, Tokyo; President & CEO: Tsuguyoshi Nakatani; hereinafter referred to as “ITOCHU Metals”) have reached an agreement to establish a joint venture company in the United States to be engaged in development, manufacturing and distribution of aluminum components for automobiles.

1. Background of the establishment of the joint venture company

In the medium-term management plan that began in fiscal 2019, Nippon Light Metals Group has defined “allocation of resources aimed at growth” as one of the pillars of its basic policy, setting the target of allocating resources more aggressively in business fields and regions that can leverage the Group’s strengths.

Meanwhile, within Nippon Light Metals Group, Nikkeikin Aluminium Core Technology Company, Ltd., the Group’s core processing company, has been driving the business of manufacturing and distribution of aluminum components for automobiles in Japan and China. As tighter environment regulations are implemented around the world and the need for lighter-weight vehicles grows, it is expected that demand for aluminum products will also expand further in North America.

In establishing a new base in North America, Nippon Light Metals Group will seek to strengthen its global supply structure by drawing on ITOCHU Metals’ business experience and network, and will strive to achieve further growth and business expansion as a corporate group that continues to create new value for its customers.

2. Overview of the joint venture company

Name:	Nippon Light Metal Georgia, Inc. (NLMGA)
Date of establishment:	November 2019 (scheduled)
Location:	Adairsville, Georgia, U.S.A.
Capital:	USD16 million (JPY1, 760 million at JPY110 /USD1)
Shareholder composition:	NLMNA - 90%; ITOCHU Metals - 10%
Representative:	Katsu Nakajima President
Description of business:	Aluminum suspension components for automobiles
Capital investment:	JPY5 billion (aggregate for the period up to 2024)
Business scale:	JPY8 billion (2027 plan)

3. Schedule

November 2019	Establishment of joint venture company
January 2020	Commencement of new plant construction
2022	Commencement of full operations (scheduled)

4. Overview of NLMNA

Trade name: Nippon Light Metal North America, Inc.

Location: Ohio, U.S.A.

Representative: Katsu Nakajima, President

Established: April 24, 2017

Capital: USD0.5 million (Nippon Light Metals Company, Ltd. 100%)

5. Overview of ITOCHU Metals

Trade name: ITOCHU Metals Corporation

Head office address: 5-1 Kita-Aoyama 2-chome, Minato-ku, Tokyo

Representative: Tsuguyoshi Nakatani, President & CEO

Established: July 1996

Capital: JPY700 million (ITOCHU Corporation 100%)

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