

Establishment of Nabtesco India Private Limited

Nabtesco Corporation (headquarters: Chiyoda-ku, Tokyo; President & CEO: Kazuaki Kotani) announces its establishment of a new subsidiary company in Bangalore, India with the name and address as shown below.

1. Reasons for the establishment

In light of the remarkable economic growth of India in recent years, Nabtesco Corporation established a liaison office in the country in 2014 and tasked it with activities including information gathering, market research and exploration of potential business opportunities. Looking forward, with the increasing motorization of Indian society and expansion of related industries, as well as growth in infrastructure sectors such as railways, roadways and regional development, etc., the Indian market has potential for further growth. Our Group therefore anticipates business opportunities in India in the future. With the new subsidiary, we intend to start sales of our Precision Reduction Gear RV as well as after-sale service pertaining to marine vessel equipment. We will also explore markets for other Nabtesco Group products in the future and plan to enhance our brand building and expand our customer base in India through this subsidiary's activities.

2. Outline of the subsidiary

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| (1) Name: | Nabtesco India Private Limited |
| (2) Address: | No. 506, Prestige Meridian-II, No. 30/8, M.G. Road,
Bangalore-560 001, Karnataka, India |
| (3) Contact person: | Mr. Hiroki Higuchi(Whole-time Director) |
| (4) Establishment: | Incorporated in May 2016; Operation starts from September 2016 |
| (5) Capital: | 40 million Indian rupees
(Nabtesco Corporation: 99%; Nabtesco Service Co., Ltd.: 1%) |
| (6) Activities: | Product import, sales, after-sale service etc. pertaining to the Nabtesco
Group |
| (7) No. of employees: | 5 |

3. Effect on financial results

This is expected to have an insignificant impact on the consolidated financial results for the period ending December 2016.

Please contact Nabtesco India Private Limited on +91 80 4123 4901 if you require more information in relation to this press release.