

## New Sheet Processing Plant Established in Mexico

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Metal One Corporation (headquartered in Minato-ku, Tokyo; President: Naoto Matsuoka) has set up another sheet processing plant in Mexico—Nicometal Bajio, S.A. de C.V.—primarily to serve the automotive industry in Apaseo el Grande in the Mexican state of Guanajuato.

Metal One Group already wholly owns and directly operates three other sheet processing service centers in the country: Nicometal Mexicana, S.A. de C.V., established in 1994 in Aguascalientes State in central Mexico; Coilplus Mexicana, S.A. de C.V., established in 2010 in Coahuila State; and Nicometal Hidalgo, S.A. de C.V., established in 2012 in Hidalgo State, about 80 kilometers to the north of the Mexican capital city. The newest sheet processing center—located about 200 kilometers northwest of the capital city in Mexico's central plateau in Guanajuato State, where Japanese automotive sector companies have actively been setting up operations—will be our fourth location in Mexico.

The new company will coordinate intensively with the existing three centers (construction is proceeding on Nicometal Hidalgo, which is scheduled to begin operating at the start of 2013) and use that network as the foundation to fully meet the flourishing demand in the central plateau region.

Mexico's car industry—number eight worldwide—manufactured 2.68 million vehicles in 2011, the most ever. There are hopes that Mexico's highly competitive and abundant labor force will make the country a major manufacturing center that drives global car production amidst the ongoing worldwide shift to compact vehicles.

Mexico actively promotes free market policies, and the 44 trade agreements it has signed with other countries and regions have sustained the expansion of the country's automotive industry. Furthermore, the geographical advantage of its location next to the United States, the largest market, has attracted many car and parts manufacturers. The country's car industry is therefore expected to continue to grow.

Metal One's Mexican network of four sheet processing centers—which cover the four major industrial clusters in the northeast, center, central plateau, and outskirts of the capital—have a total production capacity of approximately one million tonnes per year. They will continue to offer a system that provides the highest level of capabilities and services to broadly respond to customer requirements, contributing to the advancement of Mexican industry, where growth has revolved around the automotive industry.

### ■ Company Outline

1. Name: Nicometal Bajio, S.A. de C.V.
2. Location: Apaseo el Grande, Guanajuato State, Mexico
3. Capitalization: Approx. US\$13 million
4. Shareholders: Wholly owned by Metal One Group
5. Established: October 2012
6. Start of operations: Scheduled for end of 2013
7. Number of employees: Approx. 70 (projected)
8. Business line: Steel sheet processing and sales
9. Facilities: Two large slitter lines
10. Production capacity: Approx. 300,000 tonnes per year (projected)