

November 6, 2003
Riken Corporation
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Representative Director & President
Toshinaga Koizumi

New Riken Manufacturing Facility in China

Tokyo - RIKEN Corporation today announced that it has decided to establish and build a new manufacturing facility in Wuhan, CHINA, to produce piston rings and other automobile parts, mainly for Chinese market.

The new company – RIKEN AUTOMOBILE PARTS (WUHAN) CO., LTD. - will be RIKEN's eighth overseas plant. RIKEN has been operating a piston ring business in China with its joint venture XIAMEN RIKEN IND. CO., LTD (Equity: RIKEN 50%), mainly for motorcycle and general purpose engines as well as service parts for the domestic market. As RIKEN's 2nd manufacturing facility in China, RIKEN AUTOMOBILE PARTS (WUHAN) CO., LTD. will produce piston rings for passenger car and light truck applications in order to meet expanding demand for these vehicles in the local market which is expected to continue to grow in the future. RIKEN expects that the new plant in China will further strengthen its worldwide piston ring presence and business.

Company Profile

Name:	RIKEN AUTOMOBILE PARTS (WUHAN) CO., LTD.
Products:	Piston rings and other automobile parts
Established:	December 2003
Location:	Economic & Technological Development District, Wuhan, Hubei, CHINA
President:	Fumio Kiyota
Capital Investment	US\$15 million (about 1.8 billion yen) 100% ownership by RIKEN
Area	120,000 square meter
Total Investment:	US\$45 million (about 5.4 billion yen)
Production Start:	July, 2005
Sales Plan Forecast:	1.5 Billion Yen (Fiscal 2007)
Production Volume:	23 Million piston rings per year (Fiscal 2007)
Employment:	About 120 employees (at the start of production)