

Announcement of capital Investment in Vardhman Special Steel Limited

Aichi Steel Corporation (Headquarters: Tokai, Japan, President: Takahiro Fujioka) held the signing ceremony, Tuesday August 27, for undertaking a third-party allotment of capital from Indian special steel manufacturer Vardhman Special Steels Limited (Head office: Ludhiana, Punjab, India; President: Sachit Jain; hereinafter referred to as "Vardhman"). In addition to investing approximately 11% of issued shares after capital increase (equivalent to 740 million yen), we agreed to provide technical assistance to Vardhman.

The demand for special steel in India is expected to expand further due to the growth of the automobile industry. Based on this capital investment and technical support, the foundation of the special steel business will be strengthened by improving global quality and cost competitiveness.

First of all, we will have Japanese staff stationed in Vardhman from our company to provide strong technical support, and we will consider further strengthening relationships and expanding business while monitoring market trends.

In the future, we will work to realize a timely supply of steel materials to our forging business bases in the ASEAN region, thereby building an optimal global production system and contributing to customer requirements.

【Overview of Vardhman Special Steels Limited】

company name	Vardhman Special Steels Limited
Location	Ludhiana, Punjab, India (approx. 300km north of Delhi)
Year established	1973
Representative	Mr. Sachit Jain (Vice-Chairman & Managing Director)
Number of employees	988 (as of March 31, 2019)
Business description	Special steel bars and others (Manufacturing ratio for automobiles and motorcycles: approx. 90%)
Production	180,000 tons / year (FY2018)
Amount of sales	17.9 billion yen (FY2018)



Signing ceremony

(Left : President Takahiro Fujioka
Right : Mr. Sachit Jain, President of Vardhman Special Steels Limited)



Location of Punjab