

Overseas Network

Japan Vilene is the top manufacturer of nonwoven materials in Japan. In partnership with the Freudenberg Group, we are also developing our own nonwoven materials business overseas, with an emphasis on East Asia.

Asia

Together with the Freudenberg Group, Japan Vilene has a sales company in Hong Kong and production companies in Taiwan, China, and South Korea. Our business in Asia is largely concentrated on the apparel materials segment, though we plan to expand our activities in other fields.

In 2004, we established Tianjin VIAM Automotive Products Co., Ltd., a wholly owned subsidiary that manufactures and sells car floor mats. We plan to expand the scale of our base in Tianjin while working to improve profitability.

In fiscal 2005, Freudenberg & Vilene International Ltd., a joint venture of the Freudenberg Group and Japan Vilene, acquired Nantong Hymo Co., Ltd., a Chinese woven fabric interlining manufacturer, which subsequently recommenced operations under a new name, Freudenberg & Vilene Interlinings (Nantong) Co., Ltd. The former Nantong Hymo manufactured, finished, and sold woven interlinings, and was the market leader in shirt interlinings in China. Through the acquisition, we plan to expand our business in China's apparel market.

We also have representative offices in China and Malaysia that provide customer services, conduct market research, and supply air filters and other nonwoven products to industrial markets.

North America

Japan Vilene is involved in the U.S. car floor mat business through VIAM Manufacturing Inc., a wholly owned subsidiary. VIAM has production bases in California and Tennessee. In addition to servicing Japanese automakers with local operations, VIAM plans to expand its business by supplying the Big Three U.S. automakers, as well as the after-sales market.

Freudenberg Vitech Ltd. Partnership (FVLP), a joint venture between Japan Vilene and the Freudenberg Group, develops automotive-use headliners in the U.S. FVLP is currently supplying automakers through its production and sales operations in Kentucky and Michigan, and aims to further broaden its share of the U.S. market.

