

# Japan Vilene's Car Floor Mat Business

## Origin: Sales of Automobile Wiping Cloths

Our involvement in the automotive field goes back to 1968, when we began selling "Vileda", an artificial leather chamois made from nonwoven fabric, which was used as a wiping cloth for automobiles. At that time, this cloth was sold with other car accessories at gasoline stations and car dealerships. Due to its popularity in the after-market, Vileda was adopted by Toyota Motor Corporation as a genuine product in 1969.

Meanwhile, we were developing car floor mats as genuine products for automakers, and these products gradually came to be carried by many dealers as accessories. In 1975, Toyota adopted Japan Vilene's "FRIEDER R", a general-purpose car floor mat made from needle-punched nonwoven fabric, as a genuine product.

## Different Mats for Different Models

In 1979, we developed the DX-R and DX-S car floor mats, made from needle-punched nonwoven fabric, rubber, and vinyl chloride. We produced mats with different colors, shapes, and logos for each vehicle model. Since developing mats with thick-piled, shaggy-type carpet in 1985, we have increased sales of car floor mats, mainly for sedans manufactured by Toyota and Mitsubishi Motors. Our business has evolved to the present time as a result. We have continued to develop products with added functions, such as sound absorption, odor elimination, and low-VOC content, as well as new 3D, removable, and bindless mats.

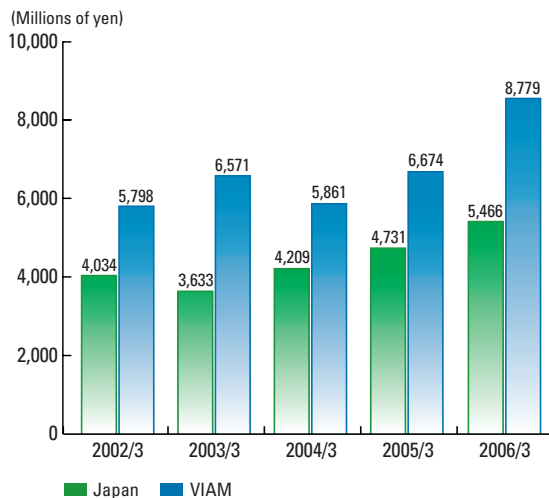
## VIAM (TN) Receives Chrysanthemum Award from Japan-America Society of Tennessee

VIAM (TN), a wholly owned subsidiary that makes car floor mats in the United States, received a Chrysanthemum Award from the Japan-America Society of Tennessee Inc., in a ceremony held in Nashville, Tennessee, on April 21, 2006.

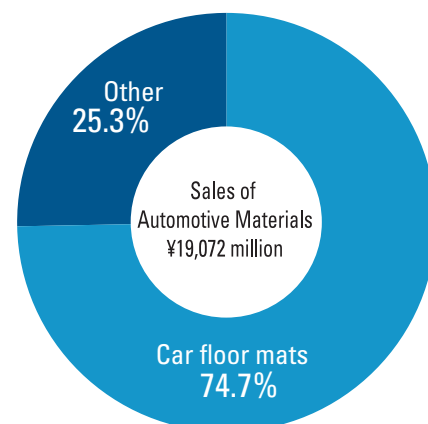
The Chrysanthemum Award recognizes exceptional corporate citizenship. VIAM (TN) was recognized for its contribution to regional society, including through numerous donations to educational institutions and charity groups. Two companies were honored in the 2006 awards, the other being Koyo Seiko Co., Ltd.



## Sales of Car Floor Mats



## Sales Breakdown of Automotive Materials (2006)





## Production Bases in Japan and Overseas

In Japan, we initially produced car floor mats in collaboration with existing companies. In 1983, in addition to those companies, we established our own company, Hikotomi Industrial Co., Ltd. In the same year, we began production in the U.S. with the establishment of VIAM Manufacturing, Inc., in California.

When Japanese car manufacturers started establishing operations in the Midwest and northern regions of the U.S., VIAM Manufacturing built a second plant, in Tennessee, in 1998. Today, it supplies major Japanese manufacturers, including Toyota, Nissan, Honda, and Mazda, as well as the Big Three U.S. automakers. In 2004, we established Tianjin VIAM Automotive Products Co., Ltd., in Tianjin, China. Consequently, we now have production bases in three countries: Japan, the U.S., and China.

## Future

Looking ahead, Japan Vilene will concentrate on expanding its car floor mat business, focusing on North America and China. To this end, we will locate production bases in the most appropriate regions, reduce costs, and add further functions and value to our products.



### ■ VIAM Manufacturing, Inc.

Established: 1983.4  
Head office: California (U.S.A.)  
Employees: 100  
Lot area: 14,000m<sup>2</sup>



### ■ VIAM (TN) Ltd. Partnership

Established: 1998.11  
Head office: Tennessee (U.S.A.)  
Employees: 200  
Lot area: 81,800m<sup>2</sup>



### ■ Tianjin VIAM Automotive Products Co., Ltd.

Established: 2004.9  
Head office: Tianjin (China)  
Employees: 50  
Lot area: 7,600m<sup>2</sup>