

# Overseas Network

Japan Vilene is the top manufacturer of nonwoven materials in Japan. In partnership with the Freudenberg Group, we are also developing our 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 bases in Taiwan, China and South Korea. Our business in Asia is largely concentrated on the apparel materials segment, although in the future we plan to expand our activities. Initiatives during the year included the establishment of Freudenberg & Vilene Filter (Thailand) Co., Ltd., in partnership with the Freudenberg Group in January 2008, to fabricate and market air filters for automobiles, gas turbines and other industrial applications in ASEAN countries.

In 2004, we established Tianjin VIAM Automotive Products Co., Ltd., a wholly owned subsidiary in China that manufactures and sells car floor mats. While this move gained us a foothold for production operations, we plan to expand the scale of these operations, working to improve profitability. In our domestic operations, we established Japan VIAM Co., Ltd., in 2006. With the establishment of Japan VIAM, we now have a triad of production bases for our car

floor mat business, with cornerstones in the United States, China and Japan.

## North America

Japan Vilene carried out its U.S. car floor mat business through VIAM Manufacturing Inc., a wholly owned subsidiary with two production bases in California and Tennessee. In January 2008, three companies were merged into VIAM Manufacturing Incorporated, and the combined entity's head office moved from California to Tennessee. In the future, VIAM plans to expand its business by supplying the Big Three U.S. automakers in addition to Japanese automakers.

Freudenberg Vitech Ltd. Partnership (FVLP), a joint venture between Japan Vilene and the Freudenberg Group, is involved in the automotive headliner business in the United States. FVLP currently supplies automakers through its production and sales operations in Kentucky and Michigan, and aims to further broaden its share of the U.S. market.

