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To whom it may concern

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Japan Rubber Weekly -
An interview with Showa Rubber's Managing Director, Tadashi Watanabe

An interview article with The Managing Director of our rubber business subsidiary, Showa Rubber Co., Ltd., Tadashi Watanabe was published in the Japan Rubber Weekly on 21 April 2014 and its website.

[Japan Rubber Weekly website URL]

<http://www.posty.co.jp/np/atcl/?id=1398140449-637218>

The interview also mentioned the business alliance with Tokiwa Rubber since December last year and the progress and outlook of the medium term business management plan "Rubber Business Acceleration Plan 2012".

The business alliance has strengthened our sales and procurement network. Not only will it contribute to the market development within the local markets, but will also contribute greatly to the "pioneer of new ASEAN markets" and becoming "Asia's No.1 Rubber Liner".

Together with another announcement from us today, 'to appoint Malaysian MD in Malaysian Subsidiary', we state our strong commitment to expand our business all over ASIA as GLOCAL.

Following is the translated version of the article:

Showa Rubber (head office located in Toyofuta, Kashiwa City), a company under Showa Holdings, has entered into a business alliance with industrial rubber product agent, Tokiwa Rubber (head office located in Katsushika district, Tokyo) in December last year. Both companies have announced that they will join hands with aims to restore the

rubber business. We have interviewed Mr. Tadashi Watanabe on the aims of the business alliance and future prospects of the rubber business.

■ Purpose of the Business Alliance

Tokiwa Rubber was founded by one of Showa Rubber's employee after leaving the company and since then we have had over 50 years of business connections with Tokiwa Rubber. Tokiwa Rubber played a cooperative role as our agent, but due to the contraction of the rubber business, we withdrew the rubber stopper for medical equipment in 1997, rubber rolls in 2003 and other rubber products, which also affected the business with Tokiwa Rubber about 15 years ago. However, since the changeover of new managements of our group in 2009, we have once again built up the trust with Tokiwa Rubber and have agreed to work together to expand the rubber business of both companies. Other than that, sales of Tokiwa Rubber have been sluggish since the Lehman Shock in 2008 and the elderly current Managing Director, Ichiro Nishida (age 73) with no successors is also one of the contexts.

■ Details of the Business Alliance

The main objectives of the business alliance are 1. To consider cutting costs by cooperative purchasing of materials and supplies; 2. To consider expanding sales by mutual extension of customers; 3. Cooperative pioneer of international markets and suppliers; 4. Joint development of new products; 5. Deployment of personnel from our company required by Tokiwa Rubber; 6. Aid for the financial stability of Tokiwa Rubber. The business alliance was initiated mid-December last year and matters 2, 3, 5 are already underway. Specifically speaking, we are providing Tokiwa Rubber with technical services for customers, cooperation in business matching and support. In overseas market, Tokiwa Rubber has a subcontract factory in China, and we will also fully utilize Showa Holdings' Tsingtao Representative Office in China. Our company director, Yamaguchi, has been appointed as Tokiwa Rubber's director as well in terms of personnel deployment.

■ Future Prospects of the Alliance

We plan to achieve profitability and further expand and develop the business of both companies by executing the business alliance. I believe that this will further deepen our relationship.

■ Showa Rubber is now putting its medium term management plan "Rubber Business Acceleration Plan 2012" into action. What are the contents?

The Rubber Business Acceleration Plan 2012 is a 3 year plan beginning in 2012 and ending in 2014, focusing on 1. Challenging and pioneering the ASEAN infrastructure markets and medical markets which has high growth expectations; 2. Cooperation with sister company, Showa Rubber Malaysia, in the rubber lining business with the aim to become Asia's No.1 Rubber Liner; 3. Cultivation of processing and development

engineers to build a collective team of engineers within the company – as the 3 main pillars of the rubber business.

■How is the progress in the final year?

Our parent company, Showa Holdings, has acquired the manufacturing facilities, intellectual property rights of the former News Polymer co.,ltd. and made it our Hitachi Omiya Factory in February 2012. We have then utilized the resources of former News Polymer co.,ltd. to pioneer the infrastructure markets for rail tracks and bridges. The main objective of our rubber lining business, which is also our core business, is to target ASEAN, India, Middle Eastern markets. We are also emphasizing on the pioneer of Indonesian and Vietnam markets with great response. We aim to be “Asia’s No.1 Rubber Liner “in 3 years’ time. (2016)

Thank you.