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Furukawa Automotive Systems Inc.

Third New Base Established in Vietnam to Increase Wire Harness Production Capacity

- Building a Supply System Designed to Meet Increased Demand in Consideration of BCP; Operational Launch Scheduled for August 2021 -

- Increase aluminum wire harness production capacity to address the growing demand among Japanese automobile manufacturers for lighter vehicles
- Enable global supply systems to complement each other in consideration of BCP
- Utilize human resources from existing bases in Vietnam to enable rapid startup; Operational launch in August 2021

As a member of the Furukawa Electric Group, Furukawa Automotive Systems Inc. (Headquarters: Inukami-gun, Shiga Prefecture; President: Shigenobu Abe) manufactures and sells wire harnesses and other onboard automotive functional products. We recently established a new company in Vietnam as a production base for the Japanese and North American markets and to increase wire harness production capacity. This move is intended to meet the growing demand for wire harnesses equipped with aluminum wires (aluminum wire harnesses) designed to address the need for lighter vehicles among Japanese automobile manufacturers, our core customers.

■ Overview

The Japanese automobile manufacturers who constitute our core customers are now expressing greater demand for lighter products in response to the heavier vehicle weights that have coincided with the addition of advanced safety equipment and electrification. As our solution to this issue, aluminum wire harnesses, which combine our aluminum wires and alpha terminals, have been well-received by customers for their technological and cost advantages. This recognition has led to increasing orders for our aluminum wire harnesses and to the emergence of this technology as the industry's de facto standard. In order to meet this demand, we established a third base in Vietnam, where our main production bases for aluminum wire harnesses are currently located. We will utilize resources from the two existing bases (in Ho Chi Minh and Ben Tre) to achieve rapid startup, and have scheduled the launch of operations for August 2021.

■ Details

- New company name: Furukawa Automotive Systems Vinh Long Vietnam Inc. (FAVV)
- Location: Binh Minh Industrial Park, My Hoa Commune, Binh Minh District, Vinh Long Province, Socialist Republic of Vietnam
- Established: June 22, 2020
- President: Takashi Yamamoto
- Capital stock: USD 8 million
- Investor: 100% Furukawa Automotive Systems Inc.
- Sales plan: JPY 22 billion (fiscal year ending March 2024)

■ Furukawa Electric Group's efforts towards the SDGs

Based on the corporate philosophy of “Drawing on more than a century of expertise in the development and fabrication of advanced materials to contribute to the realization of a sustainable society through continuous technological innovation,” the Furukawa Electric Group is conducting business activities centered on four core technological capabilities (metals,

polymers, photonics and high frequency). Moreover, keeping in mind the “Sustainable Development Goals (SDGs)” adopted by the UN, we formulated the “Furukawa Electric Group Vision 2030,” which clarified the business areas of the Furukawa Electric Group, and are advancing efforts aimed at “creating solutions for the new generation of global infrastructure combining information, energy, and mobility to build a sustainable world and make people’s life safe, peaceful, and rewarding.



■ Inquiry

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