

To whom it may concern;

Takenaka Seisakusho Co., Ltd.
GSI Creos Corporation

Establishment of Surface Treatment and Coating Service Company in Ras Al Khaimah, UAE

Takenaka Seisakusho Co., Ltd., Osaka, Japan with its president Akinori Yukitoshi (Takenaka) and GSI Creos Corporation, Tokyo, Japan with its president Koji Nakashima (GSI Creos) established TAKENAKA MIDDLE EAST LLC (TME) which specializes in coating service of super performance anti-corrosion paintings for all kinds of metal parts in Ras Al Khaimah (RAK, UAE) together with a local partner.

Takenaka has been supplying the fasteners coated by high corrosion resistant surface treatment to the government owned Oil and Gas and Desalination plants in the Middle East, particularly in UAE area for 30 years, and has obtained the highest trust and confidence in quality. Takenaka currently exports these coated fasteners from Japan, and this new joint venture allows for local production and quick delivery to the customer. This is possible due to the agreement with one of the most influential investment companies in RAK.

TME is a local LLC, therefore, exports to GCC countries are duty free, including Abu Dhabi, which will be a great benefit to their customers. Business is expected to expand in all areas of the Middle East, including neighboring Iran, where there are high construction demands from big Oil and Gas plants. TME will focus on these types of large plants.

Takenaka and GSI Creos jointly developed Nanotect[®] (Ref.1,2), which are super high performance coating materials filled with carbon nanotubes (CSCNT, Ref.3). Together Nanotect[®] sales promotions were started in the Japanese domestic market as well as the world market. Public testing institutions and the government owned Oil and Gas companies in Abu Dhabi UAE are now conducting field test of the fasteners coated with Nanotect[®]. World's top features include high mechanical and anti-corrosion properties.

Takenaka and GSI Creos will continue to develop and expand the sales and production of Nanotect[®].

New Company's outline

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| (1) | Name | : | TAKENAKA MIDDLE EAST LLC |
| (2) | Capital | : | Dhs.4,000,000 (About 11,600,000 yen@29yen/Dhs) |
| (3) | Establishment | : | November 2, 2016 |
| (4) | Beginning of operation | : | February 2017 |

<Reference>

1. Takenaka Seisakusho Co., Ltd. and GSI Creos Corporation. Patent for NANOTECH[®]
No.4536031 *COATING COMPOSITION AND COATED ARTICLE* (June 25, 2010)
2. Takenaka Seisakusho Co., Ltd. Research paper on NANOTECH[®]: *Polymer Coatings and Reduction of Corrosion Costs* (15th Middle East CORROSION Paper No.14120 2014)
3. GSI Creos Corporation. Research paper on CSCNT: *Structural Characterization of Cup-Stacked-Type Nanofibers with an entirely hollow core* (Vol.80 No.7 APL 2002)

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