



Worldwide growth ignites significant expansion of Komori's flagship Tsukuba factory in Japan

Production growth matches international sales rise as companies invest in Komori presses

(June 3, 2008) Komori Corporation announced today the investment of Yen 10 billion in the latest phase of expansion of its flagship Tsukuba factory in Tsukuba City, Japan. Construction will start in September 2008 and, when completed in December 2009, the Tsukuba Plant will have effectively doubled in size to become the world's largest press manufacturing facility.

Yoshiharu Komori, president and chief executive officer of Komori Corporation, said: "We are experiencing continued strong growth in market share worldwide, particularly outside Japan, which is driving our investment to meet increase in demand for our sheet fed and web offset presses in the future. Response to the quality and flexibility of our new presses that fulfill the market's need for automation, flexible configurations, quality and return on investment has been phenomenal. Our aim is to achieve a market share of 30 per cent within five years."

The Tsukuba plant opened for full production in December 2005 to respond to the popularity of its B1 Lithrone S40 sheet fed series. Phase 3 of development will add a further 27,000sqm resulting in a 60,000 sqm ultra modern site integrating manufacturing, assembly, testing, research and development, demonstration and training into one highly automated and highly efficient operation. The manufacture of Web Offset and Banknote presses, previously handled by the Sekiyado Plant, will be moved to Tsukuba. Here Komori will centralize production of all its large format presses on one, state-of-the-art, site. As a result, manufacturing will be streamlined to further reduce lead times and cut production costs of Komori's fastest selling presses. Meanwhile Sekiyado will focus on manufacture of component parts. Assembly of the popular Lithrone S29 and smaller format presses will remain at the Yamagata Plant.

A further investment of Yen 1.5 billion is being made in Komori's new international Graphic Technology Center at Tsukuba which will provide demonstration and training facilities across the full range of presses. Over the next few years, regional Komori Technical Service Centers will be established around the world, starting in Prague and in Kuala Lumpur later this year.

Steady international growth

Net sales have risen 9% per cent in the last year from Yen 142 billion to Yen 155 billion. This increase is similar to year on year growth over the last five years, during which time sales turnover has grown by almost 65 per cent. Komori has experienced impressive international expansion with exports contributing 73 per cent of total turnover, compared to 66 per cent the previous year. America, especially Latin and South America, continues to be an important market, while European sales have increased from 24 to 33 per cent of total. Other regions have seen significant growth - rising from 18 per cent of total sales in 2007 to 34 per cent in 2008 – with India, South Korea, ASEAN and Oceania particularly strong.

Komori's philosophy is to develop presses that have high standards of quality, enable flexible configurations allowing printers to produce added value products, and meet strict environmental standards. As a result, sales of all Komori presses have been strong with a particular increase in web shipments where the trend is towards 32-page formats. Companies often complement their 16-page web presses with 32-page Komori webs and the ability to choose from a wide range of cut off options has proved very popular.

Komori launches next generation LS40 technology at Drupa

At Drupa, Komori launches its next generation LS40 technology with the fast, 18,000sph, Lithrone SX40. New higher speed fully automatic plate change (F-APC) with continuous plate removal, helps increase the speed for job to job changeover. The Lithrone SX40 can change six plates in approximately two minutes. Along with the new KHS-AI self-learning system, this enables a 35% reduction in job-to-job-changeover time. From the end of production on one job to an OK sheet on the next it takes just over six minutes. The automated coater plate change increases speed, precision and ease of use. All controls are integrated and automatic through the new PQC console's touch screen. The new KHS-AI fast print start-up system's self-learning function progressively updates all press pre-settings.

Alongside the Lithrone SX40, Komori showcases its most advanced printing systems, with eight offset presses ranging in size from the small format Spica 529P right up to the Systems 38S 16 page web. **End**

About Komori

For 85 years, since its establishment in 1923, the Komori Group has been producing offset printing presses. The flagship products include sheet-fed offset presses such as the 40in and 29 in 'Lithrone S Series' and 'Spica Series', web offset presses such as the 'System 38 Series' and related equipment and devices, as well as currency printing machinery, exclusively supplied to the National Printing Bureau in Japan for many years. The Komori Group endeavours to improve the quality and productivity of its basic printing presses and develop printing information networks and automated integrated printing systems to respond to the recent trend of digitalisation and networking, and realise a total printing production system. www.komori.com

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