



A new **Dimension** of Performance

60 YEARS

KANEFUSA

KANEFUSA CORPORATION



Original Technology. Original Products.

These are the principles upon which we have established our company.

Innovation from tradition.

Master blacksmith Kankichi Kamiya founded the company Uchihamonishi Kanefusa in 1896. In 1931, his son Suzuo Watanabe took over the company – the start of a new era. With his enthusiasm for modern production techniques, innovative technologies and his ability to think ahead, Suzuo Watanabe set the course for the successful development of the company. In 1937, he founded “Kanefusa Hamono Ltd” and ultimately “Kanefusa Hamono Kyogo Co. Ltd” in 1948, which was renamed “Kanefusa Corporation” in 1990.

Suzuo Watanabe’s enthusiasm for finding better solutions and for innovative technologies and cutting tools to provide users with real value added is characteristic of Kanefusa through to the present day and can be felt throughout the whole company. It creates milestones in the field of cutting technology, is expressed in unique products, lives through our modern research center – and is carried on by a highly qualified and committed management and staff.

It is this enthusiasm that makes us what we are: Japan’s largest industrial knife and circular saw blade manufacturer, the epitome of innovative power and of quality for our customers around the world. This is a company with a great tradition that is ideally equipped for the challenges of the future. Welcome to Kanefusa.

Comprehensive cutting tooling solutions and true customer service – that’s what we aim to provide.

We would like to express our continued appreciation to all Kanefusa users worldwide for using our products. Cutting tools are widely used in any and all industries from the housing industry to the automobile industry. In other words, they are as essential to the manufacturing industry as rice is to Japanese food culture.

As developments of new materials and high precision mechanization proceed due to technological advancement, exponential improvements in tool performance are increasingly demanded. We are required to respond in every direction to customers’ needs with products in high quality and precision.

We strive to flexibly comply with the demands of the future and aim to continuously provide value added cutting tools and customer service.

Thank you again for your continued business with us.

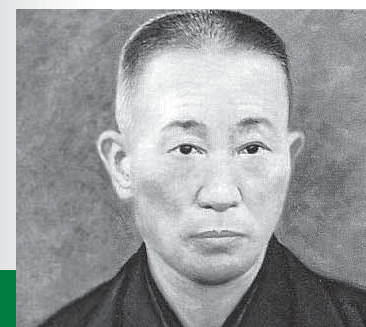


Hiroshi Watanabe, Chairman



Masato Watanabe, President

Around 1900 – Kankichi Kamiya



1948 – Employees of the new Kanefusa Hamono Kogyo Co. Ltd



1964 – New construction of the production site in Ohguchi

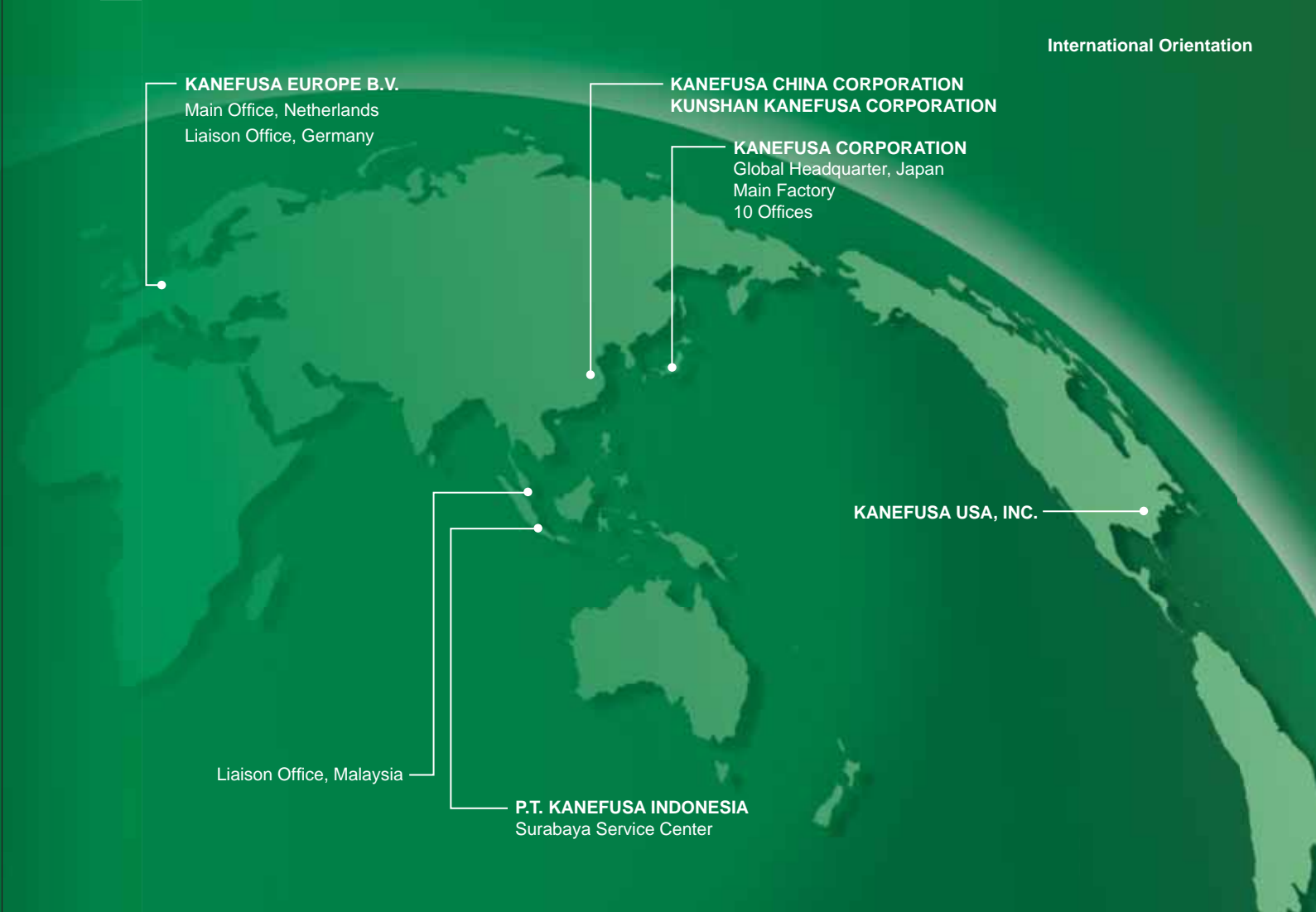


1973 – Suzuo Watanabe is awarded Japan’s second highest accolade, “Ranju Hoshō” by Prime Minister Kakuei Tanaka



KANEFUS A

Wherever there is cutting is where we are at home. All around the world.



Partner to the best. In numerous countries and many sectors.

Cutting tools play an important role in the production processes of the broadest range of industrial sectors all over the world, as the economic success of a company is literally and not infrequently on a knife-edge. This ensures good prospects for Kanefusa.

With numerous branches in Japan and abroad as well as a network of selected sales partners, we are able to promptly and reliably meet the increasing demands of our customers and partners all over the world.

1980 – Grinding seminar on location in the customer's premises

1986 – First production abroad, P.T. Kanefusa Indonesia

2007 – Ligna trade fair

2007 – Kanefusa Technology Seminar



With our global presence, we are able to provide rapid and effective on site support with technical and economic issues as well as marketing to our sales partners and users. For example, we train customers on their own machines and systems, organize regular dealer training courses and are present at various leading trade fairs around the world. Our global organization quickly and effectively implements new ideas and launches them on the market.

With unique products and reliable on site service, we make a significant contribution to improving the profitability of our customers – it being no coincidence that these are generally the leading companies in their respective industries.



Know-how meets pioneering spirit: Kanefusa Research & Development.

Many Kanefusa cutting tools have unique properties, which distinguish them from other solutions for the same application and make them particularly valuable for the user. This advancement is based on consistent, intensive research.

In the research center, which was finished in 1996, engineers and developers deal intensively with modern materials science, tool technology, process and application technology, as well as grinding technology every day.

Low-noise circular saw blades

Ferro Max circular cold saw blades

Advanced Material Technology

VITECH paper cutting knives



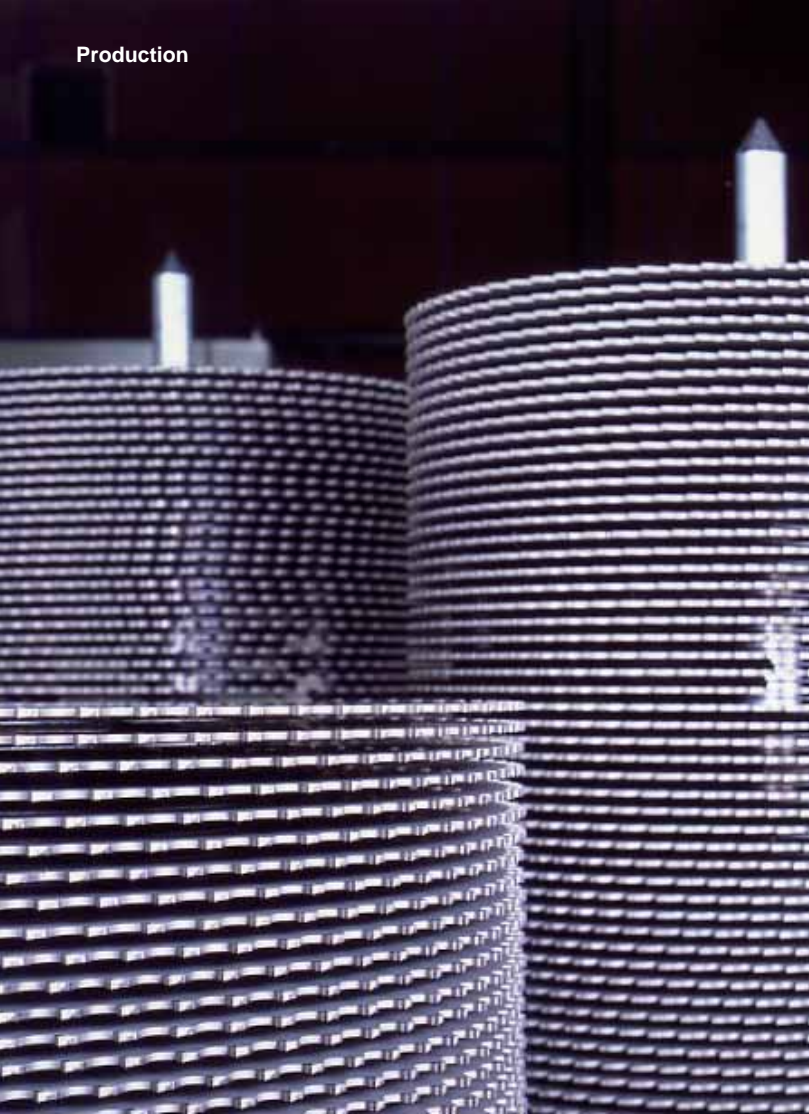
金属音をシャットアウト
切れ肌が美しい
兼房の機械刃物
低音チップソー

Milestones in Research & Development

- 1952 HSS Super Finishing knives
- 1974 Low-noise circular saw blades
- 1984 ENSHIN planer head
- 1985 TA circular saw concept
- 1988 Advanced Material Technology
- 1990 M-type dowel drill
- 1997 GranDia PCD grinding machine
- 2003 Micro PCD teeth
- 2004 VITECH paper knives
- 2008 ECO ENSHIN knives

In other words: they are tackling the question of how to make our tools even sharper, more durable and quieter. To do this, they use the latest equipment such as scanning transmission electron microscopes, experimental coating furnaces, modern simulation software and up-to-the minute CNC processing centers and grinding machines. The discoveries they make from

this today make the work of our customers easier, more convenient and more profitable tomorrow. Whether in technologies such as Advanced Material Technology, PCD micro cutting or the revolutionary TA cold circular saw technology; where know-how meets the pioneering spirit, the result we produce is always something special – an original.



Passion meets precision: The Kanefusa Production.

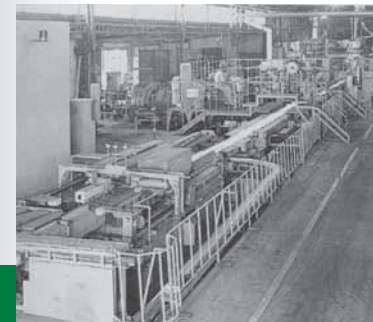
Innovative products are based both on passionate research and development and on the very latest production. At Kanefusa, the production area, like the products themselves, is subject to a continuous process of optimization and development. This also includes ongoing investments in the latest systems and machines with the aim of achieving maximum quality and efficiency over the entire production process.

If existing production technologies and equipment do not meet these high requirements, then the expertise of our developers strikes again: over 40% of the machines used in-house are our own developments, made by Kanefusa. The latest production systems, sophisticated processes, slim line structures, qualified and motivated staff: the best conditions for creating the quality you expect from Kanefusa.

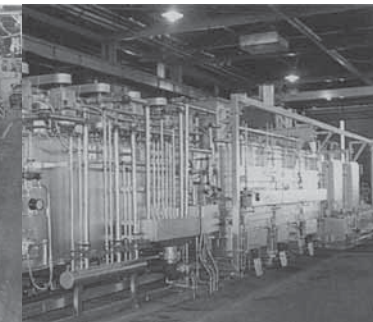
Milestones in Production

- **1950s:** Start of industrial knife and cutter production, use of a high frequency induction furnace in knife production
- **1960s:** New construction of the main factory, start of tungsten carbide tipped circular saw blade production
- **1970s:** Development of systems and start of saw plate production, use of a state-of-the-art forging line and inert gas furnace
- **1980s:** Start of production of PCD tools, knife heads and tipped metalworking circular saws, introduction of fully automated CNC processing centers, establishment of a production site in Indonesia
- **1990s:** New construction of circular saw production with robot technology, establishment of own coating systems, use of PVD furnaces, ISO certifications
- **2000s:** Establishment of a production site in China, expansion of existing plants in Japan and Indonesia

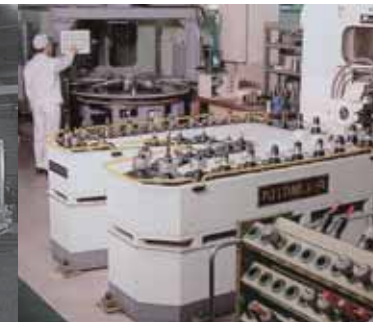
Forging line



Inert gas furnace



CNC processing center



Circular saw production



In demand in numerous markets: Ideas from Kanefusa.



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WOODWORKING INDUSTRY

- **Primary:**
Plywood, chipboard, OSB, MDF and solid wood board production, sawmill...
- **Solid wood processing:**
Planing works, production of glued laminated timber and structural elements, solid wooden furniture production...
- **Board processing:**
Furniture production, production of structural elements...
- **Handcraft:**
Joiners, instrument manufacturers...

METAL INDUSTRY

- **Ferrous metal:**
Automotive industry, ship and railway construction, mechanical engineering, machine elements...
- **Non-ferrous metal:**
Automotive industry, airplane, ship and railway construction, mechanical engineering, machine elements, facade engineering...

PAPER INDUSTRY

- **Pulp preparation:**
Chipper and flaker plants
- **Paper production:**
Graph paper production, special paper production...
- **Printing industry:**
Print shop, bookbinders...

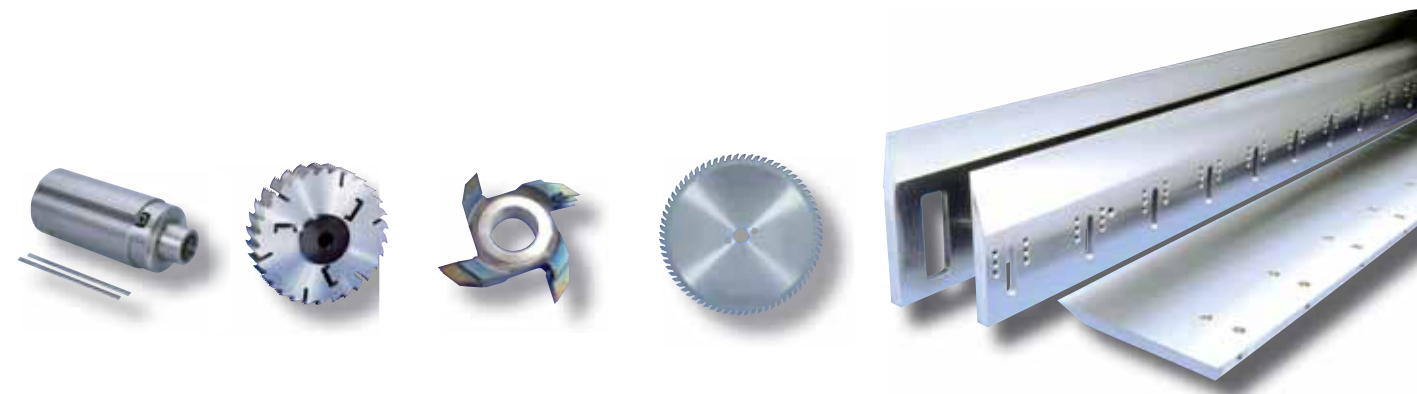
PLASTICS INDUSTRY

- **Composite materials:**
Printed circuit board production, airplane and ship construction...
- **Recycling:**
Packaging materials, construction materials...
- **Construction elements / other:**
Polymer worktops, signs, show cases...

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Razor-sharp arguments: Kanefusa Woodworking Cutting Tools.

Whether in primary industry, solid wood processing, board processing or handcraft: woodwork-processing tools from Kanefusa achieve the highest conceivable level of quality, functionality and efficiency in all disciplines. Our Advanced Material Technology coating, the use of new cutting materials and tooth shapes as well as the tool design and, of course, greater precision in production are the keys to product advantages that no other manufacturer is able to provide: drastically extended tool life, constant high cutting quality, effective noise reduction, greater efficiency and profitability. Tools like ENSHIN, BOARD PRO III and Timber Max have defined new standards.





**Setting benchmarks:
Kanefusa Metal Cutting Tools.**

We are the pioneers of one-way cold circular saw technology for cutting ferrous pipes and rods. Our Ferro Max cold circular saw blades are considerably superior to band saws and metal circular saw blades. Leading automotive suppliers and manufacturers of machine elements are replacing their ordinary tools with these. The technology is faster, more economical, more accurate, more reliable for processing and

more environmentally friendly than alternative processing techniques.

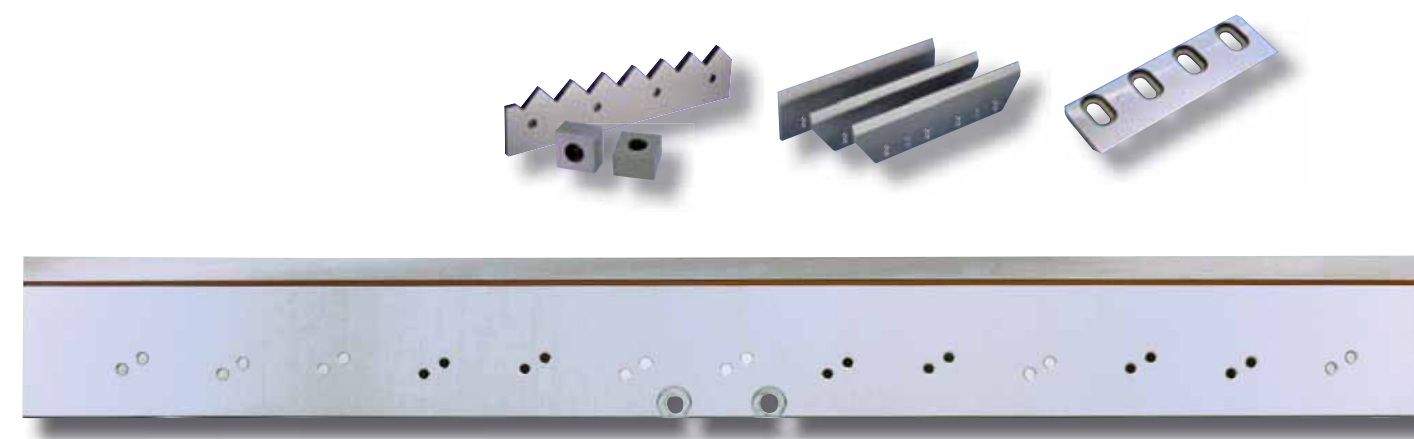
In the processing of non-ferrous metals, the Novametal Pro DIA PCD circular saw blade developed for processing new alloys and the Sash Pro circular saw blades are setting new benchmarks in noise reduction, tool life and surface quality.

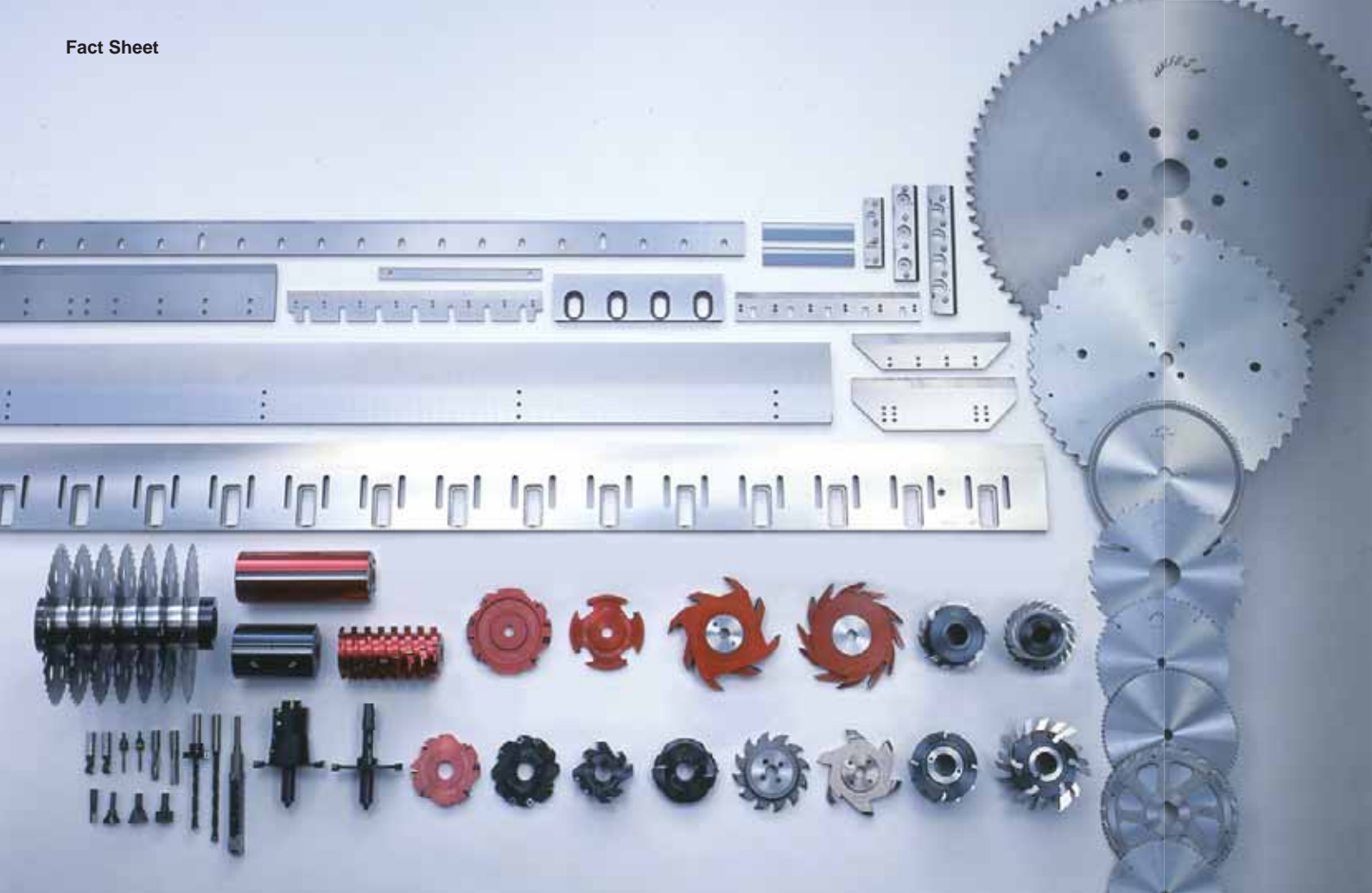


**Clean-cut:
Kanefusa Paper and Plastic Cutting Tools.**

The VITECH paper cutting range has revolutionized an entire industry, as the VITECH-TC guillotine knives and three-knife trimmer exceeds the performance of ordinary hard metal blades many times over. In the field of HSS blades, our VITECH-HS sets a new standard. The pulp industry swears by the durability of the Timber Tec chipper knives and our sheeter

knives keep the paper machines running. For the plastics industry, we keep an extensive range of tools, such as Mono DIA milling tools for acrylic glass processing, PCD saw blades for cutting printed circuit boards or hard metal knives for the recycling industry.





KANEFUSA CORPORATION

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|---------------------|--|
| Head Office/Factory | 1-1 Nakaoguchi Ohguchi-cho Niwa-gun Aichi-ken, 480-0192 Japan Telefon +81 587 95 7221 Telefax +81 587 95 7226 |
| Established | November, 1948 |
| President | Masato Watanabe |
| Paid-In Capital | 2.14 Billion Yen (As of 2007/03/31) |
| Net Sales | March 2004: 13.888 Billion Yen March 2005: 14.851 Billion Yen March 2006: 15.791 Billion Yen March 2007: 16.202 Billion Yen March 2008: 16.746 Billion Yen |
| Employees | 1172 (Spring 2008) |
| Listing | Tokyo Stock Exchange, 2nd Board (Listed in March 2006) Nagoya Stock Exchange, 2nd Board (Listed in April 1995) |
| Fiscal Term | March 31st |



Kanefusa Corporation Japan



P.T. Kanefusa Indonesia



Kanefusa China Corporation



Kanefusa EUROPE B.V.



Kanefusa USA, INC.



“Always respect and cherish customers.
Try something new that hasn't been done before.
Spend money wisely, and for the common good.
Develop deep and meaningful relationships.
Always have a dream, and strive to achieve it.”

Suzuo Watanabe, Founder of Kanefusa Corporation
30.07.1908 – 09.02.1993





KANEFUSA CORPORATION

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