

FOR IMMEDIATE RELEASE

January 7, 2016 – HANON SYSTEMS LAUNCHING PRODUCTION OPERATION IN CAREY, OH

Hanon Systems, a leading global provider of automotive thermal solutions, is in the midst of launching a new manufacturing facility in Carey, Wyandot County, Ohio. The 100,000 square foot Carey, OH facility that will be leased by Hanon Systems was completed in mid-2014 by Vaughn Equity Services. The facility, which is expected to begin production in mid-2017, will initially injection mold and assemble innovative and eco-friendly HVAC modules on a range of future model year vehicles for various global automakers. Vaughn Equity Services also developed infrastructure in the surrounding area to complete what is now the Arrowhead Commerce Park. Roughly 20+ additional acres in the new industrial park are available for future development.

"We are pleased to expand our presence in the U.S. to capitalize on business growth in this region and we look forward to contributing to the local economy in Carey," said In-Young Lee, President/CEO of Hanon Systems in a company press release. "As a true global supplier, Hanon Systems is well-positioned to support global vehicle platforms from virtually anywhere in the world and this new facility will help deliver value-added capability at a strategic location that is close to our customers."

Hanon Systems recently changed its name from Halla Visteon Climate Control in July 2015, and the new Carey, OH facility will be the first plant to launch under the new name. This will be the first U.S. plant the company has opened since 2003, and will mark its 40th global manufacturing site.

Efforts among local leadership and Hanon Systems to locate in Carey, OH lasted just over a year from when the company first visited the new speculative building. There was direct involvement in the project from the Wyandot County Office of Economic Development, Vaughn Industries, Village of Carey, and the Northwest Ohio regional JobsOhio partner, the Regional Growth Partnership. Initially local development officials were able to provide Hanon Systems with timely information requested regarding local utilities, zoning, expansion opportunities, and workforce information. There were multiple pieces involved in making this project a reality including the work of many local entities to successfully expedite an annexation of the proposed project location.

High competition for the project was seen among the states of Michigan and Indiana. State and local development entities made their best coordinated effort to offer Hanon

Systems a competitive package that would put the Carey, Ohio location above the other contenders.

To do so the company was offered a local Enterprise Zone agreement that exempted 100% of increased real property taxes at the site for 15 years; the maximum agreement allowable under state law. On the state level, JobsOhio secured an Ohio Job Creation Tax Credit equal to 55% of the company's Ohio employee income tax withholdings for 9 years, and an Economic Development Grant of \$310,000. All of these items combined with heightened collaboration of the facility owner, Vaughn Equity Services/Vaughn Industries, were responsible for Hanon Systems choosing to locate in Carey. At full production, the company will employ roughly 140 full-time salary and hourly employees, which will account for \$5.2 million in new annual payroll.

Ultimately without leadership at Vaughn Industries taking the risk to construct the speculative building and perform the area buildout in Carey, OH, the project would not have come to fruition. Foresight to create a viable product for an industrial user in Wyandot County, and the extra assistance provided by leadership at Vaughn Industries was the definitive reason Hanon Systems is launching its new U.S. operation in the Village of Carey.