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## PRESS RELEASE

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### **Announcement Regarding Transfer of Business between Subsidiaries and Liquidation of a Subsidiary**

KOITO MANUFACTURING CO., LTD. announces that, at the meeting of the Board of Directors on November 27, 2014, it was resolved to transfer the entire business of Koito Europe NV (hereafter “KENV”), one of its consolidated subsidiaries, to Koito Czech s.r.o. (hereafter “KCZ”), another of its consolidated subsidiaries, and to liquidate KENV, as follows:

#### **1. Reasons for Transfer of Business and Liquidation**

To expand the scale of its business in Europe, KOITO intends to increase its competitiveness and strengthen its activities to win orders through transferring the entire business of KENV, which focuses on marketing and development, to KCZ, which focuses on production, thereby integrating all three functions of marketing, development and production.

KOITO decided to liquidate KENV after the transfer of business.

#### **2. Profiles of the Transferee Company and the Transferor Company (as of March 31, 2014)**

	Transferee company	Transferor company
(1) Trade name	Koito Czech s.r.o.	Koito Europe NV
(2) Location	Zatec, Czech Republic	Leuven, Belgium
(3) Representative	Kazuo Ueki, President	Shinji Watanabe, President
(4) Business	Manufacture and marketing of automotive lighting products	Marketing of automotive lighting products; collection of information on regulations and technology trends in Europe
(5) Capital	1,000 million Czech koruna	2 million euro
(6) Establishment	March 2001	November 2004
(7) Fiscal year-end	End of December	End of December
(8) Net sales (fiscal 2013)	1,815 million Czech koruna	118,919 thousand euro
(9) Net assets (fiscal 2013)	703 million Czech koruna	4,242 thousand euro
(10) Total assets (fiscal 2013)	1,708 million Czech koruna	20,996 thousand euro
(11) Major shareholders and ratio of holdings	Koito Manufacturing Co., Ltd.: 100%	Koito Manufacturing Co., Ltd.: 90% Koito Czech s.r.o.: 10%

#### **3. Schedule for Transfer of Business and Liquidation of Subsidiary**

Date of business transfer contract: March 2015

Date of actual business transfer: April 2015

Date of completion of liquidation: September 2015

#### **4. Outlook**

Regarding the transfer of business and liquidation of the subsidiary described above, KOITO does not expect any significant effects on its consolidated business results since the transfer will take place between its consolidated subsidiaries.