



July 29, 2014

**PRESS RELEASE**

KOITO MANUFACTURING CO., LTD.  
Representative Director: Masahiro Otake, President  
(Stock Code: 7276 First Section, TSE)  
Inquiries: Atsushi Inoue, Managing Corporate Officer  
General Affairs Dept.  
(Tel: +81-3-3443-7111)

**Announcement Regarding Establishment of a New Subsidiary in China**

KOITO MANUFACTURING CO., LTD. announces that, at the meeting of the Board of Directors on July 29, 2014, it was resolved to establish a new subsidiary in the People's Republic of China, as follows:

**1. Subject**

In China, as incomes rise and the number of motor vehicle buyers increases in line with economic growth, automotive production exceeded 22 million vehicles in 2013 and is expected to continue to rise. In particular, there is a strong demand for automobiles in Central China in the interior of the country, where various car manufacturers are planning to expand production capacity and to build new plants.

KOITO will establish a new production base in Central China to respond to this expansion of the automotive industry in the region; this new subsidiary will work closely with the company's existing three bases located in Shanghai, Guangzhou and Fuzhou, thereby encompassing the growth of the automotive industry around China. With this approach, KOITO will increase profits through timely introduction of products, expansion of new orders, etc.

**2. Profile of a New Subsidiary**

- (1) Name : Hubei Koito Automotive Lamp Co., Ltd.
- (2) Location : Xiaogan National Hi-Tech Industrial Development Zone, Xiaogan City, Hubei Province, People's Republic of China
- (3) Representative : Will be transferred from KOITO Group
- (4) Establishment : Scheduled for September 2014
- (5) Business Activities : Manufacture and sales of automotive lighting products
- (6) Fiscal Year End : The end of December
- (7) Initial Capital : 1 billion yen  
will be increased for plant construction and equipment installation.
- (8) Ratio of Holdings : 100% by the KOITO Group

**3. Profile of a New Plant**

- (1) Plant Scale : Land area 100,000 m<sup>2</sup> / Building area 33,000 m<sup>2</sup>
- (2) Investment : 8 billion yen
- (3) Production Capacity : 0.5 million car-units headlamps and 0.5 million car-units signal lamps per year  
(planned for the end of 2016)
- (4) Number of Employees : 300 employees (planned for the end of 2016)
- (5) Start of Production : Scheduled for July 2016

**4. Financial Impact**

From this establishment, KOITO does not expect any significant effects on its consolidated business results for the fiscal year ending March 2015.