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PRESS RELEASE

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Posting of Extraordinary Loss, Restart of Production at a Plant, and Revision of the Business Results Forecast

KOITO MANUFACTURING CO., LTD. announces that, based on the recent operational trends, it has revised its business results forecast for the year ending March 31, 2010, which was previously released on April 24, 2009, as follows:

1. Revision of the Business Results Forecast

(1) Revision of Figures in the Second Quarter Cumulative Business Results Forecast for the Year Ending March 31, 2010 (April 1, 2009-September 30, 2009)

-1. Consolidated Results

(¥ millions)

	Net sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously-announced forecast (A)	155,100	△3,000	△2,600	△2,100	△13.07
Revised forecast (B)	167,700	3,400	4,500	△2,100	△13.07
Difference (B-A)	12,600	6,400	7,100	—	—
Change (%)	8.1	—	—	—	—
(Ref.) Actual results for year ended March 31, 2009	220,976	10,321	12,049	5,778	35.96

-2. Non-consolidated Results

(¥ millions)

	Net sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously-announced forecast (A)	83,300	△1,800	600	200	1.24
Revised forecast (B)	89,800	1,200	3,900	2,300	14.31
Difference (B-A)	6,500	3,000	3,300	2,100	—
Change (%)	7.8	—	550.0	1050.0	—
(Ref.) Actual results for year ended March 31, 2009	123,417	6,618	10,929	6,558	40.81

(2) Revision of Figures in the Full-Year Business Results Forecast for the Year Ending March 31, 2010 (April 1, 2009-March 31, 2010)

-1. Consolidated Results

(¥ millions)

	Net sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously-announced forecast (A)	346,000	4,100	4,700	1,000	6.22
Revised forecast (B)	358,600	10,500	11,800	1,000	6.22
Difference (B-A)	12,600	6,400	7,100	—	—
Change (%)	3.6	156.1	151.1	—	—
(Ref.) Actual results for year ended March 31, 2009	400,232	9,131	9,275	4,042	25.16

-2. Non-consolidated Results

(¥ millions)

	Net sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously-announced forecast (A)	183,000	800	4,900	2,700	16.80
Revised forecast (B)	189,500	3,800	8,200	4,800	29.87
Difference (B-A)	6,500	3,000	3,300	2,100	—
Change (%)	3.6	375.0	67.3	77.8	—
(Ref.) Actual results for year ended March 31, 2009	214,471	6,421	13,166	5,600	34.85

2. Reasons for Posting of Extraordinary Loss and the Revision of Business Results

As General Motors Corporation (GM) filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code on June 1, 2009, an extraordinary loss has occurred relating to bonds held by our consolidated subsidiary Koito Enterprise Corporation.

On the other hand, thanks to automobile-related tax reductions and increased production of “eco vehicles”, etc. around the world, the trend of decreases in automobile production volumes has been receding, which is expected to improve our earnings.

Accordingly, for the year ending March 31, 2010, the forecast for the second quarter cumulative consolidated business results (April 1, 2009-September 30, 2009) and the full-year business results (April 1, 2009-March 31, 2010) has been revised.

(1) Details of the Extraordinary Loss

The bonds held by Koito Enterprise Corporation were ¥5 billion-worth credit linked notes whose reference entities include GM, and GM’s filing for bankruptcy protection resulted in default on the bonds. Consequently, the reimbursement amount of ¥0.6 billion was subtracted and ¥4.3 billion was posted as an extraordinary loss.

① First to Default Credit Linked Note

Issuer: Mitsubishi UFJ Securities International plc

Amount held: ¥3 billion

Reference entities: GM and two other companies

② First to Default Credit Linked Note

Issuer: Signum Limited (SPC)

Amount held: ¥2 billion

Reference entities: GM and two other companies

3. Restart of Production at a Plant

To respond to the large reductions in orders, KOITO had temporarily closed part of its production plants in Japan to reduce fixed costs. Considering the recent trend of automobile production increase in the Kyushu area, we decided to restart production at Second Plant of KOITO KYUSHU LIMITED in August 2009.

(Note) The above projections are based on information available at the time of release of this news. Actual results could differ from projections due to a variety of factors.