

Press Release

KOITO MANUFACTURING CO., LTD.

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KOITO Establishes a New Company in Guangzhou, China

KOITO MANUFACTURING CO., LTD. (Head Office: Minato-ku, Tokyo; President & CEO: Takashi Ohtake) today announced that it has established a new company named GUANGZHOU KOITO AUTOMOTIVE LAMP CO., LTD. for manufacturing and marketing automotive lighting equipment in Guangzhou, China to respond to the expansion of Japanese automobile manufacturers' production activities throughout the southeast of China.

Recent years have seen a remarkable development in China's automobile industry. In particular, Japanese automobile manufacturers' newly-launched operations in the southeast China, with Guangzhou as the core city, are expected to lead to a significant growth in the automobile production in that region.

GUANGZHOU KOITO is KOITO's third operational base in China, following Shanghai Koito Automotive Lamp Co., Ltd. and FUZHOU TAYIH INDUSTRIAL CO., LTD. Through partnerships among these three companies, KOITO will focus on improving production efficiency by gaining new orders and mutually supplementing business operations in Shanghai, Fuzhou, and Guangzhou. Additionally, by further enhancing Quality, Cost, and Delivery (QCD), KOITO will strive to expand and develop its businesses in China.

1. Profile of the New Company

- (1) Company Name: GUANGZHOU KOITO AUTOMOTIVE LAMP CO., LTD.
- (2) President: Hiroshi Yoshida (Director of KOITO's Asia Dept.)
- (3) Location: B01 Yuexi Village, Shilou Town, Panyu District, Guangzhou
- (4) Establishment: November 2005
- (5) Business Lines: Manufacturing and marketing of automotive lighting equipment
- (6) Fiscal Year Ending: December 31
- (7) Capital: 1.5 billion yen
- (8) Ratio of Holdings: KOITO MANUFACTURING CO., LTD. 100%

2. Construction of the Plant

- (1) Size: Land area 80,000 m², Building area 18,000 m²
- (2) Investment Amount: 4.5 billion yen

- (3) Production Capacity: 0.5 million headlamps and 0.5 million signaling lamps per year
(scheduled for 2010)
- (4) Number of Employees: 300 (scheduled for 2010)
- (5) Start of Production: Scheduled for January 2007