

Press Release

KOITO MANUFACTURING CO., LTD.

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KOITO Establishes a New Company in Kyushu

KOITO MANUFACTURING CO., LTD. (Head Office: Minato-ku, Tokyo; President & CEO: Takashi Ohtake) today announced that, as part of its ongoing efforts to build a production plant for automotive lighting equipment in Saga City, Kyushu, Japan with aims of better responding to customers and conducting wider and more efficient business operations in Japan, it has established a 100%-owned subsidiary named Koito Kyushu Co., Ltd., which will operate the Saga Plant.

The purpose of establishing the new company is to swiftly and smoothly produce and provide automotive lighting equipment in Kyushu through seeking production efficiency and cost reduction as well as advancing mobility in responding to production, quality, and other performance issues.

By further enhancing Quality, Cost, and Delivery (QCD), KOITO will strive to provide customer-oriented products and services as a corporation trusted by customers and in harmony with the local communities.

1. Profile of the New Company

- (1) Company Name: KOITO KYUSHU LIMITED
- (2) President: Shizuo Kikuchi (Director of KOITO's Production Control Dept.)
- (3) Location: (Kuboizumi Industrial Park) 1580-6 Oaza Kamiizumi, Kuboizumimachi, Saga City, Saga Prefecture, Japan
- (4) Establishment: November 1, 2005
- (5) Business Lines: Manufacturing and marketing of automotive lighting equipment
- (6) Fiscal Year Ending: March 31
- (7) Capital: 100 million yen (scheduled to be raised to 3 billion yen at the end of 2007)
- (8) Ratio of Holdings: KOITO MANUFACTURING CO., LTD., 100%

2. Construction of the Plant

- (1) Size: Land area 80,000 m², Building area 29,000 m²
- (2) Investment Amount: 8 billion yen
- (3) Production Capacity: 1 million headlamps and 1 million signaling lamps per year (scheduled for 2009)
- (4) Number of Employees: 800 (scheduled for 2009)
- (5) Start of Production: Scheduled for October 2006