

PRESS RELEASE

November 4, 2004

KOITO MANUFACTURING CO., LTD

New business operation in Europe

KOITO MANUFACTURING CO., LTD. (Head Office: Minato-ku, Tokyo; President & CEO: Takashi Ohtake) will soon establish a company in Belgium in Europe. The new company Koito Europe N.V. (KENV) controls and manages KOITO's European operations including the promotion of local research and development and further propelling of marketing and management strategy, thus strengthening KOITO's bases of much better services for its customers in Europe.

KOITO's European operations have been conducted through Koito Europe Limited (KEL) in U.K. and Koito Czech s.r.o. (KCZ) in the Czech Republic, both being a 100 % subsidiary of KOITO. KOITO firmly believe that the formation of KENV will enable providing of goods and services on "Customer Supremacy" basis with the well-organized local development system and vendor-oriented development proposals through the close liaison of sales and engineering functions.

This new structure will accelerate our quick and precise responses to customer needs in Europe, while the new company will play the central role in materializing enhanced operational efficiency, further competitiveness and profitability, and expected sales increase and business enlargement in the middle- and long-term scopes.

KENV is planned to be found in Leuven (Wijgmaal), Belgium in early November 2004. The location provides ideal access to customers, KEL, and KCZ. Beginning in January 2005, KENV will control the flow of goods from KEL and KCZ plants to the customers. KEL and KCZ will focus their operations on production of goods.

1. Company name: Koito Europe N.V. abbr.: KENV

2. Place : Leuven (Wijgmaal) Belgium,
22 km North-west of Brussels

3. Establishment : November 2004 (planned)

4. Object : (1) Sale of lighting equipment for motor- cars
(2) information services on European regulations and the technical trends for regarding lighting equipment for motor- cars.
5. Employees : Sales/Technical/Administration departments:
total appx.40 planned for January 2005
6. Capital : 2 Million Euro
7. Share holder : KOITO MANUFACTURING CO.,LTD. : 90%
Koito Enterprise Corporation : 10%
8. Director : Yutaka Furuyama (current Managing Director of KEL)

《Reference data》

Koito Europe Limited (KEL)

- Place : United Kingdom
- Capital participation : May 1996 (Joint venture)
- Acquisition : March 1999 (100% subsidiary)
- Capital : 15 Million £
- Sales : 53 Million £ (FY 2003)
- Main customers : Toyota, Nissan, Honda, Land Rover, Volvo

Koito Czech s.r.o (KCZ)

- Place : Czech Republic
- Established : March 2001
- Capital : 1.7 billion CZK
- Sales : 209 Million CZK(FY 2003)
- Main customers : Renault, Land Rover, and Porsche