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## PRESS RELEASE

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### Announcement Regarding Posting of an Extraordinary Loss and Revision of the Business Results Forecast

KOITO MANUFACTURING CO., LTD. (the Company) announces that, to provide a reserve for compensation for damages related to aircraft seats claimed against its consolidated subsidiary KI HOLDINGS CO., LTD., it has decided to post an extraordinary loss (consolidated) for the first quarter of the year ending March 31, 2016, and accordingly, has revised the cumulative second quarter and full-year business results forecast (consolidated and non-consolidated) for the year ending March 31, 2016, released on April 24, 2015 as shown below:

#### 1. Extraordinary Loss for the First Quarter of the Year Ending March 31, 2016 (April 1, 2015 to June 30, 2015)

The Company's consolidated subsidiary KI HOLDINGS CO., LTD. was sued by and was in litigation against Thai Airways International Public Company Limited over a matter involving compensation for damages related to aircraft seats. As the judgment was delivered by the UK High Court of Justice on May 11, 2015 (local time), the Company has posted an extraordinary loss of 9.9 billion yen to provide a reserve for compensation for damages.

Regarding this case, KI HOLDINGS CO., LTD. is currently in the process of filing an appeal against the judgment.

#### 2. Revision of the Business Results Forecast

##### (1) Details of the Revision

##### 1) Cumulative second quarter forecast for the year ending March 31, 2016 (April 1, 2015 to September 30, 2015)

##### —1. Consolidated financial results

(¥ millions)

	Net Sales	Operating income	Recurring profit	Net income attributable to owners of the parent	Net income per share (¥)
Previously-announced forecast (A)	371,000	28,000	29,000	15,000	93.35
Revised forecast (B)	384,000	31,000	32,000	14,000	87.12
Difference (B-A)	13,000	3,000	3,000	△1,000	—
Change (%)	3.5	10.7	10.3	△6.7	—
(Ref.) Actual results for the second quarter of year ending March 31, 2015	323,279	24,520	25,607	14,661	91.24

—2. Non-consolidated financial results

(¥ millions)

	Net Sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously-announced forecast (A)	123,000	8,000	17,000	11,000	68.45
Revised forecast (B)	124,000	8,000	18,000	13,000	80.90
Difference (B-A)	1,000	—	1,000	2,000	—
Change (%)	0.8	—	5.9	18.2	—
(Ref.) Actual results for the second quarter of year ending March 31, 2015	119,645	8,561	16,637	12,605	78.44

2) Full-year forecast for the year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

—1. Consolidated financial results

(¥ millions)

	Net Sales	Operating income	Recurring profit	Net income attributable to owners of the parent	Net income per share (¥)
Previously-announced forecast (A)	780,000	67,000	69,000	38,000	236.47
Revised forecast (B)	793,000	70,000	72,000	37,000	230.25
Difference (B-A)	13,000	3,000	3,000	△1,000	—
Change (%)	1.7	4.5	4.3	△2.6	—
(Ref.) Actual results for year ending March 31, 2015	706,470	64,155	66,880	36,060	224.41

—2. Non-consolidated financial results

(¥ millions)

	Net Sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously-announced forecast (A)	263,000	19,000	33,000	21,000	130.68
Revised forecast (B)	264,000	19,000	34,000	23,000	143.13
Difference (B-A)	1,000	—	1,000	2,000	—
Change (%)	0.4	—	3.0	9.5	—
(Ref.) Actual results for year ending March 31, 2015	251,563	19,574	33,071	23,360	145.37

(2) Reasons for the Revision of Business Results Forecast

The Company has revised the consolidated and non-consolidated business results forecast, taking into account the posting of an extraordinary loss to provide a reserve for compensation for damages as well as the latest trends in business results.

(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.