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PRESS RELEASE

KOITO MANUFACTURING CO., LTD.
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Announcement Regarding the Increase of Production Capacity in the Americas

- Expanding Capacity in Response to Growing Orders from Japanese and U.S. automobile manufactures -

KOITO MANUFACTURING CO., LTD. ("KOITO") announced today that it has decided to increase production capacity in Mexico and Brazil in response to the medium- to long-term growth of the automotive industry and to the increase in new orders in the Americas.

1. Background and Reasons for the Increase of Production Capacity

The automotive industry in Latin America is expected to continue growing over the medium- to long-term due to population growth and economic expansion.

Our Americas business has established production and supply systems for automotive lighting equipment in three countries: the U.S., Mexico and Brazil. Due to proactive proposals of our new technologies in the region, we are experiencing significant growth in orders from both Japanese and U.S. automobile manufacturers. As a result, sales in Brazil are expected to double in fiscal 2026, while sales in Mexico are expected to double in fiscal 2028 compared to fiscal 2023, leading to a projected shortage of production capacity in the Americas.

Against this backdrop, we have decided to further enhance our production capacity by constructing a new plant in Mexico and expanding the plant in Brazil. In addition, in response to rising labor costs and labor shortages in the manufacturing industry in the U.S., we aim to further improve production efficiency by promoting automation, and mutual complementation between the U.S. and Mexico.

We will strive to expand new orders through the enhancement of our global production system and strengthen profitability through mutual support among our group companies.

2. Outlines

-1. Outline of the New Plant in Mexico

- (1) Company name: North American Lighting Mexico, S.A. de C.V.
- (2) Location: San Luis Potosí City, State of San Luis Potosí, Mexico
Colinas Industrial Park (adjacent to the current plant)
*Approx. 450 km northwest of Mexico City
Av. Santiago Poniente No. 109, Parque Industrial Colinas de San Luis
Colonia Ciudad Satélite, San Luis Potosí, S.L.P. C.P. 78423, México

(3) Business: Manufacture and sale of automotive lighting equipment

(4) Size/
Production capacity:

		Current Plant	New Plant	Total
Land Area/ Building Area	Land area	109,300 m ²	121,076 m ²	230,376 m ²
	Building area	54,000 m ²	25,000 m ²	79,000 m ²
Production Capacity	Headlamps	1.8 million units/year	1.2 million units/year	3 million units/year
	Rear Combination Lamps	1.2 million units/year	0.6 million units/year	1.8 million units/year

(5) Start of production: April 2026 (plan)

(6) Investment amount: Approx. 20 billion yen
(total amount from fiscal 2024 to fiscal 2028)

(7) Major customers: Toyota Motor Corporation, Nissan Motor Co., Ltd., Honda Motor Co., Ltd., Mazda Motor Corporation, Ford Motor Company, and General Motors Company

-2. Outline of the Expansion Plant in Brazil

(1) Company name: NAL do Brasil Indústria e Comércio de Componentes de Iluminação Ltda.

(2) Location: Sorocaba, State of São Paulo, Brazil (within the current plant site)
*Approx. 100 km west of Sao Paulo
Avenida Comendador Camillo Júlio, nº500 Jardim Ibiti do Paço,
no município de Sorocaba, Estado de São Paulo, CEP18086-000 Brasil

(3) Business: Manufacture and sale of automotive lighting equipment

(4) Size/
Production capacity:

		Current Plant	Expansion Plant	Total
Land Area/ Building Area	Land area	209,700 m ²		209,700 m ²
	Building area	21,400 m ²	12,000 m ²	33,400 m ²
Production Capacity	Headlamps	500 thousand units/year	350 thousand units/year	850 thousand units/year
	Rear Combination Lamps	500 thousand units/year	350 thousand units/year	850 thousand units/year

(5) Start of production: August 2025 (plan)

(6) Investment amount: Approx. 13 billion yen
(total amount from fiscal 2024 to fiscal 2028)

(7) Major customers: Toyota Motor Corporation, Honda Motor Co., Ltd. (four-wheeled vehicle, two-wheeled vehicle), Nissan Motor Co., Ltd., Ford Motor Company, etc.

3. Impact on Business Performance

KOITO does not expect any significant effects on its consolidated business results for fiscal 2024, the year ending March 31, 2025.

Reference: Plant images



New plant in Mexico



Expansion plant (left) and current plant (right) in Brazil