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PRESS RELEASE

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Announcement Regarding the Revision of the Business Results Forecast

KOITO MANUFACTURING CO., LTD. (“KOITO”) announces that, based on the latest its operational trend, it has revised its consolidated and non-consolidated business results forecast of fiscal 2023, the year ending March 31, 2023, which were announced in the “Consolidated Earnings Report for Fiscal 2022” released on April 27, 2022, as shown below:

1. Revision of the Consolidated Business Results Forecast

(1) The Business Results Forecast for the First Half of the Year Ending March 31, 2023

(April 1, 2022 to September 30, 2022)

(¥ millions)

| | Net sales | Operating income | Recurring profit | Profit attributable to owners of parent | Net income per share (¥) |
|---|-----------|------------------|------------------|---|--------------------------|
| Previously-announced forecast (A) | 414,000 | 27,000 | 28,000 | 18,000 | 111.98 |
| Revised forecast (B) | 403,000 | 18,000 | 20,000 | 6,500 | 40.44 |
| Difference (B-A) | △11,000 | △9,000 | △8,000 | △11,500 | |
| Change (%) | △2.7 | △33.3 | △28.6 | △63.9 | |
| (Reference) Actual results for previous fiscal year (fiscal 2022) | 352,724 | 24,152 | 26,050 | 15,965 | 99.32 |

(2) The Full-Year Business Results Forecast for the Year Ending March 31, 2023

(April 1, 2022 to March 31, 2023)

(¥ millions)

| | Net sales | Operating income | Recurring profit | Profit attributable to owners of parent | Net income per share (¥) |
|---|-----------|------------------|------------------|---|--------------------------|
| Previously-announced forecast (A) | 871,000 | 67,000 | 69,000 | 46,000 | 286.18 |
| Revised forecast (B) | 874,000 | 59,000 | 62,000 | 35,000 | 217.74 |
| Difference (B-A) | 3,000 | △8,000 | △7,000 | △11,000 | |
| Change (%) | 0.3 | △11.9 | △10.1 | △23.9 | |
| (Reference) Actual results for previous fiscal year (fiscal 2022) | 760,719 | 53,434 | 60,613 | 38,340 | 238.53 |

2. Revision of the Non-consolidated Business Results Forecast

(1) The Business Results Forecast for the First Half of the Year Ending March 31, 2023

(April 1, 2022 to September 30, 2022)

(¥ millions)

| | Net sales | Operating income | Recurring profit | Net income | Net income per share (¥) |
|---|-----------|------------------|------------------|------------|--------------------------|
| Previously-announced forecast (A) | 151,000 | 7,500 | 21,000 | 17,000 | 105.76 |
| Revised forecast (B) | 140,000 | 5,000 | 19,500 | 10,000 | 62.21 |
| Difference (B-A) | △11,000 | △2,500 | △1,500 | △7,000 | |
| Change (%) | △7.3 | △33.3 | △7.1 | △41.2 | |
| (Reference) Actual results for previous fiscal year (fiscal 2022) | 146,112 | 10,382 | 23,907 | 19,252 | 119.78 |

(2) The Full-Year Business Results Forecast for the Year Ending March 31, 2023

(April 1, 2022 to March 31, 2023)

(¥ millions)

| | Net sales | Operating income | Recurring profit | Net income | Net income per share (¥) |
|---|-----------|------------------|------------------|------------|--------------------------|
| Previously-announced forecast (A) | 326,000 | 19,500 | 38,500 | 29,000 | 180.41 |
| Revised forecast (B) | 315,000 | 17,000 | 37,000 | 22,000 | 136.87 |
| Difference (B-A) | △11,000 | △2,500 | △1,500 | △7,000 | |
| Change (%) | △3.4 | △12.8 | △3.9 | △24.1 | |
| (Reference) Actual results for previous fiscal year (fiscal 2022) | 294,463 | 17,760 | 38,416 | 23,253 | 144.66 |

3. Reasons for the Revision

Global automobile production volume during the first half of the current fiscal year is below our forecast due to a shortage of semiconductors and the lockdown in Shanghai. Profits are trending at a level below what we forecasted, due to an increase in fixed costs accompanying the sudden fluctuation in production in automobile production volume, as well as a rise in various costs such as raw material costs, distribution costs and utility costs. Given the above, together with the fact that we recorded a loss on valuation of investment securities, etc. in this first quarter, we have revised the forecasted net sales and each profit figures for both consolidated and non-consolidated results.

With regard to the full year business forecast for the fiscal year ending March 31, 2023, we revised it to reflect changes in sales and profits through the first half of the fiscal year and the impact of changes in assumed foreign currency exchange rate.

The exchange conversion rate based on the full year business forecast for fiscal 2023, the year ending March 2023 is calculated as 1.00 US\$ = ¥126.6 (the previous forecast: ¥115.0) and 1 CNY = ¥18.8 (the previous forecast: ¥18.0).

The KOITO's performance may fluctuate significantly depending on the future recovery from the semiconductor shortages and disruption in supply chain, trends in automobile demand, and other factors. We will promptly announce any matters that should be disclosed.

(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.