

Press Release

March 30, 2016

KYB Corporation

Announcement Regarding Voluntary Adoption of International Financial Reporting Standards (IFRS)

At the Board of Directors Meeting held on March 25, 2016, KYB Corporation determined that it will voluntarily adopt the International Financial Reporting Standards (hereinafter IFRS), in place of the Japanese Generally Accepted Accounting Principles (J-GAAP) , starting with the consolidated financial statements in the Annual Securities Report for the fiscal year ending March 2016.

KYB Group decided to adopt IFRS to enhance the international comparability of financial information in the capital markets as well as to improve efficiency and accelerate the decisions made by management by unification of its accounting standards.

J-GAAP will continue to be applied to the summary of consolidated financial results for the fiscal year as well as the consolidated financial statements based on the Companies Act for the fiscal year ending March 2016.

<Tentative schedule for the IFRS adoption>

Time of Disclosure	Disclosure Materials	Accounting Standards
May 2016	Summary of consolidated financial results for fiscal year ending March 2016	
	· Consolidated financial results for the fiscal year ending March 2016	J-GAAP
	· Consolidated financial forecast for the fiscal year ending March 2017	IFRS
June 2016	Consolidated financial statements for the fiscal year ending March 2016, constructed in accordance with the Companies Act	J-GAAP
	Annual Securities Report for the fiscal year ending in March 2016	IFRS