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## Announcement of Reporting Extraordinary Loss and Revisions to Performance Forecast

KYB Corporation (“KYB”) has reported an extraordinary loss in fiscal year ending March 2016, and accordingly, has also revised the forecast announced on May 8, 2015 as follows, regarding the consolidated financial performance for the fiscal year ending March 2016.

### 1. Reporting Extraordinary Loss

On September 16, 2015 (U.S. time), KYB entered into a plea agreement with the U.S. Department of Justice, agreeing to pay a fine of \$ 62 million (approximately 7,440 million yen) based on charges of violating U.S. antitrust laws related to the sales of shock absorbers for cars and motorcycles. Pursuant to this matter, we have reported 7,440 million yen as extraordinary loss in the second quarter of the fiscal year ending March 2016.

### 2. Revisions to Performance Forecast

(1) Revisions to the consolidated performance forecast for the second quarter of the fiscal year ending March 2016 (April 1, 2015 – September 30, 2015)

	Net sales	Operating income	Ordinary income	Net income attribute to owners of the parent	Net income per share
Previous forecast (A) (May 8, 2015)	¥ million 181,000	¥ million 5,500	¥ million 5,800	¥ million 3,700	¥ 14.48
Revised forecast (B)	181,000	5,500	5,800	△3,740	△14.64
Differences (B–A)	0	0	0	△7,440	
Percentage of change (%)	0.0	0.0	0.0	-	
(Ref.) Actual results for the second quarter of the fiscal year ending March 2015	181,606	8,855	10,379	6,832	26.74

(2) Revisions to the consolidated performance forecast for the fiscal year ending March 2016 (April 1, 2015 – March 31, 2016)

	Net sales	Operating income	Ordinary income	Net income attribute to owners of the parent	Net income per share
Previous forecast (A) (May 8, 2015)	¥ million 377,000	¥ million 13,700	¥ million 14,400	¥ million 9,200	¥ 36.01
Revised forecast (B)	377,000	13,700	14,400	1,760	6.89
Differences (B–A)	0	0	0	△7,440	
Percentage of change (%)	0.0	0.0	0.0	△80.9	
(Ref.) Actual results for the fiscal year ending March 2015	370,425	13,591	15,852	7,052	27.60

### 3. Reason for Revisions

Due to the reporting of a fine for violating U.S. antitrust laws as an extraordinary loss, net income both for the second quarter of the fiscal year and for the fiscal year ending March 2016 have been revised downward from the previously announced forecast.

NOTE: This forecast is based on information that was available when these revisions were announced. Actual results of operations may differ from this forecast for a number of factors.