

PRESS RELEASE

Company name: KYB Corporation
 Representative: Yasusuke Nakajima
 Representative Director, Chairman and President Executive Officer
 Stock Code: 7242 (First Section TSE)
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Notice Concerning Dissolution and Liquidation of a Subsidiary in the Netherlands

We hereby inform you that KYB Corporation (“KYB”) resolved at a meeting of its Board of Directors held on November 6, 2018 to dissolve and liquidate KYB Europe Headquarters B.V. (“KEH Holland”), a consolidated subsidiary of KYB. Details are as follows.

1. Reason for the dissolution

KEH Holland was established for the purpose of presiding over the manufacturing companies (in Spain and Czech) and sales companies (in Germany) of the KYB Group that had existed in Europe and has been making rapid business decisions and investing funds effectively by matching its capital structure with the chain of command. To further strengthen and promote this controlling function more efficiently through a more refined focus, KYB has decided to dissolve KEH Holland developmentally and transfer the functions cultivated in KEH Holland to an existing sales company in Germany (KYB Europe GmbH, “KEU”).

The controlling function in Europe has already been transferred to KEU.

2. Overview of the subsidiary to be dissolved

(1)	Name	KYB Europe Headquarters B.V.	
(2)	Address	Godsweetersingel 77, 6041 GK Roermond, the Netherlands	
(3)	Name and Position of Company Representative	Eiji Hisada, Representative Director and President	
(4)	Business Description	Controlling company in Europe	
(5)	Capital Stock	1,001,000 Euros (approximately 129 million yen)	
(6)	Date Founded	April 3, 2012	
(7)	Capital Contribution Ratios	KYB Corporation 100%	
(8)	Ties between KYB and the Company Concerned	Capital Ties	A consolidated subsidiary of KYB
		Personal Ties	Employees of KYB have assumed the office of the representative director and director.
		Business Ties	There are no business ties to mention between KYB and the company. In addition, there are no business ties to specially mention between the persons concerned and affiliates of KYB and the persons concerned and affiliates of the company.

	S t a t u s o f C o r r e s p o n d e n c e t o R e l a t e d P a r t i e s	The company is a consolidated subsidiary of KYB and falls under a related party.	
(9) Business Performance and Financial Position of the Company Concerned in the Last Three Years			
Fiscal Year Closed	Fiscal Year Ended March 2016	Fiscal Year Ended March 2017	Fiscal Year Ended March 2018
Net Assets	112,383 thousand euro (14,501 million yen)	117,760 thousand euro (15,195 million yen)	110,362 thousand euro (14,240million yen)
Total Assets	127,647 thousand euro (16,470 million yen)	133,082 thousand euro (17,172 million yen)	125,664 thousand euro (16,214 million yen)
Net assets per share	112,271 euro (14,486 thousand yen)	117,642 euro (15,179 thousand yen)	110,252 euro (14,226 thousand yen)
Net Sales	—	—	—
Operating profit	- 453 thousand euro (-58 million yen)	- 646 thousand euro (-83 million yen)	- 396 thousand euro (-51 million yen)
Profit for the fiscal year	- 27 thousand euro (-3 million yen)	5,376 thousand euro (694 million yen)	- 7,397 thousand euro (-954 million yen)
Basic earnings per share	- 27euro (-3 thousand yen)	5,370 euro (693 thousand yen)	- 7,390 euro (-954 thousand yen)
Dividends per share	—	—	—

* Figures in the parentheses are reference values converted at the exchange rate as of November 5, 2018. (Exchange rate applied : 1 euro=129.03 yen)

4. Schedule

(1) Date of resolution on dissolution at the Board of Directors meeting of KYB	November 6, 2018
(2) Date of resolution on dissolution at the extraordinary general meeting of shareholders of KEH Holland	Middle of November, 2018 (plan)
(3) Date of dissolution	March 2019 (plan)

5. Forecast of Business Performance

KYB is expected to post 2,800 million yen in other income as liquidation profit in its consolidated financial results for the fiscal year ending March 31, 2019. Consolidated results forecasts for the fiscal year ending March 31, 2019 are as stated in the “Flash Report for the Second Quarter of the Fiscal Year Ending March 31, 2019” announced today.

(Note) The impacts on financial results are prepared based on information available on the date of announcement of this material and may change from expected values due to future changes in various factors, including changes in exchange rates.