

May 13<sup>th</sup>, 2019

To whom it may concern

Company Name: Ichikoh Industries, Ltd.  
Name of Representative: Heiko Sauer  
Representative Director & President  
Contact: Masaki Takamori  
General Manager, Corporate Planning Department  
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## **Information pertaining to the dissolution of the Affiliate Company**

We decided to dissolve our wholly owned subsidiary “Hakuden, Ltd.” at the end of December 2019.

### **1. Reason for the dissolution of the company**

We have been conducting a reformation of the business in order to strengthen the quality of the business organization. As part of this reform, we have executed the reorganization of our affiliate companies.

Hakuden has implemented various measures to improve the performance. However, we decided to dissolve the company taking the following factors into consideration:

1. We concluded that it is extremely difficult to turn around the operation when significant decrease of the sales is expected in the coming years.
2. For some products, we can expect efficiency improvement by shifting and consolidating the production to our Fujioka Plant.
3. Hakuden is already insolvent with negative shareholders equity.

### **2. The detail of Hakuden, Ltd.**

(1) Company Name	Hakuden, Ltd	
(2) Address	〒339-0073 Saitama Prefecture, Saitama, Iwatsuki Ueno 2 chome 80.	
(3) President & representative	Takehiro Ota	
(4) Object of the corporation	Production of Small Lamps	
(5) Capital	35MJPY	
(6) Establishment date	1963, October 5 <sup>th</sup>	
(7) Share Holder	100% owned by Ickihoh Industries, Ltd	
(8) Number of Employees	52 (including part-time employees etc.) (As of Dec.31, 2018)	
(9) Business Relationship with Share holder	Capital relationship	Ichikoh Industries owns 100% of Hakuden shares.
	Management stakeholder	Ichikoh executives and employees are in charge of all directors and auditor as well.
	Business relationship	444 M JPY lent by Ichikoh Industries, Ltd to Hakuden. Business relationships include sales and purchases of parts and components. Equipment and jigs are lent to Hakuden.

### **3. Schedule of the dissolution of Hakuden**

December end, 2019 (planned)	End of operation
December end, 2019 (planned)	Shareholders Meeting (Resolution for the dissolution, Start of the Liquidation Procedures)
December end, 2020 (planned)	Conclusion of Liquidation process

### **4. Others**

All of the liabilities of Hakuden, including but not limited to payables to the suppliers, will be fully paid by the financial support by Ichikoh.

And the impact of this dissolution on our business has been reflected in financial statements

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