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Notice of Change in Consolidated Subsidiaries

Taikisha Ltd. (the "Company") hereby announces that it has resolved at its Board of Directors meeting held on April 19, 2022, the Company reviewed a capital alliance with respect to its consolidated subsidiary Geico S.p.A. ("Geico") and has resolved to change our shareholding ratio in Geico to 14.5%.

With this share transfer, Geico and its consolidated subsidiaries, J-CO America Corporation, J-CO Mexico, S. de R.L. de C.V., Geico Brasil Ltda. Geico Painting System (Suzhou) Co., Ltd, "Geico Russia" LLC, Geico Taikisha GmbH, Geico Taikisha Controls d.o.o. and Process Solution Partner Rus LLC ("Geico Group") will be excluded from the scope of consolidation.

1. Reasons for the Share transfer

Since 2011, the Company has acquired 51.0% of Geico's outstanding shares and has been working to complement and strengthen the technological and market strengths of the two companies through the capital alliance with Geico.

Because of the continuing pandemic situation caused by the COVID-19 and the conflict between Russia and Ukraine which is expected to affect the capital investment of European automakers and cause a sharp rise in price of resource, materials and equipment, the Paint Finishing System business of the Company focuses on the automobile market in regions other than Europe in external collaboration with Geico and expands automation business areas other than the automobile market in order to improve medium- to long-term business value.

Given the above background and in accordance with the purpose of the Corporate Governance Code, the Company has decided to reduce the shareholding ratio in Geico from 51.0% to 14.5% from the view of focusing on capital efficiency.

2. Overview of consolidated subsidiary to be changed

(1) Company name	Geico S.p.A.
(2) Location	Cinisello Balsamo, Milan, Italy
(3) Representative & title	Daryush Arabnia, President and Chairman
(4) Description of business	Design and construction of paint finishing systems and plants for the automotive industry
(5) Capital	EUR 3,627,000 (JPY 423 million)
(6) Date of establishment	December 1963
(7) Major shareholders & ratio of shareholding	Taikisha Ltd. 51% Gecofin S.p.A. 49%

3. Overview of the counterparty of the Share Transfer

(1) Company name	Gecofin S.p.A.
(2) Location	Cinisello Balsamo, Milan, Italy

4. Schedule of the Share Transfer

(1) Date of Board of Directors resolution	April 19, 2022
(2) Contract date	April 19, 2022

5. Future outlook

As the result of this share transfer, though the Geico Group will be excluded from the scope of consolidation, the Company will maintain its global business Alliance with Geico and continue to collaborate on a project basis.

The impact on financial results is currently being aggregated and it will be included and disclosed in the Financial Report to be announced in the near future.