

November 1, 2018

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| Company | KITO CORPORATION |
| President and CEO | Yoshio Kito |
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Revisions to the Consolidated Business Forecast

Kito announced revisions to its business forecast made on May 15, 2018, for consolidated sales and income figures for the six months ended September 30, 2018, and those for the whole fiscal year ending March 31, 2019.

1. Revisions to the consolidated business forecast

(a) Period from April 1 to September 30, 2018

| | Net sales | Operating income | Ordinary income | Net income | Net income per share |
|--|-------------|------------------|-----------------|-------------|----------------------|
| | Million yen | Million yen | Million yen | Million yen | Yen |
| Previously announced forecast (A) | 26,500 | 2,000 | 1,600 | 1,200 | 58.86 |
| Revised Forecast (B) | 28,190 | 2,560 | 2,310 | 1,830 | 89.69 |
| Increase/Decrease (B - A) | 1,690 | 560 | 710 | 630 | |
| Percentage change (%) | 6.4 | 28.0 | 44.4 | 52.5 | |
| (Ref) Q2 results for the year ended March 2018 | 24,661 | 1,269 | 879 | 532 | 26.21 |

(b) Full fiscal year from April 1, 2018 to March 31, 2019

| | Net sales | Operating income | Ordinary income | Net income | Net income per share |
|---|-------------|------------------|-----------------|-------------|----------------------|
| | Million yen | Million yen | Million yen | Million yen | Yen |
| Previously announced forecast (A) | 58,000 | 5,500 | 5,100 | 3,500 | 171.66 |
| Revised Forecast (B) | 60,000 | 6,000 | 5,700 | 4,000 | 195.95 |
| Increase/Decrease (B - A) | 2,000 | 500 | 600 | 500 | |
| Percentage change (%) | 3.4 | 9.1 | 11.8 | 14.3 | |
| (Ref) Results for the year ended March 2018 | 55,168 | 4,698 | 3,791 | 2,836 | 139.52 |

News Release (6409 TSE 1)

2. Reasons for the revisions

Strong economic trends across the board in Japan and the US, and a robust demand in electric vehicles and other growth industries in China were major contributors to the results for the half ended September 30, 2018. Net sales, operating income and net income are projected to surpass our six month forecast.

We will also revise our annual result forecast upward. Although uncertainty caused by trade friction between the US and China remains, we project a robust demand trend in Japan and the US in the third quarter and onward. Full year results of net sales as well as profits will reach all-time highs.

We are revising our official exchange rate from 105 yen to 110 yen per US dollar, with current exchange rate considered.

Note: This forecast is based on information that is currently available. Actual results may differ from this forecast due to various factors.