KITO

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Kito Announces Partial Acquisition of Van Leusden of the Netherlands

On April 3, 2018, Kito Corporation (Kito) acquired 37.5% of Van Leusden of the Netherlands via wholly owned subsidiary Kito Europe GmbH. Van Leusden operates mainly in Europe, specializing in customization technology, particularly anti-corrosion treatment of hoists and trolleys, mainly manually operated models, cranes and crane components for maritime and other offshore uses, and spark-proof treatment for applications in environments with high risk of explosion. Its acquisition will help support the regional and product strategies of the Kito Group, a global, cross-industry supplier with high market shares in Japan and North America.

1. Purpose of the acquisition

With 37.5% shareholding of Van Leusden and a stronger relationship, Kito acquires customization technology, including anti-corrosion and spark-proof treatments, expands its line of high value-added products, and enhances the capabilities of Kito products in specialized environments.

By enhancing customized products used in offshore environments and those with high risk of explosion, as in petrochemical plants, mines and heavy-industry plants, Kito is working to differentiate itself from competitors as a solution-provider for Europe.

2. Profile of Van Leusden

1.	Name	Van Leusden B.V.
2.	Location	Klundert, Netherland
3.	Representative	Ronald Bergsma
4.	Business	Anti-corrosion and explosion-proof treatment for hoists and cranes
5.	Established	1890
6.	Scale of operations	Sales: EUR 3.2 million (JPY 416 million, for the year ended December 31, 2017) Total assets: EUR 1.2 million (JPY 156 million, as of December 31, 2017)

(Converted at EUR 1 = JPY 130.0)

3. Outlook

Kito will report the actual effect of the share purchase with its consolidated financial results as necessary at an appropriate time.