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KITO Records Valuation Loss on Investment in Capital of Subsidiaries on Non-consolidated Basis

Tokyo, May 15, 2018 — KITO CORPORATION announced today the Company has recorded a valuation loss on investment in capital of its subsidiaries in its non-consolidated financial results for the fiscal year 2017 ended March 31, 2018.

1. Outline of the valuation loss

The Company recorded a valuation loss of JPY 789 million as an extraordinary loss following a substantial decrease in actual value of the investment in capital on its overseas subsidiary Kito Chain Italia S.r.l.

2. Impact on consolidated financial results of the Company

There is no impact on consolidated financial results of the Company. The valuation loss described above has been recorded as an extraordinary loss on the Company's non-consolidated financial results, and was offset in consolidated results.