Revisions to the Consolidated Business Forecasts

Kito announced revisions to its business forecast made on August 6, 2020, for consolidated sales and income figures for the six months ended September 30, 2020 and those for the whole fiscal year ending March 31, 2021.

1. Revisions to the consolidated business forecast

(1) Period from April 1 to September 30, 2020

<table>
<thead>
<tr>
<th>JPY in million</th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Net income attributable to owners of parent</th>
<th>Net income per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previously announced forecast (A) Announced on August 6, 2020</td>
<td>21,000</td>
<td>650</td>
<td>500</td>
<td>(500)</td>
<td>JPY (24.41)</td>
</tr>
<tr>
<td>Revised forecast (B)</td>
<td>22,040</td>
<td>1,240</td>
<td>1,210</td>
<td>160</td>
<td>7.80</td>
</tr>
<tr>
<td>Increase/decrease (B-A)</td>
<td>1,040</td>
<td>590</td>
<td>710</td>
<td>660</td>
<td>—</td>
</tr>
<tr>
<td>Percent change (%)</td>
<td>5.0</td>
<td>90.8</td>
<td>142.0</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>(Ref) FY2019 1st half results</td>
<td>27,548</td>
<td>2,177</td>
<td>1,795</td>
<td>1,083</td>
<td>52.98</td>
</tr>
</tbody>
</table>

(2) Full fiscal year from April 1, 2020 to March 31, 2021

<table>
<thead>
<tr>
<th>JPY in million</th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Net income attributable to owners of parent</th>
<th>Net income per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previously announced forecast (A) Announced on August 6, 2020</td>
<td>49,000</td>
<td>3,000</td>
<td>2,750</td>
<td>1,100</td>
<td>JPY 53.70</td>
</tr>
<tr>
<td>Revised forecast (B)</td>
<td>50,000</td>
<td>3,600</td>
<td>3,500</td>
<td>1,700</td>
<td>82.83</td>
</tr>
<tr>
<td>Increase/decrease (B-A)</td>
<td>1,000</td>
<td>600</td>
<td>750</td>
<td>600</td>
<td>—</td>
</tr>
<tr>
<td>Percent change (%)</td>
<td>2.0</td>
<td>20.0</td>
<td>27.3</td>
<td>54.5</td>
<td>—</td>
</tr>
<tr>
<td>(Ref) FY2019 full year results</td>
<td>58,722</td>
<td>5,474</td>
<td>4,991</td>
<td>3,204</td>
<td>156.64</td>
</tr>
</tbody>
</table>
2. Reasons for the revisions

The fiscal year ending March 2021 began with decreasing demand worldwide with the impact of the Covid-19 pandemic. The Kito Group, however, has managed to maintain operations almost as usual, with no supply-chain disruption for its main production bases in Japan, the US and China, which were only slightly affected by lockdowns. China was the first among our operations to see demand recovery. Following China, Japanese and the US markets also bottomed out during the first quarter and gradually turned to a recovery trend. Considering all these factors, we revised our forecast upward for sales and profits on all levels in the period up to second quarter, and similarly for the fiscal year as a whole.

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