

March 23, 2010
KITO Corporation

Strategic partnership with KONECRANES PLC, Helsinki, Finland

The board of directors of KITO Corporation (Yamanashi, Japan; Yoshio Kito, President CEO; "KITO") approved a resolution on March 23, 2010 to enter into a business and capital alliance agreement (the "Business and Capital Alliance Agreement") with KONECRANES PLC (Finland, listed in Nasdaq OMX Helsinki; Pekka Lundmark, President CEO; "KONECRANES") and KONECRANES FINANCE CORPORATION ("KCF"), which are based in Finland. KITO's goal is to grow and become "the truly global leader as hoists manufacturer" and recognized the alliance with KONECRANES with mutual respect of each management philosophy and corporate culture is valuable to pursue each growth strategy. Two companies retain independency each other with trust in equal partnership.

KITO is a prominent supplier of hoists, cranes and other equipment for handling materials. KITO serves customers worldwide. Particularly, in Japan and North America, KITO is recognized as a top manufacturer providing products, including chain hoists and lever hoists with the highest quality. In China, KITO has grown to the leading manufacturer in the rope hoist market. KONECRANES based in Finland is the world's largest manufacturer and supplier of cranes, crane-related equipment and hoists with a strong service focus. It is recognized as the global leader.

【Outline of the business alliance】 KITO and KONECRANES believe that sharing the respective resources of the two corporate groups will complement both businesses and contribute to further growth each other. Specifically, KITO will give KONECRANES the non-exclusive right to sell its manual chain hoists in Europe and KONECRANES will give KITO the non-exclusive right to sell its wire rope hoists primarily in Japan and North America. As a part of the Business and Capital Alliance Agreement, the two companies signed MOU, according to which KONECRANES will sell hoist business of MHS KONECRANES, a joint venture between KONECRANES and MEIDENSHA based in Nagoya, Japan, to KITO. Furthermore, the two companies will discuss future complementary benefits such as in expanding scope of product supply to each other and potential cost reduction through co-procurement.

【Capital alliance and stock repurchase by KITO】 To reinforce this business alliance, the two companies have agreed to form a capital alliance, where KONECRANES will purchase 22% of KITO's issued stock. At the same time, KITO will acquire hoist business of MHS KONECRANES and intends to repurchase its 10% share of its issued stock. Consequently KONECRANES will become the largest KITO's shareholder.

Please refer to the press release dated on March 23, 2010 for details.

Attachment:

- Notification on Business and Capital Alliance with KONECRANES Plc (Finland)
- Notification on stock repurchase by KITO
- Notification on Expected Changes in Major Shareholders, Largest Shareholder and Other Affiliated Companies

(EOM)