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KITO CORPORATION

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Notice of Revisions to Business Forecasts

KITO Corporation revises as follows its business forecasts for the six months ended September 30, 2010 and business forecasts for the year ending March 31, 2011, announced on May 12, 2010.

1. Revisions to the consolidated business forecasts for the year ending March 2011
 (1) For the six months ended September 2010 (April 1, 2010 through September 30, 2010)
 (Yen in millions)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	12,400	400	200	100	821.67
Revised forecast (B)	12,571	250	87	26	221.30
Increase/decrease (B-A)	171	(150)	(113)	(74)	
Percentage change (%)	1.4	(37.5)	(56.5)	(74.0)	
(Ref.) Previous 2Q results (2Q ended Sept. 30, 2009)	11,127	85	79	4	32.31

- (2) Full-year (April 1, 2010 through March 31, 2011)

(Yen in millions)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	27,500	1,200	1,100	700	5,751.66
Revised forecast (B)	28,000	1,100	800	450	3,696.68
Increase/decrease (B-A)	500	(100)	(300)	(250)	
Percentage change (%)	1.8	(8.3)	(27.3)	(35.7)	
(Ref.) Previous results (Year ended Mar. 2010)	23,925	437	471	122	910.72

- (3) Reasons for revisions

Sales in Japan for the six months ended September 2010 were below the target due to sluggish demand but because overseas sales were higher than expected, KITO achieved its previous sales targets. However, the appreciation of the yen is likely to cause operating income, ordinary income and net income to fall below the previous forecasts, respectively.

KITO revised the full-year consolidated business forecasts due to the aforementioned reasons. In addition, because the yen is expected to remain strong for a while, the assumed exchange rate has been changed from 90 yen to the US dollar, which was set at the beginning of the fiscal year, to 82 yen to the US dollar from the second half and therefore, the full-year consolidated business forecasts have been revised in accordance with this change.

2. Revisions to the non-consolidated business forecasts for the year ending March 2011

(1) For the six months ended September 2010 (April 1, 2010 through September 30, 2010)

(Yen in millions)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	8,000	0	350	250	2,054.16
Revised forecast (B)	7,658	(504)	(160)	(15)	(129.63)
Increase/decrease (B-A)	(342)	(504)	(510)	(265)	
Percentage change (%)	(4.3)	—	—	—	
(Ref.) Previous 2Q results (2Q ended Sept. 30, 2009)	6,755	(397)	(133)	8	66.38

(2) Full-year (April 1, 2010 through March 31, 2011)

(Yen in millions)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	17,000	100	450	350	2,875.83
Revised forecast (B)	17,000	(500)	(250)	(100)	(821.48)
Increase/decrease (B-A)	—	(600)	(700)	(450)	
Percentage change (%)	—	—	—	—	
(Ref.) Previous results (Year ended Mar. 2010)	14,682	(886)	(595)	(251)	(1,866.58)

(3) Reasons for revisions

Sales in Japan for the six months ended September 2010 were below the target due to sluggish demand but because the exports increased more than expected, KITO almost achieved its previous sales targets. However, the appreciation of the yen is likely to cause operating income, ordinary income and net income to fall below the previous forecasts, respectively.

KITO revised the full-year non-consolidated business forecasts due to the aforementioned reasons. In addition, because the yen is expected to remain strong for a while, the assumed exchange rate has been changed from 90 yen to the US dollar, which was set at the beginning of the fiscal year, to 82 yen to the US dollar from the second half and therefore, the full-year non-consolidated business forecasts have been revised in accordance with this change.

(Note) The above forecasts are based on information that is currently available. Actual results may differ from these forecasts due to various factors.