



News Release (6409 TSE 1)

November 10, 2011

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**Notice of Difference Between the Business Forecasts and Actual Performance  
for the Six Months Ended September 30, 2011  
and Revisions to Consolidated Business Forecasts for the Year Ending March 31, 2012**

KITO Corporation announces the difference between the business forecasts and actual performance for the six months ended September 30, 2011 and revisions to consolidated business forecasts for the year ending March 31, 2012 which were announced on May 12, 2011.

1. Difference between the business forecasts and actual performance

Difference between the forecasts and actual performance for the six months ended  
September 30, 2011(April 1, 2011 through September 30, 2011)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	14,000	400	350	150	1,165.34
Revised forecast (B)	15,004	337	166	13	107.74
Increase/decrease (B-A)	1,004	(63)	(184)	(137)	
Percentage change (%)	7.2	(15.8)	(52.6)	(91.3)	
(Ref.) Previous 2Q results (2Q ended Sept. 30, 2010)	12,571	250	87	26	221.30

2. Revisions to full-year business forecasts

Revisions to consolidated business forecasts for the year ending March 31, 2012  
(April 1, 2011 through March 31, 2012)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	32,000	1,450	1,350	700	5,438.24
Revised forecast (B)	33,000	1,550	1,350	700	5,438.24
Increase/decrease (B-A)	1,000	100	-	-	
Percentage change (%)	3.1	6.9	-	-	
(Ref.)Previous results (Year ended Mar. 2011)	28,095	1,119	885	423	3,470.30

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3. Difference between the business forecasts and actual performance and reasons for revisions to full-year business forecasts

(1) Reasons for difference between the business forecasts and actual performance

Net sales in Japan for the six months ended September 30, 2011 exceeded the previous forecast due to increased domestic orders for post-quake reconstruction needs in addition to the steady growth of business in North America, China and other areas in Asia.

On the other hand, the operating income fell short of the target by 63 million yen due to the appreciation of the yen, which remains above the initially-assumed rate against major currencies. The ordinary income and net income also fell short of the previous forecast as a result of recording 181 million yen of foreign exchange revaluation losses on foreign-currency-denominated accounts receivables and foreign currency savings.

(2) Reasons for revisions to full-year business forecasts

Regarding the full-year consolidated business forecasts, KITO revised the assumed exchange rate for the second half from 82 yen to 76 yen per U.S. dollar in addition to the results up to the second quarter ended September 30, 2011.

The revision of the assumed exchange rate is expected to reduce operating income in the second half by about 300 million yen. However, net sales and operating income are expected to exceed the previous forecast and ordinary income and net income are expected to remain the same as a result of taking into consideration the current order situation and assumed operating environment for the second half.

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