

Consolidated Financial Results for the First Half Fiscal Year March 2020 (Japanese Accounting Standards)

This document has been prepared as a guide for non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations. This document is a translation of excerpts taken from the Japanese language original. All numbers are rounded down to the nearest unit in accordance with standard Japanese practice. Please be advised that the Company cannot accept responsibility for investment decisions made based on the information contained in this report.

October 30, 2019

Company Name: KITZ CORPORATION
 Stock Listing: Tokyo Stock Exchange
 Stock Code: 6498
 URL <https://www.kitz.co.jp/english/index.html>
 President and Chief Executive Officer: Yasuyuki Hotta
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 Date of Financial Statement Filing (Planned): November 13, 2019
 Date of Dividend Payment (Planned): December 6, 2019
 Availability of Financial Results Supplementary Presentation Materials: Yes
 Financial Results Presentation Meeting: Yes (For institutional investors and analysts)

(Figures of less than one million yen are rounded down to the nearest decimal)

1. Consolidated Financial Results (Apr. 1 – Sept. 30, 2019)

(1) Consolidated Operating Results

(% figures represent year-over-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1H FY March 2020	62,199	(8.2)	2,816	(51.6)	2,733	(52.8)	2,033	(48.2)
1H FY March 2019	67,781	13.7	5,813	34.7	5,788	42.7	3,926	48.6

(Note) Comprehensive Income: ¥1,298 million in 1H FY March 2020 (-44.8%), ¥2,353million in 1H FY March 2019 (-23.4%)

	Net Income per Share	Net Income per Share (Diluted)
	Yen	Yen
1H FY March 2020	21.75	—
1H FY March 2019	40.49	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
As of September 30, 2019	126,505	74,936	58.2	795.20
As of March 31, 2019	131,657	76,829	57.4	793.74

(Reference) Equity: As of September 30, 2019 : ¥73,685 million

As of March 31, 2019 : ¥75,597 million

2. Dividends

	Annual Dividend				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
FY March 2019	—	8.00	—	12.00	20.00
FY March 2020	—	10.00	—	—	—
FY March 2020(Planned)	—	—	—	10.00	20.00

(Note) Revisions to dividend forecasts recently announced: Yes

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 2020 (Apr. 1, 2019 - Mar. 31, 2020)

(% figures represent year-over-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of the parent		Net Income per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY March 2020	124,000	(9.2)	6,500	(44.5)	6,300	(47.0)	4,300	(23.6)	46.20

(Note) Revisions to consolidated financial forecasts recently announced: Yes

Partial Release

※ Annotation

(1) Changes in significant subsidiaries (Changes in subsidiaries affecting the scope of consolidation): None

Newly consolidated: None

Removed from consolidation: None

(2) Application of special accounting procedures in the preparation of our quarterly consolidated financial statements: Yes

(3) Changes in accounting methods, procedures and presentations concerning preparation of consolidated financial statements

1. Changes accompanying revisions in accounting standards: Yes

2. Other changes: None

3. Changes in accounting estimates: None

4. Redisplay of revisions: None

(4) Number of shares outstanding (Common stock)

1. Shares issued as of term end (including treasury stock):

1H FY March 2020	100,396,511 shares	FY March 2019	100,396,511 shares
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2. Treasury stock as of term end:

1H FY March 2020	7,734,729 shares	FY March 2019	5,155,194 shares
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3. Average during the term:

1H FY March 2020	93,474,127 shares	1H FY March 2019	96,964,388 shares
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*The shares held within the BIP trust accounts are included in term-end treasury stocks.

(1H FY March 2020 : 509,654 shares, FY March 2019 : 329,985 shares)

Furthermore, the shares held within the BIP trust accounts are included in treasury stocks that are deducted in the calculation of the average number of shares for the period.

(1H FY March 2020 : 374,447 shares, 1H FY March 2019 : 329,985 shares)

*This document is not subject to audit procedures.

*Explanations regarding the appropriate uses of our earnings projections and other information:

The future prospects of the business results, etc., described in this document are based on currently available information and certain premises that are judged to be rational at the time of writing, and are not intended as a guarantee that the Company will achieve these targets. Actual performance and other results may differ significantly due to various factors.

*Investor presentation materials relating to our financial results for the six months ended September 30, 2019 are expected to be published on our corporate website on or after November 12, 2019.