

Consolidated Financial Results for the Fiscal Year March 2018 (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 until 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.

May 8, 2018

Company Name: KITZ CORPORATION
 Stock Listing: Tokyo Stock Exchange Stock Code: 6498
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 Date of General Meeting of Shareholders (Planned): June 26, 2018
 Date of Dividend Payment (Planned): June 4, 2018
 Date of Financial Statement Filing (Planned): June 26, 2018
 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, 2017 – Mar. 31, 2018)

(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	%
FY March 2018	124,566	9.2	10,117	13.3	9,733	10.6	6,518	20.7
FY March 2017	114,101	(2.7)	8,929	23.2	8,799	20.5	5,400	9.9

(Note) Comprehensive Income: ¥7,560 million in FY Mar. 2018 (up 86.7%) ¥4,048 million in FY Mar. 2017 (up 49.3%)

	Net Income per Share	Net Income per Share (Diluted)	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
FY March 2018	65.50	—	8.7	7.7	8.1
FY March 2017	51.43	—	7.3	7.4	7.8

(Reference) Gain from investments in subsidiaries and affiliates accounted for by the equity method: FY Mar. 2018: — FY Mar. 2017: —

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
FY March 2018	134,187	77,391	56.8	782.98
FY March 2017	119,148	74,892	61.9	727.78

(Reference) Equity: ¥76,217 million in FY Mar. 2018 ¥73,790 million in FY Mar. 2017

(3) Consolidated Cash Flows

	Net Cash Provided by Operating Activities	Net Cash Used in Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Fiscal Year
	Million Yen	Million Yen	Million Yen	Million Yen
FY March 2018	6,941	(7,066)	5,267	22,019
FY March 2017	12,979	(2,141)	(6,838)	16,799

2. Dividends

	Annual Dividend					Total Dividends from Surplus (Annual)	Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	1Q	2Q	3Q	4Q	Total			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
FY March 2017	—	6.00	—	7.00	13.00	1,341	25.3	1.8
FY March 2018	—	7.00	—	10.00	17.00	1,679	26.0	2.3
FY March 2019 (Planned)	—	8.00	—	11.00	19.00		26.1	

3. Consolidated Financial Forecasts for the Fiscal Year March 2019 (Apr. 1, 2018–Mar. 31, 2019)

(% 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
2H FY March 2019	66,000	10.8	5,500	27.5	5,400	33.1	3,500	32.5	35.95
FY March 2019	132,000	6.0	11,200	10.7	10,900	12.0	7,100	8.9	72.93

※ Annotation

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

Newly consolidated: None

Removed from consolidation: None

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

1. Changes accompanying revisions in accounting standards: None

2. Other changes: None

3. Changes in accounting estimates: None

4. Redisplay of revisions: None

FY March 2018	100,396,511 shares	FY March 2017	110,396,511 shares
FY March 2018	3,053,936 shares	FY March 2017	9,006,421 shares
FY March 2018	99,511,498 shares	FY March 2017	105,002,659 shares

(3) Number of shares outstanding (Common stock)

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

2. Treasury stock as of term end:

3. Average during the term:

* The shares held within the BIP trust accounts are included in term-end treasury stocks. (FY March 2018: 329,985 shares, FY March 2017: 344,557 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. (FY March 2018: 339,932 shares, FY March 2017: 217,065 shares)

Reference: Fiscal Year March 2018 Non-Consolidated Financial Results (Apr. 1, 2017 – Mar. 31, 2018)

(1) Non-Consolidated Operating Results

(% figures represent year-over-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY March 2018	64,118	3.5	4,665	9.9	6,506	27.6	5,445	44.5
FY March 2017	61,933	(3.5)	4,247	46.3	5,098	43.3	3,768	51.1

	Net Income per Share	Net Income per Share (Diluted)
	Yen	Yen
FY March 2018	54.72	—
FY March 2017	35.89	—

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
FY March 2018	106,397	55,769	52.4	572.91
FY March 2017	93,255	54,977	59.0	542.23

(Reference) Equity: ¥55,769 million in FY Mar. 2018 ¥54,977 million in FY Mar. 2017

* 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.