

**Notice Regarding Revisions of Consolidated Financial Results Forecast
and Dividend Forecast for Fiscal Year Ending December 31, 2023**

KITZ Corporation (hereinafter "KITZ") hereby announces that in light of the most recent operating trends, it has revised the 2nd quarter-end (six months) and full-year consolidated financial results forecast and dividend forecast for the fiscal year ending December 31, 2023, which was announced on February 13, 2023, as described below.

1. Revision of Consolidated Financial Results Forecast

- (1) The 2nd quarter-end (six months) forecast for the fiscal year ending December 31, 2023
(January 1, 2023 to June 30, 2023)

(Million yen)

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	Net Income per share (Yen)
Previously announced forecast (A) (Announced on Feb. 13, 2023)	79,600	5,500	5,840	4,100	45.72
Revised forecast (B)	80,300	6,500	6,850	5,300	59.09
Change (B-A)	700	1,000	1,010	1,200	—
Change (%)	0.9	18.2	17.3	29.3	—
(Reference) Consolidated results for the 2 nd quarter of the previous fiscal year (FY2022 December Q2)	76,932	5,599	6,133	4,147	46.27

- (2) Full-year forecast for the fiscal year ending December 31, 2023

(January 1, 2023 to December 31, 2023)

(Million yen)

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	Net Income per share (Yen)
Previously announced forecast (A) (Announced on Feb. 13, 2023)	167,000	11,900	12,300	8,600	95.91
Revised forecast (B)	169,000	12,900	13,300	9,700	108.15
Change (B-A)	2,000	1,000	1,000	1,100	—
Change (%)	1.2	8.4	8.1	12.8	—
(Reference) Consolidated results for the previous fiscal year (FY2022 December)	159,914	11,051	12,045	8,549	95.35

(3) Reason for the revision

In the mainstay valve business, the yen has depreciated in the foreign exchange market more than expected since the time of the previous forecast, sales of high-margin products were strong in the overseas market in the first quarter, and a review of selling and administrative expenses was implemented. Therefore, the consolidated financial results forecast for the 2nd quarter and the full year are expected to exceed the previously announced forecast. Net income attributable to owners of the parent is also anticipated to surpass the previous forecast due to a gain on the sale of investment securities resulting from the sale of cross-shareholdings, in addition to the above factors.

2. Revision of Dividend Forecast

(1) Dividend forecast for the fiscal year ending December 31, 2023

(Yen)

	Annual Dividend		
	Interim	Year-end	Total
Previously announced dividend forecast (Announced on Feb. 13, 2023)	16.00	17.00	33.00
Revised dividend forecast	18.00	19.00	37.00
Actual dividend	-	-	-
(Reference) Results for the previous fiscal year (FY2022 December)	15.00	18.00	33.00

(2) Reason for the revision

KITZ positions dividends as an important material issue, considering it as a return of profits to shareholders. KITZ would like to pay dividends with consideration for the present developments of business results and an increasing internal reserve to satisfy financing needs for funds for capital spending, development investments and M&A for future business expansion, payment of borrowings, and redemption of bonds while sufficiently paying attention to the continuity and stability of dividends.

KITZ sets around 35% of net income attributable to owners of the parent as the desirable level of the consolidated payout ratio, taking into account the above intention.

Accordingly, KITZ decided to distribute the annual dividend of 37.00 yen per share for the fiscal year ending December 31, 2023 (interim dividend of 18.00 yen and year-end dividend of 19.00 yen per share). In this case, the resulting consolidated dividend payout ratio would be 34.2%.

(Note) The above figures are forecasts based on the information available to the management as of the date of this announcement. Actual results may differ from these forecasts due to various factors.