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Kito Announces Acquisition of ERIKKILA shares in Finland

On January 31, 2018, Kito Corporation (Kito) acquired all the shares of ERIKKILA OY in Finland via wholly owned subsidiary Kito Europe GmbH. ERIKKILA produces industry-use light cranes, and is represented through an extensive distributor sales network across Europe.

1. Purpose of the acquisition

By acquiring the crane production operation of ERIKKILA, Kito enhances its European operations and strengthens business position through ERIKKILA's European sales network. This acquisition also expands Kito's line of cranes and related products. More than 100 years old ERIKKILA has been producing and selling light cranes in the competitive European market for over 40 years. Modular ERIKKILA light cranes are lightweight and easy to operate with exceptionally long lifespan. By combining them with Kito electric chain hoists, which reduce load swing, Kito is able to offer users the best solutions and seize more sales opportunities across Europe.

With comprehensive ERIKKILA light crane system of steel and aluminum, Kito is able to serve growing demands among automotive and other industries. In the future Kito will expand its light crane operations outside Europe, at first stage in Japan and the US.

2. Profile of ERIKKILA

1. Name	ERIKKILA OY.
2. Location	Masala, Finland
3. Representative	Mikko Erikkilä
4. Business	Crane production and sales
5. Established	1912
6. Scale of operations	Sales: EUR 11.7 million (JPY 1,579 million, for the year ended March 31, 2017) Total assets: EUR 5.9 million (JPY 796 million, as of March 31, 2017)

(Converted at EUR 1 = JPY 135.0)

3. Outlook

Kito will report the actual effect of the share purchase with its consolidated financial results as necessary at an appropriate time.