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| Company | KITO CORPORATION |
| President and CEO | Yoshio Kito |
| Identification Code | 6409 (TSE 1) |
| Contact | Shigeki Osozawa Managing Director Chief Financial Officer TEL: +81-(0)3-5908-0161 |

Supplementary Explanations on Proposal No. 4 of the 75th Ordinary General Meeting of Shareholders

We would like to give a supplementary explanation on Proposal No.4 in the Notice of the 75th Ordinary General Meeting of Shareholders, which will be sent on June 4, 2019.

Description

Supplementary explanations concerning "Payment of Final Retirement Benefits in Conjunction with the Abolition of the Retirement Benefits System for Directors (Excluding Outside Directors)"

As a result of deliberations at our Nominating and Compensation Committee held on 28 May 2019, the total amount of the retirement benefits was determined to be 218,175,129 yen. In the event that Proposal No.4 is approved, we will decide by the Board of Directors the specific amount and method of presentation, etc., within the total amount of 218,175,129 yen which is less than the "total amount of 300 million yen described in the said Proposal.

The target of payment is the following 3 persons excluding the outside directors, and their terms of offices are 37 years in total.

| Name | Personal history | Term |
|-------------------|--|-------------|
| Yoshio Kito | June 1992 Director June 1998 Managing Director April 1999 Senior Managing Director April 2005 Vice President & Representative Director January 2006 President & Representative Director (to present) | 27 years |
| Tsuneo Yuzurihara | June 2010 Director April 2011 Managing Director (to present) | 9 years |
| Shigeki Osozawa | June 2018 Managing Director (to present) | 1 year |