

July 15, 2025

Dear Valued Customer,

We greatly appreciate your ongoing partnership with Pilot Corporation of America to bring our best-in-class brands and consumers' favorite writing instruments to the market.

Over the last few years, our business has been impacted by increasing costs in areas including plastic materials, steel, chemicals, petroleum products, labor, medical and transportation. In 2024, Japan's Producer Price Index (PPI) was at 122.6 index, reaching the highest level in over 30 years. We have taken measures to increase internal efficiencies and to reduce operational costs where possible in order to minimize effects on our customers and consumers.

It is no longer possible for us to fully absorb the inflationary cost pressures we have been experiencing in combination with higher global tariffs, and we must therefore pass through a portion of these impacts. We will be implementing a price increase of up to 7.2% on all PO's shipping on or after October 1, 2025.

Our intent is to work closely with our retailer and distributor partners to best protect our customers and consumers while adapting to these new realities. These measures include making the decision to delay implementation of price adjustments until after the peak Back-to-School season. Your Pilot sales team will be in contact with next steps and more detailed information.

We will continue to diligently monitor the shifting tariff policies and will stay in communication with any further price adjustments that may be necessary. We are committed to working closely with you and to provide the highest service levels to our customers.

We thank you for your ongoing support and partnership in delivering top quality brands to our consumers.

Sincerely,



Rachael Ramon
Vice President of Sales

