

2nd November 2016

Press Release

Company: Nittobo

Stock Code: 3110

Stock Exchange Listing: Tokyo 1st Stock Exchange

URL:<http://www.nittobo.co.jp/>

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Director, Representative and Chief Executive Officer

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**Announcement regarding Acquisition of Own Shares and Cancellation of
Treasury Stock**

Nittobo (“the Company”) hereby announces that its Board of Directors on 2nd November resolved to acquire its own shares under Article 156 of the Companies Act of Japan, as applied pursuant to Article 165, Paragraph 3 of the Companies Act.

Nittobo also announces that its Board of Directors resolved to cancel the Treasury Stocks under Article 178 of the companies Act of Japan. The details of the share acquisition and cancellation are as follows.

1. Reason for acquisition

The forecast of business performance during the period from 2014 to 2016 fiscal year will exceed the original target prescribed in Mid Term strategy implemented from 2014, consequently financial soundness of the Company improved. To reinforce the return to shareholders and optimize the capital efficiency, Nittobo decided to acquire its own shares.

2. Details of acquisition

- 2.1 Class of shares to be acquired: Common shares of the Company
- 2.2 Total number of shares to be acquired: Up to 6,000,000 shares (Equivalent to 3.01% of the number of outstanding shares excluding the treasury shares)
- 2.3 Aggregate amount of acquisition price: Up to 2,500,000,000 Yen
- 2.4 Acquisition period: From 4th November 2016 to 31th May 2017
- 2.5 Method of acquisition: Market purchase through the Tokyo Stock Exchange

3. Details of cancellation

- 3.1 Class of stock to be cancelled: Common Shares of the Company
- 3.2 Numbers of shares to be cancelled: 48,000,000 (Equivalent to 19.38% of the number of total outstanding shares)
- 3.3 Scheduled date of cancellation: 18th November 2016

(Reference)

Treasury Stocks holding as of 30th September 2016

Outstanding total numbers of shares excluding the treasury stock: 199,187,863

Total numbers of the treasury stock: 48,489,687