

Date: February 28, 2019
Listed company name: Nitto Denko Corporation
Stock exchange listing: Tokyo, First Section
Code number: 6988
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Notice Concerning Basic Policy on the Holding and Cancellation of Treasury Shares

Nitto Denko Corporation (“the Company”) hereby announces that it resolved at a meeting of its Board of Directors on February 28, 2019 to approve the policy on the holding and cancellation of its treasury shares. The Company also announces that in accordance with the basic policy on the holding and cancellation of its treasury shares, it resolved at the same meeting of its Board of Directors to cancel a part of its treasury shares pursuant to the provisions of Article 178 of the Japanese Companies Act.

1. Basic Policy on the Holding and Cancellation of Treasury Shares

The Company defines the return of profits to its shareholders as one of its most important management issues and will continue to consider share repurchases as part of its agile capital policies in response to changes in the business environment going forward.

The Company’s treasury shares that have been repurchased will continue to be held on the condition that their specific uses have been clearly defined (e.g., for executive compensation), and cancellation will be considered for any shares exceeding the required amount.

2. Details on the cancellation of the treasury shares

The Company, based on the Basic Policy on the Holding and Cancellation of Treasury Shares, shall cancel its treasury shares as per the following.

- (1) Class of shares to be cancelled: Common shares of the Company
- (2) Number of shares to be cancelled: 15,000,000 shares
(Ratio to the number of shares outstanding before cancellation: 8.63%)
- (3) Scheduled cancellation date: March 15, 2019

(Reference)

Number of the Company’s shares outstanding after cancellation: 158,758,428 shares