

(English Translation of the Japanese Press Release)



January 9, 2020

To all related parties:

Name of the Company: SHIMACHU CO., LTD.
Name of the Representative: Takaaki Okano
President and Representative Director
(Code No. 8184; The First Section of the Tokyo Stock Exchange)
Further Inquiries: Kazuya Orimoto
Director, General Manager of Corporate
Planning
(TEL: 048-851-7711)

Notice Concerning Decision of Matters Relating to Acquisition of Own Shares
(Acquisition of Own Shares in Accordance With Provisions of the Articles of Incorporation
Pursuant to Article 165, Paragraph (2) of the Companies Act)

SHIMACHU CO., LTD. (the “Company”) hereby gives notice that it has made a resolution at its Board of Directors’ meeting held on January 9, 2020 on matters relating to the acquisition of its own shares in accordance with Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to Article 165, paragraph 3 of the same act. The details are as follows.

1. Reason for the acquisition of own shares

The Company’s shareholder return policy, as outlined in the medium-term management plan started in the fiscal year ended August 31, 2019, is to maintain a total return ratio, which is the ratio of dividends and share buybacks in total to profit, of over 100% through stable dividends and the flexible implementation of share buybacks. The Company will acquire own shares in accordance with this policy.

2. Details of matters relating to the acquisition of own shares

- (1) Class of shares to be acquired: Common shares of the Company
- (2) Total number of shares to be acquired: Up to 4,200,000 shares
(Ratio to the total number of issued shares [excluding treasury shares]: 9.9%)
- (3) Total acquisition price of shares: Up to ¥10,000 million
- (4) Acquisition period: January 10, 2020 to August 31, 2020
- (5) Method of acquisition: Purchase on the market of the Tokyo Stock Exchange

(Reference)

Holding status of treasury shares as of December 31, 2019

Total number of issued shares (excluding treasury shares): 42,538,544 shares

Number of treasury shares: 70,560 shares