

This material is an English translation of the press release announced on Jul. 10, 2019 in Japanese, and the Japanese release is given priority about the content and the interpretation.

Jul. 10, 2019

Notice regarding Decision on Matters Relating to Acquisition of Treasury Shares and Cancellation of Treasury Shares

(Acquisition of treasury shares in accordance with the provisions of the Articles of Incorporation pursuant to Article 165, Paragraph 2 of the Companies Act and cancellation of treasury shares in accordance with the provisions of Article 178 of the Companies Act)

Hisamitsu Pharmaceutical Co., Inc. (Head Office: Tosu City, Saga Prefecture; President and CEO: Kazuhide Nakatomi) is pleased to announce that its board of directors held today has resolved matters related to the acquisition of treasury shares in accordance with the provisions of Article 156 of the Companies Act, which is applied by replacing the terms pursuant to the provisions of Article 165, Paragraph 3 of the said Act, and also has resolved to cancel treasury shares in accordance with the provisions of Article 178 of the Companies Act.

1. Reasons for the acquisition and cancellation of treasury shares

To improve capital efficiency and further return profits to shareholders, and to implement a flexible capital policy in response to changes in the business environment.

2. Details of matters related to acquisition

- (1) Type of shares to be acquired: Common share of the Company
- (2) Total number of shares that can be acquired: 1 million shares (upper limit)
(1.21% of total number of shares issued (excluding treasury shares))
- (3) Total acquisition value of shares: 6 billion yen (upper limit)
- (4) Acquisition period: July 11, 2019 to October 31, 2019

3. Details of matters related to cancellation

- (1) Type of shares to be cancelled: Common share of the Company
- (2) Total number of shares to be cancelled: 10 million shares
(12.10% of total number of shares issued before cancellation (excluding treasury shares))
- (3) Scheduled date of cancellation: November 29, 2019
- (4) Total number of shares issued after cancellation: 85,164,895 shares

(Reference information) Status of treasury shares held as of February 28, 2019

Total number of shares issued (excluding treasury shares):	82,664,225 shares
Number of treasury shares:	12,500,670 shares