



June 18, 2015

For Immediate Release

Company Name: TSUGAMI CORPORATION  
 Representative: Takao Nishijima, Chairman and CEO  
 (Stock Code: 6101, Tokyo Stock Exchange, First Section)  
 Contact: Hiroshi Kawai, General Manager, Finance  
 Tel: +81-3-3808-1711

## Notice of Allotment of Subscription rights to shares as Stock Options for a Stock-Linked Compensation Plan

TSUGAMI CORPORATION (the “Company”) announced today that a meeting of its Board of Directors held today determined the details of subscription rights to shares to be granted, and resolved to call for applications for the subscription rights to shares. Details are as follows.

### I. Reasons for the issuance of subscription rights to shares to grant stock options

The grants were designed to establish a closer link between the Company’s stock prices and results and the Company’s directors, corporate auditors, executive officers and employees with similar titles so that they share with shareholders not only the benefits of high stock prices, but also the risks of low stock prices, to bolster their morale and motivation for improving the results of the Company.

### II. Outline of the granting of subscription rights to shares

Name of subscription rights to shares	Stock compensation-type stock options Plan A, July 2015 issue	Stock compensation-type stock options Plan B, July 2015 issue
Applicable law clause	Article 238, Paragraph 2 and Article 240, Paragraph 1 of the Company Law	Article 236, 238 and 239 of the Company Law
Positions and numbers of officers to allocate stock options	The Company’s directors 8 Corporate auditors 5 Total 13	The Company’s executive officers and employees with similar titles 25
Number of the subscription rights to shares	The Company’s directors 100 Corporate auditors 31 Total 131	122
Amount of assets contributed on exercise of the subscription rights to shares	One yen per share	
Type and the number of shares that are the object of the subscription rights to shares	Common stocks of the Company 1,000 shares per subscription rights to shares If an adjustment of the Number of Granted Shares is considered to be necessary for unavoidable reasons, the Company shall carry out the adjustment deemed reasonable.	

Amount to be paid for the subscription rights to shares	The amount to be paid for the subscription rights to shares shall be calculated by multiplying an option price per share that is computed based on Black-Scholes method. * The amount calculated based on the above items is the fair value of the subscription rights to shares, which is not deemed to be an offering at low prices. * The Company shall pay the amount equivalent to the total amount of the paid-in value of the subscription rights to shares to grantees, such that their compensation request rights shall offset the obligations of paying the paid-in value of the subscription rights to shares.	No payment shall be required for the subscription rights to shares.
Exercise period of the subscription rights to shares	From July 7, 2015 to July 6, 2035	
Conditions for exercise of the subscription rights to shares	<p>i. In principle, a holder of the subscription rights to shares may exercise the subscription rights to shares within the Exercise period only when the holder no longer holds a position as the Company's director, corporate auditor, executive officer, and/or employee with a similar title. In this case, the holder may only exercise the subscription rights to shares within a period of seven days from the next day of the date when he/she loses the above titles.</p> <p>ii. If the subscription rights to shares holders abandon their subscription rights to shares, the relevant subscription rights to shares may not be exercised.</p>	
Matters concerning the increase in capital and capital reserve when shares are issued upon exercise of the subscription rights to shares	<p>i. The amount of increase in capital when shares are issued upon exercise of the subscription rights to shares shall be one half of the maximum amount of increase in capital, etc., which is calculated in accordance with Paragraph 1 of Article 17 of the Corporate Calculation Regulation, and fractions of less than 1 yen shall be rounded up to the nearest 1 yen.</p> <p>ii. The amount of increase in capital reserve to be increased when shares are issued upon exercise of the subscription rights to shares shall be the amount calculated by deducting the amount of increase in capital as stated in the preceding paragraph i from the maximum amount of increase in capital, etc., as stated in the same paragraph i above.</p>	
Provisions concerning the acquisition of the subscription rights to shares	If a proposal for a merger agreement in which the Company ceases to exist, or a proposal for a stock swap agreement or a stock transfer plan in which the Company will become a wholly owned subsidiary, is approved at a general meeting of shareholders of the Company, the Company may acquire the subscription rights to shares free of charge on the date stipulated separately by the Company's Board of Directors.	
Restriction on acquiring the subscription rights to shares by assignment	Acquisition of the subscription rights to shares by assignment shall require approval by a resolution of the Board of Directors.	
Allotment date of the subscription rights to shares	July 6, 2015	
Date of Resolutions of the 112 <sup>th</sup> Annual Shareholders Meeting	--	June 18, 2015

-End-