



August 1, 2016

For Immediate Release

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 Representative: Takao Nishijima, Chairman and CEO
 (Stock Code: 6101, Tokyo Stock Exchange, First Section)
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Notice of Retirement of Treasury Stock and Status of Acquisition of Treasury Stock

I. Retirement of Treasury Stock

TSUGAMI CORPORATION (the "Company") announced that it has resolved at a meeting of the Board of Directors held on July 15, 2016, to retire treasury stock pursuant to the provisions of Article 178 of the Companies Act. The Reduction of Legal Capital Surplus resolved at a general meeting of a shareholders held on June 22, 2016, has become effective as of July 29, 2016 and the Company reduced and transferred legal capital surplus to other capital surplus as of August 1, 2016.

Details are as follows.

1. Type of stock to be retired: Common stock of the Company
2. Number of shares to be retired: 10,000,000 shares
(representing 13.35% of issued shares before the retirement)
3. Scheduled date of retirement: August 10, 2016
4. The number of issued shares after the retirement will be 64,919,379 shares.

II. Status of Acquisition of Treasury Stock

(Treasury Stock Acquisition under the Articles of Incorporation Pursuant to Article 459, Paragraph 1 of the Companies Act)

The Company also announced the status of acquisition of treasury stock under Article 459, Paragraph 1 of the Companies Act that was resolved at a meeting of the Board of Directors held on June 22, 2016. Details are as follows.

1. Acquisition period: From July 1, 2016 to July 31, 2016
2. Number of shares acquired: 1,081 thousand shares
3. Total acquisition cost: 435 million yen
4. Method of acquisition: Acquisition on the Tokyo Stock Exchange

Content of the resolution on June 22, 2016 and actual results of acquisition

	Content of resolution	Actual results of acquisition
Number of shares that can be acquired (maximum)	2,000 thousand shares	1,081 thousand shares
Total acquisition cost (maximum)	900 million yen	435 million yen
Acquisition period	From June 22, 2016 to September 9, 2016	From June 22, 2016 to July 31, 2016

Status of Treasury stock

	As of July 31, 2016	Reference (After the retirement of Treasury stock mentioned in Item I.)
Number of shares outstanding	74,919 thousand shares	64,919 thousand shares
Number of treasury stock shares	11,704 thousand shares	1,704 thousand shares
Ratio of the number of treasury stock shares	15.62%	2.62%