

Company name: Shinwa Co., Ltd.
Representative: Hiroshi Yamada
President and Representative Director
Stock exchange listing: First Section of Tokyo Stock Exchange and
Nagoya Stock Exchange (Code number: 3447)
Contact: Mitsuyoshi Hirasawa
Executive Officer and General Manager of
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**Notice regarding Repurchase of Shares through Off-Auction Own Share Repurchase Trading
(ToSTNeT-3)**

Repurchase of shares through off-auction own share repurchase trading under the provisions of the articles of incorporation pursuant to Paragraph 1, Article 459 of the Companies Act of Japan

Shinwa Co., Ltd. (the “Company”) announced today that, at a meeting of its Board of Directors held on February 12, 2020, a resolution was passed concerning the repurchase of shares under the provisions of its articles of incorporation pursuant to Paragraph 1, Article 459 of the Companies Act of Japan. The details of the resolution are as follows:

1. Reasons for share repurchase

To improve capital efficiency and shareholder value per share and provide for treasury shares held to be granted to the Company’s directors (excluding outside directors) and employees when they exercise their stock options in the future.

2. Method of repurchase

The Company will instigate a repurchase of its shares by an agent through the Tokyo Stock Exchange NeTwork System for off-auction own share repurchase trading (ToSTNeT-3) at 8:45 a.m. on February 13, 2020 at 1,125 yen per share, which is the closing price on February 12, 2020. The repurchase will not be conducted by any other trading method or at any other trading time. The aforementioned buy-order applies to the time mentioned above only.

3. Details of share repurchase

- (1) Class of shares to be repurchased: Common stock of Shinwa Co., Ltd.
- (2) Total number of shares to be repurchased: Up to 100,000 shares (0.71% of the total number of shares issued and outstanding [excluding treasury shares])
- (3) Total cost for repurchase of shares: Up to 112,500,000 yen
- (4) Announcement of repurchase results: The results of the repurchase will be announced after the close of trading at 8:45 a.m. on February 13, 2020.

Note 1: The number of shares to be repurchased will remain unchanged. Please note that, depending on market conditions and other factors, the whole or part of the repurchase may not be conducted.

Note 2: Shares will be repurchased upon receipt of sell-orders reaching the scheduled number of shares to be repurchased.

Reference: Treasury shares held by the Company as of February 12, 2020

Total number of shares issued and outstanding (excluding treasury shares): 13,988,800 shares

Treasury shares: 0 shares