

*News Release*

March 14, 2018

**Notice regarding Cancellation of Treasury Stock****(Cancellation of Treasury Stock Pursuant to  
Article 178 of the Companies Act)**

KITZ Corporation, at the Board of Directors meeting held on March 14, 2018, resolved to cancel treasury stocks in accordance with Article 178 of the Companies Act, as described below.

- |   |   |
|---|---|
| 1. Type of stock to be cancelled          | Common stock  |
| 2. Total number of shares to be cancelled | 10,000,000 shares<br>(9.06% of total outstanding shares before<br>cancellation) |
| 3. Scheduled date of cancellation         | March 23, 2018  |

(Reference)

The total number of outstanding shares after the cancellation will be 100,396,511 shares.