



February 20, 2019

Company Name: ShinMaywa Industries, Ltd.

Representative: Tatsuyuki Isogawa, President and Chief Executive Officer
(Code number: 7224; Tokyo Stock Exchange, 1st Section)

Head Office: 1-1 Shinmeiwa-cho, Takarazuka-shi, Hyogo

Contact: Noriko Jitsuhiro, General Manager, Public & Investors Relations Department,
Corporate Planning Division (TEL0798-56-5002)

Notice Regarding Results of Tender Offer for Treasury Shares and Completion of Acquisition

At a meeting of the Board of Directors of ShinMaywa Industries, Ltd. (the “Company”) held on January 21, 2019, the Company resolved to acquire treasury shares pursuant to Paragraph 1 of Article 156 of the Companies Act (Act No. 86 of 2005, including subsequent amendments thereto; hereinafter referred to as the “Companies Act”) as applied by Paragraph 3 of Article 165 of the Companies Act and under the provisions of the Company’s Articles of Incorporation, as well as to implement a tender offer for treasury shares (the “Tender Offer”) as the specific method for such acquisition. The Company hereby announces that the Tender Offer implemented since January 22, 2019 pursuant to the above-mentioned resolution was completed on February 19, 2019 as described below.

The Company also announces that with the completion of the Tender Offer, the acquisition of treasury shares based on the resolution of the board of directors meeting held on January 21, 2019 has been completed.

I .Results of the Tender Offer

1. Outline of the purchase, etc.

(1) Name and location of the tender offeror

ShinMaywa Industries, Ltd. 1-1 Shinmeiwa-cho, Takarazuka-shi, Hyogo

(2) Class of listed share certificates, etc. to be purchased, etc.

Common stock

(3) Period of the purchase, etc.

1) Period of the purchase, etc. (the “Tender Offer Period”)

From January 22, 2019 (Tuesday) to February 19, 2019 (Tuesday) (20 business days)

2) Date of public notice of the commencement of the Tender Offer

January 22, 2019

(4) Price for the purchase, etc.

1,500 yen per share of common stock

(5) Settlement method

1) Name and location of the head office of the financial instruments business operator/bank in charge of settlement of the purchase, etc.

(Tender offer agent)

SMBC Nikko Securities Inc. 3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

2) Commencement date of settlement

March 13, 2019

3) Settlement method

After the expiration of the Tender Offer period, a notice of purchase, etc. through the Tender Offer will be mailed without delay to the address or location of the tendering shareholders, etc. (or their standing proxy in the case of non-resident shareholders). Payment for the purchase, etc. will be settled in cash. The amounts after deducting the applicable withholding tax (Note) from the purchase amounts will be remitted to the locations designated by the tendering shareholders, etc. (or their standing proxy in the case of non-resident shareholders) by the tender offer agent without delay after the commencement date of settlement.

(Note) Taxation on the shares purchased through the Tender Offer

- (*) With regard to specific questions concerning taxation, shareholders are requested to consult with experts such as certified tax accountants, etc. and make their own decisions.

(i) In cases where tendering shareholders are individual shareholders who are residents of Japan or non-residents who own permanent establishments in Japan

When the proceeds received from tendering to the Tender Offer exceed the amount of the portion of the Company's capital, etc. (or the consolidated individual stated capital in the case of a consolidated corporation) attributable to the shares that are the basis for the payment, the excess portion will be considered and taxed as income from dividends. For such income from dividends, in principle, an amount equivalent to 20.315% (income tax and special income tax for reconstruction of 15.315% and inhabitants tax of 5%) will be withheld. However, in cases where tendering shareholders correspond to major shareholders, etc. (hereinafter referred to as "Major Shareholders, etc.") as provided in Paragraph 12 of Article 4-6-2 of the Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957,

including subsequent amendments thereto), an amount equivalent to 20.42% (income tax and special income tax for reconstruction only) will be withheld.

The remaining amount after deducting the amount considered as income from dividends from the proceeds received from tendering to the Tender Offer is regarded as income earned from the transfer of shares, etc. The amount after deducting acquisition costs of corresponding shares from income earned from transfer is, in principle, subject to application of separate self-assessment taxation.

(ii) In cases where tendering shareholders are individual shareholders who are non-residents and do not own permanent establishments in Japan

For the amount considered as income from dividends, the amount equivalent to 15.315% (income tax and special income tax for reconstruction only) will be withheld. In cases where tendering shareholders correspond to Major Shareholders, etc., an amount equivalent to 20.42% (income tax and special income tax for reconstruction only) will be withheld.

(iii) In cases where tendering shareholders are corporate shareholders

When the proceeds received from tendering to the Tender Offer exceed the amount of the portion of the Company's capital, etc. (or the consolidated individual stated capital in the case of a consolidated corporation) attributable to the shares that are the basis for the payment, the excess portion will be considered and taxed as income from dividends. For such income from dividends, in principle, the amount equivalent to 15.315% (income tax and special income tax for reconstruction only) will be withheld.

2. Results of the purchase, etc.

(1) Number of share certificates, etc. purchased

Class of share certificates, etc.	Number of shares planned to be purchased	Number of excess shares planned to be purchased	Number of shares tendered	Number of shares purchased
Common stock	26,666,600 shares	-(shares)	32,427,515 shares	26,666,600 shares

(2) Calculation in cases where the purchase, etc. is made using the pro rata method

1) Calculation method

Since the total number of share certificates, etc. tendered (32,427,515 shares) exceeded the number planned to be purchased, the Company decided not to purchase all or some of the excess portion. Instead, the Company will be effecting the delivery and other settlement procedures with respect to the purchase, etc. of share certificates, etc. pursuant to the pro rata method as provided in Paragraph 5 of Article 27-13 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, including subsequent amendments thereto; hereinafter referred to as the

“Act”) as applied by Paragraph 2 of Article 27-22-2 of the Act, and Article 21 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Listed Share Certificates, etc. by Issuer (Ordinance of the Ministry of Finance No. 95 of 1994, including subsequent amendments thereto). (When the respective number of tendered share certificates, etc. includes shares of less than one unit (100 shares), the maximum number of purchased shares calculated using the pro rata method is the respective number of tendered shares.)

As the total number of the shares to be purchased from each tendering shareholder calculated by rounding off the number of shares that are less than one unit resulting from a calculation using the pro rata method did not reach the number of shares planned to be purchased, the Company purchased the tendered shares by one unit per each tendering shareholder, etc. (if the acquisition of one additional unit would exceed the number of tendered shares, up to the number of tendered shares) in descending order, beginning with the tendering shareholder with the largest number of rounded-off shares, until the total number of the shares purchased becomes equal to or more than the number of shares planned to be purchased. However, this method would have resulted in the number of shares purchased exceeding the number planned to be purchased if the purchase had been made from all tendering shareholders with the same number of rounded-off shares. Accordingly, we decided that the purchase would be made from the shareholders determined by drawing lots among such tendering shareholders, etc., to the extent that the number of shares purchased does not fall short of the number planned to be purchased.

3. Locations where copies of the Tender Offer report are available for public inspection

ShinMaywa Industries, Ltd. 1-1 Shinmeiwa-cho, Takarazuka-shi, Hyogo
Tokyo Stock Exchange, Inc. 2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo

II. Completion of Acquisition of Treasury Shares

(1) Class of shares Common stock

(2) Total number of shares 26,666,600 shares

(Note) Percentage of the total number of issued shares: 27.66% (rounded off to three decimal places)

(3) Total amount of acquisition price 39,999,900,000 yen

(Note) The above amount does not include the commission paid to the tender offer agent and other expenses.

(4) Acquisition period From January 22 to February 19, 2019

(5) Method of acquisition Through tender offer

With the completion of the Tender Offer, the Company has completed the acquisition of treasury shares that was conducted pursuant to the resolution of the board of directors made on January 21, 2019 based on Paragraph 1 of Article 156 of the Companies Act as applied by Paragraph 3 of Article 165 of the Companies Act and under the provisions of the Company’s Articles of Incorporation.

(Reference)

Details of the resolution regarding acquisition of treasury shares made at the meeting of the board of directors held on January 21, 2019

- | | |
|------------------------------------------------------------------------------------------------------|-----------------------------------|
| (1) Class of shares | Common stock |
| (2) Total number of shares | Up to 26,666,700 shares |
| (Note) Percentage of the total number of issued shares: 27.66% (rounded off to three decimal places) | |
| (3) Total amount of acquisition price | Up to 40,000,050,000 yen |
| (4) Acquisition period | From January 22 to March 29, 2019 |

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