

January 31, 2019

Announcement on Decision of Matters concerning Acquisition of Treasury Stock

(Acquisition of treasury stock in accordance with the articles of incorporation pursuant to Article 165, paragraph 2 of the Companies Act)

This is to announce that Kobayashi Pharmaceutical Co., Ltd., at the Board of Directors' meeting held on January 31, 2019, resolved certain matters concerning the acquisition of its treasury stock in accordance with the provisions of Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165, paragraph 3 of the Act as described below.

1. Reason for the acquisition of treasury stock

The Company will acquire its treasury stock in order to further increase the return of profits to shareholders and to implement agile capital policies to respond to a changing business environment.

2. Description of the matters concerning the acquisition

(1) Class of shares to be acquired	Shares of common stock of the Company
(2) Total number of shares to be acquired	Up to 1,300,000 shares (Ratio to the total number of shares issued (excluding shares of treasury stock): 1.64%)
(3) Total acquisition cost of shares	Up to 8.0 billion yen
(4) Acquisition period	From February 1, 2019 to August 31, 2019

(Reference)

Status of shareholding of treasury stock as of December 31, 2018

Total number of shares issued (excluding shares of treasury stock): 79,072,663 shares

Number of shares of treasury stock: 2,977,337 shares