



May 29, 2018

**For Immediate Release**

**Ryosan Company, Limited**

Representative: Hiroyuki Kurihara,

Representative Director, President

Listing Code No.: 8140

Listing: First Section, Tokyo Stock Exchange

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**Notice Concerning Cancellation of Treasury Shares and Reversal of General Reserve**

Ryosan Company, Limited ("the Company") hereby announces that the Board of Directors resolved at the meeting held today to cancel treasury shares in accordance with Article 178 of the Companies Act and conduct a reversal of general reserve based on the Articles of Incorporation in accordance with Article 459-1 of the Companies Act.

1. Cancellation of Treasury Shares

- (1) Class of stock to be cancelled : Common stock
- (2) Number of shares to be cancelled : 3,500,000 shares  
(Ratio to the issued shares before cancellation: 9.52%)
- (3) Scheduled date of cancellation : June 11, 2018
- (4) Total number of issued shares : 25,000,000 shares  
after cancellation

2. Reversal of general reserve

- (1) Details of the measures conducted : Items of the surplus being reduced and amount thereof  
General reserve: ¥15,000,000,000  
Items of the surplus being increased and amount thereof  
Retained earnings brought forward: ¥15,000,000,000
- (2) Purpose of implementation : To enable cancellation of treasury shares
- (3) Effective date : May 29, 2018
- (4) Impact on business results : No material impact on the Company's performance is anticipated as a result of the reversal of general reserve.