

Notice Regarding Resolution of Treasury Stock Acquisition

(Acquisition of treasury stock based on the provisions of the Articles of Incorporation pursuant to the provisions of Article 165, paragraph 2, of the Companies Act)

Denka Company Limited (hereinafter "Denka") resolved at the meeting of its Board of Directors on January 15, 2019, to acquire treasury stock pursuant to the provisions in Article 156 of the Companies Act, as applied mutatis mutandis to the provisions of Article 165, paragraph 3, of the Companies Act.

1. Reason for acquisition of treasury stock

To flexibly provide shareholder returns for the fiscal year ending March 31, 2018 based on shareholder return policy. Shareholder return policy in management plan "Denka Value-Up," announced on November 8, 2017 is as follows.

- We will keep committed to the targeted total shareholder return ratio of 50%.
(Total shareholder return ratio = (cash dividends + shares repurchased) / net income attributable to owners of the parent for the fiscal year)
- In addition, we focus on maintaining the stable payment of cash dividends while flexibly carrying out share repurchases by giving due consideration to such factors as a trend in stock prices.

2. Details of acquisition

- | | |
|--------------------------------------------|-----------------------------------------------------------------------------------------|
| (1) Type of stock to be acquired: | Common stock |
| (2) Total number of shares to be acquired: | Up to 920,000 shares |
| | (Ratio to the number of shares of common stock issued, excluding treasury stock: 1.05%) |
| (3) Total value of shares to be acquired: | Up to ¥2.3 billion |
| (4) Period of acquisition: | From January 16, 2019 to January 15, 2020 |

Reference: Number of treasury shares held as of December 31, 2018

Shares of common stock issued, excluding treasury stock: 87,673,415 shares

Shares of treasury stock: 882,425 shares

These documents have been translated from Japanese originals for reference purposes only. In the event of any discrepancy between these translated documents and the Japanese originals, the originals shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translations.