

October 26, 2017

To whom it may concern

Company name: DAIKYO INCORPORATED
Representative: Akira Yamaguchi,
Representative Executive Officer, President
Securities code: 8840
Listing: First Section, Tokyo Stock Exchange
Contact: Koichi Hinago, General Manager, Group
Corporate Planning Dept.

**Announcement of Decision Concerning Acquisition of Treasury Stock
(Acquisition of Treasury Stock under Article 37 of the Company's Articles of Incorporation, Based on
Article 459, Paragraph 1, Item 1 of the Companies Act)**

DAIKYO INCORPORATED (the "Company") hereby announces that a decision was reached by Board of Directors today, with regard to the acquisition of treasury stock under Article 37 of the Company's Articles of Incorporation, based on Article 459, Paragraph 1, Item 1 of the Companies Act. The details are as follows.

1. Reason for Treasury Stock Acquisition

Based on the shareholder return policy in the medium-term management plan announced on October 26, 2016, we will be conducting an acquisition of treasury stock to strengthen shareholder returns and increase capital efficiency.

2. Content of the Acquisition

1	Type of stock to be acquired	Common stock of the Company
2	Total number of shares to be acquired	Up to 4,100,000 shares [Percentage of the total number of shares issued (excluding treasury stock) 4.91 %]
3	Total value of stock to be acquired	Up to JPY 8,500,000,000
4	Period of acquisition	From October 27, 2017 to October 26, 2018

The planned method of acquisition is a market purchase through the Tokyo Stock Exchange.

(Reference)

Treasury stock held as of October 26, 2017

Total number of shares issued and outstanding (excluding treasury stock) 83,499,699

Number of shares of treasury stock 854,574