

News Release

March 14, 2018

Notice regarding Cancellation of Treasury Stock**(Cancellation of Treasury Stock Pursuant to
Article 178 of the Companies Act)**

KITZ Corporation, at the Board of Directors meeting held on March 14, 2018, resolved to cancel treasury stocks in accordance with Article 178 of the Companies Act, as described below.

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|---|---|
| 1. Type of stock to be cancelled | Common stock |
| 2. Total number of shares to be cancelled | 10,000,000 shares
(9.06% of total outstanding shares before
cancellation) |
| 3. Scheduled date of cancellation | March 23, 2018 |

(Reference)

The total number of outstanding shares after the cancellation will be 100,396,511 shares.