



November 28, 2016

To Whom It May Concern

Company name: Itoki Corporation
Representative's name: President Yoshiro Hirai
(Code: 7972, TSE First Section)
Inquiries: Director and Managing Executive Officer,
General Manager of Planning Division
Kenji Makino
(TEL. 03-5566-7041)

**Acquisition of Shares of Tarkus Interior Pte Ltd, Singaporean Interior Construction Company
(Subsidiary Acquisition)**

We hereby announce that we decided at the Board of Directors meeting held on November 28, 2016 to acquire a majority of the shares of Tarkus Interior Pte Ltd (hereinafter referred to as "Tarkus"), a Singaporean interior construction company, and turn it into a subsidiary. The details are as follows.

1. Reason for acquiring the shares

In our medium-term management plan, we are striving to expand into overseas markets in a full-fledged way by maximizing the utilization of existing resources and overseas partners; at the same time, we have set one of our basic strategies as pushing forward with initiatives from the perspective of M&A and business tie-ups, aiming to develop business. We established ITOKI Systems (Singapore) Pte., Ltd. (hereinafter referred to as "ISS") in Singapore in 1984 and it is carrying out the office solution business mainly for Japanese companies. Since its establishment in 1990, Tarkus has been conducting business in Singapore, mainly in the area of interior work for offices, shops and other facilities. It owns an interior construction license that means it can receive orders for large-scale projects in Singapore, and it has acquired many excellent customers thanks to the good track record it has produced so far.

With this acquisition, it will become possible for Tarkus to receive orders for large-scale projects from Japanese general contractors by utilizing ISS's business channels, and Tarkus will be able to further expand its business. At the same time, we believe that the collaboration with Tarkus will allow ISS to enter the local market in Singapore. We would like to strengthen our Group's business platform in Singapore and have that lead to an expansion of our business in ASEAN countries in the future.

2. Outline of company made a subsidiary

(1)	Name	Tarkus Interior Pte Ltd
(2)	Address	46 Defu Lane 9, Singapore 539286
(3)	Name and Title of representative	Ong Kian Chuan Dennis (CEO)
(4)	Business description	Interior work for office facilities, commercial facilities etc.
(5)	Capital	1,500,000 SGD
(6)	Date of establishment	September 1990

(7)	Major shareholders	Ong Kian Chuan Dennis Neo Teck Kheng Alex Lim Siam Choo Jolene Tia Chee Wah Simon	
(8)	Relationship between Tarkus and listed companies	Capital relationship	N/A
		Personal relationship	N/A
		Business relationship	N/A
(9)	Recent results (FY2015)	Sales: 51,125,000 SGD Operating income: 4,688,000 SGD Net income: 3,956,000 SGD	

* The shareholding ratio of major shareholders is not disclosed due to a confidentiality agreement with Tarkus.

3. Outline of parties from whom shares are acquired

We acquired shares of Tarkus from the four shareholders listed in "(7) Major shareholders" in "2. Outline of company to be made a subsidiary."

There are no capital, personal or business relationships to be mentioned between our company and these individuals.

4. Number of shares acquired and status of owned shares before and after acquisition

(1)	Number of shares owned before acquisition	0 (Holding ratio: 0.0%)
(2)	Number of shares acquired	960,000
(3)	Number of shares owned after acquisition	960,000 (Holding ratio: 80.0%)

* The acquisition price is not disclosed due to a confidentiality agreement with Tarkus but in order to ensure fairness and adequacy, it is decided based on the results of a financial investigation and legal investigation to be conducted by a third party organization.

5. Schedule

(1)	Date of resolution of the board of directors meeting	November 28, 2016
(2)	Date of signing a contract	November 28, 2016
(3)	Share transfer date	Early December 2016 (planned)

6. Future outlook

The impact of this transaction on the Company's consolidated results for the fiscal year ending December, 2016 is immaterial.