

June 1, 2020

Company name: Daito Trust Construction Co., Ltd

Representative: Katsuma Kobayashi

President and Representative Director (CEO)

Securities code: 1878

Listed in the 1st section of Tokyo and Nagoya security exchange

Address: 2-16-1, Konan, Minato-ku, Tokyo

Notice - regarding the disposal of treasury stocks through a third-party allocation

Daito Trust Construction Co., Ltd. (hereinafter referred to as “the Company”) resolved at the board of directors' meeting held May 29 on the disposal of treasury stocks (hereinafter, the “Disposal of Treasury Stocks”) through a third-party allocation.

The details as follows:

1. Conditions of disposal

(1)	Disposal date	June 17, 2020
(2)	Number of stocks disposed of	230,000 shares of common stocks:
(3)	Disposal amount	10,751 yen per share
(4)	Funds procured	2,472,730,000yen
(5)	Subscription or disposal method	Through a third-party allocation
(6)	Allottee	Trust & Custody Services Bank, Ltd. (Trust E account)
(7)	Other	None

2. Purpose of and reason for disposal

The Company resolved at the board of directors' meeting held on July 4, 2011 on the introduction of the “Employee Stock Ownership Plan (J-ESOP)” (hereinafter, the “Plan”) and a trust (hereinafter, referred to as the “Trust”) established in connection with this Plan in a bid to incentivize employees to improve stock prices and earnings of the Company by making clear a link between earnings and stock value of the Company and sharing the value with stockholders. For the outline of the Plan, please refer to the “Notice - regarding the introduction of Employee Stock Ownership Plan (J-ESOP)” as of July 4, 2011 and the “Notice - regarding the introduction of Employee Stock Ownership Plan (J-ESOP) (Details determined)” as of September 6, 2011.

The Disposal of Treasury Stocks refers to a disposal of treasury stocks of the Company through a third-party allocation to Trust & Custody Services Bank, Ltd. (Trust E account) (a trustee of re-trust who is re-trusted from Mizuho Trust & Banking Co., Ltd., a trustee of the Trust), that holds and disposes of the shares of the Company by continuing this Plan.

3. Funds procured, purpose of funds, and scheduled date of expenditure of funds

(1) Funds procured (estimated net usable amount)

Total disposal amount (yen)	Estimated amount of miscellaneous issuance expenses (yen)	Estimated net usable amount (yen)
2,472,730,000yen	-	2,472,730,000yen

(2) Specific purpose of funds procured

Funds procured by the Disposal of Treasury Stocks will be applied in full to the working capital, such as payments, etc. of miscellaneous expenses on and after the payment date. Funds management before the expenditure of the funds is implemented using the deposit account of the Company.