

February 14, 2007

Notification of Cancellation of Shares in Treasury

By resolution of the Board of Directors of Taiyo Nippon Sanso Corporation, at a meeting held on February 14, the Company has decided to cancel ordinary shares of common stock, in accordance with Article 178 of the Corporation Law.

Details:

1. Type of shares to be cancelled: Ordinary shares of common stock
2. Number of shares to be cancelled: 2,800,000
3. Cancellation date: February 28, 2007

Note: The total number of issued shares following the cancellation of the said shares will come to 403,092,837.