

Notice regarding distribution of dividends from surplus

The company announces that the board of directors today resolved on the dividends to be paid from surplus to shareholders as of record date June 30, 2021, and to submit resolution to its 38th Ordinary General Meeting of Shareholders, scheduled to be held in September 29, 2021.

1. Details of dividends

| | Dividends | The recent forecast of the dividend (announced on May 6, 2021) | The results for the previous fiscal year (FY06/2020) |
|--------------------------|--------------------|---|---|
| Record date | June 30, 2021 | June 30, 2021 | June 30, 2020 |
| Dividend per share | 13 yen | 10 yen | 10 yen |
| Total amount of dividend | 341 million yen | — | 262 million yen |
| Effective date | September 30, 2021 | — | September 28, 2020 |
| Source of dividend | Retained earnings | — | Retained earnings |

2. Revision of dividends

The company considers dividends from surplus to be the most important part of returning profits to the shareholders and implements a policy maintaining the stability of profit-sharing dividends.

According to the company's disclosure "Notice regarding the judge on the adaptation for the listing requirements on new market segments, TSE, and the policy of the company." on July 28, 2021, the company decided to increase dividend per share as the measure for improving shareholder return.

Although the company had ever set an approximate standard of over payout ratio about 30% at least, we have revised this standard to about 40% on payout ratio and raised the dividend per share.

Based on this basic policy, the company resolved to submit a proposal to the 38th Ordinary General Meeting of Shareholders scheduled on September 29, 2021 for the appropriation of retained earnings for the fiscal year ended June 30, 2021, to increase the year-end dividend by 3 yen per share compared to the previous fiscal year, to 13 yen per share.

(Reference)

Actual dividend per share

| FY06/2015 | FY06/2016 | FY06/2017 | FY06/2018 | FY06/2019 | FY06/2020 |
|-----------|-----------|-----------|-----------|-----------|-----------|
| 5 Yen | 6 Yen | 7 Yen | 7 Yen | 9 Yen | 10 Yen |

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