

April 11, 2023

Company Name: Warabeya Nichiyo Holdings Co., Ltd.
Representative: Hideo Tsuji, Representative Director, President
(Securities code: 2918, Tokyo Stock Exchange, Prime Market)
Contact: Naoshi Asano, Director, Senior Managing Executive
Officer
(Tel: 03-5363-7010)

Notice Regarding Revision to Dividend Policy and Dividends of Surplus (Increase)

Warabeya Nichiyo Holdings Co., Ltd. (hereinafter the “Company”) has decided today to revise its dividend policy. Due to this revision, the Company has decided to submit a proposal regarding dividends of surplus (increase) with a record date of February 28, 2023 at the 59th Annual General Meeting of Shareholders to be held on May 25, 2023, as follows.

1. Revision to the Dividend Policy

(1) Reasons for the revision

The Company recognizes that the return of profits to shareholders is an important management issue, and has paid dividends on a continual basis while taking into consideration consolidated results, internal reserves for investments for future business expansion, etc.

The Company has reviewed the standard dividend payout ratio as it believes that further enhancement of the return of profits to shareholders is important. Furthermore, dividends have been paid on a once-per-year basis at the end of the fiscal year, but from the fiscal year ending February 29, 2024, the Company shall change its policy to pay dividends on a twice-per-year basis, which includes interim dividends.

(2) Details of the revision

Before revision

The Company’s basic policy is to pay dividends, targeting a consolidated dividend payout ratio of 25%, while taking into consideration consolidated results, internal reserves for investments for future business expansion, etc.

After revision

The Company’s basic policy is to pay stable and continual dividends, targeting a consolidated dividend payout ratio of 40%, while taking into consideration consolidated results, internal reserves for investments for future business expansion, etc.

2. Dividends of Surplus

(1) Revision of dividends

Due to the above mentioned changes to the dividend policy, the fiscal year-end dividend for the fiscal year ended February 28, 2023 shall be ¥65 per share, an increase of ¥15 in comparison to the previous fiscal year. Furthermore, the dividend amount for the fiscal year ending February 29, 2024, which is currently in progress, is planned to be ¥70 per share for the fiscal year (interim dividend of ¥35, fiscal year-end dividend of ¥35).

(2) Details of the dividends

	Amount determined	Latest dividend forecast (announced April 14, 2022)	Results for the fiscal year ended February 28, 2022
Record date	February 28, 2023	February 28, 2023	February 28, 2022
Dividends per share	¥65.00	¥50.00	¥50.00
Total dividend amount	¥1,144 million	–	¥880 million
Effective date	May 26, 2023	–	May 27, 2022
Source of dividends	Retained earnings	–	Retained earnings

(Reference) Breakdown of dividends per share

	Dividends per share (Yen)		
	2nd quarter-end	Fiscal year-end	Total
Results for the fiscal year ended February 28, 2023	0.00	65.00	65.00
Results for the fiscal year ended February 28, 2022	0.00	50.00	50.00

Note: This English translation is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.