



November 11, 2024

Company name: ZUKEN Inc.
Representative: Jinya Katsube,
President and Representative Director
Stock code: 6947
Listing: Tokyo Stock Exchange, Prime Market
Contact: Susumu Yoshida,
General Manager of Finance Department
Tel: +81-45-942-1511

Notice of Change in Dividend Policy (Introduction of DOE), Revisions to Dividend from Surplus (Interim Dividend) and Year-end Dividend Forecast (Dividend Increase)

The Board of Directors of Zuken Inc. approved a resolution today to change the dividend policy and to pay a dividend from surplus (interim dividend) as follows to shareholders of record on September 30, 2024. In addition, Zuken has revised the year-end dividend forecast for the fiscal year ending March 31, 2025.

1. Change in dividend policy

(1) Summary and reasons

Distributing profits to shareholders is one of the highest management priorities of Zuken. The basic policy is to pay a stable dividend. In accordance with the medium-term business plan that began in the fiscal year that ended in March 2023, Zuken has used a progressive dividend policy with the goal of stable distribution of earnings. Beginning with the current fiscal year, which ends in March 2025, Zuken has adopted dividend on equity ratio (DOE) as an indicator for dividend payments. The use of this indicator further increases the clarity of the current policy of consistently paying a high-level of dividend while maintaining the Zuken Group's sound financial position. The guideline is to pay fiscal year dividends that are at least 5% of consolidated shareholders' equity at the beginning of each fiscal year.

(2) Start of the revised policy

The revised policy applies to dividends beginning with the dividend for the first half of the fiscal year ending in March 2025.

2. Revisions to dividend from surplus (interim dividend) and the year-end dividend forecast

For the fiscal year ending in March 2025, Zuken initially planned to pay interim and year-end dividends of 30 yen per share each. Due to this dividend policy change, Zuken has increased both dividends to 20 yen above the previous forecast to 50 yen each. Consequently, Zuken now plans to pay a fiscal year dividend of 100 yen, which is 40 yen higher than the previous forecast of 60 yen.

(1) Dividend from surplus (interim dividend)

| | Final proposal | Previous dividend forecast (Announced on May 13, 2024) | Interim dividend for the previous fiscal year (Fiscal year ended March 31, 2024) |
|---------------------|--------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------|
| Record date | September 30, 2024 | September 30, 2024 | September 30, 2023 |
| Dividends per share | 50 yen | 30 yen | 25 yen |
| Total dividends | 1,112 million yen | - | 558 million yen |
| Effective date | December 6, 2024 | - | December 4, 2023 |
| Source of dividends | Retained earnings | - | Retained earnings |

(English Translation)

This English translation is for reference purposes only.
In the event of any discrepancy, the Japanese version prevails.

(2) Revision to the year-end dividend forecast

| | Dividend per share | | |
|------------------------------------------------------------------------|--------------------|----------|---------|
| | 2Q-end | Year-end | Total |
| Previous forecast (Announced on May 13, 2024) | | 30 yen | 60 yen |
| Revised forecast | | 50 yen | 100 yen |
| Current fiscal year (Fiscal year ending March 31, 2025) | 50 yen | | |
| (Reference) Previous fiscal year (Fiscal year ended March 31, 2024) | 25 yen | 30 yen | 55 yen |

Note: These forecasts are based on information available at the time this release was prepared. Actual dividends may differ from these forecasts for a number of reasons.