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Company name: Denyo Co., Ltd. May 17, 2018  
 Stock exchange listing: Tokyo  
 Stock code: 6517  
 Representative: President Shoichi Shiratori  
 Inquiries: Senior Executive Officer Toshiya Tozawa TEL +81-3-6861-1111

## Notice Concerning Dividends of Surplus

At the Board of Director's Meeting held on May 17, 2018, Denyo Co., Ltd. (the "Company") resolved to distribute dividends of surplus. The record date for the dividends is March 31, 2018. Details are as follows.

### Description

#### 1. Dividends details

|                    | Amount determined  | Latest dividend forecast<br>(announced Mar. 8,2018)            | Previous term results<br>(Year ended Mar.31,2017) |
|--------------------|--|--|---|
| Record date        | March 31,2018  | Same as on the left  | March 31,2017                                     |
| Dividend per share | 25.00 yen<br>(Ordinary 15.00 yen)<br>(Commemorative 10.00 yen) | 25.00 yen<br>(Ordinary 15.00 yen)<br>(Commemorative 10.00 yen) | 15.00 yen   |
| Total dividend     | 552 million yen  | —  | 331 million yen                                   |
| Effective date     | June 7,2018  | —  | June 9,2017                                       |
| Dividend resource  | Retained earnings  | —  | Retained earnings                                 |

#### 2. Reasons

The basic profit distribution policy of the Company is that the Company recognizes the importance of making further efforts to return profits to shareholders, while aiming to strengthen the company's financial structure and profitability, and we will implement the dividend payouts of distribution of results comprehensively calculated by achievement and payout ratio.

And the Company will mark the 70th anniversary of its establishment on July 2, 2018. The Company would like to extend its sincere gratitude to its shareholders and other related parties for their supporting and guidance. In order to express its heartfelt thanks to shareholders for the constant supporting, the Company decided to pay 25 yen per share for the Year-end dividend of the Year ended March 31, 2018, which include a 70th anniversary commemorative dividend of 10 yen per share and the ordinary dividend of 15 yen. Accordingly, the annual dividend will be 40 yen per share.

#### (Reference)Breakdown of annual dividends

| Record date   | Dividend per share |           |           |
|---|--------------------|-----------|-----------|
|   | 2nd quarter-end    | Year-end  | Total     |
| Results for current year (Year ended Mar.31, 2018)  | 15.00 yen          | 25.00 yen | 40.00 yen |
| Results for previous year (Year ended Mar.31, 2017) | 15.00 yen          | 15.00 yen | 30.00 yen |

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