

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Company name:	Denyo Co., Ltd.		November 9, 2023
Stock exchange listing:	Tokyo	(Stock code: 6517)	
Representative:	President	Takanori Yoshinaga	
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Notice of Change in Dividend Policy and Revision of Dividend Forecast (Dividend Increase)

At a meeting of the Board of Directors held on November 9, 2023, we resolved to make the following changes to the dividend policy and to introduce a progressive dividend*. The progressive dividend will be applied from the fiscal year ending March 31, 2024, and as the consolidated profit forecast for the fiscal year ending March 31, 2024 is expected to exceed the previously announced forecast, the dividend forecast has been revised as follows in accordance with this dividend policy.

*Dividend policy of maintaining or increasing dividends without reducing dividends in principle

Description

1. Regarding changes in dividend policy

(1) Change details (changed parts are underlined)

(Change before)

Denyo recognizes the importance of making further efforts to return profits to shareholders, while aiming to strengthen future competitiveness and profitability, and we will implement an interim and term-end dividend payouts of distribution of results comprehensively calculated by achievement and payout ratio.

(After change)

Denyo recognizes the importance of making further efforts to return profits to shareholders, while aiming to strengthen future competitiveness and profitability, and we will implement an interim and term-end dividend payouts of distribution of results comprehensively calculated by achievement and payout ratio on the premise that progressive dividends will be maintained.

(2) Reasons

From the fiscal year ending March 31, 2011, through the fiscal year ending March 31, 2023, we have not reduced the dividend in 13 years and have increased the dividend 10 times in those 13 years. To demonstrate our commitment to continuing this track record, we have decided to introduce a progressive dividend.

2. Revision of the Dividend Forecast

(1) Details

Reference date	Annual dividends per share		
	2nd quarter-end	Fiscal year-end	Total
Previous forecasts (May 11, 2023)	Yen 24.00	Yen 27.00	Yen 51.00
New forecasts	—	29.00	53.00
Actual results for the current fiscal year	24.00	—	—
Actual results for the previous fiscal year (ended March 31, 2023)	23.00	27.00	50.00

(2)Reasons

Denyo recognizes the importance of increasing the return of profits to our shareholders while striving to improve our earning power and strengthen our financial position. Comprehensive consideration of business performance, dividend payout ratio, etc. with the assumption that progressive dividends will continue. This is our basic policy. Based on this basic policy, and in light of the above revisions to the earnings forecast, the Company has increased the year end dividend forecast by 2 yen from 27 yen per share to 29 yen per share, and revised the annual dividend forecast from 51 yen per share to 53 yen per share.

Notice: The above forecast is based on the information we have got until the announcement date of this material. Please kindly be aware of that actual results may differ materially from projected values due to various factors.

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