

May 14, 2024

## **Notice Concerning Distribution of Dividends from Surplus (Dividend Increase)**

NIPPON CORPORATION (the “Company”) announces that at a meeting of the Board of Directors held on May 14, 2024, it passed a resolution regarding the distribution of dividends from surplus (dividend increase) with a record date of March 31, 2024. Details are as follows. As a result, the annual dividend will increase for the sixth consecutive year since the fiscal year ended March 31, 2019. The Company will submit this matter to the 200th Ordinary General Meeting of Shareholders to be held on June 27, 2024.

### **1. Outline of dividends**

	Amount determined	Most recent dividend forecast (Announced on November 7, 2023)	Dividends in the previous fiscal year (ended March 31, 2023)
Record date	March 31, 2024	Same as left	March 31, 2023
Dividend per share	38.00 yen	28.00 yen	21.00 yen
Total dividends	2,977 million yen	—	1,640 million yen
Effective date	June 28, 2024	—	June 30, 2023
Source of dividends	Retained earnings	—	Retained earnings

### **2. Reason**

The Company considers the return of profits to shareholders to be one of its most important management issues, and determines the amount of dividends by taking into consideration business performance, the future business environment, and other factors with a target consolidated payout ratio of 30% or more, which is calculated by excluding special and extraordinary gains and losses as a result of selling assets, etc., while securing retained earnings, giving consideration to strengthening the corporate structure, future business development, and the business environment.

The Company has decided to pay a year-end dividend of 38 yen per share, up 10 yen from the forecast announced on November 7, 2023, in order to return more profits to shareholders, given that results for the fiscal year under review were better than expected. As a result, the annual dividend will be 66 yen per share, including the interim dividend already paid.

(Reference) Breakdown of dividends

	Dividend per share		
	End of 2nd quarter	End of fiscal year	Total
Dividends in the year ended March 31, 2024	28.00 yen	38.00 yen	66.00 yen
Dividends in the year ended March 31, 2023	19.00 yen	21.00 yen	40.00 yen

(Reference)

## 1. Changes in consolidated results

(Million yen)

	Year ended March 2018	Year ended March 2019	Year ended March 2020	Year ended March 2021	Year ended March 2022	Year ending March 2023	Year ending March 2024
Net sales	323,495	335,399	344,839	288,324	321,317	365,525	400,514
Operating income	10,060	11,222	11,101	10,370	11,282	12,288	20,340
Ordinary income	11,862	13,065	12,740	12,659	14,270	14,816	23,280
Profit attributable to owners of parent	7,651	8,455	8,941	8,636	9,327	10,260	26,367
Payout ratio (consolidated)	31.5%	29.4%	29.1%	32.0%	31.3%	30.3%	30.3%

(Note1) The figures for the fiscal year ended March 31, 2021 reflect those to which retrospective accounting has been applied due to accounting policy changes.

(Note2) The consolidated payout ratio for the fiscal year ended March 31, 2024 is calculated by excluding gains on sale of cross-shareholdings, which are special and extraordinary gains (losses).

## 2. Changes in dividend per share

