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April 26, 2024

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Notice Concerning Dividends from Surplus (Dividend Increase)

Tokuyama Corporation (hereinafter referred to as “Tokuyama,” “the Company,” or “we”) hereby announces that the Company’s Board of Directors resolved to pay a dividend from surplus to shareholders of record as of March 31, 2024 at a meeting of its Board of Directors held on April 26, 2024.

Meanwhile, plans are in place to submit this matter to the Company’s 160th Ordinary General meeting of Shareholders scheduled to be held on June 25, 2024.

1. Dividend Details

	Determined amount	Most recent dividend forecast (announced on October 27, 2023)	Previous period dividend (for the fiscal year ended March 31, 2023)
Record date	March 31, 2024	March 31, 2024	March 31, 2023
Dividend per share	45.00 yen	35.00 yen	35.00 yen
Total amount of dividend	3,242 million of yen	-	2,522 million of yen
Effective date	June 26, 2024	-	June 26, 2023
Source of dividend payment	Retained earnings	-	Retained earnings

2. Rationale for the Payment of Dividends from Surplus

Tokuyama’s basic policy for profit distribution is to ensure the continuous and stable payment of dividends to its shareholders while taking into consideration the Company’s business performance, dividend payout ratio, medium- to long-term business plans, and other factors. Moreover, Tokuyama also added certain targets to this policy as outlined in the Company’s “Efforts to Realize Management Conscious of the Cost of Capital and

Stock Price” released today. In specific terms, we will aim for a dividend payout ratio of at least 30% with a target of 3% for the dividend on equity ratio (DOE) from the fiscal year ending March 31, 2025. Prior to the application of the new policy, we have decided to raise the period-end dividend for the fiscal year ending March 31, 2024 by ¥10 compared with the initial forecast of ¥35 to ¥45 per share, in order to further increase shareholder value.

(Reference) Breakdown of the annual dividend

Record date	Dividend per share (yen)		
	2Q-end	Fiscal year-end	Total
Current period dividend (for the fiscal year ended March 31, 2024)	35.00 yen	45.00 yen	80.00 yen
Previous period dividend (for the fiscal year ended March 31, 2023)	35.00 yen	35.00 yen	70.00 yen