

March 11, 2021

Company name: UT Group Co., Ltd.
Representative: Yoichi Wakayama, President,
Representative Director & CEO
(Securities code: 2146, TSE First Section)
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Notice Regarding Decision on How to Return to Shareholders and Dividend Forecast for the Fiscal Year Ending March 2021

UT Group resolved at its Board of Directors meeting on March 11, 2021 to pay dividends to shareholders as shareholder return for the fiscal year ending March 31, 2021 (the "current term"). The shareholder return had so far been undecided.

1. Details of the return to shareholders for the current term

We recognize returning profits to shareholders as an important management issue. With a total return ratio of 30% as our baseline target, we have a policy to make overall judgment of share price level, business environment, and other factors and to deliver optimal shareholder returns through dividend payment or share buyback that helps to improve capital efficiency.

Regarding the current term, in accordance with the above shareholder return policy, we will pay the ordinary dividend of 30% of profit attributable to owners of the parent for the current term. In addition, we will pay the special dividend, which will be equivalent to 30% of profit attributable to owners of the parent for the fiscal year ended March 2020 (the "previous term"). In the previous term, we forwent return to shareholders.

2. Background of the decision

In the previous term when the COVID-19 pandemic occurred, we decided not to make return to shareholders in order to secure cash in hand and be prepared to ensure stable management and employment for any contingency. In the current term, while the spread of COVID-19 has had an impact on the business, particularly in the first half, we have focused on building a solid business base, including the activities to make proposals to customers and the establishment of the hiring base. As a result, the order-taking environment of the Group has improved since autumn, and we have accelerated hiring activities accordingly. This has enabled us to foresee steady progress in business performance for the ongoing fourth medium-term management plan period.

In order to express our gratitude to the shareholders for their continued support even during the period when there were concerns over our business outlook, stemming from the prolonged COVID-19 pandemic, we decided to make extra return to shareholders, by adding the return equivalent to the unpaid return for the previous term.

3. Dividend forecast

	Annual dividend per share (yen)				
	1Q-end	2Q-end	3Q-end	FY-end	Total
Previous forecasts				TBD	TBD
Revised forecasts				62.00 (Ordinary div. 28.00) (Special div. 34.00)	62.00 (Ordinary div. 28.00) (Special Div. 34.00)
Current fiscal year (FY3/2021)	0.00	0.00	0.00		
Previous fiscal year (FY3/2020)	0.00	0.00	0.00	0.00	0.00

The above figures are based on the current forecast of profit attributable to owners of the parent for the current term. If the consolidated financial forecasts for the current term is expected to change, the dividend forecasts will be revised in accordance with the shareholder return policy for the current term.

(Reference) Performance and forecast of the return to shareholders policy

	FY3/2018	FY3/2019	FY3/2020	FY3/2021 (forecasts)
Profit attributable to owners of the parent	3,534 million yen	4,968 million yen	4,509 million yen	3,700 million yen
Total dividend amount	—	2,499 million yen	—	2,502 million yen
Amount of shares bought back	1,060 million yen	—	—	—
Total return ratio	30.0%	50.3%	0.00%	67.6%

End