

May 10th, 2021

Tokyo Seimitsu Announces Year-end Dividend for FY2021/3

Company name: TOKYO SEIMITSU CO., LTD.
(Stock code: 7729, Tokyo Stock Exchange 1st Section)
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The Board of Directors of TOKYO SEIMITSU CO., LTD. (the Company) endorsed today the Company's year-end dividend for FY2021/3 ended March 31st, 2021. The final year-end dividend will be maintained at the level previously announced and will be proposed for ratification at the 98th Annual General Meeting of Shareholders to be held on June 21st, 2021.

1. Final Dividend for FY2021/3 ended March 31st, 2021

	Final Dividend for FY2021/3	Previous Forecast (Announced on Feb. 2 nd , 2021)	Final Dividend for FY2020/3 (Ended March 31 st , 2020)
Rights allotment date	March 31 st , 2021	Same as at left	March 31 st , 2020
Dividend per share	62 Yen	42 Yen	38 Yen
Total dividend	2,544 Million Yen	-	1,583 Million Yen
Effective date of distribution	June 22 nd , 2021	-	June 23 rd , 2020
Source of dividend	Retained Earnings	-	Retained Earnings

2. Background to endorsing the dividend

The Company policy for Profit Distribution to shareholders is to target a consolidated dividend payout ratio of 35% (see below). For FY2021/3, the Company plans to issue an additional ¥20 per share on top of the forecasted ¥42 per share year-end dividend previously announced on February 2nd, 2021.

Consequently, including the previously paid interim dividend (¥42 per share), dividend payments in the FY2020/3 will increase by ¥28 to total ¥104 per share.

(Reference) Dividends per Fiscal Year

Rights allotment date	Per Share Dividend		
	Q2 End	FY End	Total
Dividend per share FY2021/3	42 Yen	62 Yen	104 Yen
Paid Dividend during FY2020/3 (Ended March 31 st , 2020)	38 Yen	38 Yen	76 Yen

< Policy for Profit Distribution to Shareholders >

The Company considers maintaining a core policy regarding the distribution of profits linked to the business performance of the Company and aims to pay stable dividends targeting a consolidated dividend payout ratio of 35%. Also, considering the aim to provide stable and continuous dividend payments, the Company deems to maintain an annual dividend of ¥20 per share regardless of consolidated profits of the Company. However, it is at the discretion of the Board to review this basic policy if the Company experiences losses in two consecutive years.

Retained earnings will be used effectively for the research and development and capital investment that are necessary for growing existing businesses and improving our competitiveness, strength and optimization of production and sales activities, expansion of overseas sales, sophistication of information security systems, new business development, and M&A investment. Also, since our product lines are greatly impacted by economic fluctuations, the Company considers it important to strengthen our financial position and prepare for possible economic downturns.

The Company's acquisition of its own outstanding stock is one of the returns that supplement its dividends from retained earnings. The Company will analyze its cash flows and retained earnings before undertaking stock acquisition.

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