



May 18, 2020

SMS Co., Ltd.

(Company Code: 2175, TSE 1st Section)

<https://www.bm-sms.co.jp/en/>

<PRESS RELEASE>

Notice regarding Distribution of Dividends from Surplus

SMS Co., Ltd. (the "Company") hereby announces that, on May 18, 2020, its Board of Directors has resolved to submit a proposal for the distribution of dividends from surplus with a record date set at March 31, 2020 to the 17th Annual General Meeting of Shareholders scheduled to be held on June 19, 2020.

1. Details of Dividends

	Amount resolved	Latest dividend forecast (March 18, 2020)	Dividends paid for the previous fiscal year (year ended March 31, 2019)
Record date	March 31, 2020	March 31, 2020	March 31, 2019
Dividend per share	8.5 yen	8.5 yen	7.5 yen
Total amount of dividends	739 million yen	—	652 million yen
Effective date	June 22, 2020	—	June 20, 2019
Source of dividends	Retained earnings	—	Retained earnings

2. Reason

The Company's basic policy is to place the priority on growth investments, while taking the financial conditions into account when determining dividend payouts to its shareholders.

Based on this policy, the Company has decided to return profits to shareholders in the form of dividends for the fiscal year ended March 31, 2020.

Consequently, the Company plans to pay a year-end dividend of 8.5 yen per share for the fiscal year ended March 31, 2020.