



April 30, 2025

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(Securities code: 1950; TSE Prime Market)
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Notice Concerning Revision to Dividend Policy (Introduction of Dividend Payout Ratio), Dividends of Surplus (Increase in Dividends), and Dividend Forecast

NIPPON DENSETSU KOGYO CO., LTD. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on April 30, 2025, to revise its dividend policy (the introduction of a dividend payout ratio) and to distribute dividends of surplus with a record date of March 31, 2025, as described below.

The distribution of dividends of surplus is scheduled to be submitted for approval at the 83rd Annual General Meeting of Shareholders to be held on June 20, 2025.

1. Revision to dividend policy

(1) Reason for revision

The Company is working toward realizing the Vision for FY2031 (the 90th term) under the NDK Vision90 in the NIPPON DENSETSU Three-year Management Plan 2024 formulated as the Medium-term Management Plan.

The Company recognizes that aiming for sustainable growth in corporate value and returning profit to its shareholders are among its key priorities. Its policy on profit distribution is to determine the amount of dividends with the basic stance of continuously paying out stable dividends in line with the results of its growth to its shareholders while comprehensively considering investment for future growth and the strengthening of its management foundation.

In light of this policy, the Company has decided to introduce a dividend payout ratio as a new metric, aiming for 40%, starting from the fiscal year ended March 31, 2025, in order to further clarify its commitment to returning profit to its shareholders. The total amount of dividends during the period of the NIPPON DENSETSU Three-year Management Plan 2024 (FY2024–FY2026) was initially expected to be 10 billion yen, but this has now been revised to 16 billion yen or more.

(2) Details of revision (The added part is underlined.)

(Before revision)

The Company’s policy on profit distribution is to determine the amount of dividends with the basic stance of

continuously paying out stable dividends in line with the results of its growth to its shareholders while comprehensively considering investment for future growth and the strengthening of its management foundation.

(After revision)

The Company's policy on profit distribution is to determine the amount of dividends with the basic stance of continuously paying out stable dividends in line with the results of its growth to its shareholders while comprehensively considering investment for future growth and the strengthening of its management foundation. In light of this policy, the Company aims for a dividend payout ratio of 40%.

(3) Timing of revision

The revision applies effective from the fiscal year ended March 31, 2025.

2. Distribution of dividends of surplus (increase in dividends)

(1) Details of dividends

	Determined amount	Most recent dividend forecast (Announced on February 12, 2025)	Actual results for the previous fiscal year (Fiscal year ended March 31, 2024)
Record date	March 31, 2025	March 31, 2025	March 31, 2024
Dividend per share	¥90.00 (Regular dividend: ¥90.00)	¥64.00 (Regular dividend: ¥64.00)	¥47.00 (Regular dividend: ¥42.00) (Special dividend: ¥5.00)
Total amount of dividends	¥5,419 million	—	¥2,773 million
Effective date	June 23, 2025	—	June 24, 2024
Source of dividends	Retained earnings	—	Retained earnings

(2) Reason

In light of the aforementioned revision to the dividend policy, a year-end dividend for the fiscal year ended March 31, 2025 will be 90 yen per share, with an increase of 26 yen per share from the most recent dividend forecast.

3. Dividend forecast

(1) Dividend forecast for the next fiscal year (fiscal year ending March 31, 2026)

In light of the dividend policy and financial results forecast, a dividend for the fiscal year ending March 31, 2026 will be 92 yen per share, an increase of 2 yen per share.

(Reference) Status of Dividends

	Forecast for the next fiscal year (Fiscal year ending March 31, 2026)	Actual results for the current fiscal year (Fiscal year ended March 31, 2025)	Actual results for the previous fiscal year (Fiscal year ended March 31, 2024)
Dividend per share	¥92.00 (Regular dividend: ¥92.00)	¥90.00 (Regular dividend: ¥90.00)	¥47.00 (Regular dividend: ¥42.00) (Special dividend: ¥5.00)

(2) Total amount of dividends under NIPPON DENSETSU Three-year Management Plan 2024

As for returning profit to its shareholders under the Three-year Management Plan 2024 (FY2024–FY2026), the Company initially expected the total amount of dividends to be 10 billion yen over the three-year period, with the basic stance of continuously paying out stable dividends in line with the results of its growth. However, in light of this revision to the dividend policy (the introduction of a dividend payout ratio), it has now been revised to 16 billion yen or more.