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Announcement of Revision of Dividend Policy and Revision of Dividend Forecast

HOYA CORPORATION ("The Company") today announced the revision of dividend policy and the forecast for the year-end dividend for the fiscal year ended March 31, 2025, as below. The formal decision will be made at the Board of Directors' meeting scheduled in late May 2025.

1. Background of the Revision of Dividend Policy
   Since the 1990s, the Company has been implementing management focusing on its capital efficiency, and we measure and manage whether returns exceed the cost of capital on a quarterly basis for each business division. In addition, based on our policy of returning excess cash to shareholders, we have been implementing shareholder returns through stable dividends and aggressive share buybacks.
   On the other hand, since more than half of our cash and deposits are held in foreign currencies, total amount of cash and deposits converted into yen has been increasing due to the continuing depreciation of yen, and the ratio of cash and deposits to total assets has exceeded 40%, a situation where there are challenges from the standpoint of capital efficiency.
   Under these circumstances, we have decided to strengthen shareholder returns in order to improve capital efficiency further by restraining capital expansion.

2. Details of the Revision of Dividend Policy
   We have changed our dividend policy, which previously had no quantitative targets, to a progressive dividend policy with a target payout ratio of 40%.

   (Before)
   The Company aims to maximize the HOYA Group's corporate value by developing businesses globally and changing the business portfolio to conform to the changing times and environments.
   With respect to capital policy, the Company's basic policy is to adopt decisions that strike the optimum balance between ensuring internal reserves for the future growth of the HOYA Group and returning profits to shareholders, while pursuing the optimum capital structure for the Company that includes financial soundness and capital efficiency in terms of realizing maximum profitability from the assets entrusted to the Company by the shareholders.
   Internal reserves for future growth will be preferentially appropriated to investment in the growing businesses for market share expansion, entry into untapped market, and nurturing and obtaining new technologies. In addition to the growth of existing businesses, the Company will also proactively pursue possibilities including mergers and acquisitions to further enrich our business portfolio.
   With respect to returning profit to shareholders, the Company's policy is to proactively return profit to shareholders through using excess cash for dividends and share buybacks while giving comprehensive consideration to the operating performance of the current term, level of internal reserves, and the medium to long term capital demands and capital structure, among other factors.

(After)
The Company aims to maximize corporate value by flexibly changing our business portfolio in response to changing the environment surrounding us.
We aim to enhance sustainable corporate value by allocating profits earned through business activities to growth investments. In addition, we will strive to achieve capital efficiency and financial soundness by maintaining a balance between internal reserves for growth strategies and optimal shareholder returns.
Regarding shareholder returns, we are returning profits to our shareholders through dividends and share buybacks using excess cash, while continuing to make investments that contribute to the long-term enhancement of corporate value. Regarding dividends, we will aim to pay stable and sustainable dividends based on a progressive dividend policy with a target payout ratio of 40%. We will continue to strive to balance growth investments to enhance corporate value with returns to our shareholders.

3. Contents of the Revision of the Dividend Forecast
Based on the above policy, we have calculated the year-end dividend forecast at a dividend payout ratio of 40%. Compared to the annual dividend of 110 yen per share for the previous fiscal year, this represents an increase of 50yen (+45%).

	Annual dividends (Yen)				
	Q1-end	Q2-end	Q3-end	Year-end	Total
Previous forecast (Announced on Feb 1, 2025)	-		-	-	-
Revised forecast	-		-	115.00	160.00
Year ended March 31, 2025 (Results)	-	45.00	-		
Year ended March 31 2024 (Results)	-	45.00	-	65.00	110.00

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