

May 10, 2023

**Notice of Dividend Payment from Retained Earnings  
for the Fiscal Year Ending March 31, 2024**

NICHIREKI CO., LTD. (hereinafter, the Company) announces that at the Board of Directors meeting held on May 10, 2023, the Company resolved on a forecast of dividend payment from retained earnings for the fiscal year ending March 31, 2024, as follows.

1. Forecast of dividend payment from retained earnings for the fiscal year ending March 31, 2024

	Annual dividend per share		
	End-Q2	Year-end	Total
	Yen	Yen	Yen
FY3/23	-	50.00 (Ordinary dividend: 45.00) (Commemorative dividend: 5.00)	50.00 (Ordinary dividend: 45.00) (Commemorative dividend: 5.00)
Forecast for FY3/24	35.00 (Ordinary dividend: 25.00) (Commemorative dividend: 10.00)	35.00 (Ordinary dividend: 35.00)	70.00 (Ordinary dividend: 60.00) (Commemorative dividend: 10.00)

(Note 1) The dividend for the fiscal year ended March 31, 2023 is scheduled to be proposed at the 79th Ordinary General Meeting of Shareholders to be held on June 29, 2023.

(Note 2) The dividends from retained earnings at the end of the second quarter of the fiscal year ending March 31, 2024 will be paid subject to approval of the resolution to amend the Articles of Incorporation at the 79th Ordinary General Meeting of Shareholders to be held on June 29, 2023.

2. Reason for increase in ordinary dividend

The Company's basic policy regarding the distribution of surplus is to provide a stable and continuous return of profits to shareholders in accordance with operating results, while securing the internal reserves necessary to accurately respond to changes in the business environment and achieve steady corporate growth. In the fiscal year ended March 31, 2023, the Company achieved satisfactory performance, with net sales of 78,397 million yen (up 0.5% year-on-year) and net income of 6,284 million yen (down 7.7% year-on-year), in the face of headwinds such as significant fluctuations in raw material prices.

For the fiscal year ending March 31, 2024, the Company announced a forecast that incorporates continued public investment in disaster prevention, disaster mitigation, and national resilience measures, as well as further expansion of needs related to infrastructure longevity, high performance, and reduction of environmental impact. Based on last fiscal year's results and this fiscal year's forecast, the Company has increased its ordinary dividend forecast by 15 yen to 60 yen per share to enhance shareholder returns, one of the pillars of its medium-term management plan "Shinayaka 2025".

### 3. Reason for continuation of commemorative dividend

At the Board of Directors meeting held on November 25, 2022, the Company resolved to pay a commemorative dividend of 5 yen per share as the year-end dividend for the fiscal year ended March 31, 2023, in order to express its gratitude to the shareholders for their daily support in celebrating our 80th anniversary on October 26, 2023. Subsequently, at the Board of Directors meeting held on March 24, 2023, the Company resolved to submit a proposal for the introduction of an interim dividend system and partial amendment to the Articles of Incorporation to the 79th Ordinary General Meeting of Shareholders to be held on June 29, 2023.

When the interim dividend system is introduced with the approval of the Ordinary General Meeting of Shareholders, the interim dividend payment for shareholders is expected to start around November-December. Therefore, even for the interim dividend with a record date of September 30, 2023, the Company has decided to continue paying a commemorative dividend for the 80th anniversary after increasing it to 10 yen per share.

(Reference)

Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months	34,000	1.0	2,500	14.8	2,600	6.5	1,700	-35.8	55.65
Full year	80,000	2.0	8,200	8.4	8,400	3.6	5,500	-12.5	180.04