

**TOKYO SEIMITSU CO., LTD.**

2968-2 Ishikawa machi, Hachioji City

Tokyo 192-8515 Japan

Tel: +81-(0)42-642-1701

May 15<sup>th</sup>, 2018

## **Tokyo Seimitsu Announces a Year-end Dividend for FY2018/3 and 70<sup>th</sup> Anniversary Commemorative Dividend for FY2019/3**

Company name: TOKYO SEIMITSU CO., LTD.

(Stock code: 7729, Tokyo Stock Exchange 1<sup>st</sup> Section)

Representative: Hitoshi Yoshida, President and CEO

Inquiries: Koichi Kawamura, Representative Director and CFO (Tel: +81-(0)42-642-1701)

The Board of Directors of TOKYO SEIMITSU CO., LTD. (the Company) at its meeting of May 15<sup>th</sup>, 2018 endorsed the Company's year-end dividend for FY2018/3 ended March 31<sup>st</sup>, 2018. The year-end dividend payments will be proposed for ratification at the 95<sup>th</sup> Annual General Meeting of Shareholders to be held on June 25<sup>th</sup>, 2018.

In addition, the Board of Directors of the Company at its meeting endorsed forecasts for an interim dividend for shares with the rights allotment set on September 30<sup>th</sup>, 2018 and a year-end dividend for shares with the rights allotment set on March 31<sup>st</sup>, 2019 including the Company's 70<sup>th</sup> Anniversary Commemorative Dividend.

### **1. Dividend for FY2018/3 ended March 31<sup>st</sup>, 2018**

	Dividend for FY2018/3 (Ended March 31 <sup>st</sup> , 2018)	Previous Forecast (Announced on Feb. 9 <sup>th</sup> , 2018)	Dividend for FY2017/3 (Ended March 31 <sup>st</sup> , 2017)
Rights allotment date	March 31 <sup>st</sup> , 2018	Same as at left	March 31 <sup>st</sup> , 2017
Dividend per share	51 Yen	41 Yen	38 Yen
Total dividend	2,118 Million Yen	-	1,575 Million Yen
Effective date of distribution	June 26 <sup>th</sup> , 2018	-	June 27 <sup>th</sup> , 2017
Source of dividend	Retained Earnings	-	Retained Earnings

### **2. Reason for revision**

For FY2018/3 ended March 31<sup>st</sup>, 2018, Tokyo Seimitsu plans to issue an additional ¥10 per share on top of the forecast ¥41 per share final dividend previously announced on February 9<sup>th</sup>, 2018 in line with the policy relating to dividend payment, targeting a consolidated dividend payout ratio of 30%. Therefore the Company's year-end dividend will be ¥51 per share.

Consequently, including the interim dividend already paid, dividend payments in the FY2018/3 will increase by ¥20 YoY to total ¥92 per share.

(Reference) Dividend in Fiscal Year

Rights allotment date	Per Share Dividend		
	Q2 End	FY End	Total
Dividend per share	41 Yen	51 Yen	92 Yen
Paid Dividend during FY2017/3 (Ended March 31st, 2017)	34 Yen	38 Yen	72 Yen

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### < 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 30%. 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.

### 3. Projection of dividend for FY2019/3 ending March 31<sup>st</sup>, 2019

For FY2019/3 ending March 31<sup>st</sup>, 2019, in addition to the ordinary interim and year-end dividends in line with the policy relating to dividend payment, targeting a consolidated dividend payout ratio of 30%, the Company plans to implement a commemorative dividend of 10 yen for an interim dividend and 10 yen for a year-end dividend, in commemoration of the Company's 70<sup>th</sup> anniversary.

Rights allotment date	Per Share Dividend		
	Q2 End (September 30 <sup>th</sup> , 2018)	FY End (March 31 <sup>st</sup> , 2019)	Total
Dividend forecast for FY2019/3 (Ending March 31 <sup>st</sup> , 2019)	57 Yen (ordinary 47 Yen) (commemorative 10 Yen)	57 Yen (ordinary 47 Yen) (commemorative 10 Yen)	114 Yen (ordinary 94 Yen) (commemorative 20 Yen)
(Reference) Dividend for FY2018/3 (Ended March 31 <sup>st</sup> , 2018)	41 Yen (ordinary 41 Yen)	51 Yen (ordinary 51 Yen)	92 Yen (ordinary 92 Yen)

### < Commemorative Dividend >

The Company will mark its 70<sup>th</sup> anniversary on March 28<sup>th</sup>, 2019. The Company would like to express its sincere gratitude to shareholders and other stakeholders for their long-term support.

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