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September 17, 2024

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Notice Regarding Change in Dividends Policy and Revision of Dividends Forecast (Increase)

FUSO CHEMICAL CO., LTD. (the “Company”) hereby announces that, at the Board of Directors’ meeting held on September 17, 2024, the Company has resolved to change its dividends policy to introduce progressive dividends* and to revise the dividends forecast for the fiscal year ending March 2025.

* Progressive dividends: As a rule, the Company will not decrease dividends, but instead maintain or increase them.

1. Change in Dividends Policy

(1) Details of the Change

(Before Change)

The Company appropriates surplus based on a basic policy of long-term stable return to shareholders taking into consideration strengthening the corporate structure and future business development.

(After Change)

The Company adopts progressive dividends policy for the appropriation of surplus to reward shareholders in long-term stable return and strives to enhance our corporate value.

(2) Reason for Change

Our company has maintained or increased dividends for 16 consecutive fiscal years from the fiscal year ending March 2009 to the forecast for the fiscal year ending March 2025. By clearly stating our intention to continue this record, we aim to avoid fluctuations due to temporary reasons and maintain stable dividends for our shareholders. Moving forward, we will promote management that is conscious of capital costs and stock prices, striving to enhance corporate value.

(3) Effective Date of Change

This change will be effective from the dividends for the fiscal year ending March 2025.

2. Revision of Dividends Forecast for the Fiscal Year Ending March 2025 (Increase)

(1) Revision of Dividends Forecast for the Fiscal Year Ending March 2025 (April 1, 2024 - March 31, 2025)

	Annual Dividends		
	End of 2nd Quarter	Year-End	Total
Previous Forecast (Announced May 10, 2024)	¥33.00	¥33.00	¥66.00
Revised Forecast	¥35.00	¥35.00	¥70.00
Current Period Results	—	—	—
Previous Period Results (FY 2024)	¥33.00	¥33.00	¥66.00

(2) Reason for Revision

As reported in the "First Quarter Financial Results for the Fiscal Year Ending March 2025" announced on August 7, 2024, we have revised our earnings forecast for this consolidated accounting year. The company revised consolidated net sales forecast upward from ¥65 billion to ¥68 billion, and operating profit upward from ¥11.15 billion to ¥13.5 billion. Considering this, as well as the need to maintain internal reserves for future group business expansion and to ensure stable profit returns for our shareholders, we have decided to revise the interim dividend forecast for the fiscal year ending March 2025, announced on May 10, 2025, from ¥33 per share to an increase of ¥2 to ¥35 per share. Similarly, we revised the year-end dividend forecast from the initial forecast of ¥33 per share to an increase of ¥2 to ¥35 per share. As a result, the annual dividends forecast for the fiscal year ending March 2025 will be ¥70 per share.