

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



August 8, 2024

To whom it may concern,

Company name: Takashima & Co., Ltd.  
Name of representative: Koichi Takashima, President and Representative Director  
(Securities code: 8007; Prime Market)  
Inquiries: Takahisa Tokumoto, General Manager of Strategic Planning & Management Department  
(Telephone: +81-3-5217-7248)

Notice Concerning Revision of Shareholder Return Policy under Medium-Term Management Plan Sustainability V (Value) and Revision of Dividend Forecast (Dividend Increase)

At the Board of Directors meeting held on August 8, 2024, Takashima & Co., Ltd. (hereafter “the Company”) revised its shareholder return policy under its medium-term management plan, Sustainability V (Value) (fiscal years ended March 31, 2024 – fiscal year ending March 31, 2026). In conjunction with this announcement, the Company has resolved to revise its dividend forecast for the fiscal year ending March 31, 2025.

Note

1. Change in shareholder return policy

(1) Reason of change

We have formulated our medium-term management plan, Sustainability V (Value), in accordance with the basic policy agreed upon in the plan to meet the continued-listing criteria for the New Market Segmentation (hereafter “the plan to meet”) submitted in response to the reorganization of the Tokyo Stock Exchange’s market segmentation. Our medium-term management plan, Sustainability V (Value), shows our investment and shareholder return policies, etc., with an emphasis on capital efficiency and growth, and we are committed to management with a strong awareness of the cost of capital and stock price. Under Sustainability V (Value), the management indicators are 110 billion yen in net sales, 2.6 billion yen in operating profit, 1.9 billion yen in profit attributable to owners of the parent, ROE of at least 8%, ROIC of at least 6%, total return ratio of at least 50%, and a strategic investment quota of 15 billion yen. The dividend policy is set at a dividend payout ratio of 40% or more, and the minimum dividend amount is set at 500 million yen, with a view to providing a stable return to shareholders.

In order to achieve each of the indicators, we conducted two mergers and acquisitions in December 2022 with the aim of improving our earning power, which is the source of value creation and leads to our targeted sustainable growth. Following that, the company aims to achieve sustainable growth by aggressively pursuing investments through mergers and acquisitions in June 2023 and again in January 2024. In addition, the Company has been promoting selection and concentration of its business portfolio, and has established TAKASHIMA INDUSTRIES CO., LTD. to improve the competitiveness of the Industrial Materials Division, and has sold fixed assets in line with a review of asset allocation, thereby improving profitability.

On the other hand, based on the recognition that further improvement of capital efficiency is necessary to achieve ROE of 8% or higher, we have decided to change the shareholder return policy of a dividend payout ratio of 40% or higher and a total return ratio of 50%, which were previously set under Sustainability V (Value). As a limited measure for the two years until the final year of Sustainability V (Value), the dividend payout ratio will be changed to at least 80% and the total return ratio to 100%. We will continue to improve capital efficiency and invest aggressively to achieve sustainable growth.

## (2) Details of change

(Measures to be taken until the end of Sustainability V (Value), fiscal year ending March 31, 2026. To be reviewed at the time of formulating the next medium-term management plan)

	Previous policy	New policy
Payout ratio	40% or more	80% or more
Total return ratio	50%	100%
Minimum dividend amount	500 million yen	same as on the left

There are no changes in other management indicators.

### (Status of Shareholder Returns after Submission of the plan to meet)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ending March 31, 2025 (forecast)
Dividend per share*1	¥32.5	¥42.5	¥60.0	¥80.0
Amount of treasury stock repurchased	¥101.57 Millions	¥102.08 Millions	¥902.08 Millions	(*2)
Payout ratio	45.1%	47.9%	22.0%	85.8%
Total return ratio	52.8%	54.3%	40.4%	100%

\*1 As of October 1, 2023, a 4-for-1 stock split was implemented for common shares, and the dividend per share for the fiscal year ended March 31, 2024 and prior is shown as the amount after the stock split.

\*2 The Company will implement share repurchases in the fiscal year ending March 31, 2025 in a flexible manner based on a policy of 100% total return ratio.

## (3) Time of change

This will be applied from the fiscal year 2024 (fiscal year ending March 31, 2025).

## 2. Change of dividend forecast

### (1) Dividend forecast

	Annual dividend		
	Interim	Year-end	Total
Previous forecast (Disclosed May 13, 2024.) (Fiscal year ending March 31, 2025)	¥20.00	¥25.00	¥45.00
Forecasts announced this time (Fiscal year ending March 31, 2025)	¥40.00	¥40.00	¥80.00
Results for the previous period (Fiscal year ended March 31, 2024)	¥20.00	¥40.00*	¥60.00

\*The year-end dividend for March 2024 includes a special dividend of 15.00 yen.

### (2) Reason of change

In accordance with our updated shareholder return policy described above, we have revised our annual dividend forecast upward by 35 yen per share to 80.00 yen per share from the previous forecast.

End.