



May 29, 2020

Company Name: ShinMaywa Industries, Ltd.

Representative: Tatsuyuki Isogawa, President and Chief Executive Officer

(Code number: 7224; Tokyo Stock Exchange, 1st Section)

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Notice Regarding Distribution of Dividends from Surplus and Reversal of General Reserve

ShinMaywa Industries, Ltd. (the “Company”) hereby announces that at the Board of Directors meeting held on May 29, 2020, it resolved to distribute dividends from surplus, with a record date of March 31, 2020, and reverse general reserve, as described below.

These matters are to be submitted as part of the agenda of the Company’s 96th Annual General Meeting of Shareholders to be held on June 29, 2020.

1. Dividends from Surplus

(1) Details of Dividends

	Dividend amount	Most recent dividend forecast (Announced May 14, 2020)	Results for the previous year (Fiscal year ended March 31, 2019)
Record date	March 31, 2020	March 31, 2020	March 31, 2019
Dividend per share	21 yen	21 yen	27 yen
Total amount of dividends	1,380 million yen	—	1,760 million yen
Effective date (Initial date of payment)	June 30, 2020	—	June 24, 2019
Source of dividends	Retained earnings	—	Retained earnings

(2) Reasons

The Company adopted a basic policy of providing shareholder returns with a consolidated payout ratio of 40% to 50% in the Medium-term Management Plan currently being implemented.

The Company considered the year-end dividend for the fiscal year ended March 2020 in line with this policy, while taking into account recent business conditions, future economic trends, and other matters, and decided to pay a dividend of 21 yen per share, which is the same as the amount presented in the most recent dividend forecast.

As a result, the annual dividend for the fiscal year including the interim dividend will be 87 yen per share (an ordinary dividend of 42 yen and a commemorative dividend of 45 yen for the 70th anniversary of the establishment of the Company and the 100th anniversary of the founding of the business).

(Reference) Details of annual dividends

Record date	Cash dividend per share		
	Interim	Year-end	Full-year
Current fiscal year (Fiscal year ended March 31, 2020)	66 yen (Ordinary dividend of 21 yen) (Commemorative dividend of 45 yen)	21 yen	87 yen (Ordinary dividend of 42 yen) (Commemorative dividend of 45 yen)
Results for the previous year (Fiscal year ended March 31, 2019)	18 yen	27 yen	45 yen

2. Reversal of General Reserve

(1) Details of Implementation

Item and amount of reserve to be decreased: general reserve 22,050 million yen

Item and amount of reserve to be increased: retained earnings brought forward 22,050 million yen

(2) Reason for Implementation

To enable a flexible capital policy adapted to future changes in the management environment.

(3) Effective Date

The reversal will become effective upon the resolution of the Company's 96th Annual General Meeting of Shareholders to be held on June 29, 2020.

(4) Future Impact

This matter will have no impact on the Company's business performance.

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