

November 1, 2021

Company Name: Dexerials Corporation
 Security Code: 4980
 Listing: First Section, Tokyo Stock Exchange
 Representative: Yoshihisa Shinya, Representative Director and President
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**Notice Regarding Distribution of Dividend from Surplus (Interim)
 and Revision of Year-End Dividend Forecast (Dividend Increase)**

Dexerials Corporation (the “Company”) hereby announces that at a meeting of the Board of Directors held today it resolved the distribution of dividend from surplus with a record date of September 30, 2021, and the Company also revised year-end dividend forecast, based on the new consolidated earnings forecast for the fiscal year ending March 2022, announced today.

1. Details of interim dividends

	Amount determined	Latest dividend forecast (announced on May 10, 2021)	Actual result for previous fiscal year ended March 31, 2021
Record date	September 30, 2021	September 30, 2021	September 30, 2020
Dividend per share	30.00 yen	29.00 yen	17.00 yen
Total amount of dividends	1,922 million yen	–	1,086 million yen
Effective date	December 1, 2021	–	December 1, 2020
Source of dividends	Retained earnings	–	Retained earnings

2. Outline of revised year-end dividend forecast

	Dividend per share		
	Second quarter-end	Fiscal year-end	Total
Previous forecast (announced on May 10, 2021)	29.00 yen	29.00 yen	58.00 yen
Revised forecast		30.00 yen	60.00 yen
Actual result	30.00 yen		
Actual result for previous fiscal year ended March 31, 2021	17.00 yen	27.00 yen	44.00 yen

2. Reasons for the dividend amount

With the recognition that increasing corporate value through investment for growth is in the common interests of shareholders, we have established a basic policy that we should first give priority to business investments leading to sustainable corporate value improvement and then make shareholder returns in line with profit growth with a target total payout ratio to consolidated profit attributable to owners of parent before amortization of goodwill of approximately 40%. We determine the actual amount of dividends by comprehensively considering factors such as the amount of investments required for growth, the estimated free cash flow, the total payout ratio including share buyback and the importance of stable dividend distribution, while securing a sound financial base.

Based on the above policy and the revision of the full-year earnings forecast, the Company has decided to increase the interim dividend and the year-end dividend forecast by 1 yen respectively, from 29 yen to 30 yen per share. As a result, the annual dividend is expected to be 60 yen per share (the total payout ratio before amortization of goodwill will be 46.3%, including the amount of treasury stock to be acquired).

Please refer to "Notice of Revised Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2022," for revision of full-year earnings forecast and "Notice Regarding Details of Share Buyback" for acquisition of treasury stock announced today respectively.

(Disclaimer with respect to earnings and other forecasts)

The forward-looking statements including earnings forecast contained in this document are based on information currently available to us and certain assumptions that we believe are reasonable. Accordingly, we can give no assurance that such statements will prove to be correct. Actual results may differ from the results anticipated in these forward-looking statements due to a variety of factors.