



April 14, 2022

For immediate release

MEDIA DO Co., Ltd.
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Notice regarding changes to shareholder return policy and determination of matters related to share buybacks

(Share buybacks as stipulated in the articles of incorporation pursuant to the provisions of Article 459, paragraph 1 of the Companies Act)

MEDIA DO Co., Ltd. (“MEDIA DO” or “the Company”) announces that the Board of Directors of the Company passed a resolution at a meeting held on April 14, 2022, determining matters related to the share buybacks as stipulated in the articles of incorporation pursuant to the provisions of Article 459, paragraph 1 of the Companies Act, and also deciding changes in the shareholder return policy for FY2022, ending February 28, 2023.

1. Reason for share buybacks

MEDIA DO seeks implement share buybacks to enable a flexible capital policy in response to changes in the management environment, and as part of its shareholder return policy. It is intended that all treasury shares acquired will be canceled.

2. Details of matters related to the share buybacks

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| (1) Class of shares to be acquired: | Common shares of the Company |
| (2) Total number of shares that may be acquired | Up to 600,000:
(Equivalent to 3.78% of total number of shares issued, excluding treasury shares) |
| (3) Total acquisition amount of shares: | Up to ¥1,000 million |
| (4) Period of share buybacks: | From April 15, 2022 to September 30, 2022 |
| (5) Method of share buybacks: | Market transactions, including off-auction own share repurchase transactions at Tokyo Stock Exchange (ToSTNeT-3) |

(Note) Depending on market trends, some or all of the acquisitions may not be completed.

(Reference) Treasury shares held as of February 28, 2022

(1) Total number of shares issued:	15,872,451
(2) Treasury shares:	2,817
(3) Total number of shares issued (excluding treasury shares):	15,869,634

3. Reason for changes in shareholder return policy

Having long recognized that returning profits to shareholders is an important management issue, we believe that capital investment and strengthening of management foundation necessary for sustainable growth in the future are also important management goals. Therefore, the Group's policy has been to pay dividends of profits by comprehensively judging the management condition, including financial position, performance trends, and other factors, while securing retained earnings.

During the recent formulation of the 5-year Medium-Term Management Plan, the first year of which is FY2022, we took into account the expectations of shareholders and investors, the management environment in which the Company operates and the state of its capital policy, the need to ensure flexible use of capital, and other factors. As a result, we made the decision to raise the total return ratio.

4. Details of changes in shareholder return policy

Before change	After change
<p>We will make decisions on the allocation between dividends and share buybacks depending on the stock price level, focusing on a total return ratio* of <u>20% or more</u> from dividends and share buybacks.</p> <p>* Total return ratio = (Total amount of dividends paid + Total amount of treasury shares acquired) / Profit attributable to owners of parent</p>	<p>We will make decisions on the allocation between dividends and acquisition of treasury shares depending on the stock price level, focusing on a total return ratio* of <u>30% or more</u> from dividends and acquisition of treasury shares.</p> <p>* Total return ratio = (Total amount of dividends paid + Total amount of treasury shares acquired) / Profit attributable to owners of parent</p>

Moreover, as a result of the above-mentioned share buybacks following today's Board of Directors resolution, based on this policy, the total return ratio for the Company in FY2022 is estimated to be 117.6%, greatly exceeding the target. For this reason, the Company will not propose the payment of dividends of surplus for FY2022.