



MEMBERSHIP

May 6, 2022

Company name	Shin Nippon Biomedical Laboratories, Ltd.
Representative	Ryoichi Nagata, MD, PhD, Representative Chairman, President & CEO
Listing	TSE PRIME section: ticker code 2395
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## **Notice Regarding the Revisions to Dividend Policy**

Shin Nippon Biomedical Laboratories, Ltd. (hereinafter, “the Company”) hereby announces that it was resolved at its Board of Directors’ meeting held on May 6, 2022 that the dividend policy be revised for the fiscal year ending March 2023 and thereafter, as detailed below.

### **1. Revisions to the Dividend Policy**

#### (1) Details of the revisions

(Before)

“The Company’s basic policy of profit distributions to shareholders, which is positioned as one of top management priorities, is to ensure stable dividend payouts on ongoing basis, while securing internal reserves necessary for future business expansions.”

(After)

“The Company’s basic policy of profit distributions to shareholders, which is positioned as one of top management priorities, is to achieve the target of 30-40% in payout ratio on a consolidated basis, comprehensively considering Company’s earning capacity and cash flow position.”

#### (2) Reasons for the revisions to the dividend policy

As one of the top CROs in Japan with significant competitive advantage in nonclinical studies, the Company has operations around the world and have constantly strived to increase its corporate value. We have distributed dividends based on the recognition that improving shareholder returns is one of top management priorities, starting from the fiscal year ended March 2019. And now specifically, in order to clearly demonstrate our commitment and to further enhance shareholder returns, we have resolved to exert our efforts toward the target of 30-40% in payout ratio on a consolidated basis from the fiscal year ending March 2023 onwards.

### **2. Dividend of surplus**

The Company plans to pay a year-end dividend of ¥40 per share (of which ¥10.00 as a special dividend) for the fiscal year ended March 31, 2022, which will be decided by resolution of the Board of Directors based on the provisions of the Articles of Incorporation. As for the annual dividend forecast for the fiscal year ending March 31, 2023, following a comprehensive review of its financial position and profit distribution to shareholders, the Company plans to pay an annual dividend of ¥40 per share (of which ¥20 as an interim dividend), as announced today on the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under Japanese GAAP)”.