



February 20, 2023

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Partial Acquisition and Retirement of Class A Shares, and Dividends of Surplus

MITSUBA Corporation announces that the Board of Directors of the Company resolved on February 20, 2023 to acquire part of the Class A shares issued by the Company, pursuant to provisions under Article 107-2-3 of the Companies Act, and the Article 11-7 of the Company's Articles of Association, and to retire the same, pursuant to provisions under Article 178 of the Companies Act, on the condition that the Company acquires the relevant shares, And to dividend of surplus.

1. Reason for Acquisition and Retirement of the Class A Shares

The Class A shares have a acquisition request rights of common shares as consideration, which may result in dilution of the Company's shares price. After reviewing our business performance and capital/financial situation, we resolved to acquire and retire 5,000 of the 15,000 Class A shares issued on March 31, 2023.

This transaction will partially eliminate the burden of preferential dividends and monetary redemption. We will continue to improve the value of our common shares by improving our business performance and strengthening our financial position.

2. Details of acquisition of Class A shares

- (1) Type of shares to be acquired : Class A Shares
- (2) Number of aggregate shares to be acquired : 5,000
- (3) Details of shares exchange : Cash
- (4) Acquired value of shares: : JPY 1,240,000 per share

Note: The acquired value of shares above is calculated by adding the amount equivalent to accrued dividends per diem (the amount equivalent to dividends from class shares calculate d pursuant to the Article 11-2-2 of the Company's Article of Incorporation, assuming that dividends from class shares are paid during a business year to which the date of acquisition belongs , with the date of acquisition being regarded as the record date) to 118% of JPY1,000,000 per share , the paid in amount at the time of issuance. In addition, capital surplus is the source of dividends for the amount equivalent to dividends from class shares.

- (5) Total share acquisition cost : JPY 6,200,000,000
- (6) Date of acquisition : March 31, 2023

(7) Counterparty : Japan Industrial Solutions Fund II

3. Details of the retirement

(1) Type of shares to be retired: Class A Shares

(2) Number of aggregate shares to be retired : 5,000

(3) Effective date: March 31, 2023

The Class A shares is to be retired, on the condition that the Company acquires the Class A shares as per 2. above.

4. Concerning Dividends of Surplus (Class A Shares)

Regarding the partial acquisition of the Class A shares, the daily surplus dividend will be as follows.

	Amount	Recent forecast (Announced on February 8, 2023)	Previous year (Fiscal year ended March 31, 2022)
Record date	March 31, 2023	March 31, 2023	March 31, 2022
Dividend per share	¥ 60,000	¥ 60,000	¥ 60,085.90
Total dividend	¥ 300,000,000	—	¥ 901,288,500.00
Effective date	March 31, 2023	—	June 8, 2022
Source of dividends	Capital surplus	—	Capital surplus

(Note) Net assets decrease ratio is being calculated and will be disclosed as soon as it is determined.

(Note) Dividends from surplus will be distributed on 5,000 class A shares, and dividends to the remaining 10,000 shares will be paid separately.

5. Impact on business performance

The impact of partial acquisition and retirement of the Class A shares and of dividends of surplus on the company's and consolidated business performance is minor.