



May 14, 2024

Company name: MIYAJI ENGINEERING GROUP, INC.
Representative: Shigetoshi Aota, President and
Representative Director
(Securities code: 3431, Prime Market,
Tokyo Stock Exchange)
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Notice on Dividends of Surplus

MIYAJI ENGINEERING GROUP, INC. (the “Company”) hereby announces that, following a resolution at the Board of Directors meeting held on May 14, 2024, it will pay dividends of surplus with a record date of March 31, 2024 as follows.

These dividends of surplus are expected to be paid following approval at the 21st Annual General Meeting of Shareholders scheduled to be held on June 27, 2024.

1. Details of Dividends

	Decided amount	Previous dividend forecast (announced February 9, 2024)	Actual dividends for the previous fiscal year
Record date	March 31, 2024	Same as on the left	March 31, 2023
Dividend per share	¥107.00	¥95.00	¥80.00
Total dividends	¥1,456 million	-	¥544 million
Effective date	June 28, 2024	-	June 30, 2023
Source of dividends	Retained earnings	-	Retained earnings

2. Reasons for Dividends

The Company positions the return of profits to shareholders as an important management policy and strives to maintain and increase shareholder returns.

We will achieve the profit target under the Medium-Term Business Plan (FY2022 to FY2026), with the aim of maintaining and further increasing the dividend per share. In addition, we will appropriately control the level of equity capital, paying careful attention to maintaining capital efficiency toward achieving a target of 10% ROE under the Plan, while flexibly implementing shareholder returns when performance is strong. At the same time, we have a basic policy of implementing a well-balanced capital policy, including investments for sustainable growth, which is a concept shared by all shareholders and stakeholders, and a certain level of capital reinforcement.

In accordance with the aforementioned policy, for shareholder returns until the final fiscal year of the Medium-Term Business Plan in FY2026, we are targeting a total return ratio of 60% while maintaining an equity ratio of 55% and aiming to achieve 10% ROE.

In terms of the year-end dividend for the fiscal year ended March 31, 2024, with an annual payout ratio of 60%, we have revised our previous forecast upward by ¥12 to ¥107 per share.

(Reference) Breakdown of annual dividends

Record date	Annual dividends per share		
	Second quarter-end	Fiscal year-end	Full-year
Actual dividends for the current fiscal year	¥170.00	¥107.00	-
Actual dividends for the previous fiscal year (fiscal year ended March 31, 2023)	¥60.00	¥80.00	¥140.00

Notes: 1. Breakdown of dividends at the end of the second quarter of the fiscal year ended March 31, 2024

Ordinary dividend: ¥150.00 Commemorative dividend: ¥20.00

2. Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, the amount of the dividend before the share split is listed for the dividend at the end of the second quarter of the fiscal year ended March 31, 2024, and the amount of the dividend after the share split is used for the year-end dividend.

The total amount of dividend on an annual basis is not indicated due to the difficulty of a straightforward comparison as a result of the share split.

The amount of annual dividends per share assuming that the share split had been conducted at the beginning of the previous fiscal year would be as follows:

Actual dividends for the current fiscal year: ¥192.00 (including commemorative dividend of ¥10.00)

Actual dividends for the previous fiscal year: ¥70.00