

May 14, 2024

To whom it may concern:

Company name: Nippon Signal Co., Ltd.
 Representative's name: Hidehiko Tsukamoto, President,
 CEO, COO
 (Code No.: 6741 TSE Prime)
 Contact: Hiromasa Fujimoto, General
 Manager, General Affairs
 Department
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Notification Regarding Distribution of Surplus

We would like to notify all parties concerned that our company has resolved at its Board of Directors meeting held today to distribute the surplus (year-end dividends) with March 31, 2024 as the record date, as described below. Note that based on the provisions of Paragraph 1, Article 459 of the Companies Act, the Company's Articles of Incorporation stipulate that matters regarding dividends of surplus shall be resolved by the Board of Directors.

1. Dividend contents (year-end dividends)

	Contents of the resolution	Recent dividend forecasts (Announced March 19, 2024)	Previous period results (Year ending March 2023)
Record date	March 31, 2024	March 31, 2024	March 31, 2023
Dividend per share	24 yen	22 yen	20 yen
Total amount of dividends	1,496 million yen	-	1,247 million yen
Effective day (Payment start date)	May 31, 2024	-	June 2, 2023
Dividend source	Earned surplus	-	Earned surplus

2. Reason

With respect to dividends, our goals are to establish a stable earnings structure and management base from a long-term perspective, strengthen our financial position, invest in research and development, improve production systems, and develop human resources. Our basic policy concerning the disposal of surplus is to continue to pay stable dividends and return profits based on business performance.

Specifically, we had set a consolidated dividend payout ratio of around 30 percent. However, to improve capital efficiency, clarify our efforts to increase corporate value, and strengthen return of profits to shareholders, we have set a consolidated dividend payout ratio of 30 percent or higher and DOE of 2.0 percent as the lower limit index as our current targets in principle.

Based on the above basic policy, the year-end dividend for the 141st term will be 24 yen per share. As a result, the annual dividend will be 31 yen per share, an increase of 4 yen from the previous fiscal year.

[Reference] Details of annual dividends

	Dividends per share		
	Interim dividend	Year-end dividend	Annual dividend (total)
March 2024 term	7 yen	24 yen	31 yen
March 2023 term	7 yen	20 yen	27 yen