

April 25, 2019

To Whom It May Concern

Company Representative	Elematec Corporation President (Stock Code 2715 TSE First Section)	Jun Kato
Contact	Executive Managing Director	Atsushi Shimizu (Tel: +81-3-3454-3526)

Notice Concerning Change in Basic Principle of Dividend Policy

Elematec Corporation announces that it has resolved in the Board of Directors Meeting held today a change in the basic principle of our dividend policy. Please see below for more details.

1. Change in basic principle of dividend policy

As we position redistribution of profits to our shareholders as an important management issue, our basic principle has been to keep the 30% (consolidated) dividend payout ratio, taking into account the status of cash flow based on medium-term performance outlook and investment plan.

Going forward, we decided to increase the (consolidated) dividend payout ratio to 40% or more from Fiscal Year 2020 in order to further strengthen redistribution of profits to our shareholders.

Before change: Keeping 30% (consolidated) dividend payout ratio

After change: 40% or more (consolidated) dividend payout ratio

2. Dividend Forecast

Record date	Dividend per share (yen)		
	2Q	Year-end	Total
Fiscal year 2020 Forecast (Note)	20.00 yen	25.00 yen	45.00 yen
Fiscal year 2019 Result	30.00 yen	36.00 yen (Plan)	66.00 yen (Plan)

(Note) As shown in “Notice Concerning Stock Split and Partial Amendment of Articles of Incorporation,” which we announced separately today, we resolved in the Board of Directors Meeting held today the stock split in the ratio of two shares per common share effective on June 1, 2019, with May 31, 2019, as the record date. The annual dividend per share for Fiscal Year 2020 (forecast) stated above indicate amounts calculated in consideration of the stock split. The annual dividend per share for Fiscal Year 2020 (forecast) not considering the stock split is 90.00 yen.