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May 13, 2025

To Whom It May Concern:

Company name: DaikyoNishikawa Corporation
Representative: Ikuo Sugiyama, Representative Director and President
(Securities Code: 4246, Prime of Tokyo Stock Exchange)
Contact: Hironori Matsuo, Managing Executive Officer and Corporate Planning Division Manager
(Telephone: +81-82-493-5610)

Notice Regarding Change in Shareholder Return Policy

DaikyoNishikawa Corporation (the "Company") announces, at the Board of Directors Meeting held on May 13, 2025, the Company resolved matters concerning change in shareholder return policy.

1. Details of Shareholder Return Policy

Before changes	After changes
We are committed to enhancing our corporate value by strengthening our earning power to enable sustainable growth and building a foundation for growth as a global company. We position the return of profits to our shareholders as an important management task, and our basic policy is to provide stable and continuous dividends with a target consolidated dividend payout ratio of approximately 30% and a consolidated dividend on equity (DOE) ratio of 2.5% or more, while securing the internal reserves necessary for our business strategy to increase corporate value in the future, we intend to take into consideration its business performance, dividend payout ratio, and other factors in a comprehensive manner.	We are committed to enhancing our corporate value by strengthening our earning power to enable sustainable growth and building a foundation for growth as a global company. We position the return of profits to our shareholders as an important management task, we implement dividends based on the principle of stability and continuity while maintaining the soundness of our financial condition with a focus on capital efficiency. Based on this policy, we aim to consider a consolidated dividend on equity (DOE) ratio of at least 3.0% and a consolidated dividend payout ratio of around 30% in a comprehensive manner. Additionally, regarding the acquisition of treasury shares, we will execute it as appropriate, considering our financial situation and medium-to-long-term funding needs.

2. Reason for Making Change in Shareholder Return Policy

We position the return of profits to our shareholders as an important management task, and our basic policy is to provide stable and continuous dividends with a target-consolidated dividend payout ratio of approximately 30% and a consolidated dividend on equity (DOE) ratio of 2.5% or more. We announced our "FY2027 Medium-term Management Plan" in May 2024, setting a target of a 9% ROE (return on equity) to achieve sustainable growth, and aiming to improve our corporate value by securing stable profits through improved profitability.

We have decided to raise our target consolidated dividend on equity (DOE) ratio of at least 3.0%, with a view to implementing management practices that place greater emphasis on capital efficiency and financial condition. We have also decided to acquire treasury stock as appropriate, considering our financial situation and medium-to-long-term capital needs.