February 20, 2025

For Immediate Release

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(Securities code: 4634, TSE Prime Market)
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Notice of Partial Revision of Capital Policy under Medium-term Management Plan *artience 2027*

artience Co., Ltd. (President and Representative Director, Group CEO: Satoru Takashima; Chuo-ku, Tokyo; hereinafter "the Company") announces that, in light of progress, the Company will make the following revisions to its capital policy under the medium-term management plan *artience 2027*, which is being executed over a period of three years starting in January 2024. Please refer to the Presentation data of FY2024 Results Briefing which is disclosed to the Tokyo Stock Exchange at 17:00 on Thursday, February 20, 2025 and will also be published on the Company's website. (https://www.artiencegroup.com/en/)

1. Regarding revision of capital policy

During the fiscal year ended December 31, 2024, which was the first fiscal year under the medium-term management plan, the Company saw signs of a recovery of consumer spending in Japan, and also made progress expanding sales of adhesives and liquid ink products in packaging-related areas, primarily in India and Southeast Asia. In the business of CNT dispersions used in lithium-ion batteries (hereinafter "LiBs") , the Company made revisions to its sales plan in response to the global EV market slowdown. In addition, under the policy of transformation of the management foundation, the Company announced efforts to enhance its corporate value by decreasing the shares held and repurchasing treasury shares and by increasing the number of independent outside directors to enhance governance.

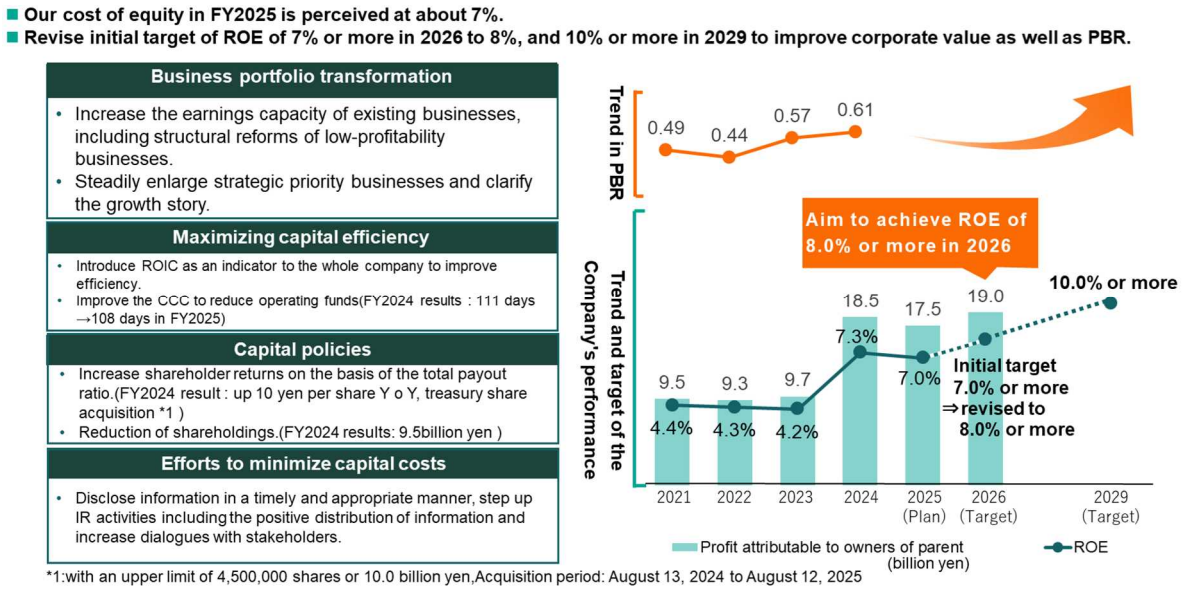
Under these circumstances, the Company decided to implement capital measures such as capital investment and the repurchase of treasury shares according to the current situation and decided to make revisions to its capital policy and cash allocations.

The Company will continue to place the Group on a growth track and carry out reforms with a strong determination in the primary pursuit of GROWTH.

2. Changes to capital policy

(1) Actions to realize management with an awareness of capital costs and share price

In the fiscal year ended December 31, 2024, ROE improved significantly from 4.2% the previous fiscal year to 7.3%. This was due mainly to a gain on sales of shares held and reduction of the tax burden through utilization of Turkey's investment incentives program. The Company had initially set a ROE target for the fiscal year ending December 31, 2026 of 7% or more but will now aim for a ROE of 8% or more.



*1:with an upper limit of 4,500,000 shares or 10.0 billion yen,Acquisition period: August 13, 2024 to August 12, 2025

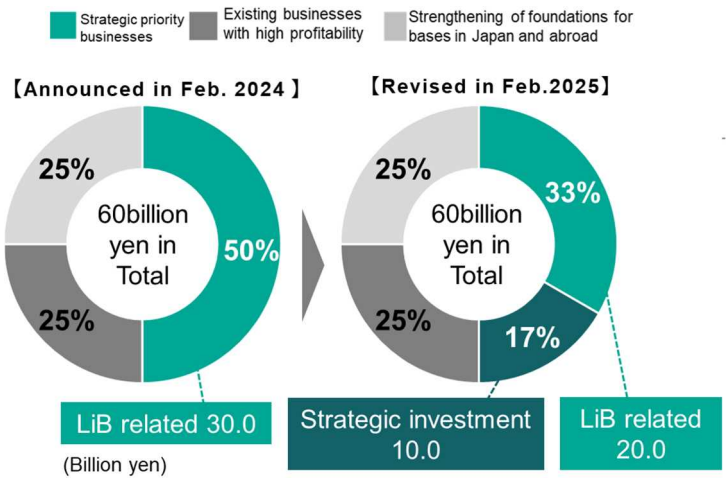
(2) Investment plan and cash allocations

Regarding cash allocation over the three-year period of the medium-term management plan, the Company will reduce the planned amount for LiBs related investments from 30 billion yen to 20 billion yen in response to the slowdown in market growth. However, the Company will continue to invest in the packaging-related business overseas, semiconductor-related materials and other future growth areas, and will earmark a further 10 billion yen for strategic investment to be used for M&A, etc. The revised target for shareholder returns is 40 billion yen or more, which is double the initial target of 20 billion yen or more, and the Company will consider additional repurchases of treasury shares, etc.

(Unit:billion yen)

	Initial	**Current**
Investments（without LiBs）	30.0	**30.0（no change）**
		FY2024 results 12.2, FY2025 plan 8.7
Investments（LiBs-related）	30.0	**20.0（decreased）**
		FY2024 results 6.2, FY2025 plan 7.1
Strategic investment	—	**10.0（set up anew）**
Shareholder returns（treasury share acquisitions, etc）	20.0 or more	**40.0 or more**
FY2024 results : Annual dividends per share 100yen（up +10yen YoY）, Total : 5.2		
Treasury share acquisition : 7.5（*）		
*Acquisition period: August 13, 2024 to August 12, 2025,with an upper limit of 4,500,000 shares or 10.0 billion yen)		

[Allocations of capital expenditures planned]

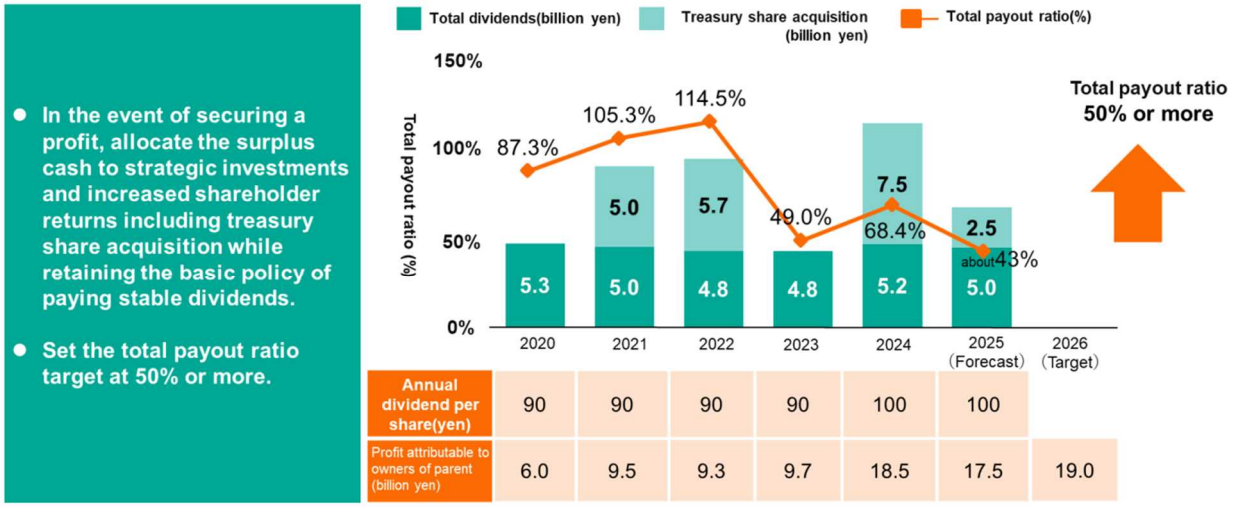


[Cash allocation]



(Reference) Shareholder return policy

The Company recognizes shareholder returns as a significant management issue. While pursuing a basic policy of paying stable dividends, the Company will allocate the surplus cash in the event of securing a profit to strategic investments, the acquisition of treasury shares and other forms of shareholder return. The total payout ratio target is still set at 50% or more.



※On August 9th 2024, announced annual dividend, including interim dividend, will be 100 yen (+10 yen than previous fiscal year)
※On August 9th 2024 ,announced 4.5million shares(maximum)or 10 billion yen(maximum) Treasury Share Acquisition . Period: Aug.13,2024-Aug. 12,2025

The information disclosed by the Group may contain information on business forecasts or future projections. This information is based on information available at the time of disclosure and certain assumptions that the Group deems reasonable. It may differ from actual results due to various risk factors and other uncertain factors.

The information disclosed by the Group is intended to provide information for deepening stakeholders' understanding about the Group, and it is not intended to solicit investment. Please note that the Group accepts no liability whatsoever for any monetary or non-monetary damages arising in connection with the information disclosed by the Group.