



MEMBERSHIP

May 9, 2023

(Translated from the Japanese original)

Company Name: TIS Inc.
Representative: Yasushi Okamoto, President and Representative Director
Stock Listing: Prime Market, Tokyo Stock Exchange
Stock Code: 3626
Contact: Makoto Nakagawa, Section Manager of Investor Relations & Shareholder Relations Office
Phone: +81-50-1702-4115 (in Japan, 050-1702-4115)

Notice regarding Dividends from Surplus (Dividend Increase)

TIS Inc. (hereafter, “TIS” and “the Company”) hereby announces that the Board of Directors resolved at its meeting today to distribute dividends from surplus, with a record date of March 31, 2023. Details are provided below.

Note that this resolution will be referred for discussion and approval at the 15th Annual General Meeting of Shareholders scheduled for June 23, 2023.

Details

1. Dividend details

	Determined value	Latest dividend forecast (Announced May 11, 2022)	Results in previous fiscal year (Fiscal 2022)
Record date	March 31, 2023	Same as left	March 31, 2022
Dividend per share	¥35	¥32	¥31
Total dividends	¥8,502 million	—	¥7,785 million
Effective date	June 26, 2023	—	June 27, 2022
Source of dividends	Retained earnings	—	Retained earnings

2. Reasons

The Company’s basic policy is to keep internal reserves at a level sufficient to ensure business growth from a medium- to long-term perspective, while continuing to pay a stable dividend in consideration of consolidated financial results.

Guided by this policy, TIS seeks to build a more appropriate capital structure and improve capital efficiency during Medium-Term Management Plan (2021-2023), underpinned by a good balance in its approaches to promote growth investments and ensure a sound financial position. In the process, the Company intends to raise the level of engagement with all shareholders by boosting the total return ratio yardstick to 45%, from 40%, and constantly enriching dividends per share.

Management plans to distribute a year-end dividend of ¥35 per share for fiscal 2023, ended March 31, 2023, which is ¥3 higher than first announced. This reflects favorable business growth that performance results exceeded expectations. Consequently, the annual dividend for fiscal 2023 will be ¥50 per share. Adding in the repurchase of treasury stock during fiscal 2023, for ¥30 billion, the total

return ratio will reach 76.0%.

Note that, as described above, TIS seeks to constantly enrich profit distribution to shareholders, matched to business growth, and toward this end, management feels it is best to implement return to shareholders based on profit obtained from operating activities not impacted by temporary profits and losses. Applying this idea further, with regard to treasury stock acquired in fiscal 2023, management removed an equivalent of about ¥24.5 billion applied to optimize capital structure in calculating the total return ratio. The total return ratio derived on this criteria is 44.0%—a level in line with basic policy.

Reference: Breakdown of annual dividends

Effective date	Dividend per share			Total return ratio	Payout ratio
	End of second quarter	Year-end	For the year (total)		
Fiscal 2023 (March 31, 2023)	¥15	¥35	¥50	76.0%	22.0%
Fiscal 2022 (March 31, 2022)	¥13	¥31	¥44	39.3%	27.9%

END