Notice Concerning Shareholder Return Policy

We hereby announce that we have passed a resolution as follows regarding our shareholder return policy at our board of directors meeting held today.

As our basic policy of distributing profits to shareholders, we will target a dividend payout ratio of 60% of our consolidated net profit for the full fiscal year. We also aim to buy back our own shares in a flexible manner, and where the Five-Year Average Total Return Ratio(*) does not exceed 80%.

1. Dividends

We declared, and have maintained, a dividend payout ratio of 30% of our consolidated net profit for the full fiscal year since the fiscal year ending March 2007 up to the present date. In order to further enhance the distribution of profits to our shareholders in the long term, we have decided, as our basic policy, to implement a dividend payout ratio of 60% of our consolidated net profit, starting from the fiscal year ending March 2015.

2. Share buybacks

We aim to buy back our own shares in a flexible manner depending on the level of our stock prices, taking into account the balance with our investment in growth, and where the Five-Year Average Total Return Ratio(*) does not exceed 80%.

3. Cancellation of treasury shares

We aim to limit the number of our treasury shares that we hold to a maximum of 5% of the total number of issued shares. We will, as a general rule, cancel any portion exceeding that limit every fiscal year.

(*) Five-Year Average Total Return Ratio means the ratio of the total combined amount of dividends and the total amount of share buybacks, over the total amount of our consolidated net profit for a five-year period.