



March 22, 2018

Listed Company Name	TACHI-S CO., LTD.
Name of Representative	Taro Nakayama, President, CEO&COO (Code 7239: Tokyo Stock Exchange, 1st section)
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Notice of Change to Dividend Policy

At the Board of Directors meeting held on March 22, 2018, TACHI-S CO., LTD. (the “Company”) decided to change its dividend policy.

1. Changes to dividend policy

The Company has long believed that returning profits by improving corporate value is an important management issue, and has made stable dividend payments under the current dividend policy. We have decided to shift to a more proactive dividend policy that sets new goals for dividend payout ratios with the aim of clarifying our stance on returning profits, and will strive to further strengthen our management foundation.

(Before change)

We believe that providing returns through ongoing improvements to corporate value is an important management issue, and strive to maintain stable dividends while at the same time augmenting shareholders’ equity and improving profitability.

The Company primarily utilizes internal capital reserves for R&D and global business development, and endeavors to secure profit in the medium to long term and strengthen its financial structure.

With the establishment of Act 454, Clause 5 of the Companies Act, the Board of Directors decided to stipulate in the Articles of Incorporation that the Company can pay interim dividends. The Company has set a basic policy of paying two dividends a year, including the year-end dividend, in line with the decision of the general shareholders meeting.

(After change)

We believe that providing returns through ongoing improvements to corporate value is an important management issue, and have adopted a basic policy of maintaining stable dividends while at the same time augmenting shareholders’ equity and improving profitability.

The Company primarily utilizes internal capital reserves for R&D and global business development, and endeavors to secure profit in the medium to long term and strengthen its financial structure.

In the near term, the Company will gradually raise its dividend ratio, taking into account earnings, financial conditions, and the management environment in a comprehensive way, and has set a target of an approximately 20% dividend ratio in the medium term, on the premise that annual dividends per shareholder do not fall short of dividends in the previous year.

The Board of Directors decided to stipulate in the Articles of Incorporation that the Company can use retained earnings for dividends. The Company has set a basic policy of paying two dividends a year, namely an interim dividend and a year-end dividend.

2. Implementation period

This change will go into effect with the year-end dividend for the March 2018 period, but the details are currently under consideration, and will be announced promptly as soon as they are known.