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PRESS RELEASE

KOITO MANUFACTURING CO., LTD.

Representative Director: Michiaki Kato, President

(Stock Code: 7276 Prime Market, TSE)

Inquiries: Takahito Otake, Senior Managing Corporate Officer

(Tel: +81-3-3443-7111)

Announcement Regarding the Establishment of the Shareholder Benefit Program

KOITO MANUFACTURING CO., LTD. (“KOITO”) announced today that the Board of Directors resolved to establish the shareholder benefit program starting at the end of the fiscal year ending March 2025 at the meeting held on February 27, 2025.

1. Purpose of Introducing the Shareholder Benefit Program

KOITO’s basic policy is to work to further enhance corporate value through business investment aimed at sustainable growth, while also aiming to enhance the return of profits to our shareholders. Based on the policy, we distribute stable and continuous dividends and conduct agile acquisition of own shares.

The ongoing 1st Medium-Term Management Plan includes the implementation of stable and continuous dividends with the aim of optimizing the capital structure, with a target of returning more than 350 billion yen to shareholders (cumulative total for the five years from fiscal 2024 to fiscal 2028) and a consolidated dividend payout ratio of over 40%.

Against this backdrop, we have decided to establish the shareholder benefit program to express our gratitude to our shareholders for their ongoing support and to encourage the wider range of investors to hold our shares over the medium- to long-term, as we will be celebrating our 110th anniversary in April 2025.

We will also be holding tours of our domestic plants to give our shareholders a deeper insight into our business activities.

We will continue to strive to enhance our activities so that we can enhance the understanding and motivation of our shareholders and investors to hold our shares.

2. Outline of the Shareholder Benefit Program

-1. Eligible Shareholders

This program is intended for shareholders who are recorded as holding 100 or more shares in our shareholder register as of the end of March each year (the record date for the right to vote at the Ordinary General Meeting of Shareholders as stipulated in the Company's Articles of Incorporation).

-2. Details of the Shareholder Benefit Program

We will present a QUO card as follows, depending on the number of shares held and the length of time they have been held.

Number of shares held	Period of holding shares continuously	
	Less than 3 years	3 years or more
100 to less than 300 shares	(1) QUO card worth 1,000 yen	(2) QUO card worth 2,000 yen
300 or more shares	(3) QUO card worth 3,000 yen	(4) QUO card worth 4,000 yen

Notes:

- 1: Effective as of October 1, 2022, a 2-for-1 stock split of common stock was conducted. The number of shares held stated above are calculated assuming the stock split was conducted at the beginning of the fiscal year ending March 2022.
- 2: A continuous holding period of 3 years or more refers to a situation where the same shareholder number is listed in our shareholder register on the record date of the end of September and the end of March each year for 7 consecutive times or more for the long-term shareholder benefit program. If the record date is the end of March 2025, a continuous holding period of 3 years or more requires the shareholder to be listed 7 consecutive times with the same shareholder number, starting with the register as of the end of March 2022.
- 3: If the number of shares held is no longer recorded as being 300 or more after becoming eligible for the long-term shareholder benefit program (continuous holding period of 3 years or more), the shareholder will no longer be eligible for (4) and will become eligible for (2) instead. In order to become eligible for the program again, the shareholder will need to hold 300 or more shares for 3 years or more with the same shareholder number, which is the requirement for (4).

-3. Timing of Presentation

It is scheduled to be enclosed with the “Notice of the Ordinary General Meeting of Shareholders” (sent out in late June each year).

3. Plant Tour

We will host a domestic plant tour for selected shareholders by lottery with the aim to further enhance the shareholders’ understanding of our group.

-1. Eligible Shareholders

We will invite the winners by lottery from among the shareholders who are recorded as holding 100 or more shares in our shareholder register as of the end of March each year (the record date for voting rights at the ordinary general meeting of shareholders as stipulated in our Articles of Incorporation).

-2. Outline of the Tour

We are considering holding a tour of our Shizuoka Plant (Shimizu-ku, Shizuoka-shi, Shizuoka Prefecture) or KOITO ELECTRIC INDUSTRIES (Nagaizumi-cho, Sunto-gun, Shizuoka Prefecture) once a year, where participants can visit our showroom and manufacturing facilities and deepen their understanding of our business development and technological capabilities.

At the Shizuoka Plant, in addition to the “Lighting World” showroom, which introduces our history, the evolution of lamps, business development, and our global network, participants will also be able to see the lamp production process. At KOITO ELECTRIC INDUSTRIES, participants will be able to see our business areas other than automotive lighting, such as lighting and seats for railway vehicles, traffic signals, and stadium lighting.

Further details will be announced in the guide enclosed with the “Notice of the Ordinary General Meeting of Shareholders” and on our website.

[Images of the Tour]



*The above image is from a different event.

4. Implementation Date

The program will begin for shareholders listed or recorded in the shareholder register as of the end of March 2025.