

Notice Regarding Dividends of Surplus

February 14, 2022

Listed exchanges : Tokyo
 Listed company name : Earth Corporation
 Code : 4985
 URL : <https://corp.earth.jp/en/index.html>
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Earth Corporation (the “Company”) announces that its Board of Directors has resolved at a meeting held on February 14, 2022, it passed a resolution on the appropriation of surplus as follows: dividend of surplus and reversal of separate reserve.

The Company's Articles of Incorporation stipulate that the Company may make the matters listed in each item of Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors.

1. Dividend of surplus

	Ratified amount	Current dividend forecast (Announced on Jan 31,2022)	Dividend paid for the fiscal year ended Dec 31,2020
Base period	December 31,2021	Same at left	December 31,2020
Dividend per share	¥118.00	¥118.00	¥115.00
Dividend amount	¥2,600 million	—	¥2,536 million
Effective date	March 9, 2022	—	March 9, 2021
Payment source	Retained earnings	—	Retained earnings

Reasons

The Company positions the return of profits to shareholders as an important management issue, and strives to maintain stable dividends while securing internal reserves for sustainable growth and the maintenance of a sound management structure. In line with its medium-term management plan "Act For SMILE -COMPASS 2023-", the Company is working to improve its profit structure, aiming for sustainable growth and increased corporate value. As a result, we have strengthened our financial base, and in order to respond to the support of our shareholders, we have decided to pay a dividend of 118 yen per share for the fiscal year ending December 31, 2021, an increase of 3 yen from the dividend for the fiscal year ending December 31, 2020, as announced on January 31, 2022. It is the Company's policy to return profits to shareholders at a dividend on equity (DOE) ratio of 4-5% in order to ensure stable and



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continuous dividends, and the DOE for the fiscal year ending December 31, 2021 will be 4.5%.

(Ref.) Annual dividend breakdown

	Dividend per share		
	Interim dividend per share	Year-end dividend per share	Annual per-share dividends
Dividends paid in FY2021	0.00 yen	118.00 yen	118.00 yen
Dividends paid in FY2020	0.00 yen	115.00 yen	115.00 yen