

Notice Regarding Distribution of Dividends of Surplus

DISCO CORPORATION (hereinafter "the Company") hereby announces that a resolution was passed at the Board of Directors meeting held on October 22, 2026 to distribute the Company's retained earnings as dividends with September 30, 2026 as the record date. The details are as follows:

1. Details of dividend payout

	Resolution details	Most recent forecast (announced on July 23, 2026)	Results from previous term (FY2025)
Record date	September 30, 2026	September 30, 2026	September 30, 2025
Dividends per share	186 yen	171 yen	129 yen
Total amount of dividends	20,182 million yen	-	13,987 million yen
Effective date	December 1, 2026	-	December 1, 2025
Source of dividends	Retained earnings	-	Retained earnings

2. Reason

The Company's policy is to link dividends with performance. Therefore, the dividend payout ratio is set at 25% of the consolidated net income for each half year period.

Based on the above policy, the Company intends to pay 186 yen per share as the interim dividend for the half year ending September 30, 2026.

Dividend policy

To demonstrate the Company's commitment to prioritizing shareholder returns, the Company's dividend policy is linked to business performance with a target dividend payout ratio set at 25% of the half-yearly consolidated net income. However, irrespective of profit level, the Company will maintain a half-yearly dividend of 10 yen (an annual dividend of 20 yen) to ensure stable dividend payments.

Additionally, except for when there is a loss, if the year-end balance of cash and cash equivalents after payment of dividends, corporate taxes, etc. is greater than the projected funding required (such as reserve funds for the acquisition of technological resources, funds for facility expansion, funds for repaying interest-bearing debt, etc.), a target of one-third of surplus funds will be added as additional dividends.

In the event that the Company experiences consolidated net losses for three consecutive years, the 20 yen payout stipulated in the stable dividend policy may be revised.

Inquiries:	Investor Relations Office
	https://www.disco.co.jp/eg/contact/