

Stakeholder Engagement

Hoshizaki's main stakeholders are the customers to whom we provide products and services, the shareholders, investors, business partners and employees who have a direct effect on the Group's business, and the local communities who are directly affected by our business development. We have provided various opportunities to listen to the opinions of our stakeholders and apply them in our management.



Relationship with Investors

In order to build a medium/long-term relationship of trust with investors, we encourage proactive communication by providing accurate business results and financial information.

Basic IR Policy and Method of Disclosure

The Hoshizaki Group engages in IR activities to inform shareholders and investors of information necessary for their investment decisions in a fair and timely manner.

We strive for fairness by having the information published by the Hoshizaki Group disclosed using methods such as registration with TDnet* and posting on the Hoshizaki Group's IR website, and we also even disclose information that does not fall under the Timely Disclosure Rules using appropriate methods

aligned with their intent.

Furthermore, in light of the increase in the ratio of non-Japanese shareholders (30% as of the end of December 2019), since the second quarter of the fiscal year ending December 2019, we have been disclosing financial statements and financial briefing materials (summary versions) in English and have also established an English-language website.

*Timely Disclosure Information Transmission System (Timely Disclosure Network)

Communication with Institutional and Individual Investors

We hold financial results briefings every half-period to provide a place where institutional investors can hear an explanation of our company's performance (performance and forecasts) and management strategies directly from the President & COO. In addition, management and IR representatives hold telephone conferences (quarterly) and individual meetings, and also attend various briefings organized by securities companies.

In addition, we have been conducting factory tours for institutional investors and analysts from time to time,

and we are working to further enhance communication with investors in Japan and overseas.

For our individual investors, we hold briefings at various securities companies (branch offices, etc.) in order to provide them with a deeper understanding of the Hoshizaki Group. At the briefings, the Chairman of the Board of Directors provides an overview of the company as well as an explanation of the management policy and medium-term outlook. These briefings are actively held not only in cities but also in rural areas.



Briefing Sessions for Individual Investors

Major IR Activities

Activities	2017	2018	2019
Financial Results Briefings	2	2	2
Telephone Conferences	0	1	3
Individual Meetings with Domestic Institutional Investors	147	106	80
Individual Meetings with Foreign Institutional Investors	184	112	113
Conferences Organized by Domestic Securities Companies Attended	2	2	1
Briefing Sessions for Individual Investors	3	4	3

Basic Policy on Shareholder Return

Hoshizaki changed its basic policy on shareholder return from the fiscal year ending December 2019 to further clarify its proactive stance on the return of profits backed by business results. The new basic policy is as shown on the right.

• With regard to dividends, we aim to achieve a

consolidated dividend payout ratio of 35%, and we will work to maintain a continuous and stable dividend between 30% and 40%.

• After considering the balance with growth investments and the market price of the Company's shares, we will also consider flexible acquisition of treasury stock.