

Translation

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To whom it may concern

February 9, 2022

Company name: HOSHIZAKI CORPORATION
Representative: Yasuhiro Kobayashi, Representative Director,
President & COO
(Securities code: 6465; First Section of the Tokyo Stock Exchange and
Nagoya Stock Exchange)
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Notice Regarding Revision of Basic Policy on Shareholder Returns

HOSHIZAKI CORPORATION (the “Company”) announces that the Board of Directors, at a meeting held on February 9, 2022, resolved revision of basic policy on shareholder returns, as described below.

1. Reason of the Revision

The Company positions the stable return of profits to all shareholders as a key management issue and tackle with enhancing the return of profits in order to clarify its proactive stance towards profit return backed by business performance.

In formulating five-year management vision starting from FY2022, the Company has decided to set basic policy for shareholder return as the total payout ratio, including dividends and share repurchase and set it that a target is 40% or more, considering the Company business environment and capital situation also to enhance the flexibility and stability of shareholder return in light of the expectations of shareholders and investors.

2. Details of the Revision

With regard to shareholder returns, the Company will review the total payout ratio to 40% or more, compared to the existing dividend payout ratio of 30% to 40%, and return profits to shareholders in line with profit growth to strive continuous and stable dividends. The Company will also consider flexible and strategical share repurchase in consideration of factors such as the level of stock prices, investment plans, capital efficiency.

3. Schedule of the Revision in the Basic Policy for Shareholder Return

To be applied from the fiscal year ending December 31, 2022 (current fiscal year).