January 29, 2024

To Whom It May Concern:

Company Name: PCA Corporation
Representative: Fumiaki Sato, President and CEO
(Securities code 9629: TSE Prime Market)
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Notice Regarding Change in Dividend Policy and Revision of Dividend Forecast (Dividend Increase)

PCA Corporation (the "Company") hereby announces that it has resolved at a board of directors meeting held on January 29, 2024, to change its dividend policy as follows. The Company also announces that it has decided to revise its dividend forecast for the fiscal year ending March 31, 2024, which had been announced on October 23, 2023, as follows in accordance with this change in dividend policy.

I. Reasons for and Details of the Change in Dividend Policy

A) Reasons for the Change

Under the 2024 Medium-Term Management Plan (which ends in the fiscal year ending March 31, 2025) announced on April 28, 2022, the Company has been developing its business toward realizing the long-term vision of establishing its position as a "Management Support Company." In addition to this long-term vision, the Company's board of directors has examined the enhancement of corporate value in terms of not only its business but also capital efficiency, while communicating with the institutional investors. It has also analyzed the achievability of the ROE target of 10% in the current medium-term management plan.

As a result of these analyses, the Company has concluded that the ROE target of 10% may be difficult to achieve within the target period of the current medium-term management plan, from the viewpoint of capital efficiency, since the Company has strategically increased the amount of upfront business investment beyond its initial plan. Specifically, it has invested in the expansion of its subscription business, which is a stable source of revenue. In addition, there has continued to be a negative EVA spread*, which is the difference between the ROIC and the WACC. The Company will work on quickly correcting these situations. Accordingly, it has decided to change its dividend policy starting in the fiscal year ending March 31, 2024.

* EVA (Economic Value Added) is a management indicator that measures how much true economic profit is generated from invested capital. It is calculated by subtracting the cost of capital from NOPAT (Net Operating Profit After Tax). The EVA spread is calculated by subtracting WACC from ROIC, which is the ratio of NOPAT to invested capital (the sum of net assets and interest-bearing debt). It is a metric of how efficiently a company is generating true economic profit. The Company believes that quickly achieving a positive EVA spread and then improving it will lead to higher corporate value and contribute

to the long-term interests of all stakeholders including shareholders.

B) Details of the Change

(1) Before the Change

Based on the medium-term basic policy of “transforming the business structure and building the foundation for the continuity and development of long-term, stable businesses,” the Company has been implementing measures to provide stable and continuous shareholder returns to its shareholders, targeting an ROE of 10% or greater, a DOE of 2.5%, and a dividend payout ratio of 30%.

(2) After the Change

The Company recognizes that achieving a positive EVA spread is essential to enhance shareholder value and, furthermore, to raise corporate value. It will therefore aim to improve capital efficiency based the medium-term basic policy of “transforming the business structure and building the foundation for the continuity and development of long-term, stable businesses.” Regarding the measures for shareholder return, it will improve capital efficiency by incorporating balance sheet management, with the new goals of quickly achieving an ROE of 10% and further improving the EVA spread within the target period of the next medium-term management plan.

Until the above goals are achieved, the Company will pay dividends at a consolidated dividend payout ratio of around 100% as its new shareholder return policy.

C) Schedule of the Change

The change will be applied starting in the dividend payment at the end of the fiscal year ending March 31, 2024.

II. Revision of Dividend Forecast

A) Details of the Revision (Dividend forecast for the fiscal year ending March 31, 2024)

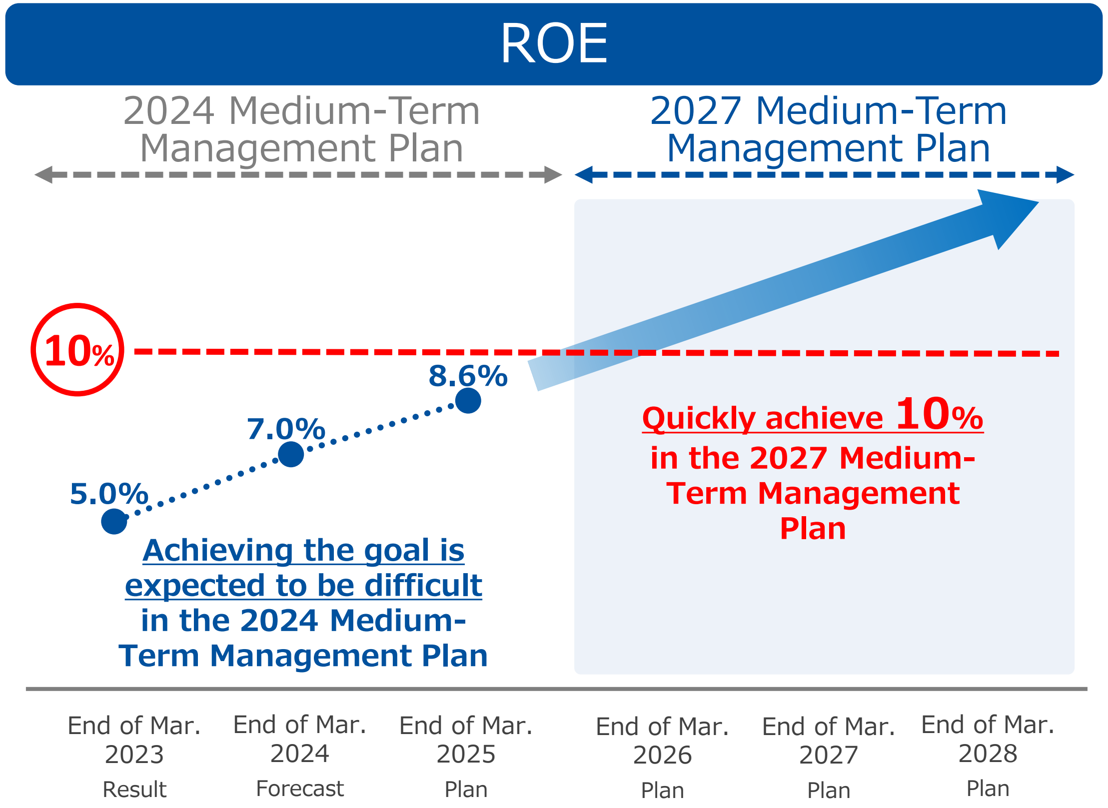
	Annual dividends per share		
	End of Q2	End of Q4	Annual
	Yen	Yen	Yen
Previous forecast (Announced on October 23, 2023)		17.00	17.00
Revised (current) forecast		62.00	62.00
Dividends paid in the current fiscal year	0.00		
Dividends paid in the previous fiscal year (fiscal year ended March 31, 2023)	0.00	17.00	17.00

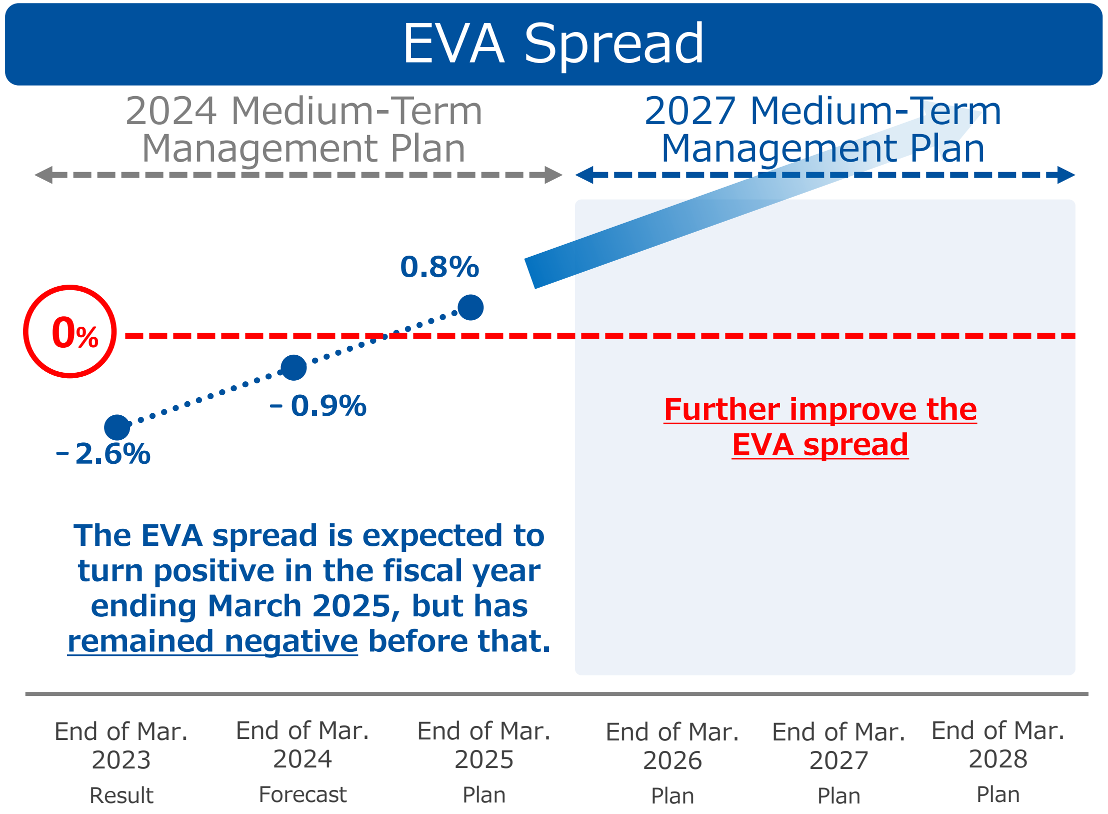
B) Reason for the Revision

In accordance with the above change in dividend policy, the Company will revise its dividend forecast for the fiscal year ending March 31, 2024, from 17 yen per share to 62 yen per share (an increase in dividend).

Our New Approach to Shareholder Returns

We will strengthen our capital policy to quickly achieve an ROE of 10% and a positive EVA spread. Until we at least achieve these two goals, we will pay dividends at a dividend payout ratio of 100% as our new shareholder return policy.

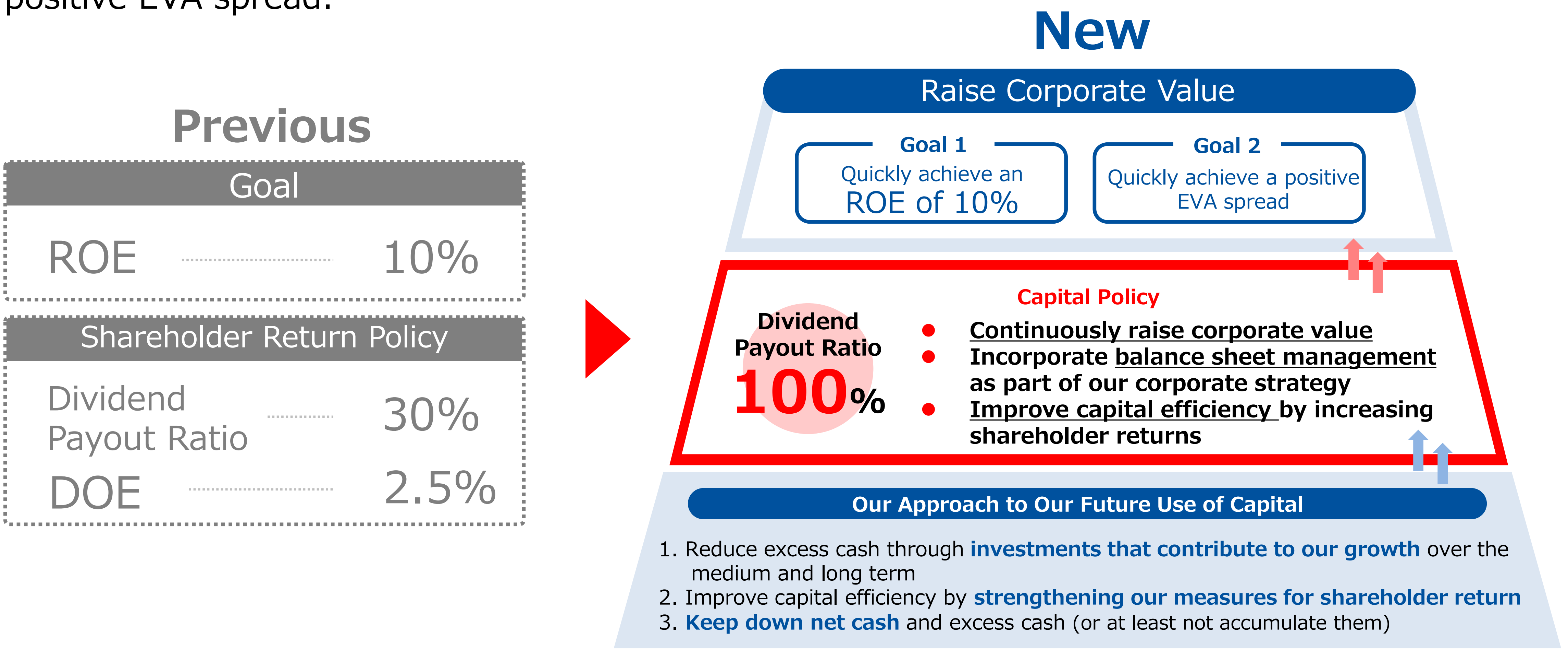




To quickly achieve an ROE of 10% and further improve the EVA spread in the 2027 Medium-Term Management Plan, we will work on improving capital efficiency by strengthening our measures for shareholder return.

Restructuring of Our Capital Policy to Achieve the Goals

By incorporating balance sheet management with a focus on increasing corporate value and strengthening our measures for shareholder return, we will quickly achieve an ROE of 10% and a positive EVA spread.



Appendix

Term	Description
EVA	・Stands for **Economic Value Added**. ・A management indicator that measures how much **true economic profit** is generated from invested capital.
EVA Spread	・Calculated from the difference between the ROIC and the WACC. ・Quickly achieving a positive EVA spread and then improving it will lead to higher corporate value and contribute to the long-term interests of all stakeholders including shareholders.
ROIC	・**Return On Invested Capital**. ・Calculated by dividing NOPAT (Net Operating Profit After Tax) by invested capital (the sum of net assets and interest-bearing debt). ・The higher the ROIC, the more efficiently the company generates profit on invested capital.
WACC	・**Weighted Average Cost of Capital**. ・The weighted average rate of the shareholders' expected rate of return (cost of equity) and the interest rate (after-tax cost of debt rate). ・A lower WACC indicates that the invested capital is raised at a lower cost.

PCA