

May 15, 2012

To whom it may concern

Company name: DAIKYO INCORPORATED
Representative: Akira Yamaguchi,
Representative Executive Officer, President
Securities code: 8840
Listing: First Section, Tokyo Stock Exchange
Contact: Konosuke Miyakawa, Executive Officer& General
Manager, Group Corporate Planning Dept.

Announcement Regarding Dividend from Retained Earnings

DAIKYO INCORPORATED (the “Company”) hereby announces that in a meeting of the Board of Directors on May 15, 2012, it has approved a proposal to pay a dividend from retained earnings, with a record date of March 31, 2012. The details are as follows:

1. Detail of Dividend

| | Year-end dividend | Latest forecast (Announced on May 11, 2011) | Results of FY 2011 (Year ended March 31, 2011) |
|---------------------------|-------------------|---|--|
| Record date | March 31, 2012 | March 31, 2012 | March 31, 2011 |
| Dividend per common share | ¥2.50 | ¥2.00 | ¥0.00 |
| Amount of dividend | ¥1,104 million | — | — |
| Date of payment | June 22, 2012 | — | — |
| Resource of dividend | Retained Earnings | — | — |

2. Reasons for Dividend

With a basic policy of returning profits to all shareholders via sustainable increases in corporate and shareholder value, the Company will continue to invest for growth and ensure stable dividends while maintaining a healthy financial condition.

The Company has accordingly decided to pay a year-end dividend of ¥2.50 per share for the fiscal year ended March 31, 2012, in light of results for the same period and other factors.

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