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May 18, 2017

### **Notice regarding revisions to the dividend forecast associated with a reverse stock split**

Taiheiyo Cement Corporation (the “Company”) resolved at the meeting of its Board of Directors held today to conduct a change in the number of shares constituting one unit of stock and partial amendments to the Articles of Incorporation as well as to submit a proposal on a reverse stock split to the 19th Ordinary General Meeting of Shareholders (the “Meeting”) to be held on June 29, 2017.

Accordingly, the Company hereby announces the following revision to the dividend forecast released on May 11, 2017.

#### 1. Revised dividend forecast

	Dividend per share		
	2Q	4Q	Total
Previous forecast (as announced on May 11, 2017)	3 yen	3 yen	6 yen
Revised forecast	3 yen	30 yen	-
FY3/18 results	-	-	
FY3/17 results	3 yen	3 yen	6 yen

#### 2. Reasons for the revision

As disclosed in “Notice regarding a change in the number of shares constituting one unit of stock, a reverse stock split and partial amendments to the Articles of Incorporation” on May 18, 2017, the Company resolved to conduct a reverse stock split at a rate of one for 10 shares of common stock which shall come into effect as of October 1, 2017, subject to the approval and adoption at the Meeting to be held on June 29, 2017.

Accordingly, regarding the dividend forecast for FY3/18, dividend per share for 4Q shall be revised to an amount 10 times the previous forecast in keeping with the ratio of the reverse stock split. Total dividend per share is shown as “-” since the dividends for 2Q and 4Q cannot be simply added together.

The above revision of dividend forecast is aimed to revise the dividend per share forecast in line with the reverse stock split, and there are no substantive changes to the dividend forecast.