

For Immediate Release

Company name: Citizen Watch Co., Ltd.

Representative: Toshihiko Sato, President and CEO

(Code: 7762, First Section, Tokyo Stock Exchange)

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Notice of Dividend of Surplus (Interim dividend)

Citizen Watch Co., Ltd. (the “Company”) hereby announces that a meeting of its Board of Directors held today resolved to pay a dividend of surplus (interim dividend) with September 30, 2020 as the record date as described below.

1. Outline of dividends

	Amount decided	Most recent dividend forecast	Dividends paid in the previous fiscal year (interim period of the fiscal year ended March 31, 2020)
Record dates	September 30, 2020	—	September 30, 2019
Dividend per share	2.50 yen	—	12.00 yen
Total dividend	782 million yen	—	3,752million yen
Record date	December 4, 2020	—	December 3, 2019
Dividend source	Retained earnings	—	Retained earnings

2. Reasons for their payment

The Company considers the proportion of the total amount of dividends and share buybacks to profit attributable to owners of parent as the ratio of return to shareholders. Based on this concept, it established a basic policy of ensuring that the ratio of the return to shareholders is at least 60% on average for the three-year period of the Medium-term Management Plan 2021. It determines dividends by considering the balance between consolidated results-based dividend payments and stable dividend payments.

In conjunction with dividend forecasts for the fiscal year ending March 31, 2021, the Company has decided to pay an interim dividend of 2.50 yen per share, based on the comprehensive assessment of the need to ensure on-hand liquidity and maintain the shareholder return policy, although net loss is expected to be posted as indicated in the forecast for the year.

Reference: Breakdown of annual dividend

Record dates	Dividends per share		
	Last day of the first six months	Last day of the fiscal year	Total
Dividend forecast		2.50 yen	5.00 yen
Dividend paid in the fiscal year ending March 31, 2021	2.50 yen		
Dividend paid in the previous fiscal year (fiscal year ended March 31, 2020)	12.00 yen	0.00 yen	12.00 yen