

English Translation

The Japanese original should be considered to be the primary version

May 26, 2022

For Immediate Release

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## Notice of Dividend of Surplus

Citizen Watch Co., Ltd. ("the Company") hereby announces that a meeting of the Board of Directors held on May 26, 2022, resolved to propose the payment of a dividend of surplus with March 31, 2022 as the record date at the 137th Annual General Meeting of Shareholders scheduled to be held on June 28, 2022.

### 1. Outline of dividends

	Amount decided	Most recent dividend forecast (Announced on May 12, 2022)	Dividends paid in the previous fiscal year (Fiscal year ended March 31, 2021)
Record dates	March 31, 2022	Same as the left	March 31, 2021
Dividend per share	9.00 yen	Same as the left	2.50 yen
Total dividend*	2,687 million yen	—	782 million yen
Effective Date	June 29, 2022	—	June 28, 2021
Dividend source	Retained earnings	—	Retained earnings

\* The total dividend includes the dividend for the shares of the Company held by the executive compensation BIP trust.

### 2. Reason

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 three years. It determines dividends by considering the balance between consolidated results-based dividend payments and stable dividend payments.

The Company has decided to pay a year-end dividend of 9.00 yen per share as initially planned for the fiscal year ended March 31, 2022.

In the next and subsequent fiscal years, the Group will emphasize the stable and continuous payment of dividends as its shareholder return policy in the Medium-term Management Plan 2024, and aim for a dividend payout ratio of approximately 50%. The Company expects that the full-year dividend for the fiscal year will be 30.00 yen per share, including an interim dividend of 15.00 yen, comprehensively taking into consideration stable dividend payments and results trends, among other factors.

Reference: Breakdown of annual dividends

	Dividends per share		
Record dates	Last day of the first six months	Last day of the fiscal year	Annual amount
Dividends paid in the fiscal year ended March 31, 2022	9.00 yen	9.00 yen	18.00 yen
Dividends paid in the fiscal year ended March 31, 2021	2.50 yen	2.50 yen	5.00 yen