

May 24, 2018

For Immediate Release

Company name: Citizen Watch Co., Ltd.

Representative: Toshio Tokura, President and CEO

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

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Notice of Dividend of Surplus (Commemorative 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 with March 31, 2018 as the record date as described below.

The Company plans to submit this matter to the 133rd ordinary general meeting of shareholders to be held on June 27, 2018.

1. Outline of dividends

| | Amount decided | Most recent dividend forecast (announced on May 11, 2018) | Dividends paid in the previous fiscal year (fiscal year ended March 31, 2017) |
|--------------------|--|--|---|
| Record dates | March 31, 2018 | Same as stated left | March 31, 2017 |
| Dividend per share | 13.50 yen (Consisting of an ordinary dividend of 8.50 yen and commemorative dividend of 5.00 yen) | 13.50 yen (Consisting of an ordinary dividend of 8.50 yen and commemorative dividend of 5.00 yen) | 8.50 yen |
| Total dividend | 4,296 million yen | — | 2,705 million yen |
| Record date | June 28, 2018 | — | June 29, 2017 |
| Dividend source | Retained earnings | — | Retained earnings |

2. Reasons for their payment

The Company will celebrate its centenary on May 28, 2018. Ahead of this milestone, the Company wishes to express its sincere appreciation for all stakeholders, including shareholders, whose support has enabled it to reach this milestone.

To thank shareholders for their support, the Company has decided to pay year-end dividends of 13.50 yen per share for the fiscal year ended March 31, 2018, adding commemorative dividends of 5.00 yen per share to ordinary dividends of 8.50 yen per share.

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 paid in the fiscal year ended March 31, 2018 | 8.50 yen | 13.50 yen | 22.00 yen |
| Dividend paid in the previous fiscal year (fiscal year ended March 31, 2017) | 8.50 yen | 8.50 yen | 17.00 yen |