



May 19, 2020

Company name: CHORI CO., LTD.
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Notice regarding Changes in Dividends of Surplus for the Year Ended March 31, 2020 and Dividend Policy from Year ending March 31, 2021

CHORI CO., LTD. announced that it resolved to pay dividends of surplus with March 31, 2020 as the date of record and change its dividend policy from the year ending March 31, 2021 as outlined below following passage of a resolution at a meeting of the board held on May 19, 2020.

1. Dividends of Surplus

(1) Details of dividends

	Resolved	Latest forecast (Announced on April 23, 2019)	Dividends paid for the year ended March 31, 2019
Date of record	March 31, 2020	March 31, 2020	March 31, 2019
Dividends per share	32.00 yen	31.00 yen	34.00 yen
Total dividends	785 million yen	–	834 million yen
Effective date	June 17, 2020	–	June 4, 2019
Dividend resource	Retained earnings	–	Retained earnings

(2) Reason

The Company has positioned returning profits to shareholders as an important management topic and has a basic policy of distributing twice annual dividends, an interim and a year-end dividend. From the standpoint of ensuring stable management and financial affairs through an expeditious return of profits, the Company implements performance-based dividends using net income attributable to owners of the parent as the standard. The amount of dividends is determined while taking a comprehensive view of the management environment and after securing investment funds needed to develop the business with a consolidated dividend payout ratio of at least 25% (annually).

Under this policy, the Company has decided to pay a year-end dividend of ¥32 per share, taking into account the consolidated business performance for the year ended March 31, 2020. This makes the full-year dividend ¥63 per share.

(Reference) Detail of total annual dividends payment

Date of record	Dividends per share		
	2nd quarter-end	Year-end	Annual
Payment for the year ended March 31, 2020	31.00 yen	32.00 yen	63.00 yen
Payment for the year ended March 31, 2019	26.00 yen	34.00 yen	60.00 yen

2. Change in Dividend Policy from the year ending March 31, 2021

(1) Details of change in dividend policy

The Company has decided to change its dividend policy from the year ending March 31, 2021 by raising the dividend payout ratio from at least 25% (annually) based on net income attributable to owners of the parent to 30% or more (annually).

(2) Dividend policy following the change

The Company has positioned returning profits to shareholders as an important management topic and has a basic policy of distributing twice annual dividends, an interim and a year-end dividend. From the standpoint of ensuring stable management and financial affairs through an expeditious return of profits, the Company implements performance-based dividends using net income attributable to owners of the parent as the standard. The amount of dividends is determined while taking a comprehensive view of the management environment and after securing investment funds needed to develop the business with a dividend payout ratio based on net income attributable to owners of the parent of at least 30% (annually).

(3) Effective date

Applicable for dividends for the year ending March 31, 2021 (including the interim dividend).