

Translation

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To whom it may concern:

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Notice Concerning Decision Regarding Distribution of Dividends of Surplus (Interim Dividend) and Revisions to Forecasts of Annual and Fiscal Year-End Dividends

CRESCO LTD. (the “Company”) hereby announces that it resolved at a meeting of its Board of Directors held today to distribute dividends from surplus (interim dividend) to shareholders as of the record date, September 30, 2019, and revise the forecasts for the annual and year-end dividends for the fiscal year ending March 31, 2020, as set forth below:

1. Details of the decision regarding the distribution of dividends of surplus (interim dividend)

	Amount determined	The most recent forecast of the dividend (announced on May 9, 2019)	Previous year’s interim dividend results (paid in fiscal year ended March 31, 2019)
Record date	September 30, 2019	Same as on the left	September 30, 2018
Dividend per share	36.00 yen	34.00 yen	32.00 yen
Total amount of dividend	372,324 thousand yen	–	350,083 thousand yen
Effective date	December 2, 2019	–	December 3, 2018
Source of dividend	Retained earnings	–	Retained earnings

2. Details of the revisions to the forecasts of the annual and year-end dividends for the fiscal year ending March 31, 2020

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Previous forecasts (announced on May 9, 2019)	–	34.00 yen	–	34.00 yen	68.00 yen
Revised forecasts			–	36.00 yen	72.00 yen
Results for the fiscal year ending March 31, 2020	–	36.00 yen			
(Reference) Results for the previous fiscal year ended March 31, 2019	–	32.00 yen	–	34.00 yen	66.00 yen

3. Reason for the revision to the forecast of dividends

As for dividend policy, in principle the Company aims to continually pay out about 30% of profit attributable to owners of parent for each fiscal year, which is calculated from consolidated ordinary profit and assuming extraordinary income and losses are zero.

In consideration of the aforementioned basic dividend policy and the current business conditions, the Company resolved to pay an interim dividend of 36 yen per share for the fiscal year ending March 31, 2020, and it revised its forecast for the fiscal year-end dividend to 36 yen per share.

The forecasts of financial results are unchanged from the forecasts announced on May 9, 2019.

4. Caution concerning the forecast of dividends

The aforementioned forecast is based on information available as of the date of the announcement of this material and is made on certain assumptions deemed to be reasonable. The actual amounts of dividends may differ from the forecast, due to various factors including future business performances.