



The original disclosure in Japanese was released on May 11, 2018 at 16:00 (GMT+9)

To whom it may concern,

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Securities code and stock exchange listings: 2531 Tokyo (1st section)
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Notice Regarding Payment of Dividends from Retained Earnings

Kyoto, Japan—Takara Holdings has announced that a resolution has been made at meeting of the Board of Directors held on May 11, 2018, to issue dividend payments from retained earnings as follows. The dividend payments will have a recorded date of March 31, 2018. Further, the Company intends to submit this resolution for approval at the general shareholders' meeting scheduled to be held on June 28, 2018.

1. Details of dividend

	Resolved amount	Previous dividend forecast (Released May 11, 2018)	Previous fiscal year (Ended on March 31, 2018)
Recorded date	March 31, 2018	Same as left	March 31, 2017
Dividend per share	16.00 yen	15.00 yen	13.00 yen
Total dividends	3,194 million yen	-	2,615 million yen
Effective date	June 29, 2018	-	June 30, 2017
Dividend source	Retained earnings	-	Retained earnings

2. Reason

The Company's basic financial policy is to maintain a strong balance sheet and make growth-oriented investments while also improving our ROE and achieving proper stock price levels by providing appropriate shareholder returns.

The Group's specific shareholder return policy is to increase dividends based on consolidated operating income level with a target of 30% for the deemed dividend payout ratio* (ratio of total dividends to operating income less adjusted taxes).

We also aim to achieve an ROE in the high six per cent range by flexibly acquiring treasury stock, selling cross shareholdings and allocating the proceeds to growth investment and returns to shareholders as circumstances permit.

The year-end cash dividend for the fiscal year ended March 31, 2018 was set at ¥16 per share based on the aforementioned shareholder return policy.

* Deemed dividend payout ratio: $\text{Total dividends} / \text{Consolidated operating income} \times (1 - \text{statutory effective tax rate}) \doteq 30\%$

Forward - Looking Statements

Statements in this document, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors. Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, declines in selling power of the Company's existing and new products, disruptions to production, violations of the Company's intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation