

Notice Concerning Distribution of Retained Earnings

At its Board of Directors' meeting held on February 18, 2021, Kuraray resolved to submit an agenda item concerning the distribution of retained earnings (year-end dividend for the fiscal year ended December 31, 2020) to the upcoming Ordinary General Meeting of Shareholders to be held on March 25, 2021. Details follow.

1. Details of Dividend

	Amount in accordance with resolution	Latest forecast for year-end dividend (announced on August 12, 2020)	Dividend for fiscal year ended December 31, 2019
Record date	December 31, 2020	December 31, 2020	December 31, 2019
Cash dividends per share	¥19.00	¥19.00	¥22.00
Total dividends paid	¥6,534 million	—	¥7,562 million
Effective date	March 26, 2021	—	March 27, 2020
Source of dividends	Retained earnings	—	Retained earnings

2. Reasons for the Payment of Dividends

Kuraray positions the distribution of profits to shareholders as one of its top management priorities, and its basic policy is to increase the distribution of profits through sustainable growth of business performance. During the period covered by "PROUD 2020" (from fiscal 2018 to fiscal 2020), the Company's basic policy was to aim for a total return ratio relative to net income attributable to owners of the parent of 35% or more and annual dividends per share of ¥40 or higher.

Under this policy, Kuraray intends to pay out a year-end dividend of ¥19 per share taking into consideration consolidated operating results for fiscal 2020 and retained earnings.

Reference: Breakdown of Full-Year Dividends

	Dividend per share (yen)		
	Interim	Year-end	Total
Fiscal year ended December 31, 2020	¥21.00	¥19.00	¥40.00
Fiscal year ended December 31, 2019	¥20.00	¥22.00	¥42.00