



PRESS RELEASE

May 28, 2020

AXELL CORPORATION
14-1, Sotokanda 4-chome, Chiyoda-ku, Tokyo, Japan
Kazunori Matsuura
President & Representative Director
(Securities Code: 6730, First Section of Tokyo Stock Exchange)
Inquiries:
Yoshimasa Ueno
Executive Officer, General Manager of Management Department
TEL: +81-3-5298-1670

Notice on Dividends from Surplus (Increase)

Please be informed that at a meeting of its Board of Directors held on May 28, 2020, AXELL CORPORATION (the “Company”) resolved to pay dividends from surplus with a record date of March 31, 2020.

1. Details of Dividends

	Amount decided	Most recent dividend projection (Announced on May 9, 2019)	Dividends for the previous fiscal year
Record date	March 31, 2020	Same as on the left	—
Dividend per share	21 yen	5 yen	—
Total amount of dividends	234 million yen	—	—
Effective date	July 1, 2020	—	—
Source of dividends	Retained earnings	—	—

2. Reasons

The Company’s policy on profit sharing for shareholders is to maximize the return, while taking into account the adequate levels of “periodic profit returns to shareholders” and “maintenance of appropriate internal reserves that enables flexible business operations.” Based on this policy, the amount of dividends is set at 50% of profit (payout ratio of 50%) as a general rule. However, if the amount of dividends calculated at the payout ratio of 50% falls below the amount for the previous fiscal year, the amount shall be considered with the level of prior dividends taken into account after adequate internal reserves are secured. Meantime, the Company bases its calculation of payout ratio on consolidated financial results instead of non-consolidated financial results.

Based on the above basic policy, comprehensively taking into account the results for the fiscal year ended March 31, 2020 as well as the future business environment and the Company’s business development, the term-end dividend for the fiscal year ended March 31, 2020 will be set at 21 yen per share, an increase of 16 yen from the previous projection. The consolidated payout ratio will be 50.2%. This matter will be proposed at the 25th Ordinary General Meeting of Shareholders of the Company to be held on June 30, 2020.