

October 9, 2026

Notice Regarding Dividend of Surplus (Dividend Increase)

WATTS CO.,LTD. (the "Company") hereby announces that at a meeting of the Board of Directors held on October 9, 2026, the Company has resolved to pay dividends from retained earnings with a record date of August 31, 2026.

This proposal will be submitted to the Annual General Meeting of Shareholders scheduled for November 2026.

1. Details of dividend

	Determined amount	Latest dividend forecast (Announced on August 18, 2026)	Actual results for the previous fiscal year (FY8/25)
Record date	August 31, 2026	August 31, 2026	August 31, 2025
Dividend per share	18.50 yen (Ordinary dividend: 7.50 yen) (Special dividend: 11.00 yen)	15.50 yen (Ordinary dividend: 7.50 yen) (Special dividend: 8.00 yen)	23.00 yen (Ordinary dividend: 15.00 yen) (Commemorative dividend: 3.00 yen) (Special dividend: 5.00 yen)
Total amount of dividends	245 million yen	—	303 million yen
Effective date	November 26, 2026	—	November 27, 2025
Source of dividends	Retained Earnings	—	Retained Earnings

2. Reason for the revision

The Company recognizes the long-term, continued enhancement of shareholder returns as an important management priority. The Company's basic policy is to maintain sustainable and stable dividends without reducing them, while considering special dividends in light of its financial results and other factors and retaining sufficient earnings to support future business development and strengthen its financial position.

Based on these policies and taking into account the Company's business performance for the fiscal year ended August 2026, the Company has revised the year-end dividend for the same fiscal year to 18.50 yen per share, comprising an ordinary dividend of 7.50 yen and a special dividend of 11.00 yen.

As a result, the annual dividend for the fiscal year is expected to total 26.00 yen per share.

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(Reference)

	Dividend per share (yen)		
	End of Q2	Year-end	Total
Actual results for the fiscal year under review (FY8/26)	7.50 yen (Ordinary dividend: 7.50 yen)	18.50 yen (Ordinary dividend: 7.50 yen) (Special dividend: 11.00 yen)	26.00 yen (Ordinary dividend: 15.00 yen) (Special dividend: 11.00 yen)
Actual results for the previous fiscal year (FY8/25)	10.50 yen (Ordinary dividend: 7.50 yen) (Commemorative dividend: 3.00 yen)	12.50 yen (Ordinary dividend: 7.50 yen) (Special dividend: 5.00 yen)	23.00 yen (Ordinary dividend: 15.00 yen) (Commemorative dividend: 3.00 yen) (Special dividend: 5.00 yen)