

(Translation)

November 5, 2018

To whom it may concern:

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Notice Regarding Issuance of Dividends (Interim Dividends) from Surplus

Kyushu Railway Company announces that, at a Board of Directors meeting held on November 5, 2018, it has resolved to issue dividends from surplus (interim dividends) with a record date of September 30, 2018. The details are as follows.

1. Details of Dividend Proposal

	Proposal	Most recent forecast (Announced August 6, 2018)	Interim dividend for fiscal year ended March 31, 2018
Record date	September 30, 2018	September 30, 2018	September 30, 2017
Dividends per share	¥41.50	¥41.50	¥39.00
Total dividend amount	¥6,640 million	—	¥6,240 million
Effective date	December 5, 2018	—	December 5, 2017
Source of dividends	Retained earnings	—	Retained earnings

2. Reason

The Company views the return of profits to shareholders as its most important management task. As such, the Company adopts a basic policy of carrying out stable and continuous dividend payments in accordance with its business performance.

With regard to dividends from surplus, the Company aims to achieve steady returns to shareholders while taking care to maintain sufficient internal reserves of capital. To that end, with the goal of keeping the consolidated payout ratio at the level of approximately 30% through the fiscal year ending March 31, 2019, the Company aims for a stable dividend per share.

In accordance with this policy, the Company will issue interim dividends of ¥41.50 per share with a record date of September 30, 2018.