

The following is an English translation of the original Japanese documents.

All financial information has been prepared in accordance with accounting principles generally accepted in Japan.

May 10, 2019

Listed company: Penta-Ocean Construction Co.,Ltd.
Code number: 1893
Stock Exchange: Tokyo Stock Exchange (TSE)
Nagoya Stock Exchange (NSE)

Notice of Dividends of Surplus

Penta-Ocean Construction Co., Ltd. announced that the company resolved to distribute dividends of surplus as below, with the record date of March 31, 2019, at the Board of Directors Meeting held on May 10, 2019, subject to approval of the 69th General Shareholders Meeting, scheduled for June 25, 2019.

1. Description of Dividends of Surplus

| | Dividends for FY 3/19 | Most recent dividend forecast (published on May 10, 2018) | Dividends for FY 3/18 |
|--------------------------|--------------------------|--|--------------------------|
| Record date | March 31, 2019 | March 31, 2019 | March 31, 2018 |
| Dividend per share | 19 yen | 18 yen | 14 yen |
| Total amount of dividend | 5,430 million yen | - | 4,002 million yen |
| Effective date | June 26, 2019 | - | June 27, 2018 |
| Source of dividends | Retained earnings | - | Retained earnings |

2. Reasons for the dividend decision

The company's basic policy of dividend of surplus is to increase its corporate value, in order to pay stable dividends to the shareholders on a continuing basis, by enhancing its profitability through cutting-edge technological developments and appropriate capital investments. Based on the progress made in terms of the company's equity capital adequacy enhancement, the company has increased the target consolidated dividend payout ratio to 25% to 30% from FY 3/19.

For the term-end dividend for FY 3/19, the company will propose to pay 19 yen per share, subject to approval of the 69th General Shareholders Meeting.

As for the term-end dividend for FY 3/20, the company is expected to increase it by 1 yen over the previous year and pay 20 yen per share, as announced in the "Summary of Consolidated Financial Results of Fiscal Year Ended March 2019", published on May 10, 2019.