

\* This Notice is solely a translation of “2023 Nen 3 Gatsu ki Gyosekiyosou no Shusei ni Kansuru Oshirase” (in Japanese), which has been prepared in accordance with International Financial Reporting Standards (IFRS), for the convenience of readers who prefer an English translation.

March 22, 2023

For Immediate Release

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Representative Member of the Board  
(Code number: 4114, Prime Market,  
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## **Notice of Revisions to Earnings Forecasts for the Fiscal Year Ending March 31, 2023**

NIPPON SHOKUBAI CO., LTD. [Headquarters: Chuo-ku, Osaka; President: Kazuhiro Noda, TSE: 4114] (“Nippon Shokubai”) has made the following revisions to its earnings forecasts for the fiscal year ending March 31, 2023, which were announced on February 6, 2023, in view of recent trends in operating results. The details are as follows.

1. Consolidated financial forecasts

Consolidated full-year financial forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecasts (A) (as of February 6, 2023)	440,000	26,500	31,000	21,000	528.92
New Forecasts (B)	420,000	21,000	23,500	17,000	428.07
Change in Amount (B-A)	(20,000)	(5,500)	(7,500)	(4,000)	
Percentage Change (%)	(4.5%)	(20.8%)	(24.2%)	(19.0%)	
(Reference) Full Year of Fiscal Year Ended March 31, 2022	369,293	29,062	33,675	23,720	594.86

2. Reasons for the revision of consolidated financial forecasts

In the fourth quarter of the fiscal year ending March 31, 2023, in addition to a higher-than-expected decrease in sales volumes of acrylic acids, acrylates, superabsorbent polymers and other products resulting from a decline in demand, inventory adjustments by customers and other factors, sales volumes of electronic information materials-related products will decrease due to the slow recovery in demand for displays. As a result, revenue for the fiscal year ending March 31, 2023 is expected to decrease by 20,000 million yen to 420,000 million yen from the previous forecast as of February 6, 2023.

Due to decreased production and sales volumes, the expectation that we will record impairment loss on some electronic information materials products, and other factors, we expect a decrease in operating

profit of 5,500 million yen to 21,000 million yen from the previous forecast. Regarding this impairment loss, we have determined that it will take a significant period of time for display-related demand to recover and have therefore revised our business plan for products whose profitability has declined in line with changes in the business environment. As a result of considerations on the potential future recoverability of non-current assets, we expect to record impairment loss of approximately 1,500 million yen in the fourth quarter of the fiscal year ending March 31, 2023.

Furthermore, due to a decrease in foreign exchange gains and share of profit of investments accounted for using equity method, we expect a decrease in profit before tax of 7,500 million yen to 23,500 million yen from the previous forecast and a decrease in profit attributable to owners of parent of 4,000 million yen to 17,000 million yen.

### 3. Dividends forecasts

Regarding the dividend forecasts for the fiscal year ending March 31, 2023, there is no change from the previous forecast of 90 yen per share for the year-end dividend.

#### (Note)

The preceding forecasts are based on information currently available and certain assumptions that Nippon Shokubai believes are reasonable. Various factors may lead to different actual results from the forecasts.