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Company: Sanyo Chemical Industries, Ltd.
Representative: Akinori Higuchi, President & CEO
(Code Number: 4471, Prime Section, Tokyo Stock Exchange)
Contacts: Kenichi Nishimura, Director & Executive Officer,
General Manager of Administrative Affairs Division
(Tel: +81-75-541-4312)

**Notice of Revision of Consolidated Earnings Forecasts
for the First Half and Full Year of the Fiscal Year Ending March 31, 2024**

In light of recent business trends, we announce that we have revised our consolidated financial forecasts for the first half of the fiscal year ending March 31, 2024 (April 1, 2023 to September 30, 2023) and for the full fiscal year (April 1, 2023 to March 31, 2024) announced on May 12, 2023, as follows.

1. Revision from Consolidated Previous Forecast

(1) Revision from consolidated previous forecast for the first half of the fiscal year ending March 31, 2024 (April 1, 2023 to September 30, 2023)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (May 12)(A)	88,000	4,500	5,000	3,000	135.90
Revised forecast (B)	79,000	1,200	3,500	3,000	135.91
Amount of change (B-A)	(9,000)	(3,300)	(1,500)	0	
Percentage change (%)	(10.2)	(73.3)	(30.0)	0.0	
Results for the previous period(2Q FY2022)	88,439	3,807	7,368	4,719	213.90

(2) Revision of consolidated earnings forecast for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (May 12) (A)	180,000	10,000	11,000	6,500	294.46
Revised forecast (B)	160,000	5,000	6,000	4,000	181.21
Amount of change (B – A)	(20,000)	(5,000)	(5,000)	(2,500)	
Percentage change (%)	(11.1)	(50.0)	(45.5)	(38.5)	
Results for the full year of the previous fiscal year (FY2022)	174,973	8,123	9,918	5,684	257.57

2. Reasons for the Revisions

Consolidated net sales, operating profit and ordinary profit for the first half of the fiscal year are expected to fall short of the previously announced figures due to a decrease in overall sales volume of our products. This was because sales of superabsorbent polymers fell sharply in the Chinese, other Asian, and Japanese markets, respectively, and the recovery from the stagnant demand from the previous fiscal year was weak, especially for products for the automotive industry and the electronic components and semiconductor industries.

From the third quarter onward, consolidated net sales and operating profit are expected to pick up due to recovery in sales volume. However, corrections are expected to be lower than the previously announced forecast for the full year.

Profit attributable to owners of parent is expected to be in line with the previously announced forecast for the first half of the fiscal year, mainly due to gains on sales of investment securities, but is expected to be lower than the previously announced forecast for the full year.