

This document is an English translation of a statement written originally in Japanese for reference. The Japanese original should be considered as the primary version.

May 11, 2022

To Whom It May Concern,

Company Name: DAICEL CORPORATION
Representative: Yoshimi Ogawa, President and CEO
(Code: 4202, Prime Market of the Tokyo Stock Exchange)
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Notice of Dividends of Surplus (Dividend Increase)

DAICEL CORPORATION (The “Company”) hereby announces that, at the Board of Directors’ meeting held today, the company has passed a resolution to pay a dividend of surplus with March 31, 2022 at the 156th Ordinary General Shareholders’ Meeting scheduled to be held on June 22, 2022. The details are as follows.

1.Details of dividend

	Decided amount	Latest dividend forecast (Announced on May 12, 2021)	Dividends for the previous fiscal year (Ended March 31, 2021)
Record date	March 31, 2022	March 31, 2022	March 31, 2021
Per share amount	¥18.00	¥16.00	¥16.00
Total amount	¥5,322 million	—	¥4,821million
Effective date	June 23, 2022	—	June 28, 2021
Source of dividends	Retained earnings	—	Retained earnings

2.Reason

DAICEL’s basic dividend policy is to distribute profits in a balanced manner that comprehensively considers maximizing asset efficiency, realizing optimal capital structure, securing soundness to maintain fund raising capacity, and stable dividends reflecting the consolidated business results.

Internal reserves will be applied to investment in business expansion and reinforcement of highly-profitable business structures, such as R&D for new business development and strengthening of existing businesses, new construction and expansion of facilities, and efficiency improvement measures. Through future business development, we will ensure growing benefits to our shareholders.

In our mid-term management strategic period (from the fiscal year ended March 2021 to the fiscal year ending March 2026), we are targeting a total return ratio of 40%, which is a combination of dividends and agile share buybacks, with the current dividend per share as the lower limit.

Based on the policy outlined above, we will hold discussions on the payment of an ordinary year-end dividend of ¥18 per share an increase of ¥2 per share from the prior fiscal year, at the 156th Annual General Meeting of Shareholders to be held on June 22, 2022.

Regarding the acquisition of treasury stock, the Company acquired 6 million shares worth approximately ¥5 billion between November 2021 and February 2022 for a dividend payout ratio of 48.6% for the year under review.

(Reference) Breakdown of annual dividend

Record date	Per share amount		
	2nd quarter- end	Year- end	Total
Results for the current fiscal year	¥16.00	¥18.00	¥34.00
Results for the previous fiscal year (Fiscal year ended March 31, 2021)	¥16.00	¥16.00	¥32.00

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