

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.

November 2, 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 Regarding Revision of Financial Forecast for
Fiscal Year Ending March 31, 2023 and Revision of the Annual Dividend Forecast**

In light of recent trends in the economic environment and business performance, DAICEL CORPORATION (hereinafter referred to as the “Company”) has revised its consolidated financial forecast for the fiscal year ending March 31, 2023 and the annual dividend forecast, announced on May 11, 2022, as described below.

1. Revision of consolidated financial forecast

(1) Details for Revision of consolidated financial forecast for full fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Unit: Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Profit per share (yen)
Previous forecast : (A) (May 11, 2022)	540,000	46,500	48,500	37,000	125.12
Newly revised forecast : (B)	579,000	54,000	59,000	41,000	138.44
Change: (B)–(A)	39,000	7,500	10,500	4,000	—
Rate of change (%)	7.2	16.1	21.6	10.8	—
(Ref.) Actual result of fiscal year ended March 31, 2022	467,937	50,697	57,291	31,254	104.14

(2). Reasons for the revision of consolidated financial forecast

During the second quarter of the current fiscal year under review, our consolidated operating results have exceeded targets due to sale price revisions, execution of thorough cost reduction and the impact of foreign exchange rates.

The third quarter situation remains uncertain due to a rise in raw material and fuel prices affected by Russia's prolonged military invasion of Ukraine, the effect of a semiconductor supply shortage on automobile production, and the impact of foreign exchange rates. Nevertheless, based on the business results for the second quarter of the current fiscal year, forecasts of product demand and market conditions, and revised assumptions concerning procurement prices of raw materials and fuel prices and foreign exchange rates, the Company has revised its consolidated earnings forecasts upward for the full fiscal year ending March 31, 2023 announced on May 11, 2022, as described above.

(Note 1) The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, may be substantially different from the actual performance because of various factors that may arise from now on.

(Note 2) In these forecasts after the third quarter, we assume an exchange rate of ¥140/US dollar, (Asian spot) methanol price of US\$400/ton, Dubai crude oil price of US\$100/bbl and domestic naphtha price of ¥76,000/kl.

2. Revision of Annual Dividend Forecast

(1) Details of the Revision of Annual Dividend Forecast

	Dividend amount per share		
	2nd quarter-end	Year-end	Total
Previous forecast (Announced on May 11,2022)	¥18.00	¥18.00	¥36.00
Revised forecast	—	¥20.00	¥38.00
Result for current fiscal year (Fiscal year ending March 31, 2023)	¥18.00	—	—
Results for the previous fiscal year (Fiscal year ended March 31, 2022)	¥16.00	¥18.00	¥34.00

(2) Reasons for the revision of Annual Dividend Forecast

In our mid-term management strategy "Accelerate 2025" (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 an annual dividend of ¥32 per share, the annual dividend announced as the lower limit in "Accelerate 2025".

Based on the policy outlined above, we have decided to revise the payment of the ordinary year-end dividend to ¥20 per share, an increase of ¥2 per share from the previous forecast which bring

the annual dividend to ¥38 per share. As a result, the shareholder return ratio for this fiscal year will be 51.3 % together with the acquisition of treasury stock announced today.