

Company name	ADEKA CORPORATION
Stock exchange listing	Tokyo (code no. TSE 4401)
Representative	HIDETAKA SHIROZUME PRESIDENT AND CHIEF EXECUTIVE OFFICER
Contact	FUMITAKE KOYAE OPERATING OFFICER AND GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT

Notice Regarding Upward Revision of Targets for the Mid-Term Management Plan *ADX 2023*

ADEKA CORPORATION (President and Chief Executive Officer: Hidetaka Shirozume) is pleased to announce that its Board of Directors has resolved at a meeting held today to revise target of the Mid-Term Management Plan *ADX 2023* announced on April 1, 2021 upward. Details are as follows.

1. *ADX 2023* Targets

		FY2023 (the fiscal year ended March 31, 2024)	
		Before revision	Revised
Financial indexes	Operating profit	JPY 35 billion (Net sales: JPY 380 billion)	JPY 42 billion (Net sales: JPY 430 billion)
	ROE	9%	9%
Capital investment amount		JPY 50 billion (3 years)	JPY 50 billion (3 years) ※2
Dividend policy (Dividend payout ratio)		30% or higher ※1	30% or higher ※1

※1 Based on our comprehensive consideration of appropriate shareholder returns, maintaining stable dividends as our policy.

※2 Includes environmental investments for the achievement of carbon neutrality.

2. Reasons of Revision

As part of its efforts to achieve Mid-Term Management Plan *ADX 2023*, the Company strives to consistently increase its corporate value by responding to the new social environment and transforming its corporate structure so that it is both profit-oriented and robust.

In FY2021 (the fiscal year ended March 31, 2022), sales of semiconductor materials and polymer additives products were strong, and the impact of the depreciation of the yen and other factors led to results that significantly exceeded the initial assumptions made when the Mid-Term Management Plan was adopted.

As a result, we have almost achieved the management indicators for the final year (FY2023) in the first year.

In light of this, considering the changes in the business environment associated with the COVID-19 pandemic, strong demand and capital investment conditions in the area of semiconductors, soaring raw materials and fuel costs and exchange rate fluctuations, we have revised our business indicators for the final year upward.

There are no changes to the basic policies and strategies of *ADX 2023*.

- Details will be explained at the financial results briefing for the first quarter of FY2022.
The materials (Japanese version) to be posted on ADEKA's website on August 29, 2022.
<https://www.adeka.co.jp/>

Note : The forecast performance and business plans specified in this document have been prepared based on information available as of the date of publication, as well as on various prerequisites; therefore, the actual results may differ from these forecasts or plans depending on various factors that may arise hereafter. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

