

August 9, 2023

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

Notice revision of Consolidated financial forecasts for the 1H of the FY 2023

ADEKA CORPORATION is pleased to announce that it has revised its consolidated financial forecasts for the first half of the fiscal year ended March 31, 2024 which announced on May 12, 2023.

1. Revision of consolidated financial forecasts

The first half of the fiscal year ended March 31, 2024 (April 1, 2023 - September 30, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	202,000	15,000	14,700	8,900	86.78
Revised forecast (B)	191,000	13,300	13,700	8,200	79.95
Change (B - A)	(11,000)	(1,700)	(1,000)	(700)	
Change (%)	(5.4)	(11.3)	(6.8)	(7.9)	
(ref.) Results for the previous corresponding period	196,479	15,112	16,431	9,980	96.97

In the Chemicals Products Business, both net sales and operating profit are expected to fall short of initial forecasts due to a delay in the recovery of demand in automobiles, home electronics and electronics-related products, housing and infrastructure. In particular, although production and sales of automobiles, our main target field, are on a recovery trend, the automotive components for which our resin additive products are used are in the phase of inventory adjustment, with a full-fledged recovery in demand expected to be delayed until the third quarter or later. The revisions to ordinary profit and profit are mainly due to the decrease in operating profit.

There are no revisions to the full-year consolidated earnings forecast and dividend forecast from the previous announcement (May 12, 2023). The Company expects a recovery in demand in accordance with the expansion of automobile production and the resolution of production adjustments in the display and electronic device industries, continued strong sales of materials for advanced semiconductors, especially high dielectric constant materials, and a contribution to the results (net increase) from our *Deli-PLANTS* series of plant-based foods, which an increasing number of food businesses have made informal decisions to introduce. Therefore, the revisions made in the first half of the fiscal year will be made up throughout the fiscal year.

Our assumptions for the exchange rates for the second quarter and thereafter are 138 yen against the U.S. dollar and 149 yen against the Euro.

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.