

February 10, 2022

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

Notice revision of Consolidated Financial Forecasts and Dividend Forecast for FY 2021

ADEKA CORPORATION (President and Chief Executive Officer: Hidetaka Shirozume) is pleased to announce that it has revised its consolidated financial forecasts and dividend forecast for fiscal 2021 (April 1, 2021 – March 31, 2022) which announced on November 12, 2021.

1. Revision of consolidated financial forecasts

Fiscal 2021 Full year(April 1, 2021 – March 31, 2022)

	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)	357,000	31,000	31,500	20,000	194.16
Newly revised forecast (B)	358,000	32,000	33,000	21,000	203.87
Change (B-A)	1,000	1,000	1,500	1,000	
Rate of change (%)	0.3	3.2	4.8	5.0	
(ref.) Results for the year ended March 31, 2021	327,080	28,979	29,270	16,419	159.01

With regard to consolidated results for the fiscal year ending March 31, 2022, sales of the chemicals business, mainly polymer additives and electronics and IT materials, exceeded our initial forecasts, against a backdrop of continued demand for semiconductors with progress in digitalization and a gradual recovery in automobile production. There are concerns about the resurgence of COVID-19 infections as well as logistics disruption and material shortages in our supply chain. Even so, we revised our previous forecasts (November 12, 2021) upward for both net sales and profits because we expect to benefit from company-wide productivity improvements and cost reductions, as well as the depreciation of the yen.

Exchange rate assumptions for 4Q are ¥114/USD and ¥130/EUR.

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2. Revision of Dividend forecast

Fiscal 2021 (April 1, 2021 – March 31, 2022)

	Annual Dividend per share (yen)			Consolidated dividend payout ratio
	2 nd quarter-end	Year-end	Total	
Previous forecast (A)		28	56	28.8%
Newly revised forecast (B)		34	62	30.4%
Results for the year ending March 31, 2022	28			
(ref.) Results for the year ended March 31, 2021	24	24	48	30.2%

The Company recognizes that the return of profits to shareholders is one of management's most important tasks. Under ADX 2023, the Mid-Term Management Plan which started from April 2021, the Company set a target dividend payout ratio of at least 30% based on a basic policy of giving comprehensive consideration to the payment of appropriate returns to shareholders and maintaining stable dividends.

Based on the above policy and the upward revision of the consolidated earnings forecast, we increased the year-end dividend forecast for the fiscal year ending March 31, 2022 by 6 yen to 34 yen per share from the previously announced 28 yen per share on November 12, 2021.

As a result, the annual dividend for the fiscal year ending March 31, 2022, including the interim dividend of 28 yen per share, is expected to be 62 yen per share (48 yen per share for the previous fiscal year), with a consolidated payout ratio of 30.4%.

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.