

July 31, 2020

To whom it may concern,

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Notice of Revision to the Business Results Forecasts
for the First Half of the Fiscal Year Ending March 31, 2021
(April 1 to September 30, 2020)

In light of recent trends in its business performance, Nippon Kayaku Co., Ltd. revised the business results forecasts for the first half of the fiscal year ending March 31, 2021 (April 1 to September 30, 2020), which were announced on May 22, 2020.

1. Consolidated business results forecasts for the first half of the fiscal year ending March 31, 2021
(April 1 to September 30, 2020)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit attributable to owners of parent per share
Previous forecast (A)	Million yen 79,000	Million yen 3,000	Million yen 3,500	Million yen 3,000	Yen 17.57
Current revised forecast (B)	77,000	4,500	5,000	3,000	17.57
Change (B-A)	(2,000)	1,500	1,500	—	—
Percentage change (%)	(2.5)	50.0	42.9	—	—
(Reference) Previous 1H results (April 1 to September 30, 2019)	85,608	9,045	9,149	6,337	36.60

2. Reason for the Revision

Consolidated net sales for first half of the fiscal year ending March 31, 2021 (April 1 to September 30, 2020) are expected to underperform the previously announced forecasts, due to a slump in the automotive market in regions outside of China and a sluggish sales of dyes for textiles, under the impact from the spread of the novel coronavirus. Operating income and ordinary income are expected to exceed the previously announced forecast due to control of SG&A expenses. Although ordinary income is higher than the previously announced forecast, profit attributable to owners of parent does not be changed from the previously announced forecast because the expected extraordinary income will not be realized.

3. Consolidated Business Results Forecasts for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

We are not disclosing consolidated business results forecasts for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021) at the present time because it is difficult to predict the impact from the spread of the novel coronavirus. We will promptly disclose that full-year forecasts when it becomes possible.

Note: The business results forecasts were calculated based on information currently available on the date they were announced. Actual business results may differ from numerical forecasts due to various factors that may affect results in the future.