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**(Updated) Partial correction of “Fiscal 2020 2nd Quarter Financial Results  
– supplementary financial summary –”**

Asahi Kasei Corp. hereby announces a correction of the “Fiscal 2020 2nd Quarter Financial Results – supplementary financial summary –” issued on November 6, 2020, as shown below.

1. Reason for the correction

This correction addresses erroneous descriptions on p. 5 “Overview of FY2020 full-year forecast (1)” and p. 6 “Overview of FY2020 full-year forecast (2)” in the “Fiscal 2020 2nd Quarter Financial Results – supplementary financial summary –” issued on November 6, 2020.

2. Substance of the correction

Please refer to the following pages, with corrected portions enclosed in red.

Before correction:

AsahiKASEI

## Overview of FY2020 full-year forecast (1)

Impact of COVID-19 pandemic remains unpredictable. Improvement of market environment from Q2, and recovery of demand seen in H1. This trend expected to continue in H2, with gradual improvement of market environment, particularly in automotive markets.

Although full-year operating income forecast announced in August was presented as a range, it is now presented in the conventional format based on the above assumptions.

### H2 forecast vs. H1 result: net sales and operating income increase

- Material  
Market environment expected to recover especially in automotive markets. Increased shipments and improved terms of trade for acrylonitrile (AN) expected. Net sales and operating income increase from H1 to H2 forecasted.
- Homes  
Net sales increase forecasted with consolidation of Austin acquired in the US and deliveries of several large buildings scheduled in order-built homes operations. Operating income decrease forecasted with increased fixed costs expected in order-built homes operations, and deliveries of condominiums in real estate operations expected to taper off after a peak in H1.
- Health Care  
Increased shipments of pharmaceuticals expected. Demand for ventilators in the critical care business category expected to taper off. Increased SG&A expenses for the segment overall expected. Net sales and operating income decrease from H1 to H2 forecasted.

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After correction:

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## Overview of FY2020 full-year forecast (1)

Impact of COVID-19 pandemic remains unpredictable. Improvement of market environment from Q2, and recovery of demand seen in H1. This trend expected to continue in H2, with gradual improvement of market environment, particularly in automotive markets.

Although full-year operating income forecast announced in August was presented as a range, it is now presented in the conventional format based on the above assumptions.

### H2 forecast vs. H1 result

Net sales increase, but operating income decrease.

- Material  
Market environment expected to recover especially in automotive markets. Increased shipments and improved terms of trade for acrylonitrile (AN) expected. Net sales and operating income increase from H1 to H2 forecasted.
- Homes  
Net sales increase forecasted with consolidation of Austin acquired in the US and deliveries of several large buildings scheduled in order-built homes operations. Operating income decrease forecasted with increased fixed costs expected in order-built homes operations, and deliveries of condominiums in real estate operations expected to taper off after a peak in H1.
- Health Care  
Increased shipments of pharmaceuticals expected. Demand for ventilators in the critical care business category expected to taper off. Increased SG&A expenses for the segment overall expected. Net sales and operating income decrease from H1 to H2 forecasted.

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Before correction:

AsahiKASEI

## Overview of FY2020 full-year forecast (2)

FY20 forecast vs. FY19 result: net sales and operating income decrease

➤ Material

Impact of COVID-19 pandemic across the whole segment, sluggish demand in automotive and apparel markets, lower market prices for petrochemical feedstocks, and deteriorated terms of trade for AN. Operating income decrease forecasted.

➤ Homes

Operating income increase in real estate forecasted with steady performance of rental management and firm deliveries of condominiums centered in H1. Impact of COVID-19 pandemic on order-built homes and remodeling operations. Operating income decrease forecasted for the segment overall.

➤ Health Care

Despite impact of reduced reimbursement prices for pharmaceuticals and medical devices in Japan and amortization of goodwill, etc., due to consolidation of Veloxis, operating income increase forecasted in health care business category with greater shipments of virus removal filters and decreased SG&A expenses. Operating income increase forecasted in critical care business category with greater shipments of ventilators. Operating income increase forecasted for the segment overall.

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After correction:

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## Overview of FY2020 full-year forecast (2)

FY20 forecast vs. FY19 result

Net sales and operating income decrease.

➤ Material

Impact of COVID-19 pandemic across the whole segment, sluggish demand in automotive and apparel markets, lower market prices for petrochemical feedstocks, and deteriorated terms of trade for AN. Operating income decrease forecasted.

➤ Homes

Operating income increase in real estate forecasted with steady performance of rental management and firm deliveries of condominiums centered in H1. Impact of COVID-19 pandemic on order-built homes and remodeling operations. Operating income decrease forecasted for the segment overall.

➤ Health Care

Despite impact of reduced reimbursement prices for pharmaceuticals and medical devices in Japan and amortization of goodwill, etc., due to consolidation of Veloxis, operating income increase forecasted in health care business category with greater shipments of virus removal filters and decreased SG&A expenses. Operating income increase forecasted in critical care business category with greater shipments of ventilators. Operating income increase forecasted for the segment overall.

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