

Notice of Decision of Dividend of Surplus (Interim Dividend) and Revision of Year-end Dividend Forecast

This is to notify you that we have decided dividends of surplus (interim dividends) with the record date of September 30, 2022, and revisions to the year-end dividend forecast for the year ending March 31, 2023.

1. Details of interim dividend

	Final decision	Previous forecast (April 27, 2022)	Previous fiscal year results (fiscal 2021)
Base date	September 30, 2022	September 30, 2022	September 30, 2021
Dividend per share (yen)	29.00	26.00	24.00
Total dividend amount	12,689million yen	—	10,729 million yen
Effective date	December 1, 2022	—	December 1, 2021
Dividend source	Retained earnings	—	Retained earnings

2. Revised dividend predictions

	Annual dividend (yen)		
	End of 2nd quarter	End of period	Total
Previous forecast (Announced on April 27, 2022)	26.00	27.00	53.00
Revised forecast	—	30.00	59.00
Results for the current fiscal year	29.00	—	—
Results for the previous fiscal year (Fiscal year ended March 31, 2022)	24.00	25.00	49.00

3. Reasons for Revision

SEKISUI CHEMICAL positions increasing corporate value and actively returning profits to shareholders as priority management objectives. With regard to shareholder returns, we expressed the following policy in our Medium-term Management Plan “Drive 2022”, reinforcing and clarifying our commitment.

- Dividend payout ratio: 35% or higher
- DOE: 3% or higher
- Total payout ratio: If the D/E ratio is no higher than 0.5, 50% or higher
- Cancellation of treasury shares: Retirement of new acquisitions of treasury shares such that treasury shares are no more than 5% of the total number of issued shares.

In accordance with the above policy and taking into consideration the facts that profit attributable to owners of parent per share in the first half was significantly higher than the initial forecast and that the consolidated earnings forecast for the fiscal year was revised upward, at the end of the second quarter

the company has decided to revise its dividend forecast for the fiscal year ending March 31, 2023 from the previous forecast announced on April 27, 2022, raising the forecast for interim dividend by three yen to 29 yen and the forecast for the year-end dividend by three yen to 30 yen.

As a result, the dividend forecast for the fiscal year ending March 31, 2023 is 59 yen, a 10 yen increase.