

October 19, 2021

To whom it may concern,

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Securities Code: 4046, First Section, Tokyo Stock Exchange

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Osaka Soda Announces Revisions to the First Half and Full-Year Earnings Forecast and Dividend Forecast for the Fiscal Year Ending March 31, 2022

Based on recent performance trends, Osaka Soda (the “Company”) hereby announces the revisions to the first half and full-year consolidated earnings forecast and dividend forecast for the fiscal year ending March 31, 2022 (“Fiscal Year 2021”), which were announced on May 14, 2021.

1. Revisions to consolidated earnings forecast

(1) Revisions to consolidated earnings forecast for the first half of Fiscal Year 2021

(April 1, 2021 – September 30, 2021)

(Millions of yen; unless otherwise noted)

| | Net Sales | Operating Income | Ordinary Income | Quarterly net income attributable to owners of the parent | Quarterly earnings per share (yen) |
|--|-----------|------------------|-----------------|---|------------------------------------|
| Previous Forecast (A) | 37,000 | 4,000 | 4,400 | 3,200 | 137.18 |
| Revised Forecast (B) | 41,000 | 5,700 | 6,100 | 4,400 | 188.62 |
| Change (B-A) | 4,000 | 1,700 | 1,700 | 1,200 | - |
| Change (%) | 10.8% | 42.5% | 38.6% | 37.5% | - |
| (Reference) | | | | | |
| Previous Results for the first half of Fiscal 2020 | 45,178 | 3,497 | 3,698 | 2,474 | 104.60 |

(2) Revisions to consolidated earnings forecast for Fiscal Year 2021

(April 1, 2021 – March 31, 2022)

(Millions of yen; unless otherwise noted)

| | Net Sales | Operating Income | Ordinary Income | Net Income attributable to owners of the parent | Earnings per share (yen) |
|--|-----------|------------------|-----------------|---|--------------------------|
| Previous Forecast (A) | 75,500 | 9,000 | 9,700 | 6,800 | 291.51 |
| Revised Forecast (B) | 82,000 | 10,700 | 11,400 | 8,000 | 342.95 |
| Change (B-A) | 6,500 | 1,700 | 1,700 | 1,200 | - |
| Change (%) | 8.6% | 18.9% | 17.5% | 17.6% | - |
| (Reference) Previous Results for Fiscal 2020 | 97,266 | 8,341 | 8,838 | 6,050 | 257.37 |

(Note)

Since the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29) is adopted from the beginning of Fiscal Year 2021, the above consolidated earnings forecast is the figures assuming the same standard is adopted.

(3) Reason for the revision

Net sales of Epichlorohydrin, Synthetic Rubber-related, and Allyl Ether are expected to exceed expectations mainly for electronic materials and automobile-related products for the first half of Fiscal Year 2021. Healthcare business expects to continue favorably, thanks to the expansion of the use of new grades of refined pharmaceutical materials and the acquisition of new projects for bulk and intermediates for pharmaceuticals.

From the third quarter onwards, the outlook is uncertain due to rising raw material & fuel prices and declining automobile production. However, based on the results up to the First half, we will revise upward our forecast for the first half and full-year results for Fiscal Year 2021 as described above. The adjusted first half cumulative period and full-year earnings are record highs.

2. Revision to the dividend forecast

(1) Revision to the dividend forecast

| | Annual Dividends (yen) | | |
|----------------------------------|------------------------|--------------------|-------|
| | End of first half | End of fiscal year | Total |
| Previous Forecast | 32.50 | 32.50 | 65.00 |
| Revised Forecast | 35.00 | 35.00 | 70.00 |
| Previous Results for Fiscal 2020 | 32.50 | 32.50 | 65.00 |

(2) Reason for the revision

In the light of the above revisions to earnings forecast, the Company will revise the dividend at the end of the first half to 35.00 yen, an increase by 2.50 yen from 32.50 yen per share from the previous forecast, taking into account the continuity of stable dividends and retained earnings for future business development. The forecast for the year-end dividend will be increased from the previous forecast of 32.50 yen per share to 35.00 yen. As a result, the annual dividend per share is 70.00 yen, an increase of ¥5.00 from the previous forecast, and an increase of ¥5.00 compared to the previous fiscal year.

(Note)

The above-mentioned forecasts are based on information currently available to the Company. Actual results may differ from the forecasts due to various factors in the future.