

FOR IMMEDIATE RELEASE

**Notice about Revision of Consolidated Financial Forecast
for the Fiscal Year ending March 31, 2023**

Tokyo, October 28, 2022—Maxell, Ltd. (TSE: 6810, hereinafter “the Company”) has today announced about revision of consolidated financial forecast for the fiscal year ending March 31, 2023, from the previous forecast as of May 13, 2022, considering the business performance of the first half ended September 30, 2022 announced today as follows.

**1. Revision of Consolidated Financial Forecast for the Fiscal Year ending March 31, 2023
(April 1, 2022 through March 31, 2023)**

	Net Sales	Operating profit	Profit attributable to owners of parent	Net profit per share
Previous Forecast (A) (as of May 13, 2022)	(million yen) 130,000	(million yen) 9,500	(million yen) 6,000	(yen) 121.31
Revised Forecast (B)	135,000	5,500	5,000	102.90
Variance (B-A)	5,000	(4,000)	2,200	—
% of change	3.8	(42.1)	62.9	—
(Reference) Results of the previous fiscal year ended March 31, 2022	138,215	9,332	(3,659)	(73.98)

2. Reason of Revision

Regarding business performance of the first half of the fiscal year ending March 2023, as announced in “Summary of Consolidated Financial Results for the First Half ended September 30, 2022”, in terms of net sales, although it was decreased in comparison with the same period of last fiscal year due to the shrinkage of projector business and a decrease in sales of rechargeable batteries and BtoC products, with help of exchange rates, it was almost in line with the initial plan.

On the other hand, in terms of profits, operating profit was significantly decreased in comparison with the same period of last fiscal year and fell short of initial forecasts, as a result of decreased sales of rechargeable batteries and BtoC products, prolonged rises in raw material prices, and higher import costs of BtoC products for the domestic market due to depreciation of Japanese yen. The

Company recognizes the urgent need to further accelerate the reflection of prices in response to rising raw material prices in particular, and to take measures to BtoC products, whose profitability is largely affected by exchange rates in addition to sluggish sales.

Under these circumstances, regarding consolidated financial forecast for the fiscal year ending March 2023, for net sales, although the Company anticipates struggle for rechargeable batteries and BtoC products, which will be lower than the initial forecasts, the Company will steadily capture demand for relatively strong products for automotive and semiconductor-related markets from the third quarter onward. Whereas the forecast of net sales for Life Solution segment was revised downward, the Company has decided to revise upward the total net sales, by taking the current exchange rate situation into account.

Regarding operating profit by segment, for Life Solution, there are delays in the introduction of new highly value-added products which planned to be launched in the third quarter onward, in addition to the impact of increase of import costs led by weak yen on domestic sales of BtoC products. For Functional Materials, in addition to impacts of soaring raw material cost such as crude oil, naphtha and natural rubber for adhesive tapes and industrial materials, as the ratio of domestic production and sales is high, there are impact of the weak yen for imported materials. For Optics & Systems, there are impacts of declines in demand for electroforming products due to declined demands for PC and smartphones, in addition to the situation that semiconductor related embedded systems are not able to respond to orders received due to shortage of semiconductors. Due to these reasons, the Company has revised the forecasts for operating profit for these three segments downwards. For Energy, despite the impact of soaring raw material prices for lithium, cobalt, and other materials, it is expected to exceed its initial forecast due to securing profits from sales of primary batteries, particularly for the strong automotive market, in addition to the company-wide effort to reflect rising raw material prices on sales prices as top priority and considering the impact of foreign exchange. Based on the above circumstances, total operating profit was revised downwards. Also, net profit attributable to owners of parent was also revised downwards in line with the revision of operating profit.

There is no change in dividend forecast announced on May 13, 2022 (20.00 yen per share for the interim period, 20.00 yen per share for the year-end and total 40.00 yen per share).

The Company will strengthen its business foundation for the future by reforming business portfolio centered on BtoC businesses, which are currently struggling in particular, securing profits in growth businesses, and early launching of new businesses such as all-solid-state battery, and will continue to strive to achieve operating profit of 12.5 billion yen in fiscal year ending March 2024, which is the target of medium-term management plan MEX23.

[Revision of Consolidated Forecast for the Fiscal Year ending March 31, 2023 by segment]

Unit: million yen

	Net Sales		Operating income	
	Revised Forecast	Previous Forecast	Revised Forecast	Previous Forecast
Energy	37,300	35,000	2,000	1,900
Functional Materials	29,900	28,700	1,400	2,700
Optics & Systems	38,900	34,800	3,300	3,800
Life Solution	28,900	31,500	(1,200)	1,100
Total	135,000	130,000	5,500	9,500

Note:

This financial forecast is based on the information available as of the date of its announcement and actual performance may differ due to variety of factors.

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