

April 25, 2023

To whom it may concern,

Name of company:	Nippon Kayaku Co., Ltd.
Name of representative:	Atsuhiko Wakumoto, President
Code No.:	4272
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Notice regarding the Recording of Extraordinary Loss (Impairment Loss)

Nippon Kayaku Co., Ltd. has announced that it expects to record an extraordinary loss (impairment loss) as follows for the fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023).

1. Details of Extraordinary Loss (Impairment Loss)

The profitability of domestic fixed assets of the Polatechno business, a part of the Functional Chemicals business, is expected to decline due to a deterioration in the business environment. Furthermore, following a review of future recoverability based on recent trends in business performance, the book value of business assets is expected to be reduced to the recoverable amount, and 1,897 million yen is expected to be recorded as extraordinary loss.

2. Impact on Financial Results

For the impact on consolidated results for the fiscal year ended March 31, 2023, please refer to the "Notice of Revision to the Business Results Forecasts" announced today.