

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, 2023, and revisions to the year-end dividend forecast for the year ending March 31, 2024.

1. Details of interim dividend

	Final decision	Previous forecast (April 28, 2023)	Previous fiscal year results (fiscal 2022)
Base date	September 30, 2023	September 30, 2023	September 30, 2023
Dividend per share (yen)	35.00	33.00	29.00
Total dividend amount	14,928million yen	—	12,689 million yen
Effective date	December 1, 2023	—	December 1, 2022
Dividend source	Retained earnings	—	Retained earnings

2. Revised dividend predictions

	Annual dividend (yen)		
	End of 2nd quarter	Fiscal year end	Total
Previous forecast (Announced on April 28, 2023)	33.00	33.00	66.00
Revised forecast	—	36.00	71.00
Results for the current fiscal year	35.00	—	—
Results for the previous fiscal year (Fiscal year ended March 31, 2022)	29.00	30.00	59.00

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 2.0”, reinforcing and clarifying our commitment.

- Dividend payout ratio: 40% 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: Cancel newly acquired shares to the extent that total treasury shares do not exceed 5% of outstanding 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 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, 2024 from the previous forecast announced on April 28, 2023, raising the forecast for interim dividend by two yen to 35 yen and the forecast for the year-end dividend by three yen to 36 yen.

As a result, the dividend forecast for the fiscal year ending March 31, 2024 is 71 yen, a 12 yen increase.