

Mar 9th, 2020

Revisions to Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2020

Denka company Limited

Based on recent performance trends, Denka has made revisions to its financial forecasts for the Fiscal year Ending March 31, 2020, previously announced on November 8, 2019, as detailed below.

However Denka plans to pay a year-end dividend of ¥65 per share (annual dividend of ¥125 per share) without changing the forecast announced on November 8, 2019.

1. Revisions to Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2020

(Millions of yen)

	Net sales	Operating Income	Ordinary Income	Net Income	Earnings per Share (yen)
Previous Forecast (A)	400,000	35,000	32,000	24,000	277.62
Revised Forecast (B)	385,000	31,000	29,000	22,000	254.49
Variance in Amount (B-A)	△15,000	△4,000	△3,000	△2,000	
Variance in Percentage (%)	△3.8%	△11.4%	△9.4%	△8.3%	
Previous year results (Fiscal 2018)	413,128	34,228	32,811	25,046	286.18

2. Reasons for the Revision

Sales and income are expected to fall below the previously forecast announced on November 8, 2019, because of the situation that sales of chloropren rubber, etc. still remain sluggish due to US-China trade dispute and other factors. This revision also incorporates a certain degree of impact from the spread of the new coronavirus (COVID-19) to sales of Electronics & Innovative Products, etc.

(Note)

The above forecasts are based on currently available information and certain assumptions that we believe reasonable. Actual results may differ from these forecasts due to various factors.

Information:

Financial Forecast by Segment for the Fiscal Year Ending March 31, 2020

(Millions of yen)

		Previous Forecast (A)	Revised Forecast (B)	Variance in Amount (B-A)
Elastomers & Performance Plastics	Net Sales	160,000	151,000	△9,000
	Operating Income	12,500	10,500	△2,000
Infrastructure & Social Solutions	Net Sales	56,000	55,000	△1,000
	Operating Income	1,000	500	△500
Electronics & Innovative Products	Net Sales	71,000	68,000	△3,000
	Operating Income	13,000	12,000	△1,000
Living & Environment Products	Net Sales	38,000	37,000	△1,000
	Operating Income	500	0	△500
Life innovation	Net Sales	37,000	36,000	△1,000
	Operating Income	7,000	7,000	—
Others	Net Sales	38,000	38,000	—
	Operating Income	1,000	1,000	—
Total	Net Sales	400,000	385,000	△15,000
	Operating Income	35,000	31,000	△4,000