Note:	This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Denka

August 7, 2026

To whom it may concern

Company name: Denka Company Limited
Name of Representative: Ikuo Ishida, Representative Director, President & CEO
(TSE Prime Code: 4061)
Contact: Hiroyuki Yamamoto,
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Notice Regarding Recognition of Extraordinary Loss

Denka Co., Ltd. (the "Company") hereby announces that it has recorded an extraordinary loss for the first three months of the fiscal year ending March 31, 2027 (from April 1, 2026 to June 30, 2026), as follows.

1. Recording of Extraordinary Loss (Loss on Liquidation of Business)

The Company recorded a loss on liquidation of business of 4,844 million yen as an extraordinary loss for the three months ended June 30, 2026. This mainly includes labor costs associated with material removal and related expenses at Denka Performance Elastomer LLC, a U.S.-based subsidiary that has elected not to restart production at its facilities for an indefinite period.

2. Impact on Financial Results

The extraordinary loss was incorporated into the full-year consolidated financial results forecast for the fiscal year ending March 31, 2027, announced on May 13, 2026, and the impact on quarterly income before income taxes is negligible.

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