



November 7, 2024

To whom it may concern:

Company name: NOF CORPORATION
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(Securities code: 4403; Tokyo
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Notice Regarding Revision of Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2025, and Revision of Dividends of Surplus (Interim Dividend) and Year-end Dividend Forecast

NOF CORPORATION (the “Company”) hereby announces that in light of its recent business results, the Board of Directors, at a meeting held on November 7, 2024, revised the consolidated earnings forecasts and year-end dividend forecast released on May 9, 2024, as described below.

1. Revisions to consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecasts (A)	232,000	40,500	41,600	33,000	138.10
Revised forecasts (B)	239,000	43,000	43,800	34,900	146.53
Change (B-A)	7,000	2,500	2,200	1,900	
Change (%)	3.0	6.2	5.3	5.8	
(Reference) Actual results for the previous fiscal year ended March 31, 2024	222,252	42,142	45,577	33,990	141.17

Note: The Company conducted a 3-for-1 common share split on April 1, 2024. For the fiscal year ended March 31, 2024, “Basic earnings per share” have been calculated on the assumption that this share split had taken place at the beginning of the previous fiscal year.

(Reference information: Breakdown by reportable segment)

(Millions of yen)

	Functional Chemicals		Pharmaceuticals, Medicals and Health		Explosives & Propulsion	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Previously announced forecasts (A)	140,600	24,420	50,700	17,300	40,100	2,630
Revised forecasts (B)	148,600	27,420	49,700	16,600	40,200	2,680
Change (B-A)	8,000	3,000	(1,000)	(700)	100	50
Change (%)	5.7	12.3	(2.0)	(4.0)	0.2	1.9
(Reference) Actual results for the previous fiscal year ended March 31, 2024	133,556	21,972	53,998	20,558	34,138	2,628

2. Reason for revision

The Company has revised its previous earnings forecast for the fiscal year ending March 31, 2025, in light of its results for the six months ended September 30, 2024, and the outlook for the third quarter onward.

The results for the six months ended September 30, 2024 have exceeded initial assumptions in the Functional Chemicals segment due to strong demand for cosmetics related products, an increase in shipments as a result of inventory building by some customers and a recovery in demand for automotive parts. For raw materials for DDS (drug delivery system) drug formulations in the Pharmaceuticals, Medicals and Health segment, the results have been lower than initial assumptions due to a continuing decline in capital inflows for bio-ventures as a result of monetary tightening in the United States and Europe, which has led to a drop in demand as a result of delays in clinical development.

From the third quarter onward, although the outlook for the global economy is expected to remain uncertain, the progress achieved up through the six months ended September 30, 2024, the demand outlook, and the revised exchange rates suggest that the full-year net sales, operating profit, ordinary profit, and profit attributable to owners of parent are likely to exceed the previously announced forecasts. The expected average exchange rates for the full year in the assumptions on which the earnings forecasts are based were revised from the initial rates of 145 yen/U.S. dollar and 155 yen/Euro to 150 yen/U.S. dollar and 160 yen/Euro.

For a breakdown of the differences in the operating profit forecasts from the previously announced forecasts, please refer to the attachment.

3. Revision of dividends of surplus (interim dividend) and year-end dividend forecast

(1) Details on dividends of surplus (interim dividend)

	Resolved	Latest forecast	Interim dividend for the previous fiscal year ended March 31, 2023
Record date	September 30, 2024	September 30, 2024	September 30, 2023
Dividend per share	21.00 yen	20.00 yen	56.00 yen
Total dividends	5,000 million yen	—	4,503 million yen
Effective date	December 2, 2024	—	December 1, 2023
Source of dividends	Retained earnings	—	Retained earnings

(2) Details on year-end dividend forecast

Record date	Dividend per share (yen)		
	Interim dividend	Year-end dividend	Total
Previously announced forecasts (Released May 9, 2024)	—	20.00 yen	40.00 yen
Revised forecasts	—	21.00 yen	42.00 yen
Dividends for the current fiscal year ending March 31, 2025	21.00 yen	—	—
(Reference) Dividends for the previous fiscal year ended March 31, 2024	56.00 yen	58.00 yen	114.00 yen

Note: The Company conducted a 3-for-1 common share split on April 1, 2024. The amount shown for the dividends for the fiscal year ended March 31, 2024 is the actual dividend amounts based on the number of shares before the share split.

4. Reason for revision

Recognizing that returning profits to its shareholders serves as an important managerial issue, the Company accordingly strives to maintain and increase its dividends while also taking a flexible approach to purchase and cancellation of its treasury shares.

The Company has revised its interim dividend per share from 20 yen per share under the previously announced forecasts, for a 1-yen increase to 21 yen, upon having comprehensively taken into account factors that include the above policy, results released as of the date of this notice and the Company's financial status. In addition, the Company has also decided to increase the year-end dividend per share by 1 yen to 21 yen from the previous forecast of 20 yen. As a result, total annual dividends per share will be 42 yen, for an increase of 2 yen relative to the previously announced forecasts, equivalent to annual dividends per share of 126 yen on pre-share split basis and an increase of 12 yen relative to the previous fiscal year.

(Note) The forecasts above have been made based on information currently available to the Company and certain assumptions deemed to be reasonable. As such, actual results may vary due to various factors.

Breakdown of the differences in the operating profit forecasts for the fiscal year ending March 31, 2025

(¥100 million)

Segment	FY2024 Forecast May.9	Changes				Total	FY2024 Forecast Nov.7
		Sales Volume	Variable Cost	Fixed Cost	Inventory Valuation		
Functional Chemicals	244	31 ^{※1}	(3) ^{※1}	4	(2)	30	274
Pharmaceuticals, Medicals and Health	173	(6) ^{※2}	1 ^{※2}	1	(4)	(7)	166
Explosives & Propulsion	26	(1)	(2)	(1)	5	1	27
Others・Adjustment	(39)	2	—	(0)	—	2	(37)
Total	405	25 ^{※3}	(4) ^{※3}	4	(1)	25	430

※1 Foreign exchange impact of +0.2 billion yen in sales volume and variable costs

※2 Foreign exchange impact of +0.4 billion yen in sales volume and variable costs

※3 Foreign exchange impact of +0.6 billion yen in sales volume and variable costs