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KIZUNA Bonds Our Future Lives

October 30, 2026

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Notice Regarding Upward Revision of Consolidated Earnings Forecasts for the First Half and Full Year and Revision of Dividend Forecast (Dividend Increase) for the Fiscal Year Ending March 31, 2027

ARAKAWA CHEMICAL INDUSTRIES, LTD. (the "Company") hereby announces that it has revised upward its consolidated earnings forecasts for the first half (interim period) and full year of the fiscal year ending March 31, 2027, which were announced on May 14, 2026. In conjunction with this upward revision of the earnings forecasts, the Company has also revised its dividend forecast (dividend increase), as detailed below.

1. Revision of Consolidated Earnings Forecasts

(1) Revision of consolidated earnings forecast figures for the first half (interim period) of the fiscal year ending March 31, 2027 (April 1, 2026 to September 30, 2026)

	Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Interim profit attributable to owners of parent (Millions of yen)	Interim earnings per share (Yen)
Previously announced forecast (A)	43,000	1,400	1,200	1,000	50.41
Revised forecast (B)	46,500	2,500	2,260	2,160	108.88
Increase/decrease (B-A)	3,500	1,100	1,060	1,160	-
Percentage change (%)	8.1	78.6	88.3	116.0	-
(Reference) Previous first half results (First half ended Sep 30, 2025)	40,367	929	639	724	36.53

(2) Revision of full-year consolidated earnings forecast figures (April 1, 2026 to March 31, 2027)

	Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Earnings per share (Yen)
Previously announced forecast (A)	87,000	3,300	2,800	2,250	113.41
Revised forecast (B)	94,000	4,600	4,100	3,200	161.30
Increase/decrease (B-A)	7,000	1,300	1,300	950	-
Percentage change (%)	8.0	39.4	46.4	42.2	-
(Reference) Previous full year results (Fiscal year ended Mar 31, 2026)	82,135	2,500	2,390	2,201	110.96

(3) Reason for the revision

During the first half (interim period) of the fiscal year ending March 31, 2027, sales of photo-curable resins and polishing agents for hard disk substrates, etc., remained strong, driven by expanding demand in fields related to semiconductors, generative AI, and data centers. In addition, net sales and profits are expected to exceed the previously announced forecasts due to a temporary increase in demand caused by the impact of the situation in the Middle East, as price revisions reflecting soaring raw material prices took effect.

Based on the most recent business trends, the Company is revising its consolidated earnings forecasts for the first half (interim period) and full year of the fiscal year ending March 31, 2027.

2. Revision of Dividend Forecast

(1) Revision of dividend forecast for the fiscal year ending March 31, 2027

	End of 2nd quarter (Yen)	Year-end (Yen)	Total (Yen)
Previous forecast (Announced May 14, 2026)	27.50 (Ordinary dividend: 26.00) (Commemorative dividend: 1.50)	27.50 (Ordinary dividend: 26.00) (Commemorative dividend: 1.50)	55.00 (Ordinary dividend: 52.00) (Commemorative dividend: 3.00)
Revised forecast	35.00 (Ordinary dividend: 33.50) (Commemorative dividend: 1.50)	35.00 (Ordinary dividend: 33.50) (Commemorative dividend: 1.50)	70.00 (Ordinary dividend: 67.00) (Commemorative dividend: 3.00)
(Reference) Previous fiscal year results (Fiscal year ended Mar 31, 2026)	25.00	25.00	50.00

(2) Reason for the revision

Based on the above revision of the earnings forecasts, the Company is revising its dividend forecast for the fiscal year ending March 31, 2027.

(Note) The above earnings forecasts are based on information currently available to the Company. Actual results may differ from these forecasts due to various factors.