

February 12, 2020
Kuraray Co., Ltd.

Notice of Revision to Earnings Forecasts for the Full Fiscal Year

Kuraray Co., Ltd. has made the following revisions to the forecast of financial results for the fiscal year ended December 31, 2019 (January 1, 2019 through December 31, 2019) which was announced on November 27, 2019.

1. Revisions to consolidated earnings forecast for fiscal 2019 (January 1- December 31, 2019)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of the Parent	Net Income per Share
Previously announced forecast (A)	Billions of yen 578.0	Billions of yen 57.0	Billions of yen 52.0	Billions of yen 2.5	Yen 7.27
Revised forecast (B)	575.8	54.1	48.2	(2.0)	(5.78)
Change (B-A)	(2.2)	(2.9)	(3.8)	(4.5)	
Percent change (%)	(0.4)	(5.1)	(7.3)	—	

2. Reason for the revisions

Demand remained sluggish for automotive, display, electric and electronic device applications in our main business segments of vinyl acetate and Isoprene during the fourth-quarter consolidated accounting period for the fiscal year ended December 31, 2019. This resulted in lower quantities, for which we also adjusted our production. Since litigation-related losses such as legal fees from the fire incident that occurred at a US subsidiary were also recorded as extraordinary losses, Kuraray expects net sales, operating income, ordinary income, and net income attributable to owners of the parent to fall short of the previously announced forecast.

The year-end dividend for the fiscal year ended December 31, 2019 will be 22 yen per share as initially planned.

Note: Earnings forecasts are based on currently available information and certain conditions judged rational, but actual earnings may differ from forecasts for various reasons.