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March 26, 2026

To whom it may concern,

Company Name: DAICEL CORPORATION
Representative: Yasuhiro Sakaki, President and CEO
(Code: 4202, Prime Market of the Tokyo Stock
Exchange)
Contact: Misa Goto, Head of Investor Relations, Corporate
Planning & Strategy Office
(Phone: +81-3-6711-8120)

**Notice Regarding Recognition of Extraordinary Losses and
Revision to Consolidated Financial Forecast**

DAICEL CORPORATION (The “Company”) has decided to record an extraordinary loss (impairment loss) for the fourth quarter of the fiscal year ending March 2026. Furthermore, in light of this extraordinary loss and recent business trends, the company has revised our full-year consolidated earnings forecast for the fiscal year ending March 2026, which was announced on November 6, 2025. The details are as follows.

1. Reason for Extraordinary Losses

As previously announced in our “Notice Concerning Revision of Business Plan for Cyclic Olefin Copolymer (COC) and Postponement of Start of Operation for New Plant” released on February 5, 2026, The Company has been proceeding with the revision of our COC resin business plan. As a result, regarding the new plant (Plant No. 2) currently under construction, the Company has determined that profitability will decline due to delayed demand growth and increased investment costs. Consequently, the company expects to record an impairment loss of approximately 32 billion yen as an extraordinary loss.

Furthermore, in light of the delay in the construction of the new plant and the outlook for supply and demand, the company has revised the scheduled start of operations from the fourth quarter of the fiscal year ending March 2027 to within the fiscal year ending March 2028. During this period, we will implement measures to further enhance safety and quality.

2. Revision of consolidated financial forecast for full fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Unit: Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Profit per share (yen)
Previous forecast: (A) (November 6, 2025)	583,000	46,500	47,500	50,000	188.33
Newly revised forecast: (B)	576,000	41,000	43,000	10,000	38.89
Change: (B)–(A)	-7,000	-5,500	-4,500	-40,000	—
Rate of change (%)	-1.2%	-11.8%	-9.5%	-80.0%	—
(Ref.) Actual result of fiscal year ended March 31, 2025	586,531	61,011	62,320	49,480	181.44

3. Reason for the revision

Regarding consolidated financial results for the fiscal year ending March 2026, although the yen weakened more than anticipated, sales volume of acetate and tow decreased due to delays in local manufacturers resolving their inventory adjustments, and a problem occurred at the CO (carbon monoxide) plant in the fourth quarter. As a result, net sales, operating income, and ordinary income are expected to fall short of the previously announced forecast. Furthermore, in addition to the recognition of the impairment loss mentioned above, the receipt of relocation compensation for the Engineering Plastics business's Chinese plant has been postponed to the next fiscal year. Consequently, profit attributable to owners of parent is expected to fall significantly short of the previously announced forecast.

In light of these factors, we have revised the consolidated earnings forecast for the fiscal year ending March 2026, which was announced on November 6, 2025, as described above.

(Note 1) The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, may be substantially different from the actual performance because of various factors that may arise from now on.

(Note 2) For this announcement, the company is assuming an exchange rate of 150 yen to the U.S. dollar and 175 yen to the euro.

(Reference)

Consolidated Financial Forecast for the Fiscal Year Ending March 2026 by Segment

(Unit: Millions of yen)

		Previous forecast: (A)	Newly revised forecast: (B)	Change :(B)−(A)	Rate of change (%)
Medical / Healthcare	Net Sales	16,000	16,000	—	—
	Operating Profit	400	400	—	—
Smart	Net Sales	39,000	37,500	-1,500	-3.8%
	Operating Profit	1,300	300	-1,000	-76.9%
Safety	Net Sales	103,500	104,000	500	0.5%
	Operating Profit	6,500	6,000	-500	-7.7%
Materials	Net Sales	172,000	161,000	-11,000	-6.4%
	Operating Profit	20,000	15,000	-5,000	-25.0%
Engineering Plastics	Net Sales	247,000	252,000	5,000	2.0%
	Operating Profit	17,500	18,500	1,000	5.7%
Others	Net Sales	5,500	5,500	—	—
	Operating Profit	800	800	—	—

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