July 28, 2023

Dear Shareholders,

Listed company name: KROSAKI HARIMA CORPORATION
Representative: Kazuhiro Egawa, President
Securities Code: 5352

## Notice Regarding Performance and Dividend Forecasts

Krosaki Harima Corporation ("the Company") has revised the performance and dividend forecasts for the fiscal year ending March 2024, which was disclosed on May 12, 2023, in the Summary of Consolidated Financial Statements for the Fiscal Year Ended March 2023 [Japanese Standards].

In addition, the Company has determined the consolidated performance forecasts for the first half of the fiscal year ending March 2024, and the forecast of the interim dividends at the end of the second quarter of said year, which had not yet been determined when said summary was disclosed. Details are as follows.

### ● Revisions to Performance Forecasts

Revision to the consolidated performance forecasts for the first half of the fiscal year ending March 2024
(from April 1, 2023, to September 30, 2023)

| | Net sales | Operating income | Ordinary income | Net income attributable to owners of the parent | Net income per share |
|---|---|---|---|---|---|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Yen |
| Previous estimate (A) | — | — | — | — | — |
| Revised estimate (B) | 88,000 | 7,000 | 7,500 | 5,800 | 688.78 |
| Variance by amount (B – A) | — | — | — | — | |
| Variance by percentage (%) | — | — | — | — | |
| (Reference) Results for the first half of the fiscal year ended March 2023 | 80,591 | 4,914 | 5,685 | 3,576 | 424.74 |

Reasons for the Revisions

Consolidated net sales for the first half of the fiscal year ending March 2024 are expected to increase from the same period of the previous fiscal year because we have steadily shifted the cost increase chiefly caused by higher material and energy prices to sales prices in the Refractories business since the previous fiscal year, in addition to business expansion mainly in the robust Indian steel market and sales expansion in the nonferrous business segment. Due to the net sales increase, profits are also expected to increase from a year earlier.

Forecasts of business results are subject to a significant change due to fluctuations in demand for refractories caused by crude steel output fluctuations as well as the market trend of refractory materials.

Revision to the consolidated performance forecasts for the fiscal year ending March 2024
(from April 1, 2023, to March 30, 2024)

| | Net sales | Operating income | Ordinary income | Net income attributable to owners of the parent | Net income per share |
|---|---|---|---|---|---|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Yen |
| Previous estimate (A) | 170,000 | 12,500 | 12,500 | 8,500 | 1,009.34 |
| Revised estimate (B) | 172,000 | 13,000 | 13,500 | 10,000 | 1,187.55 |
| Variance by amount (B – A) | 2,000 | 500 | 1,000 | 1,500 | |
| Variance by percentage (%) | 1.2 | 4.0 | 8.0 | 17.6 | |
| (Reference) Results for the first half of the fiscal year ended March 2023 | 165,202 | 11,173 | 12,083 | 8,282 | 983.46 |

Reasons for the Revisions

Consolidated net sales for the full fiscal year ending March 2024 are expected to increase from the previous estimate because we have steadily shifted the cost increase chiefly caused by higher material and energy prices to sales prices in the Refractories business since the previous fiscal year, in addition to business expansion mainly in the robust Indian steel market and sales expansion in the nonferrous business segment. Due to the net sales increase, profits are also expected to increase from a year earlier.

Forecasts of business results are subject to a significant change due to fluctuations in demand for refractories caused by crude steel output fluctuations as well as the market trend of refractory materials.

## ● Revision to Dividend Forecasts

| | Dividend per share (Yen) | | | | |
|---|---|---|---|---|---|
| | 1Q end | 2Q end | 3Q end | Year-end | Annual |
| Previous estimate (announced on May 12, 2023) | — | — | — | — | 300.00 |
| Revised estimate | — | 160.00 | — | 200.00 | 360.00 |
| Actual results for the fiscal year ending March 2024 | — | | | | |
| Actual results for the fiscal year ended March 2023 | — | 110.00 | — | 180.00 | 290.00 |

Reasons for the Revision

The Company has set its target payout ratio at around 30% on a consolidated basis as its policy of profit allocation. Based on this policy and the revisions of the business performance forecasts disclosed today, the Company has revised upward its forecast of the annual dividend to ¥360 per share, or an increase of ¥60 from the previous forecast and has set the forecast of dividends at the end of the second quarter of the fiscal year ending March 31, 2024, at ¥160 per share.