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January 30, 2023

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Notice Regarding the Revision of Financial Forecasts and the Dividend Forecast

Socionext Inc. hereby announces that, based on its recent performance, it has revised its consolidated financial forecasts and the dividend forecast for the fiscal year ending March 2023 (April 1, 2022, to March 31, 2023) from the values announced on September 6, 2022. Details are as follows.

1. Revision of consolidated financial forecasts for the fiscal year ended March 31, 2023

(Amount: million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of Parent	Earnings per share
Previous forecast (A)	170,000	17,000	17,000	13,000	386.14 yen
Revised forecast (B)	190,000	19,500	19,500	16,200	481.19 yen
Change (B - A)	+20,000	+2,500	+2,500	+3,200	+95.05 yen
Change (%)	11.8%	14.7%	14.7%	24.6%	24.6%
(Reference) Results for the year ended March 31, 2022	117,009	8,463	9,050	7,480	222.18 yen

Reasons for the revision of the financial forecasts

The company has revised its net sales upward from the previously announced forecast. The factors include: (1) Production quota at the manufacturing partners has been secured for the new products in areas including data center & networking, (2) The yen has depreciated against the assumed exchange rates at the time of the previous announcement (Actual: 134.0 yen to dollar in 1st half, 141.6 yen to dollar in 3rd quarter / Assumption: 130 yen to dollar in 1st half, 120 yen to dollar in 2nd half). Accordingly, other profit figures will also be revised.

As for the exchange rate in the fourth quarter, the assumption is 120 yen to dollar.

2. Revision of the dividend forecast

	Dividend per share (yen)		
	2nd quarter-end	Year-end	Total
Previous forecast	0	160.00	160.00
Revised forecast		190.00	190.00
Results for the year ending March 31, 2023	0		
(Reference) Results for the year ended March 31, 2022	-	0	0

Reasons for the revision of the dividend forecast

The company's basic policy is to pay stable dividends with a target consolidated payout ratio at approximately 40%. For the fiscal year ending March 2023, the company did not pay an interim dividend, and will pay a year-end dividend in accordance with the basic policy.

Based on the upward revision of the consolidated financial forecast, the company plans to pay a year-end dividend of 190 yen per share, an increase of 30 yen from the previous forecast.

Notes: Our group's earnings forecasts and other forward-looking statements in this document are based on assumptions made by our company based on information available to it at the time this document was prepared, including market trends in semiconductors and finished products and other operating conditions. Actual results may differ from these forecasts due to a variety of factors.