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January 30, 2024

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Notice Regarding the Revision of Financial Forecasts

Socionext Inc. (the “Company”) hereby provides notification that, at a meeting of the Board of Directors held today, it has revised its consolidated financial forecasts announced for the fiscal year ending March 2024 (April 1, 2023 to March 31, 2024), which were announced on October 31, 2023.

1. Revision of Financial Forecasts

(1) Revision of consolidated financial forecasts for the fiscal year ending March 2024 (April 1, 2023 to March 31, 2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (A)	Million Yen 214,000	Million Yen 29,000	Million Yen 29,000	Million Yen 22,500	Yen 127.90
Revised forecast (B)	217,000	31,500	31,500	22,500	127.79
Difference (B-A)	+3,000	+2,500	+2,500	±0	-
Increase/decrease ratio (%)	1.4%	8.6%	8.6%	0.0%	-
(Reference) Previous record (fiscal year ended March 31, 2023)	192,767	21,711	23,440	19,763	117.40

(Note)

The Company implemented a stock split on January 1, 2024 at a ratio of 1 common stock to 5 shares. Basic earnings per share are computed base on the assumption that the stock split was implemented at the beginning of the year ended March 31, 2023.

(2) Reasons for the revision of the financial forecasts

Despite the recent weakness in the Chinese and consumer markets, the Company has revised its net sales, operating income, and ordinary income upward from the previous forecast due to steady progress in the development and mass production of new products and the yen's depreciation (147.9 yen in Q3) against the expected exchange rate of 125 yen per U.S. dollar. As to profit attributable to owners of parent, the Company has revised the estimated amount of corporation tax by taking into consideration the possibility that the amount of tax credit will decrease, given that during the course of the tax audit the Company received guidance with respect to the calculation method for the amount of the special credit for corporation tax relating to general experiment and research expenses under the Act on Special Measures Concerning Taxation. The exchange rate for Q4 is assumed to be 125 yen to the U.S. dollar.