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**Notice Regarding the Revision of Financial Forecasts and the Dividend Forecast,
 Distribution of Dividends of Surplus (Interim)
 and Stock Split and Partial Amendment of Articles of Incorporation**

Socionext Inc. (the “Comapy”) hereby provides notification that, at a meeting of the Board of Directors held today, it has revised its consolidated financial forecasts and the dividends forecast for the fiscal year ending March 2024 (April 1, 2023 to March 31, 2024), which were announced on April 28, 2023. In addition, the Company announces that it has resolved to distribute dividends of surplus (interim dividend), stock split and corresponding partial amendments to the Articles of Incorporation, as follows.

I. Revision of Financial Forecasts and the Dividend Forecast, and Distribution of Dividends of Surplus (Interim)

1. Revision of Financial Forecasts

(1) Revision of consolidated financial result forecast for the fiscal year ending March, 2024 (April 1, 2023–March 31, 2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share (pre-Stock Split conversion) *
Previously announced forecast (A)	Million Yen 200,000	Million Yen 22,500	Million Yen 22,500	Million Yen 17,500	Yen 504.55
Revised forecast (B)	214,000	29,000	29,000	22,500	127.90 (639.52)
Difference (B-A)	+14,000	+6,500	+6,500	+5,000	-
Increase/decrease ratio (%)	7.0%	28.9%	28.9%	28.6%	-
(Reference) Previous record (fiscal year ended March 31, 2023)	192,767	21,711	23,440	19,763	587.02

(Note)

- * The Company will implement a stock split on January 1, 2024 at a ratio of 1 common stock to 5 shares, as described in "II. Stock split and partial amendments to the articles of incorporation". Therefore, in "Basic earnings per share" of "Revised forecast (B)", the value after the split is calculated and listed, and the converted value before the split is listed thereunder.

(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 upward from the previous forecast due to steady progress in the development and mass production of new products and the yen's depreciation (137.4 yen in Q1, 144.6 yen in Q2) against the expected exchange rate of 115 yen per dollar in the first half of the fiscal year. The Company also revised up its respective earnings.

The exchange rate for the second half of the fiscal year is assumed to be 125 yen per dollar.

2. Dividends of Surplus (Interim) and Revision of the Dividend Forecast

(1) Dividends of surplus (interim)

	Items decided (Fiscal year ending March 2024) (Interim Dividend)	Latest dividend forecast (Announced on April 28, 2023)	Results for the previous fiscal year (Interim dividend for Fiscal year ended March 2023)
Record date	September 30, 2023	September 30, 2023	September 30, 2022
Dividend per share	115.00 yen	105.00 yen	0 yen
Total amount	4,090 million yen	-	-
Effective date	November 28, 2023	-	-
Source	Retained earnings	-	-

(2) Revision of the dividend forecast

	Dividend per share (yen)		
	2nd quarter-end *1	Year-end *2	Total *3
Previous forecast (Announced on April 28, 2023)	105.00	105.00	210.00
Revised forecast (pre-Stock Split conversion)	115.00	23.00 (115.00)	- (230.00)
(Reference) Results for the year ended March 2023	-	210.00	210.00

(Notes)

- *1 The interim dividend for 2nd quarter-end of fiscal year ending March 2024, with a record date of September 30, 2023, will be based on the number of shares before the stock split.
- *2 The year-end dividend for the fiscal year ending March 2024, which has a record date of March 31, 2024, will be based on the number of shares after the stock split.
- *3 The annual dividend forecast per share has not been presented, as simple comparisons cannot be made due to the

implementation of the stock split.

(3) Reasons for dividends of surplus (interim) and revision of the dividend forecast

The Company's basic policy is to pay a stable dividend while paying attention to the balance between the upfront development investment necessary for future growth and maintaining a solid financial base as credit to customers. Based on the above policy and the full-year consolidated earnings forecast for the fiscal year ending March 2024, the interim dividend for the current fiscal year will be 115 yen, an increase of 10 yen per share from the previous forecast, as a result of comprehensive consideration of the market environment, business conditions in the Company and future financial risks. The year-end dividend for the current fiscal year is also expected to increase by 10 yen per share from the previous forecast (increase of 2 yen per share after stock split), and the annual dividend is expected to total 230 yen per share (46 yen per share after the stock split).

(Note)

The Group's earnings forecasts and other forward-looking statements in this document are based on assumptions made by the 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.

II. Stock Split and Partial Amendment of Articles of Incorporation

1. Stock Split

(1) Purpose of stock split

The stock split will be undertaken with the aim of expanding the investor and increasing the liquidity of the Company's stock base through a reduction in the price of share-trading units.

(2) Outline of stock split

A) Method of stock split

The record date of the stock split will be Sunday, December 31, 2023; and it will consist of a split at the ratio of 5 for 1 of all common shares held by shareholders whose names appear or are recorded in the Registry of Shareholders as of the end of the record date. Since this day falls on a non-business day of the shareholder registry administrator, the substantial record date will be Friday, December 29, 2023.

B) Increase in the number of shares resulting from stock split

Total issued shares before the stock split	35,566,766 shares
Increase in issued shares resulting from the stock split	142,267,064 shares
Total issued shares after the stock split	177,833,830 shares
Total authorized shares after the stock split	673,000,000 shares

(Notes) "Total issued shares" and "Increase in issued shares" above are based on the total number of issued shares as of September 30, 2023. The stock split may change due to the exercise of stock acquisition rights, etc. up to the record date.

C) Schedule

Public notice date of record date (plan)	Friday, December 15, 2023
Record date	Sunday, December 31, 2023
Effective date	Monday, January 1, 2024

2. Partial Amendment to the Articles of Incorporation following the Stock Split

(1) Reason for amendment

In conjunction with the stock split described above, the Company will amend the total number of shares authorized to be issued described in Article 6 of its Articles of Incorporation in accordance with the split ratio with an effective date of January 1, 2024, pursuant to the provisions of Article 184, Paragraph 2 of the Companies Act of Japan.

(2) Details of amendment

The details of the amendment are as follows.

(Amended portions are underlined.)

Current Articles of Incorporation	Articles of Incorporation After Amendment
Article 6.(Total Number of Shares Authorized to Be Issued) The total number of shares authorized to be issued by the Company shall be <u>134,600,000</u> .	Article 6.(Total Number of Shares Authorized to Be Issued) The total number of shares authorized to be issued by the Company shall be <u>673,000,000</u> .

(3) Schedule

Date of Board of Directors' resolution	Tuesday, October 31, 2023
Effective date	Monday, January 1, 2024