

March 26, 2014

Sumitomo Seika Chemicals Company, Limited

Announcement of Extraordinary Loss and Revision to Financial Forecast

Sumitomo Seika Chemicals Company, Limited ("the Company") has revised its consolidated financial forecast for the full-year ending March 31, 2014, which was announced on February 5, 2014, in consideration of an expected extraordinary loss related to impairment loss on fixed assets for the fiscal year ending March 31, 2014 as well as recent developments in the Company's business performance. The revision is as follows:

1. Extraordinary Loss

In light of continuing fierce business conditions of pharmaceutical intermediates owing to intensified competition with emerging countries as well as a lower-than-expected demand growth of functional materials in the expanding energy market, the Company has evaluated the recoverability of fixed assets related to the Fine Chemicals group of the Chemicals segment pursuant to the Accounting Standards for Impairment of Fixed Assets. As a result, the Company will post an impairment loss of 1,239 million yen for the fiscal year ending March 31, 2014.

2. Revision to Financial Forecast

Given its recent consolidated financial performance, the expected extraordinary loss referred to above, etc., the Company has revised its forecast for consolidated net sales, operating income, ordinary income and net income for the fiscal year ending March 31, 2014 as follows.

Revised Consolidated Forecast for the Full-Year Ending March 31, 2014

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share (Yen)
Previous Forecast (A) (Announced on Feb. 5 2014)	96,000	8,000	8,500	6,000	87.00
Revised Forecast (B)	95,000	8,000	8,600	5,500	79.75
Variance in Amount (B-A)	(1,000)	-	100	(500)	
Variance in Percentage (%)	(1.0)	-	+1.2	(8.3)	
Results for Full-Year Ended March 31, 2013	70,591	4,182	4,692	3,121	45.26

Cautionary Statement

The above forecast is based on information currently available. It may differ from the actual results to be determined later, depending on various factors and circumstances.