

October 31, 2016

Sumitomo Seika Chemicals Company, Limited

### **Revision to Financial Forecast**

On the basis of recent developments in its business performance, Sumitomo Seika Chemicals Company, Limited (the Company) has revised its consolidated financial forecast for the half-year ending September 30, 2016 and the full-year ending March 31, 2017, previously announced on May 11, 2016, as follows:

#### **Revised Consolidated Forecast for the Half-Year Ending September 30, 2016**

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	Net Income Per Share (Yen)
Previous Forecast (A) (Announced on May11, 2016)	45,000	3,700	3,600	2,400	34.80
Revised Forecast (B)	47,400	5,200	3,800	2,400	34.80
Variance in Amount (B-A)	+2,400	+1,500	+200	-	
Variance in Percentage (%)	+5.3	+40.5	+5.6	-	
Results for Half-Year Ended September 30, 2015	42,450	3,245	3,122	2,105	30.53

#### **Revised Consolidated Forecast for the Full-Year Ending March 31, 2017**

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	Net Income Per Share (Yen)
Previous Forecast (A) (Announced on May11, 2016)	94,000	8,000	7,700	5,200	377.01
Revised Forecast (B)	94,000	9,000	7,500	5,000	362.58
Variance in Amount (B-A)	-	+1,000	(200)	(200)	
Variance in Percentage (%)	-	+12.5	(2.6)	(3.8)	
Results for Full-Year Ended March 31, 2016	87,003	7,404	6,329	4,013	291.00

(\*) The Company carried out the share consolidation at the ratio of five (5) pre-consolidation common shares for each one (1) post-consolidation common share, effective on October 1, 2016.

**Reasons for the Revisions**

As far as the Half-Year is concerned, the Company expects that net sales and net income both will increase over the previous forecast, despite the adverse impact of the continued strong yen, mainly because sales in super absorbent polymers are anticipated to exceed the budget.

On the Full-Year basis, ordinary income and net income are expected to fall short of previously announced forecast after having reviewed the Company's financial performance based on a foreign exchange rate for the latter half-year changed from the initially assumed 110 yen per US dollar to 105 yen and the recent sales situation etc. considered.

**Cautionary Statement**

The forecasts referred to in the above were made based on information currently available. They may, therefore, be different from the actual results to be determined later, depending on various circumstances and reasons.