

March 30, 2017

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 full-year ending March 31, 2017, previously announced on October 31, 2016, as follows.

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 October 31, 2016)	94,000	9,000	7,500	5,000	362.58
Revised Forecast (B)	98,000	10,000	9,500	5,500	398.77
Variance in Amount (B-A)	4,000	1,000	2,000	500	
Variance in Percentage (%)	4.3%	11.1%	26.7%	10.0%	
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

Net sales and operating income are expected to outperform the previous forecasts, as sales in superabsorbent polymers are exceeding the budget and yen depreciation in the foreign exchange market has been greater than initially assumed. Ordinary income is also expected to exceed the previous forecast because, in addition to the increase in operating income, fluctuations in foreign exchange rates have helped to dilute the impact of the foreign currency valuation loss on foreign currency interest-bearing debts of overseas consolidated subsidiaries.

Net income is expected to be above the previous forecast owing to the increase in ordinary income, despite the recording of an impairment loss (extraordinary loss) of 1.1 billion yen on account of the deteriorating performance of a certain overseas consolidated subsidiary as announced today.

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.