

August 29, 2018

Sumitomo Seika Chemicals Co., Ltd.  
(Securities Code: 4008)

## Sumitomo Seika Agrees to Settle Lawsuit with Nippon Shokubai Co., Ltd.

Sumitomo Seika Chemicals Co., Ltd. (Sumitomo Seika) today announced that it has reached an agreement with Nippon Shokubai Co., Ltd. (Nippon Shokubai), headquartered in Osaka, Japan, to settle the January 29, 2016 lawsuit for damages (Lawsuit) as filed by Nippon Shokubai, which lawsuit was previously disclosed on February 8, 2016.

### 1. Overview of the Lawsuit

On September 12, 2014, Sumitomo Seika filed a request for a patent invalidation trial (Request for Patent Invalidation Trial) with the Japan Patent Office against Nippon Shokubai, asserting Nippon Shokubai's patent (Patent) relating to the use of super absorbent polymers in paper diapers to be invalid.

On January 29, 2016, Nippon Shokubai filed the Lawsuit against Sumitomo Seika, claiming that Sumitomo Seika's super absorbent polymers (Product) had infringed the Patent, and called for (i) cessation of manufacturing the Product, (ii) destroying all quantities of manufactured Product in stock and , and (iii) payment of 1 billion (1,000,000,000) Japanese yen and related interests.

With respect to the Request for Patent Invalidation Trial and the Lawsuit, Sumitomo Seika, accepting Nippon Shokubai's offer of settlement, has reached an out-of-court settlement with Nippon Shokubai to end all disputes currently pending between the parties relating to the Patent.

### 2. Impact on Future Business Performance

This settlement will have no impact on the consolidated business performance of Sumitomo Seika.