

Sumitomo Chemical Announces Revisions to its Financial Forecast for the Half-year Ended September 30, 2015

Based on recent performance trends, Sumitomo Chemical Co., Ltd. has revised its consolidated financial forecast for the half-year ended September 30, 2015, previously announced on May 12, 2015, as detailed below.

Revisions to Consolidated Financial Forecast for the Half-Year Ended September 30, 2015

(Millions of yen)

	Sales	Operating Income	Ordinary Income	Net income attributable to owners of the parent	Earnings per Share (yen)
Previous Forecast (A)	1,100,000	62,000	70,000	38,000	23.25
Revised Forecast (B)	1,075,000	74,000	100,000	60,000	36.71
Variance in Amount (B-A)	-25,000	12,000	30,000	22,000	
Variance in Percentage (%)	-2.3	19.4	42.9	57.9	
Results for Half-Year ended September 30, 2014	1,128,417	36,177	52,835	22,588	13.82

(Reasons for the Revision)

Sales are anticipated to fall below previous expectations due to a decrease in shipments of products in the IT-related Chemicals Sector and the Petrochemicals & Plastics Sector. Operating income is expected to exceed the previous forecast due to an improvement in profit margins in the businesses of the Petrochemicals & Plastics Sector and the Health & Crop Sciences Sector as well as the positive effect of a larger-than-expected decline in the yen's value.

Ordinary income and net income attributable to owners of the parent are also expected to exceed the previous estimate due to higher equity in earnings of affiliates. Another positive factor is that investment securities that the company originally anticipated selling in the third quarter or later were sold earlier than planned.

Earnings projections for the full year ending March 31, 2016, are now being prepared and will be presented at the time of the announcement of half-year financial results slated for October 30.

Cautionary Statement

Statements made in this document with respect to Sumitomo Chemical's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of the information currently available to it, and involve risks and uncertainties.

The important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, general economic conditions in Sumitomo Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Chemical's products in the marketplace; Sumitomo Chemical's ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.