

Sumitomo Chemical Announces Revisions to its Financial Forecast for the Half-year Ended September 30, 2014

Based on recent performance trends, Sumitomo Chemical Co., Ltd. has revised its consolidated financial forecast for the half-year ending September 30, 2014, previously announced on May 12, 2014, as detailed below.

Revisions to Consolidated Financial Forecast for the Half-Year Ending September 30, 2014

(Millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income	Earnings per Share (yen)
Previous Forecast (A)	1,100,000	35,000	45,000	10,000	6.12
Revised Forecast (B)	1,128,000	36,000	52,000	22,000	13.46
Variance in Amount (B-A)	18,000	1,000	7,000	12,000	
Variance in Percentage (%)	1.6	2.9	15.6	120.0	
Results for Half-Year ended September 30, 2013	1,050,806	46,332	44,250	12,452	7.62

(Reasons for the Revision)

Despite a decrease in shipments of products in the IT-related Chemicals and Health & Crop Sciences segments, sales and operating income are expected to exceed the previous forecast due to higher market prices of products in the Petrochemicals & Plastics and Basic Chemicals segments as well as an increase in shipments of these products.

Ordinary income and net income are also anticipated to be above previous expectations as the company records foreign exchange gains as non-operating income due to a larger-than-expected decline in the yen's value at the end of the half-year. Another positive factor is that the company sold certain idle properties and investment securities during the second quarter, which the company originally anticipated for the third quarter or later.

Earnings projections for the full year ending March 31, 2015, are now being prepared and will be presented at the time of the announcement of half-year financial results slated for October 31.

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.