

For Immediate Release

**NIPPON SHOKUBAI Announces Financial Revisions, Expected Cost Caused by
the Explosion and Fire at Himeji Plant, and Revision of Year-end
Dividend Forecast for the Full Fiscal Year Ending March 31, 2013**

NIPPON SHOKUBAI CO., LTD [Tokyo Stock Exchange - TOKSE:4114.T] (“NIPPON SHOKUBAI”) is deeply saddened by the loss of life resulting from the explosion and fire at the Himeji Plant on September 29 and extends its sincere condolences to his family members. In addition, NIPPON SHOKUBAI extends its sincere apologies to the individuals who were injured by this accident and to the enormous problems this incident caused for the neighborhood of the plant and to other people associated with this incident.

Although NIPPON SHOKUBAI announced that its financial forecast and dividend forecast for the full fiscal year ending March 2013 undetermined at the disclosure of the second quarter of the fiscal year ending March 31, 2013 on November 6, 2012, NIPPON SHOKUBAI hereby announces its financial revisions, expected cost caused by the explosion and fire at Himeji plant, and revision of year-end dividend forecast for the full fiscal year ending March 31, 2013 based on the effect of the accident and on recent performance trends. Details are as follows:

1. Financial Revisions

(1) Revised consolidated financial forecast for the full fiscal year ending March 31, 2013

	Sales	Operating Income	Ordinary Income	Net Income	PER
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Estimates(A)	-	-	-	-	-
Revised Estimates(B)	270,000	10,000	12,500	1,000	4.93
Variance in Amount(B-A)	-	-	-	-	
Variance in Percentage	-	-	-	-	
Fiscal Year Ended March 31, 2012	320,704	31,100	33,114	21,257	104.71

(2) Revised non-consolidated financial forecast for the full fiscal year ending March 31, 2013

	Sales	Operating Income	Ordinary Income	Net Income	PER
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Estimates(A)	-	-	-	-	-
Revised Estimates(B)	168,000	6,000	12,000	2,600	12.81
Variance in Amount(B-A)	-	-	-	-	
Variance in Percentage	-	-	-	-	
Fiscal Year Ended March 31, 2012	230,119	22,142	25,819	16,277	80.18

(3) Reasons for the Revision

NIPPON SHOKUBAI announced that its financial forecast and dividend forecast for the full fiscal year ending March 31, 2013 undetermined at the disclosure of the second quarter of the fiscal year ending March 31, 2013 on November 6, 2012.

Since November 1, 2012, NIPPON SHOKUBAI had received some lifts of related facilities in the Plant from the authority, operations at some production facilities in the Plant were started. However, operations at main facilities for the productions of acrylic acid, acrylates and supersorbent polymers are still suspended, because NIPPON SHOKUBAI is not yet received concerning lifts from the authority.

Although it is difficult to estimate the impact of the accident rationally, NIPPON SHOKUBAI estimated the impact of the accident to its financial forecast based on some assumptions and available information about re-start estimation of facilities, revised it as above mentioned.

In addition, the revision is based on the assumptions for the 4th quarter of the fiscal year ending March, 2013, 85 yen / U.S. dollar, 110 yen / euro, and naphtha 60,000 yen/kl.

2. Impact to Financial Forecast Caused by the Explosion and Fire at Himeji Plant

(1) Overview of the Accident

NIPPON SHOKUBAI established an Accident Investigation Committee with members of the academia and external specialists ("the Committee"), which has been investigating causes of the accident. On January 18, 2013, NIPPON SHOKUBAI accepted and announced the interim report from the Committee that mentioned BLEVE (Boiling Liquid Expanding Vapour Explosion) had occurred in an intermediate tank in the acrylic acid production facility and the tank had ruptured, then scattered contents had been ignited and had caused the fire.

(2) Expected Cost Caused by the Accident

Although it is difficult to estimate rationally re-start time of the suspended facilities, removal and repair expenses, impact to the business including sales and insurance income, NIPPON SHOKUBAI estimated the impact of the accident to its financial forecast for the fiscal year ending March, 2013 based on some assumptions and available informations is 21.5 billion yen.

From now on, taking care of the plant's safety, NIPPON SHOKUBAI proceeds to re-start the operation of other production facilities suspended by the order from the authorities in the plant while obtaining approval from the authorities.

(Expected cost to Financial Forecast for the full fiscal year ending March 31, 2013)

	Billion Yen	Notes
Sales	(13.0)	Loss by decrease of volume of production and sales, and supply of a substitute
Extraordinary income or loss	(8.5)	Fixed cost caused by the plant stop resulting from the accident, etc.
Total	(21.5)	

3. Revision of Year-end Dividend Forecast

(1) Revision of year-end dividend forecast for the year ending March 31, 2013 (Unit: yen)

	Dividend per share (yen)				
	At the end of 1Q (Jun30)	At the end of 2Q (Sep 30)	At the end of 3Q (Dec 31)	Year-end (March 31)	Total (Annual)
Previous forecast	-	-	-	-	-
Revised forecast			-	5.00	16.00
Results	-	11.00			
Results for the year ended March 31,2012	-	11.00	-	11.00	22.00

(2) Reasons for the revision

Although NIPPON SHOKUBAI announced that it was very difficult to estimate the financial impact of the accident at Himeji plant on September 29, 2012 to this fiscal year, so, the financial results forecasts and dividend forecasts were undetermined at the second Quarter of the Fiscal Year Ending March 31, 2013 on November 6, 2012, NIPPON SHOKUBAI decided the dividend of 5 yen per share for the fiscal year ending March 31, 2013 by taking dividend policy, dividend results, and recent performance trend. Accordingly, the concerned full-year dividend is 16 yen per share.

Notes

This material contains forward-looking statements and statements of this nature based on reasonable judgments in accordance with information currently available. Readers should be aware that actual results and events might differ substantially from these projections.

The original, written in Japanese, of this information is prepared in accordance with Japanese standard.

This is a voluntary translation of the original provided by the company for convenience of readers.

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