

Summary of Consolidated Financial Results For the Fiscal Year Ended March 31, 2013

May 8, 2013

Company name: Nippon Shokubai Co., Ltd. Listing: TSE, OSE (First Section)
Code number: 4114 URL: <http://www.shokubai.co.jp/>
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Scheduled date of the general shareholders' meeting: June 20, 2013
Scheduled date of dividend payment: June 21, 2013
Scheduled date of filing annual securities report: June 20, 2013

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results of the Fiscal Year Ending March 31, 2013 (from April 1, 2012 to March 31, 2013)

(1) Consolidated operating results (% indicate rate of changes year-over-year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY3/13	269,520	-16.0	10,034	-67.7	13,824	-58.3	8,401	-60.5
FY3/12	320,704	11.2	31,100	4.3	33,114	7.0	21,257	0.7

Reference: Comprehensive income (millions of yen):

FY3/13: 15,696 (-16.5 %) FY3/12: 18,797 (10.8 %)

	Net income per share	Fully diluted net income per share	Return on equity	Ordinary income on assets	Operating income to net sales
	Yen	Yen	%	%	%
FY3/13	41.38	-	4.0	3.9	3.7
FY3/12	104.71	-	10.8	9.7	9.7

Reference: Equity in earnings (losses) of unconsolidated subsidiaries and affiliates (millions of yen):

FY3/13: 1,371 FY3/12: 2,353

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY3/13	352,373	220,248	61.1	1,059.85
FY3/12	356,407	209,070	57.3	1,006.48

Reference: Shareholders' equity (millions of yen):

FY3/13: 215,138 FY3/12: 204,315

(3) Consolidated statement of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY3/13	27,322	-31,878	81	47,801
FY3/12	43,857	-21,747	-9,671	50,812

2. Dividends

	Dividends per share					Total dividends (Annual)	Payout ratio (Consolidated)	Dividends on equity (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY3/12	-	11.00	-	11.00	22.00	4,466	21.0	2.3
FY3/13	-	11.00	-	5.00	16.00	3,248	38.7	1.5
FY3/14 (forecast)	-	8.00	-	8.00	16.00	-	27.1	-

3. Consolidated Business Forecast for the Fiscal Year Ending March 31, 2014**(April 1, 2013 to March 31, 2014)**

(% indicate rate of changes year-over-year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	135,000	-9.6	4,000	-59.4	5,000	-56.7	3,500	-46.7	17.24
Full year	300,000	11.3	15,000	49.5	18,000	30.2	12,000	42.8	59.12

4. Others

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries that affect the scope of consolidation): None

(2) Changes in accounting policies; changes in accounting estimates; restatements

1) Changes in accounting policies due to amendment of accounting standards: None

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of period (including treasury stock)

FY3/13: 204,000,000 shares

FY3/12: 204,000,000 shares

2) Number of treasury stock at the end of period

FY3/13: 1,010,242 shares

FY3/12: 1,001,175 shares

3) Average number of shares outstanding at the end of period

FY3/13: 202,995,126 shares

FY3/12: 203,003,218 shares

(Reference) Non-consolidated Business Overview**1. Non-consolidated Business Results for the Fiscal Year Ending March 31, 2013 (April 1, 2012 to March 31, 2013)****(1) Non-consolidated operating results**

(% indicate rate of changes year-over-year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY3/13	168,084	-27.0	5,685	-74.3	12,457	-51.8	9,190	-43.5
FY3/12	230,119	11.5	22,142	11.8	25,819	12.8	16,277	-0.4

	Net income per share	Fully diluted net income per share
	Yen	Yen
FY3/13	45.27	-
FY3/12	80.18	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY3/13	272,417	187,158	68.7	922.01
FY3/12	296,042	181,010	61.1	891.68

Reference: Shareholders' equity (millions of yen):

FY3/13: 187,158

FY3/12: 181,010

2. Non-consolidated Business Forecast for the Fiscal Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(% indicate rate of changes year-over-year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	87,000	-19.3	1,000	-87.0	4,000	-67.9	3,000	-64.0	14.78
Full year	200,000	19.0	7,000	23.1	12,000	-3.7	8,000	-13.0	39.41

※Indication regarding execution of audit procedures

This financial results report is exempt from the audit procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this financial results report, the audit procedures for financial statements in accordance with the Financial Instruments and Exchange Act are incomplete.

※Appropriate use of business forecasts; other special items

In this document, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ from those anticipated in these statements.

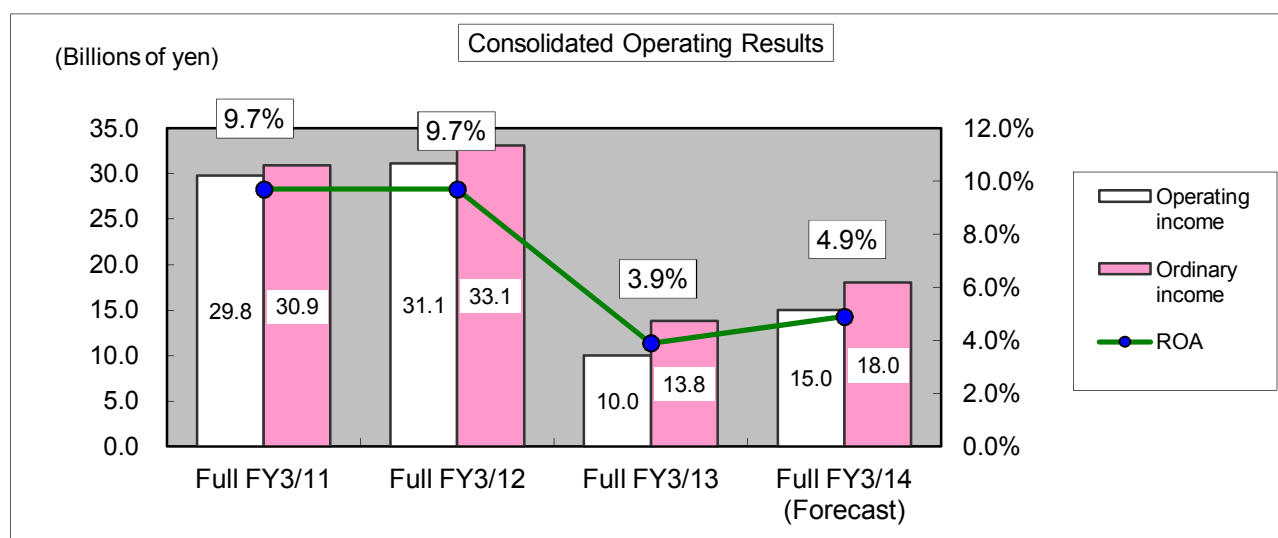
* The original, written in Japanese, of this information is prepared in accordance with Japanese standard. This is a voluntary translation of the original provided by the company for convenience of readers.

Results Trend and Features

(Unit: Millions of yen)

	Full FY3/11		Full FY3/12		Full FY3/13		Full FY3/14 (Forecast)		Change	
	Amount	YoY	Amount	YoY	Amount	YoY	Amount	YoY	FY3/13- FY3/12	FY3/14- FY3/13
Net sales	[1.40]		[1.39]		[1.60]		[1.50]			
Consolidated	288,345	18.0%	320,704	11.2%	269,520	-16.0%	300,000	11.3%	-51,183	30,480
Non-consolidated	206,389	24.2%	230,119	11.5%	168,084	-27.0%	200,000	19.0%	-62,036	31,916
Operating income	[1.51]		[1.40]		[1.77]		[2.14]			
Consolidated	29,813	114.8%	31,100	4.3%	10,034	-67.7%	15,000	49.5%	-21,065	4,966
Non-consolidated	19,801	116.1%	22,142	11.8%	5,685	-74.3%	7,000	23.1%	-16,457	1,315
Ordinary income	[1.35]		[1.28]		[1.11]		[1.50]			
Consolidated	30,955	107.3%	33,114	7.0%	13,824	-58.3%	18,000	30.2%	-19,290	4,176
Non-consolidated	22,898	104.6%	25,819	12.8%	12,457	-51.8%	12,000	-3.7%	-13,362	-457
Net income	[1.29]		[1.31]		[0.91]		[1.50]			
Consolidated	21,119	95.0%	21,257	0.7%	8,401	-60.5%	12,000	42.8%	-12,856	3,599
Non-consolidated	16,342	136.2%	16,277	-0.4%	9,190	-43.5%	8,000	-13.0%	-7,086	-1,190
Equity-method investment	2,354		2,353		1,371		1,676		-982	305
Minority interests in income	294		450		159		437		-291	278
Total assets	[1.19]		[1.20]		[1.29]		[1.31]			
Consolidated	329,332	5.9%	356,407	8.2%	352,373	-1.1%	380,000	7.8%	-4,034	27,627
Non-consolidated	275,921	9.7%	296,042	7.3%	272,417	-8.0%	290,000	6.5%	-23,624	17,583
Net assets	[1.14]		[1.16]		[1.18]		[1.19]			
Consolidated	194,266	18.6%	209,070	7.6%	220,248	5.3%	230,046	4.4%	11,179	9,798
Non-consolidated	170,410	21.2%	181,010	6.2%	187,158	3.4%	192,519	2.9%	6,148	5,361
ROA									Point	Point
Consolidated		9.7%		9.7%		3.9%		4.9%	-5.8	1.0
Non-consolidated		8.7%		9.0%		4.4%		4.3%	-4.6	-0.1

The figures in bracket represent the consolidated-parent ratio.



Comparison of FY3/13 with FY3/12

Sales down, profits down: sales declined due to a sharp drop in sales volumes from the impact of the accident at the Himeji Plant, and a decline in market prices; profits declined sharply due to lower sales volumes and narrower spreads

		Major components
Net sales	-51.2 bil. yen YoY	<ul style="list-style-type: none"> • Lower sales across all segments • Production of acrylic acids and superabsorbent polymers completely suspended at the Himeji Plant in the second half • Sharply lower sales volumes of maleic anhydride and resin modifiers • Decline in sales volumes of ethylene oxides and ethylene glycol due to the winding down of special demand that emerged in the direct aftermath of the Great East Japan Earthquake in FY3/12
Operating income	-21.1 bil. yen YoY	<ul style="list-style-type: none"> • Declines in production and sales volumes + narrower spreads between selling prices and raw materials prices > lower manufacturing costs from suspension of production at the Himeji Plant (suspension fixed costs were reclassified with extraordinary losses)
Ordinary income	-19.3 bil. yen YoY	<ul style="list-style-type: none"> • Declines in foreign exchange losses, disposal/withdrawal costs for fixed assets + increase in technology licensing income > decrease in equity in earnings of affiliates
Net income	-12.9 bil. yen YoY	<ul style="list-style-type: none"> • Reclassification of suspension fixed costs as extraordinary losses (from operating expenses), but insurance payout income booked as extraordinary income • Decrease in income taxes

Comparison of FY3/14 with FY3/13

Sales up, profits up: sales up mainly due to increase in sales volumes of special esters, electronic information materials and maleic anhydride; profits up, despite increase in processing and SG&A expenses as fixed costs will no longer be reclassified with extraordinary losses, thanks to greater benefits from higher sales volumes and an improvement in spreads

		Major components
Net sales	+30.5 bil. yen YoY	<ul style="list-style-type: none"> • Greater sales across all segments • Completion of new production lines at PT. NIPPON SHOKUBAI INDONESIA • Increase in sales of functional chemicals mainly due to higher sales volumes of special esters, electronic information materials, and maleic anhydride, and an upward revision to selling prices • Increase in sales volumes of basic chemicals including ethylene glycol and ethylene oxide acrylates
Operating income	+5.0 bil. yen YoY	<ul style="list-style-type: none"> • Increase in production and sales volumes + wider spreads between selling prices and raw materials prices > increase in processing costs + increase in SG&A expenses
Ordinary income	+4.2 bil. yen YoY	<ul style="list-style-type: none"> • Decreases in technology licensing income, foreign exchange gains and dividend income + increase in interest expenses > increase in equity in earnings of affiliates
Net income	+3.6 bil. yen YoY	<ul style="list-style-type: none"> • Increase in income taxes

1. Business Results

I. Analysis of Business Results

(1) Business Results for FY3/13 (April 1, 2012 – March 31, 2013)

In the fiscal year under review, the Japanese economy faced difficult conditions due to sharp volatility in foreign exchange rates and slowdown of the global economy.

In the chemicals industry, the outlook remained unclear due to elevated raw materials prices and stagnating demand in emerging nations.

On September 29, 2012, an explosion and fire occurred at NIPPON SHOKUBAI's Himeji Plant. Accordingly, the Company had received orders from the relevant authority to suspend operation of all the facilities of hazardous materials in the Himeji Plant and the facilities of an affiliated company which was next to the Plant. Since November 1, 2012, the Company had received some lifts of restrictions for related facilities in the Plant from the relevant authority.

Accordingly, production of following items was started at facilities in the Plant: automotive catalysts and other catalysts, and resins for paints in November 2012; electronic information materials and resin modifiers in December 2012; maleic anhydride and polymer for concrete admixture in January 2013.

However, production of acrylic acid, acrylates, superabsorbent polymers, special esters, raw materials for detergents and other hydrosoluble polymers are still suspended as of the end of March 2013.

The final investigative report of the accident by the Company's Accident Investigation Committee was received on March 27, 2013 and disclosed on March 29, 2013.

1) Overview

(Unit: Millions of yen)

	Full FY3/12	Full FY3/13	Change	
			(Amount)	(% growth)
Net sales	320,704	269,520	-51,183	-16.0%
Operating income	31,100	10,034	-21,065	-67.7%
Ordinary income	33,114	13,824	-19,290	-58.3%
Net income	21,257	8,401	-12,856	-60.5%
Net income per share	104.71 yen	41.38 yen	-63.33 yen	-60.5%
ROA (Return on Assets)	9.7%	3.9%	-	-5.8 points
ROE (Return on Equity)	10.8%	4.0%	-	-6.8 points
Foreign exchange rates (\$ and EUR)	\$=79.07 yen EUR=109.01 yen	\$=83.09 yen EUR=107.06 yen		4.02 yen -1.95 yen
Naphtha price	54,900 yen/kl	57,500 yen/kl		2,600 yen/kl

In this business environment, the Group's consolidated net sales declined 16.0% year-over-year to 269,520 million yen (-51,183 million yen) in the current fiscal year. Sales volumes declined sharply due to the impact of the accident at Himeji Plant as mentioned above and other factors.

As for profits, operating income decreased 67.7% year-over-year to 10,034 million yen (-21,065 million yen) in the current fiscal year, impacted by the accident at Himeji Plant and other factors.

Ordinary income decreased 58.3% year-over-year to 13,824 million yen (-19,290 million yen) as net non-operating income improved by 1,776 million yen due to an increase in technology licensing income and a decrease in foreign exchange losses, while there was a decrease in equity in earnings of affiliates. Insurance payout income of 8,231 million yen related to the accident was booked as an extraordinary income, while fixed costs during the plant's suspension were reclassified with "suspension fixed costs" and booked as an extraordinary loss of 9,280 million yen.

Net income decreased 60.5% year-over-year to 8,401 million yen (-12,856 million yen).

2) Segment Summary

By business segment

(Unit: Millions of yen)

Basic Chemicals

	Full FY3/12	Full FY3/13	Change
Net sales	136,562	113,862	-22,699
Operating income	13,387	2,097	-11,290

Functional Chemicals

	Full FY3/12	Full FY3/13	Change
Net sales	160,762	137,012	-23,750
Operating income	16,526	6,779	-9,747

Environment & Catalysts

	Full FY3/12	Full FY3/13	Change
Net sales	23,380	18,646	-4,734
Operating income	1,671	1,431	-240

Basic Chemicals

Sales of acrylic acids and acrylates declined sharply due to a significant drop in sales volumes on the impact of the accident at the Himeji Plant, and lower selling prices from the winding down of the surge in market prices in FY3/12.

Sales of ethylene oxide decreased due to a decline in sales volumes.

Sales of ethylene glycol declined as falling market prices reduced profitability, and due to lower sales volumes.

Sales of higher alcohol increased due to a rise in sales volumes.

Sales of ethanolamine decreased as a decline in sales volume, primarily for exports, offset upward revisions to selling prices to reflect higher raw material prices.

In summary, sales in the basic chemicals segment decreased 16.6% year-over-year to 113,862 million yen.

Operating income decreased 84.3% year-over-year to 2,097 million yen as profitability deteriorated due to significantly lower sales and production volumes, and narrower spreads (selling prices declined due to the winding down of the surge in market prices for some products in FY3/12, and raw materials prices rose).

Functional Chemicals

Sales of superabsorbent polymers declined sharply despite higher prices (particularly at overseas subsidiaries) from the yen's depreciation toward the end of the fiscal year, due to a sharp drop in sales volumes on the impact of the accident at the Himeji Plant.

Sales of special esters, raw materials for detergents and other hydrosoluble polymers, maleic anhydride, polymer for concrete admixture, resin modifiers and resins for paints declined sharply due to a significant drop in sales volumes on the impact of the accident at the Himeji Plant.

Sales of ethyleneimine derivatives decreased as a decline in sales volumes offset upward revisions to selling prices.

Sales of electronic information materials increased due to a rise in sales volumes despite a fall in selling prices.

Sales of iodine compounds and processed adhesive products increased due to upward revisions to selling prices, despite a decline in sales volumes.

In summary, sales in the functional chemicals segment decreased 14.8% year-over-year to 137,012 million yen.

Operating income decreased 59.0% year-over-year to 6,779 million yen, despite efforts to reduce processing costs, due to significantly lower sales and production volumes, and a rise in raw materials prices.

Environment & Catalysts

Sales of De-NOx catalysts and polymer for lithium-ion batteries increased due to a rise in sales volumes.

Sales of automotive catalysts declined sharply due to lower sales volumes on the impact of the accident at the Himeji Plant, lower selling prices from the decline in precious metals prices, and a deterioration in the product mix.

Sales of process catalysts, dioxins decomposition catalysts and fuel cell materials decreased due to a decline in sales volumes.

In summary, sales in the environment and catalysts segment decreased 20.2% year-over-year to 18,646 million yen.

Operating income decreased 14.4% year-over-year to 1,431 million yen, due to a decline in sales volumes of process catalysts.

(2) FY3/14 Forecast (April 1, 2013 – March 31, 2014)

The Japanese economy has seen improvement in the export environment and a pick up in production due to the yen's recent depreciation, but we expect the outlook to remain unclear for some time due to downside concerns about overseas economies.

In the chemicals industry, conditions require close monitoring due to the slowdown in China's economy, weakness in the domestic market, and concerns of another flare up in the European crisis.

We base our consolidated forecasts for the new fiscal year on exchange rates of 90 yen to the US dollar and 115 yen to the euro, and naphtha prices of 65,000 yen/kl. We expect higher sales volumes of functional chemicals due to a recovery from the accident and progress in correcting prices following higher raw materials prices. As a result, we forecast consolidated net sales over the full fiscal year will increase 11.3% to 300,000 million yen (+30,480 million yen) with 135,000 million yen in the first half.

As for profits, we forecast a recovery in operations at the Himeji Plant in the second half will drive an increase in production activity and higher sales volumes. As a result, we forecast operating income over the full fiscal year will increase 49.5% to 15,000 million yen (+4,966 million yen) with 4,000 million yen in the first half; ordinary income will increase 30.2% to 18,000 million yen (+4,176 million yen) with 5,000 million yen in the first half; and net income will increase 42.8% to 12,000 million yen (+3,599 million yen) with 3,500 million yen in the first half.

Our full-year forecasts by business segment are as follows:

(Unit: Billions of yen)

	Basic Chemicals		Functional Chemicals		Environment & Catalysts	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
First-half forecasts	57.0	1.0	65.0	2.5	13.0	0.5
Second-half forecasts	68.0	3.5	85.0	7.0	12.0	0.5
Full-year forecasts	125.0	4.5	150.0	9.5	25.0	1.0

II. Qualitative Information on Financial Position

(1) Assets, liabilities and net assets

Total assets decreased 4,034 million yen over the end of the previous fiscal year to 352,373 million yen. Current assets decreased 23,828 million yen mainly due to a decrease in notes and accounts receivable-trade. Noncurrent assets increased 19,794 million yen due to an increase in property, plant and equipment because of capital expenditures, and an increase in investment securities with rising market values. The Company expects to receive an insurance payout for the 2,176 million yen book value of inventories and noncurrent assets, and repair expenses to which amounted during this financial year for damaged assets that it lost in the explosion and fire at the Himeji Plant on September 29, 2012, and plans to book these assets as fire loss suspense account in the "other" category of current assets.

Liabilities decreased 15,212 million yen over the end of the previous fiscal year to 132,125 million yen. There were decreases in notes and accounts payable-trade, income taxes payable and current portion of bonds, while there was an

increase in long-term loans payable.

Net assets increased 11,179 million yen over the end of the previous fiscal year to 220,248 million yen. This was mainly due to increases in retained earnings, foreign currency translation adjustment, and valuation difference on available-for-sale securities.

Shareholders' equity ratio increased 3.8 percentage points, from 57.3% at the end of the previous fiscal year, to 61.1%. Net assets per share increased 53.37 yen to 1,059.85 yen.

(2) Cash Flows

Cash and cash equivalents at the end of the current fiscal year decreased 3,012 million yen over the end of the previous fiscal year to 47,801 million yen as cash flow used in investing activities (capital investment, etc.) exceeded cash flow provided by operating activities and financing activities (loans payable, etc.)

Cash flow from operating activities

Net cash provided by operating activities totaled 27,322 million yen (43,857 million yen in the previous fiscal year). This was mainly due to a progress in collection of trade notes and accounts receivable, while there were decreases in notes and accounts payable-trade and income before income taxes.

Cash flow from investing activities

Net cash used in investing activities totaled 31,878 million yen (21,747 million yen in the previous fiscal year). This was mainly due to an increase in outlays for the purchase of property, plant and equipment.

Cash flow from financing activities

Net cash provided by financing activities totaled 81 million yen (9,671 million yen used in the previous fiscal year). Although there was a decrease in redemption of bonds, proceeds from loans payable increased.

Cash flow indicators

	Full FY3/09	Full FY3/10	Full FY3/11	Full FY3/12	Full FY3/13
Shareholders' equity ratio	48.8%	51.4%	57.9%	57.3%	61.1%
Shareholders' equity ratio at market base	36.5%	48.4%	64.2%	54.6%	47.5%
Cash flow to debt ratio	5.7 years	1.8 years	2.0 years	1.4 years	2.4 years
Interest coverage ratio	12.9	32.4	35.9	58.9	39.5

Shareholders' equity ratio = shareholders' equity/ total assets

Shareholders' equity ratio at market base = market capitalization/ total assets

Cash flow to debt ratio = interest-bearing debt/ operating cash flow

Interest coverage ratio = operating cash flow/ interest payments

Notes: 1. All indicators are calculated based on consolidated figures.

2. Market capitalization = closing share price at period end × outstanding shares at period end (after deducting treasury stock)

3. We use "net cash provided by operating activities" from the consolidated statements of cash flows for "operating cash flow."

4. We have included all interest-bearing debts in the consolidated balance sheet for "interest-bearing debt."

5. We use "interest expenses paid" from the consolidated statements of cash flows for "interest payments."

III. Basic Policy on the Distribution of Profits, and Dividends for FY3/13 and FY3/14

Returning profits to shareholders is an important management theme, and our basic policy is to improve medium to long-term dividend levels in line with consolidated earnings, while at the same time ensuring sufficient retained earnings to expand the business and strengthen the corporate structure. We will also take into account the payout ratio in determining dividends. In addition to dividend distributions, we intend to continue stock buybacks to raise the value of each share.

We believe profit distribution must be based on a careful balance of dividend payments and retained earnings because it is necessary that we continue to aggressively invest in capital equipment and R&D to maintain our competitiveness and

growth into the future.

We pay dividends twice a year, once at the end of the interim period and once at the end of the fiscal year.

Based on the above basic policy, we plan to pay a year-end dividend of 5 yen per share for FY3/13, taking into consideration the regrettable impact of the explosion and fire at the Himeji Plant. Together with the interim dividend of 11 yen per share, this would give an annual dividend of 16 yen per share (down 6 yen per share over the previous fiscal year), translating into a consolidated payout ratio of 38.7%.

For FY3/14, we plan an annual dividend of 16 yen per share, consisting of interim and year-end dividends of 8 yen each, based on the above basic policy and taking into consideration progress in achieving our forecast profits.

2. Corporate Group

(1) The NIPPON SHOKUBAI corporate group consists of 24 subsidiaries and 14 affiliates, and its mainstay business is the manufacture and sale of chemicals.

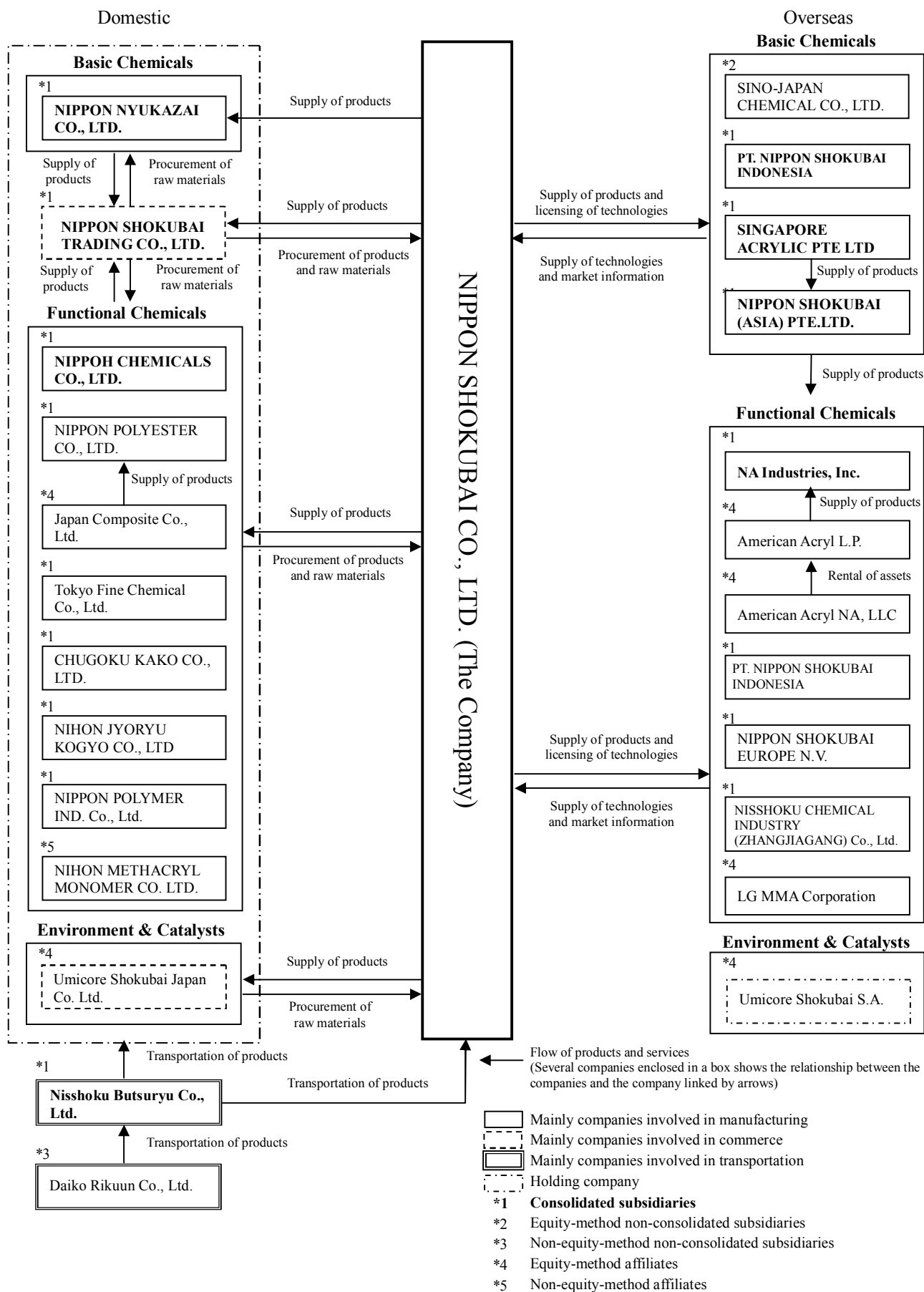
The table below shows the positioning and relationship of mainstay companies among the group's business segments.

Business segments	Main products	Positioning of mainstay companies within the business
Basic Chemicals	Acrylic acid Acrylates Ethylene oxide Ethylene glycol Ethanolamine Higher alcohol Glycol ether	NIPPON SHOKUBAI ('the Company') manufactures and sells acrylic acids, acrylates, and other basic chemicals. NIPPON SHOKUBAI TRADING CO., LTD. procures mainly basic chemicals from the Company and sells them. It also procures products and raw materials to supply to the Company. PT. NIPPON SHOKUBAI INDONESIA manufactures and sells acrylic acids and acrylates. SINGAPORE ACRYLIC PTE LTD and NIPPON SHOKUBAI (ASIA) PTE.LTD. manufacture and sell acrylic acids, and NIPPON SHOKUBAI (ASIA) PTE.LTD. sells some of the products. NIPPON NYUKAZAI CO., LTD. manufactures and sells surfactants and chemical products such as glycol ether. It procures ethylene oxide and other raw materials for surfactants from the Company. SINO-JAPAN CHEMICAL CO., LTD. manufactures and sells surfactants and other industrial chemicals in Taiwan.
Functional Chemicals	Superabsorbent polymers Intermediates for pharmaceuticals Polymers for concrete admixtures Electronic and information materials Iodine compounds Maleic anhydride Resins for adhesives/paints Molded plastics Processed adhesive products	The Company manufactures and sells superabsorbent polymers, pharmaceutical intermediates, and other functional chemicals. NA Industries, Inc. manufactures and sells superabsorbent polymers, polymers for concrete admixtures, and acrylic acid detergent builders in the US. It procures acrylic acid, the raw material of superabsorbent polymers, from American Acryl L.P. NIPPON SHOKUBAI EUROPE N.V. manufactures and sells superabsorbent polymers in Belgium. NISSHOKU CHEMICAL INDUSTRY (ZHANGJIAGANG) Co., Ltd. manufactures and sells superabsorbent polymers and polymers for concrete admixtures in China. NIPPOH CHEMICALS CO., LTD. manufactures and sells iodine compounds, natural gas, and raw materials for pharmaceuticals, agricultural chemicals, and fragrances. Tokyo Fine Chemical Co., Ltd. manufactures and sells stabilizers, preservatives, and anti-freeze solutions. It procures ethylene glycol, the raw material of anti-freeze solutions, from the Company. NIHON JYORYU KOGYO CO., LTD manufactures and sells raw materials for dye agents among other products, and the Company sells some of these products. It also procures acrylic acids among other raw materials from the Company. NIPPON POLYESTER CO., LTD. procures unsaturated polyester resins from Japan Composite Co., Ltd., and manufactures and sells corrugated sheets and other molded plastics. CHUGOKU KAKO CO., LTD. procures adhesive resins and other raw materials from the Company, and manufactures and sells proceeded adhesives and other products. NIPPON POLYMER IND. Co., Ltd. procures acrylates among other raw materials from the Company, and manufactures resins for adhesives and paint; the Company sells some of these products. LG MMA Corporation manufactures and sells MMA monomers and polymers.
Environment & Catalysts	Automotive catalysts De-NOx catalysts Dioxins decomposition catalysts Process catalysts Equipment for exhaust gas treatment Fuel cell materials	The Company manufactures and sells automotive catalysts and other environment & catalyst products. Umicore Shokubai Japan Co. Ltd procures automotive catalysts from the Company and sells them.

Note: Nisshoku Butsuryu Co., Ltd. mainly transports the Company's manufactured and commercial products and is therefore involved in all businesses.

NIPPON SHOKUBAI (ASIA) PTE.LTD. merged with SINGAPORE GLACIAL ACRYLIC PTE.LTD. as of January 1, 2013.

(2) The following is a diagram of the corporate group



Note: NIPPON SHOKUBAI TRADING CO., LTD., Nisshoku Butsuryu Co., Ltd. and PT. NIPPON SHOKUBAI INDONESIA belong to some business segments.
NIPPON SHOKUBAI (ASIA) PTE.LTD. merged with SINGAPORE GLACIAL ACRYLIC PTE.LTD. on January 1, 2013.
Umicore Shokubai S.A. is a holding company which controls automotive catalyst business executed five companies including Umicore Shokubai Japan Co. Ltd.

3. Management Policy

(1) Basic Management Philosophy

NIPPON SHOKUBAI's corporate philosophy is "TechnoAmenity: providing value and comfort to people and society, with our unique technology." And it seeks, under a management philosophy of 1) deep respect for humanity, 2) coexisting with society and working in harmony with the environment, 3) pursuing innovative technologies, and 4) acting on the global stage, to build a more solid business structure and gain a sharper competitive edge to keep pace with rapid changes in the world.

(2) Challenges, Long-term Business Strategies, and Performance Targets

On September 29, 2012, a major explosion and fire broke out in the acrylic acid production area of the Himeji Plant, killing one firefighter and injuring 36 persons. NIPPON SHOKUBAI extends its sincerest apologies to shareholders, those living in the neighborhood of the plant, and all related parties for the enormous problems and worries this accident has caused.

The Himeji Plant has gradually begun re-operating with the approval of the relevant authority. Based on measures to prevent a reoccurrence proposed in an accident investigation report prepared by the Company's Accident Investigation Committee, the Company will focus wholeheartedly on safe operations by thoroughly implementing safety measures, and preparing, improving, and thoroughly implementing internal safety training protocols.

In light of the Great East Japan Earthquake which struck in 2011, and the recent accident at the Himeji Plant, the Company has reviewed its supply chain management from raw materials procurement to product sales in order to strengthen its business continuity plan. Also, recognizing the important role the Company has played to date in contributing to industry and society, the entire corporate group will pull together to win back the trust and confidence of all stakeholders from customers, to suppliers, shareholders, investors, the public sector, the local community, and employees.

The Group, in its medium-term business plan "TechnoAmenity 2015" launched in FY3/11, targeted FY3/16 consolidated net sales of 400 billion yen, ordinary income of 30 billion yen, and ROA (ordinary income/total assets) of 7.5%. However, in light of the recent accident, the Company plans to implement a single-year plan for FY3/14 to prioritize recovery from the accident, and will formulate in FY3/14 a new medium-term business plan for FY3/15 onward. In the new medium-term business plan, the Company will continue to prioritize profitability over sales as it did in its "TechnoAmenity 2015" plan, aiming to further improve margins in its existing businesses (ethylene oxides, acrylic acids, superabsorbent polymers, and maleic anhydride and derivatives) while growing new businesses, such as the new energy business and health and healthcare business, into new profit pillars.

The Group's production capacity of superabsorbent polymers at the overseas group companies were 150,000 tons per annum ("tpa") in March 2013. Also, the Group is planning the expansion of 90,000 tpa in Indonesia in 2013, and 30,000 tpa in China in 2014. This would expand the Group's production capacity of superabsorbent polymers at the overseas group companies to 270,000 tpa, and together with the 320,000 tpa in the Himeji Plant, this would raise the Group's production capacity to 590,000 tpa.

Regarding the production capacity expansion of acrylic acids of 80,000 tpa in Indonesia, the Group is planning to start commercial operation in August 2013 as scheduled, and expansion of 80,000 tpa in the Himeji Plant is in progress.

Also, the Company will aim to reenergize human resources and the organization, as it did to date in its "TechnoAmenity 2015" plan, by continuing to focus on "Talent development," "Fostering a dynamic organizational climate," "Reinforcement of organizational capability," and "Globalizing and clarifying responsibility in group management."

The Group also intends to place the implementation of corporate social responsibility at the foundation of its

management, to engage in corporate activities based on compliance and self-responsibility, to ensure thoroughness in corporate ethics, to promote ‘responsible care’ regarding the environment, safety, and quality, and to push forward with activities that contribute to society and environmental preservation activities in particular.

3. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (As of Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (As of Mar.31, 2013)
Assets		
Current assets		
Cash and deposits	51,764	49,847
Notes and accounts receivable-trade	78,094	52,579
Merchandise and finished goods	24,291	21,468
Work in process	6,761	7,170
Raw materials and supplies	12,960	13,571
Deferred tax assets	3,753	2,918
Other	5,320	11,548
Allowance for doubtful accounts	-64	-49
Total current assets	182,879	159,051
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	83,745	89,310
Accumulated depreciation	-56,996	-59,174
Accumulated impairment loss	-1,588	-1,540
Buildings and structures, net	25,161	28,595
Machinery, equipment and vehicles	283,374	298,046
Accumulated depreciation	-234,457	-246,015
Accumulated impairment loss	-2,447	-2,672
Machinery, equipment and vehicles, net	46,469	49,359
Tools, furniture and fixtures	17,676	18,261
Accumulated depreciation	-15,485	-15,689
Accumulated impairment loss	-12	-13
Tools, furniture and fixtures, net	2,179	2,559
Land	32,271	32,396
Lease assets	542	616
Accumulated depreciation	-260	-346
Lease assets, net	282	271
Construction in progress	16,363	25,321
Total property, plant and equipment	122,726	138,502
Intangible assets		
Goodwill	468	-
Other	2,247	2,227
Total intangible assets	2,716	2,227

	Fiscal year ended Mar.31, 2012 (As of Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (As of Mar.31, 2013)
Investments and other assets		
Investment securities	33,789	37,252
Investments in capital	3,319	3,704
Long-term loans receivable	193	1,286
Deferred tax assets	4,617	3,793
Prepaid pension cost	3,168	3,538
Other	3,160	3,131
Allowance for doubtful accounts	-158	-111
Total investments and other assets	48,087	52,593
Total noncurrent assets	173,528	193,322
Total assets	356,407	352,373

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (As of Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (As of Mar.31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	53,137	39,415
Short-term loans payable	14,373	14,533
Current portion of long-term loans payable	9,694	14,080
Current portion of bonds	5,000	-
Lease obligations	44	36
Income taxes payable	7,144	751
Provision		
Provision for bonuses	2,991	2,597
Provision for directors' bonuses	193	23
Provision for repairs	2,359	2,680
Provision for loss on disaster	104	45
Total provision	5,647	5,346
Other	10,250	10,047
Total current liabilities	105,288	84,208
Noncurrent liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	20,224	26,060
Lease obligations	172	164
Deferred tax liabilities	260	222
Provision for retirement benefits	10,251	10,418
Other	1,141	1,053
Total noncurrent liabilities	42,048	47,917
Total liabilities	147,337	132,125
Net assets		
Shareholders' equity		
Capital stock	25,038	25,038
Capital surplus	22,083	22,083
Retained earnings	168,441	172,376
Treasury stock	-890	-897
Total shareholders' equity	214,672	218,599
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,366	2,846
Deferred gains or losses on hedges	-2	1
Foreign currency translation adjustment	-11,721	-6,309
Total valuation and translation adjustments	-10,357	-3,462
Minority interests	4,755	5,111
Total net assets	209,070	220,248
Total liabilities and net assets	356,407	352,373

(2) Consolidated Statements of Income and Statements of Comprehensive Income**Consolidated Statements of Income**

	(Unit: Millions of yen)	
	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Net sales	320,704	269,520
Cost of sales	252,363	224,901
Gross profit	68,341	44,619
Selling, general and administrative expenses		
Transportation and warehousing expenses	12,267	10,096
Personal expenses	8,003	7,662
Research and development expenses	11,092	10,606
Amortization of goodwill	481	469
Other	5,397	5,753
Total selling, general and administrative expenses	37,241	34,585
Operating income	31,100	10,034
Non-operating income		
Interest income	84	85
Dividends income	874	947
Amortization of negative goodwill	8	-
Equity in earnings of affiliates	2,353	1,371
Technical support fee	584	1,291
Real estate rent	1,157	1,066
Miscellaneous income	427	693
Total non-operating income	5,487	5,454
Non-operating expenses		
Interest expenses	735	674
Depreciation	302	336
Taxes and dues	243	259
Loss on retirement of noncurrent assets	264	20
Foreign exchange losses	840	-
Miscellaneous loss	1,089	375
Total non-operating expenses	3,473	1,664
Ordinary income	33,114	13,824
Extraordinary income		
Insurance income	1,105	8,231
State subsidy	100	-
Total extraordinary income	1,205	8,231
Extraordinary loss		
Loss on explosion and fire	-	8,882
Loss on valuation of stocks of subsidiaries and affiliates	-	264
Impairment loss	280	89
Loss on reduction of noncurrent assets	449	47
Loss on liquidation of business	134	-
Other	128	-
Total extraordinary losses	991	9,280
Income before income taxes	33,327	12,775

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Income taxes-current	11,779	3,343
Income taxes-deferred	-158	872
Total income taxes	11,620	4,215
Income before minority interests	21,707	8,560
Minority interests in income	450	159
Net income	21,257	8,401

Consolidated Statements of Comprehensive Income

	(Unit: Millions of yen)	
	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Income (loss) before minority interests	21,707	8,560
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,002	1,486
Deferred gains or losses on hedges	1	3
Foreign currency translation adjustment	-1,544	3,911
Share of other comprehensive income of associates accounted for using equity method	-365	1,736
Total other comprehensive income	-2,910	7,136
Comprehensive income	18,797	15,696
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	18,435	15,296
Comprehensive income attributable to minority interests	362	399

(3) Consolidated Statements of Changes in Net Assets

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	25,038	25,038
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	25,038	25,038
Capital surplus		
Balance at the end of previous period	22,083	22,083
Changes of items during the period		
Disposal of treasury stock	0	-
Retirement of treasury stock	-0	-
Total changes of items during the period	-0	-
Balance at the end of current period	22,083	22,083
Retained earnings		
Balance at the end of previous period	158,961	168,441
Changes of items during the period		
Dividends from surplus	-4,669	-4,466
Net income	21,257	8,401
Disposal of treasury stock	-0	-
Retirement of treasury stock	-7,108	-
Total changes of items during the period	9,480	3,935
Balance at the end of current period	168,441	172,376
Treasury stock		
Balance at the end of previous period	-7,990	-890
Changes of items during the period		
Purchase of treasury stock	-9	-8
Disposal of treasury stock	1	-
Retirement of treasury stock	7,108	-
Total changes of items during the period	7,100	-8
Balance at the end of current period	-890	-897
Total shareholders' equity		
Balance at the end of previous period	198,092	214,672
Changes of items during the period		
Dividends from surplus	-4,669	-4,466
Net income	21,257	8,401
Purchase of treasury stock	-9	-8
Disposal of treasury stock	1	-
Retirement of treasury stock	-	-
Total changes of items during the period	16,580	3,927
Balance at the end of current period	214,672	218,599

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Valuation and translation adjustments		
Valuation differences on available-for-sale securities		
Balance at the end of previous period	2,367	1,366
Changes of items during the period		
Net changes of items other than shareholders' equity	-1,000	1,480
Total changes of items during the period	-1,000	1,480
Balance at the end of current period	1,366	2,846
Deferred gains or losses on hedges		
Balance at the end of previous period	-17	-2
Changes of items during the period		
Net changes of items other than shareholders' equity	14	4
Total changes of items during the period	14	4
Balance at the end of current period	-2	1
Foreign currency translation adjustments		
Balance at the end of previous period	-9,886	-11,721
Changes of items during the period		
Net changes of items other than shareholders' equity	-1,836	5,412
Total changes of items during the period	-1,836	5,412
Balance at the end of current period	-11,721	-6,309
Total valuation and translation adjustments		
Balance at the end of previous period	-7,536	-10,357
Changes of items during the period		
Net changes of items other than shareholders' equity	-2,822	6,896
Total changes of items during the period	-2,822	6,896
Balance at the end of current period	-10,357	-3,462
Minority interests		
Balance at the end of previous period	3,709	4,755
Changes of items during the period		
Net changes of items other than shareholders' equity	1,046	356
Total changes of items during the period	1,046	356
Balance at the end of current period	4,755	5,111

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Total net assets		
Balance at the end of previous period	194,266	209,070
Changes of items during the period		
Dividends from surplus	-4,669	-4,466
Net income	21,257	8,401
Purchase of treasury stock	-9	-8
Disposal of treasury stock	1	-
Net changes of items other than shareholders' equity	-1,776	7,252
Total changes of items during the period	14,804	11,179
Balance at the end of current period	209,070	220,248

(4) Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	Fiscal year ended Mar.31, 2012 (Apr. 1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr. 1, 2012 to Mar.31, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes	33,327	12,775
Depreciation and amortization	16,767	15,402
Loss on valuation of stocks of subsidiaries and affiliates	-	264
Impairment loss	280	89
Loss on reduction of noncurrent assets	449	47
Loss on liquidation of business	134	-
Other extraordinary loss (income)	128	-
Insurance income	-1,105	-8,231
Subsidy income	-100	-
Increase (decrease) in provision for retirement benefits	478	157
Interest and dividends income	-958	-1,032
Interest expenses	735	674
Equity in (earnings) losses of affiliates	-2,353	-1,371
Loss on retirement of property, plant and equipment	270	23
Decrease (increase) in notes and accounts receivable-trade	-2,534	26,919
Decrease (increase) in inventories	-4,395	3,030
Increase (decrease) in notes and accounts payable-trade	10,684	-14,869
Increase (decrease) in accrued consumption taxes	105	-269
Other, net	1,703	-5,543
Subtotal	53,616	28,064
Interest and dividends income received	2,022	2,799
Interest expenses paid	-745	-691
Proceeds from insurance income	1,226	8,231
Proceeds from subsidy	100	-
Income taxes (paid) refund	-12,362	-11,080
Net cash provided by (used in) operating activities	43,857	27,322
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	-20,883	-29,382
Proceeds from sales of property, plant and equipment	4	12
Purchase of investment securities	-451	-307
Proceeds from sales of investment securities	193	2
Proceeds from redemption of investment securities	200	200
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	182	-
Purchase of stocks of subsidiaries and affiliates	-18	-984
Payments for investments in capital	-	-214
Collection of investments in capital	0	214
Payments of loans receivable	-	-1,299
Collection of loans receivable	132	177
Other, net	-1,107	-298
Net cash provided by (used in) investment activities	-21,747	-31,878

	(Unit: Millions of yen)	
	Fiscal year ended Mar.31, 2012 (Apr.1, 2011 to Mar.31, 2012)	Fiscal year ended Mar.31, 2013 (Apr.1, 2012 to Mar.31, 2013)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-2,587	-299
Proceeds from long-term loans payable	2,542	19,687
Repayment of long-term loans payable	-4,872	-9,743
Redemption of bonds	-	-5,000
Cash dividends paid	-4,669	-4,466
Cash dividends paid to minority shareholders	-26	-44
Purchase of treasury stock	-9	-8
Other, net	-51	-47
Net cash provided by (used in) financing activities	-9,671	81
Effect of exchange rate change on cash and cash equivalents	-801	1,464
Net increase (decrease) in cash and cash equivalents	11,638	-3,012
Cash and cash equivalents at beginning of period	39,174	50,812
Cash and cash equivalents at end of period	50,812	47,801

(5) Notes Concerning Consolidated Financial Statements

【Going Concern Assumption】

Not applicable.

【Changes in the Basis of Presentation and Summary of Significant Accounting Policies for the Preparation of Consolidated Financial Statements】

Change of scope of consolidation and equity method

Fiscal year ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)

(1) Scope of consolidation

NIPPON PORYMER IND. Co., Ltd. was changed into the consolidated subsidiary from the equity method affiliate with additional stock acquisition from the fiscal year ended March 31, 2012.

(2) Scope of the equity method

NIPPON PORYMER IND. Co., Ltd. was excluded from the scope of the equity method since it was changed into the consolidated subsidiary from the fiscal year ended March 31, 2012.

Fiscal year ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)

(1) Scope of consolidation

NIPPON SHOKUBAI (ASIA) PTE.LTD. merged with SINGAPORE GLACIAL ACRYLIC PTE. LTD. as of January 1, 2013.

(2) Scope of the equity method

ICT CO., LTD. was excluded from the scope of the equity method from the fiscal year ended March 31, 2013 since winded up its business on September 30, 2012 and completed liquidation on December 21, 2012.

Furthermore, Umicore Shokubai S.A. including its five consolidated subsidiaries was included in the scope of the equity method from the fiscal year ended March 31, 2013 because of beginning of their business on October 1, 2012.

【Segment Information】

Fiscal year ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)

(Unit: Millions of yen)

	Basic chemicals	Functional chemicals	Environment & catalysts	Total	Adjustment	Consolidation
Net sales						
(1) Sales to third parties	136,562	160,762	23,380	320,704	-	320,704
(2) Intergroup sales and transfers	35,338	1,611	1,880	38,829	-38,829	-
Total	171,899	162,373	25,260	359,532	-38,829	320,704
Segment Income	13,387	16,526	1,671	31,584	-484	31,100
Segment Assets	137,775	159,104	23,657	320,536	35,871	356,407
Other Items						
Depreciation and Amortization	9,398	7,554	504	17,456	-	17,456
Amortization of Goodwill	468	13	-	481	-	481
Increase in Tangible and Intangible Fixed Assets	8,129	14,246	1,664	24,040	-	24,040

Notes: 1. Below is a description of adjustments.

- (1) The "Segment Income" adjustment refers to inter-segment transaction eliminations amounting to -484 million yen.
- (2) The "Segment Assets" adjustment includes short-term surplus funds (cash and deposit) and long-term surplus funds (investments in securities) amounting to 35,871 million yen.
2. Segment income is adjusted for Operating Income described in Consolidated Statements of Income.
3. Long-term prepaid expenses and its depreciation expenses are included in "Depreciation and Amortization" and "Increase in Tangible and Intangible Fixed Assets."

Fiscal year ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)

(Unit: Millions of yen)

	Basic chemicals	Functional chemicals	Environment & catalysts	Total	Adjustment	Consolidation
Net sales						
(1) Sales to third parties	113,862	137,012	18,646	269,520	-	269,520
(2) Intergroup sales and transfers	20,132	1,263	1,649	23,044	-23,044	-
Total	133,994	138,274	20,295	292,564	-23,044	269,520
Segment Income	2,097	6,779	1,431	10,308	-273	10,034
Segment Assets	134,056	149,257	23,724	307,055	45,318	352,373
Other Items						
Depreciation and Amortization	8,633	6,920	556	16,110	-	16,110
Amortization of Goodwill	468	1	-	469	-	469
Increase in Tangible and Intangible Fixed Assets	13,334	15,858	350	29,542	-	29,542

Notes: 1. Below is a description of adjustments.

- (1) The "Segment Income" adjustment refers to inter-segment transaction eliminations amounting to -273 million yen.
- (2) The "Segment Assets" adjustment includes short-term surplus funds (cash and deposit) and long-term surplus funds (investments in securities) amounting to 45,318 million yen.
2. Segment income is adjusted for Operating Income described in Consolidated Statements of Income.
3. Long-term prepaid expenses and its depreciation expenses are included in "Depreciation and Amortization" and "Increase in Tangible and Intangible Fixed Assets."

【Information concerning impairment loss of noncurrent assets or goodwill etc. by reporting segment】

Fiscal year ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)

(Unit: Millions of yen)

	Reporting segment			Elimination or corporate	Total
	Basic chemicals	Functional chemicals	Environment & catalysts		
impairment loss	-	-	-	280	280

Fiscal year ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)

(Unit: Millions of yen)

	Reporting segment			Elimination or corporate	Total
	Basic chemicals	Functional chemicals	Environment & catalysts		
impairment loss	-	-	-	89	89

【Supplementary Information】**Overseas Sales**

Fiscal year ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)

(Unit: Millions of yen)

	Asia	Europe	North America	Others	Total
I. Overseas sales	60,308	35,844	29,944	19,292	145,388
II. Consolidated sales					320,704
III. Overseas sales to consolidated sales	18.8%	11.2%	9.3%	6.0%	45.3%

Notes:

- Geographical segments are classified according to geographical proximity.
- Specific countries of each area:
 - Asia: East and South East Asian countries
 - Europe: European countries
 - North America: North American countries
 - Others: Areas/countries except Asia, Europe, North America, and Japan
- “Overseas sales” means sales to outside Japan by Nippon Shokubai Co., Ltd. and its consolidated subsidiaries.

Fiscal year ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)

(Unit: Millions of yen)

	Asia	Europe	North America	Others	Total
I. Overseas sales	54,519	39,038	21,376	10,412	125,344
II. Consolidated sales					269,520
III. Overseas sales to consolidated sales	20.2%	14.5%	7.9%	3.9%	46.5%

Notes:

- Geographical segments are classified according to geographical proximity.
- Specific countries of each area:
 - Asia: East and South East Asian countries
 - Europe: European countries
 - North America: North American countries
 - Others: Areas/countries except Asia, Europe, North America, and Japan
- “Overseas sales” means sales to outside Japan by Nippon Shokubai Co., Ltd. and its consolidated subsidiaries.

* This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.