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Summary of Consolidated Financial Results
For the First Quarter of the Fiscal Year Ending March 31, 2015
(Three Months Ended June 30, 2014)

August 6, 2014

Company name:	NIPPON SHOKUBAI CO., LTD.	Listing:	TSE (First Section)
Code number:	4114	URL:	http://www.shokubai.co.jp/
Representative:	Masanori Ikeda, President and Representative Member of the Board		
Contact for inquiries:	Teruhisa Wada, General Manager of General Affairs Dept.	Phone:	+81-6-6223-9111
Scheduled quarterly report filing date:	August 8, 2014		
Scheduled date of dividend payment:	-		
Supplementary quarterly materials prepared:	None		
Quarterly results information meeting held:	None		

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2015 (here after FY 2014) (from April 1, 2014 to June 30, 2014)

(1) Consolidated operating results (cumulative)

(Percentages represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Jun. 30, 2014	91,246	49.1	6,486	205.4	7,393	125.3	4,440	45.9
Three months ended Jun. 30, 2013	61,208	-22.8	2,124	-70.2	3,282	-61.8	3,042	-38.5

Note: Comprehensive income (millions of yen): Three months ended June 30, 2014: 4,626 -46.7%
Three months ended June 30, 2013: 8,677 18.3%

	Net income per share	Fully diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2014	21.87	-
Three months ended Jun. 30, 2013	14.99	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Jun. 30, 2014	399,635	243,767	59.9	1,179.01
As of Mar. 31, 2014	398,396	242,193	59.3	1,164.10

Reference: Shareholders' equity (millions of yen): As of Jun. 30, 2014: 239,292
As of Mar. 31, 2014: 236,274

2. Dividends

(Record date)	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2013	-	8.00	-	8.00	16.00
FY 2014	-				
FY 2014 (Forecasts)		11.00	-	11.00	22.00

Note: Revisions to dividend forecast during the period: None

3. Consolidated Financial Forecasts for the FY 2014 (from April 1, 2014 to March 31, 2015)

(Percentages represent year-over-year changes)

	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
1 st half	177,000	34.8	9,500	204.2	10,500	100.9	7,000	113.5	34.49
Full year	360,000	19.2	26,000	89.1	28,500	71.2	20,000	90.4	98.54

Note: Revisions to consolidated earnings forecast during the period: Yes

※Notes

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

(2) Application of simplified accounting methods and accounting methods peculiar to the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to amendment of accounting standards: Yes

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued and outstanding (common stock)

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

Jun. 30, 2014: 204,000,000 shares Mar. 31, 2014: 204,000,000 shares

2) Number of treasury stock at the end of the period

Jun. 30, 2014: 1,040,320 shares Mar. 31, 2014: 1,033,086 shares

3) Average number of shares outstanding during the period (three-month period)

Three months ended Jun. 30, 2014: 202,963,141 shares Three months ended Jun. 30, 2013: 202,988,596 shares

※Indication regarding execution of quarterly review procedures

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

Qualitative Information, Financial Statements, etc.**1. Consolidated Operating Results****(1) Overview**

(Unit: Millions of yen)

	Three months ended Jun. 30, 2013	Three months ended Jun. 30, 2014	Change		Year ended Mar. 31, 2014
			(Amount)	(% growth)	
Net sales	61,208	91,246	30,038	49.1%	302,136
Operating income	2,124	6,486	4,362	205.4%	13,752
Ordinary income	3,282	7,393	4,111	125.3%	16,647
Net income	3,042	4,440	1,398	45.9%	10,503
Net income per share	14.99 yen	21.87 yen	6.88 yen	45.9%	51.74 yen
ROA (Return on Assets)	3.6%	7.4%	-	3.8 points	4.4%
ROE (Return on Equity)	5.6%	7.5%	-	1.9 points	4.7%
Exchange rate (\$ and EUR)	\$=98.78 yen EUR=128.95 yen	\$=102.17 yen EUR=140.07 yen	3.39 yen 11.12 yen		\$= 100.21 yen EUR= 134.33 yen
Naphtha price	65,600 yen/kl	69,900 yen/kl	4,300 yen/kl		67,300 yen/kl

Note) The ROA and ROE figures shown for each three-month period are annualized.

(2) Consolidated Financial Forecasts for the First Half of FY 2014 (from April 1, 2014 to September 30, 2014)

Forecasts for the first half of fiscal year 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
Forecasts announced May 8, 2014	71.0	3.0	90.0	6.3	9.0	0.2
Forecasts announced Aug. 6, 2014	74.0	3.5	92.0	5.6	11.0	0.4
Changes	3.0	0.5	2.0	-0.7	2.0	0.2

2. Matters Related to Summary Information (Notes)**(1) Changes in Significant Subsidiaries during the Period**

Not applicable.

(2) Application of Special Accounting Methods in the Preparation of the Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Revised Restatements (Changes to the accounting policy)

The Company has applied the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan [ASBJ] Statement No.26 of May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 of May 17, 2012) to the main clause stipulated in Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits from April 1, 2014.

Under the new standard, calculation of liabilities for retirement benefits and service costs has been revised and the method of attributing expected benefits to periods has been changed from straight-line basis to benefit formula basis. The method of determination of the discount rate also revised to a single weighted average discount rate reflecting the estimated timing and amount of benefit payment.

In accordance with transitional accounting as stipulated in article 37 of the Accounting Standard for Retirement Benefits, the effect of changes in accounting policies arising from initial application is recognized as an adjustment to

retained earnings at the beginning of the fiscal year.

As a result, net defined benefit liabilities increased by 116 million yen, retained earnings increased by 25 million yen and net defined benefit asset decreased by 20 million yen. The effect of this change on profit or loss in the first quarter of the current consolidated fiscal year is not material.

3. Important Information about Going Concern Assumption

Not applicable.

4. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	FY 2013 As of March 31, 2014	FY 2014 As of June 30, 2014
Assets		
Current assets		
Cash and deposits	43,255	40,579
Notes and accounts receivable - trade	69,964	75,330
Merchandise and finished goods	35,455	34,984
Work in process	6,738	7,427
Raw materials and supplies	16,431	15,745
Other	14,692	14,453
Allowance for doubtful accounts	-192	-193
Total current assets	186,343	188,324
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	78,355	77,772
Land	32,392	32,379
Other, net	46,161	45,667
Accumulated impairment loss	-4,768	-4,699
Total property, plant and equipment	152,139	151,120
Intangible assets		
Other	3,002	2,909
Total intangible assets	3,002	2,909
Investments and other assets		
Investment securities	42,603	43,477
Other	14,441	13,927
Allowance for doubtful accounts	-132	-122
Total investments and other assets	56,912	57,282
Total noncurrent assets	212,053	211,311
Total assets	398,396	399,635
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,767	54,728
Short-term loans payable	17,604	17,345
Current portion of long-term loans payable	8,028	8,951
Current portion of bonds	10,000	10,000
Income taxes payable	3,917	2,158
Provision for bonuses	2,639	4,280
Other provision	2,970	3,221
Other	13,212	11,689
Total current liabilities	111,137	112,371
Non-current liabilities		
Long-term loans payable	32,716	30,802
Net defined benefit liability	10,800	10,967
Other	1,551	1,729
Total non-current liabilities	45,066	43,498
Total liabilities	156,203	155,869

(Unit: Millions of yen)

	FY 2013 As of March 31, 2014	FY 2014 As of June 30, 2014
Net assets		
Shareholders' equity		
Capital stock	25,038	25,038
Capital surplus	22,083	22,083
Retained earnings	180,240	183,080
Treasury shares	-924	-933
Total shareholders' equity	226,437	229,269
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,454	6,005
Deferred gains or losses on hedges	9	6
Foreign currency translation adjustment	6,344	4,892
Remeasurements of defined benefit plans	-970	-880
Total accumulated other comprehensive income	9,837	10,024
Minority interests	5,919	4,474
Total net assets	242,193	243,767
Total liabilities and net assets	398,396	399,635

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

(Unit: Millions of yen)

	FY 2013 First Quarter Apr.1, 2013 to Jun.30, 2013	FY 2014 First Quarter Apr.1, 2014 to Jun.30, 2014
Net sales	61,208	91,246
Cost of sales	51,104	75,113
Gross profit	10,105	16,133
Selling, general and administrative expenses		
Transportation and warehousing expenses	2,038	3,550
Personnel expenses	1,915	2,018
Research and development expenses	2,525	2,577
Other	1,503	1,502
Total selling, general and administrative expenses	7,981	9,648
Operating income	2,124	6,486
Non-operating income		
Interest income	24	46
Dividend income	340	374
Share of profit of entities accounted for using equity method	302	306
Royalty Income and technical support fee	26	36
Real estate rent	279	298
Foreign exchange gains	496	51
Other	86	250
Total non-operating income	1,552	1,361
Non-operating expenses		
Interest expenses	130	168
Depreciation	93	97
Other	172	189
Total non-operating expenses	394	454
Ordinary income	3,282	7,393
Extraordinary income		
Insurance income	3,851	-
Total extraordinary income	3,851	-
Extraordinary losses		
Loss on liquidation of business	-	54
Loss on explosion and fire	2,822	-
Loss on valuation of investments in capital of subsidiaries and associates	50	-
Total extraordinary losses	2,872	54
Income before income taxes	4,261	7,339
Income taxes - current	1,493	2,822
Income taxes - deferred	-317	14
Total income taxes	1,175	2,835
Income before minority interests	3,085	4,504
Minority interests in income	43	64
Net income	3,042	4,440

Statements of Comprehensive Income

(Unit: Millions of yen)

	FY 2013 First Quarter Apr.1, 2013 to Jun.30, 2013	FY 2014 First Quarter Apr.1, 2014 to Jun.30, 2014
Income before minority interests	3,085	4,504
Other comprehensive income		
Valuation difference on available-for-sale securities	1,324	1,553
Deferred gains or losses on hedges	3	-3
Foreign currency translation adjustment	3,671	-1,032
Remeasurements of defined benefit plans	-	86
Share of other comprehensive income of entities accounted for using equity method	594	-482
Total other comprehensive income	5,591	123
Comprehensive income	8,677	4,626
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,440	4,626
Comprehensive income attributable to minority interests	237	0

(3) Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	FY 2013 First Quarter Apr.1, 2013 to Jun.30, 2013	FY 2014 First Quarter Apr.1, 2014 to Jun.30, 2014
Cash flows from operating activities		
Income before income taxes	4,261	7,339
Depreciation	3,906	4,338
Loss on valuation of investments in capital of subsidiaries and associates	50	-
Insurance income	-3,851	-
Interest and dividend income	-364	-421
Interest expenses	130	168
Share of (profit) loss of entities accounted for using equity method	-302	-306
Decrease (increase) in notes and accounts receivable - trade	-3,741	-5,727
Decrease (increase) in inventories	-3,039	54
Increase (decrease) in notes and accounts payable - trade	2,794	2,265
Increase (decrease) in accrued consumption taxes	297	662
Other, net	253	1,895
Subtotal	394	10,265
Interest and dividend income received	1,266	1,666
Interest expenses paid	-56	-101
Proceeds from insurance income	3,851	-
Income taxes paid	-629	-4,530
Cash flows from operating activities	4,826	7,301
Cash flows from investing activities		
Purchase of property, plant and equipment	-5,449	-6,674
Purchase of shares of subsidiaries and associates	-	-1,275
Other, net	-285	75
Cash flows from investing activities	-5,735	-7,873
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	268	499
Proceeds from long-term loans payable	7,613	250
Repayments of long-term loans payable	-530	-648
Cash dividends paid	-1,015	-1,624
Cash dividends paid to minority shareholders	-31	-30
Proceeds from sales of treasury shares	1	-
Purchase of treasury shares	-3	-9
Other, net	-12	-7
Cash flows from financing activities	6,292	-1,569
Effect of exchange rate change on cash and cash equivalents	887	-334
Net increase (decrease) in cash and cash equivalents	6,270	-2,476
Cash and cash equivalents at beginning of period	47,801	39,619
Cash and cash equivalents at end of period	54,070	37,143

(4) Notes Concerning Quarterly Consolidated Financial Statements**【Notes on Going Concern Assumption】**

Not applicable.

【Notes on Substantial Changes in the Amount of Shareholders' Equity】

Not applicable.

【Segment Information】**I Three months ended Jun.30, 2013 (Apr. 1, 2013 to Jun. 30, 2013)**

1. Information concerning net sales and profit or loss by reporting segment

(Unit: Millions of yen)

	Basic chemicals	Functional chemicals	Environment & catalysts	Total	Adjustment	Consolidation
Net sales						
(1) Sales to third parties	27,590	26,709	6,909	61,208	-	61,208
(2) Intergroup sales and transfers	2,639	244	2	2,884	-2,884	-
Total	30,229	26,953	6,911	64,093	-2,884	61,208
Segment income	-315	1,266	1,111	2,062	62	2,124

Notes: 1. Segment income adjustment is elimination of 62 million yen in inter-segment transactions.

2. Segment income is adjusted for Operating Income described in Consolidated Quarterly Statements of Income.

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

Not applicable.

II Three months ended Jun. 30 2014 (Apr. 1, 2014 to Jun. 30, 2014)

1. Information concerning net sales and profit or loss by reporting segment

(Unit: Millions of yen)

	Basic chemicals	Functional chemicals	Environment & catalysts	Total	Adjustment	Consolidation
Net sales						
(1) Sales to third parties	39,096	46,090	6,060	91,246	-	91,246
(2) Intergroup sales and transfers	9,516	1,375	366	11,258	-11,258	-
Total	48,612	47,466	6,426	102,504	-11,258	91,246
Segment income (loss)	2,460	3,569	600	6,629	-143	6,486

Notes: 1. Segment income adjustment is elimination of -143 million yen in inter-segment transactions.

2. Segment income is adjusted for Operating Income described in Consolidated Quarterly Statements of Income.

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

Not applicable.

【Supplementary Information】**Overseas Sales****Three months ended Jun. 30, 2013 (Apr. 1, 2013 to Jun. 30, 2013)**

(Unit: Millions of yen)

	Asia	Europe	North America	Other regions	Total
Overseas sales	13,484	6,848	6,575	607	27,513
Consolidated sales					61,208
Overseas sales as a percentage of consolidated sales	22.1%	11.2%	10.7%	1.0%	45.0%

Three months ended Jun. 30, 2014 (Apr. 1, 2014 to Jun. 30, 2014)

(Unit: Millions of yen)

	Asia	Europe	North America	Other regions	Total
Overseas sales	17,818	12,077	8,925	5,658	44,479
Consolidated sales					91,246
Overseas sales as a percentage of consolidated sales	19.5%	13.2%	9.8%	6.2%	48.7%

- Notes: 1. Segmentation of countries and regions is based on geographical proximity.
2. Major countries and regions included in the respective segments:
- (1) Asia: East Asian and Southeast Asian countries
 - (2) Europe: European countries
 - (3) North America: North American countries
 - (4) Other regions: Countries and regions other than Asia, Europe, North America and Japan
3. “Overseas sales” represent total sales of Nippon Shokubai Co., Ltd. and its consolidated subsidiaries generated in countries and regions other than Japan.