

** This financial report is solely a translation of “Gyosekiyosou no Syusei ni Kannsuru Oshirase” (in Japanese, including attachments), which has been prepared in accordance with International Financial Reporting Standards(IFRS), for the convenience of readers who prefer an English translation.*

July 31, 2019

For Immediate Release

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Nippon Shokubai Announces Financial Revisions

NIPPON SHOKUBAI CO., LTD. [Headquarters: Chuo-ku, Osaka; President: Yujiro Goto, TSE:4114] (“Nippon Shokubai”) hereby announces that, based on recent performance trends, Nippon Shokubai has decided to revise its financial forecasts for the first half of the fiscal year ending March 31, 2020 (from April 1, 2019 to September 30, 2019) and full-year financial forecasts ending March 31, 2020 (from April 1, 2019 to March 31, 2020) announced on May 8, 2019.

1. Revised consolidated financial forecasts

Revised consolidated financial forecasts for the first half of the fiscal year ending March 31, 2020 (from April 1, 2019 to September 30, 2019)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Estimates (A)	170,000	13,000	16,000	12,000	300.92
Revised Estimates (B)	155,000	7,500	9,000	7,000	175.54
Variance in Amount (B-A)	△15,000	△5,500	△7,000	△5,000	
Variance in Percentage (%)	△8.8	△42.3	△43.8	△41.7	
First Half of Fiscal Year Ended March 31, 2019	169,007	13,071	16,475	12,108	303.63

Revised consolidated full-year financial forecasts ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Estimates (A)	345,000	26,500	32,000	24,000	601.84
Revised Estimates (B)	325,000	17,500	21,000	16,000	401.23
Variance in Amount (B-A)	△20,000	△9,000	△11,000	△8,000	
Variance in Percentage (%)	△5.8	△34.0	△34.4	△33.3	
Full year of Fiscal Year Ended March 31, 2019	338,869	26,170	32,119	23,849	598.05

2. Revised non-consolidated business forecasts

Revised non-consolidated business forecasts for the first half of the fiscal year ending March 31, 2020(from April 1, 2019 to September 30, 2019)

	Revenue	Operating profit	Profit before tax	Profit	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Estimates (A)	113,300	10,300	17,000	14,000	351.07
Revised Estimates (B)	104,500	5,200	11,400	9,800	245.75
Variance in Amount (B-A)	△8,800	△5,100	△5,600	△4,200	
Variance in Percentage (%)	△7.8	△49.5	△32.9	△30.0	
First Half of Fiscal Year Ended March 31, 2019	115,928	8,616	14,537	11,639	291.85

Revised non-consolidated full-year business forecasts ending March 31, 2020(from April 1, 2019 to March 30, 2020)

	Revenue	Operating profit	Profit before tax	Profit	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Estimates (A)	228,700	20,000	28,300	22,400	561.72
Revised Estimates (B)	217,500	12,600	20,400	16,500	413.77
Variance in Amount (B-A)	△11,200	△7,400	△7,900	△5,900	
Variance in Percentage (%)	△4.9	△37.0	△27.9	△26.3	
Full year of Fiscal Year Ended March 31, 2019	232,222	17,356	26,216	20,371	510.83

3. Reasons for the revision (Consolidated, Non-Consolidated)

Nippon Shokubai made a downward revision of its previous consolidated financial forecasts for the first half of the fiscal year ending March 31, 2020, due to the reasons of narrowed spreads owing to decline in overseas market condition of our products beyond our expectation, while raw material prices rose to higher level than expected, and decline in demand mainly caused by the impact of trade friction between the United States and China, among others. Nippon Shokubai also revised the consolidated full-year financial forecasts for the fiscal year ending March 31, 2020 downward as the same situation as mentioned for the first half of the fiscal year would likely continue.

(Note)

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.