

August 23, 2010

For Immediate Release

NIPPON SHOKUBAI Announces Change in Major Shareholder

NIPPON SHOKUBAI CO., LTD.[Tokyo Stock Exchange – TOKSE:4114.T] (“NIPPON SHOKUBAI”) hereby announces expectations of a change in its “major shareholder” which owns 10 percent and over of NIPPON SHOKUBAI’s voting rights, as a result of the issuance of new shares by NIPPON SHOKUBAI, which was resolved at the meeting of the board of directors held on August 23,2010, as set forth below:

1. Background of the change

As a result of the issuance of new shares of NIPPON SHOKUBAI by way of public offering, which was resolved at the meeting of the board of directors held on August 23, 2010, Sumitomo Chemical Co., Ltd. will cease to be the major shareholder of NIPPON SHOKUBAI.

For the details of the issuance of new shares by way of public offering, please see “1. Issuance of New Shares by way of Offering (Public Offering)” in “NIPPON SHOKUBAI Announces Issuance of New Shares and Secondary Offering of Shares” announced on August 23, 2010.

2. Overview of the shareholder who will cease to be the major shareholder

Name	Sumitomo Chemical Co., Ltd.
Head Office	27-1, Shinkawa 2-chome, Chuo-ku, Tokyo
Name and position of representative	Hiroshi Hirose, President
Principal operations	The manufacture and sale of inorganic heavy chemical, organic heavy chemical, fertilizers, synthetic resins, synthetic rubber and other petrochemical products, dyestuffs and other chemical products, insecticides, fungicides, herbicides and plant growth regulators, pharmaceuticals, quasi drugs, animal health products, feedstuffs, feed additives, light metals, compound materials, ceramics and its feedstock, electronic devices, components and its material.
Capital	¥89,699 million (as of June 30, 2010)

3. Number of shares (number of voting rights) held by the above shareholder and percentage of the number of voting rights of all shareholders

	Number of voting rights (ownership of shares)	Percentage of the number of voting rights held by all shareholders	Shareholder ranking
Prior to the Change (as of March 31, 2010)	19,484 voting rights (19,484,000 shares)	11.00%	No.1
After the Change	19,484 voting rights (19,484,000 shares)	9.78%	No.1

Notes:

- (i) The number of shares without voting rights which are excluded from the number of outstanding shares: 9,905,000 shares.
(The above-mentioned figure “9,905,000 shares” is the sum of (a) 8,976,000 shares of treasury stock as of March 31, 2010 and (b) 929,000 shares which are the aggregate number of shares representing less than one unit as of March 31, 2010. The aggregate number of shares representing less than one unit includes 962 shares of treasury stock.)
- (ii) The number of outstanding shares as of March 31, 2010: 187,000,000 shares.
- (iii) In calculating the percentage of the number of voting rights held by all shareholders after the change, NIPPON SHOKUBAI adopted the number of 199,095 voting rights which has been added the number of 177,095 voting rights as of March 31, 2010 and the number of 22,000 voting rights (the number of increased shares issued by public offering which would be closed on a day between Tuesday, September 7, 2010 and Friday, September 10, 2010.)

4. Date of the change

The payment date of the issuance of new shares of NIPPON SHOKUBAI by way of public offering (which may be a day between Tuesday, September 7, 2010 and Friday, September 10, 2010, provided, however, that such day shall be the fifth business day following the date of determination of the issue price, etc.)

5. Impact of the change

We do not foresee this change to affect our business performance.

Contacts

NIPPON SHOKUBAI CO.,LTD.

Teruhisa Wada, General Manager of General Affairs Dept.

TEL: +81-6-6223-9111