



To whom it may concern

November 6, 2017
Company name: Nissan Chemical Industries, Ltd.
Representative: Kojiro Kinoshita, President
(Code number: 4021, The first section of TSE)

Revision of Financial Results Forecast, Interim Dividend Payment and Dividend Forecast

Nissan Chemical Industries Ltd. (“the Company”) announces the revision of its forecast for the fiscal year ending March 31, 2018.

At the same time, the Company announces that the Board of Directors’ Meeting held on November 6, 2017 resolve to revise the interim dividend payment and dividend forecast for the fiscal year ending March 31, 2018.

1. Revision of Financial Results Forecast

(1) Revision of financial results forecast for the year ending March 31, 2018

(Millions of Yen)

| | Net Sales | Operating Income | Ordinary Income | Net Income Attributable to Owners of Parent | Basic Earnings per share (Yen) |
|--|-----------|------------------|-----------------|---|--------------------------------|
| Previous Forecast (A) (announced on August 4, 2017) | 189,000 | 32,500 | 33,300 | 25,200 | 167.33 |
| Revised Forecast (B) | 192,000 | 34,500 | 36,100 | 27,000 | 179.23 |
| Change (B-A) | 3,000 | 2,000 | 2,800 | 1,800 | — |
| Rate of Change (%) | 1.6% | 6.2% | 8.4% | 7.1% | — |
| (Ref.) Results for the Year Ended March 31, 2017 | 180,289 | 31,438 | 31,713 | 24,026 | 156.97 |

(2) Business segment information of revised forecast

(Billions of yen)

| | | Previous Forecast | Revised Forecast | Change |
|------------------|------------------------|-------------------|------------------|--------|
| Net Sales | Chemicals | 35.5 | 35.1 | (0.4) |
| | Performance Materials | 57.6 | 58.5 | 0.9 |
| | Agricultural Chemicals | 56.3 | 58.2 | 1.9 |
| | Pharmaceuticals | 6.9 | 7.3 | 0.4 |
| | Trading | 61.5 | 60.3 | (1.2) |
| | Others | 21.7 | 21.4 | (0.3) |
| | Adjustment | (50.5) | (48.8) | 1.7 |
| | Total | 189.0 | 192.0 | 3.0 |
| Operating Income | Chemicals | 3.6 | 3.7 | 0.1 |
| | Performance Materials | 12.3 | 13.9 | 1.6 |
| | Agricultural Chemicals | 15.6 | 15.6 | — |
| | Pharmaceuticals | 0.9 | 1.0 | 0.1 |
| | Trading | 2.0 | 2.0 | — |
| | Others | 0.5 | 0.7 | 0.2 |
| | Adjustment | (2.4) | (2.4) | — |
| | Total | 32.5 | 34.5 | 2.0 |

(3) Reasons for revision

In the first half, sales of display materials and active ingredients of veterinary pharmaceuticals were above the previous forecast. In the second half, sales of our group business products will be expected to enjoy solid growth. As a result, the Company revised its forecast for the year ending March 31, 2018 as above.

2. Revision of Interim Dividend Payment and Dividend Forecast for the Year Ending March 31, 2018

(1) Details of Interim Dividend Payment

| | Dividend for the year ended September 30, 2017 | Previous forecast (announced on August 4, 2017) | Results for the year ended September 30, 2016 |
|---------------------|--|---|---|
| Date of record | September 30, 2017 | September 30, 2017 | September 30, 2016 |
| Dividend per share | 32.00 yen | 28.00 yen | 24.00 yen |
| Total dividends | 4,814 million yen | - | 3,667 million yen |
| Effective date | December 4, 2017 | - | December 5, 2016 |
| Source of dividends | Retained earnings | - | Retained earnings |

(2) Details of revision

| | Dividends per share (yen) | | |
|--|---------------------------|----------|--------|
| | Interim | Year-end | Annual |
| Previous forecast (announced on August 4, 2017) | 28.00 | 32.00 | 60.00 |
| Revised forecast | | 34.00 | 66.00 |
| Results | 32.00 | | |
| Results for the year ended March 31, 2017 | 24.00 | 28.00 | 52.0 |

(3) Reasons for revision

The Company's basic policy of profit allocation is returning to shareholders by improving its value through increasing revenue in the medium and long terms.

We aim to realize dividend payout ratio to be 40% for the year ended March 31, 2019 and maintain total payout ratio to be 70% in medium-term business plan "Vista2021" launched from April 2016.

According to this policy and the above revised forecast, the Company increases interim payment to 32.00 yen from 28.00 yen (increase of 4.00 yen), and year-end dividend forecast for the year ending March 31, 2018 to 34.00 yen from 32.00 yen (increase of 2.00 yen). As a result, the annual dividend will be 66.00 yen (dividend payout ratio will be 36.8%).

Note: The above forecasts are based on information available at the time of the preparation of this document. Actual results may differ from these forecasts due to various factors which may be beyond company control.