

Consolidated Financial Results Highlights
for the First Quarter of the Fiscal Year ending March 31, 2015
[Japanese GAAP]



August 1, 2014

Company Name: HARIMA CHEMICALS GROUP, INC.
 Code Number: 4410
 (URL: <http://www.harima.co.jp>)
 Stock Exchange Listing: Tokyo Stock Exchange
 Representative: Yoshihiro Hasegawa, President
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 Scheduled submission date of the Quarterly Securities Report: August 8, 2014
 Scheduled date to commence dividend payments: —
 Availability of supplementary briefing material on quarterly results: Available
 Schedule of quarterly results briefing session: Not scheduled

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2015 (From April 1, 2014 to June 30, 2014)

(1) Consolidated Results of Operations (Cumulative) (% indicates changes from the same period of the previous year)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|-----------------------------------|-----------------|------|------------------|-------|-----------------|------|-----------------|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| First Quarter ended June 30, 2014 | 19,829 | 13.4 | 500 | 309.0 | 510 | 36.4 | 185 | - |
| June 30, 2013 | 17,492 | 9.8 | 122 | - | 374 | - | (371) | - |

(Note) Comprehensive income: First quarter ended June 30, 2015: (150)million yen (-%),
 First quarter ended June 30, 2014: 607 million yen [(33.9%)]

| | Net income per share | Fully diluted net income per share |
|-----------------------------------|----------------------|------------------------------------|
| | Yen | Yen |
| First Quarter ended June 30, 2014 | 7.15 | — |
| June 30, 2013 | (14.31) | — |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio |
|-----------------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| First Quarter ended June 30, 2014 | 69,836 | 31,292 | 42.4 |
| Fiscal year ended March 31, 2014 | 70,471 | 31,465 | 42.2 |

(Reference) Equity: The first quarter of Fiscal year ended March 31, 2015: 29,598 million yen,
 Fiscal year ended March 31, 2014: 29,714 million yen

2. Dividends

| | Annual dividend | | | | |
|----------------------------------------------|-----------------|------|-----|----------|-------|
| | 1Q | 2Q | 3Q | Year end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2014 | — | 7.00 | — | 7.00 | 14.00 |
| Fiscal year ending March 31, 2015 | — | | | | |
| Fiscal year ending March 31, 2015 (Forecast) | | 7.00 | — | 7.00 | 14.00 |

(Note) Changes in forecasts of dividends from recently announced figures: None

3. Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2015 (From April 1, 2014 to March 31, 2015)

(% indicates changes from the same period of the previous 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 |
| 2Q(cumulative) | 40,000 | 11.0 | 900 | 175.0 | 900 | 12.6 | 400 | — | 15.41 |
| Full year | 82,500 | 9.7 | 2,200 | 151.2 | 2,200 | (15.6) | 1,000 | 256.9 | 38.54 |

(Note) Changes in forecasts of financial results from recently announced figures: None

4. Others

- (1) Significant changes of subsidiaries during period under review (affecting specific subsidiaries due to changes in scope of consolidation): None
Newly included: 0 (Company name:) Excluded: 0 (Company name:)
- (2) Application of special accounting method for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and corrections of errors
 - (1) Changes in accounting policies accompanying the revisions to items such as accounting standards: Yes
 - (2) Changes in accounting policies other than (1) above: None
 - (3) Changes in accounting estimates: None
 - (4) Corrections of errors: None
- (4) Number of shares issued (common stock)

- (1) Total number of shares issued at the end of the period (including treasury stock)

| | |
|-----------------------------------------|-------------------|
| 1Q of fiscal year ending March 31, 2015 | 26,080,396 shares |
| Fiscal year ended March 31, 2014 | 26,080,396 shares |

- (2) Total number of treasury stock at the end of the period

| | |
|-----------------------------------------|----------------|
| 1Q of fiscal year ending March 31, 2015 | 131,442 shares |
| Fiscal year ended March 31, 2014 | 131,442 shares |

- (3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | |
|-----------------------------------------|-------------------|
| 1Q of fiscal year ending March 31, 2015 | 25,948,954 shares |
| 1Q of fiscal year ended March 31, 2014 | 25,949,149 shares |

* Presentation regarding the implementation status of the quarterly review:

This summary of consolidated financial results is not subject to the quarterly review procedures provided for by the Japanese Financial Instruments and Exchange Law. Therefore, at the time of the disclosure of these financial results, the quarterly financial statement review procedures based on the Law have not been completed.

* Explanation for the appropriate use of performance forecasts and other special notes:

The performance forecasts and other forward-looking statements herein are based on information currently available to the Company and certain preconditions which the Company believes to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

Segment Information

I. Three months ended June 30, 2013 (April 1, 2013 to June 30, 2013)

Information regarding net sales and income or loss by reporting segment

(Thousands of yen)

| | Reporting segment | | | | |
|---------------------------------|---------------------------|-----------------|-----------------------|-----------|------------|
| | Resin & Tall Oil Products | Paper Chemicals | Electronics Materials | Lawter | Subtotal |
| Net sales | | | | | |
| Net sales to external customers | 5,040,533 | 3,567,285 | 1,244,616 | 7,226,590 | 17,079,025 |
| Intersegment sales or transfers | 63,993 | 107,218 | — | 61,263 | 232,475 |
| Total | 5,104,527 | 3,674,503 | 1,244,616 | 7,287,854 | 17,311,501 |
| Segment income (loss) | (5,063) | 145,884 | 80,619 | (33,975) | 187,464 |

| | Others (Note 1) | Total | Adjustment (Note 2) | Amount in consolidated statement of income (Note 3) |
|---------------------------------|-----------------|------------|---------------------|-----------------------------------------------------|
| Net sales | | | | |
| Net sales to external customers | 402,168 | 17,481,194 | 11,251 | 17,492,446 |
| Intersegment sales or transfers | 38,277 | 270,753 | (270,753) | — |
| Total | 440,446 | 17,751,947 | (259,501) | 17,492,446 |
| Segment income (loss) | 9,224 | 196,689 | (74,332) | 122,357 |

II. Three months ended June 30, 2014 (April 1, 2014 to June 30, 2014)
Information regarding net sales and income or loss by reporting segment

(Thousands of yen)

| | Reporting segment | | | | |
|---------------------------------|---------------------------|-----------------|-----------------------|-----------|------------|
| | Resin & Tall Oil Products | Paper Chemicals | Electronics Materials | Lawter | Subtotal |
| Net sales | | | | | |
| Net sales to external customers | 5,684,741 | 3,659,891 | 1,291,704 | 8,803,661 | 19,439,999 |
| Intersegment sales or transfers | 47,899 | 155,313 | — | 31,775 | 234,988 |
| Total | 5,732,641 | 3,815,204 | 1,291,704 | 8,835,437 | 19,674,987 |
| Segment income (loss) | 366,791 | 161,214 | 119,402 | (46,875) | 600,532 |

| | Others (Note 1) | Total | Adjustment (Note 2) | Amount in consolidated statement of income (Note 3) |
|---------------------------------|-----------------|------------|---------------------|-----------------------------------------------------|
| Net sales | | | | |
| Net sales to external customers | 391,901 | 19,831,900 | (2,708) | 19,829,191 |
| Intersegment sales or transfers | 31,810 | 266,798 | (266,798) | — |
| Total | 423,711 | 20,098,699 | (269,507) | 19,829,191 |
| Segment income (loss) | 47,267 | 647,799 | (147,411) | 500,388 |

- (Notes) 1. The “Others” segment includes businesses not included in the reporting segments and mainly includes “Real estate management.”
2. The adjustment amount of segment income includes adjustments for inventories.
3. Segment income is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.

III Information about the changes in the reporting segment

From the first quarter ended June 30, 2014, our group has changed the management index from ordinary income to operating income. For this reason, segment income is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.

We changed our management index for two reasons below. First, operating income can show the profitability of the main business better and exclude the exchange profits and losses which cannot be controlled by the segments. Second, with overseas operations expanding, we have to find a better unified index to evaluate the overseas subsidiaries in global environment.

In addition, the segment information about the first quarter ended June 30, 2013 above has been changed based on the operating income.