

FY2010 First Half Results and Full-Year Forecast



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Managing Executive Officer

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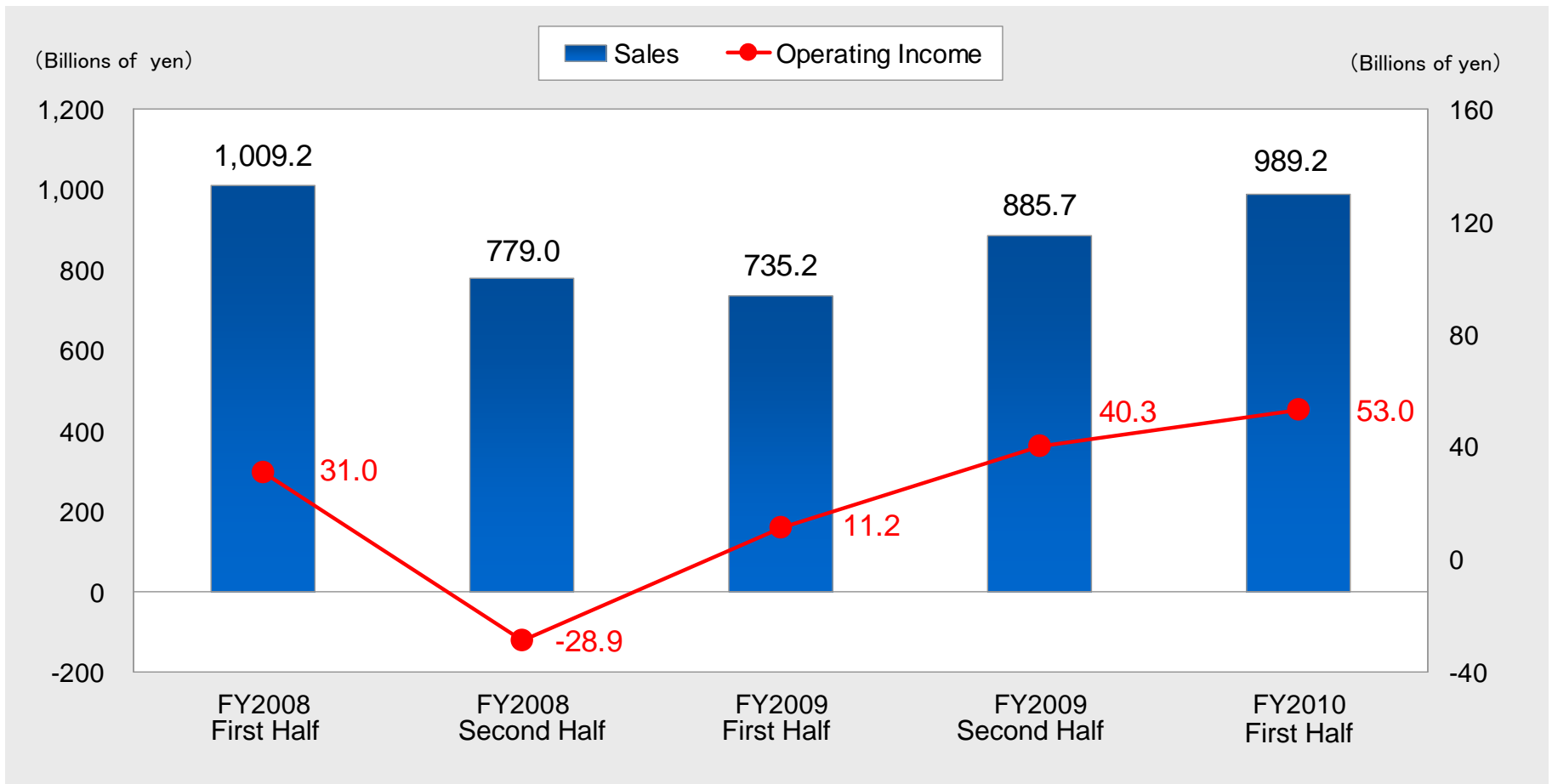
FY2010 First Half Results

	FY2009.1H	FY2010.1H	Change
Sales	¥ 735.2 bn	¥ 989.2 bn	+ 254.0 bn
Operating Income	¥ 11.2 bn	¥ 53.0 bn	+ 41.9 bn
Equity in earnings of affiliates	- ¥ 1.4 bn	¥ 7.5 bn	+ 8.9 bn
Ordinary Income	¥ 7.8 bn	¥ 52.1 bn	+ 44.3 bn
Extraordinary Gain/ Losses	- ¥ 0.5 bn	- ¥ 29.6 bn	- 29.1 bn
Income Taxes	- ¥ 3.0 bn	- ¥1 0.9 bn	- 7.9 bn
Minority Interests	- ¥ 7.8 bn	- ¥ 9.1 bn	- 1.3 bn
Net Income	- ¥3.5 bn	¥ 2.5 bn	+ 6.0 bn
Naphtha Price	¥ 37,300/kl	¥ 46,200/kl	
Currency Rate	¥ 95.53/US\$	¥ 88.91/US\$	
Interim Dividend	¥ 0/share	¥ 3/share	

FY2010 1H Results /Sales and Operating Income

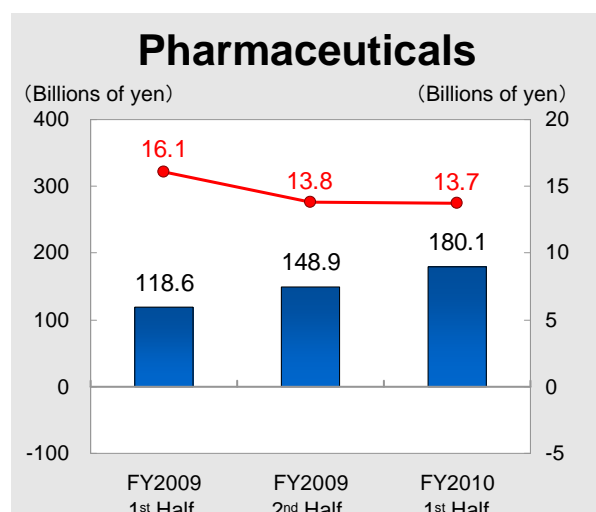
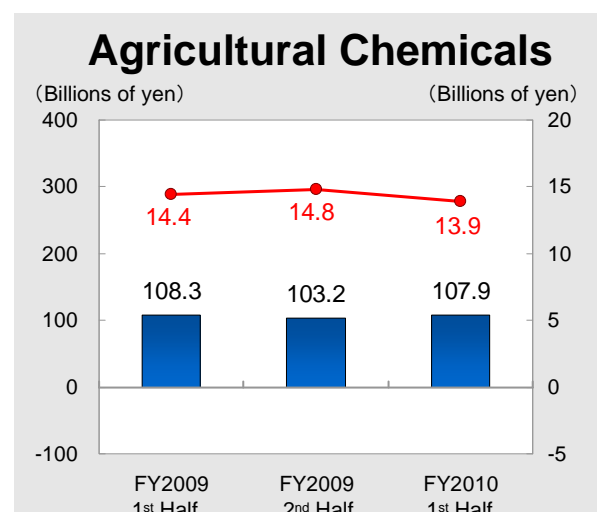
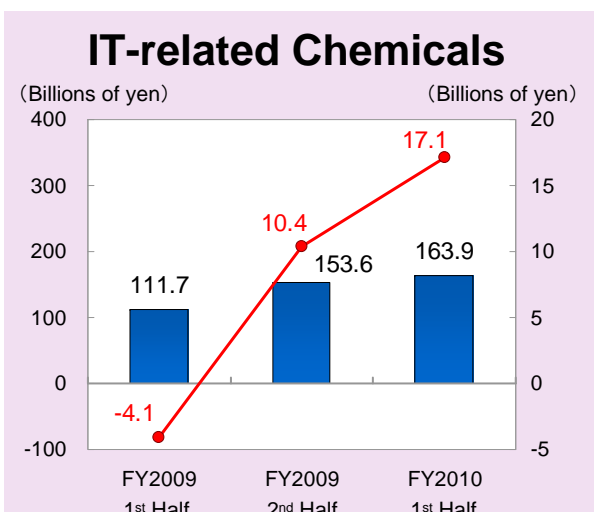
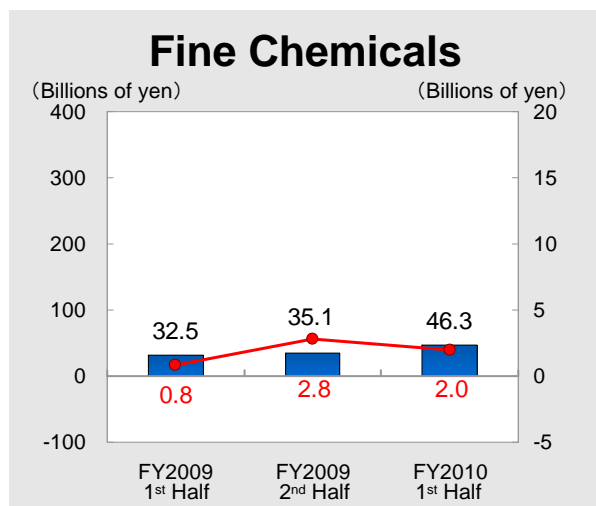
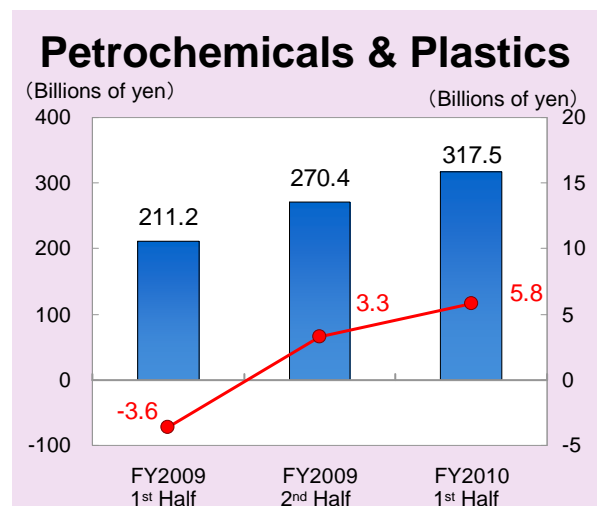
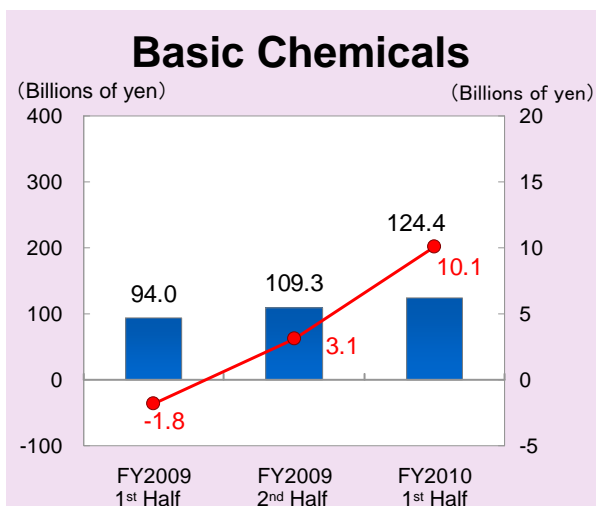
Sales/ FY2009 1H ¥735.2 bn → FY2010 1H ¥989.2 bn (+ ¥254.0 bn)

Operating Income/ FY2009 1H ¥11.2 bn → FY2010 1H ¥53.0bn (+ ¥41.9 bn)



FY2010 1H Results /Sales and Operating Income by Segment

■ Sales (left axis) ● Operating Income (right axis)



For comparison purposes, figures for FY 2009 have been adjusted to reflect accounting changes applied from the beginning of FY 2010.

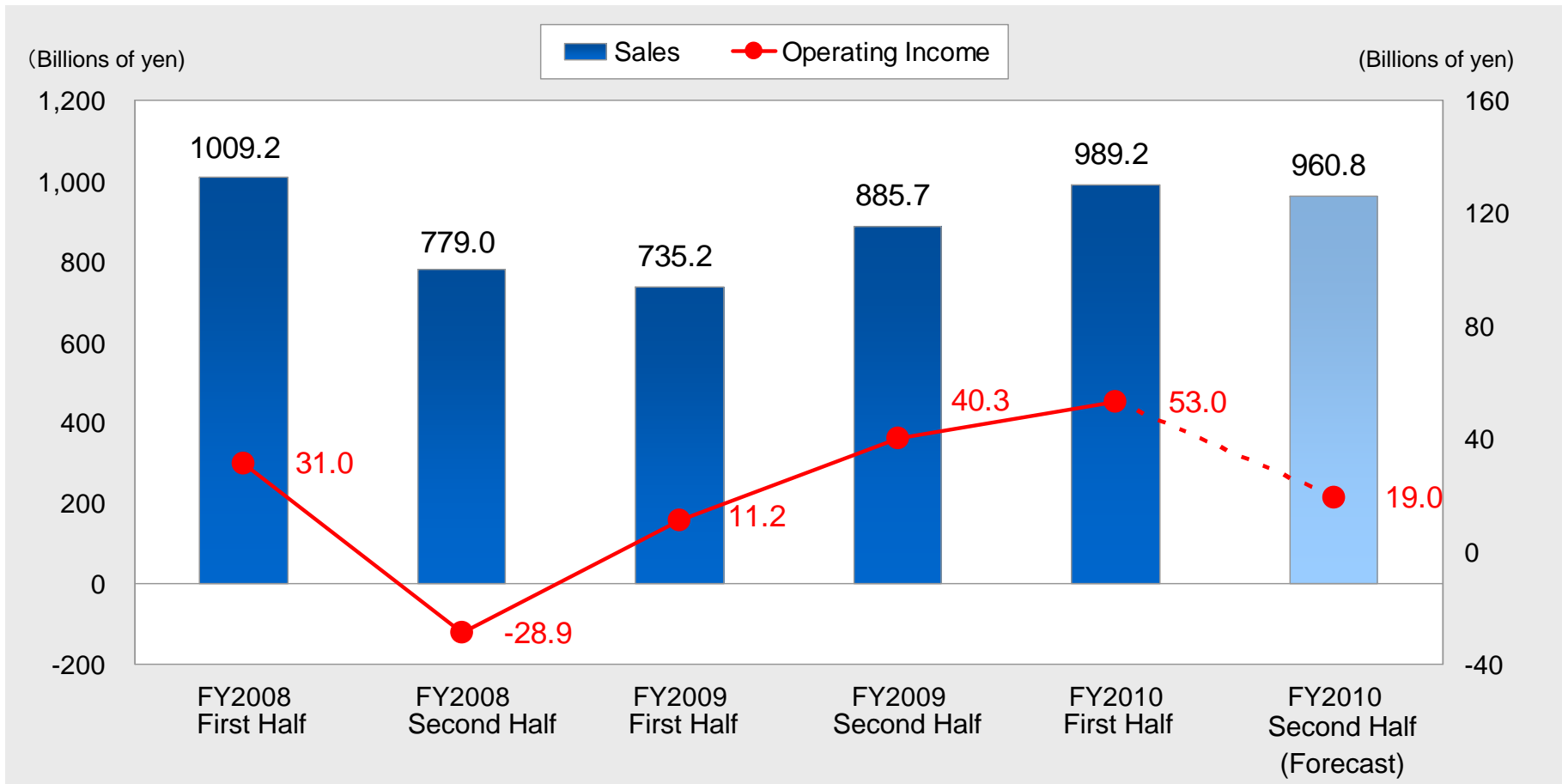
FY2010 Full-Year Forecast

	FY2009	FY2010 (Forecast in July)	Change
Sales	¥ 1,620.9 bn	¥ 1,950.0 bn (¥2,000.0 bn)	+ 329.1 bn
Operating Income	¥ 51.5 bn	¥ 72.0 bn (¥70.0 bn)	+ 20.5 bn
Equity in earnings of affiliates	- ¥7.0 bn	¥ 11.0 bn (¥15.0 bn)	+ 18.0 bn
Ordinary Income	¥ 35.0 bn	¥ 62.0 bn (¥68.0 bn)	+ 27.0 bn
Extraordinary Gain/ Losses	¥ 6.3 bn	- ¥ 30.0 bn	- 36.3 bn
Income Taxes	- ¥ 11.3 bn	- ¥ 10.0 bn	+ 1.3 bn
Minority Interests	- ¥ 15.2 bn	- ¥ 12.0 bn	+ 3.2 bn
Net Income	¥ 14.7 bn	¥ 10.0 bn (¥45.0 bn)	- 4.7 bn
Naphtha Price	¥ 41,200/kl	¥ 45,100/kl (2H: ¥44,000/kl)	
Currency Rate	¥ 92.89/US\$	¥ 84.00/US\$ (2H: ¥80.0/US\$)	
Full-Year Dividend	¥6/share	¥9/share	

FY2010 Forecast /Sales and Operating Income

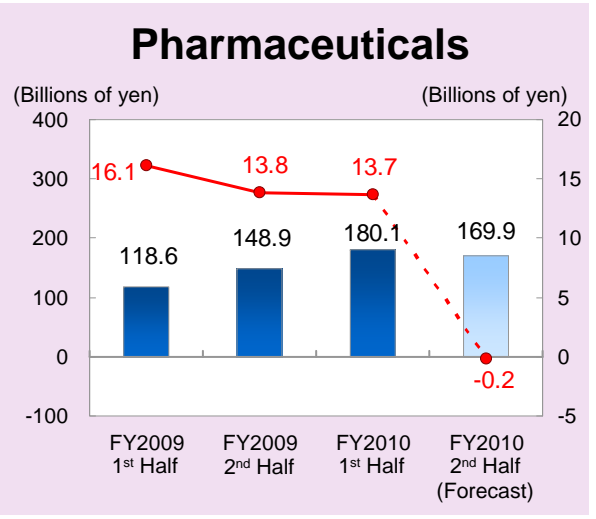
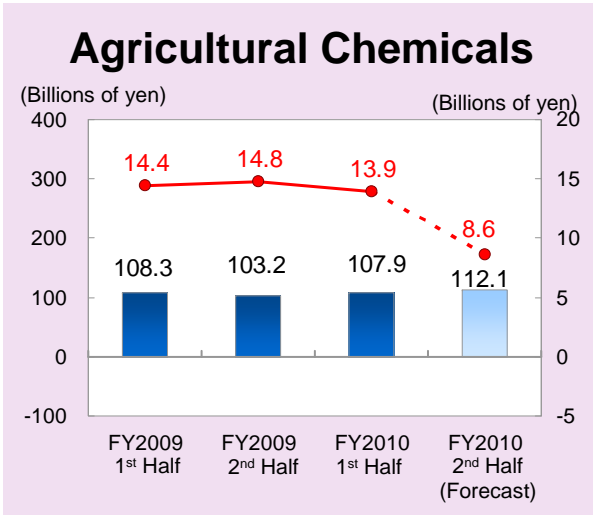
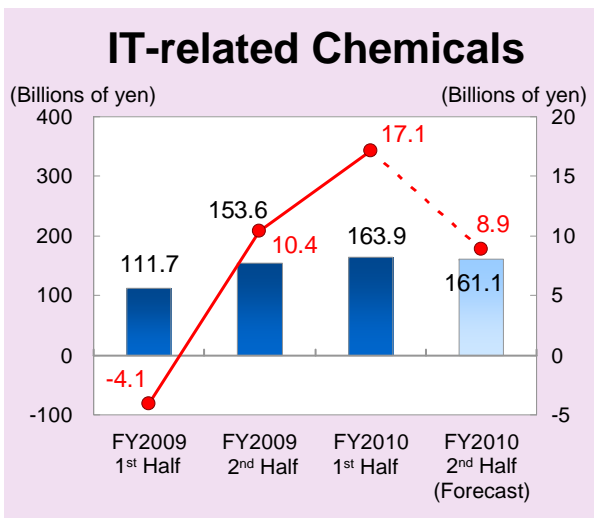
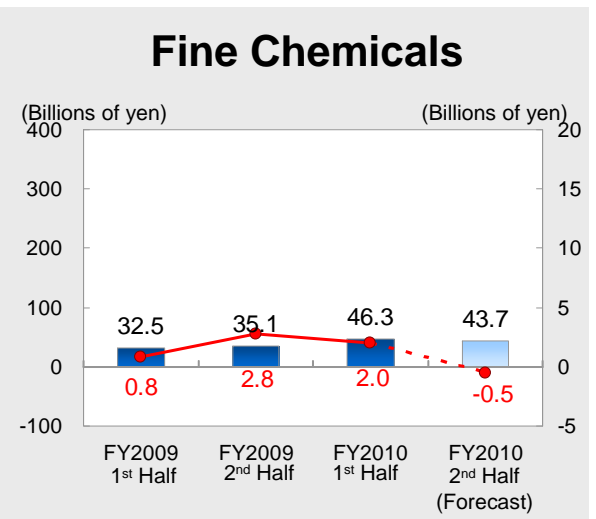
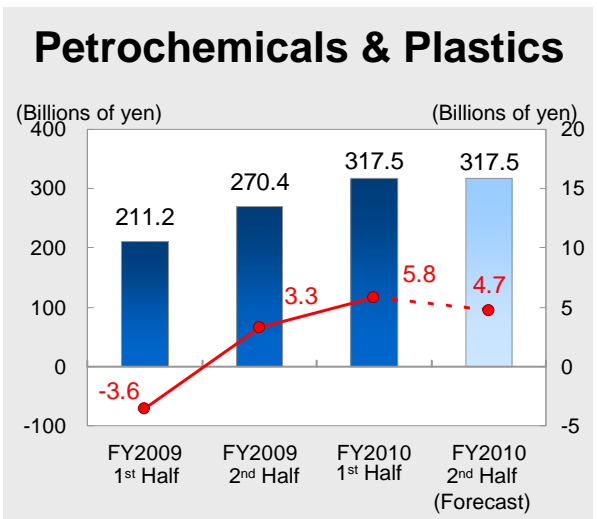
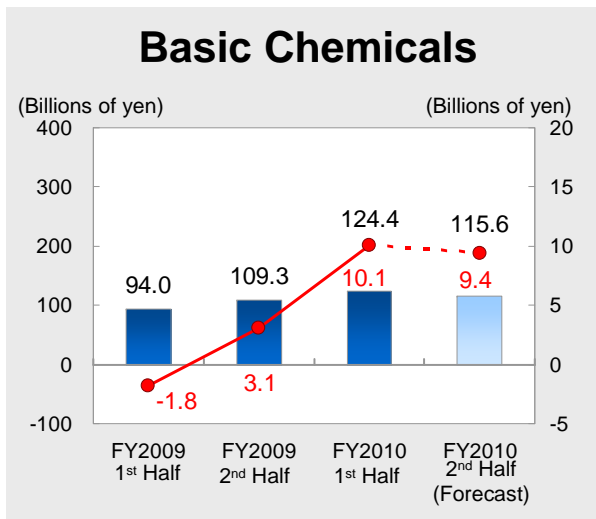
■ Sales/ FY2009 ¥1,620.9 bn → FY2010 Forecast ¥1,950.0 bn (+ ¥329.1 bn)

■ Operating Income/ FY2009 ¥51.5 bn → FY2010 Forecast ¥72.0bn (+ ¥20.5 bn)



FY2010 Forecast/Sales and Operating Income by Segment

■ Sales (left axis) ● Operating Income (right axis)



For comparison purposes, figures for FY 2009 have been adjusted to reflect accounting changes applied from the beginning of FY 2010.

Seven Priority Initiatives

1.
Quickly maximize profits
& cash flows from major
investments

2.
Enhance financial
strength

3.
Strengthen cost
competitiveness of
core & commodity
businesses

4.
Accelerate business
growth

5.
Implement climate
change strategy

6.
Strengthen global
management system

7.
Ensure full & strict
compliance; maintain
safe & stable operations

Performance Targets of the Corporate Business Plan

FY2012 Performance Targets (consolidated)

Sales ¥ 2.4 trillion

Operating Income ¥ 190 billion

Ordinary Income ¥ 220 billion

*Including equity in earnings of affiliates of ¥ 40 billion

Net Income ¥ 140 billion

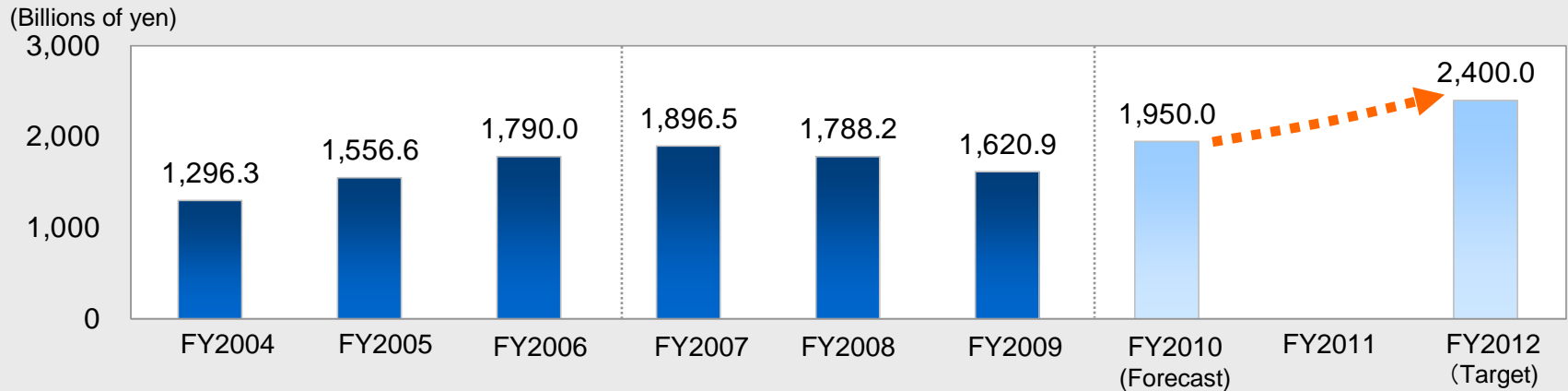
Assumptions

Ex. Rate: ¥ 90/US\$

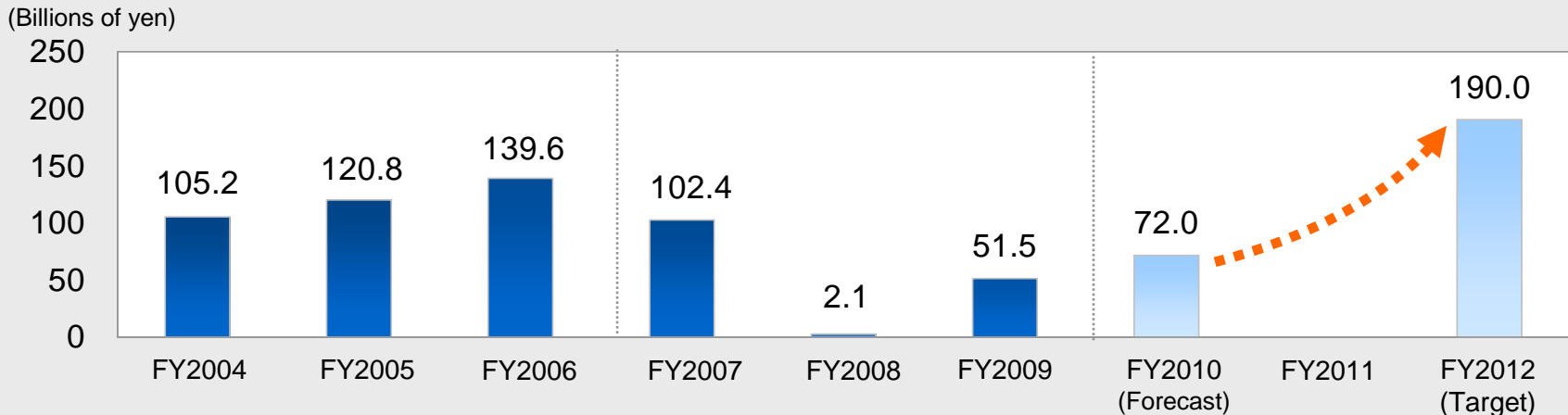
Naphtha: ¥ 50,000/kl

Crude Oil: US\$85/bbl

Sales

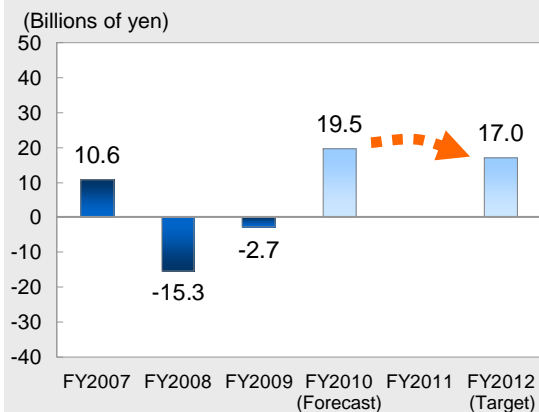


Operating Income

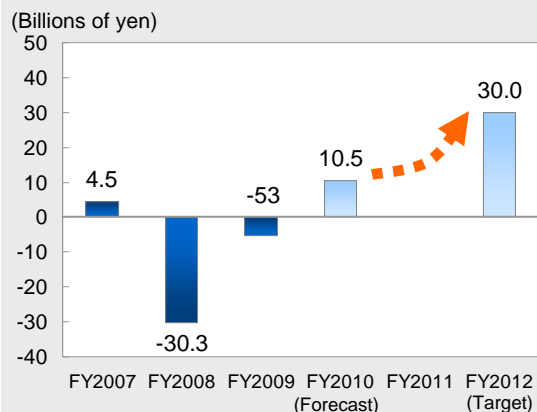


Operating Income by Segment

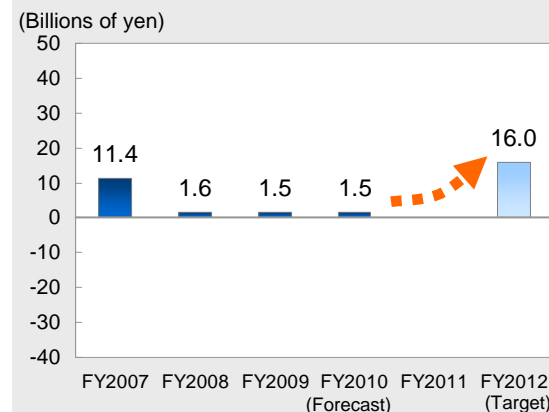
Basic Chemicals



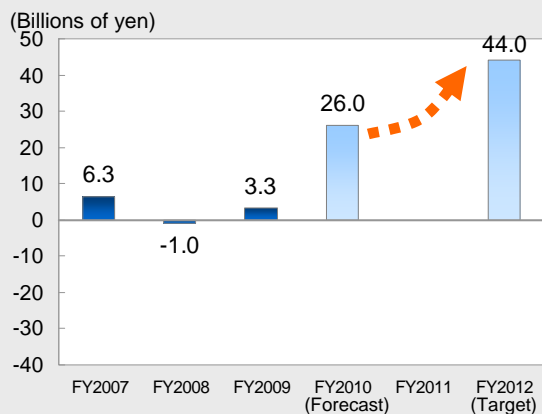
Petrochemicals & Plastics



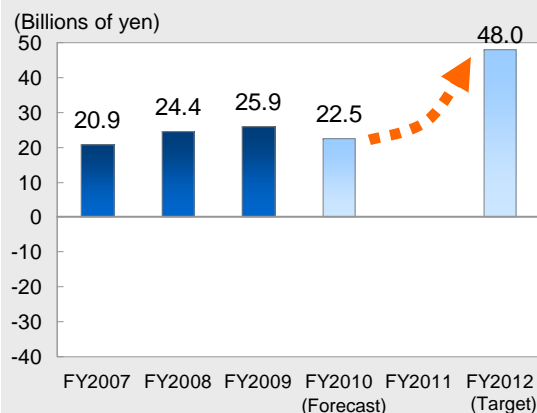
Fine Chemicals



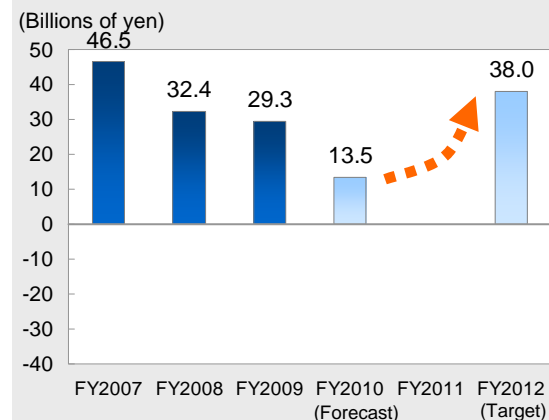
IT-related Chemicals



Agricultural Chemicals



Pharmaceuticals

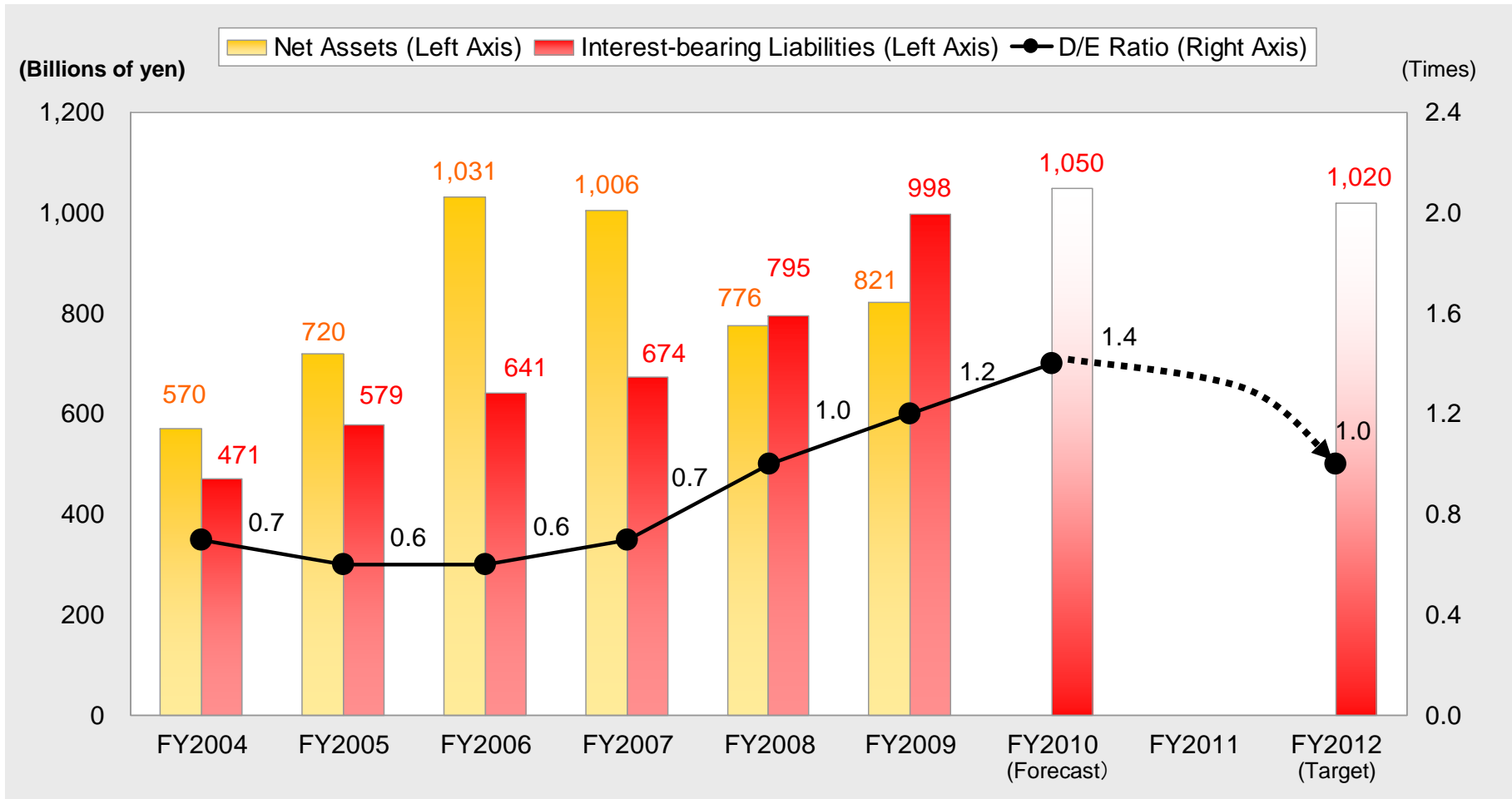


From FY2010, we have revised our method of allocation of R&D expenses for companywide projects, etc.

Enhancing Financial Strength

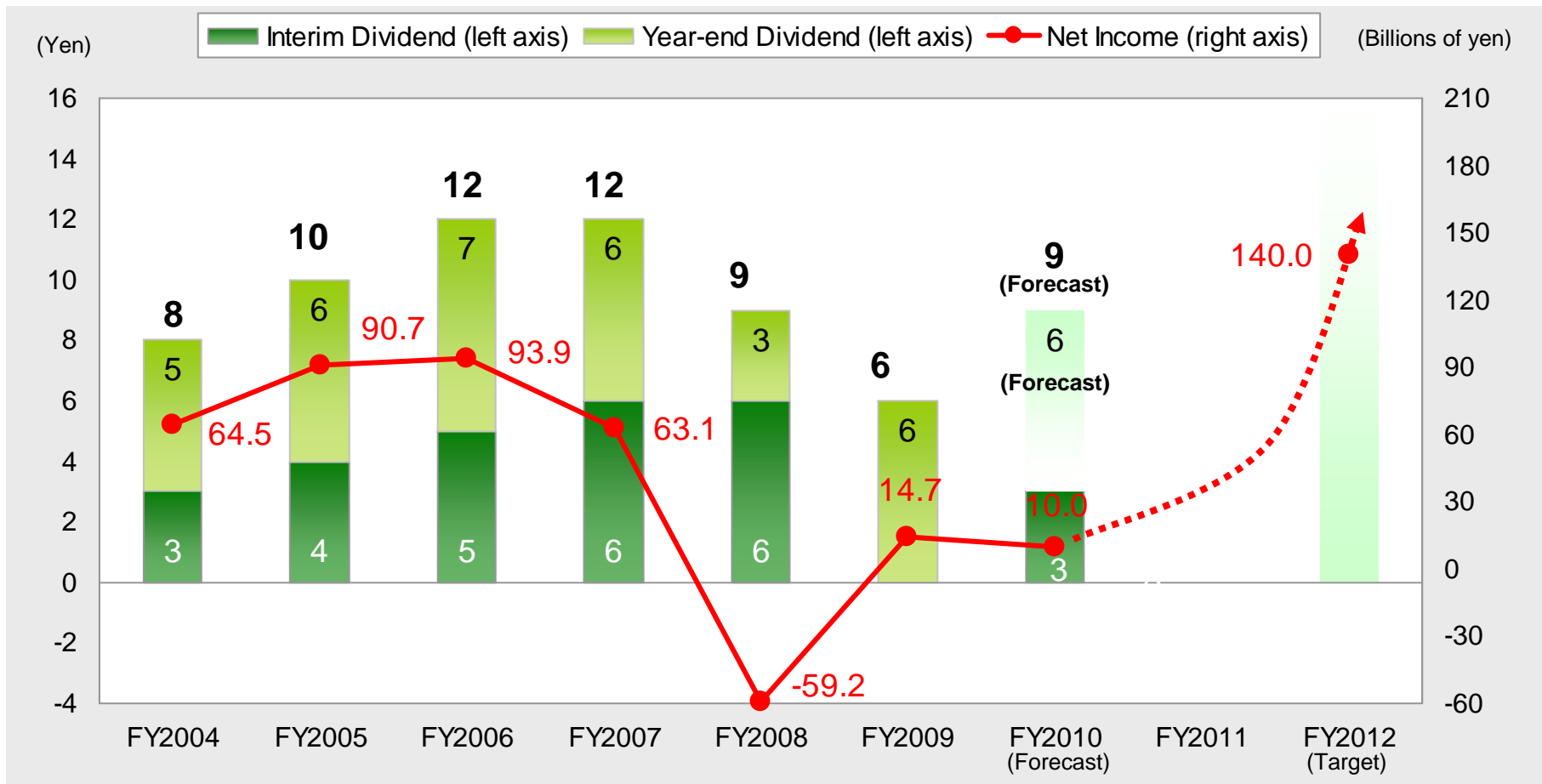
Net Assets, Interest-bearing Liabilities & D/E Ratio

Interest-bearing liabilities are expected to decrease after peaking in FY 2010



Dividend Policy

We consider shareholder return as one of our priority management issues and have made it a policy to maintain stable dividend payment, giving due consideration to our business performance and a dividend payout ratio for each fiscal period, the level of retained earnings necessary for future growth, and other relevant factors.



Creative Hybrid Chemistry



Forward-Looking Statements

Statements made in this material with respect to Sumitomo Chemical's plans, projections, strategies, beliefs, and future performance that are not historical facts are forward-looking statements that are based on information available at the time of the preparation of this material and include risks and uncertainties. Factors that could materially affect actual results of Sumitomo Chemical's future performance include, but are not limited to, economic conditions in the areas of Sumitomo Chemical's business, demand for Sumitomo Chemical's products in markets, downward price pressure on Sumitomo Chemical's products resulting from intensifying competition, Sumitomo Chemical's ability to continue to provide products that are accepted by customers in highly-competitive markets, and movements of currency exchange rates.