

For Immediate Release

February 9, 2005

Sumitomo Chemical Reports Consolidated Financial Results For the Nine Months Ended December 31, 2004

Sumitomo Chemical Company, Limited today announced that its consolidated net sales for the nine months ended December 31, 2004 totaled ¥948.0 billion (\$9,097 million), a 12.2% increase over the same period of last year. Net income increased 88.5% to ¥44.2 billion (\$424 million).

The sales overview for the nine months by business segment is as follows.

Sales in the Basic Chemicals segment rose 13.6% from the same period of last year, thanks to increased sales of caprolactam and aluminum under improved market conditions.

The Petrochemicals and Plastics segment saw a significant increase of 16.8% in sales over last year. Sales in plastics and petrochemical products such as styrene monomer posted a major expansion due to the sales price hike, reflecting the elevated prices of feed stock as well as the general recovery of the market, mainly in South East Asia.

Sales in the Fine Chemicals segment grew 7.8% over last year, owing to the steady sales of adhesive raw materials, etc., and increased sales of pharmaceutical bulk and intermediates, mainly for export.

The IT-related Chemicals segment showed a considerable sales increase of 43.9% on the same period of last year. Sales of polarizing film and color filters expanded substantially owing to the growth of the LCD display market as well as the production increase of the facilities in Korea which came into full-scale operation in the latter half of 2003.

Sales of Agricultural Chemicals segment increased 2.8% on last years' figures owing mainly to the increased shipments of agrichemicals and household insecticides, although exports of feed additives decreased under stagnant market conditions.

Sales in the Pharmaceuticals segment remained at the same level as the previous year despite the drug price reduction in Japan in April of 2004. The solid performance was due to expanded sales of *Amlodin* (a therapeutic agent for hypertension and angina pectoris) and *Meropen* (carbapenem antibiotic).

In summary, results for nine months ended December 31, 2004 represent considerable improvements over the same period of last year. The forecast for the full 2004 fiscal year announced on November 11, 2004 remains unchanged.

(Note)

*U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥104.21= \$1 prevailing on December 31, 2004.

(Cautionary Statement)

Statements made in this release with respect to the Sumitomo Chemical's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of the information currently available to it, and involve risks and uncertainties. The important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, general economic conditions in Sumitomo Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Chemical's products in the marketplace; Sumitomo Chemical's ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.

Summary of Consolidated Results

(1) Results of operations:

	9 Months ended December 31, 2004		9 Months ended December 31, 2003	
	(¥ Million)	(US\$ 1,000)*	(¥ Million)	
Net Sales	¥ 948,021	\$ 9,097,217	¥ 845,166	
Operating Income	77,017	739,056	45,941	
Income Before Income Taxes and Minority Interests	91,794	880,856	48,380	
Net Income	44,150	423,664	23,424	
	(Yen)	(US\$)*	(Yen)	
Net income per 1,000 shares	¥ 26,704	\$ 256	¥ 14,165	

(2) Financial Position:

	As of December 31, 2004		As of March 31, 2004	
	(¥ Million)	(US\$ 1,000)*	(¥ Million)	
Total Assets	¥ 1,618,661	\$ 15,532,684	¥ 1,549,291	
Total Shareholders' Equity	546,892	5,247,980	506,122	
	(Yen)	(US\$)*	(Yen)	
Book Value per 1,000 shares	¥ 330,869	\$ 3,175	¥ 306,046	

(3) Results of Operations by Business Segment:

	9 Months ended December 31, 2004		9 Months ended December 31, 2003	
	(¥ Million)	(US\$ 1,000)*	(¥ Million)	
Net Sales				
Basic Chemicals	¥ 168,527	\$ 1,617,186	¥ 148,292	
Petrochemicals & Plastics	306,095	2,937,290	262,096	
Fine Chemicals	63,332	607,734	58,774	
IT-related Chemicals	128,830	1,236,254	89,522	
Agricultural Chemicals	119,237	1,144,199	116,025	
Pharmaceuticals	126,625	1,215,095	126,678	
Others	35,375	339,459	43,779	
	¥ 948,021	\$ 9,097,217	¥ 845,166	
Operating Income				
Basic Chemicals	¥ 2,966	\$ 28,462	¥ 2,449	
Petrochemicals & Plastics	8,451	81,096	(2,035)	
Fine Chemicals	9,479	90,961	5,194	
IT-related Chemicals	16,694	160,196	8,178	
Agricultural Chemicals	7,799	74,839	4,347	
Pharmaceuticals	27,867	267,412	24,919	
Others	3,519	33,768	2,704	
Elimination	242	2,322	185	
	¥ 77,017	\$ 739,056	¥ 45,941	

(Note)

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