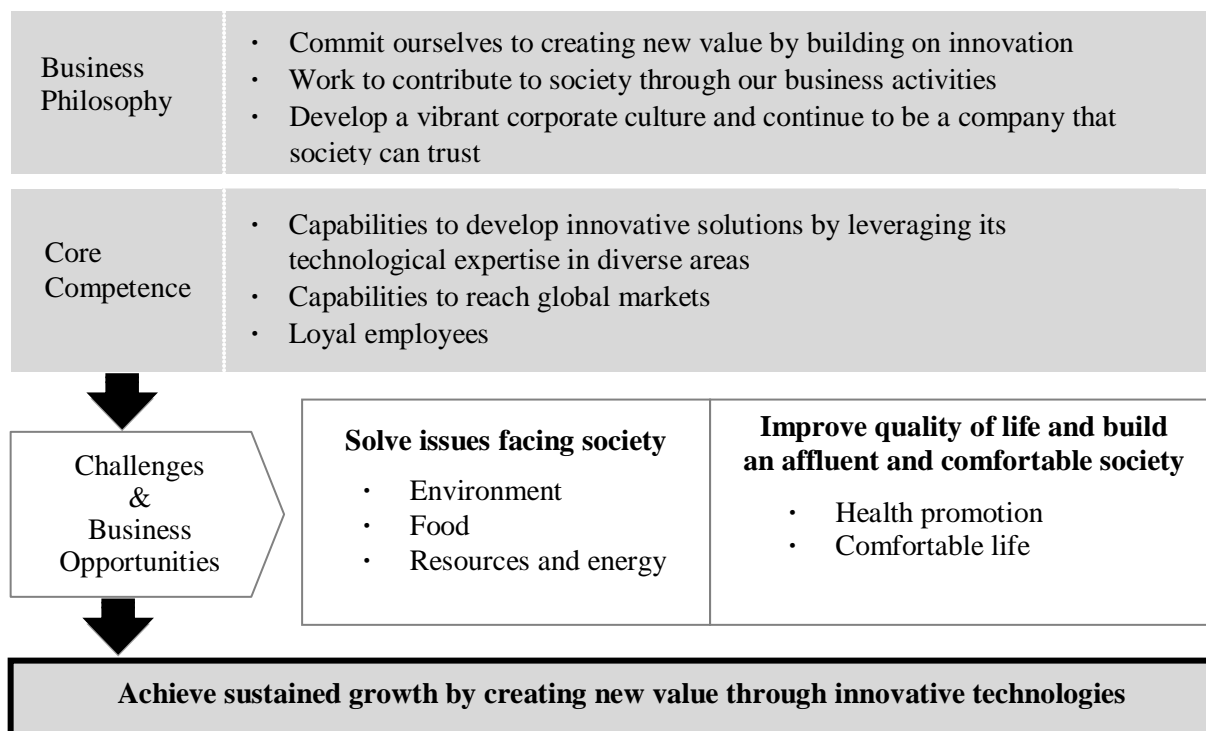


**Sumitomo Chemical Launches New Corporate Business Plan for FY 2016 to FY2018
Change and Innovation—Create New Value**

Sumitomo Chemical today announced its new Corporate Business Plan for the period from fiscal 2016 to fiscal 2018. Under the slogan of “Change and Innovation—Create New Value,” the Company aims to achieve sustained growth by creating new value through innovative technologies. Capitalizing on its robust financial strength built under the current Corporate Business Plan, the Company will aggressively pursue growth opportunities and further accelerate its transformation into a more resilient Sumitomo Chemical that continues to grow.

Overview of the Corporate Business Plan for FY2016 to FY2018

1. What Sumitomo Chemical strives to be



2. Basic policy

(1) Further improve business portfolio

Sumitomo Chemical will focus resources on the fields of environment and energy, ICT (Information and Communication Technology) and life sciences, where the Company can leverage its technological advantages, and deliver new value through innovative technologies to address issues facing society. While 400 billion yen is allocated for the investments planned on a sector-by-sector basis for the three-year period, an additional 300 billion yen is earmarked for investment in strategic M&A, as the Company seeks large-scale investment opportunities in the specialty chemicals area.

(2) Generate more cash flow

While retaining a lean financial structure, Sumitomo Chemical will build and maintain robust earnings power to consistently generate strong cash flow that allows the Company to take advantage of large-scale investment opportunities when they arise.

(3) Accelerate the launch of next-generation businesses

The Company will continue to invest in three priority areas of environment and energy, ICT, and life sciences, and accelerate the launch of its new products and technologies under development in these areas. In addition, it will strive to develop new solutions to issues in the fields where the priority areas intersect.

In addition to the three points above, the Company will also work to: **(4) Promote globally integrated management;** and **(5) Ensure full and strict compliance, and establish and maintain safe and stable operations.**

3. Performance targets

Under the new Corporate Business Plan, the Company has set performance targets on a consolidated basis as follows:

(Billions of yen)

	FY2018 targets	FY2015 forecast
Net sales	2,540	2,250
Operating income	200	155
Ordinary income	210	170
Net income	110	80

* Assumptions for FY2016 to FY2018: Naphtha price: ¥45,000/kl
Exchange rate: ¥120.0/US\$

In the medium- to long-term, the Company aims to consistently achieve the following performance targets:

	Medium- to long-term targets	FY2018 targets	FY2015 forecast
ROE	over 10%	12%	10%
ROI	over 7%	7%	5%
D/E ratio	approx. 0.7 times	0.6 - 0.7 times ^{*2}	0.7 times
Payout ratio	approx. 30%	—	29%
Profit growth ^{*1}	over 7% per year	11% per year	—

*1: Compounded annual growth rate of net profit from the last year of the previous Corporate Business Plan

*2: Including the effects of investments in strategic M&A

Cautionary Statement

Statements made in this document with respect to 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.