

September 27, 2004

## Sumitomo Chemical Announces Upward Revisions to its Estimates for First Half Results

Sumitomo Chemical Company, Limited revised upward its financial estimates for the first half of the fiscal year ending March 31, 2005, from the original estimates announced earlier in May this year.

### (Reason for the revision)

#### [Consolidated financial results]

Net sales are expected to exceed the original forecast due to sales price increases in Petrochemicals and Basic Chemicals reflecting a hike in feedstock prices, continued solid performance of IT-related Chemicals, and increased shipments in Agricultural Chemicals. Financial performance at the income level also will be better than initially expected, thanks mainly to improved performance in IT-related Chemicals, Agricultural Chemicals, and some affiliates to which the equity method applies. As a result, interim recurring income and net income have been adjusted upward by 71.9% and 47.1%, respectively.

#### [Non-consolidated financial results]

The company estimates that net sales will be higher than their original forecast since product selling price in Petrochemicals, etc., will rise owing to feedstock prices surge. The income will also improve due mainly to stronger results in IT-related Chemicals and Petrochemicals. Consequently, recurring income and net income for the first half of fiscal 2004 have been increased by 80% and 50%, respectively.

#### [Full year financial results]

The full-year estimates for consolidated and non-consolidated financial results will be reviewed on the basis of subsequent developments and announced at the time of interim results announcement.

### Revised Financial Estimates For the First Half of the Fiscal Year ending March 31, 2005(Consolidated)

(Billions of yen)

	Net Sales	Operating Income	Recurring Income	Net Income
Original Estimates (A)	580.0	30.0	32.0	17.0
Revised Estimates (B)	620.0	48.0	55.0	25.0
Increase/(Decrease) (B) – (A)	40.0	18.0	23.0	8.0
Rate of Increase/(Decrease) %	6.9%	60.0%	71.9%	47.1%
Results for the first half of fiscal 2003 (ended September 2003)	563.4	24.4	22.6	10.7

**Revised Financial Estimates For the First Half  
of the Fiscal Year ending March 31, 2005(Non-consolidated)**

**(Billions of yen)**

	<b>Net Sales</b>	<b>Operating Income</b>	<b>Recurring Income</b>	<b>Net Income</b>
<b>Original Estimates (A)</b>	<b>290.0</b>	<b>4.0</b>	<b>10.0</b>	<b>10.0</b>
<b>Revised Estimates (B)</b>	<b>310.0</b>	<b>10.0</b>	<b>18.0</b>	<b>15.0</b>
<b>Increase/(Decrease) (B) – (A)</b>	<b>20.0</b>	<b>6.0</b>	<b>8.0</b>	<b>5.0</b>
<b>Rate of Increase/(Decrease) %</b>	<b>6.9%</b>	<b>150.0%</b>	<b>80.0%</b>	<b>50.0%</b>
<b>Results for the first half of fiscal 2003 (ended September 2003)</b>	<b>279.9</b>	<b>0.3</b>	<b>4.3</b>	<b>6.4</b>

**(Cautionary Statement)**

Statements made in this release with respect to the Company's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements regarding the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. 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 fluctuations of currency exchange rates.