

## Petro Rabigh to have Initial Public Offering on Saudi Arabian Stock Exchange

Sumitomo Chemical today announced that the Rabigh Refining and Petrochemical Company (Petro Rabigh), its 50-50 joint venture with the Saudi Arabian Oil Company (Saudi Aramco), will hold its initial public offering (IPO) on the Saudi Arabian stock exchange in early January 2008. Petro Rabigh was established in September 2005 as a joint venture between the two companies, and is currently constructing one of the world's largest integrated oil refining and petrochemical complexes (the Rabigh Project) in the town of Rabigh located on Saudi Arabia's Red Sea coast.

The government of Saudi Arabia, seeking to cultivate its domestic stock market, is promoting the new listing of prime companies on Saudi Arabia's stock exchange. Thus, the government encouraged Petro Rabigh to hold an early IPO, and after due consideration and careful examination, the company decided to apply for the IPO, resulting in the recent approval for the offering by the Saudi Capital Market Authority (CMA). The IPO will allow Petro Rabigh to contribute to Saudi Arabia's economic development through its role in enhancing the Saudi stock exchange as a listed company.

Below is an overview of the IPO. While Sumitomo Chemical's current ownership in Petro Rabigh is 50%, following the IPO, Sumitomo Chemical and Saudi Aramco will each maintain a 37.5% stake in the company. Both companies will promote the Rabigh Project under a continued close cooperative framework.

### Overview of IPO

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|-----------------------|---|
| 1 . Stock offering:   | 219 million shares<br>(25% of Petro Rabigh's equity offered as newly issued stocks) |
| 2 . Selling Price:    | To be determined  |
| 3 . Amount paid:      | To be determined  |
| 4 . Offering open to: | All Saudi nationals   |
| 5 . Date of offering: | January 5-12, 2008  |

Information regarding the price of the issued stock will be announced upon notification by the CMA.

The financial impact of the IPO on Sumitomo Chemical's full-year earnings for the year ending March 2008 will be calculated after the price of the issue is determined, and will be announced accordingly.

(Reference)

### Overview of Petro Rabigh

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|---------------------------|---|
| 1 . Name:                 | Rabigh Refining and Petrochemical Company   |
| 2 . Established:          | September 2005  |
| 3 . Paid in full capital: | SAR6.57 billion (approx. ¥200 billion) (current)<br>(Following IPO) SAR 8.76 billion (approx. ¥270 billion)                               |
| 4 . Shareholding ratio:   | Sumitomo Chemical 50%, Saudi Aramco 50% (current)<br>(Following IPO) Sumitomo Chemical 37.5%, Saudi Aramco 37.5%,<br>public investors 25% |
| 5 . Headquarters:         | Rabigh, Kingdom of Saudi Arabia   |
| 6 . CEO:                  | Saad F Al-Dosari  |