



Financial Results of FY2009 First Quarter



July 31, 2009



Sumitomo Chemical Co., Ltd.



(Cautionary Statement)

Statements made in this material 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.



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Financial Summary

Unit; billions of yen

	FY2009 1st Quarter	FY2008 1st Quarter	Difference	Growth
Net Sales	340.8	496.3	△ 155.6	△ 31.3%
Operating Income	2.3	24.7	△ 22.4	△ 90.7%
(Equity in earnings of affiliates, included in ordinary income)	(△ 0.2)	(0.3)	(△ 0.5)	-
Ordinary Income	3.2	25.3	△ 22.1	△ 87.4%
Net Income	△ 1.5	15.1	△ 16.6	-
ROE	△ 0.3%	2.0%		
Naphtha Price (yen/KL)	33,500	70,000		
Exchange Rate (yen/US\$)	97.36	104.56		



Net Sales by Business Segments

Unit; billions of yen

	FY2009 1st Quarter	FY2008 1st Quarter	Difference	Growth	Sales Price Variance	Shipping Volume Variance
Basic Chemicals	42.4	75.7	△33.2	△43.9%	△16.0	△17.2
Petrochemicals	96.1	164.8	△68.7	△41.7%	△50.5	△18.2
Fine Chemicals	14.8	24.3	△9.5	△39.2%	△0.5	△9.0
IT-related Chemicals	46.0	77.8	△31.8	△40.9%	△9.5	△22.3
Agricultural Chemicals	54.2	54.2	0.0	0.0%	1.5	△1.5
Pharmaceuticals	59.4	62.9	△3.5	△5.5%	0.0	△3.5
Others	27.8	36.6	△8.8	△24.0%	0.0	△8.8
Total	340.8	496.3	△155.6	△31.3%	△75.0	△80.6



Results of Operations by Business Segments

Unit; billions of yen

	Basic Chemicals	Petro-chemicals	Fine Chemicals	IT-related Chemicals	Agricultural Chemicals	Pharmaceuticals	Others	Total
Operating Income								
FY2009 1st Quarter	△2.8	△5.6	△0.1	△3.1	5.8	9.8	△1.6	2.3
FY2008 1st Quarter	1.6	△0.7	1.3	7.2	5.8	11.0	△1.5	24.7
Difference	△4.4	△4.9	△1.4	△10.4	0.0	△1.2	△0.1	△22.4

Price Variance	△1.5	4.0	1.0	△9.5	1.5	0.0	0.0	△4.5
Sales Price Variance	△16.0	△50.5	△0.5	△9.5	1.5	0.0	0.0	△75.0
Purchase Price Variance	14.5	54.5	1.5	0.0	0.0	0.0	0.0	70.5
Cost Variance	0.5	△0.5	0.0	4.0	0.5	0.0	0.0	4.5
VC	0.0	0.0	0.0	4.0	0.0	0.0	0.0	4.0
FC	0.5	△0.5	0.0	0.0	0.5	0.0	0.0	0.5
Shipping Volume Variance	△3.4	△8.4	△2.4	△4.9	△2.0	△1.2	△0.1	△22.4
Total	△4.4	△4.9	△1.4	△10.4	0.0	△1.2	△0.1	△22.4

Extraordinary Gains / Losses

Unit: billions of yen

	FY2009 1st Quarter	FY2008 1st Quarter	Difference
Gain on sale of property, plant and equipment	-	0.9	$\Delta 0.9$
Gain on sale of investment securities	-	0.9	$\Delta 0.9$
Extraordinary Gains	-	1.8	$\Delta 1.8$
Restructuring charges	0.2	0.3	$\Delta 0.1$
Extraordinary Losses	0.2	0.3	$\Delta 0.1$
Extraordinary Gains / Losses	$\Delta 0.2$	1.5	$\Delta 1.7$



Consolidated Balance Sheets

Unit; billions of yen

	30-Jun-09	31-Mar-09		30-Jun-09	31-Mar-09
Current Assets	859.8	838.1	Liabilities	1,254.0	1,246.9
Cash and cash equivalents	91.5	85.8	Trade notes and accounts	153.9	151.5
Trade notes and accounts	314.1	294.3	Short-term debt	259.0	277.3
Inventories	326.5	335.7	Long-term debt due within one year	61.7	41.2
Others	127.7	122.3	Long-term debt due after one year	507.0	476.9
Non-current Assets	1,198.0	1,184.4	Others	272.4	300.0
Property, plant and equipment	569.4	567.8	Net Assets	803.8	775.6
Intangible assets	64.5	63.4	Shareholders' equity	585.2	592.1
Investment securities	408.9	384.6	Valuation and translation adjustments	△ 16.4	△ 47.8
Others	155.1	168.6	Minority interests	235.1	231.3
Total	2,057.8	2,022.6	Total	2,057.8	2,022.6

Interest-bearing debt balance	827.6	795.4
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Consolidated Statements of Cash Flows

Unit; billions of yen

	FY2009 1st Quarter	FY2008 1st Quarter	Difference
Cash flows from operating activities	△ 4.0	6.3	△ 10.3
Cash flows from investing activities	△ 14.0	△ 38.0	24.1
Free cash flows	△ 17.9	△ 31.7	13.8
Cash flows from financing activities	22.0	23.9	△ 1.9
Other	1.7	△ 1.2	2.9
Net increase (decrease) in cash and cash equivalents	5.7	△ 9.0	14.7
Cash and cash equivalents (at June 30)	91.5	98.4	△ 6.9



Major Subsidiaries

Unit; billions of yen

Company	Net Sales		Operating Income Status
	FY2009 1st Quarter	FY2008 1st Quarter	
The Polyolefin Company (Singapore)	18.5	38.0	Decreased because of squeezed margins caused by lower market prices and a decline in shipments.
Petrochemical Corporation of Singapore	35.2	92.9	Decreased because of squeezed margins caused by lower market prices and a decline in shipments.
Dongwoo Fine-Chem	24.5	47.8	Decreased because of lower selling prices and a decline in shipments.
Valent U.S.A. and Subsidiaries	11.6	10.2	Increased because of strong sales.