
Financial Results of FY2009 Third Quarter



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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 3rd Quarter (year to date)	FY2008 3rd Quarter (year to date)	Difference	Growth
Net Sales	1,142.7	1,452.6	Δ310.0	Δ21.3%
Operating Income	29.8	42.3	Δ12.5	Δ29.4%
(Equity in losses of affiliates, included in ordinary income)	(Δ6.6)	(Δ1.5)	(Δ5.1)	-
(Net loss on foreign currency transactions in ordinary income)	(Δ1.1)	(Δ13.2)	(12.1)	-
Ordinary Income	19.6	26.2	Δ6.5	Δ24.9%
Net Income	1.2	0.8	0.5	61.7%
ROE	0.2%	0.1%		
Naphtha Price (yen/KL)	39,000	69,600		
Exchange Rate (yen/US\$)	93.61	102.92		



Net Sales by Business Segments

Unit; billions of yen

	FY2009 3rd Quarter (year to date)	FY2008 3rd Quarter (year to date)	Difference	Growth	Sales Price Variance	Shipping Volume Variance
Basic Chemicals	143.6	206.1	Δ62.5	Δ30.3%	Δ42.0	Δ20.5
Petrochemicals	337.6	466.4	Δ128.8	Δ27.6%	Δ144.5	15.7
Fine Chemicals	49.7	66.2	Δ16.5	Δ24.9%	Δ2.5	Δ14.0
IT-related Chemicals	189.4	254.9	Δ65.4	Δ25.7%	Δ31.0	Δ34.4
Agricultural Chemicals	150.1	165.3	Δ15.2	Δ9.2%	Δ6.0	Δ9.2
Pharmaceuticals	181.8	179.9	1.9	1.1%	0.0	1.9
Others	90.4	113.9	Δ23.5	Δ20.6%	0.0	Δ23.5
Total	1,142.7	1,452.6	Δ310.0	Δ21.3%	Δ226.0	Δ84.0



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 3rd Quarter (year to date)	Δ 3.5	Δ 7.5	Δ 0.2	Δ 0.8	15.9	27.6	Δ 1.5	29.8
FY2008 3rd Quarter (year to date)	Δ 7.7	Δ 10.6	3.6	17.7	15.5	28.9	Δ 5.1	42.3
Difference	4.1	3.0	Δ 3.8	Δ 18.5	0.5	Δ 1.3	3.6	Δ 12.5

Price Variance	4.0	0.5	1.5	Δ 31.0	1.5	0.0	0.0	Δ 23.5
Sales Price Variance	Δ 42.0	Δ 144.5	Δ 2.5	Δ 31.0	Δ 6.0	0.0	0.0	Δ 226.0
Purchase Price Variance	46.0	145.0	4.0	0.0	7.5	0.0	0.0	202.5
Cost Variance	2.5	Δ 2.5	0.5	14.5	1.5	Δ 5.0	4.0	15.5
VC	0.0	0.0	0.5	13.5	1.0	0.0	0.0	15.0
FC	2.5	Δ 2.5	0.0	1.0	0.5	Δ 5.0	4.0	0.5
Shipping Volume Variance	Δ 2.4	5.0	Δ 5.8	Δ 2.0	Δ 2.5	3.7	Δ 0.4	Δ 4.5
Total	4.1	3.0	Δ 3.8	Δ 18.5	0.5	Δ 1.3	3.6	Δ 12.5



Extraordinary Gains / Losses

Unit; billions of yen

	FY2009 3rd Quarter (year to date)	FY2008 3rd Quarter (year to date)	Difference
Gain on sales of investment securities	5.3	0.9	4.4
Gain on sales of property, plant and equipment	-	1.0	Δ1.0
Extraordinary Gains	5.3	1.8	3.5
Restructuring charges	0.9	2.5	Δ1.6
Loss on valuation of investment securities	-	3.9	Δ3.9
Extraordinary Losses	0.9	6.4	Δ5.5
Extraordinary Gains / Losses	4.4	Δ4.6	9.0



Consolidated Balance Sheets

Unit; billions of yen

	31-Dec-09	31-Mar-09		31-Dec-09	31-Mar-09
Current Assets	1,035.9	838.1	Liabilities	1,599.6	1,246.9
Cash and cash equivalents	139.0	85.8	Trade notes and accounts	227.0	151.5
Trade notes and accounts	365.4	294.3	Short-term debt	439.5	277.3
Inventories	362.4	335.7	Long-term debt due within one year	79.2	41.2
Others	169.1	122.3	Long-term debt due after one year	544.5	476.9
Non-current Assets	1,354.1	1,184.4	Others	309.4	300.0
Property, plant and equipment	564.2	567.8	Net Assets	790.4	775.6
Intangible assets	248.7	63.4	Shareholders' equity	588.0	592.1
Investment securities	395.1	384.6	Valuation and translation adjustments	Δ39.4	Δ47.8
Others	146.1	168.6	Minority interests	241.8	231.3
Total	2,390.0	2,022.6	Total	2,390.0	2,022.6

Interest-bearing debt balance	1,063.2	795.4
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Consolidated Statements of Cash Flows

Unit; billions of yen

	FY2009 3rd Quarter (year to date)	FY2008 3rd Quarter (year to date)	Difference
Cash flows from operating activities	83.4	30.0	53.4
Cash flows from investing activities	Δ268.1	Δ154.9	Δ113.2
Free cash flows	Δ184.7	Δ124.9	Δ59.8
Cash flows from financing activities	236.9	113.2	123.7
Effect of exchange rate changes on cash and cash equivalents	Δ0.4	Δ3.3	2.8
Net increase (decrease) in cash and cash equivalents	51.8	Δ15.0	66.7
Cash and cash equivalents (at December 31)	139.0	92.4	46.6



Major Subsidiaries

Unit; billions of yen

Company	Net Sales		Operating Income Status
	FY2009 3rd Quarter (year to date)	FY2008 3rd Quarter (year to date)	
The Polyolefin Company (Singapore)	66.3	107.3	Slightly increased because of inventory valuation gains and increased shipments offsetting lower margins.
Petrochemical Corporation of Singapore	143.6	271.9	Increased because of improved margins thanks to falling raw material prices.
Dongwoo Fine-Chem	101.2	152.3	Decreased because of lower selling prices.
Valent U.S.A. and Subsidiaries	36.8	36.6	Increased because of strong sales.