



Financial Results of FY2013 Third Quarter



January 31, 2014



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

	FY2012 3rd Quarter (year to date)	FY2013 3rd Quarter (year to date)	Difference	Ratio
Net Sales	1,422.3	1,606.3	183.9	12.9%
Operating Income	36.8	71.2	34.4	93.4%
(Equity in earnings of affiliates, included in ordinary income)	(6.0)	(-0.4)	(-6.4)	-
(Net gain on foreign currency transactions, included in ordinary income)	(1.7)	(6.2)	(4.4)	259.0%
Ordinary Income	37.6	72.6	35.0	93.2%
(Extraordinary Gain / Loss)	(-7.9)	(-9.6)	(-1.6)	-
(Income taxes)	(-58.3)	(-23.6)	(34.7)	-
(Minority interests in income)	(-12.1)	(-14.9)	(-2.9)	-
Net Income	-40.7	24.6	65.2	-
ROE	-8.8%	4.4%		
Exchange Rate (yen/USD)	79.95	99.36		
Naphtha Price (yen/KL)	55,400	65,600		

Net Sales by Business Segments

Unit; billions of yen

	FY2012 3rd Quarter (year to date)	FY2013 3rd Quarter (year to date)	Difference	Ratio	Sales Price Variance	Shipping Volume Variance	Foreign Currency Conversion Variance
Basic Chemicals	193.7	205.2	11.5	6.0%	14.0	-11.7	9.2
Petrochemicals	505.5	571.4	65.9	13.0%	46.5	-35.0	54.4
IT-related Chemicals	221.3	273.5	52.2	23.6%	-26.5	21.3	57.5
Health & Crop Sciences	170.2	207.2	36.9	21.7%	-2.5	17.4	22.0
Pharmaceuticals	292.4	307.9	15.5	5.3%	0	-7.7	23.2
Others & Adjustments	39.2	41.0	1.8	4.6%	0	1.8	0
Total	1,422.3	1,606.3	183.9	12.9%	31.5	-13.9	166.3

Overseas Operations	756.2	922.0	165.9	21.9%
Overseas Ratio	53.2%	57.4%		

Operating Income by Business Segments

Unit; billions of yen

	Operating Income		Difference	Price Variance	Cost Variance	Shipping Volume Variance and Other	Total
	FY2012 3rd Quarter (year to date)	FY2013 3rd Quarter (year to date)					
Basic Chemicals	-4.8	-7.5	-2.7	0	0	-2.7	-2.7
Petrochemicals	-1.7	5.4	7.1	6.5	3.0	-2.4	7.1
IT-related Chemicals	7.2	29.2	22.0	-17.0	16.0	23.0	22.0
Health & Crop Sciences	8.9	14.7	5.7	-6.0	-3.5	15.2	5.7
Pharmaceuticals	37.3	39.2	2.0	0	7.5	-5.5	2.0
Others & Adjustments	-10.2	-9.8	0.4	0	0	0.4	0.4
Total	36.8	71.2	34.4	-16.5	23.0	27.9	34.4

Extraordinary Gains / Losses

Unit: billions of yen

	FY2012 3rd Quarter (year to date)	FY2013 3rd Quarter (year to date)	Difference
Gain on sale of investment securities	-	3.3	3.3
Gain on sale of property, plant and equipment	-	2.1	2.1
Gain on negative goodwill	-	1.7	1.7
Fair value adjustment of contingent consideration	-	1.1	1.1
Gain on step acquisitions	1.5	-	-1.5
Extraordinary Gains	1.5	8.1	6.6
Restructuring charges	6.5	9.0	2.6
Impairment loss	3.0	7.7	4.7
Loss on valuation of investment securities	-	1.0	1.0
Extraordinary Losses	9.4	17.7	8.2
Extraordinary Gains / Losses	-7.9	-9.6	-1.6

Consolidated Balance Sheets

Unit; billions of yen

	31-Mar-13	31-Dec-13	Difference		31-Mar-13	31-Dec-13	Difference
Current Assets	1,108.8	1,259.8	151.0	Liabilities	1,724.6	1,909.7	185.1
Cash and cash equivalents	126.9	162.7	35.8	Trade notes and accounts payable	256.1	281.3	25.1
Trade notes and accounts receivable	404.3	411.3	6.9	Interest-bearing liabilities	1,060.6	1,195.6	135.1
Inventories	410.5	453.2	42.7	Others	407.9	432.8	24.9
Others	167.1	232.6	65.6	Net Assets	747.5	914.2	166.7
Non-current Assets	1,363.3	1,564.1	200.8	Shareholders' equity	524.5	536.8	12.3
Property, plant and equipment	640.2	750.1	109.9	Accumulated other comprehensive income	-28.0	85.8	113.9
Intangible assets	185.1	199.4	14.3	Minority interests	251.0	291.5	40.5
Investment and other assets	537.9	614.5	76.6				
Total	2,472.1	2,823.9	351.8	Total	2,472.1	2,823.9	351.8
				Shareholders' equity ratio	20.1%	22.1%	2.0%

Consolidated Statements of Cash Flows

Unit; billions of yen

	FY2012 3rd Quarter (year to date)	FY2013 3rd Quarter (year to date)	Difference
Cash flows from operating activities	70.0	94.0	23.9
Cash flows from investing activities	-138.1	-124.4	13.7
Free cash flows	-68.1	-30.4	37.7
Cash flows from financing activities	42.8	57.3	14.5
Effect of exchange rate changes on cash and cash equivalents	-0.4	18.3	18.7
Net change in cash and cash equivalents	-25.7	45.2	70.9
Cash and cash equivalents (as of December 31)	122.5	162.7	40.2

Major Subsidiaries

Company	Net Sales		Profit Trends
	FY2012 3rd Quarter (year to date)	FY2013 3rd Quarter (year to date)	
The Polyolefin Company (Singapore) (millions of USD)	1,006	998	Improved due to better margins
Petrochemical Corporation of Singapore (millions of USD)	2,605	2,637	Improved due to better margins
Rabigh Refining and Petrochemical Company (millions of SAR)	46,345	36,925	Decreased due to low capacity utilization as a result of the blackout incident and other factors
Dongwoo Fine-Chem (billions of KRW)	1,737	1,577	Increased due to higher sales volume and other factors
Valent U.S.A. and Subsidiaries (millions of USD)	408	541	Increased due to higher sales volume and other factors



(Reference : Segment Information)

Net Sales by Business Segments (Quarterly)

	FY2012				FY2013			Unit; billions of yen FY2013 (estimated)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	1st Half	2nd Half (estimated)
Basic Chemicals	66.6	66.3	60.8	69.8	66.8	70.1	68.3	136.9	143.1
Petrochemicals	177.5	165.7	162.3	188.3	177.4	191.5	202.5	368.9	421.1
IT-related Chemicals	70.3	73.8	77.2	78.7	86.1	95.7	91.7	181.8	198.2
Health & Crop Sciences	67.2	52.6	50.5	92.3	76.0	63.5	67.7	139.5	180.5
Pharmaceuticals	96.8	97.4	98.2	86.2	97.6	99.6	110.7	197.2	212.8
Others & Adjustments	11.7	15.6	11.9	14.8	11.7	14.8	14.5	26.4	23.6
Total	490.0	471.4	460.9	530.2	515.5	535.3	555.4	1,050.8	1,179.2

Operating Income by Business Segments (Quarterly)

	FY2012				FY2013			Unit; billions of yen FY2013 (estimated)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	1st Half	2nd Half (estimated)
Basic Chemicals	-2.5	-0.0	-2.2	-1.6	-2.1	-2.7	-2.7	-4.8	-2.2
Petrochemicals	0.1	-0.3	-1.4	-1.6	2.1	1.7	1.6	3.9	1.6
IT-related Chemicals	1.2	1.3	4.8	4.5	10.0	11.7	7.5	21.7	17.8
Health & Crop Sciences	6.5	1.2	1.2	17.4	8.1	3.4	3.1	11.6	25.9
Pharmaceuticals	12.6	10.5	14.1	-6.4	10.7	9.9	18.6	20.6	20.4
Others & Adjustments	-4.8	-1.1	-4.2	-4.0	-4.4	-2.3	-3.2	-6.6	-4.9
Total	13.0	11.5	12.3	8.2	24.6	21.7	24.8	46.3	58.7