

Sumitomo Chemical Company, Limited
Consolidated Financial Results
For the Nine Months Ended December 31, 2003

Sumitomo Chemical Company, Limited today announced that its consolidated net sales for the 9 months ended December 31, 2003 totaled ¥845.2 billion (\$7,889 million) and net income amounted to ¥23.4 billion (\$219 million).

The sales overview for the 3rd Quarter of the Fiscal Year 2003 by business segment is as follows.

Basic Chemicals: Caprolactam sales did not grow as much as expected during the third quarter due mainly to shortage of ammonia, a raw material for production. Sales of methyl methacrylate remained strong supported by increased demand in the market.

Petrochemicals & Plastics: Shipments of plastics in domestic market showed steady growth throughout the period. However, depreciation costs associated with new production facilities depressed margin of this segment.

Fine Chemicals: Sales of bulk pharmaceuticals performed well, while shipments of dyestuff were sluggish. Sales of pharmaceutical intermediates and adhesives raw materials to overseas markets were affected unfavorably by appreciation of the yen.

IT-related Chemicals: Polarizing films for LCDs showed significant growth in sales thanks to strong demand and the Company's expanded manufacturing capabilities in South Korea. In addition, sales of color filters increased owing to increased production by the new plant in South Korea that has maintained a high rate of operation.

Agricultural Chemicals: A favorable effect of the increased sales volume of household insecticides and feed additives in overseas markets was partly diminished by stronger yen. Sales growth of plant protection chemicals showed down owing to a weaker demand in the agrochemical off-season.

Pharmaceuticals: *Amlodin* (a therapeutic agent for hypertension and angina pectoris) and *Meropen* (a carbapenem antibiotic) showed continued steady growth in sales.

Consolidated results for this period were in line with original forecasts. The Company's forecast for the Fiscal Year ending March 31, 2004, remains unchanged.

(Note)

*U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥107.13= \$1 prevailing on December 30, 2003.

(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 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.

Summary of Consolidated Results

(1) Results of operations:

	Nine Months ended December 31, 2003		Fiscal Year ended March 31, 2003
	(¥ Million)	(US\$ 1,000)*	(¥ Million)
Net sales	¥ 845,166	\$ 7,889,163	¥ 1,111,128
Operating Income	45,941	428,834	73,520
Income before income taxes and minority interests	48,380	451,601	63,214
Net income	23,424	218,650	31,134
	(Yen)	(US\$)*	(Yen)
Net income per 1,000 shares	¥ 14,165	\$ 132	¥ 18,742

(2) Financial position:

	At December 31, 2003		At March 31, 2003
	(¥ Million)	(US\$ 1,000)*	(¥ Million)
Total assets	¥ 1,541,612	\$ 14,390,105	¥ 1,484,275
Total shareholders' equity	487,675	4,552,180	444,334
	(Yen)	(US\$)*	(Yen)
Book value per 1,000 shares	¥ 294,919	\$ 2,753	¥ 268,615

(3) Results of operations by business segment:

	Nine Months ended December 31, 2003		Fiscal Year ended March 31, 2003
	(¥ Million)	(US\$ 1,000)*	(¥ Million)
Net Sales			
Basic Chemicals	¥ 148,292	\$ 1,384,225	¥ 194,388
Petrochemicals & Plastics	262,096	2,446,523	371,630
Fine Chemicals	58,774	548,623	83,859
IT-related Chemicals	89,522	835,639	82,516
Agricultural Chemicals	116,025	1,083,030	158,712
Pharmaceuticals	126,678	1,182,470	168,446
Others	43,779	408,653	51,577
	¥ 845,166	\$ 7,889,163	¥ 1,111,128
Operating income			
Basic Chemicals	¥ 2,449	\$ 22,860	¥ 5,731
Petrochemicals & Plastics	(2,035)	(18,995)	5,017
Fine Chemicals	5,194	48,483	9,274
IT-related Chemicals	8,178	76,337	474
Agricultural Chemicals	4,347	40,577	16,685
Pharmaceuticals	24,919	232,605	32,299
Others	2,704	25,240	4,191
Elimination	185	1,727	(151)
	¥ 45,941	\$ 428,834	¥ 73,520

Beginning this period, the Company has reclassified certain subsidiaries and affiliates in terms of business segments to which they belong.

Prior period statements have been restated to conform to the current period.

(Note)

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