

November 9, 2006

Sumitomo Chemical Announces Upward Revisions to its Financial Estimates for Fiscal 2006

Sumitomo Chemical Company, Limited would like to report that it has revised upward its financial estimates for the fiscal year 2006 (ending March 31, 2007), from the original estimates announced earlier in May this year.

Revised Financial Estimates For the Fiscal Year ending March 31, 2007 (Consolidated)

(Billions of yen)

	Net Sales	Operating Income	Recurring Income	Net Income
Original Estimates (A)	1,770.0	145.0	150.0	80.0
Revised Estimates (B)	1,785.0	145.0	150.0	91.0
Increase/(Decrease) (B) – (A)	15.0	-	-	11.0
Rate of Increase/(Decrease) %	0.8%	-	-	13.8%
Results of fiscal 2005 (ended March 31, 2006)	1,556.6	120.8	141.1	90.7

Revised Financial Estimates For the Fiscal Year ending March 31, 2007 (Non-consolidated)

(Billions of yen)

	Net Sales	Operating Income	Recurring Income	Net Income
Original Estimates (A)	845.0	43.0	64.0	53.0
Revised Estimates (B)	880.0	48.0	69.0	78.0
Increase/(Decrease) (B) – (A)	35.0	5.0	5.0	25.0
Rate of Increase/(Decrease) %	4.1%	11.6%	7.8%	47.2%
Results of fiscal 2005 (ended March 31, 2006)	755.0	30.8	62.2	51.0

(Reason for the revision)

Compared with the initial forecast for consolidated financial results, improved conditions in the aluminum market and favorable exchange rates due to a weaker Yen are expected to drive an increase in non-consolidated sales and operating income. However, both sales and operating income for the Company's consolidated subsidiaries in the IT-related Chemicals segment are expected to decline. Net extraordinary gains are expected to increase from the sale of GlaxoSmithKline K.K. shares and other factors. As a result, the Company has revised its consolidated figures for sales and net income upward to ¥15 billion and ¥11 billion respectively, although operating income and recurring income are expected to remain at the same level.

In terms of non-consolidated financial results, both sales and operating income will increase, and the sale of GlaxoSmithKline K.K. shares will increase net extraordinary gains, resulting in an overall increase in both sales and profits compared with the initial forecast

(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 regarding the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. 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 fluctuations of currency exchange rates.