

**Sumitomo Chemical Unveils New Corporate Business Plan for FY 2013 to FY2015
Change and Innovation—for the next hundredth anniversary**

Sumitomo Chemical today announced its new Corporate Business Plan for the three-year period from fiscal 2013 to fiscal 2015. The year 2015 is the 100th anniversary of the opening of business of Sumitomo Chemical. With the aim of achieving sustained growth for the next 100 years, the Company will commit itself to strengthening the foundations of its business during the three-year period. Under the new plan's slogan of "Change and Innovation—for the next hundredth anniversary," the Company will promote change and innovation in areas of business structure, business development, and corporate culture and work on five priority management issues, including enhancement of its financial strength and restructuring of its businesses, to achieve the targets of the plan.

1. Corporate Vision

- (1) Create new value based on technologies accumulated over years
- (2) With the power of chemistry, help solve global challenges, including the problems of energy, environment and food
- (3) Develop a corporate culture full of can-do spirit and always be a company that society can trust

2. Priority Management Issues

(1) Enhance financial strength

Improve profitability by cutting costs by 80 billion yen from fiscal 2012. Increase asset efficiency by reducing the cash conversion cycle by 25 percent from fiscal 2010. Rigorously select investments and restrict investment cash flows for fiscal 2013 to fiscal 2015. Reduce interest-bearing liabilities to less than 900 billion yen by the end of fiscal 2015.

(2) Restructure businesses

Build a business structure that is highly profitable and resilient to changes in external environment by exiting or downsizing unprofitable businesses and improving its business portfolio.

(3) Develop next-generation businesses

Focus resources on high-growth areas of environment and energy, life sciences, and ICT (Information and Communication Technology) and accelerate the development of next-generation businesses.

(4) Promote globally integrated management

Globally optimize the functions in each business—from R&D to manufacturing, marketing, sales and logistics—in terms of market, technology, cost and business environment.

(5) Ensure full and strict compliance and maintain safe and stable operations

Strengthen compliance systems across the Sumitomo Chemical Group, including subsidiaries and affiliates at home and abroad. Ensure safe and stable operations by enhancing its safety culture and increasing safety assurance capabilities.

3. Consolidated Financial Performance Targets

Under the new Corporate Business Plan, the Company will aim to achieve consolidated net sales of 2.4 trillion yen, operating income of 140 billion yen, ordinary income of 150 billion yen, and net income of 90 billion yen in fiscal 2015, the final year of the plan.

FY2015 Consolidated Financial Performance Targets	
Net sales	2.4 trillion yen
Operating income	140 billion yen
Ordinary income	150 billion yen
Net income	90 billion yen
Interest-bearing liabilities	less than 900 billion yen

(Assumptions)

Exchange rate: ¥80.00/US\$

Naphtha price: ¥60,000/kl

The Company will strive to develop a high-performance business structure by speedy and effective implementation of its new Corporate Business Plan and will progress with confidence to achieve sustainable growth together with society as a diversified global chemical company.

Forward-Looking Statements

Statements made in this material with respect to Sumitomo Chemical's plans, projections, strategies, beliefs, and future performance that are not historical facts are forward-looking statements that are based on information available at the time of the preparation of this material and include risks and uncertainties. Factors that could materially affect actual results of Sumitomo Chemical's future performance include, but are not limited to, economic conditions in the areas of Sumitomo Chemical's business, demand for Sumitomo Chemical's products in markets, downward price pressure on Sumitomo Chemical's products resulting from intensifying competition, Sumitomo Chemical's ability to continue to provide products that are accepted by customers in highly-competitive markets, and movements of currency exchange rates.