

**Sumitomo Chemical Reports  
Consolidated Financial Results  
For the Nine Months Ended December 31, 2014**

The Sumitomo Chemical Group's sales for the nine months ended December 31, 2014, were ¥1,723.0 billion, an increase of ¥116.7 billion compared with the same period of the previous fiscal year. Operating income came to ¥71.4 billion, almost unchanged from the same period of the previous fiscal year. The Group posted ordinary income of ¥98.7 billion and net income of ¥47.2 billion, both representing year-on-year increases.

The Sumitomo Chemical Group's financial results by business segment for the nine-month period were as follows.

**Basic Chemicals**

Sales of methyl methacrylate grew due to an increase in shipments and higher market prices. Sales of aluminum also rose due to higher market prices. However market prices remained low for raw materials for synthetic fibers and shipments of these products decreased. The weaker yen had a positive effect on sales from overseas subsidiaries in yen terms. As a result, the segment's sales increased by ¥25.2 billion from the same period of the previous fiscal year, to ¥230.4 billion. Operating income improved by ¥5.0 billion, to a loss of ¥2.5 billion.

**Petrochemicals & Plastics**

Shipments of synthetic resins from overseas subsidiaries increased, while market prices of petrochemical products and synthetic resins remained high. The weaker yen had a positive effect on sales from overseas subsidiaries in yen terms. As a result, the segment's sales grew by ¥43.8 billion from the same period of the previous fiscal year, to ¥615.2 billion, and operating income rose by ¥4.0 billion, to ¥9.5 billion.

**IT-related Chemicals**

Shipments of polarizing film used in liquid crystal displays (LCDs) increased due to growth in demand, while selling prices of polarizing film declined. Although selling prices of touchscreen panels declined, shipments grew because of increased production capacity. The weaker yen had a positive effect on sales from overseas subsidiaries in yen terms. As a result, the segment's sales increased by ¥24.7 billion compared with the same period of the previous fiscal year, to ¥298.2 billion. Operating income decreased by ¥5.4 billion, to ¥23.8 billion, as it was adversely affected by lower selling prices.

**Health & Crop Sciences**

Sales of the feed additive methionine grew due to a recovery in market prices and an increase in shipments. In the area of crop protection chemicals, shipments decreased in Japan due to the effects of the consumption tax increase, shipments rose in overseas markets due to expanded sales. As a result, including the positive effect of the weaker yen, the segment's sales increased by ¥23.8 billion compared with the same period of the previous fiscal year, to ¥231.0 billion, and operating income grew by ¥8.2 billion, to ¥22.8 billion.

### Pharmaceuticals

In North America, shipments of Lunesta® (sedative hypnotic) decreased sharply as marketing exclusivity ended. Shipments of Latuda® (atypical antipsychotic), however, expanded significantly. In China, shipments of Meropen® (carbapenem antibiotic) showed steady growth. In Japan, overall sales decreased sharply due to the impacts of Japanese National Health Insurance drug price revisions and competition from generic drugs. As a result, the segment's sales declined by ¥4.8 billion compared with the same period of the previous fiscal year, to ¥303.1 billion, and operating income decreased by ¥11.6 billion, to ¥27.6 billion.

### Others

In addition to the above five segments, the Sumitomo Chemical Group engages in supplying electrical power and steam, providing services for the design, engineering, and construction management of chemical plants, providing transport and warehousing, and conducting materials and environmental analysis. The segment's sales increased by ¥4.0 billion compared with the same period of the previous fiscal year, to ¥45.0 billion. Operating income decreased by ¥0.2 billion, to ¥5.0 billion.

## Summary of Consolidated Results

### (1) Results of Operations:

	9 Months ended December 31, 2014		9 Months ended December 31, 2013
	Yen (Millions)	USD (Thousands)*	Yen (Millions)
Net sales	1,722,957	14,292,468	1,606,250
Operating income	71,360	591,954	71,161
Ordinary income	98,687	818,640	72,643
Income before income taxes and minority interests	99,979	829,357	63,082
Net income	47,218	391,688	24,553
	Yen	USD*	Yen
Net income per 1,000 shares	28,889	240	15,021
	Yen (Millions)	USD (Thousands)*	Yen (Millions)
Comprehensive income	170,059	1,410,693	148,654

### (2) Financial Position:

	As of December 31, 2014		As of March 31, 2014
	Yen (Millions)	USD (Thousands)*	Yen (Millions)
Total assets	3,076,836	25,523,318	2,788,507
Total net asset	1,077,773	8,940,465	934,506

### (3) Cash Flows:

	9 Months ended December 31, 2014		9 Months ended December 31, 2013
	Yen (Millions)	USD (Thousands)*	Yen (Millions)
Cash flows from operating activities	(12,697)	(105,326)	93,991
Cash flows from investing activities	(32,512)	(269,697)	(124,376)
Cash flows from financing activities	112,456	932,858	57,331
Cash and cash equivalents at end of period	219,711	1,822,572	162,739

### (4) Results of Operations by Business Segment:

	9 Months ended December 31, 2014		9 Months ended December 31, 2013
	Yen (Millions)	USD (Thousands)*	Yen (Millions)
Net sales			
Basic Chemicals	230,429	1,911,481	205,209
Petrochemicals & Plastics	615,208	5,103,343	571,424
IT-related Chemicals	298,247	2,474,052	273,529
Health & Crop Sciences	230,965	1,915,927	207,178
Pharmaceuticals	303,094	2,514,260	307,938
Others	45,014	373,405	40,972
	1,722,957	14,292,468	1,606,250
Operating income (loss)			
Basic Chemicals	(2,521)	(20,912)	(7,475)
Petrochemicals & Plastics	9,458	78,457	5,415
IT-related Chemicals	23,766	197,146	29,189
Health & Crop Sciences	22,836	189,432	14,653
Pharmaceuticals	27,581	228,793	39,208
Others	5,031	41,734	5,255
Adjustments	(14,791)	(122,696)	(15,084)
	71,360	591,954	71,161

(Note)

\*:U.S. dollar amounts are translated from yen, for convenience only, at the rate of  
¥120.55= \$1 prevailing on December 31, 2014.