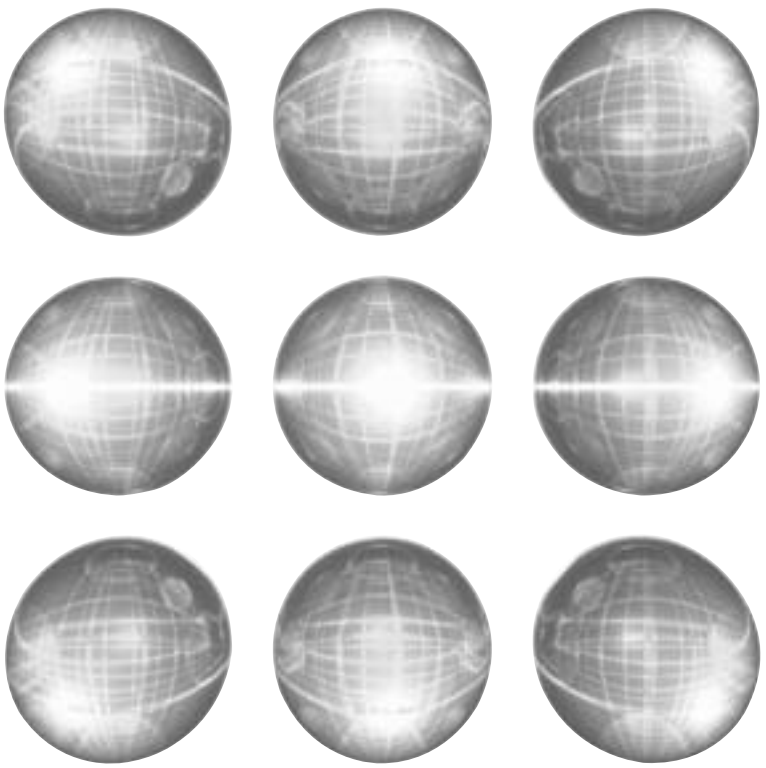
CSR REPORT 2008 DATA BOOK

SUMITOMO CHEMICAL



SUSTAINABLE CHEMISTRY

SUMITOMO CHEMICAL CO.,LTD

1 Management System

—Introduction of Management System Based on International Standards

1. Environmental Management System (ISO14001)

ISO14001:1996 certification was obtained at all Works between 1997 and 1999. From 2005 to 2006, these Works submitted to transitional inspections and obtained certification for ISO14001:2004, the revised version of ISO14001:1996. Among the Sumitomo Chemical Group companies, 16 domestic Group companies and six overseas Group companies had obtained ISO14001:2004 certification as of July 2008.

Acquisition of ISO14001 Certification for Sumitomo Chemical's Five Works

Works and Certificate Number	ISO14001:1996 Certification Date	ISO14001: 2004 Certification Date
Ehime Works [JCQA-E-018]	April 1998	April 2006
Chiba Works [KHK-97ER-04]	June 1997	March 2006
Osaka Works (Kasugade) [JQA-E-90072	November 1997	January 2006
Osaka Works (Gifu Plant) [JCQA-E-0206]	December 2000	December 2005
Osaka Works (Okayama Plant) [JCQA-E-0218]	January 2001	February 2006
Oita Works [JQA-E-90152]	March 1998	April 2006
Misawa Works [JQA-EM0355]	March 1999	February 2006

2. Quality Management System (ISO9001)

Certification of compliance with ISO9002:1994 was completed for all Works except the Osaka Works (Gifu Plant)* between 1994 and 1998. After successfully completing inspections and examinations between 2002 and 2003, Sumitomo Chemical made the transition from compliance with ISO9002:1994 to ISO9001:2000, the 2000 revision of the ISO9000 series. As of July 2008, 24 domestic Group companies and eight overseas Group companies had obtained ISO9000 series certification.

* The Osaka Works (Gifu Plant) has been pursuing Good Manufacturing Practice (GMP) management as have other Works, including the Osaka Works (Kasugade and Okayama Plants), the Oita Works and the Misawa Works.

Acquisition of ISO9000 Series Certification for Sumitomo Chemical's Five Works

Works and Certificate Number	ISO9002:1994 Certification Date	ISO9001: 2000 Certification Date
Ehime Works [JCQA-0019] [JCQA-0320] [QA-00-012A]	October 1994 April 1998 —	December 2002 March 2003 June 2000
Chiba Works [JQA-0829]	March 1995	September 2002
Osaka Works (Kasugade) [JQA-0721]	December 1994	December 2002
Osaka Works (Okayama Plant) [JQA-1650]	March 1997	September 2003
Oita Works [JQA-1069]	December 1995	February 2003
Misawa Works [JQA-0752]	December 1994	December 2002

3. Occupational Safety and Health Management System (OSHMS)

The Chiba Works acquired Occupational Safety and Health Management System (OSHMS) certification, accredited by the Japan Industrial Safety and Health Association (JISHA), in May 2003, becoming the first plant in Japan to receive such certification. In 2007, Sumitomo Chemical took the lead in obtaining this certification for all of its entire facilities (five Works and two Research Laboratories).

Acquisition of OSHMS Certification for Sumitomo Chemical's Five Works and Two Research Laboratories

Facilities	Certificate Number	Certification Date
Ehime Works	04-38-1	September 2004
Chiba Works	03-12-1	May 2003
Osaka Works (Kasugade)	05-27-3	February 2005
Oita Works	06-44-1	July 2006
Misawa Works	05-2-1	November 2005
Agricultural Chemicals Research Laboratory	07-28-9	January 2007
Tsukuba Research Laboratory	05-8-3	December 2005

2 Occupational Health and Safety

(1) Criteria for the President's Safety Award for Zero-Accident, Zero-Lost Workday Operations, and Results

Sumitomo Chemical has set facility-specific criteria for the achievement of continuous periods of zero-accident and zero-injury operations for the employees as well as contractors. The President's Safety Award is presented to facilities in recognition of their satisfaction of the above-mentioned criteria.

1. Sumitomo Chemical Employees

Facilities	Criteria for the President's Safety Award (Continuous periods of zero-accident, zero-lost workday operations)	Fiscal 2007 Results
Ehime Works	3 million hours	(Expected to reach the target of 3 million hours in April 2009)
Chiba Works	3 million hours	(Expected to reach the target of 3 million hours in September 2008)
Osaka Works	3 million hours	(Expected to reach the target of 3 million hours in November 2008)
Oita Works	1 million hours	Reached 3 million hours in August 2007
Misawa Works	30 months	(Expected to reach the target of 60 months in September 2008)
Agricultural Chemicals Research Laboratory	30 months	(Expected to reach the target of 270 months in December 2008)
Tsukuba Research Laboratory	30 months	(Expected to reach the target of 240 months in March 2009)

2. Contractors/Affiliated Company Employees

Associations	Criteria for the President's Safety Award (Continuous periods of zero-accident, zero-lost workday operations)	Fiscal 2007 Results
Ehime Association (Plant maintenance)	24 months	(Expected to reach the target of 24 months in May 2010)
Ehime Logistics Association (Logistics)	24 months	(Expected to reach the target of 24 months in November 2009)
Chiba Association (Plant maintenance)	24 months	(Expected to reach the target of 24 months in January 2010)
Chiba Logistics Association (Logistics)	24 months	(Expected to reach the target of 48 months in August 2008)
Osaka Association	24 months	Reached 72 months on May 26, 2007 (for the third time in a row)
Okayama Association	48 months	(Expected to reach the target of 48 months in December 2008)
Oita Association	24 months	(Expected to reach the target of 24 months in August 2009)
Misawa Association	48 months	(Expected to reach the target of 144 months in April 2011)
Agricultural Chemicals Research Laboratory Association	48 months	(Expected to reach the target of 144 months in March 2011)
Tsukuba Association	48 months	Reached 96 months in September 2007

(2) Safety Achievements of Group Companies

The number of lost workday injuries and the frequency rate for lost workday injuries of Sumitomo Chemical Group companies, excluding Sumitomo Chemical, for fiscal 2007 declined compared with fiscal 2006. We aim to improve the safety achievements of the entire Group by promoting detailed information-sharing on accidents and related matters throughout the Group.

	Number of lost workday injuries	Frequency rate for lost workday injuries
FY 2006	8 cases	0.27
FY 2007	14 cases	0.48

3 Environmental Preservation

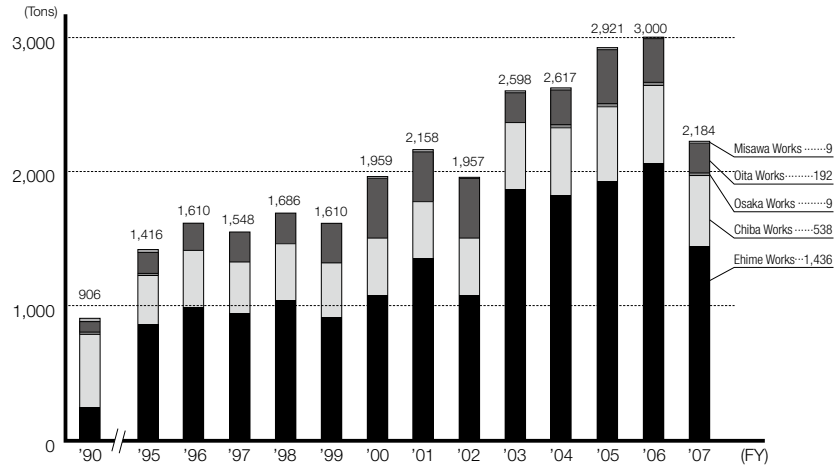
[Preventing Pollution]

1. Atmospheric emissions of SOx, NOx, soot, and dust

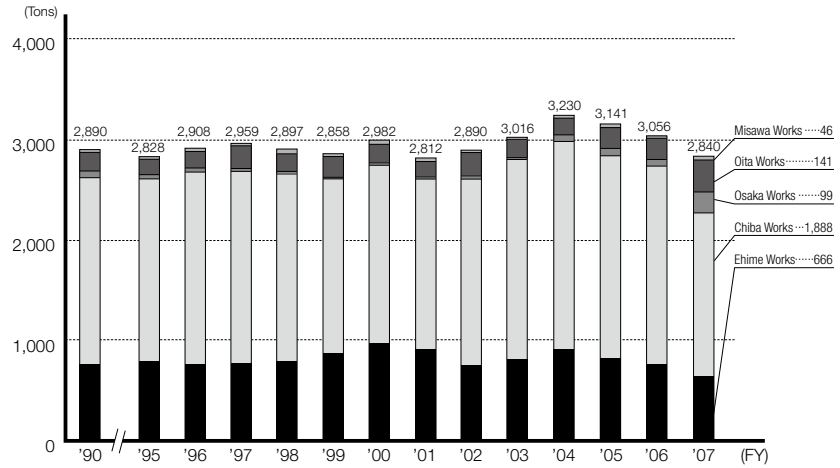
Since 1970, Sumitomo Chemical has achieved a marked reduction in the release of SOx, NOx, soot, and dust into the atmosphere, and has continued to maintain this low level of emissions from 1980 to the present. Furthermore, the Company has concluded cooperative agreements with local municipal governments at each of its Works, establishing voluntary control levels that are stricter than the standards of applicable laws and regulations. Accordingly, each Works is making efforts to sustain emission levels below these voluntary control levels. Although emissions of SOx have risen over the past few years due to the increased use of high-sulfur heavy oil, these levels are still substantially lower than the voluntary control levels.

Target:
Continue to sustain levels below voluntary control standard values

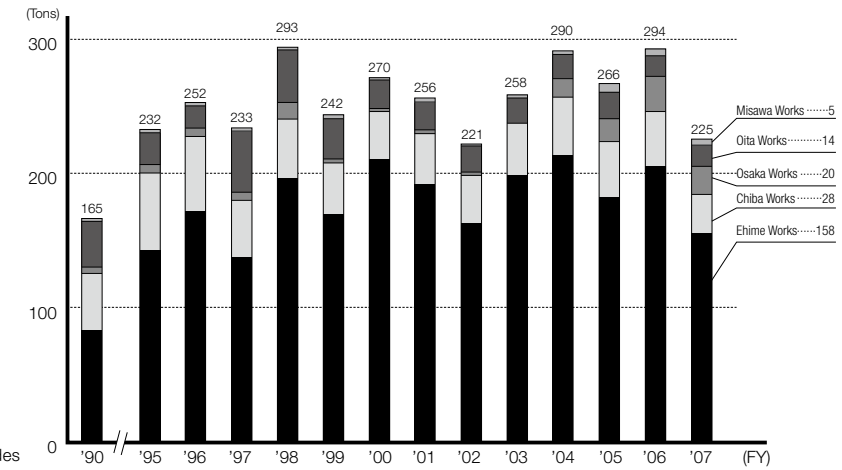
SOx Emissions



NOx Emissions



Soot and Dust Emissions



Misawa Works
Oita Works
Osaka Works
Chiba Works
Ehime Works

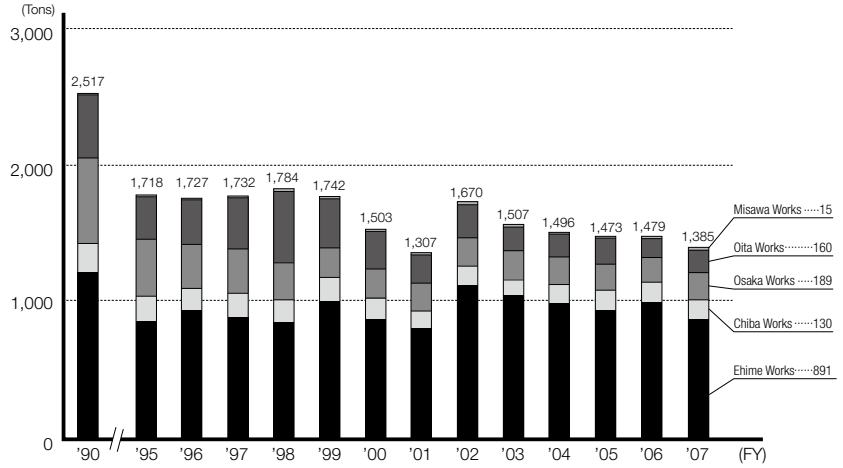
* Data since fiscal 2004 for the Osaka Works includes data for both the Gifu and Okayama Plants.

2. Water emissions of COD, nitrogen, and phosphorus

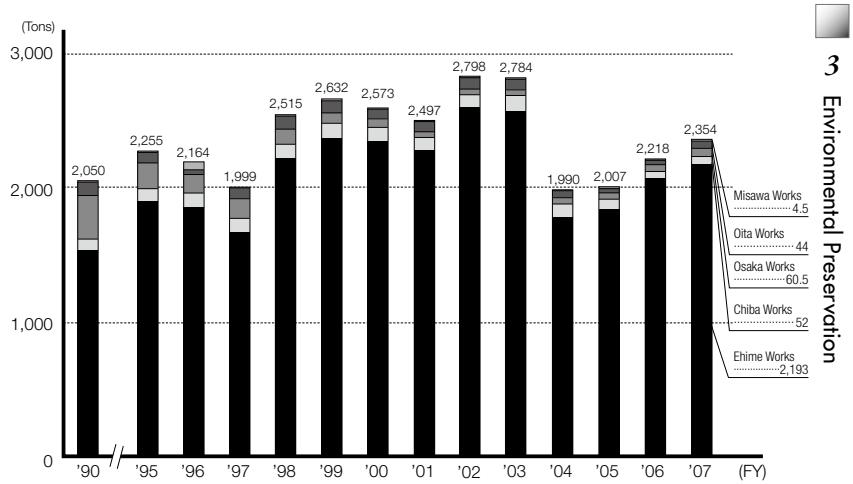
Sumitomo Chemical has also concluded cooperative agreements with local municipal governments to establish voluntary control levels for COD, nitrogen, and phosphorus released into waterways. These standards are also stricter than those established under applicable laws and regulations. A number of measures have been implemented to cut emissions in line with fifth-generation Water Quality Standards, and emissions of nitrogen and phosphorus in particular have been significantly reduced since fiscal 2004.

Target:
Continue to sustain levels below voluntary control standard values

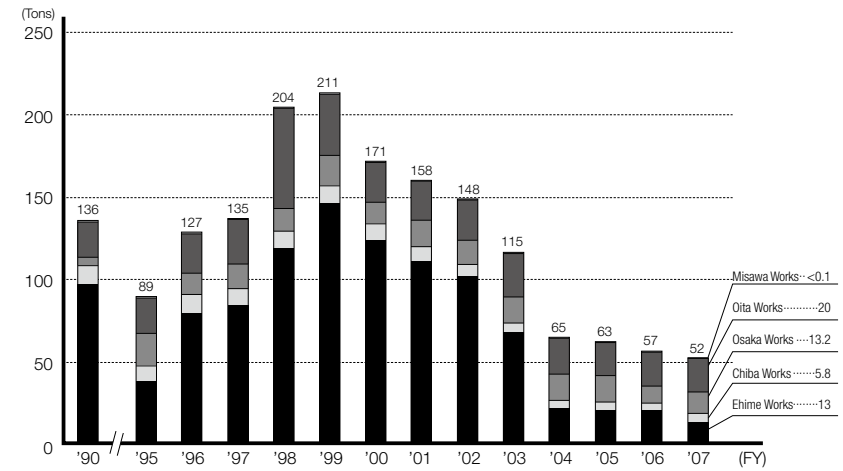
COD Emissions



Nitrogen Emissions



Phosphorus Emissions



* Data since fiscal 2004 for the Osaka Works includes data for both the Gifu and Okayama Plants.

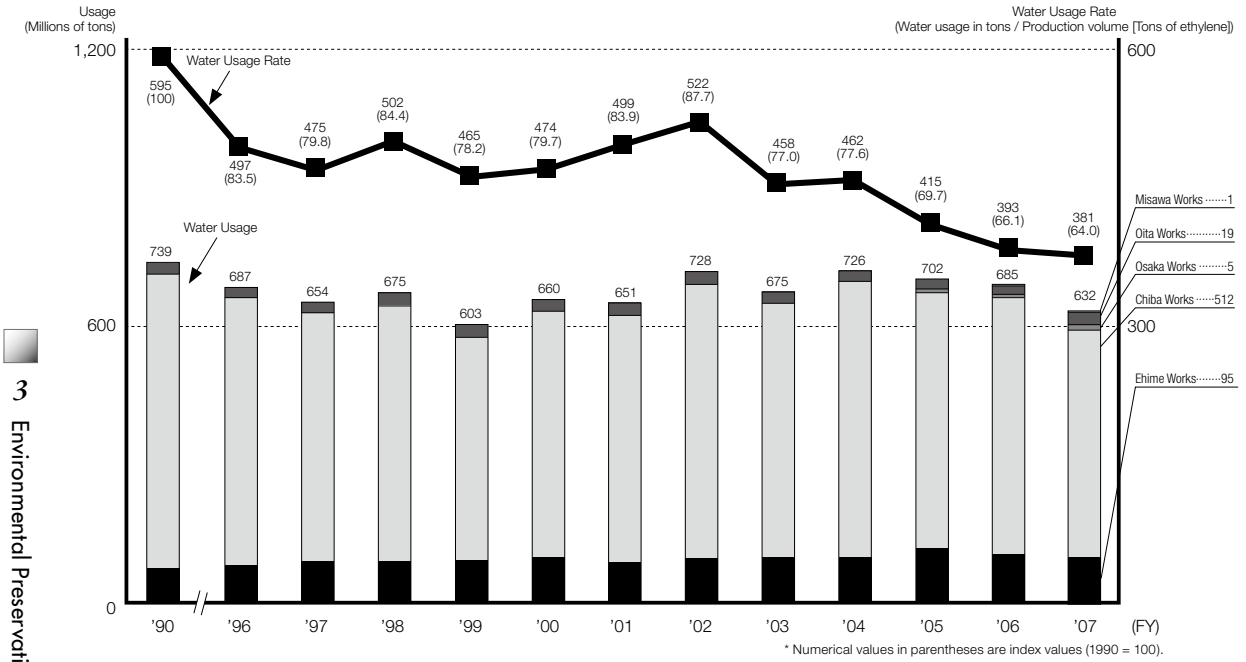
[Promoting Efficient Use of Water]

Sumitomo Chemical has endeavored to promote the efficient use of water as a precious and essential resource. In fiscal 2007 water usage declined by 53 million tons to 632 million tons year-on-year, marking a 3.2% improvement in the water usage rate.

Target:
Efficient use of water resources

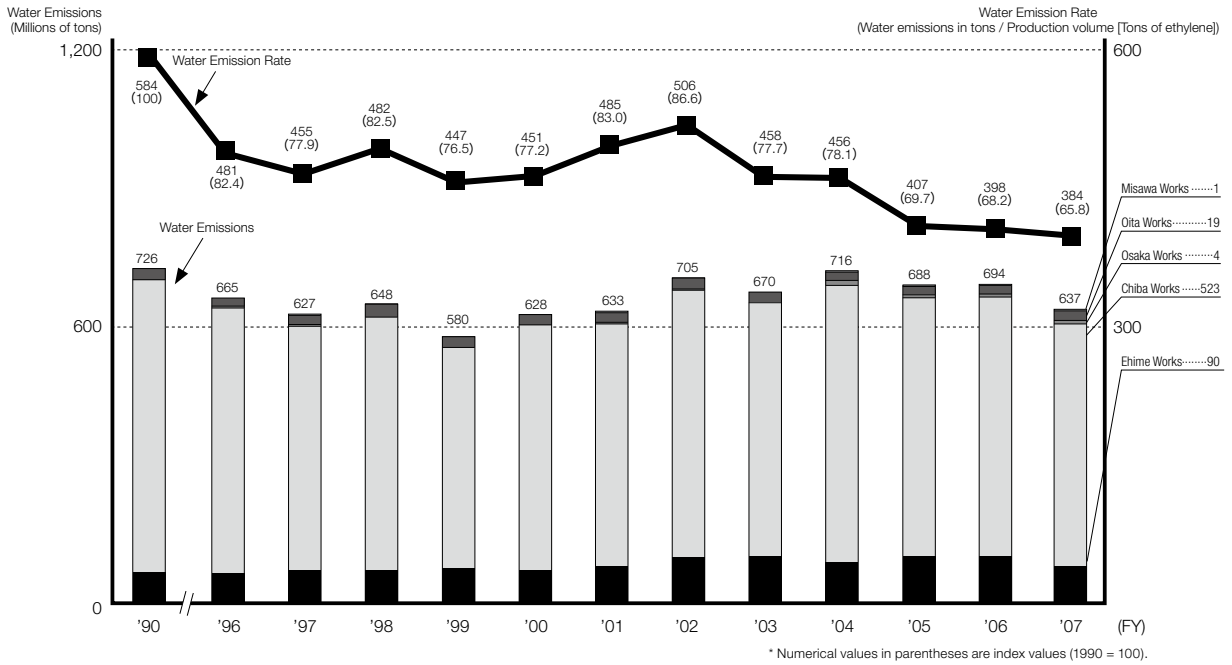
Misawa Works
Oita Works
Osaka Works
Chiba Works
Ehime Works

Water Usage and Water Usage Rate



* Numerical values in parentheses are index values (1990 = 100).

Water Emissions and Water Emission Rate



* Numerical values in parentheses are index values (1990 = 100).

* Data since fiscal 2004 for the Osaka Works includes data for both the Gifu and Okayama Plants.

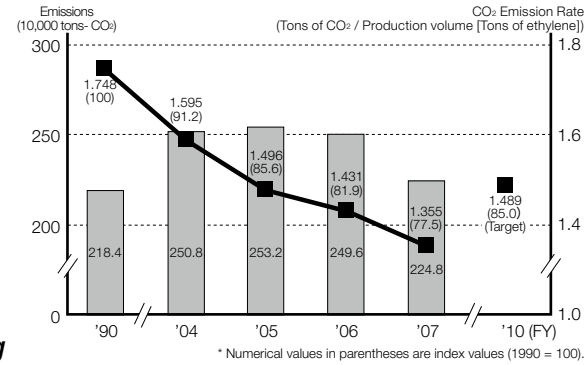
[Reducing Greenhouse Gas Emissions]

1. CO_2

In fiscal 2007, Sumitomo Chemical's CO_2 emissions totaled 4.711 million tons, a 1.7% decrease compared with the previous fiscal year. This represents a 27.8% increase compared with fiscal 1990. Nevertheless, in fiscal 2007, the CO_2 emission rate from in-house fossil fuel consumption improved by 5.3% compared with the previous fiscal year, representing a 22.5% reduction over figures for fiscal 1990.

Target: Achieve a 15% reduction relative to fiscal 1990 in the CO_2 emission rate originating from fossil fuels consumed in-house by fiscal 2010

CO_2 Emissions from In-house Fossil Fuel Consumption and Corresponding Emission Rate



* Numerical values in parentheses are index values (1990 = 100).

2. Greenhouse Gases (all six gases)

Emissions of all six greenhouse gases decreased by 1.8% from the previous year to 4.769 million tons (CO_2 conversion).

Note: The emissions of all six gases reported to the government under the Act on Promotion of Global Warming Countermeasures was 4.208 million tons (CO2 conversion).

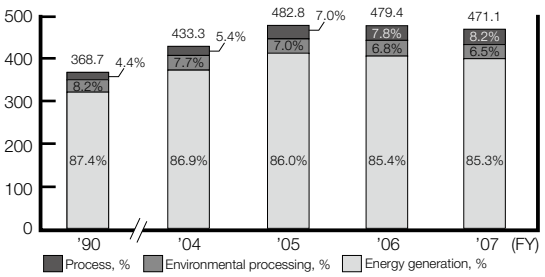
Emissions of Greenhouse Gases (all six gases)

(10,000 tons-CO2 conversion)

	FY 2005	FY 2006	FY 2007
CO_2	482.8	479.4	471.1
Methane	0.01	0.01	0.01
Nitrous oxide (N_2O)	5.7	6.4	5.8
Hydrofluorocarbon (HFC)	<0.01	<0.01	0.02
Perfluorocarbon (PFC)	0	0	0
Sulfur hexafluoride	0	0	0
Total	488.5	485.8	476.9

* CO_2 figures for fiscal 2005 and fiscal 2006 have been revised due to improved accuracy of data.

Ratio of CO_2 Emissions by Source



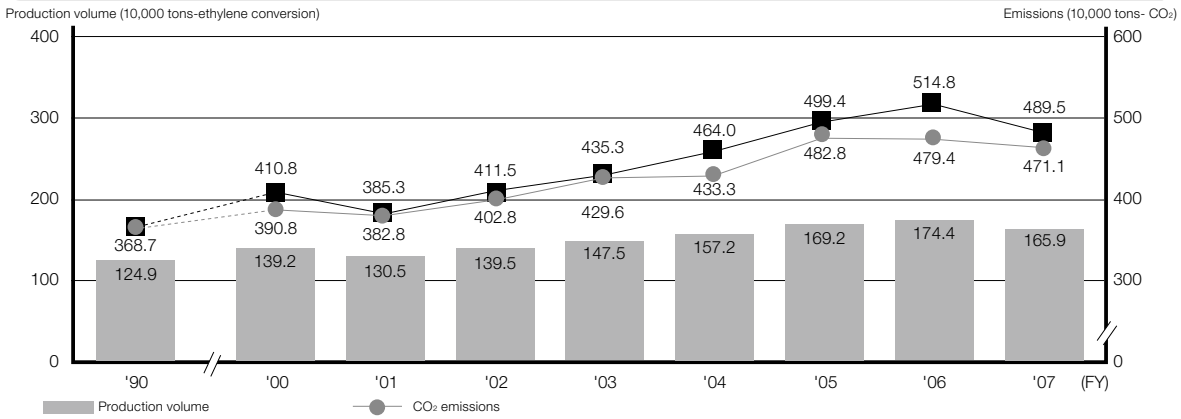
* CO_2 figures for fiscal 2004 to fiscal 2006 have been revised due to improved accuracy of data.

[Examination of CO_2 Emission Calculation System and Analysis Methods]

1. Quantitative analysis of effects of CO_2 reductions

Production indicators and reductions in CO_2 emission rates are analyzed to determine quantitative trends in CO_2 emissions.

CO_2 Emissions

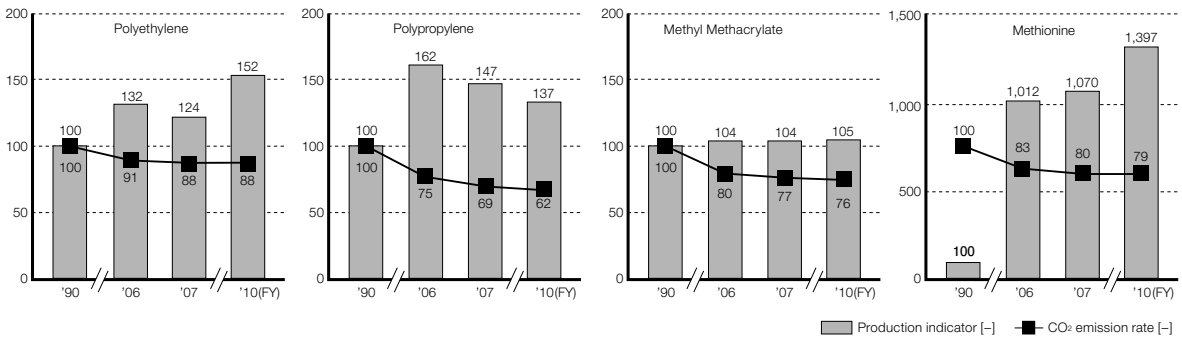


* Figures for fiscal 1990 and those for fiscal 2004 to 2007 include data for both the Gifu and Okayama Plants of the Osaka Works.
* Figures for past fiscal years have been revised due to improved accuracy of data.

2. Analysis of CO2 Emission Trends by Product Group

Improvement targets are identified and efforts are made to enhance efficiency through a quantitative understanding of CO_2 emission rates for individual product groups. Examples are provided for the product groups below.

CO_2 Emissions by Product



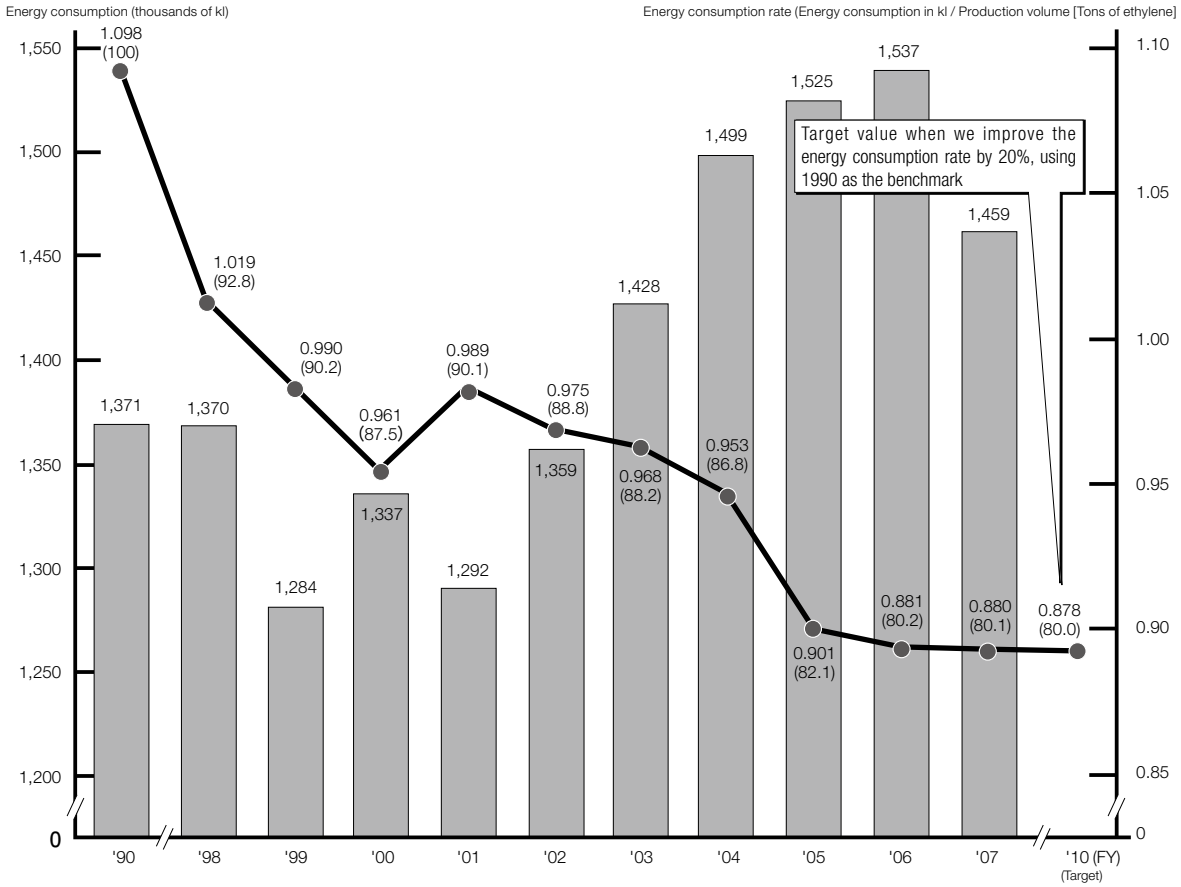
* Indicators and rates based on 1990 values as corresponding to 100.

[Energy Conservation]

In fiscal 2007, Sumitomo Chemical consumed 1.459 million kl of energy (crude oil conversion), representing a 5.1% decrease over the previous fiscal year, due to large-scale regular repairs implemented at the Chiba Works. On the other hand, the energy consumption rate remained almost flat over the previous fiscal year (0.1% improvement).

***Target:** Improve the energy consumption rate for fiscal 2010 by 20% over fiscal 1990.*

Energy Consumption and Energy Consumption Rate



* Figures for fiscal 1990 (base year) and those for fiscal 2004 to 2007 include data for both the Gifu and Okayama Plants of the Osaka Works.

[Response to the Pollutant Release and Transfer Register (PRTR)]

Based on the results of risk assessments and release evaluations, Sumitomo Chemical has set for itself a new target for reducing release volumes (into the air and water) of PRTR substances by 50%, relative to fiscal 2002 levels, by fiscal 2010, and is currently implementing a variety of systematic measures to that end. In fiscal 2007, the Company released a total of 606.2 tons of such substances, a decrease of 8.9% from the previous fiscal year.

Release and Transfer of PRTR Substances in Fiscal 2007

Unit: Tons (Dioxins are measured in mg-TEQ.)

No.	PRTR Substances	JCIA Substances	Name of Chemical Compound	Amount Released					Amount Transferred		
				Air	Water	Soil	Landfill	Total	Sewerage	Waste	Total
1	○	○	Zinc compounds (water-soluble)	0.0	0.8	0.0	0.0	0.8	0.0	163.8	163.8
2	○	○	Acrylic amid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	○	○	Acrylic acid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	○	○	Methyl acrylate	1.4	0.0	0.0	0.0	1.4	0.0	1.2	1.2
5	○	○	Acrylonitrile	9.3	0.1	0.0	0.0	9.4	0.0	0.0	0.0
6	○	○	Acrolein	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7		○	Adipic acid	0.8	5.0	0.0	0.0	5.8	0.0	0.0	0.0
8	○	○	Acetaldehyde	0.2	<0.1	0.0	0.0	0.2	0.0	0.0	0.0
9	○	○	Acetonitrile	0.1	0.0	0.0	0.0	0.1	0.0	46.6	46.6
10		○	Acetone	64.3	0.5	0.0	0.0	64.8	0.0	211.8	211.8
11	○	○	2,2'-Azobisisobutyronitrile	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	○	○	o-Anisidine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	○	○	Aniline	0.8	0.0	0.0	0.0	0.8	0.0	307.9	307.9
14	○	○	2-Aminoethanol	0.0	0.3	0.0	0.0	0.3	0.0	3.8	3.8
15	○	○	Allyl alcohol	0.1	0.0	0.0	0.0	0.1	0.0	3.6	3.6
16	○	○	Linear alkylbenzenesulfonate and its chlorides (alkyl c=10-14)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	○	○	Antimony and its compounds	0.0	0.0	0.0	0.0	0.0	0.0	4.1	4.1
18		○	Ammonia	6.1	0.2	0.0	0.0	6.3	0.0	15.1	15.1
19		○	Aluminum compounds (water-soluble)	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5
20	○	○	Isoprene	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	○	○	O-ethyl O-(6-nitro-m-tolyl) sec-butylphosphoramidothioate (also known as butamifos)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22		○	2-ethyl-1-hexanol	<0.1	0.0	0.0	0.0	<0.1	0.0	643.9	643.9
23	○	○	Ethylbenzene	7.7	0.1	0.0	0.0	7.8	0.0	5.9	5.9
24	○	○	Ethylene oxide	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	○	○	Ethylene glycol	0.0	0.0	0.0	0.0	0.0	0.0	13.1	13.1
26	○	○	Epichlorohydrin	4.9	4.6	0.0	0.0	9.5	0.0	0.0	0.0
27	○	○	1,2-epoxypropane (also known as propylene oxide)	41.6	<0.1	0.0	0.0	41.6	0.0	0.0	0.0
28		○	Hydrogen chloride (excluding hydrochloric acid)	1.0	0.0	0.0	0.0	1.0	0.0	0.2	0.2
29		○	Chlorine	<0.1	0.0	0.0	0.0	<0.1	0.0	0.0	0.0
30	○	○	ε-Caprolactam	0.5	43.8	0.0	0.0	44.3	0.0	0.5	0.5
31		○	Formic acid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
32	○	○	2,6-xylenol	0.0	0.0	0.0	0.0	0.0	0.0	4.9	4.9
33	○	○	Xylene	19.1	0.3	0.0	0.0	19.4	<0.1	25.6	25.6
34		○	Cumene/isopropylbenzene	143.7	0.1	0.0	0.0	143.8	0.0	0.0	0.0
35	○	○	Cresol (o.m.p)	0.2	<0.1	0.0	0.0	0.2	0.0	0.0	0.0
36		○	Chlorosulphonic acid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	○	○	Chloroacetyl chloride	<0.1	0.0	0.0	0.0	<0.1	0.0	<0.1	<0.1
38	○	○	p-Chloroaniline	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
39	○	○	Chloroethane	10.5	0.0	0.0	0.0	10.5	0.0	0.0	0.0
40	○	○	3-Chloropropene (also known as allyl chloride)	5.7	0.0	0.0	0.0	5.7	0.0	0.0	0.0
41	○	○	Chlorobenzene	11.0	<0.1	0.0	0.0	11.0	0.0	1122.1	1122.1
42	○	○	Chloroform	0.8	0.0	0.0	0.0	0.8	0.0	44.0	44.0
43	○	○	Cobalt and its compounds	0.0	0.0	0.0	0.0	0.0	0.0	<0.1	<0.1
44		○	Ethyl acetate	10.2	0.1	0.0	0.0	10.3	0.0	138.1	138.1
45	○	○	Vinyl acetate	104.1	<0.1	0.0	0.0	104.1	0.0	82.9	82.9
46	○	○	Salicyl aldehyde	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
47	○	○	α-Cyano-3-phenoxybenzyl 3-(2,2-dichlorovinyl) -2,2-dimethlcyclopropan ecarboxylate (also known as cypermethrin)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
48	○	○	Inorganic cyanide compounds (excluding complex salts and cyanates)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
49		○	Diethanolamine	0.0	0.4	0.0	0.0	0.4	0.0	1.6	1.6
50	○	○	1,4-Dioxane	0.0	0.0	0.0	0.0	0.0	0.0	142.7	142.7
51		○	Cyclohexanol	18.0	<0.1	0.0	0.0	18.0	0.0	102.3	102.3
52		○	Cyclohexane	58.3	0.0	0.0	0.0	58.3	0.0	0.0	0.0
53	○	○	Cyclohexylamine	0.0	<0.1	0.0	0.0	<0.1	0.0	13.4	13.4
54	○	○	1,2-Dichloroethane	9.2	0.0	0.0	0.0	9.2	0.0	121.0	121.0
55	○	○	Dichlorodifluoromethane (also known as CFC-12)	2.9	0.0	0.0	0.0	2.9	0.0	0.0	0.0
56	○	○	1,2-Dichloropropane	0.0	0.0	0.0	0.0	0.0	0.0	575.8	575.8
57	○	○	1,3-Dichloropropene (also known as D-D)	0.3	0.0	0.0	0.0	0.3	0.0	374.2	374.2
58	○	○	o-Dichlorobenzene	0.2	0.0	0.0	0.0	0.2	0.0	196.7	196.7
59	○	○	Dichloropentafluoropropane (also known as HCFC-225)	28.8	0.0	0.0	0.0	28.8	0.0	0.0	0.0
60	○	○	Dichloromethane (also known as methylene chloride)	15.9	0.0	0.0	0.0	15.9	0.0	184.9	184.9
61	○	○	2,4-Dinitrophenol	0.0	0.0	0.0	0.0	0.0	0.0	59.9	59.9
62	○	○	Diphenylamine	0.1	0.0	0.0	0.0	0.1	0.0	7.7	7.7
63		○	2,6-Di-t-butyl-4-methylphenol/BHT	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.3
64		○	Dimethylamine	0.0	51.2	0.0	0.0	51.2	0.0	2.2	2.2

Release and Transfer of PRTR Substances in Fiscal 2007

Unit: Tons (Dioxins are measured in mg-TEQ.)

No.	PRTR Substances	JCIA Substances	Name of Chemical Compound	Amount Released					Amount Transferred		
				Air	Water	Soil	Landfill	Total	Sewerage	Waste	Total
65	○	○	N,N-Dimethylformamide	0.6	0.0	0.0	0.0	0.6	0.0	319.1	319.1
66		○	Hydrogen bromide	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
67		○	Oxalic acid	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8
68		○	Bromine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
69		○	Nitric acid	2.3	0.0	0.0	0.0	2.3	0.0	9.0	9.0
70	○	○	Styrene	3.6	0.0	0.0	0.0	3.6	0.0	<0.1	<0.1
71	○	○	Dioxines (in mg-TEQ)	29.7	18.7	0.0	0.0	48.4	0.0	15.9	15.9
72	○	○	Thiourea	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.7
73	○	○	O,O-Dimethyl O-(3-methyl-4-nitrophenyl) phosphorothioate (also known as fenitrothion or MEP)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
74	○	○	1,3,5,7-Tetraazatricyclo[3.3.1.1^{3,7}] decane (also known as hexamethylenetetramine)	<0.1	0.0	0.0	0.0	<0.1	0.0	0.0	0.0
75		○	Tetrahydrofuran	10.6	0.2	0.0	0.0	10.8	0.0	71.9	71.9
76	○	○	Terephthalic acid	0.0	0.0	0.0	0.0	0.0	0.0	343.6	343.6
77	○	○	Copper salts (water-soluble, excluding complex salts)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
78		○	Triethanolamine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
79		○	Triethylamine	10.1	16.6	0.0	0.0	26.7	0.0	58.4	58.4
80	○	○	2,4,6-Trichloro-1,3,5-triazine (cyanuric chloride)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
81	○	○	Trichlorotrifluoroethane (also known as CFC-113)	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
82	○	○	Trichlorofluoromethane (also known as CFC-11)	1.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0
83		○	Trimethylamine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
84	○	○	o-Toluidine	0.0	0.0	0.0	0.0	0.0	0.0	183.9	183.9
85	○	○	Toluene	196.1	1.6	0.0	0.0	197.7	<0.1	2048.8	2048.8
86	○	○	Nickel compounds	0.0	0.0	0.0	0.0	0.0	0.0	1.1	1.1
87	○	○	N-Nitrosodiphenylamine	0.0	0.0	0.0	0.0	0.0	0.0	23.1	23.1
88	○	○	p-Nitrophenol	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
89	○	○	Nitrobenzene	0.6	1.1	0.0	0.0	1.7	0.0	70.0	70.0
90	○	○	Hydrazine	0.1	0.1	0.0	0.0	0.2	0.0	8.8	8.8
91	○	○	Hydroquinone	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
92	○	○	Pyridine	1.6	0.7	0.0	0.0	2.3	0.0	6.6	6.6
93	○	○	Pyrocatechol (also known as catechol)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
94	○	○	Phenol	<0.1	0.0	0.0	0.0	<0.1	0.0	6.6	6.6
95	○	○	3-Phenoxybenzyl 3-(2,2-dichlorovinyl)-2,2-dimethylcyclopropanecarboxylate (also known as permethrin)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
96	○	○	1,3-Butadiene	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
97		○	Diisobutyl phthalate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
98	○	○	Di-n-butyl phthalate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
99	○	○	Bis (2-Ethylhexyl) phthalate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
100		○	Butylalcohol	0.9	0.0	0.0	0.0	0.9	0.0	3.2	3.2
101		○	Butyraldehyde	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
102		○	Propyl alcohol	10.5	0.2	0.0	0.0	10.7	0.0	144.6	144.6
103	○	○	2-Bromopropane	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.4
104		○	n-Hexane	1842.2	<0.1	0.0	0.0	1842.2	0.0	335.9	335.9
105	○	○	Benzyl chloride	<0.1	0.0	0.0	0.0	<0.1	0.0	0.0	0.0
106	○	○	Benzaldehyde	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
107	○	○	Benzene	13.8	0.2	0.0	0.0	14.0	0.0	<0.1	<0.1
108		○	Pentaerythritol	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
109	○	○	Boron and its compounds	0.0	0.9	0.0	0.0	0.9	0.0	4.1	4.1
110	○	○	Phosgene	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
111	○	○	Poly (oxyethylene) alkyl ether (alkyl c=12-15)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
112	○	○	Formaldehyde	0.1	<0.1	0.0	0.0	<0.1	1.8	0.0	1.8
113	○	○	Manganese and its compounds	0.0	0.4	0.0	0.0	0.4	0.0	25.9	25.9
114	○	○	Phthalic anhydride	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
115	○	○	Maleic anhydride	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
116	○	○	Methacrylic acid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
117	○	○	2,3-Epoxypropyl methacrylate	16.1	0.0	0.0	0.0	16.1	0.0	0.0	0.0
118	○	○	Methyl methacrylate	42.0	0.0	0.0	0.0	42.0	0.0	95.8	95.8
119		○	Methanethiol	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120	○	○	(Z)-2'-Methylacetophenone 4,6-dimethyl-2-pyrimidinylhydrazone (also known as ferimzone)	0.0	<0.1	0.0	0.0	<0.1	0.0	0.0	0.0
121		○	Methylamine	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
122		○	Methyl alcohol (methanol)	46.3	1.2	0.0	0.0	47.5	0.0	800.5	800.5
123		○	N-Methylpyrrolidone	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
124		○	Methylbutylketone	82.6	0.6	0.0	0.0	83.2	0.0	39.3	39.3
125		○	Sulfuric acid	2.2	0.0	0.0	0.0	2.2	0.0	44.5	44.5
126		○	Diethyl sulfate	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
127		○	Dimethyl sulfate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
128		○	Phosphorus and its compounds	0.1	26.3	0.0	0.0	26.4	0.0	2.2	2.2
			Total substances used by Sumitomo Chemical: 128 (FY 2007)	2861.7	157.5	0.0	0.0	3019.2	1.8	9274.4	9276.2

* The PRTR Act indicates the use of kilograms (rounded off to two significant figures) to express weight, but in this report numerical values are expressed in tons rounded off to one decimal place (except for dioxins, expressed in mg-TEQ).

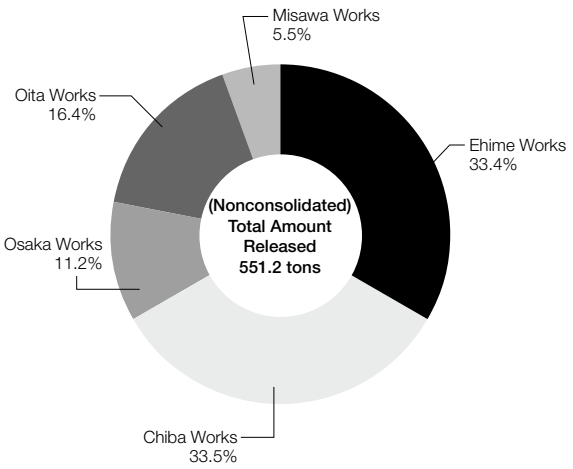
Release and Transfer of PRTR Substances in Fiscal 2007

		Released			Transferred		
		Air	Water	Subtotal	Sewage	Waste	Subtotal
PRTR substances	Non-consolidated (89 substances)	551.2	55.0	606.2	1.8	6,645.2	6,647.0
	Group	1,571.7	100.1	1,671.8	7.2	10,739.9	10,747.1
JCIA substances	Non-consolidated (128 substances)	2,861.7	157.5	3,019.2	1.8	9,274.4	9,276.2

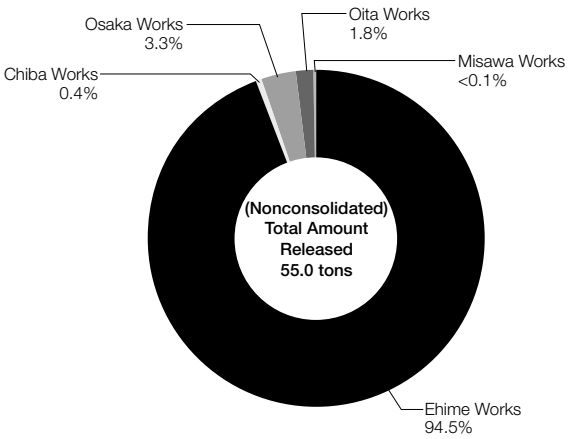
* Figures for the release and transfer of PRTR substances for the Group for fiscal 2007 reflect totals for Sumitomo Chemical and its 16 domestic Group companies.

Amount Released by Works

Release into the Air (PRTR substances)



Release into the Waterways (PRTR substances)



[Initiatives to Reduce Emissions of Volatile Organic Compounds]

Under the Air Pollution Control Law, volatile organic compounds (VOC) have become subject to stricter regulations (from 2004). Sumitomo Chemical thus established a target that is stricter than the criteria under the law to reduce VOC emissions by 30% relative to fiscal 2000 levels by fiscal 2010. The Company is currently formulating PRTR-compliance rules and related plans to reduce emissions. In fiscal 2007, VOC emissions increased by 20% to 3,990 tons over the previous year, representing a 7.4% increase from fiscal 2000 levels. This was due to such effects as a significant increase in the production volume. However, we are expected to achieve a substantial emissions' reduction within fiscal 2008 by reinforcing processing facilities.

[Prevention of Ozone Layer Damage]

Sumitomo Chemical maintains strict control of cooling devices that employ specified CFCs (designated in the Law Concerning the Protection of the Ozone Layer Through the Control of Specified Substances and Other Measures) that are highly damaging to the ozone layer. The Company is committed to ensuring that CFCs are not accidentally released into the atmosphere from devices containing them, and carries out proper recovery, transportation and destruction of specified CFCs from refrigeration units upon disposal.

***Target:** Eliminate the use of refrigeration units that use specified CFCs (CFC11, CFC12, CFC113, CFC114, CFC115) as coolants by 2025.*

Number of Refrigeration Units that Use Specified CFCs as coolants as of the End of Fiscal 2007 (Nonconsolidated & Group)

	Nonconsolidated	Group
Type	Number of units	
CFC11	22	26
CFC12	11	51
CFC113	0	0
CFC114	0	2
CFC115	0	11
Total	33	90

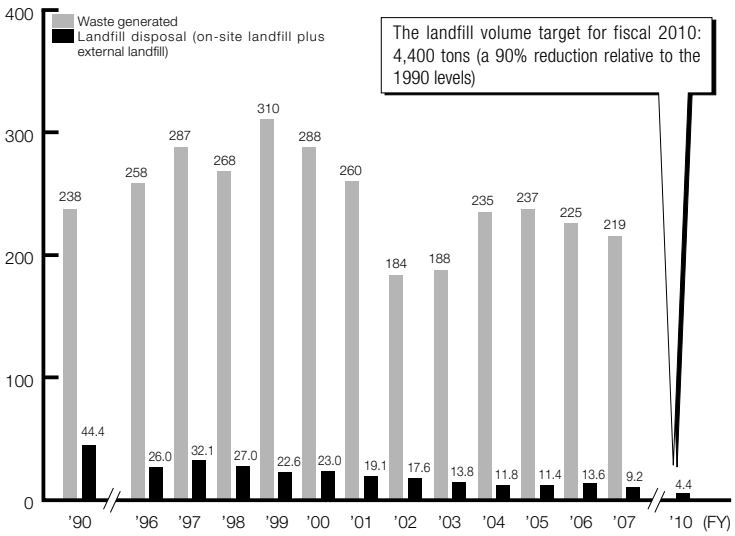
* Data has been revised due to improved accuracy.
* Group data reflects totals for Sumitomo Chemical and its 16 domestic Group companies

[Waste Reduction]

In fiscal 2007, landfill disposal decreased by 32.4% from the previous year to 9,200 tons, due to the promotion of recycling of incinerator ash sludge.

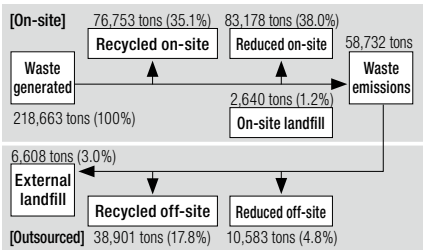
Target:
Reduce landfill disposal by 90% relative to fiscal 1990 levels by fiscal 2010.

Trends in Waste Generated and Landfill Volume (Nonconsolidated)

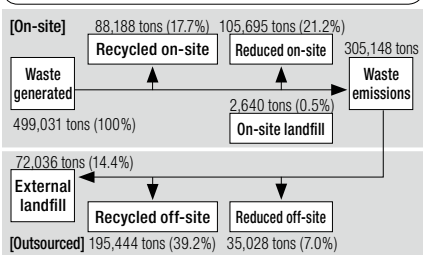


* Figures for fiscal 1990 (base year) and those for fiscal 2004 to 2007 include data for both the Gifu and Okayama Plants of the Osaka Works.

Waste Disposal Flow Chart and Results (FY 2007; nonconsolidated)



Waste Disposal Flow Chart and Results (FY 2007; Group)



Waste recycled: Total amount of waste that was reused, recycled, or thermally recycled.
Waste reduced: Total amount of waste reduced through incineration, etc.

* Group data reflects totals for Sumitomo Chemical and its 16 domestic Group companies.

[PCB Recovery, Storage and Treatment]

In accordance with Law concerning Special Measures for Promotion of Proper Treatment of PCB Wastes, Sumitomo Chemical recovers polychlorinated biphenyls (PCB) waste (capacitors, transformers and other electronic devices that contain PCB insulating oil). The Company then stores this industrial waste, which is subject to special control, in specified areas within the Company's waste storage facilities, subsequently ensuring strict control of these materials. Sumitomo Chemical plans to treat all PCB waste by March 2014, ahead of the deadline specified under the Law.

***Target:** Recover and store PCB waste in an appropriate manner and complete treatment of these wastes by March 2014.*

PCB Waste Storage and Control as of the End of Fiscal 2007 (Nonconsolidated & Group)

	Number of units of PCB waste	PCB Volume (m^3)
Nonconsolidated	733 (692 stored /41 in use)	33.4
Group	1,506 (1,038 stored /468 in use)	37.9

* Low-level PCB waste is not included.
* Group data reflects totals for Sumitomo Chemical and its 16 domestic Group companies.
* Data has been revised due to improved accuracy.

4 Environmental Preservation in Logistics Operations

[Initiatives for Energy Conservation and CO_2 Emission Reduction in Logistics Operations]

As a result of our efforts to bring about more efficient transportation, we achieved a 2.6% improvement in the energy consumption rate for fiscal 2007 over the previous year.

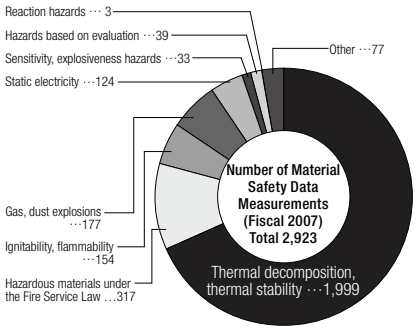
Trends in CO_2 Emissions from Logistics Operations

	FY 2006	FY 2007
Energy consumed (thousand kl-crude oil)	40.3	39.7
Energy consumption rate (kl/ton)	0.0114	0.0111
CO_2 emissions (thousand tons)	105.5	104.9

5 Process Safety and Disaster Prevention

[Results of Material Safety Data Measurement]

The Safety Engineering Laboratory at the Process & Production Technology Center (Ehime) studies and assesses process safety, researches safety measures, measures and evaluates material safety data, compiles a database on safety technologies, and undertakes training for safety engineers, in its efforts to enhance process safety management and to prevent accidents such as fires and explosions.
A total of 2,923 material safety data measurements were taken in fiscal 2007 (3,388 measurements in fiscal 2006), 68% of which measured thermal decomposition and thermal stability.



[Safety Information Database]

A safety information database has been created by collecting information on accidents in Japan and overseas and preparing abstracts of such accident cases. As of the end of March 2008, 28,988 data items were stored in the database (27,707 data items as of March 31, 2007). This system allows all employees at each Works or Research Laboratory to search stored abstracts, and abstracts and their original data can be viewed or printed at individual terminals. This data is also used in process hazard evaluations and case study examinations to prevent similar accidents. In addition, accident data and other data are disclosed to Group companies, as necessary.

- Accident prevention technology information: 12,473 items
- Accident cause investigations: 1,793 items
- Accident information: 14,722 items

(as of March 31, 2008)

[Process Safety Review Committee]

The Process Safety Review Committee convenes at every stage of the R&D and commercialization processes to oversee a system in which the safety of each stage is thoroughly verified before moving on to the next stage. This system is governed by the in-house Process Development and Commercialization Regulations and Safety Management Guidelines, and ensures that work is conducted with clearly defined research & development supervision. The Company notifies all Group companies of its operations.
The Committee convened a total of 237 times at all Works in fiscal 2007, which is almost on par with the number of sessions convened in fiscal 2006. Work continues on in-depth determination of process hazards

Process Safety Review Committee Conventions

(Unit: sessions)

	Level 1	Level 2	Level 3	Level 4	Level 5	Total
FY 2006	15	11	72	100	35	233
FY 2007	42	14	59	92	30	237

6 RC Audits

[Audits Conducted]

In fiscal 2007, a total of 36 specialized and management audits were conducted.

Responsible Care Audit Results

(Unit: audits)

Facilities		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Specialized Audits	Works	4	5	4	5	4	5	4	7	4	5
	Research Laboratories	1	0	2	1	0	1	1	0	1	1
	Logistics Centers	1	0	0	0	1	0	0	1	0	0
	Business Sectors	—	4	4	4	7	5	6	5	5	6
	Group Companies (Japan)	—	5	22	16	9	8	12	10	12	14
	Group Companies (Overseas)	—	—	—	2	1	2	3	1	4	4
Management Audits	Works and Research Laboratories	6	5	6	6	5	6	6	5	6	6
Total		12	19	38	34	27	27	32	29	32	36

The fiscal 2007 Sumitomo Chemical specialized audits resulted in a total of 236 items meriting comment. Audit items will be expanded and enhanced on an annual basis to ensure continual improvement.

Fiscal 2007 Specialized Audits for Facilities and Business Sectors

(Unit: items)

Area \ Target	Facilities (Works, Research Laboratories)	Business Sectors (Head Office Business Sectors)	Total
Good (Important)	27	7	34
Needs Improvement	56	17	73
Needs to be Examined	109	20	129
Total	192	44	236

7 Unification of Group Environmental Preservation Targets

[Group Companies in Japan]

Group-wide quantitative domestic targets have been established, and specific measures to achieve these targets are being implemented at all domestic Group companies to reduce primary environmental impact systematically by fiscal 2010. These cover the energy consumption rate, CO_2 emission rate, release of PRTR substances (into the air and water) and landfill disposal.

1. Improvement of energy consumption rate

Target

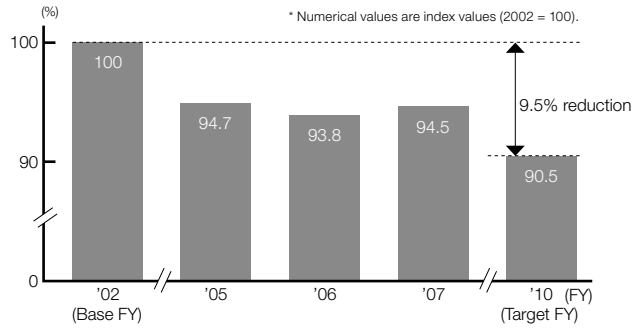
Reduce energy consumption rate by 9.5% relative to fiscal 2002 levels by fiscal 2010

Note: This target has been reviewed and revised upward from 6.5% to 9.5%.

Results

The energy consumption rate in fiscal 2007 was reduced by 5.5% relative to fiscal 2002 levels.

Indicator Trends for Energy Consumption Rate



2. Improvement of CO_2 emission rate

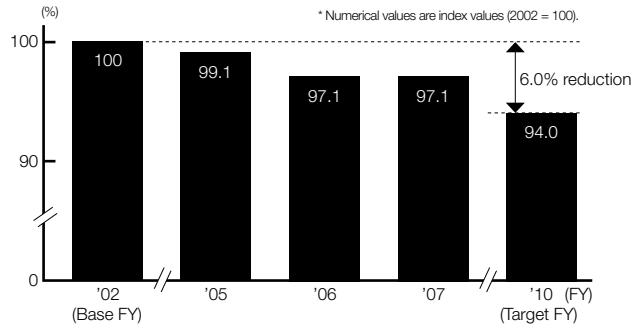
Target

Reduce the CO_2 emission rate by 6.0% relative to fiscal 2002 levels by fiscal 2010

Results

The CO_2 emission rate in fiscal 2007 was reduced by 2.9% relative to fiscal 2002 levels.

Indicator Trends for CO_2 Emission Rate



3. Reduction of amount of PRTR substances released

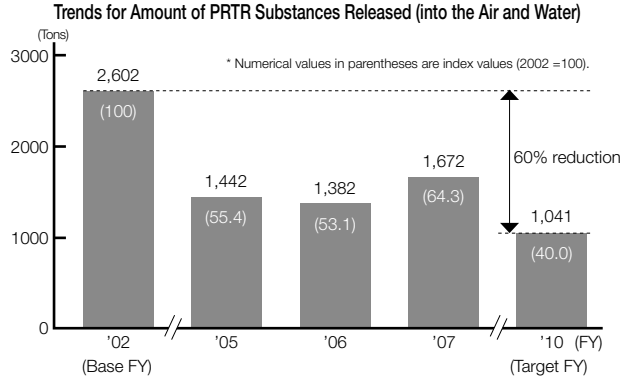
Target

Reduce the total amount of PRTR substances released (into the air and water) by 60% relative to fiscal 2002 levels by fiscal 2010

Results

The total amount of PRTR substances released in fiscal 2007 was reduced by 35.7% relative to fiscal 2002 levels.

Trends for Amount of PRTR Substances Released (into the Air and Water)



4. Reduction of landfill disposal

Target

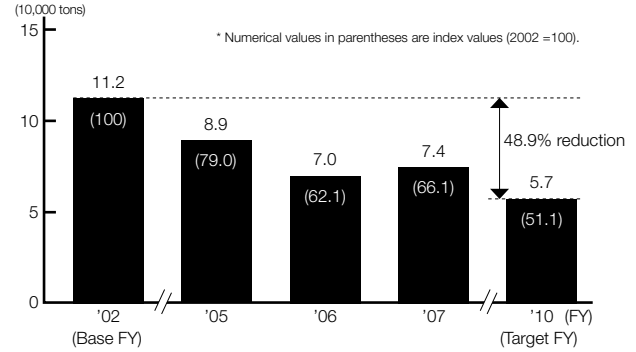
Reduce landfill disposal by 48.9% relative to fiscal 2002 levels by fiscal 2010

Note: This target has been reviewed and revised upward from 47% to 48.9%.

Results

Landfill disposal in fiscal 2007 fell by 33.9% relative to fiscal 2002 levels.

Trends for Landfill Disposal



* Values for individual target items (fiscal 2010) set by Sumitomo Chemical and its 16 domestic Group companies are cumulative. Figures for past fiscal years have been revised due to improved accuracy of data.

[Individual Group Company Targets]

Individual company targets that form the basis of the unified Group targets (specific target settings) for the major areas of environmental preservation management are listed below.

Energy Conservation and Global Warming Initiatives

Company	Target Details
Asahi Chemical Co., Ltd.	• Reduce energy consumption by 10% relative to fiscal 1990 by fiscal 2010
Sumika-Kakoushi Co., Ltd.	• Reduce the energy consumption rate by 1% annually
Koei Chemical Co., Ltd.	• Reduce the energy consumption rate by 1% annually
Thermo Co., Ltd.	• Reduce energy consumption by 10% relative to fiscal 2002 by fiscal 2010 • Reduce the CO_2 emission rate by 10% relative to fiscal 2003 by fiscal 2010
SanTerra Co., Ltd.	• Reduce the energy consumption rate by 1% annually
Shinto Paint Co., Ltd.	• Reduce the energy consumption rate by 1% annually
Sumika Color Co., Ltd.	• Reduce the energy consumption rate by 20% relative to fiscal 1990 by fiscal 2010
Sumitomo Joint Electric Power Co., Ltd.	• Reduce the energy consumption rate of private thermal generation by 10% relative to fiscal 2002 by fiscal 2010. • Reduce the CO_2 emission rate from transmission end of thermal power stations by at least 10% relative to fiscal 1990 by fiscal 2010
Dainippon Sumitomo Pharma Co., Ltd.	• Reduce the energy consumption rate by 1% annually • Reduce CO_2 emissions to below fiscal 1990 levels by fiscal 2010 • Reduce the CO_2 emission rate by 1% annually
Sumitomo Dow Ltd.	• Reduce the energy consumption rate by 1% annually • Reduce the CO_2 emission rate from in-house fossil fuel consumption by 1% annually
Sumika Bayer Urethane Co., Ltd.	• Reduce the energy consumption rate by 1% annually • Reduce the CO_2 emission rate from in-house fossil fuel consumption by 10% relative to fiscal 1990 by fiscal 2010
Taoka Chemical Co., Ltd.	• Reduce the energy consumption rate by 1% annually • Reduce the CO_2 emission rate from in-house fossil fuel consumption by 3% relative to fiscal 1990 by fiscal 2010
Nippon A&L Inc.	• Reduce the energy consumption rate by 20% relative to fiscal 1990 by fiscal 2010
Nihon Medi-Physics Co., Ltd.	• Reduce energy consumption by 1% annually
Nihon Oxirane Co., Ltd.	• Reduce the energy consumption rate by 1% annually • Reduce CO_2 emission rate from in-house fossil fuel consumption by 10% relative to fiscal 1990 by fiscal 2010
Sumika Takeda Agrochemical Co., Ltd.	• Reduce the energy consumption rate by 1% annually • Reduce the CO_2 emission rate from in-house fossil fuel consumption by 10% relative to fiscal 1990 by fiscal 2010
Sumitomo Chemical Co., Ltd.	• Reduce the energy consumption rate by 20% relative to fiscal 1990 by fiscal 2010 • Reduce the CO_2 emission rate from in-house fossil fuel consumption by 15% relative to fiscal 1990 by fiscal 2010

PRTR Initiatives

Company	Target Details
Asahi Chemical Co., Ltd.	• Reduce the amount released (into the air and water) to below fiscal 2001 levels by fiscal 2010
Sumika-Kakoushi Co., Ltd.	• Reduce the amount released (into the air and water) by 70% relative to fiscal 2002 by fiscal 2010
Koei Chemical Co., Ltd.	• Control increase of the amount released to correspond to production levels
Thermo Co., Ltd.	• Maintain zero release (into the air and water)
SanTerra Co., Ltd.	• Maintain zero release (into the air and water)
Shinto Paint Co., Ltd.	• Reduce the amount released (into the air and water) by 50% relative to fiscal 2001 in fiscal 2008
Sumika Color Co., Ltd.	• Reduce the amount released (into the air and water) by 15% relative to fiscal 2003 by fiscal 2010
Sumitomo Joint Electric Power Co., Ltd.	• Maintain zero release (into the air and water)
Dainippon Sumitomo Pharma Co., Ltd.	• Reduce the total amount of dichloromethane, chloroform, and 1,2-dichloroethane released into the air by 20% relative to fiscal 2003 by fiscal 2010
Sumitomo Dow Ltd.	• Reduce the amount released (into the air and water) by 50% relative to fiscal 2003 by fiscal 2010
Sumika Bayer Urethane Co., Ltd.	• Reduce the amount released (into the air and water) by 60% relative to fiscal 2002 by fiscal 2010
Taoka Chemical Co., Ltd.	• Reduce the amount released (into the air and water) to below fiscal 2002 levels by fiscal 2010
Nippon A&L Inc.	• Reduce the amount released (into the air and water) by 60% relative to fiscal 2002 by fiscal 2010
Nihon Medi-Physics Co., Ltd.	• Maintain zero release (into the air and water)
Nihon Oxirane Co., Ltd.	• Reduce the amount of molybdenum released into the water to 10 tons by fiscal 2010
Sumika Takeda Agrochemical Co., Ltd.	• Reduce the amount released (into the air and water) by 50% relative to fiscal 2002 by fiscal 2010
Sumitomo Chemical Co., Ltd.	• Reduce the amount released (into the air and water) by 50% relative to fiscal 2002 by fiscal 2010

Landfill Disposal Reduction Initiatives

Company	Target Details
Asahi Chemical Co., Ltd.	• Control the landfill disposal within a 40% increase from fiscal 2006 by fiscal 2010
Sumika-Kakoushi Co., Ltd.	• Reduce the landfill disposal by at least 99% relative to fiscal 2002 by fiscal 2010
Koei Chemical Co., Ltd.	• Reduce the landfill disposal by 20% relative to fiscal 2002 by fiscal 2010
Thermo Co., Ltd.	• Reduce the landfill disposal to below fiscal 2002 levels by fiscal 2010
SanTerra Co., Ltd.	• Reduce the landfill disposal to below fiscal 2003 levels by fiscal 2010
Shinto Paint Co., Ltd.	• Reduce the landfill disposal (excluding sludge) by 2% relative to previous fiscal year
Sumika Color Co., Ltd.	• Reduce the landfill disposal by 20% relative to fiscal 1990 by fiscal 2010
Sumitomo Joint Electric Power Co., Ltd.	• Achieve a 70% utilization rate for coal ash by fiscal 2010
Dainippon Sumitomo Pharma Co., Ltd.	• Reduce the landfill disposal by at least 80% relative to fiscal 1990 in fiscal 2008
Sumitomo Dow Ltd.	• Reduce the landfill disposal to below fiscal 2003 levels by fiscal 2010
Sumika Bayer Urethane Co., Ltd.	• Reduce the landfill disposal by 85% relative to fiscal 1990 by fiscal 2010
Taoka Chemical Co., Ltd.	• Reduce the landfill disposal to below fiscal 2002 levels by fiscal 2010
Nippon A&L Inc.	• Reduce the landfill disposal by 85% relative to fiscal 1990 by fiscal 2010
Nihon Medi-Physics Co., Ltd.	• Reduce the landfill disposal to 27 tons by fiscal 2010
Nihon Oxirane Co., Ltd.	• Reduce the landfill disposal by 90% relative to fiscal 1990 by fiscal 2010
Sumika Takeda Agrochemical Co., Ltd.	• Reduce the landfill disposal by 85% relative to fiscal 1990 by fiscal 2010
Sumitomo Chemical Co., Ltd.	• Reduce the landfill disposal by 90% relative to fiscal 1990 by fiscal 2010

[Overseas Group Companies]

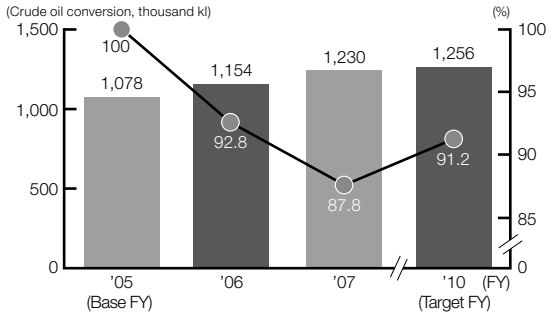
For nine principal overseas Group companies, unified quantitative targets for fiscal 2010, corresponding to the indicators for the Group companies in Japan, have been established with regard to the energy consumption rate, CO_2 emission rate, water usage rate, and landfill disposal rate. The overseas Group companies have already started initiatives to achieve these targets.

1. Improvement of the energy consumption rate

Target: *Reduce the energy consumption rate by 8.8% relative to fiscal 2005 levels by fiscal 2010*

Results: *The energy consumption rate in fiscal 2007 was reduced by 12.2% relative to fiscal 2005 levels.*

Trends in Energy Consumption and the Energy Consumption Rate Index

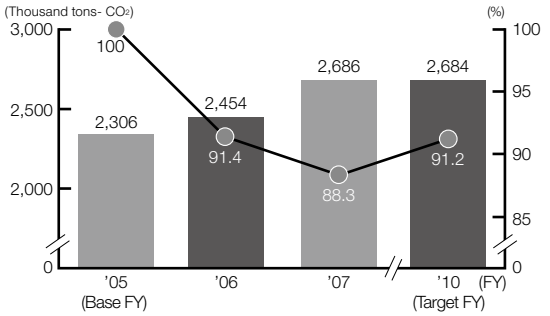


2. Improvement of the CO_2 emission rate

Target: *Reduce the CO_2 emission rate by 8.8% relative to fiscal 2005 levels by fiscal 2010*

Results: *The CO_2 emission rate in fiscal 2007 was reduced by 11.7% relative to fiscal 2005 levels.*

Trends in CO_2 Emissions (Energy Sources) and the CO_2 Emission Rate Index

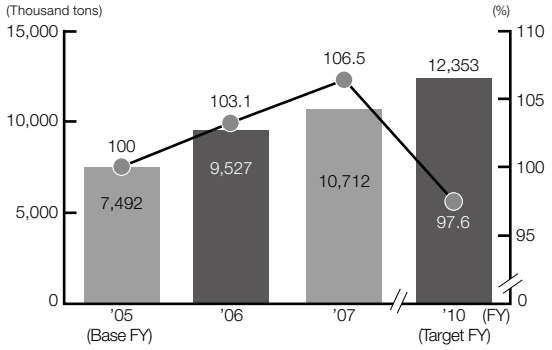


3. Reduction in the water usage rate

Target: *Reduce the water usage rate by 2.4% relative to fiscal 2005 levels by fiscal 2010*

Results: *The water usage rate in fiscal 2007 increased 6.5% relative to fiscal 2005 levels.*

Trends in Water Usage and the Water Usage Rate Index

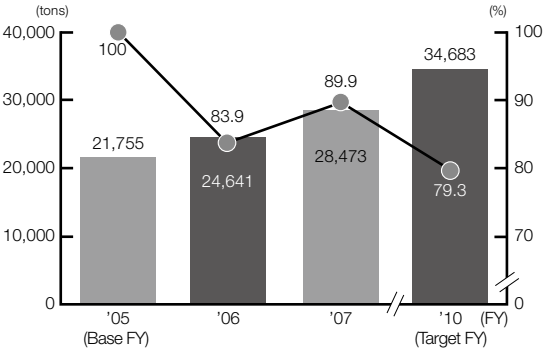


4. Reduction of the landfill disposal rate

Target: *Reduce the landfill disposal rate by 20.7% relative to fiscal 2002 levels by fiscal 2010*

Results: *The landfill disposal rate in fiscal 2007 was reduced by 10.1% relative to fiscal 2005 levels.*

Trends in the Landfill Disposal and Landfill Disposal Rate Index



*** These figures reflect the totals for the following nine overseas Group companies:**

Sumitomo Chemical Singapore Pte Ltd.,
Petrochemical Corporation of Singapore (Pte) Ltd.,
The Polyolefin Company (Singapore) Pte. Ltd.,
Sumipex (Thailand) Co., Ltd.,
Bara Chemical Co., Ltd.,
Dalian Sumika Chemphy Chemical Co., Ltd.,
SC Enviro Agro India Private Ltd.,
Sumika Technology Co., Ltd.,
Dongwoo Fine-Chem Co., Ltd.

8 Environmental Efficiency Indicators

Year-on-year trends in ecopoints and environmental efficiency calculated using the JEPIX method at Sumitomo Chemical and its Group are as follows.

[Trends in Aggregate Values for Environmental Impact (Ecopoints, EP)]

(Unit: 108 EP)

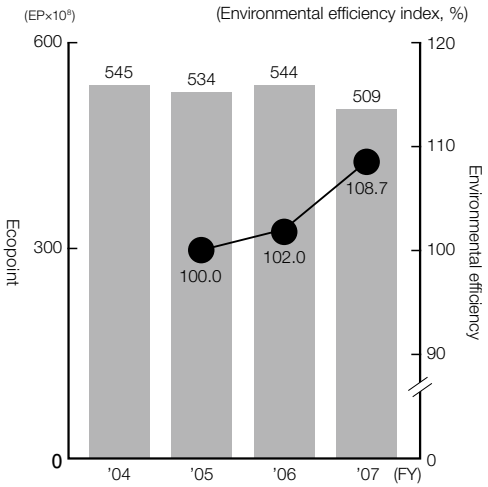
	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Sumitomo Chemical	498 (100)	420 (84.3)	419 (84.1)	441 (88.6)	394 (79.1)
Sumitomo Chemical Group		545 (100)	534 (98.0)	544 (99.8)	509 (93.4)

* Numerical values in parentheses are index values.

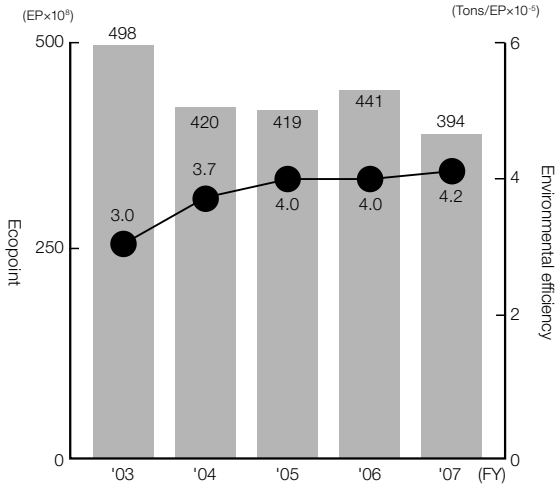
* The principal Group companies are: Sumitomo Chemical and its 11 Group companies in Japan (Asahi Chemical Co., Ltd.; Koei Chemical Co., Ltd.; Thermo Co., Ltd.; SanTerra Co., Ltd.; Shinto Paint Co., Ltd; Sumika Color Co., Ltd.; Sumitomo Joint Electric Power Co., Ltd.; Sumitomo Dow Ltd.; Taoka Chemical Co., Ltd.; Nihon Medi-Physics Co., Ltd.; and Sumika-Kakoushi Co., Ltd.)

[Environmental Efficiency and Ecopoint Changes]

Group



Sumitomo Chemical (nonconsolidated)



* Environmental efficiency index (%): Based on fiscal 2005 levels represented as 100

9 Others (Topics)

Introduction of electronic manifest system (Oita Works)

The manifest system has been designed to prevent illegal dumping—an issue that is becoming an increasing social problem—by enabling confirmation of the flow of industrial waste in industrial waste disposal routines. Specifically, upon outsourcing industrial waste disposal, waste emitting companies issue a manifest that states the type, quantity and other data related to the waste and receives it back from the waste disposers who state the completion of disposal on the manifest to confirm that the waste is duly disposed of according to the manifest.

At the Oita Works, paper manifests had been used, and thus clerical work had been problematic since confirmation and cross-checking of entries and returned sheets.

Consequently, we were the first among Sumitomo Chemical's facilities to introduce the electronic manifest system in 2006, as promoted by the Japan Industrial Waste Technology Center. In the beginning, it took time to gain understanding from the waste disposers partly due to the low dissemination rate of the system, but now 97% of manifests are computerized, not only saving labor in terms of clerical work but at the same time reinforcing compliance by, for example, checking erroneous omissions in manifests via the computer system.

Recycling of waste plastics (Ehime Works)

At the Ehime Works, waste plastics had been disposed of mainly by incinerating. As part of our efforts to promote recycling, we started an initiative to recycle part of waste plastics as material for refuse paper and plastic fuel (RPF) at EGS Co., Ltd., one of our Group companies.

RPF is produced from recycled waste paper and waste plastics that are difficult to use in material recycling. It has advantages such as being high calorie and easy to handle, having a low ash content, and being inexpensive, which attracts people's attention as a substitute for conventional fossil fuels.

EGS has the capacity to produce 4,500 tons of RPF per year. The fuel is mainly used as a boiler combustion booster at paper factories.

Sumitomo Chemical produces an "Environment, Health & Safety Report" at each of the Company's Works.

Please contact the relevant site for further details.

Sumitomo Chemical Co., Ltd. Ehime Works General Affairs Department
5-1, Sobiraki-cho, Niihama City, Ehime Prefecture 792-8521 Tel: +81-897-37-1711 Fax: +81-897-37-4161

Sumitomo Chemical Co., Ltd. Chiba Works General Affairs Department
Anesaki-Kaigan, Ichihara City, Chiba Prefecture 299-0195 Tel: +81-436-61-1313 Fax: +81-436-61-2229

Sumitomo Chemical Co., Ltd. Osaka Works General Affairs Department (Kasugade)
1-98, Kasugade-Naka 3-chome, Konohana-ku, Osaka City 554-8558 Tel: +81-6-6466-5022 Fax: +81-6-6466-5460

Sumitomo Chemical Co., Ltd. Oita Works General Affairs Department
2200, Oaza-Tsurusaki, Oita City, Oita Prefecture 870-0106 Tel: +81-97-523-1111 Fax: +81-97-523-1121

Sumitomo Chemical Co., Ltd. Misawa Works General Affairs Department
Aza-Sabishirotai, Oaza-Misawa, Misawa City, Aomori Prefecture 033-0022 Tel: +81-176-54-2111 Fax: +81-176-54-2163

*For information concerning Utajima Pilot Production Department, Gifu Plant, and Okayama Plant of the Osaka Works, please contact the Osaka Works (Kasugade).

PRINTED WITH SOY INK
Trademark of American Soybean Association

Mixed Sources
Product group from well-managed forests and other controlled sources.
www.fsc.org Cert. no. SGS-COC-004726
©1996 Forest Stewardship Council