

Sumitomo Seika Announce Expanding Specialty Gases Business in Japan and East Asia

January 24, 2005

Sumitomo Seika Chemicals Co., Ltd. has announced the strategy to expand its specialty gases business in Japan and East Asia. The phased expansion of high purity ammonia plant at Befu Works in Japan is progressing on schedule. The final target capacity of high purity ammonia will be 1,500 metric tons per year until August 2005. Furthermore the quality and production capacity of the other specialty gases products will be improved in response to requests from customers in the electronics industry.

In South East Asia region, SSC will promote further expanding in Taiwan and Korea. In Taiwan, SSC is entering into the specialty gases business through the new founded subsidiary. The new company will start its business on the third quarter of 2005. At the first phase high purity ammonia will be manufactured and distributed to the electronics industry. The other specialty gases products is planned to be in line with the products list. SSC is confirmed this project will strengthen relations with customers. Please see the reference for further information. In Korea, Sumitomo Seika will uphold and reinforce its alliance with Korean partner, and invest in the facilities, for example, refilling facility and distribution center.

For your reference:

1. New subsidiary in Taiwan

Company name: Sumisei Taiwan Technology Co., Ltd.

Founded: December, 2004

Sumitomo Seika is wholly owned, and will start its business on August, 2005.

Business: Manufacturing, Sales and Distribution of high purity ammonia and other specialty gases for electronics industry

Capital: 100 million yen

Office: Hsin-chu

Representative:

President: Masataka Tsuchiya, Managing Director and General Manager of Gases Division of Sumitomo Seika

Factory: West-1, Hsienhsi District, Chang Hua Coastal Industrial Park Land, Lukang, Changhua, Republic of China

Facilities: High purity ammonia plant and distribution center (other specialty gases and standard gases are in the planning stage)

Employee: 8 (during initial phase)

2. Sumitomo Seika's business on high purity ammonia for electronics industry

Sumitomo Seika, as a pioneer, has been serving High purity ammonia for IC industry since 1985. Furthermore High purity ammonia is a key specialty gas material to Thin Film Transistor-Liquid Crystal Display (TFT-LCD) and Gallium Nitride base Light Emitting Diode (GaN LED). As these products' manufacturing site is growing up especially throughout East Asia, Sumitomo Seika's high purity ammonia supply is also continuing to evolve

For more information:

Mamoru Michibata

Manager of Public Relations

TEL:81-6-6220-8508

FAX:81-6-6220-8541

e-mail:m-michibata@sumitomoseika.co.jp