

Consolidated Financial Results for the Nine Months Ended December 31, 2010

February 7, 2011

Sumitomo Seika Chemicals Company, Limited

During the nine months ended December 31, 2010, Japan's economy has followed the path of a modest recovery, driven by such factors as increased exports to emerging economies and the favorable effects of economic policy measures implemented by the Japanese government. The yen, however, has stayed strong in the absence of no significant improvement in the economic situations of the U.S. and Europe.

In this situation, the Sumitomo Seika Group's financial results for the nine months ended December 31, 2010 have improved over the same period a year earlier. Net sales rose by 12.6% to 46.343 billion yen, and earnings at all levels increased with operating income by 109.9% to 3.696 billion yen, ordinary income by 96.2% to 2.95 billion yen, and net income by 106.8% to 1.946 billion yen, respectively.

Chemicals

While water-soluble polymers and powdered plastics saw some recovery in demand, industrial chemicals, etc. continued to be under difficult business conditions affected by the appreciation of the yen. As a result, operating income for this division decreased to a loss of 1.223 billion yen, while net sales increased by 6.5% over the same period a year earlier to 13.02 billion yen.

Super Absorbent Polymers

Due to steady demand in overseas markets, particularly, Asia, net sales rose by 23.5% to 25.244 billion yen, and operating income increased by 90.8% to 4.161 billion yen over the same period of the previous year.

Gases and Engineering

While demand for PSA gas generators remained stagnant, sales of electronic gases continued to be solid. As a result, operating income for this division increased by 27.7% to 0.777 billion yen, while net sales decreased by 4.8% from the same period of the previous year to 8.096 billion yen.

Outline of Consolidated Financial Statement for the Nine months Ended December 31, 2010

February 7, 2011

Sumitomo Seika Chemicals Company, Limited

1. Consolidated Results

		9 months ended December 31		Y-o-y change	FY 2010 ending March 31, 2011
		2009	2010		
Net Sales	Million ¥	41,159	46,343	+5,183	64,000
Operating Income	Million ¥	1,761	3,696	+1,935	4,200
Ordinary Income	Million ¥	1,503	2,950	+1,446	3,500
Net Income	Million ¥	941	1,946	+1,005	2,200
Net Income Per Share for the Term	¥	13.65	28.22	+14.57	31.90
Shareholder Return on Equity for the Term	%	3.2	6.2	+3.0	7.0
Average Exchange Rate	(¥/USD)	93.57	86.85	-	85.50
Naphtha Price	(¥/KL)	39,000	45,800	-	47,500

2. Net Sales and Operating Income by Business Segment

		9 months ended December 31		Y-o-y change	FY 2010 ending March 31, 2011
		2009	2010		
Chemicals					
Net Sales	Million ¥	12,209	13,002	+792	18,000
Operating Income	Million ¥	-1,039	-1,223	-183	-1,300
Super Absorbent Polymers					
Net Sales	Million ¥	20,444	25,244	+4,800	34,000
Operating Income	Million ¥	2,181	4,161	+1,980	4,600
Gases and Engineering					
Net Sales	Million ¥	8,505	8,096	-409	12,000
Operating Income	Million ¥	608	777	+168	900
(Elimination) Offsetting					
Net Sales	Million ¥	-	-	-	-
Operating Income	Million ¥	10	-19	-29	-
Total					
Net Sales	Million ¥	41,159	46,343	+5,183	64,000
Operating Income	Million ¥	1,761	3,696	+1,935	4,200

Cautionary Statement

Statements made herein with respect to the company's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of Sumitomo Seika Chemicals. These statements are based on management's assumptions and beliefs in light of the information currently available to it, and involve risks and uncertainties. The 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 Seika Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Seika Chemicals' products in the marketplace; Sumitomo Seika Chemicals' ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.