

Sumitomo Seika establishes its new production base in Korea for Super Absorbent Polymers

Date: 2014, May 28

Sumitomo Seika Chemicals Co., Ltd.

We are pleased to announce that the Company has decided to establish a new production base for its super absorbent polymer "AQUA KEEP", the Company's trade-name, in the Republic of Korea to meet brisk demands for this product, with an annual production capacity of 59,000 metric tons and the production site at Yeosu, South Jeolla Province.

This production base will be operated and managed by the Company's new wholly-owned Korean subsidiary, which will be established in June 2014, and the plant will be put into operation in May 2016.

The total investment amount for this project, including the cost of land to be acquired, is estimated to be about 10 billion yen.

<Overview of Subsidiary>

1. Company Name

To be determined

2. Capital

5 billion yen (equivalent to approximately 52.6 billion Korean won)

3. Location

Head Office/ Plant: Yeosu, South Korea

4. Date of Establishment

June 2014 (planned)

5. Ownership

Wholly-owned by SSC's group (planned)

<Future Outlook>

The establishment of this new subsidiary will have only a minor impact on our consolidated financial results for the fiscal year ending in March, 2015.

(References)

The Company's super absorbent polymer production facilities (as of May 2015):

1. Himeji, Japan

210,000 metric tons per year (including a new train under construction)

2. Singapore

70,000 metric tons per year

3. France (production commissioned to Arkema)

47,000 metric tons per year

Source: company website