

June 3, 2021

Current Priority Management Issues and Business Strategy

 **SUMITOMO CHEMICAL**

Keiichi Iwata
President



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Change & Innovation 3.0: For a Sustainable Future

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I Performance Trends

The global economy in FY2021

Hope that vaccinations will halt the spread of infections

US economic recovery driven by massive stimulus packages

Acceleration of DX and application of innovative technologies in society

Trends toward carbon neutral

Prolonged tensions between US and China

Concerns of another wave of infections driven by COVID-19 variants

There is light at the end of the pandemic tunnel, but still a ways to go

COVID-19 impact on our business performance

FY2020 -29.0 bn. yen

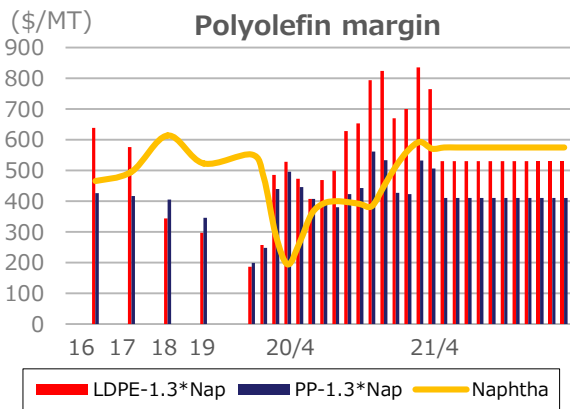
- Decline in demand related to automobiles, including synthetic resins and tire materials
- Dip in sales of smartphone and TV components improving since Q2

FY2021 Negligible

- Strong automotive production
- Very strong demand for displays and semiconductors driven by stay-at-home and remote work trends

Polyolefin margin

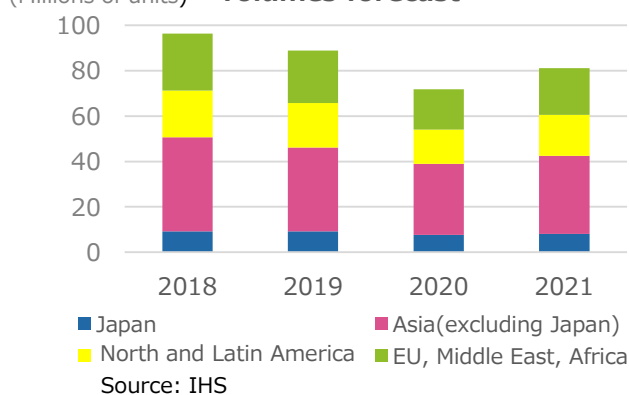
A surge in the margin driven by Cold winter in NA back to appropriate levels



Automobiles

Moderate recovery from COVID-19 impact

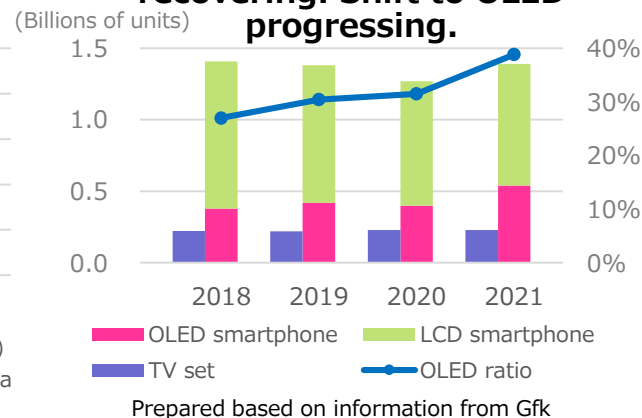
Global passenger vehicle production volumes forecast



Displays

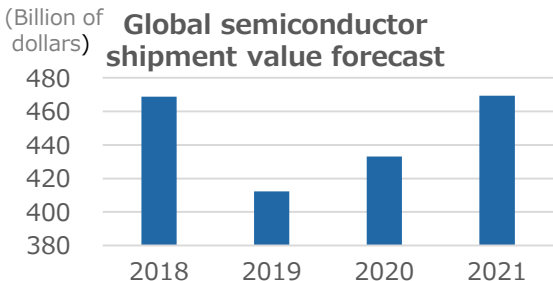
Shift to China in TV LCD panels accelerating.

Demand for smartphones recovering. Shift to OLED progressing.



Semiconductors

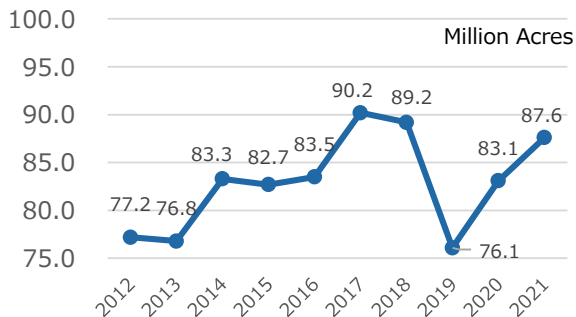
Strong market growth driven by pandemic



Source: World Semiconductor Trade Statistics

Planted acreage

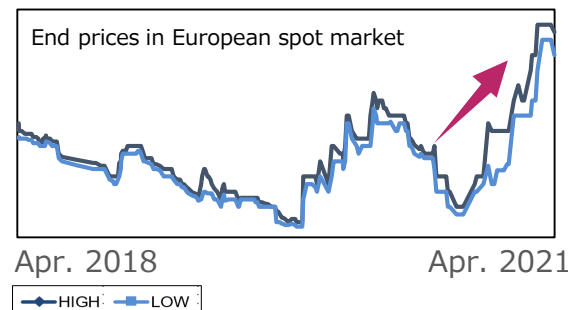
More soybean planted in NA



By Sumitomo Chemical based on United States Acres Department Agriculture(March 31, 2021)

Methionine

Rising prices



Source: feedinfo.com/pages/DL_Methionine_99

(Billions of yen)

	FY2021 Forecast	FY2020	Change
Sales Revenue	2,610.0	2,287.0	323.0
Core Operating Income	200.0	147.6	52.4
Operating Income (IFRS)	180.0	137.1	42.9
Net Income Attributable to Owners of the Parent	100.0	46.0	54.0

Naphtha price	¥47,000/kl	¥31,300/kl
Exchange rate	¥110.00/\$	¥106.10/\$

FY2021 Core Operating Income by Sector vs. FY2019

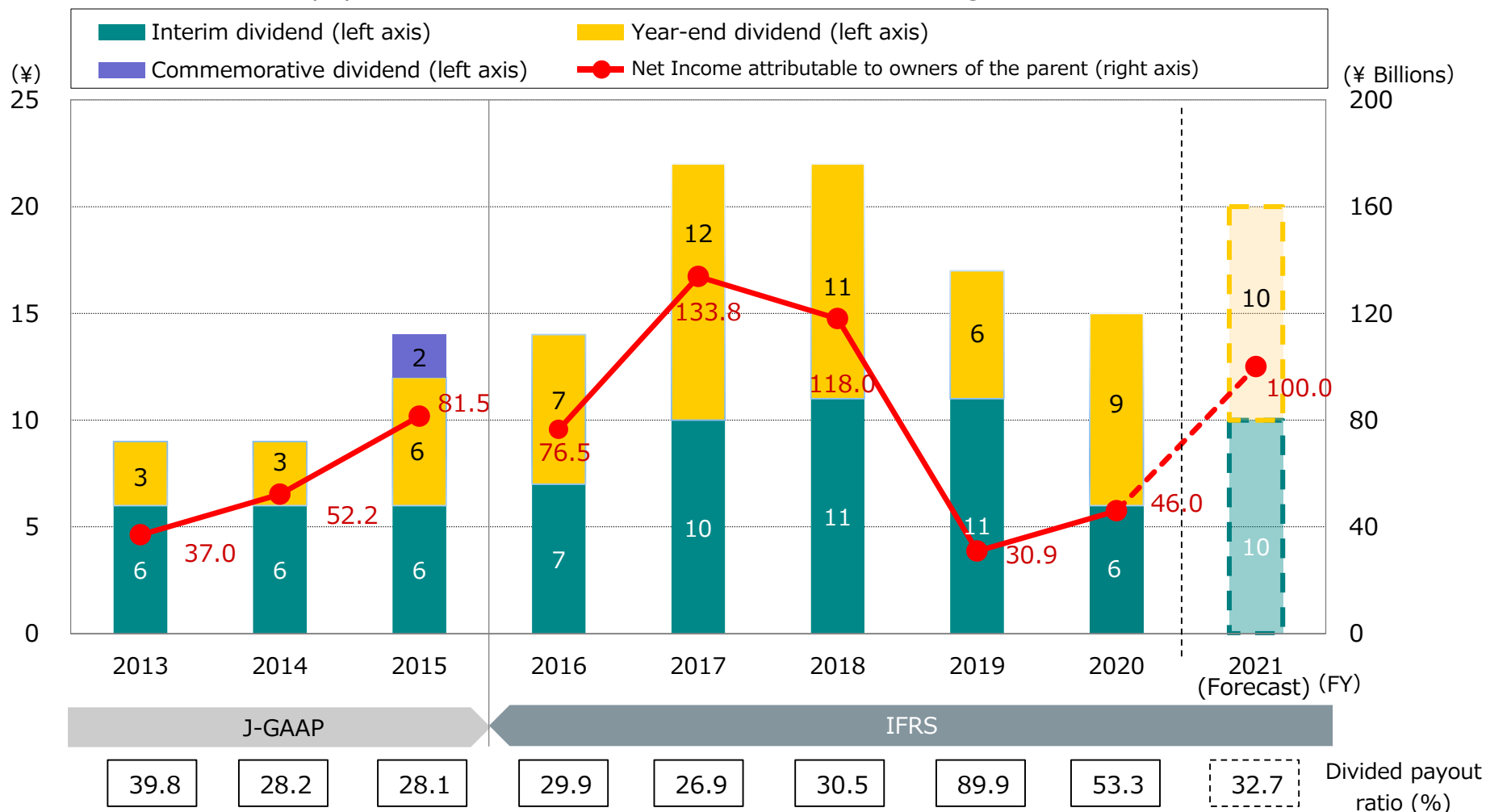
Change & Innovation 3.0: For a Sustainable Future

(Billions of yen)

	FY2021 Forecast ①	FY2020	FY2019 ②	Change ① – ②	Reasons for change
Petrochemicals & Plastics	36.0	-12.0	14.5	21.5	Market price recovery in petrochemicals market
Energy & Functional Materials	19.0	20.3	20.3	-1.3	Increase in raw material prices, etc.
IT-related Chemicals	40.0	39.7	25.1	14.9	Increase in shipment volumes of display and semiconductor materials
Health & Crop Sciences	38.0	31.5	2.1	35.9	Recovery in shipment volume of crop protection products; Increased market price of methionine; and Consolidation of South American subsidiaries acquired from Nufarm
Pharmaceuticals	67.0	71.7	75.3	-8.3	Increased up-front expenses due to alliance with Roivant.
Other	0	-3.6	-4.6	4.6	
Total	200.0	147.6	132.7	67.3	

I Shareholder Returns

We consider shareholder return as one of our priority management issues and have made it a policy to maintain stable dividend payment, giving due consideration to our business performance and a dividend payout ratio for each fiscal period, the level of retained earnings necessary for future growth, and other relevant factors. We aim to maintain a dividend payout ratio of around 30% over the medium to long term.



II FY2019-FY2021 Progress on the Corporate Business Plan

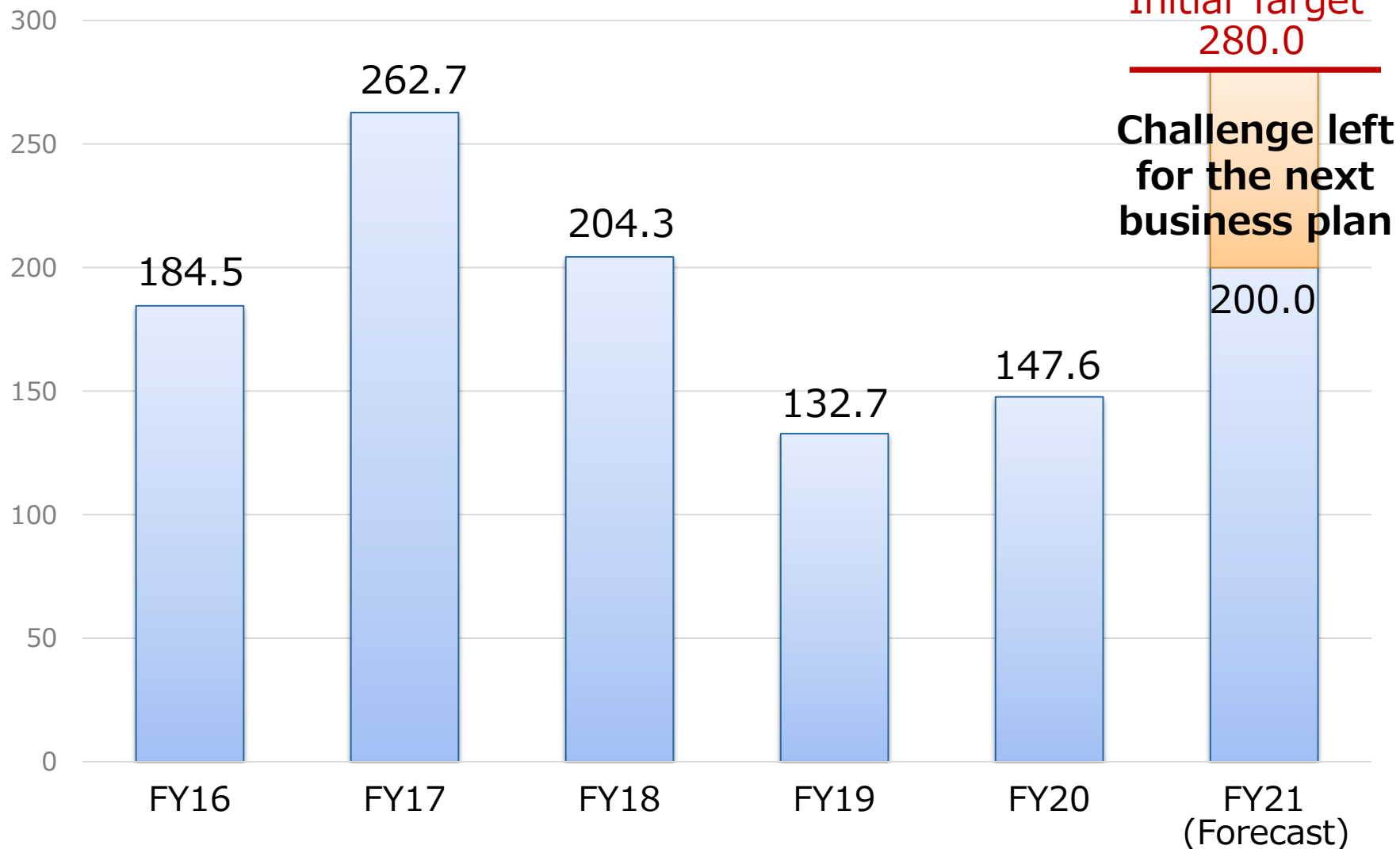
1 Further improve business portfolio **9**

2 Build a more robust financial structure **33**

3 Accelerate the development of next-generation businesses **38**
Improve productivity through digital innovation

Core Operating Income

(Billions of yen)



Major business challenges as of FY2019

Petrochemicals & Plastics

Commercial launch and contribution from Rabigh Phase II

Future direction for the Petrochemicals & Plastics business considering environmental issues

Energy & Functional Materials

Secure growth drivers in 5G and Automotive fields

IT-related Chemicals

Mature polarizer business

Support growing demand for semiconductors

Pharmaceuticals

Delays in post-Latuda product development

Health & Crop Sciences

Methionine business performance highly volatile

Secure footprint in growing crop protection market

In 2020 the COVID-19 pandemic outbreak and other factors led to expectations at one point that core operating income would fall to 80 bn. yen

Major achievements in the businesses

Petrochemicals & Plastics

Achieved stable operations and finished completion guarantee for Rabigh Phase II

Strengthened licensing business. Focused on areas with lower environmental impact.

Energy & Functional Materials

Accelerated development in 5G and Automotive fields

IT-related Chemicals

Bolstered in-house manufacturing of key materials

Added capacity in resists and chemicals

Pharmaceuticals

Launched blockbuster candidates

Health & Crop Sciences

Strengthened cost competitiveness through far-reaching rationalization

Secured footprint in South America and India

White font: Will contribute to future business performance

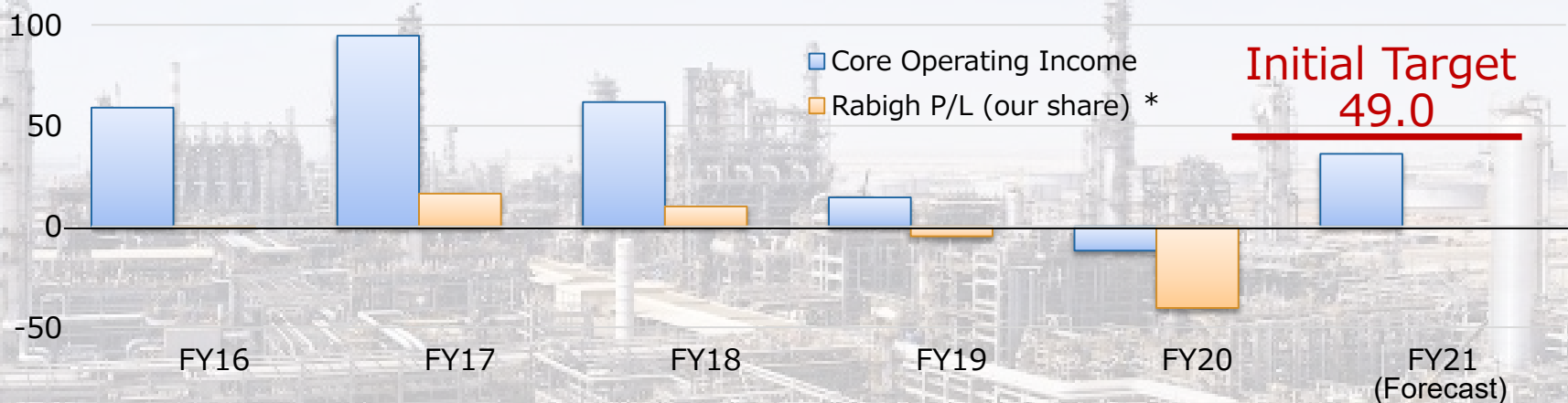
Expect core operating income to reach 200 bn. yen in FY2021 on efforts to improve competitiveness of the businesses

Progress on the Corporate Business Plan (Petrochemicals & Plastics)

Change & Innovation 3.0: For a Sustainable Future

Recent core operating income performance and Corporate Business Plan targets

(Billions of yen)



* Breakout of FY21 core operating income not disclosed.

Priorities

Major progress to date

Future challenges

Strengthen technology licensing and catalyst businesses	Signed technology license agreements, including for propylene oxide (PO) with an Indian company Began operations at new catalyst manufacturing plant	Expand technology licensing categories
Harvest contribution from Rabigh Phase II Project	Began Phase II commercial operations Finished completion guarantee	Maintain stable operations Drive rationalization and sounder financial standing
Support reducing environmental impact	Reorganized R&D teams for the development of chemical recycling technology Established a Business Development Office for a Circular System for Plastics	Advance development of chemical recycling technology Advance materials recycling

Enhancing the licensing business

Propylene oxide production technology: PO-only process

Have been adding to our licensing track record in recent years: S-OIL (S. Korea); PTTGC (Thailand); BPCL (India), etc.

Hydrochloric acid oxidation process

Planning a series of operational launches for orders received.
Negotiations underway on multiple projects.

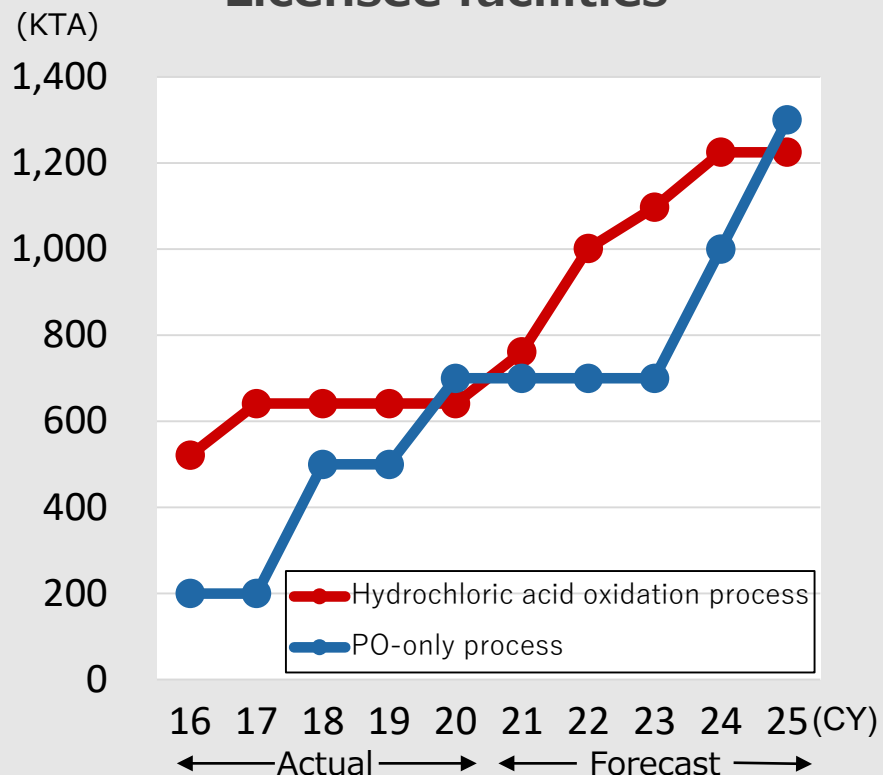
Polyethylene and Polypropylene

In FY 2020 we licensed out manufacturing technology on high-pressure production process for PE to major Russian petroleum company

Caprolactam production technology: vapor-phase process

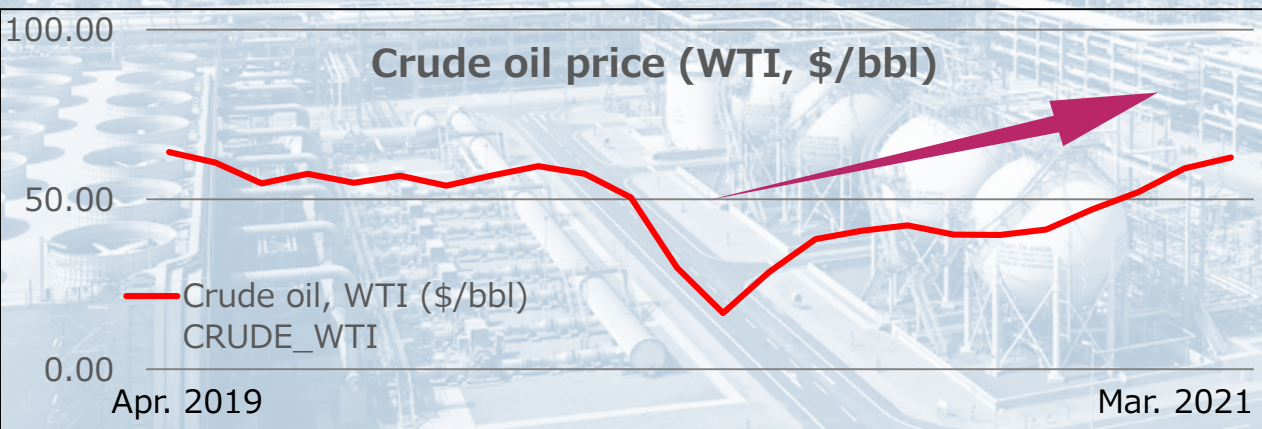
In discussions with potential licensees

Licensee facilities



Expand technology licensing and catalyst sales business and achieve stable revenue

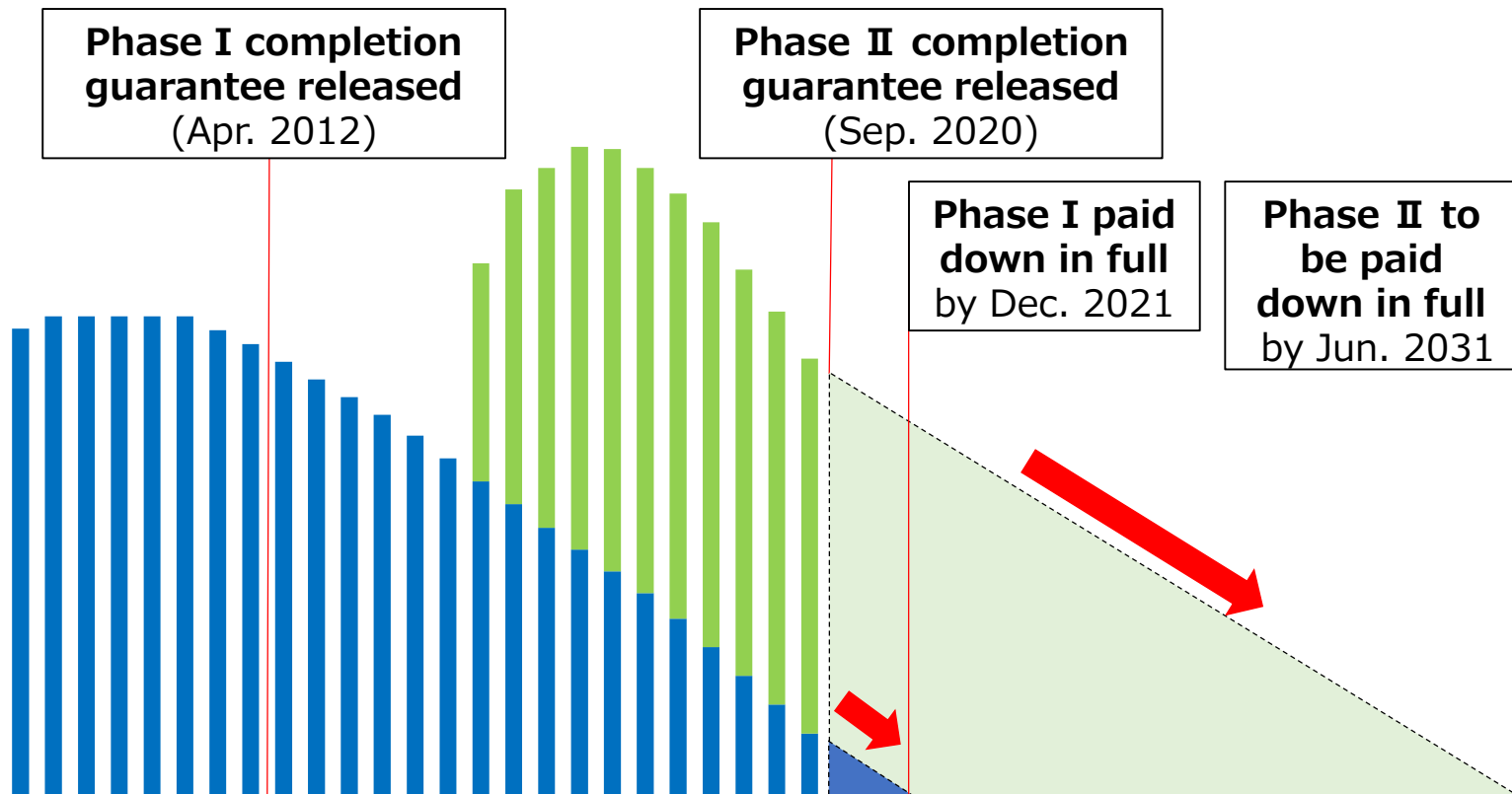
Status of the Rabigh Project



Status in FY21
 No major scheduled maintenance
 Crude oil prices recovering
 Q1 Net Profit : 649mSAR
 (Approx. 18.0 bn. yen)

Prepared using World Bank Commodity Price Data

- **Financing for Phase I was paid down by the end of 2021.**
- **Repayment of principal for Phase II began June 2019, to complete in the end of June 2031.**



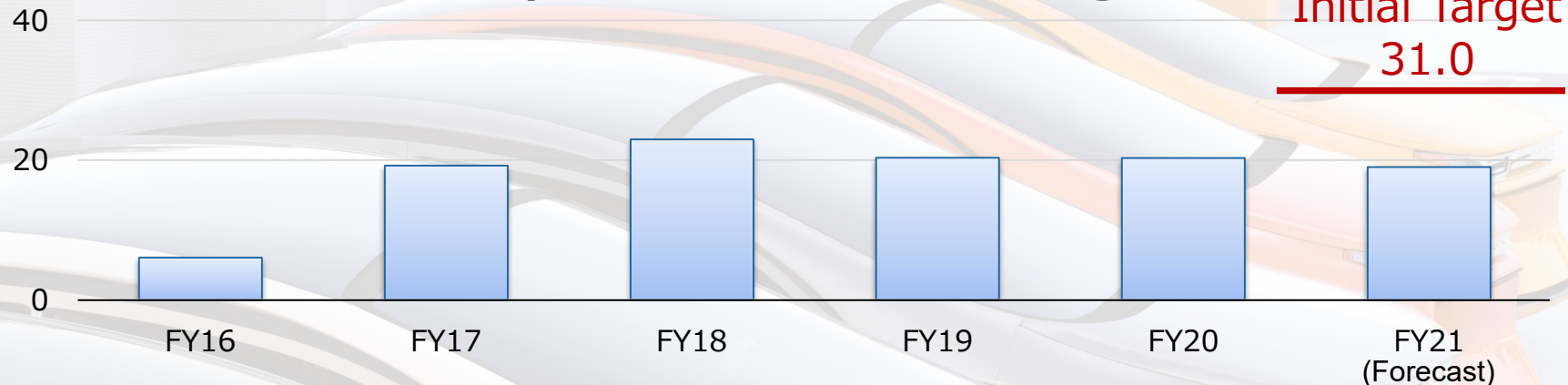
Repayment of principal began June 2011 for Phase I and June 2019 for Phase II

Progress on the Corporate Business Plan (Energy & Functional Materials)

Change & Innovation 3.0: For a Sustainable Future

Recent core operating income performance and Corporate Business Plan targets

(Billions of yen)



Priorities

Major progress to date

Future challenges

Expand sales of core business products (Battery materials, Super Engineering Plastics, etc.)

Accelerated development and expanded sales in 5G and Automotive Signed license agreement for cathode precursor

Continue to accelerate development and expand sales in 5G and Automotive
Win more separator customers

Improve profitability of underperforming businesses and products

Studied what to do with the synthetic rubber business

Made a decision given the circumstances

Create new businesses in the fields of environment and energy & functional materials

Opened an industry-academia joint research course at Kyoto University (Developed solid-state batteries)

Accelerate the development of next-generation battery materials

Investments and Commercialization Schedule (Energy & Functional Materials)

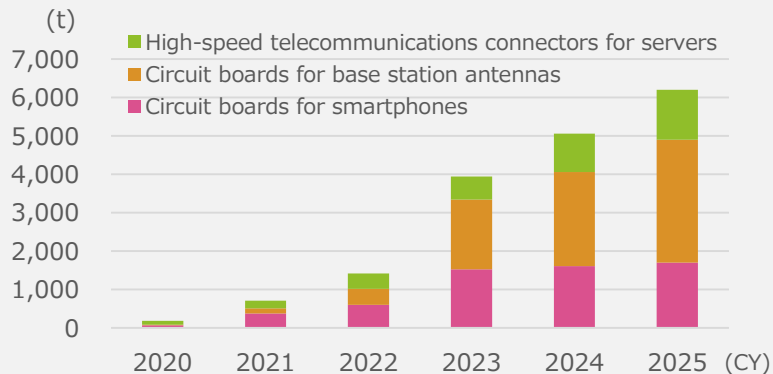
Change & Innovation 3.0: For a Sustainable Future

Investment or M&A	Investment amount	2016 to 2018	Current Corporate Business Plan	Next Corporate Business Plan
			2019 to 2021	2022 to 2024
Heat-resistant separator plant expansion	(Cumulative since 2015) Approx. 25.0 bn. yen		Growth in EV and ESS markets	
Add production capacity in PES	Several billion yen		Growth in demand for aerospace and automotive structural materials and high-performance coating films	
Tanaka Chemical add production capacity	Approx. 15.0 bn. yen		Growth in demand for lithium-ion batteries	
Build expansion at multipurpose plant for electronics materials, etc. (Koei Chemical)	Approx. 8.6 bn. yen		Growing demand for contract synthesis of pharmaceutical intermediates, electronics materials and the like	
Add capacity at resin raw material plant (Taoka Chemical)	Approx. 4.0 bn. yen		Growing demand for fine chemicals related products	

5G × CASE

Increased demand for high-frequency applications

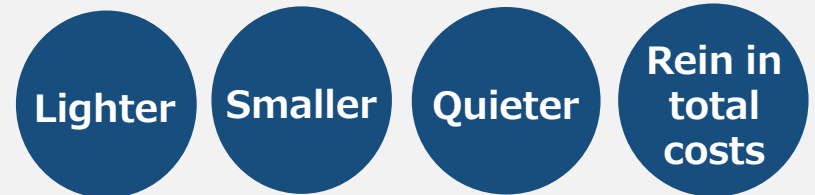
- Market for resin materials in the field of high-speed telecommunications



Aim to establish position as industry de facto standard when demand ramps up with a primary focus on high-frequency connectors and films

Replacing metal components in automobiles

- Proposing designs that leverage the shapeability and functionality of super engineering plastics



- Major automotive applications

- Automotive connectors
- EV power motor peripheral parts
- HV power motor peripheral parts

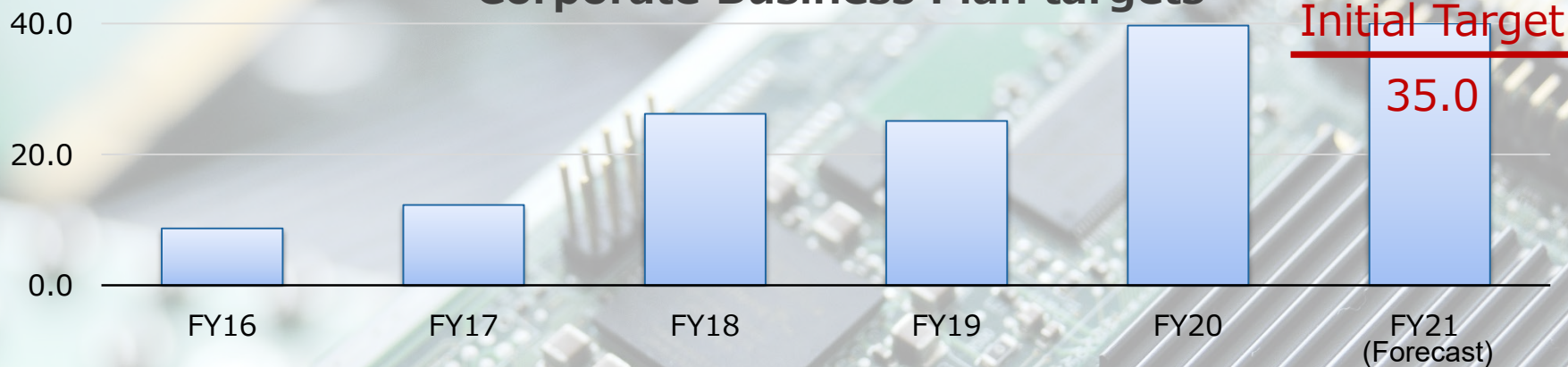
Win orders in automotive applications primarily in these product areas

Progress on the Corporate Business Plan (IT-related Chemicals)

Change & Innovation 3.0: For a Sustainable Future

Recent core operating income performance and Corporate Business Plan targets

(Billions of yen)



Priorities

Major progress to date

Future challenges

Structural reforms and shift to higher value-added in Display Materials business	Expanded materials and components that use key materials made in-house Structural reforms in film touchscreen panels business Full-scale entry into the automotive field	Optimize global management organization for polarizing films Expand adoption of next-generation display materials Commercialize new products applying touch screen technology
Secure returns on upfront investments in semiconductor materials business	New and expanded plants for semiconductor processing chemicals in Changzhou and Xi'an Launched operations at new photoresist plant Decided to strengthen development and quality assurance system of photoresists	Expand sales of advanced resists
Commercialization of polymer OLED materials	Accelerated joint development with customer Exited lighting business	Accelerate commercialization

Investments and Commercialization Schedule (IT-related Chemicals)

Change & Innovation 3.0: For a Sustainable Future

Investment or M&A	Investment amount	2016 to 2018	Current Corporate Business Plan 2019 to 2021	Next Corporate Business Plan 2022 to 2024
Acquired Chinese manufacturer of polarizing film	Not disclosed		Growth in polarizing film market in China	
Acquired SANRITZ	Not disclosed		Entry into automotive applications given advances in smart mobility	
Added capacity at semiconductor high purity chemicals plants in Changzhou and Xi'an	Several billion yen each		Growth in semiconductor market	
Added production capacity in photoresist	Not disclosed		Support increase in demand for ArF resist	
Build production and quality assurance system for advanced resist	Not disclosed		Advances in semiconductor line-width shrinking technology and market expansion	

Expand use of key materials made in-house

Made in-house

Polarizing film for OLED smartphones using liquid crystal-coated retardation film

Full ramp to mass production

Made in-house

Polarizing film for foldable OLED using liquid crystal-coated polarizer

Launched

Expand polarizing film business for automotive applications

July 2019: Acquired SANRITZ

▶ PMI is progressing well

Synergies between the two companies

Sumitomo Chemical	Technology to manufacture in large and odd shapes Know-how in process control and quality control Global sales network and customer support capabilities
SANRITZ	Technology in highly durable polarizers

Expand sales of high-durability and high-quality polarizing film for automotive applications

▶ Sales continue to be strong amid pandemic

Strengthen global management organization

Build optimal production footprint to support shift in customers to China

Strengthen relationships with Chinese customers (including set makers) by bolstering functions at Chinese sites

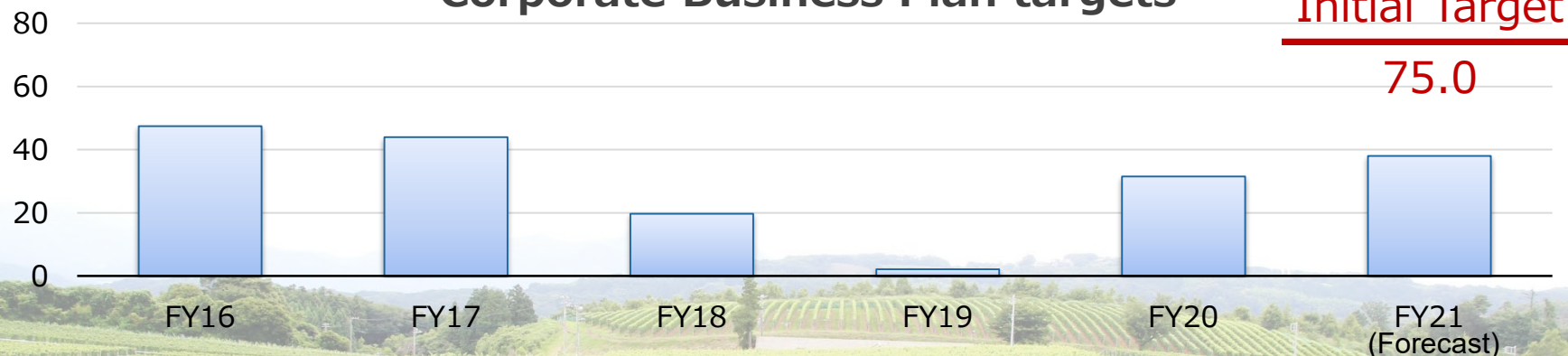
Chinese panel makers headed toward more than half of large LCD production capacity

Progress on the Corporate Business Plan (Health & Crop Sciences)

Change & Innovation 3.0: For a Sustainable Future

Recent core operating income performance and Corporate Business Plan targets

(Billions of yen)



Priorities

Major progress to date

Future challenges

Establish Global Footprint for crop protection business overseas	Acquired crop protection business in South America. PMI is progressing. Merged two crop protection subsidiaries in India	Reap synergies quickly
Develop and launch new crop protection chemicals	Launched INDIFLIN™ in Japan, US and Canada	Launch INDIFLIN™ in Brazil
Strengthen biorationals business	Strengthened global organizational structure	Accelerate development of new products and expand product portfolio
Strengthen methionine business	Implemented rationalizations such as shuttering old plant	Drive projects to implement more rationalization

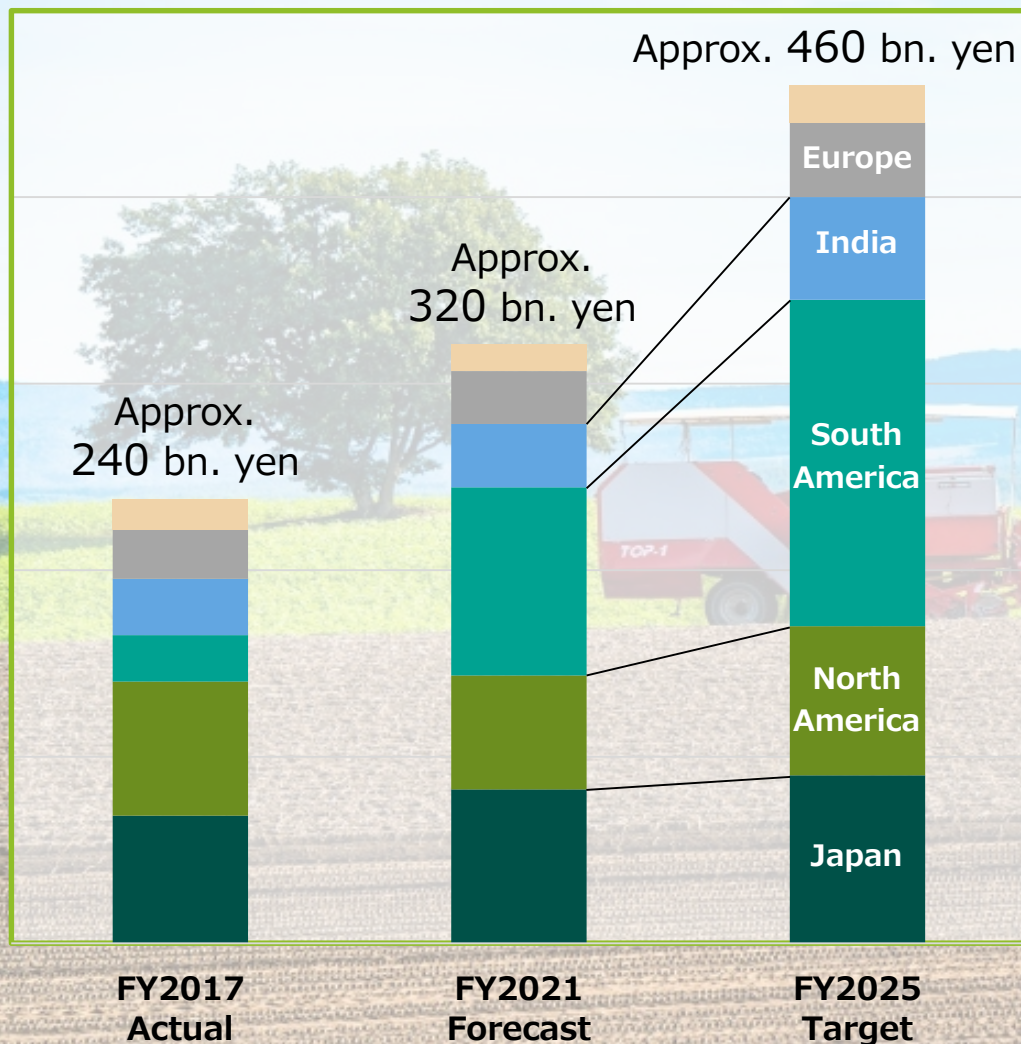
Investments and Commercialization Schedule (Health & Crop Sciences)

Change & Innovation 3.0: For a Sustainable Future

Investment or M&A	Investment amount	2016 to 2018	Current Corporate Business Plan	Next Corporate Business Plan
			2019 to 2021	2022 to 2024
Reorganized R&D facilities (Brazil, NA, Takarazuka)	Approx. 10.0 bn. yen		Expecting strong growth in life sciences	
Strengthen India crop protection business	(Cumulative to date) Approx. 20.0 bn. yen		Strong growth in Indian crop protection market (growth in food production driven by population growth)	
Acquire NuFarm's South American subsidiaries	Approx. 1.2 bn. Australian dollars		Expand sales in South America including Brazil, the world's largest market for crop protection products	
Expand biorationals business	(Cumulative to date) Approx. 60.0 bn. yen		Contribute to sustainable agriculture	
Add capacity in methionine	Approx. 50.0 bn. yen	(global population growth and growth in demand for meat)	Growth in demand for methionine	

Sales revenue target for crop protection business

(Excludes environmental health business)



India

- ✓ Expanded sales of Sumitomo Chemical products and biorationals
 - Leverage larger and stronger sales network
 - Accelerate development of new mixture products
- ✓ Supply active ingredient to group companies

South America

- ✓ Maximize sales of INDIFLIN^(R) and expand sales of biorationals leveraging acquired sales network
- ✓ Complete PMI to accelerate efficient and integrated management
- ✓ Expand seed treatment business

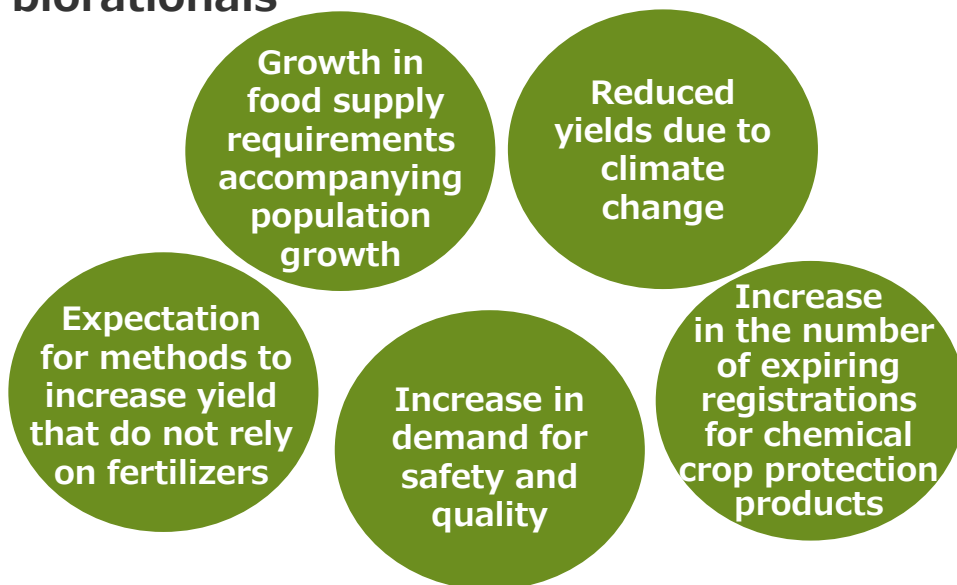
North America

- ✓ Expand sales of A2020 and other new products
- ✓ Expand sales of biorationals leveraging to the hilt the reinforced SSBU (dedicated sales organization)
- ✓ Expand seed treatment business

Market for biorational products

	Market size	Growth rate
Chemical Crop Protection	60.0 bn. USD	2%
Biorationals	6.4 bn. USD	10~15%

Background to expanding demand for biorationals



Initiatives to strengthen biorationals business

- Expand dedicated sales organization SSBU**
 NA: Substantially add headcount
 SA & EUR: Newly establish organization
- Leverage cutting-edge technology in synthetic biology**
 Establish SynBio Hub
 → Develop new products, reduce cost of existing products
- Newly establish domestic biorationals team**
 Strengthen pipeline development

Accelerate launch of 8 pipeline products in later development stages (PGRs 3, Bioinsecticides 3, Rhizospheres 2)

Methionine market prices

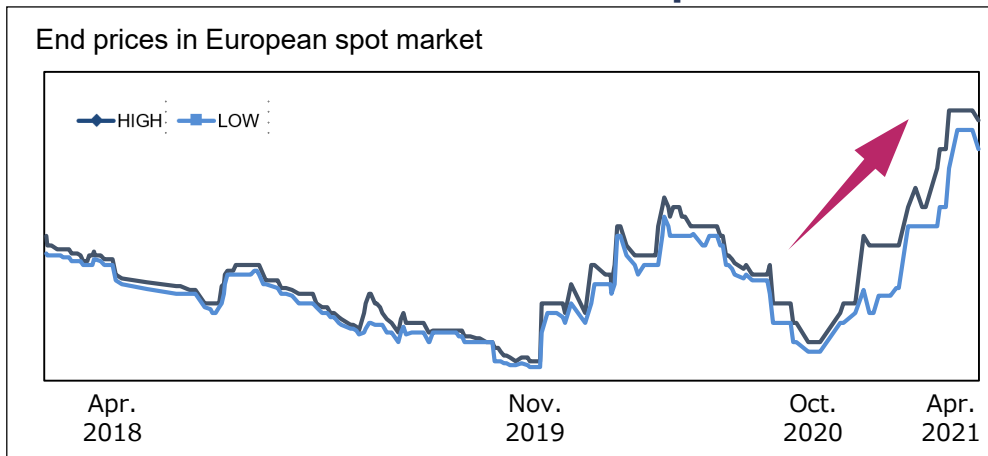
Price is rising

Demand
Continued strength

Supply
Rival plants shut down

Logistics
Disruptions due to pandemic

DL-methionine market prices



Source: feedinfo.com/pages/DL_Methionine_99

Profitability improvement campaign - Funbari Project

- Reduced maintenance costs by discontinuing production at obsolete plants
- Improved fixed costs and energy efficiency and rationalized manufacturing costs (procurement of cheaper raw materials, etc.)
- Leveraged DX to lower inventory storage costs
- Optimized sales regions and customer strategies
- Cut research expenses by down-selecting research themes

Achieved annual 2 bn. yen in cost rationalizations

Tackle more rationalizations on items in FY 21

Improve profitability by further strengthening cost competitiveness

Progress on the Corporate Business Plan (Pharmaceuticals)

Change & Innovation 3.0: For a Sustainable Future

Recent core operating income performance and Corporate Business Plan targets



Priorities

Major progress to date

Future challenges

Maintain earnings power after Latuda's loss of exclusivity

Execute on strategic alliance with Roivant
ORGOVYX™ and **GEMTESA®**: Launched in US
Forged development and sales alliance with Pfizer
Launched sublingual film for the treatment of Parkinson's disease

Deliver on development of remaining indications
Maximize earnings on products in market

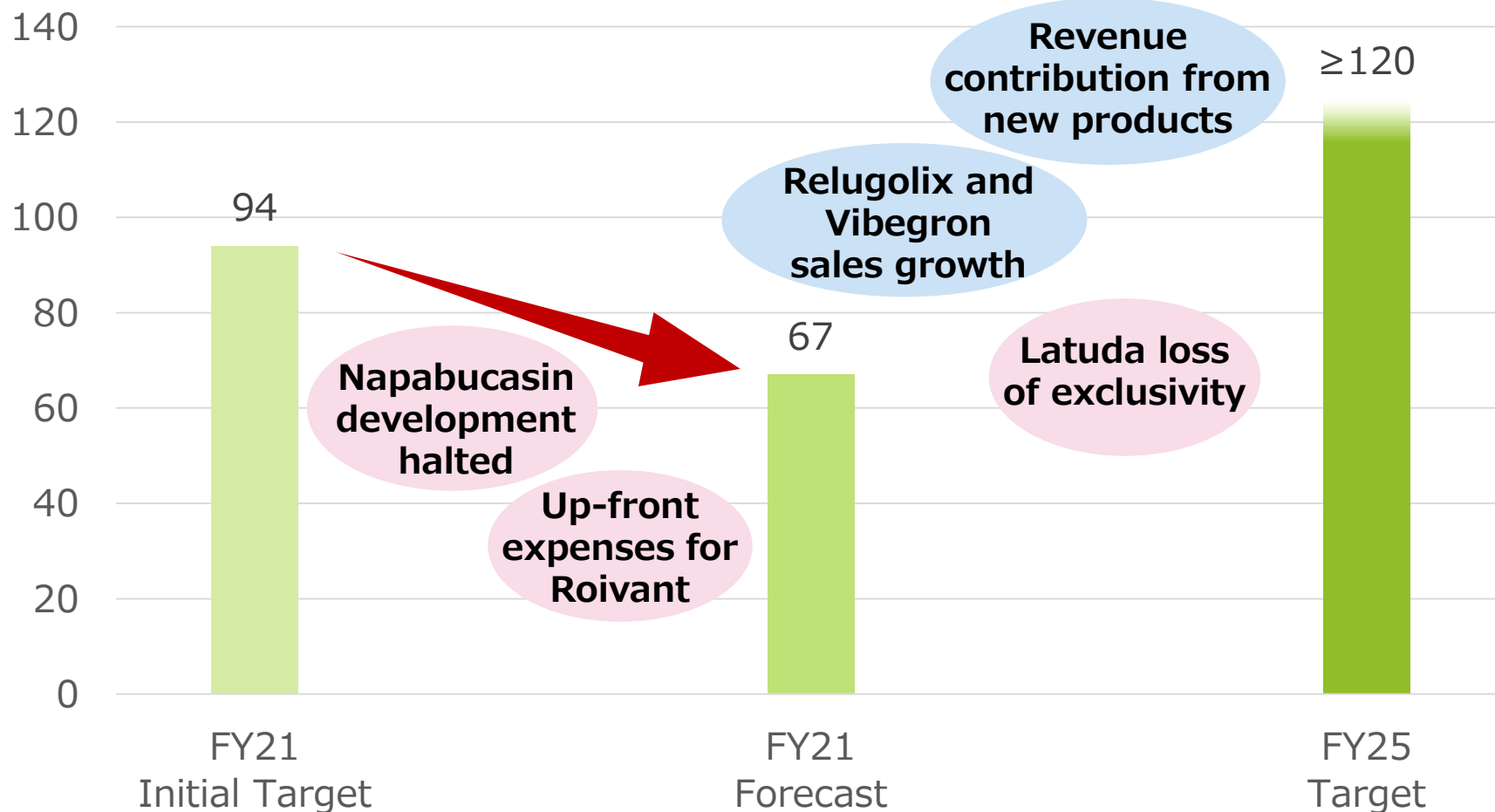
Develop theranostics business and strengthen the competitiveness of existing radioactive diagnostics business

Began operations in 2020 of radiopharmaceuticals R&D site

Accelerate development of theranostics

Achieve long-term growth through success in promising new products

Core Operating Income
(Billions of yen)



Progress on acquired pipelines

relugolix

vibegron

Progress

Prostate cancer:
 Launched in US January 2021
 Filed in Europe in March 2021



Uterine fibroids:
 Plan to launch in FY 2021
 Endometriosis:
 Plan to launch in FY 2022

Overactive bladder:
 Launched in US April 2021

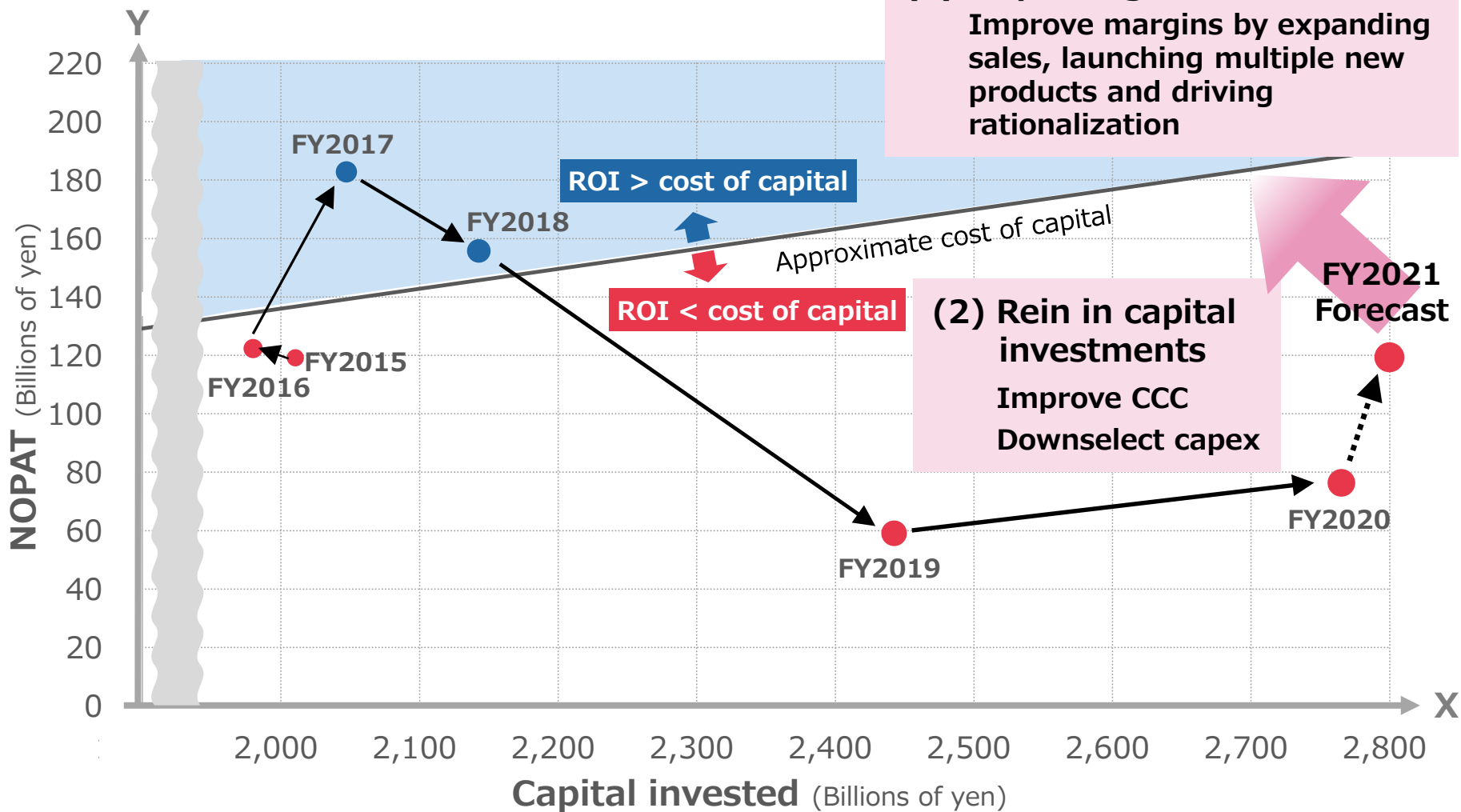


Strategy

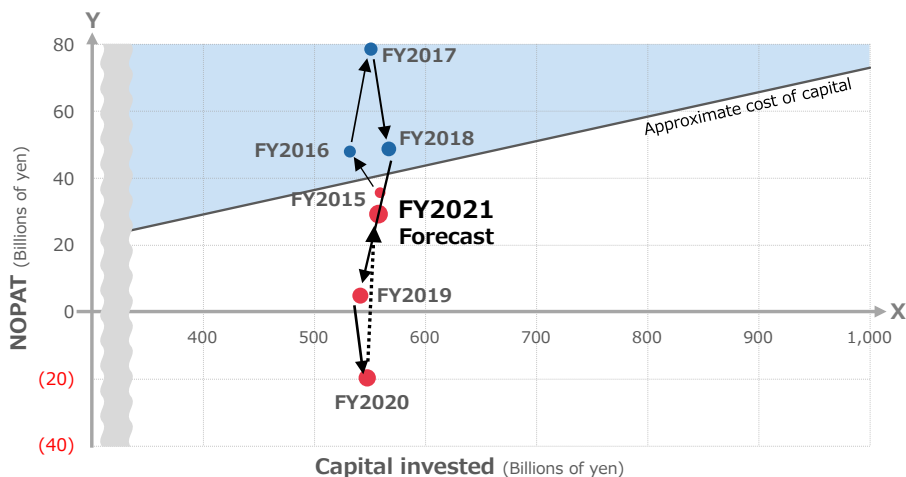
- Maximize sales through alliance with Pfizer
- Pursue cost synergies by leveraging Sunovion sales infrastructure (distribution)

- Pursue cost synergies by leveraging Sunovion sales infrastructure (sales and distribution)
- Maximize earnings outside North America through alliances with third parties

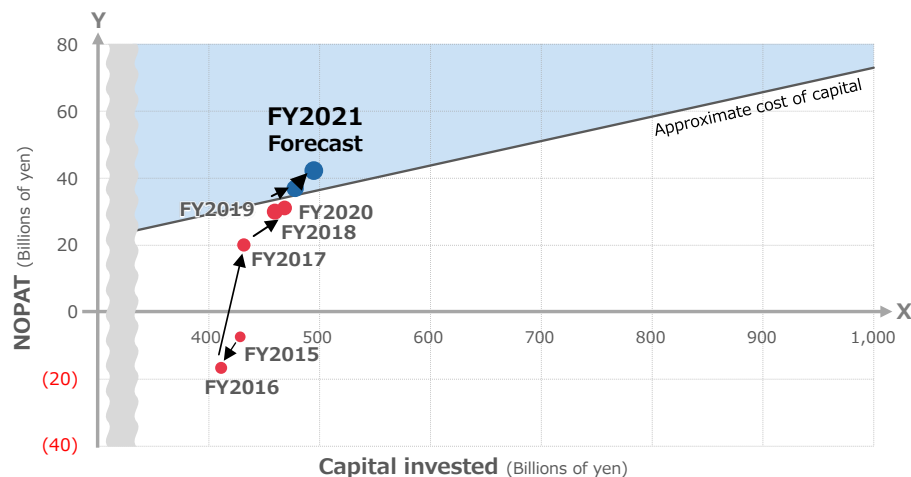
Capital invested and NOPAT



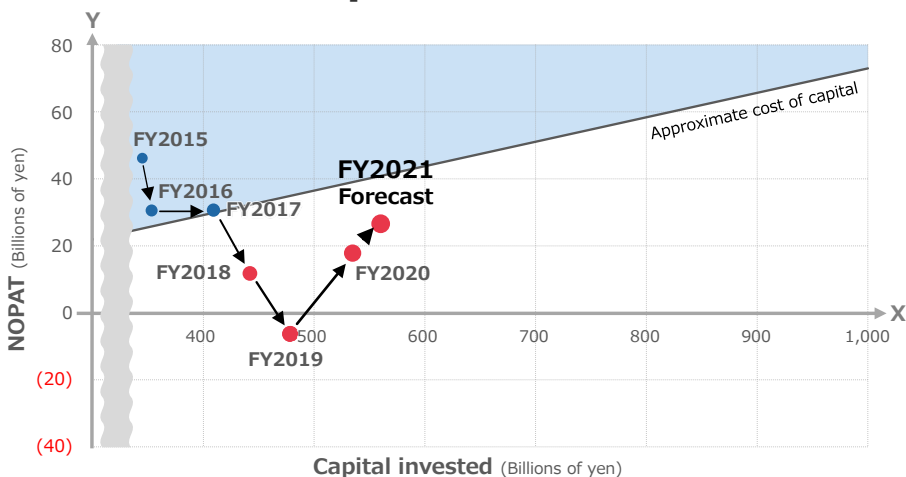
Petrochemicals & Plastics



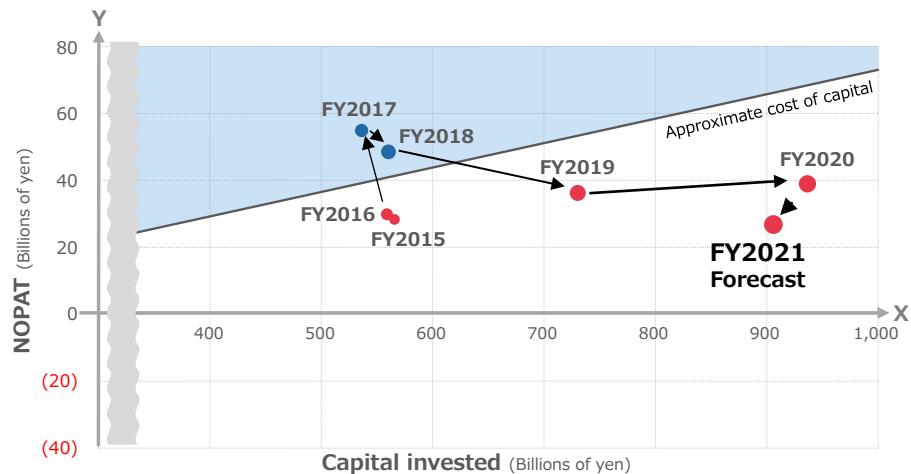
Energy & Functional Materials IT-related Chemicals



Health & Crop Sciences



Pharmaceuticals



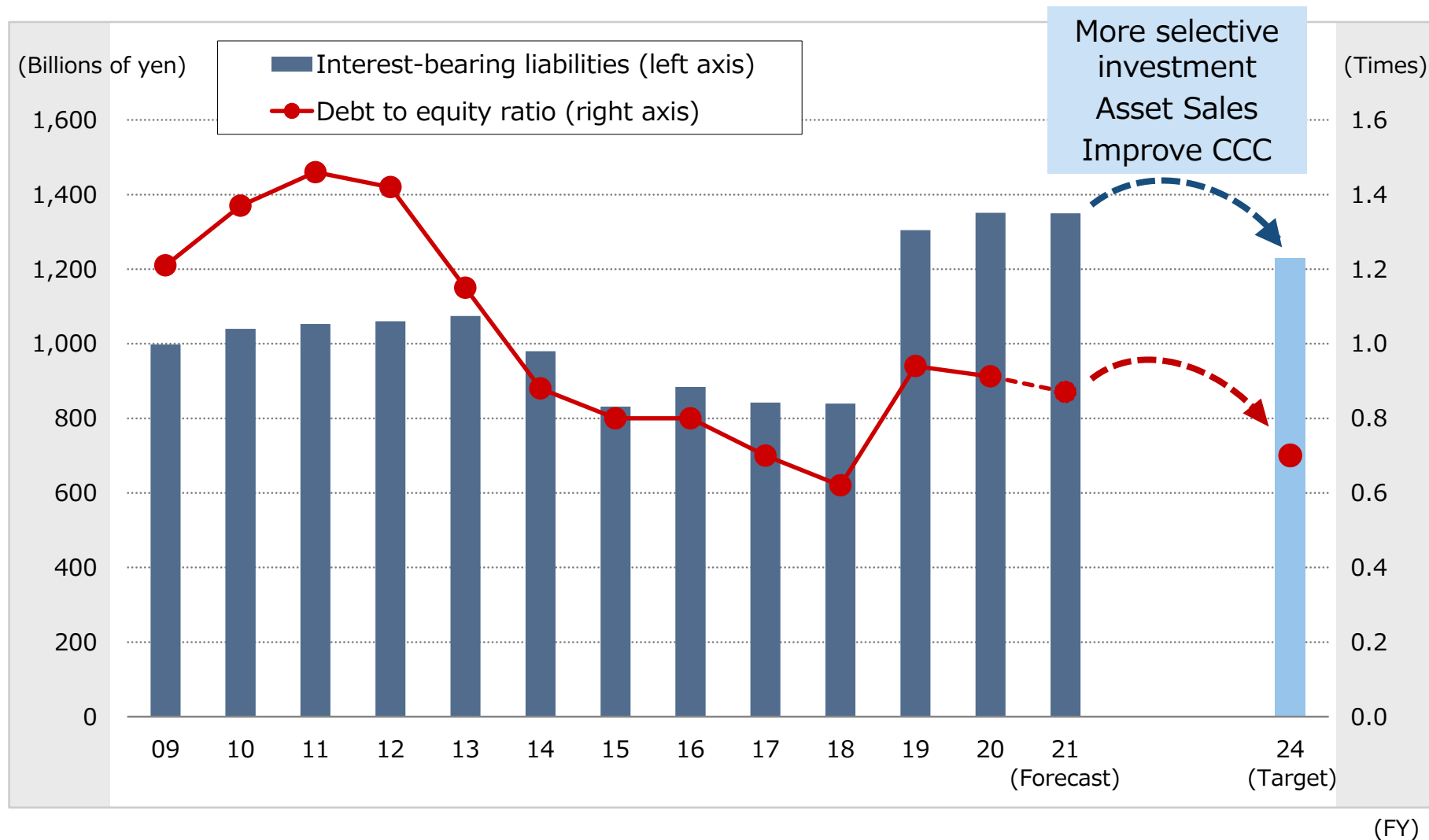
II FY2019-FY2021 Progress on the Corporate Business Plan

1 Further improve business portfolio 9

2 **Build a more robust financial structure** 33

3 Accelerate the development of next-generation
businesses 38
Improve productivity through digital innovation

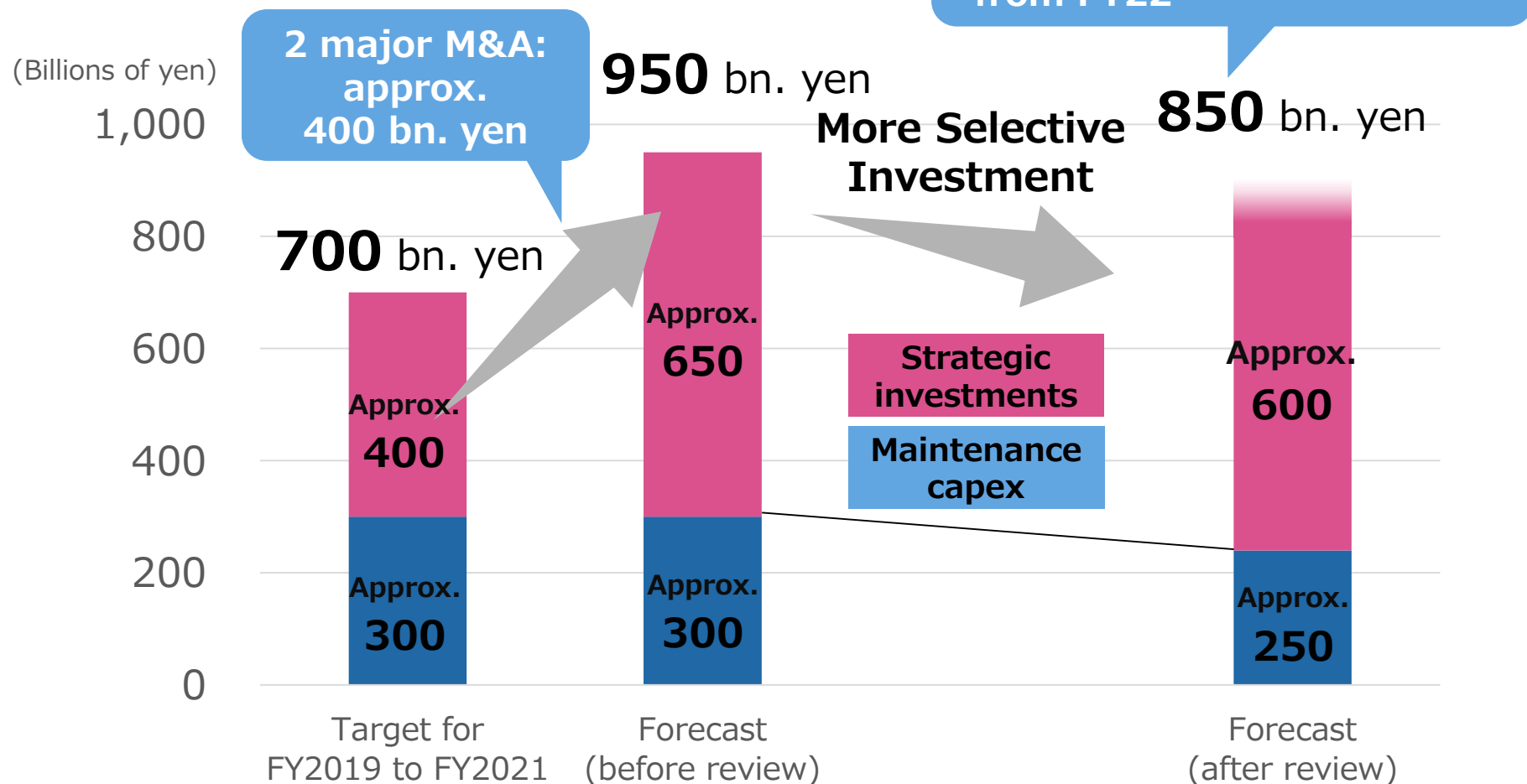
Interest-bearing liabilities and debt to equity ratio



Initiatives for Improving Financial Strength (More Selective Investment)

Change & Innovation 3.0: For a Sustainable Future

Capital Expenditures and Investments (decision-making basis)



Asset Sales

Target 50 bn. yen
by the end of FY24

Results

- Sold some strategic share holdings
- Sold other assets

FY2019 ~ FY2020

More than **40 bn. yen**

Path forward

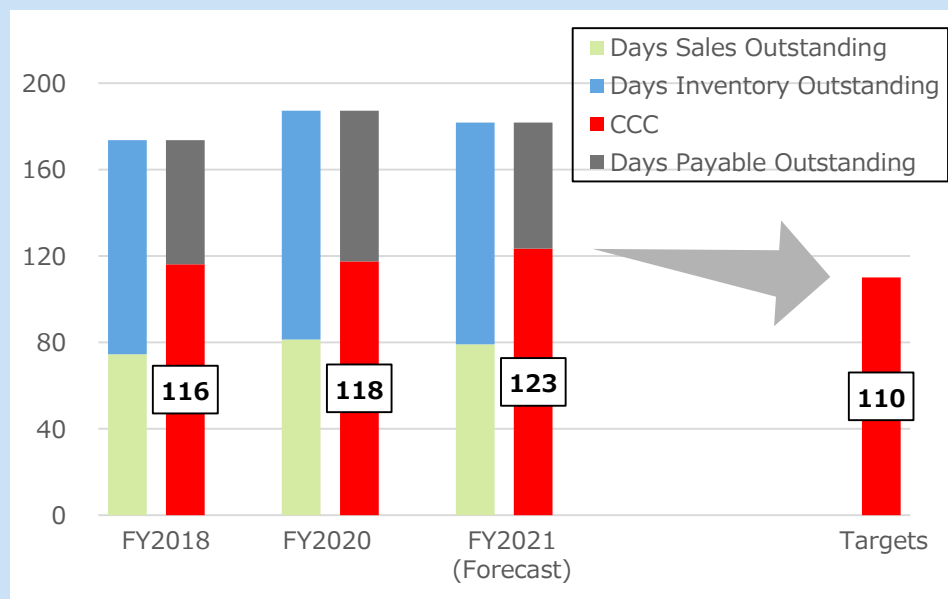
- Sell multiple other share holdings this fiscal year
- Expect to reach target ahead of schedule (FY2024)

Improve CCC

Target 50 bn. yen
by the end of FY24

Step it down with top priority on inventory reductions

- Launched companywide inventory reduction project
- Rising in FY2021 on extraordinary factors (New product support, etc.)



Total and Net Assets

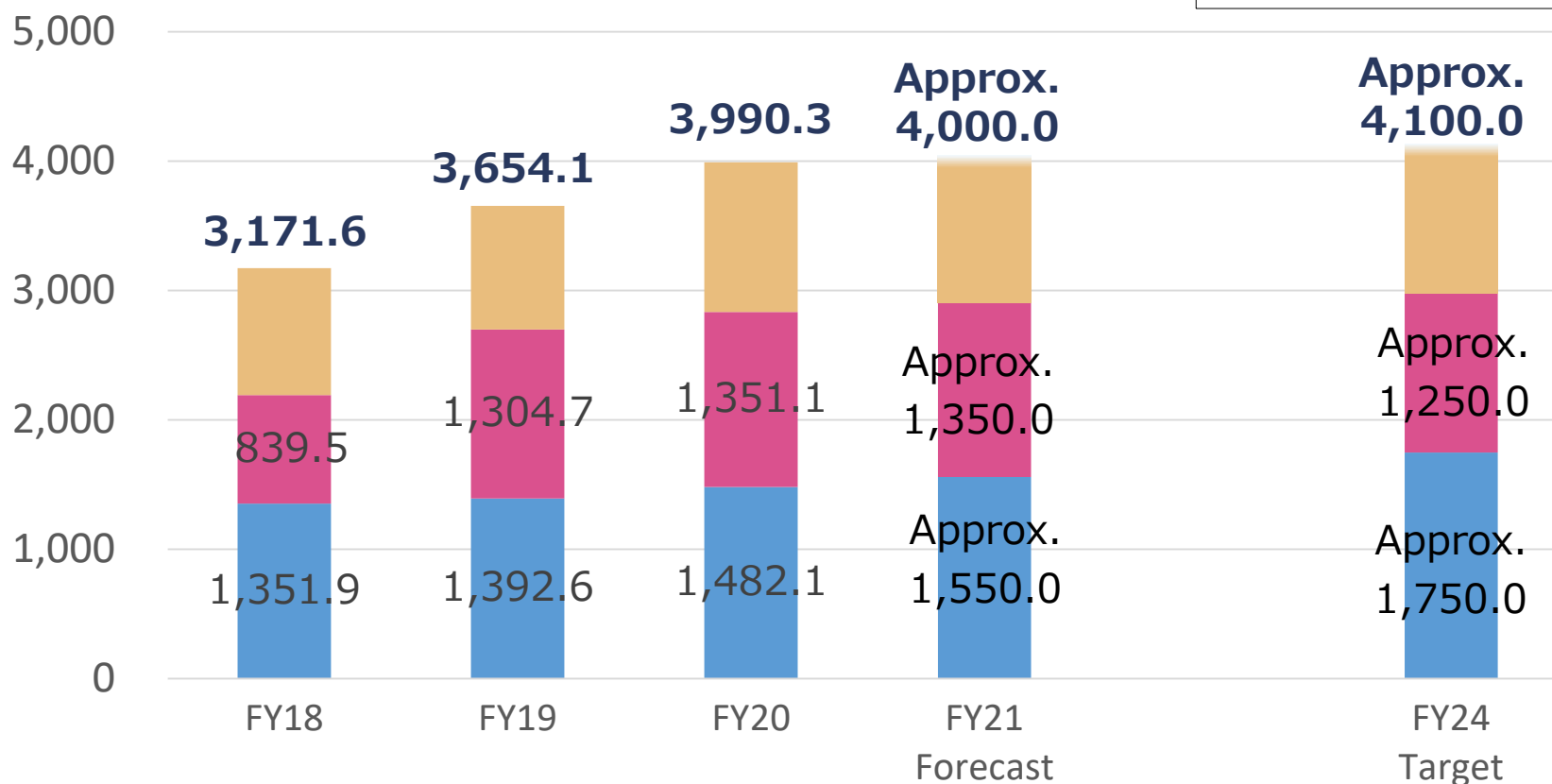
(Billions of yen)

Total: Total assets

Non-interest bearing liabilities

Interest-bearing liabilities

Net assets



D/E ratio

0.6

0.9

0.9

0.9

0.7

II FY2019-FY2021 Progress on the Corporate Business Plan

1 Further improve business portfolio 9

2 Build a more robust financial structure 33

3 Accelerate the development of next-generation businesses
Improve productivity through digital innovation 38

Initiatives to date

Red text indicates progress made since December 2020

Health care

Regenerative medicine & cell therapy CDMO

Established JV with Sumitomo Dainippon Pharma and **contracted manufacturing method development and manufacturing of corneal endothelial cells**

Nucleic acid medicine active ingredient contract business

Supplied long-chain RNA for CRISPR-Cas9
→ **Positive results from customer tests. Now studying adding capacity to enter full production**

Theranostics

Began operations of radiopharmaceuticals R&D site

Developed rapid diagnostics sensor for COVID-19

Invested equity in Nanocent of Israel
→ **Began tie-ups with Japanese hospitals to drive penetration as pre-screening tool**

Reduction of environmental impact

Solid-state batteries

- Industry-academia joint research course at Kyoto University
- Developed high-purity aluminum anode material, etc.

Chemical recycling

- Set up R&D group for the development of environmental impact mitigation technologies
 - Following 3 projects under development (partner)
 - Polyethylene made from waste (Sekisui Chemical)
 - Develop polyolefin made from waste plastic (Muroran Institute of Technology)
 - Develop methanol made from waste (Shimane University)
- **Begin studies using alongside PDH technology**

Materials recycling

Commercialized glass-fiber reinforced recycled polypropylene in Europe

Red text indicates progress made since December 2020

Food

Biorational materials

- Set up SynBio Hub in VBC in the US
- Expanded global sales organization
- Created dedicated team within Takarazuka Research Laboratory
- **Development pipeline advancing stages. Now 8 (was 6) in late-stage development**

Development of sensors for post-harvest applications

Develop gas sensors for fruit preservation control leveraging organic semiconductor technology

ICT

Materials for image sensors

This fiscal year plan to begin using new color materials for CMOS image sensors and resins for lenses, etc.

Materials for AR·VR·MR displays

Developed materials for ultra-compact, ultra high-resolution Si-OLED displays

5G antennas

Applied flexible touch screen sensor technology

Develop high performance materials using biotechnology

Developed high performance film with Zymergen

Polymer light-emitting materials

Moved to mass production for mid-sized panels

Next-generation power semiconductors

Developed elemental technology for GaN substrate manufacturing method suited for power semiconductors

Accelerate initiatives aimed at digital innovation

	DX 1.0 strategy initiatives	Challenges in FY21
Digital Plant	Introduce digital technologies such as error detection systems and electronic daily reporting	Adopt digital technologies across the plant
Digital R&D	Implemented material informatics (MI) in a total of about 50 projects	Accelerate companywide adoption of a data management regime
Digital SCM	Made supply chain information more visible and sophisticated. Prepared introduction of S/4HANA.	Drive work efficiencies leveraging S/4HANA and RPA
Digital Office	Shifted to remote work quickly through early adoption of Office tools.	
Cultivate DX talent	Cultivated data scientists and data engineers	Cultivate business translators and business data analysts

Continue DX 1.0 strategy
and

DX 2.0 strategy: Build out a structure driven by the business divisions to secure competitiveness in existing businesses
Select a 'model business' in each business division and tackle DX challenges based on business characteristics

IT × Business

DX 2.0 strategy

Secure competitiveness of existing businesses

DX 3.0 strategy

Realize new business models

Knowledge of IT

Knowledge related to our business

Innovative technologies

Sumitomo Chemical Systems Service

- Talent to drive digitalization

Merge

Sumitomo Chemical

Driven by the business division

IT Division

- New digital
- Security
- Global controls, etc.

Link

Establish JV

SUMIKA DX ACCENT

- Accelerate rollout of DX
- Cultivate DX talent

Accenture

- Diverse and advanced know-how
- Training programs for dedicated DX personnel

III Becoming Carbon Neutral

Major recent initiatives at Sumitomo Chemical targeting climate change issues

2016



Started **Sumika Sustainable Solutions**

2017



Announced our support when the recommendations for the **Task Force on Climate-related Financial Disclosures (TCFD)** were released

2018



Recognized by the **Science Based Targets Initiative**

2021

Established the **Carbon Neutral Strategy Council** and the **Carbon Neutral Strategy Cross-functional Team**

Becoming carbon neutral by 2050

GHG emissions for the Sumitomo Chemical Group (Scope 1+2)

7,220kt

Innovations essential

Duties

- ✓ Minimize our GHG emissions and provide and deploy technologies across the world

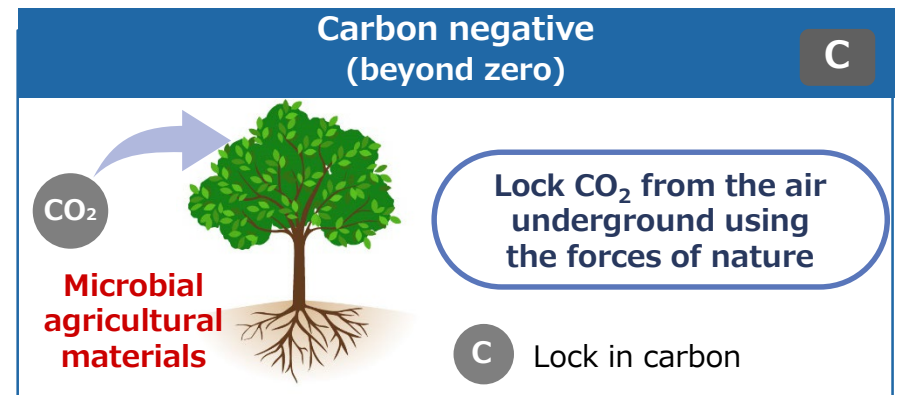
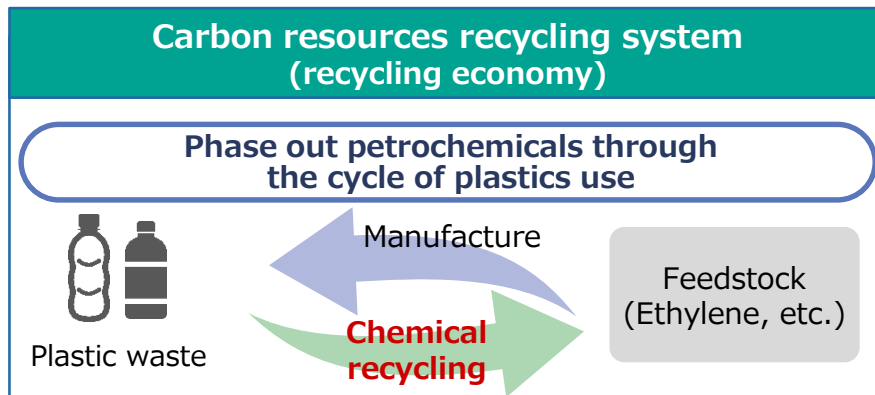
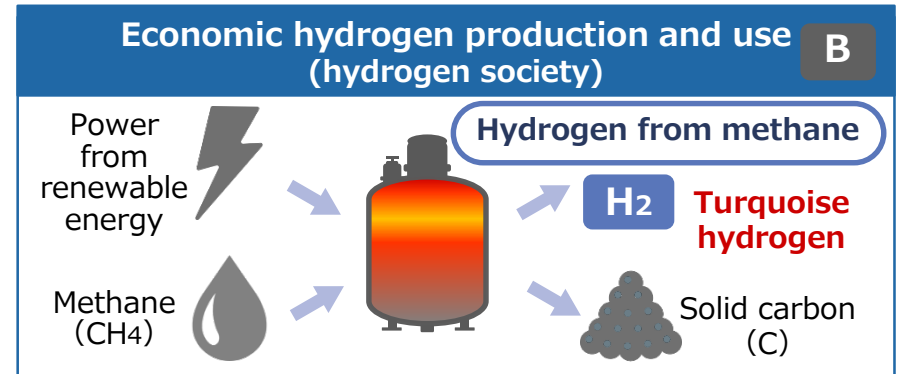
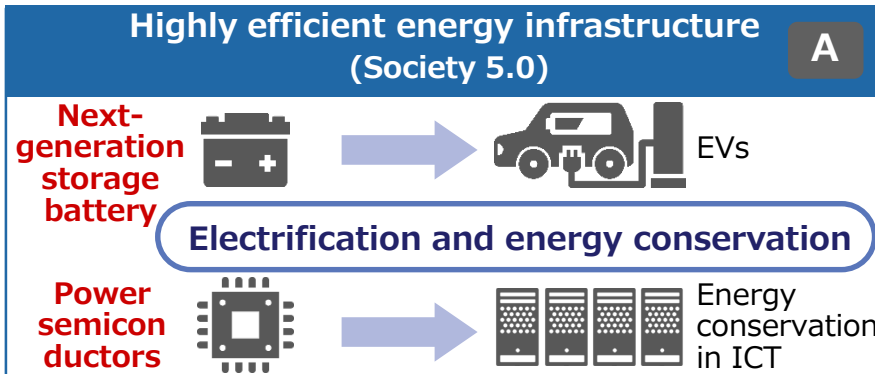
Contributions

- ✓ Provide products and solutions that contribute to carbon neutrality from a Life Cycle Assessment perspective **A**
- ✓ Develop technologies for recovery, separation, use and storage of greenhouse gases and help implement such technologies in society **B**
- ✓ Develop carbon negative technologies **C**

2019

2050

Technology development aimed at generating innovation

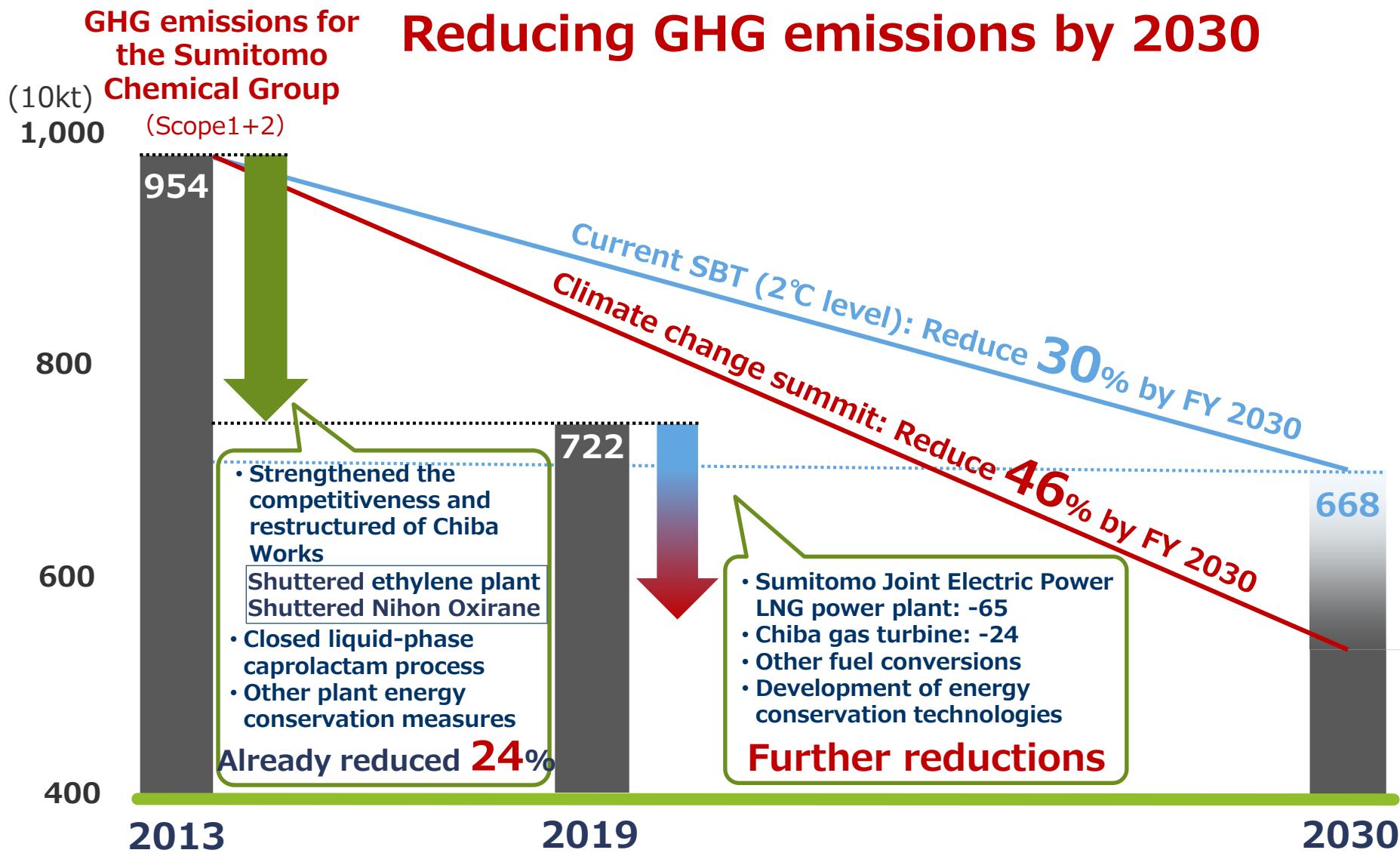


Duties

Reduce GHG emissions at Sumitomo Chemical

Contributions

Achieve a carbon neutral society



Build new research laboratory in Chiba

(Begin operations March 2024)

Change & Innovation 3.0: For a Sustainable Future

Transform Chiba into research laboratory for environmental impact mitigation technology

Role

Develop technologies related to carbon cycle and GHG emission reductions

Develop polymer materials for next-generation mobility, 5G and other applications

Technology Strength of Chiba area

Catalyst

Process

Polymer design

Compounds

Processing

Facilities

A fully integrated and equipped outfit possessing validation equipment for a variety of scales--from the lab to commercial levels



Accelerate innovations in the fields of environmental impact mitigation and polymer materials

Sharing Our Aspirations with Stakeholders

Change & Innovation 3.0: For a Sustainable Future

Sumitomo Chemical creates
economic value and **social value** in an integrated way



Contribute to realizing a sustainable society through our business

- Sharing our aspirations with stakeholders -

Cautionary Statement

Statements made in this document with respect to Sumitomo Chemical's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of Sumitomo Chemical. 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 Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Chemical's products in the marketplace; Sumitomo Chemical's ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.