

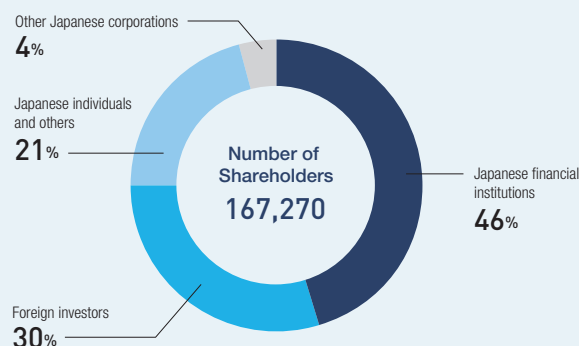
Corporate and Investor Information

(As of March 31, 2022)

Paid-in Capital	¥89.7billion
Number of Employees	Non-consolidated: 6,488 Consolidated: 34,703
Common Stock	Authorized: 5,000,000,000 shares Issued: 1,655,446,177 shares
Settlement Date	March 31
Stock Transaction Units	100-share units
Ordinary General Meeting of Shareholders	Within three months from the next day of the settlement date
Number of Shareholders	167,270
Listings	Tokyo*
Transfer Agent and Registrar	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Division 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233, Japan
Independent Certified Public Accountants	KPMG AZSA LLC

*Shift to the Tokyo Stock Exchange Prime Market on and after April 4, 2022.

Distribution of Shareholders



Major Shareholders

Major Shareholders	Number of Shares Held (1,000 shares)	Shareholding Ratio (%)*
The Master Trust Bank of Japan, Ltd. (Trust Account)	257,083	15.72
Custody Bank of Japan, Ltd. (Trust Account)	96,934	5.92
Sumitomo Life Insurance Company	71,000	4.34
Nippon Life Insurance Company	41,031	2.50
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Ltd. ReTrust Account / Sumitomo Life Insurance Company Employee Pension Trust Account)	29,000	1.77
Custody Bank of Japan, Ltd. (Trust Account No.4)	28,264	1.72
STATE STREET BANK WEST CLIENT – TREATY 505234	27,651	1.69
JP MORGAN CHASE BANK 385771	24,789	1.51
Sumitomo Chemical Employee Stock Ownership Plan	23,997	1.46
Sumitomo Mitsui Banking Corporation	23,073	1.41

*Percentage of shares held to the total number of shares issued and outstanding shares (excluding treasury shares)

Dividend Policy

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.

The full-year dividend for fiscal 2021 was ¥24 per share, a increase of ¥9 per share from the previous fiscal year.

IR Calendar*

Fiscal 2021 (Year ended March 31, 2022)

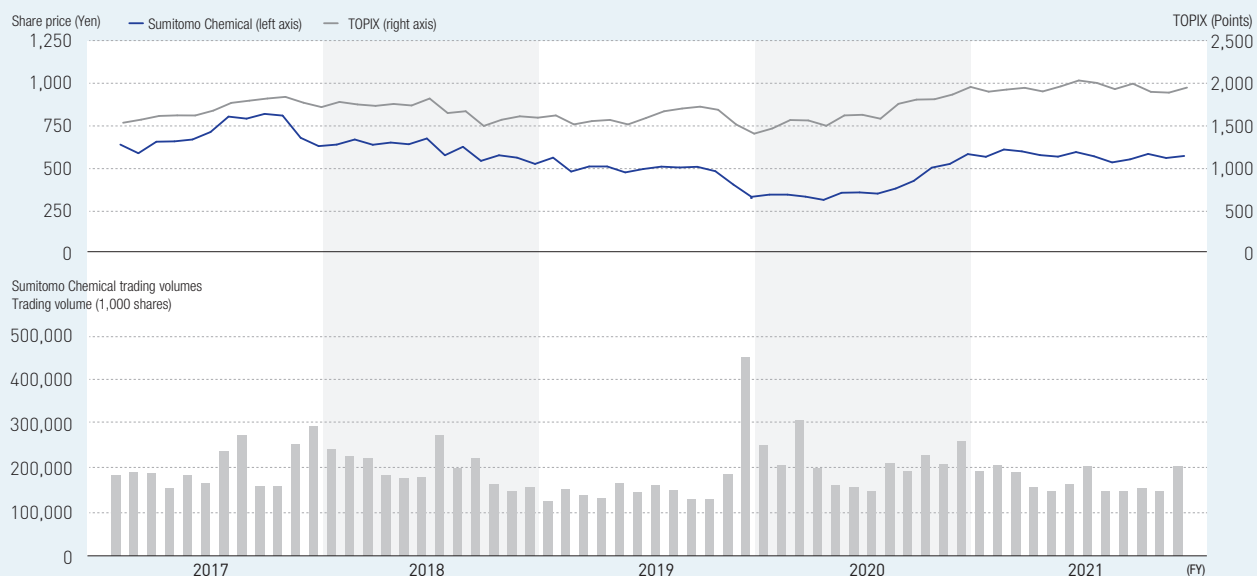
May 2022	Fiscal 2021 Financial Results
June 2022	141th Ordinary General Meeting of Shareholders

Fiscal 2022 (Year ended March 31, 2023)

August 2022	1st Quarter Financial Results
November 2022	2nd Quarter Financial Results
February 2023	3rd Quarter Financial Results
May 2023	Fiscal 2021 Financial Results
June 2023	142st Ordinary General Meeting of Shareholders

* This schedule is subject to change.

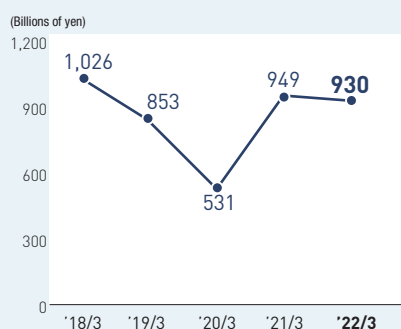
Stock Performance



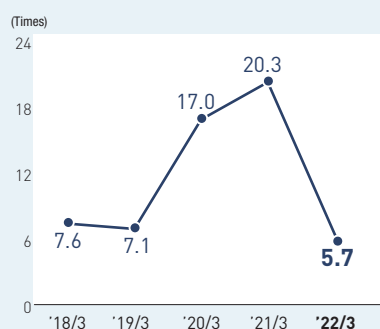
Fiscal Year	2017	2018	2019	2020	2021
Share price high (yen)	882	684	556	593	631
Share price low (yen)	574	485	267	285	488
Share price at year-end (yen)	620	515	321	573	562
Cumulative trading volume (1,000 shares)	2,418,727	2,369,928	2,038,948	2,508,242	2,038,226

Fiscal Year	2017	2018	2019	2020	2021
Shares outstanding (1,000 shares)	1,655,446	1,655,446	1,655,446	1,655,446	1,655,446
Market capitalization (billions of yen)	1,026	853	531	949	930
Basic earnings per share (yen)	81.81	72.17	18.91	28.16	99.16
Equity attributable to owners of the parent per share (yen)	567.04	610.82	564.12	623.39	745.03
Price earnings ratio (PER) (times)	7.6	7.1	17.0	20.3	5.7
Price book-value ratio (PBR) (times)	1.1	0.8	0.6	0.9	0.8
Cash dividends per share (yen)	22	22	17	15	24
Dividend payout ratio (%)	26.9	30.5	89.9	53.3	24.2
Total shareholder return (TSR) (%)	103.2	89.9	61.4	104.3	106.4
Ratio of shares owned by foreign investors to shares outstanding (%)	30.3	27.6	26.4	26.8	29.9

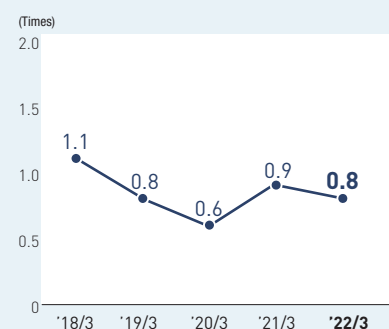
Market Capitalization



Price Earnings Ratio (PER)



Price Book-value Ratio (PBR)



Financial Review

1 Results of Operations

(1) Sales Revenue

Market price increased mainly in Essential Chemicals & Plastics Sector. In the previous fiscal year, shipments were decreased mainly for automotive applications in Essential Chemicals & Plastics and Energy & Functional Materials Sectors due to the spread of the COVID-19 pandemic, in addition to the impact of reduced shipments in Essential Chemicals & Plastics Sector due to periodic shutdown maintenance at Petro Rabigh, an equity method affiliate, but a recovery in demand was seen in this fiscal year. In addition, shipments remained strong in IT-related Chemicals and Health & Crop Sciences Sectors. In Pharmaceuticals Sector, there was an upfront payment from a collaboration and license agreement for joint development and commercialization with Otsuka Pharmaceutical Co., Ltd. As a result, net sales increased ¥478.3 billion to ¥2,765.3 billion from ¥2,287.0 billion in the previous fiscal year.

(2) Core Operating Income/Operating Income

In addition to higher market prices in Essential Chemicals & Plastics Sector, shipments increased due to the impact of periodic shutdown maintenance at Petro Rabigh, an equity-method affiliate in the previous fiscal year, and recovery from the impact of the spread of the COVID-19 pandemic. In IT-re-

lated Chemicals Sector, shipments remained strong driven by stay-at-home and remote work trends, which continued from the previous fiscal year. Furthermore, in Health & Crop Sciences Sector, shipments of crop protection products increased and market prices of methionine (feed additives) improved. In Pharmaceuticals Sector, on the other hand, selling, general and administrative expenses related to new items increased, despite an upfront payment from a collaboration and license agreement for joint development and commercialization. As a result, core operating income increased ¥87.2 billion to ¥234.8 billion from ¥147.6 billion in the previous year.

The operating results from non-recurring factors, which were deducted from operating income to calculate core operating income, were a loss of ¥19.8 billion, a deterioration of ¥9.3 billion from the ¥10.5 billion loss in the previous year, due to the recording of a gain on sales of fixed assets in the previous year. As a result, operating income increased by ¥77.9 billion to ¥215.0 billion, compared to ¥137.1 billion in the previous fiscal year.

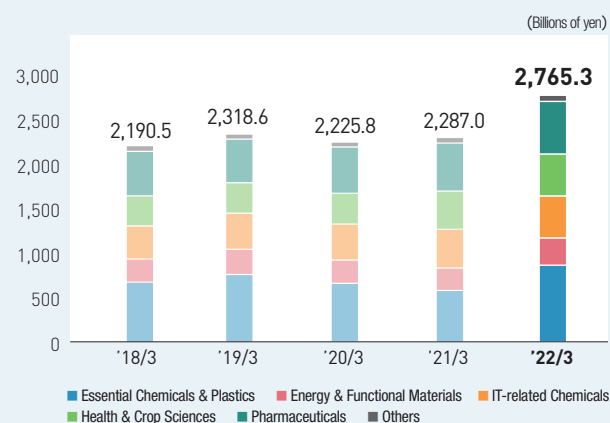
(3) Finance Income and Finance Expenses/ Income Before Taxes

Financial income and expenses amounted to a profit of ¥36.1 billion due to foreign exchange gains resulting from the depreciation of the yen against the U.S. dollar. This was an improvement of ¥35.4 billion from the previous year's gain of ¥0.7 billion. As a result, income before taxes increased by ¥113.3 billion, to ¥251.1 billion for this fiscal year from ¥137.8 billion for the previous fiscal year.

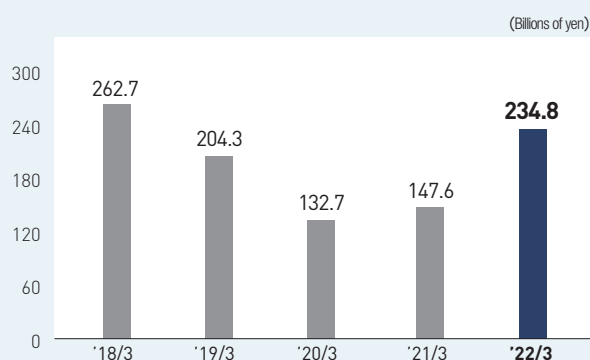
Sales Revenue



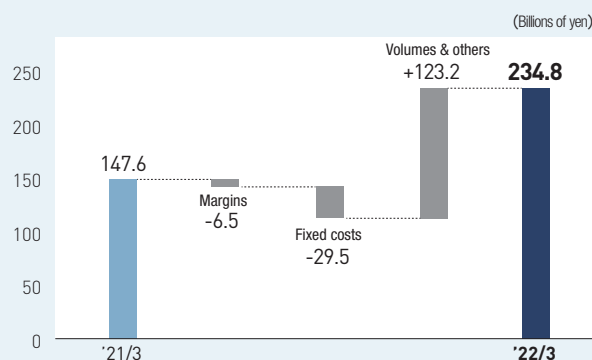
Breakdown of Sales Revenue by Business Sector



Core Operating Income



Change in Core Operating Income: '21/3 vs. '22/3



(4) Income Tax Expenses/Net Income Attributable to Owners of the Parent and Net Income Attributable to Non-controlling Interests

Income tax expenses were ¥64.7 billion, and the ratio of income tax expenses to income before taxes after applying tax effect accounting was 25.8%. As a result, net income was ¥186.4 billion for this fiscal year.

Net income attributable to non-controlling interests was ¥24.3 billion for this fiscal year up ¥2.3 billion from the ¥22.0 billion for the previous fiscal year. This mainly represents net income attributable to non-controlling interests of consolidated subsidiaries, such as Sumitomo Pharma Co., Ltd.

Net income attributable to owners of the parent was ¥162.1 billion for this fiscal year increased by ¥116.1 billion from the ¥46.0 billion for the previous fiscal year.

(5) Dividends

The interim dividend was ¥10 per share and the year-end dividend was ¥14. As a result, the full-year dividend for fiscal 2021 was ¥24 per share.

2 Sector Information

(1) Essential Chemicals & Plastics

Although the sector's consolidated financial results for fiscal 2021 were adversely affected by a periodic shutdown maintenance at the company's Chiba Works, market conditions for synthetic resins, synthetic fibers, and a variety of industrial chemicals improved, and margins also improved, due to a recovery in demand as well as an increase in raw material prices. Therefore, sales revenue increased by ¥253.2 billion, to ¥842.5 billion, and core operating income recovered by ¥65.5 billion, to ¥53.5 billion, compared with the previous year, when the shipment volumes decreased due to the periodic shutdown maintenance for Petro Rabigh, our equity method investee, and due to the impact of the COVID-19 pandemic mainly on demand for automotive use.

(2) Energy & Functional Materials

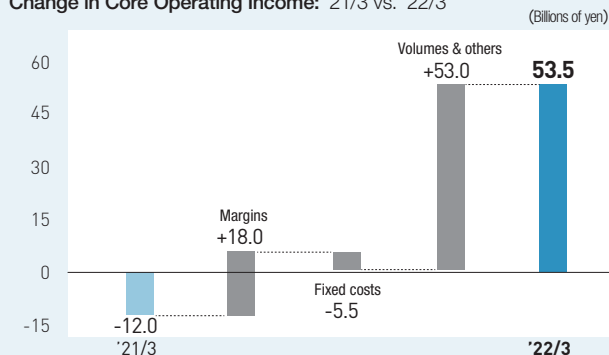
Shipments of separators for lithium-ion secondary batteries performed well. Market prices for aluminum and for the metal raw materials for cathode materials increased, resulting in higher selling prices. For the previous fiscal year, shipments had been lower, mainly for automotive use, due to the COVID-19 pandemic. As a result, sales revenue increased by ¥71.1 billion to ¥316.4 billion from the previous year, while core operating income at

Results by Business Sector

	'21/3			'22/3			Core operating income growth
	Sales Revenue	Core Operating Income	Core operating income ratio	Sales Revenue	Core Operating Income	Core operating income ratio	
Essential Chemicals & Plastics	¥ 589,323	¥ (11,991)	(2.0) %	¥ 842,511	¥53,515	6.4 %	—
Energy & Functional Materials	245,249	20,265	8.3	316,386	20,058	6.3	(1.0)
IT-related Chemicals	431,819	39,733	9.2	473,742	57,827	12.2	45.5
Health & Crop Sciences	423,011	31,547	7.5	473,778	42,253	8.9	33.9
Pharmaceuticals	546,450	71,672	13.1	591,709	61,712	10.4	(13.9)
Others	51,126	12,752	24.9	67,195	15,784	23.5	23.8
Adjustment & Elimination	—	(16,363)	—	—	(16,370)	—	—
Total	¥2,286,978	¥147,615	6.5 %	¥2,765,321	¥234,779	8.5 %	59.0 %

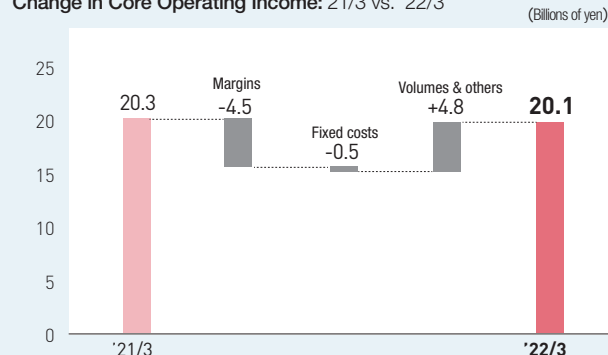
Essential Chemicals & Plastics

Change in Core Operating Income: '21/3 vs. '22/3



Energy & Functional Materials

Change in Core Operating Income: '21/3 vs. '22/3



¥20.1 billion was almost flat, because of a decline in margins resulting from a rise in raw material prices in the second half of the fiscal year.

(3) IT-related Chemicals

Shipments of processing materials for semiconductors (including high purity chemicals and photoresists) increased, driven by growing demand for these items. Besides, shipments of materials for display applications increased in the face of stay-at-home demand and telework demand continued from the previous year. Thereby sales revenue increased by ¥41.9 billion to ¥473.7 billion, and core operating income increased by ¥18.1 billion to ¥57.8 billion from the previous year.

(4) Health & Crop Sciences

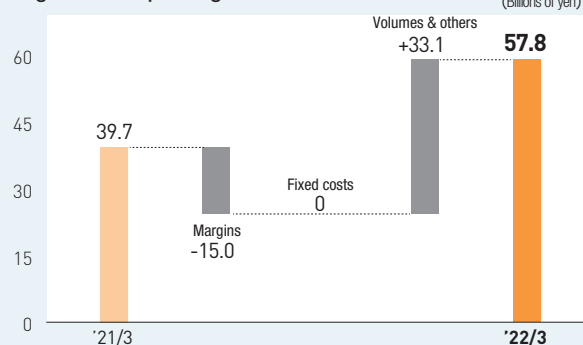
Shipments of crop protection products in North America, South America and India stayed firm. Market prices of methionine (feed additives) increased from the previous year. Sales revenue consequently increased by ¥50.8 billion from the previous year, to ¥473.8 billion, and core operating income increased by ¥10.7 billion from the previous year, to ¥42.3 billion.

(5) Pharmaceuticals

In North America, ORGOVYX[®] (therapeutic agent for advanced prostate cancer), which was launched in the previous fiscal year, and GEMTESA[®] (therapeutic agent for overactive bladder) and MYFEMBREE[®] (therapeutic agent for uterine fibroids), both of which commenced sales in the fiscal year under review, as well as the recording of a lump-sum upfront payment for the collaboration and license agreement for joint development and commercialization, contributed to sales revenue. These more than offset the negative impact of sales declines for drugs such as LATUDA[®] (atypical antipsychotic agent) and BROVANA[®] (therapeutic agent for chronic obstructive pulmonary disease), the latter of which saw its exclusive marketing period expire. On the other hand, in Japan, sales revenues were adversely affected by the National Health Insurance (NHI) drug price revisions. As a result, sales revenue increased by ¥45.3 billion from the previous year, to ¥591.7 billion. Core operating income declined by ¥10.0 billion compared to the previous fiscal year, to ¥61.7 billion, despite an increase in sales revenue, attributable to a significant increase in selling, general and administrative expenses associated with the launch of new products.

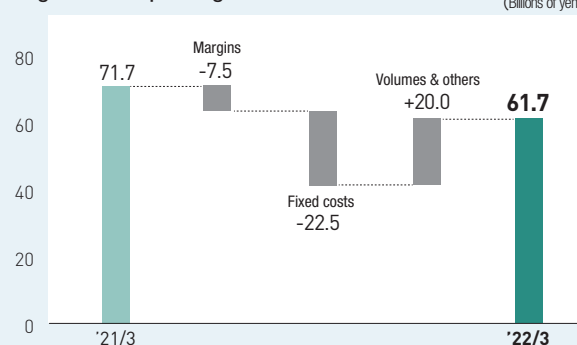
IT-related Chemicals

Change in Core Operating Income: '21/3 vs. '22/3 (Billions of yen)



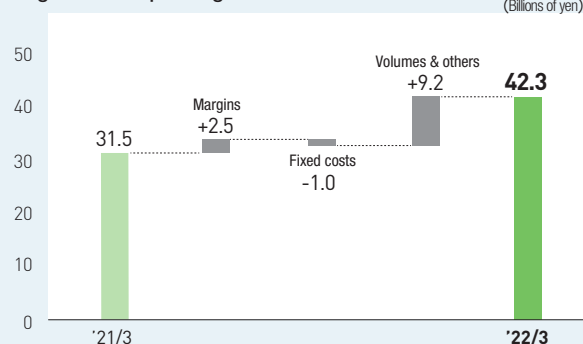
Pharmaceuticals

Change in Core Operating Income: '21/3 vs. '22/3 (Billions of yen)



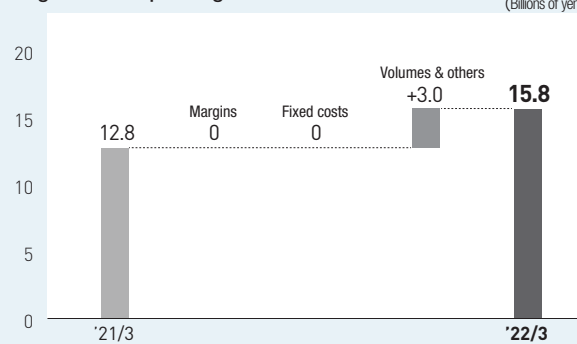
Health & Crop Sciences

Change in Core Operating Income: '21/3 vs. '22/3 (Billions of yen)



Others

Change in Core Operating Income: '21/3 vs. '22/3 (Billions of yen)



(6) Others

In addition to the above five sectors the Sumitomo Chemical Group supplies electric power and steam, designs chemical plants and supervises the construction of those facilities, provides transportation and warehousing, and conducts physical property analysis and environmental analysis. Sales revenue of these businesses increased by ¥16.1 billion from the previous year, to ¥67.2 billion, and core operating income increased by ¥3.0 billion from the previous year, to ¥15.8 billion.

3 Financial Position

(1) Financial Policy

Our group's policy for financing activities is to procure stable funds at low interest rates and over the medium to long term, and to ensure sufficient liquidity. The D/E ratio (interest-bearing debt/net assets) is targeted to be around 0.7 times over the medium to long term, taking into consideration the need to maintain our current rating, which allows for flexible financing. In addition to cash flows from operating activities, our group raises necessary

funds through bank borrowings and the issuance of bonds and commercial paper in the capital market (the Company's issuance limit of the commercial paper is ¥180 billion). Our group aims to maximize the use of cash on hand through group financing and other means, and to maintain cash and cash equivalents at the level necessary to conduct its business. Cash and cash equivalents at the end of the current fiscal year were ¥365.4 billion, and the current ratio (current assets/current liabilities) was 154.5%. In addition, we have an ¥80 billion commitment line from a syndicate of major Japanese banks and a ¥23 billion multi-currency (yen, US dollar, and euro) commitment line from a syndicate of major foreign banks to ensure liquidity on hand in case of unexpected demand for funds due to the emergence of business risks or other unexpected events.

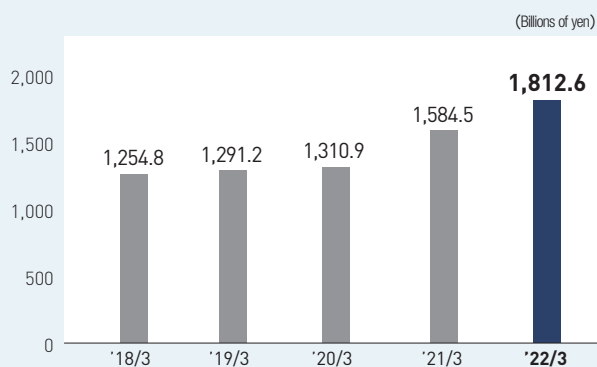
(2) Financial Position

Total assets at the end of the current fiscal year increased by ¥317.9 billion, to ¥4,308.2 billion from the previous year. Inventories and trade and other receivables increased.

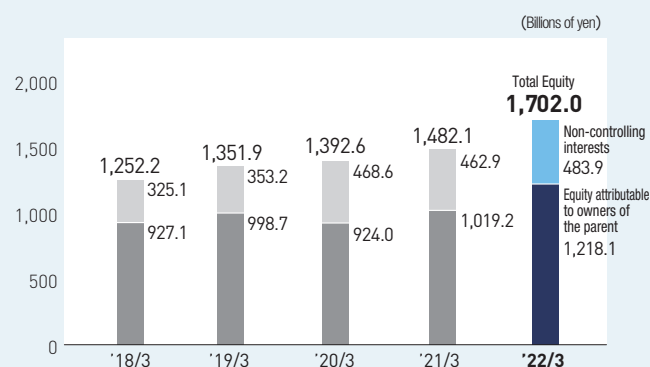
Total liabilities at the end of the current fiscal year were ¥2,606.2 billion, increased by ¥98.0 billion from the previous year.

Interest-bearing liabilities (short-term and long-term bank loans, corporate bonds, and commercial paper) at the end of the current fiscal year amounted to ¥1,350.5 billion, decreased by ¥0.6 billion compared with the previous year.

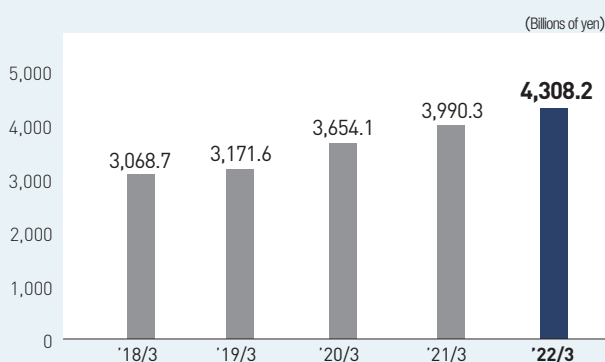
Total Current Assets



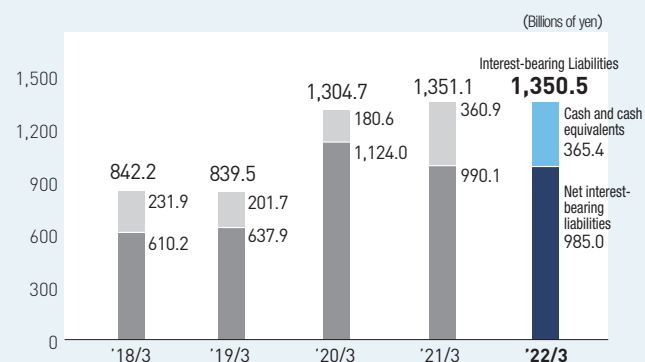
Total Equity (Net Assets)



Total Assets



Interest-bearing Liabilities



Total equity (including non-controlling interests) was ¥1,702.0 billion at the end of the current fiscal year, increased by ¥219.9 billion from the previous year, due to an increase in retained earnings and in other components of equity.

The ratio of net worth to total assets stood at 28.3% at the end of the current fiscal year, increased by 2.8 points compared with the previous year.

4 Cash Flows

Net cash from operating activities in the current fiscal year was a net inflow of ¥171.7 billion, a decrease of ¥202.7 billion from the previous fiscal year because of an increase in working capital and other factors.

Net cash from investing activities was a net outflow of ¥115.4 billion, compared to a net outflow of ¥177.4 billion in the previous fiscal year, a reduction of ¥62.0 billion, because in the previous fiscal year there were outflows relating to a loan to Petro Rabigh.

This resulted in positive free cash flow of ¥56.3 billion for the current fiscal year compared with positive free cash flow of ¥197.1 billion for the previous fiscal year.

Net cash outflows from financing activities were ¥81.4 billion. The balance of cash and cash equivalents at the end of the current fiscal year increased by ¥4.5 billion compared to the end of the previous fiscal year, to ¥365.4 billion.

5 Capital Expenditures

In the current fiscal year, the Group's capital expenditures totaled ¥119.5 billion, which includes investments for new installations and the expansion of manufacturing facilities as well as investments for streamlining existing facilities.

Major facilities completed in the current fiscal year include the expansion of the Company's Photoresist Quality Assurance System in the IT-related Chemicals Sector. In addition, the introduction of the Company's next-generation core business system "SAP S/4 HANA" was completed. Major facilities under construction in the current fiscal year include the following: the introduction of the Company's high-efficiency gas turbine as part of rationalization in Essential Chemicals & Plastics Sector; the new installation

Breakdown of Capital Expenditures

(Billions of yen, %)

	IFRS										
	'18/3		'19/3		'20/3		'21/3		'22/3		
New plants and expansions:											
Essential Chemicals & Plastics	¥ 3.2	2 %	¥ 6.4	4 %	¥ 6.7	6 %	¥ 1.7	2 %	¥ 3.2	3 %	
Energy & Functional Materials	14.3	9	13.0	8	11.1	10	8.0	7	13.9	12	
IT-related Chemicals	21.3	13	28.3	17	16.8	14	7.8	7	9.8	8	
Health & Crop Sciences	38.0	24	22.9	14	8.9	8	5.0	4	4.1	3	
Pharmaceuticals	3.7	2	6.1	4	5.4	5	3.4	3	2.9	2	
Others	6.0	4	8.6	5	0.7	0	13.1	12	2.4	2	
Subtotal	¥ 86.5	54 %	¥ 85.4	52 %	¥ 49.7	43 %	¥ 39.0	35 %	¥ 36.3	30 %	
Rationalization of production processes	2.7	2	2.8	2	2.2	2	2.6	2	4.3	4	
Research and development	12.1	8	13.6	8	7.4	6	7.0	6	9.1	8	
Maintenance and renewal	31.3	20	43.9	27	32.1	28	40.4	36	38.5	32	
Others	26.2	16	17.9	11	25.1	21	23.7	21	31.4	26	
Total	¥158.8	100 %	¥163.7	100 %	¥116.3	100 %	¥112.7	100 %	¥119.5	100 %	

of the Company's calcination demonstration facilities for cathode materials and the new installation and expansion of a domestic subsidiary's new multiplant in Energy & Functional Materials Sector; the new installation of an overseas subsidiary's photoresist manufacturing facilities in IT-related Chemicals Sector; the new construction of the Company's manufacturing plant for nucleic acid drug and manufacturing plant for small molecule drugs in Health & Crop Sciences Sector; and the new construction of the Company's research sites as part of their reorganization and the new construction and expansion of a domestic subsidiary's power plant in Others Sector.

Broken down by sector, capital expenditures in Essential Chemicals & Plastics Sector were ¥25.3 billion, ¥26.8 billion in Energy & Functional Materials Sector ¥16.6 billion in IT-related Chemicals Sector ¥16.8 billion in Health & Crop Sciences Sector ¥19.6 billion in Pharmaceuticals Sector and ¥14.4 billion in Others Sector.

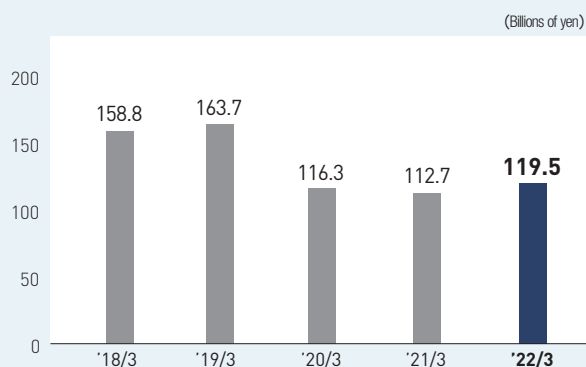
6 Research and Development

The Group's basic R&D policy is to establish superior proprietary technologies that will contribute to profitability and business expansion. To maximize overall efficiency, the Group proactively promotes collaborative R&D and outsourcing through closer cooperation, while each subsidiary performs its own R&D activities.

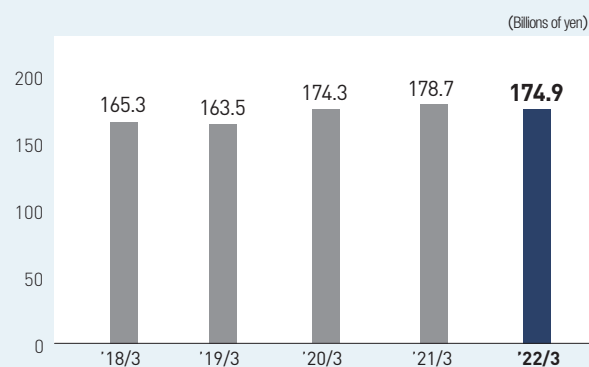
In the current fiscal year, the Group focused R&D resources on 1) health-care, 2) food, 3) reduction of environmental impact, and 4) ICT (information & communications technology), as part of the FY2019-2021 Corporate Business Plan. In addition, the Group is promoting cross-sectoral projects for the development of new businesses.

R&D expenses were ¥174.9 billion, down by ¥3.7 billion from the previous year.

Capital Expenditures



Research and Development Expenses



Consolidated Financial Statements

Consolidated Statement of Financial Position

Sumitomo Chemical Company, Limited and Consolidated Subsidiaries March 31, 2022 and 2021

	Millions of yen		Thousands of US dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Assets			
Current assets:			
Cash and cash equivalents	¥ 365,429	¥ 360,918	\$ 2,985,775
Trade and other receivables	720,422	652,616	5,886,282
Other financial assets	23,991	12,814	196,021
Inventories	651,358	511,529	5,321,987
Other current assets	51,442	46,552	420,312
subtotal	1,812,642	1,584,429	14,810,377
Assets held for sale	—	42	—
Total current assets	1,812,642	1,584,471	14,810,377
Non-current assets:			
Property, plant and equipment	823,022	793,500	6,724,585
Goodwill	244,517	220,295	1,997,851
Intangible assets	471,109	450,172	3,849,244
Investments accounted for using the equity method	289,968	243,803	2,369,213
Other financial assets	474,899	528,826	3,880,211
Retirement benefit assets	89,538	80,455	731,579
Deferred tax assets	49,121	41,406	401,348
Other non-current assets	53,335	47,326	435,780
Total non-current assets	2,495,509	2,405,783	20,389,811
Total assets	¥ 4,308,151	¥ 3,990,254	\$ 35,200,188

	Millions of yen		Thousands of US dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Liabilities and equity			
Liabilities			
Current liabilities:			
Bonds and borrowings	¥ 261,280	¥ 250,389	\$ 2,134,815
Trade and other payables	551,583	522,887	4,506,765
Other financial liabilities	84,137	55,913	687,450
Income taxes payable	24,515	38,410	200,302
Provisions	129,709	106,968	1,059,801
Other current liabilities	122,267	116,125	998,995
Total current liabilities	1,173,491	1,090,692	9,588,128
Non-current liabilities:			
Bonds and borrowings	1,089,190	1,100,677	8,899,338
Other financial liabilities	101,718	81,117	831,097
Retirement benefit liabilities	33,091	37,179	270,373
Provisions	36,502	25,115	298,243
Deferred tax liabilities	101,299	101,854	827,674
Other non-current liabilities	70,883	71,501	579,158
Total non-current liabilities	1,432,683	1,417,443	11,705,883
Total liabilities	2,606,174	2,508,135	21,294,011
Equity			
Share capital	89,699	89,699	732,895
Capital surplus	27,089	26,882	221,333
Retained earnings	974,382	854,538	7,961,288
Treasury shares	(8,343)	(8,334)	(68,167)
Other components of equity	135,274	56,445	1,105,270
Equity attributable to owners of the parent	1,218,101	1,019,230	9,952,619
Non-controlling interests	483,876	462,889	3,953,558
Total equity	1,701,977	1,482,119	13,906,177
Total liabilities and equity	¥ 4,308,151	¥ 3,990,254	\$ 35,200,188

Consolidated Statement of Profit or Loss

Sumitomo Chemical Company, Limited and Consolidated Subsidiaries Years ended March 31, 2022 and 2021

	Millions of yen		Thousands of US dollars
	2022	2021	2022
Sales revenue	¥ 2,765,321	¥ 2,286,978	\$ 22,594,338
Cost of sales	(1,891,458)	(1,515,782)	(15,454,351)
Gross profit	873,863	771,196	7,139,987
Selling, general and administrative expenses	(690,860)	(631,270)	(5,644,742)
Other operating income	10,533	26,673	86,061
Other operating expenses	(20,713)	(17,025)	(169,238)
Share of profit or loss of investments accounted for using the equity method	42,180	(12,459)	344,636
Operating income	215,003	137,115	1,756,704
Finance income	59,194	19,868	483,651
Finance expenses	(23,061)	(19,180)	(188,423)
Income before taxes	251,136	137,803	2,051,932
Income tax expenses	(64,699)	(69,729)	(528,629)
Net income	¥ 186,437	¥ 68,074	\$ 1,523,303
Net income attributable to:			
Owners of the parent	162,130	46,043	1,324,700
Non-controlling interests	24,307	22,031	198,603
Net income	¥ 186,437	¥ 68,074	\$ 1,523,303
Earnings per share:			
Basic earnings per share	¥ 99.16	¥ 28.16	\$ 0.81
Diluted earnings per share	—	—	—

Consolidated Statement of Comprehensive Income

Sumitomo Chemical Company, Limited and Consolidated Subsidiaries Years ended March 31, 2022 and 2021

	Millions of yen		Thousands of US dollars
	2022	2021	2022
Net income	¥ 186,437	¥ 68,074	\$ 1,523,303
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of financial assets measured at fair value through other comprehensive income	(51,797)	13,405	(423,213)
Remeasurements of defined benefit plans	7,549	18,867	61,680
Share of other comprehensive income of investments accounted for using the equity method	(881)	3,440	(7,198)
Total items that will not be reclassified to profit or loss	(45,129)	35,712	(368,731)
Items that may be subsequently reclassified to profit or loss:			
Cash flow hedge	(5,904)	(3,015)	(48,239)
Exchange differences on conversion of foreign operations	103,499	36,890	845,649
Share of other comprehensive income of investments accounted for using the equity method	15,964	(1,701)	130,435
Total items that may be subsequently reclassified to profit or loss	113,559	32,174	927,845
Other comprehensive income, net of taxes	68,430	67,886	559,114
Total comprehensive income	254,867	135,960	2,082,417
Total comprehensive income attributable to:			
Owners of the parent	229,765	108,727	1,877,318
Non-controlling interests	25,102	27,233	205,099
Total comprehensive income	¥ 254,867	¥ 135,960	\$ 2,082,417

Consolidated Statement of Changes in Equity

Sumitomo Chemical Company, Limited and Consolidated Subsidiaries Years ended March 31, 2022 and 2021

	Millions of yen											
	Equity attributable to owners of the parent					Other components of equity						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Cash flow hedges	Exchange differences on conversion of foreign operations	Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of April 1, 2020	¥ 89,699	¥ 20,784	¥ 807,959	¥ (8,329)	¥ 76,115	¥ —	¥ 184	¥(62,422)	¥ 13,877	¥ 923,990	¥ 468,602	¥ 1,392,592
Net income	—	—	46,043	—	—	—	—	—	—	46,043	22,031	68,074
Other comprehensive income	—	—	—	—	19,029	15,562	(3,050)	31,143	62,684	62,684	5,202	67,886
Total comprehensive income	—	—	46,043	—	19,029	15,562	(3,050)	31,143	62,684	108,727	27,233	135,960
Purchase of treasury shares	—	—	—	(5)	—	—	—	—	—	(5)	—	(5)
Disposal of treasury shares	—	0	—	0	—	—	—	—	—	0	—	0
Dividends	—	—	(19,620)	—	—	—	—	—	—	(19,620)	(16,779)	(36,399)
Changes resulting from additions to consolidation	—	—	—	—	—	—	—	—	—	—	4	4
Change in interest due to transactions with non-controlling interests	—	6,098	—	—	—	—	—	—	—	6,098	(16,171)	(10,073)
Transfer from other components of equity to retained earnings	—	—	20,116	—	(4,554)	(15,562)	—	—	(20,116)	—	—	—
Others, net	—	—	40	—	—	—	—	—	—	40	—	40
Total transactions with owners	—	6,098	536	(5)	(4,554)	(15,562)	—	—	(20,116)	(13,487)	(32,946)	(46,433)
Balance as of March 31, 2021	¥ 89,699	¥ 26,882	¥ 854,538	¥ (8,334)	¥ 90,590	¥ —	¥ (2,866)	¥ (31,279)	¥ 56,445	¥ 1,019,230	¥ 462,889	¥ 1,482,119
Balance as of April 1, 2021	¥ 89,699	¥ 26,882	¥ 854,538	¥ (8,334)	¥ 90,590	¥ —	¥ (2,866)	¥ (31,279)	¥ 56,445	¥ 1,019,230	¥ 462,889	¥ 1,482,119
Net income	—	—	162,130	—	—	—	—	—	—	162,130	24,307	186,437
Other comprehensive income	—	—	—	—	(26,231)	7,129	(5,869)	92,606	67,635	67,635	795	68,430
Total comprehensive income	—	—	162,130	—	(26,231)	7,129	(5,869)	92,606	67,635	229,765	25,102	254,867
Purchase of treasury shares	—	—	—	(9)	—	—	—	—	—	(9)	—	(9)
Disposal of treasury shares	—	0	—	0	—	—	—	—	—	0	—	0
Dividends	—	—	(31,065)	—	—	—	—	—	—	(31,065)	(11,192)	(42,257)
Changes resulting from additions to consolidation	—	—	(22)	—	(5)	—	—	—	(5)	(27)	(25)	(52)
Change in interest due to transactions with non-controlling interests	—	207	—	—	—	—	—	—	—	207	7,102	7,309
Transfer from other components of equity to retained earnings	—	—	(11,199)	—	18,328	(7,129)	—	—	11,199	—	—	—
Others, net	—	—	—	—	—	—	—	—	—	—	—	—
Total transactions with owners	—	207	(42,286)	(9)	18,323	(7,129)	—	—	11,194	(30,894)	(4,115)	(35,009)
Balance as of March 31, 2022	¥ 89,699	¥ 27,089	¥ 974,382	¥ (8,343)	¥ 82,682	¥ —	¥ (8,735)	¥ 61,327	¥ 135,274	¥ 1,218,101	¥ 483,876	¥ 1,701,977
	Thousands of US dollars											
Balance as of April 1, 2021	\$ 732,895	\$ 219,642	\$ 6,982,090	\$ (68,094)	\$ 740,175	\$ —	\$ (23,417)	\$ (255,568)	\$ 461,190	\$ 8,327,723	\$ 3,782,082	\$ 12,109,805
Net income	—	—	1,324,700	—	—	—	—	—	—	1,324,700	198,603	1,523,303
Other comprehensive income	—	—	—	—	(214,323)	58,248	(47,953)	756,647	552,619	552,619	6,495	559,114
Total comprehensive income	—	—	1,324,700	—	(214,323)	58,248	(47,953)	756,647	552,619	1,877,319	205,098	2,082,417
Purchase of treasury shares	—	—	—	(73)	—	—	—	—	—	(73)	—	(73)
Disposal of treasury shares	—	0	—	0	—	—	—	—	—	0	—	0
Dividends	—	—	(253,820)	—	—	—	—	—	—	(253,820)	(91,446)	(345,266)
Changes resulting from additions to consolidation	—	—	(180)	—	(41)	—	—	—	(41)	(221)	(204)	(425)
Change in interest due to transactions with non-controlling interests	—	1,691	—	—	—	—	—	—	—	1,691	58,028	59,719
Transfer from other components of equity to retained earnings	—	—	(91,502)	—	149,750	(58,248)	—	—	91,502	—	—	—
Others, net	—	—	0	—	0	—	—	—	—	—	—	—
Total transactions with owners	—	1,691	(345,502)	(73)	149,709	(58,248)	—	—	91,461	(252,423)	(33,622)	(286,045)
Balance as of March 31, 2022	\$ 732,895	\$ 221,333	\$ 7,961,288	\$ (68,167)	\$ 675,561	\$ —	\$ (71,370)	\$ 501,079	\$ 1,105,270	\$ 9,952,619	\$ 3,953,558	\$ 13,906,177

Consolidated Statement of Cash Flows

Sumitomo Chemical Company, Limited and Consolidated Subsidiaries Years ended March 31, 2022 and 2021

	Millions of yen		Thousands of US dollars
	2022	2021	2022
Cash flows from operating activities:			
Income before taxes	¥ 251,136	¥ 137,803	\$ 2,051,932
Depreciation and amortization	156,667	136,017	1,280,064
Impairment loss	8,111	40,833	66,272
Share of (profit) loss of investments accounted for using the equity method	(42,180)	12,459	(344,636)
Interest and dividend income	(9,976)	(8,440)	(81,510)
Interest expenses	16,111	16,091	131,637
Business structure improvement expenses	10,572	6,323	86,380
Changes in fair value of contingent consideration	(3,282)	(22,463)	(26,816)
(Gains) losses on sales of property, plant and equipment	(718)	(18,730)	(5,866)
(Increase) decrease in trade receivables	(19,465)	(22,426)	(159,041)
(Increase) decrease in inventories	(98,247)	12,644	(802,737)
Increase (decrease) in trade payables	(39,188)	48,270	(320,190)
Increase (decrease) in unearned revenue	565	47,976	4,616
Increase (decrease) in provisions	15,559	16,513	127,126
Others, net	(9,620)	28,094	(78,601)
Subtotal	236,045	430,964	1,928,630
Interest and dividends received	22,258	15,968	181,861
Interest paid	(15,404)	(15,860)	(125,860)
Income taxes paid	(68,323)	(54,401)	(558,240)
Business structure improvement expenses paid	(2,861)	(2,207)	(23,376)
Net cash provided by operating activities	171,715	374,464	1,403,015
Cash flows from investing activities:			
Net (increase) decrease in securities	(7,529)	(2,644)	(61,516)
Purchase of property, plant and equipment, and intangible assets	(107,467)	(120,812)	(878,070)
Proceeds from sale of property, plant and equipment, and intangible assets	2,537	24,371	20,729
Purchase of investments in subsidiaries	—	(3,355)	—
Purchase of other financial assets	(15,768)	(8,074)	(128,834)
Proceeds from sales and redemption of other financial assets	16,540	20,935	135,142
Increase in loans receivable	(1,259)	(81,760)	(10,287)
Others, net	(2,475)	(6,050)	(20,223)
Net cash used in investing activities	(115,421)	(177,389)	(943,059)
Cash flows from financing activities:			
Net (decrease) increase in short-term borrowings	(3,158)	(237,585)	(25,803)
Net (decrease) of commercial paper	10,000	(2,000)	81,706
Proceeds from long-term borrowings	46,154	202,403	377,106
Repayments of long-term borrowings	(77,132)	(58,517)	(630,215)
Proceeds from issuance of bonds	34,808	158,734	284,402
Redemption of bonds	(34,259)	(45,000)	(279,917)
Repayments of lease liabilities	(15,984)	(15,149)	(130,599)
Cash dividends paid	(31,068)	(19,620)	(253,844)
Cash dividends paid to non-controlling interests	(11,195)	(16,775)	(91,470)
Proceeds from sale of subsidiaries' interests to non-controlling interests	—	10,841	—
Payments for acquisition of subsidiaries' interests from non-controlling interests	(3,999)	(19,396)	(32,674)
Others, net	4,439	2,090	36,270
Net cash provided by (used in) financing activities	(81,394)	(39,974)	(665,038)
Effect of exchange rate changes on cash and cash equivalents	29,611	23,169	241,940
Net increase (decrease) in cash and cash equivalents	4,511	180,270	36,858
Cash and cash equivalents at beginning of year	360,918	180,648	2,948,917
Cash and cash equivalents at end of year	¥ 365,429	¥ 360,918	\$ 2,985,775

IR Activities

Sumitomo Chemical provides planned, effective, and strategic communications with shareholders and other investors regarding our management policies, business strategies, and performance trends, so as to fulfill our accountability to shareholders and maintain and raise market confidence, while endeavoring to convey an accurate understanding of the company that will be reflected properly in the stock price and in higher corporate value.

Summary of IR Activities (FY2021)

Briefing Sessions

	Times Held	Attendees
Current priority management issues and business strategy	1	290
ESG meeting	1	244
FY2022-2024 Corporate Business Plan	1	228
Conference call on earnings report	4	1,422

Interviews with Investors

	Attendees
Interviews with investors	384
Of which, interviews with those with decision-making authority and ESG interviews	40

Small Meetings

	Times Held	Attendees
Small meetings held by the President	2	59
Small meetings held by heads of business sectors and other departments	2	51

Individual Investors' Meetings

Times Held	Attendees
5	979



FY2022-2024 Corporate Business Plan (March 2022)

Guide to the Website and the SNS

In addition to IR activities, related information is available through our website and SNS.

Investor Relations

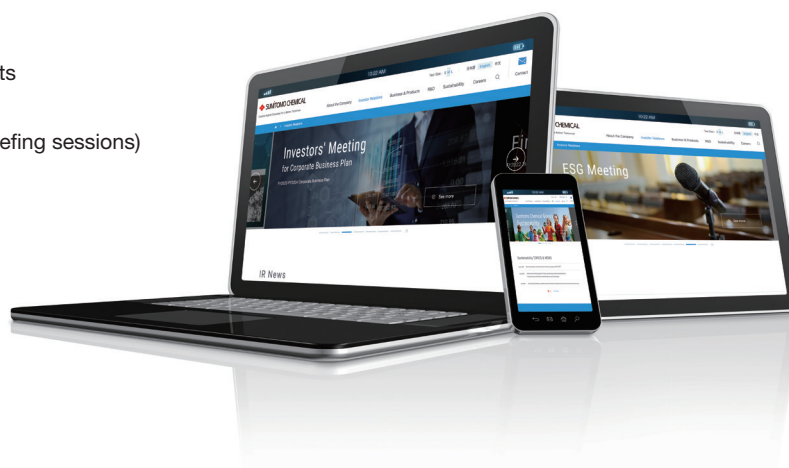


- Financial Results
- Meeting of Shareholders Documents
- IR Events
(presentation, materials used at briefing sessions)
- Fact Sheet

Sustainability



LinkedIn



Editorial Policy

Sumitomo Chemical's Three Reports

Annual Report



This report summarizes important financial and non-financial information with the aim of conveying our company's value creation story to a wide range of stakeholders, including our shareholders and investors, in a way that is easy to understand.



Investors' Handbook



This handbook summarizes financial data and provides detailed explanations of our businesses and products.



Sustainability Data Book



This data book introduces our sustainability information from the perspectives of the environment, society and corporate governance, and covers more detailed information. (Available online only)



Explanation of the Cover

Coexistence of Human Beings and Nature

Humans and nature seem to be opposites of each other, yet both continue to influence each other's activities. By showing the existence of both as a mirror image, we depict our respect for nature and our desire for the evolution of both human society and nature.

Editorial Postscript

The Integrated Report, Annual Report, comprehensively summarizes our business strengths and strategies, performance report, corporate governance structure, and environmental and social initiatives, with the aim of communicating our value creation story to a wide range of stakeholders, including shareholders and investors, in an easy-to-understand manner. This report is prepared mainly by the Corporate Communications Department, in collaboration with related departments in Japan and overseas, and with the cooperation of external parties.

The content of the Annual Report 2022 has been enhanced by including a discussion on Sumitomo Chemical's efforts in both human resource and DX strategies between our Executive Vice President and an Outside Director, and the report has been reorganized in line with the material issues to be addressed as management priorities. We hope that this Annual Report will serve as a bridge for communication with our stakeholders and will convey the approach of Group as a whole to creating new value.

Financial Statements in This Document

Beginning in FY2017, the Sumitomo Chemical Group is adopting international financial reporting standards (IFRS) in place of Japanese GAAP, which it previously used, and is therefore restating figures for FY2016 using IFRS for comparative analysis.

Forward-looking Statements

Statements made in this annual report with respect to plans, strategies, and future performance that are not historical facts are forward-looking statements involving risks and uncertainties. Sumitomo Chemical cautions that a number of factors could cause actual results to differ materially from such statements including, but 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.

Guidance for Collaborative Value Creation

The Guidance for Collaborative Value Creation, put forth by the Ministry of Economy, Trade and Industry, is a handbook that serves as a shared language connecting companies and investors, systematically and comprehensively laying out the information that companies ought to convey to investors in order to raise the quality of information disclosure and of dialogue with investors. This report primarily relies on this guidance in the value creation models for sector information.

