

## Sumitomo and Kureha Develop A New Fungicide for North America

Sumitomo Chemical announced today that it has reached an agreement with Kureha Chemical Industry, Co., Ltd (Tokyo, Japan) to jointly develop a new agrochemical fungicide, Metconazole, for sale in the U.S. A. and Canada.

Metconazole, an active ingredient invented by Kureha Chemical, is a broad-spectrum fungicide which surpasses existing products in efficacy on major diseases in turf, fruits and vegetables. Sumitomo Chemical's Agricultural Chemicals business focuses, among others, on the enhancement of product lines for high value crops such as fruits and vegetables that are expected to show continued solid market growth. The development of this new fungicide will augment the company's ongoing efforts to implement specific measures under its business strategy.

Geographically, North America is the world's largest market of agricultural chemicals, and Sumitomo Chemical views it as a region of strategic importance. The company's plant protection chemicals business in North America is currently conducted by its subsidiary Valent U.S.A. Corporation (Walnut Creek, California) which markets a variety of herbicides, insecticides and plant growth regulators. Valent will engage in the development and marketing of Metconazole in North America, aiming for its launch by 2008. The joint development with Kureha Chemical adds a fungicide to Valent's product line and enables the subsidiary to further accelerate its business expansion in this globally important market.

Agricultural Chemicals is one of Sumitomo Chemical's core businesses, and the collaboration with Kureha Chemical is another step forward to fortify the company's North American base for the business .