

December 29, 2009

Proposed Agreement Regarding Comprehensive Business Tie-up with Nufarm

Sumitomo Chemical Company, Limited (“Sumitomo”) announced today that it has executed a Memorandum of Understanding (“MoU”) with Nufarm Limited (“Nufarm”) relating to a proposed strategic investment in Nufarm by Sumitomo in connection with a comprehensive business tie-up with Nufarm.

In accordance with the MoU, Sumitomo and Nufarm will hold further discussions to elaborate the possible areas of strategic cooperation across a number of business areas, such as co-distribution, joint R&D programs and seed-related businesses, with a view to formalize an agreement for the comprehensive business tie-up with Nufarm by January 22, 2010. Also, under the MoU, Sumitomo will make a public offer to acquire 20% of the issued shares of Nufarm.

The MoU will take effect if approved by the Board Meeting of Sumitomo scheduled on January 22, 2010 as well as the Shareholders Meeting of Nufarm scheduled in early March, 2010.

Sumitomo’s crop protection business is one of its core businesses in its focused area of life sciences, in which it continues to pursue further growth opportunities. Once the MoU is approved, Sumitomo expects the establishment of the comprehensive business tie-up with Nufarm, which is in line with Sumitomo’s long-term strategy, to strengthen its crop protection business.