

March 4, 2015

Valent BioSciences Acquires Microorganism-based Crop Enhancement Products Business

Valent BioSciences Corp. (VBC), a U.S. subsidiary of Sumitomo Chemical Co., Ltd., has acquired Mycorrhizal Applications LLC, a U.S. producer of mycorrhizal fungal inoculum.

VBC is wholly owned by Valent U.S.A. Corp., a fully owned U.S. subsidiary of Sumitomo Chemical.

Mycorrhizal fungi are effective microorganisms in soil that colonize plant roots and enable plants to absorb water and nutrients more efficiently. Mycorrhizal fungi deliver farming with less irrigation and fertilization, which leads to crop production at lower cost and with less phosphorus leaching to environment (especially to aqueous environment).

Mycorrhizal Applications handles mycorrhizal fungal inoculum products for soil improvement and plant growth enhancement and offers these products for commercial agriculture, manufactured soils, turf, landscape and restoration. The markets for mycorrhizal fungal inoculum products are expected to continue growing in the years ahead, as they enhance plant productivity especially under abiotic stress condition and help secure a stable supply of farm products.

Sumitomo Chemical has been supplying customers with a wide variety of products, technologies and services that it developed, for use in every step of crop production from seeding to postharvest treatment, including seeds, chemical and biological pesticides, fertilizers, and various farming equipment. The entry into the mycorrhizal fungi business will further broaden the Sumitomo Chemical Group's product portfolio and provide greater value to customers.

Sumitomo Chemical aims to expand sales in this business by leveraging the extensive marketing and distribution networks that the Group companies have built over the years. At the same time, the Company seeks to create synergies from the acquisition as early as possible through the companies' joint efforts for improvement and new development of products, thereby contributing ultimately to a stable supply of safe foods for which a world demand will continue to grow.

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(Company Profile)

Name: Mycorrhizal Applications, LLC
(formerly known as Mycorrhizal Applications, Inc.)
Location: Grants Pass, Oregon, the United States
Establishment: December 1996
President: Michael Amaranthus
Business: Manufacture and sale of VA mycorrhizal fungi products

Name: Valent BioSciences Corporation
Location: Libertyville, Illinois, the United States
Establishment: January 2000
President: Andrew Lee
Business: Development, manufacture and sale of biological pesticides
Equity investment: Valent U.S.A. Corporation 100% (Valent U.S.A. Corporation is a wholly owned subsidiary of Sumitomo Chemical.)