

Announcement of Extraordinary Losses

Sumitomo Chemical has posted extraordinary losses as stated below.

1. Impairment Loss as Extraordinary Loss

There is indication of impairment of a portion of fixed assets of the Company and its subsidiaries due to a serious deterioration in the business environment and other factors. After consideration of the recoverability of these fixed assets, the Company recorded an impairment loss of ¥28.1 billion as extraordinary loss for the fourth quarter of the fiscal year ended March 31, 2015.

2. Extraordinary Loss on an Unconsolidated Basis

On an unconsolidated basis, the Company posted a loss of ¥22.9 billion on a write-down of its investments in consolidated subsidiaries and affiliates for the fourth quarter of the fiscal year ended March 31 due to a substantial decline in the fair value of investments.

The Company posted a loss of ¥9.1 billion to make provision against loss from the business of consolidated subsidiaries, after considering these subsidiaries' financial conditions for the fourth quarter of the fiscal year ended March 31.