

## **Announcement of Extraordinary Losses**

Sumitomo Chemical has posted extraordinary losses as stated below.

### 1. Extraordinary Loss on Impairment Loss

There are indications that a portion of the fixed assets of the Company and its subsidiaries is impaired due to a serious deterioration in the business environment and other factors. After considering the recoverability of these fixed assets, the Company recorded an impairment loss of ¥24.7 billion as an extraordinary loss for the fourth quarter of the fiscal year ended March 31, 2016.

### 2. Extraordinary Loss on an Unconsolidated Basis

On an unconsolidated basis, the Company posted a loss of ¥40.4 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.