

October 3, 2016

Sumitomo Chemical to Expand Global Availability of Polypropylene Compounds

Sumitomo Chemical Company has decided to further advance the global development of its polypropylene (PP) compound business by establishing a new marketing base in Mexico and providing manufacturing capabilities in India. These moves represent a significant step forward for the Company's strategic initiatives to strengthen its PP business worldwide.

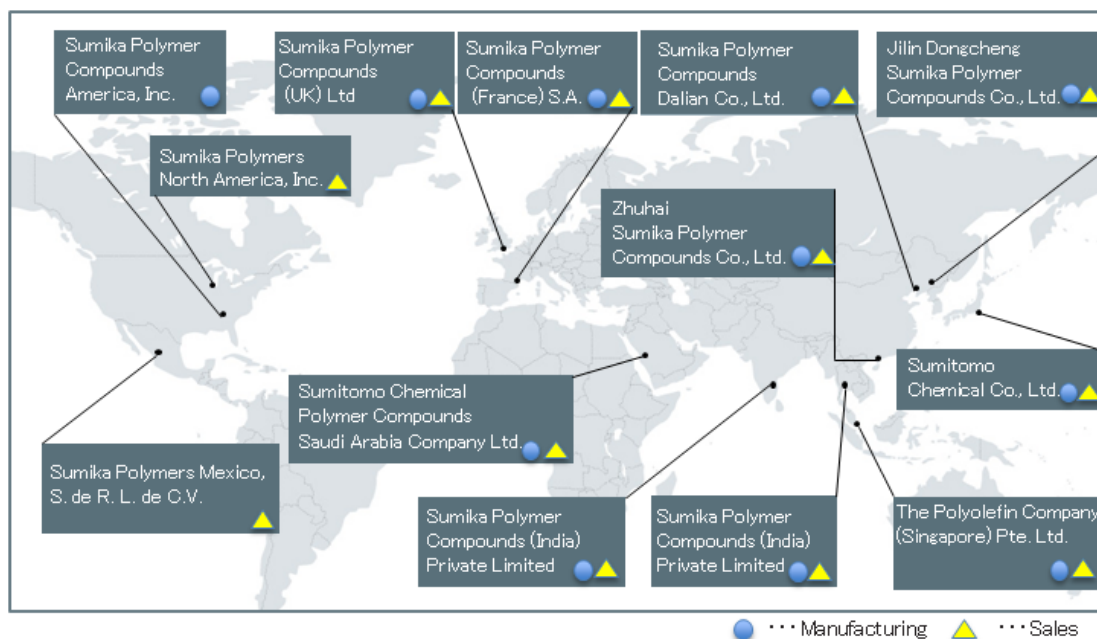
PP compounds are high-performance materials made by kneading synthetic rubber, glass fibers, and inorganic fillers into PP to improve or vary such parameters as impact resistance and functionalities according to target applications, e.g. automobile bumpers, interiors and household electrical appliances. Sumitomo Chemical is engaged in PP compounds operations at various locations around the world, fully leveraging the Company's distinct strength of wide feedstock availability via a network of PP manufacturing strongholds in Japan, Singapore, and Saudi Arabia, which amount to the production capacity of approximately 1.7 million tons per year in total.

Sumitomo Chemical thus far has sold PP compounds in Mexico through its U.S. subsidiary company. In light of rapidly growing automotive production and expecting an unabated strong demand for PP compounds in the years to come, the Company recently established Sumika Polymers Mexico as a local marketing arm, which began operations in October 2016. In India, Sumitomo Chemical had set up Sumika Polymer Compounds India in 2013, which has since been selling PP compounds successfully. Given the solid growth of demand, the Indian affiliate's operation was strengthened with production capabilities newly equipped, and the company held an inauguration ceremony for the production facilities in September, 2016.

Sumitomo Chemical Company itself created Automotive Materials Division in its Tokyo head office in July 2014, aiming to enhance the Company's businesses associated with the automotive industry. The Division, which handles PP compound-based products and thermoplastic elastomers, among others, is working to promote a business of offering proposals proactively to customers so as to meet their needs and requirements properly for development of products and applications. Looking ahead, the Company will explore opportunities of further expanding and enhancing its global network of production and marketing so that it can respond to customers' diverse needs more swiftly.

Sumitomo Chemical's manufacturing and marketing bases for PP Compounds

Our global production capacity of PP compounds : approximately 250,000t per year



Overview of Sumika Polymers Mexico

Company name	: Sumika Polymers Mexico S. de R. L. de C.V.
Location	: Guadalajara, Mexico
Established	: August 2016
President	: Brian K. Weider
Business	: Sales of polypropylene compounds and thermoplastic elastomers

Overview of Sumika Polymer Compounds India

Company name	: Sumika Polymer Compounds (India) Private Limited
Location	: Chennai, India
Established	: July 2013
President	: Ludovic Seynave
Business	: Manufacturing and sales of polypropylene compounds
Production Capacity	: 5,000t per year