

November 24, 2016

**Opening of Sumitomo Chemical's first R&D Base in Brazil**

Sumitomo Chemical is pleased to announce that its Latin America Research Center ("LARC") in Brazil has been opened, commencing operations of conducting efficacy trials, research and development, and analysis of the Company's AgroSolution products, such as crop protection products.

LARC, Sumitomo Chemical Group's first research and development base in Latin America, is operated by Sumitomo Chemical Brazil, the Company's wholly owned subsidiary. It has an area of approximately 48 hectares where an experimental field, laboratory buildings, a green house, etc. are located. The opening of LARC will accelerate development of products most befitting to the local conditions and requirements through conducting detailed and highly reliable trials and researches geared to the Latin American market, Sumitomo Chemical's strategically important region for the AgroSolutions business. In addition, setting up the new research and development arm in the Southern Hemisphere makes it possible to carry out field trials more efficiently by selecting a region with the most suitable climatic conditions, given that the Company's existing R&D facilities are all located in the Northern Hemisphere where seasons are opposite to those of the Southern Hemisphere.

The crop protection market in Latin America has been growing rapidly in recent years, currently accounting for approximately 25 percent of the world market. The Brazilian market is the world's largest, surpassing the U.S. market. The Latin American region embraces Argentina, one of the world's leading agricultural producers, and Central American countries known for their large-scale plantations. Against the backdrop of food demand ever surging in emerging countries, the region is likely to see greater growth in the years ahead in agricultural production, hence, a promising market of great potential for agriculture-related materials including crop protection products.

LARC will play a pivotal role not only in strengthening the AgroSolutions business but also towards promoting the Company's other businesses, such as feed additive methionine. The Company believes that the opening of this R&D base will build a new momentum in its vigorous efforts to expand business opportunities further in Latin America.

< Profile of LARC >

Name : Latin America Research Center

Location : A suburb of Mogi Mirim City, Sao Paulo State, Brazil



< Profile of Sumitomo Chemical Brazil >

Name : Sumitomo Chemical do Brasil Representações Limitada

Location : Sao Paulo, Brazil

Establishment : June 1975

Capital : 12,059,000 reais (Sumitomo Chemical 100%)

President : Gustavo dos Reis Vasques

Business : Development, distribution and sale of crop protection products, household and public hygiene insecticides, feed additives in Latin America