

Change and Innovation 3.0
For a Sustainable Future

About the News Releases of the Health & Crop Sciences Sector

October 1, 2019



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Subsidiaries of Nufarm**

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Overview of the Acquisition

**Target Entities: Four South American Subsidiaries of Nufarm
(Brazil, Chile, Argentina and Colombia)**

**Purchase Price: approx. ¥70 billion (fluctuate depending on
the net debt etc. at the date of completion)**

Purpose of the Acquisition

1

Enhance Our Global Footprint (Our Own Distribution Network)

2

Integrate Business Operations in South America, from Development through Formulation to Distribution

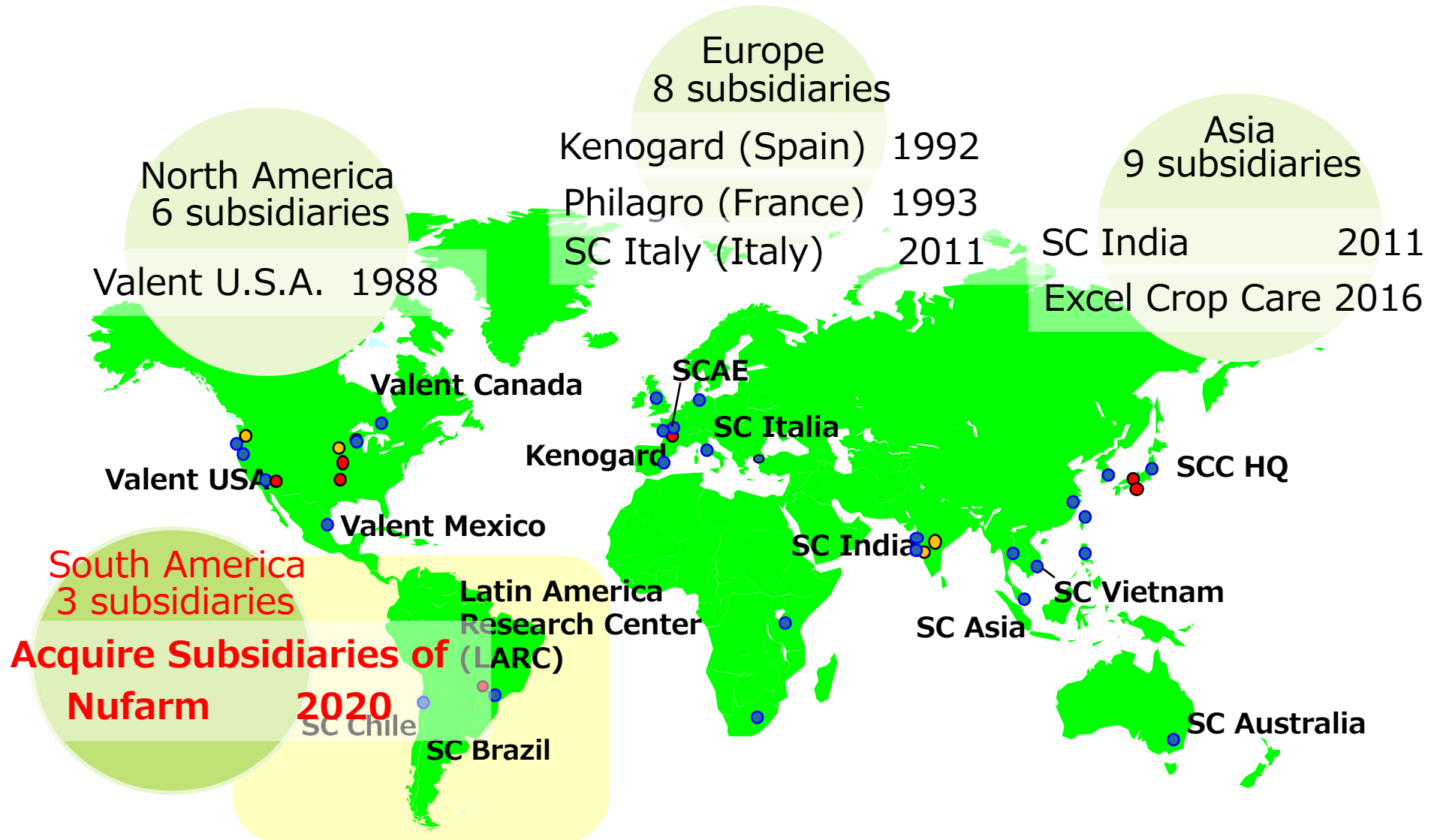
3

Maximize the Sales of our Blockbuster Product INDIFLIN™ as soon as possible



Enhance our Global Footprint

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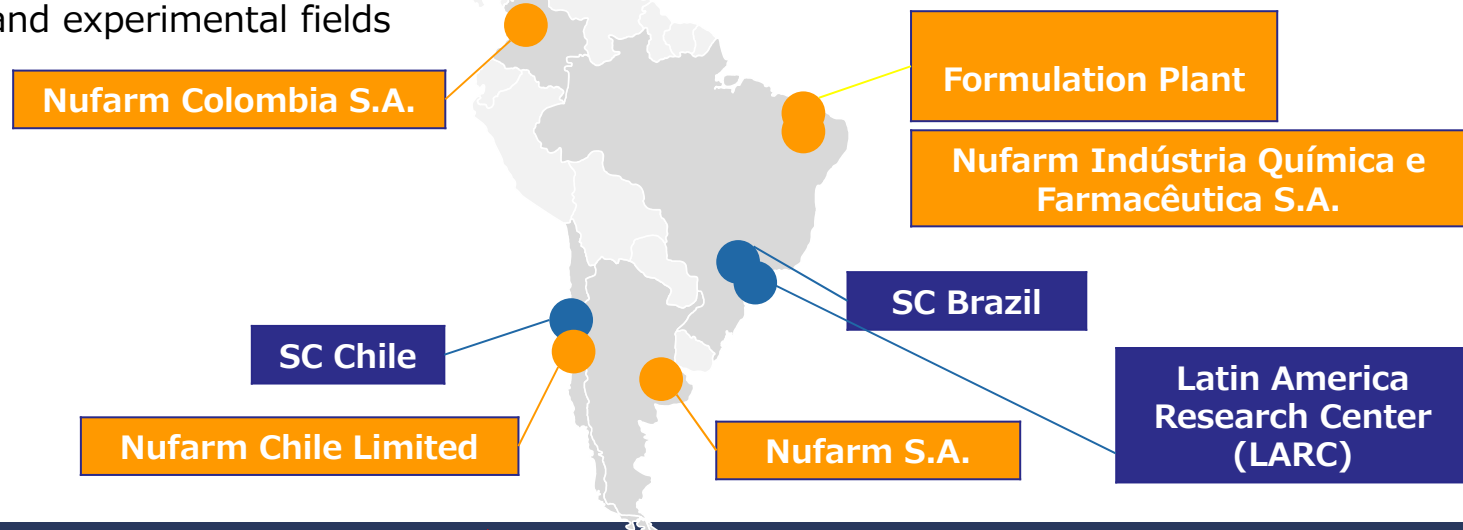


Integrate Business Operations in South America, from Development through Formulation to Distribution

Business in South America

	SC	Nufarm	After acquisition
Sales	approx. ¥30 bn	approx. ¥80 bn	more than ¥100 bn
Employees	approx. 130	approx. 520	more than 600
Formulation	-	Formulation Plant	Formulation Plant
Distribution	approx. 50 persons	approx. 160 persons	more than 200
R&D	LARC (*)	-	LARC (*)

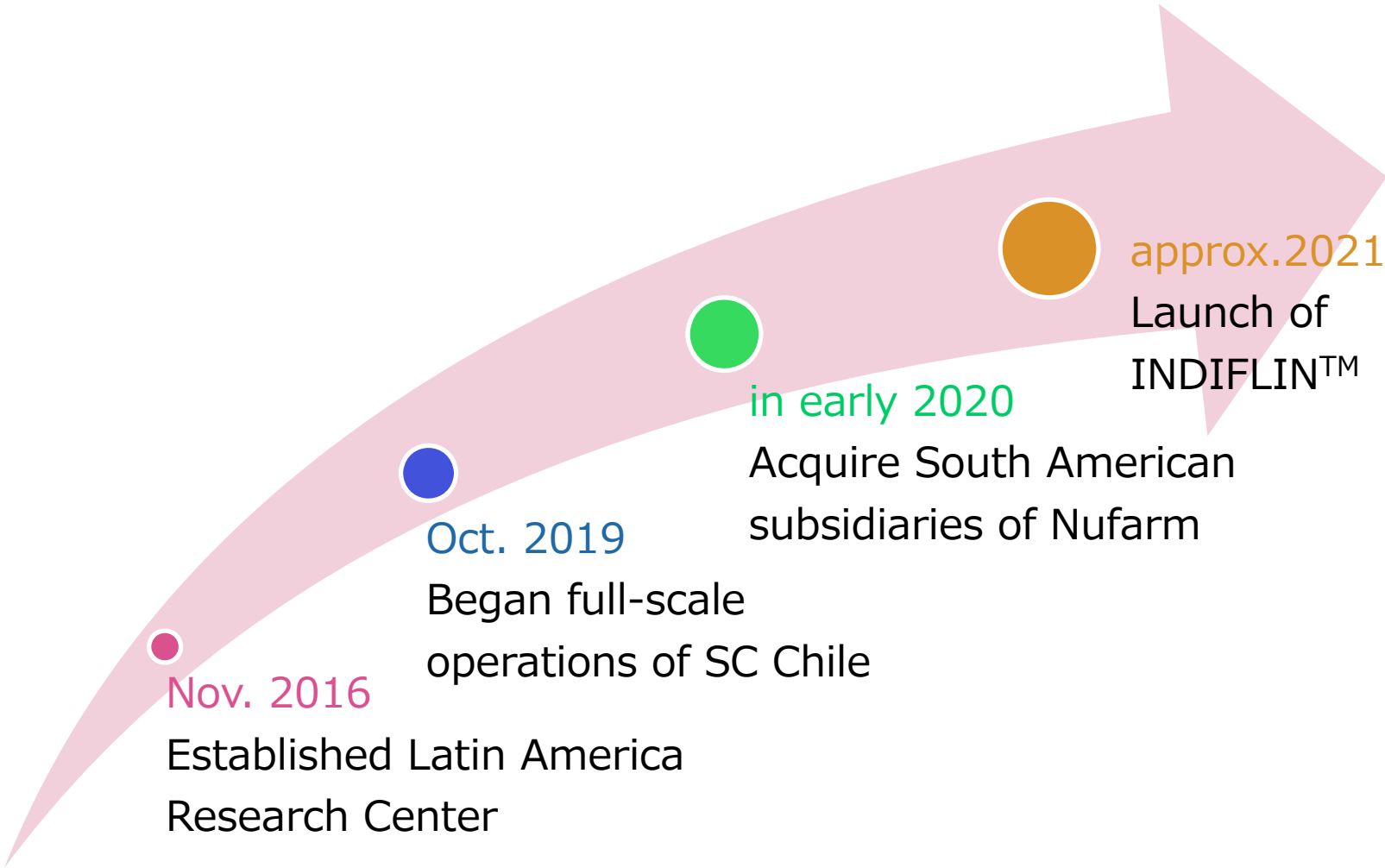
(*) R&D Center and experimental fields





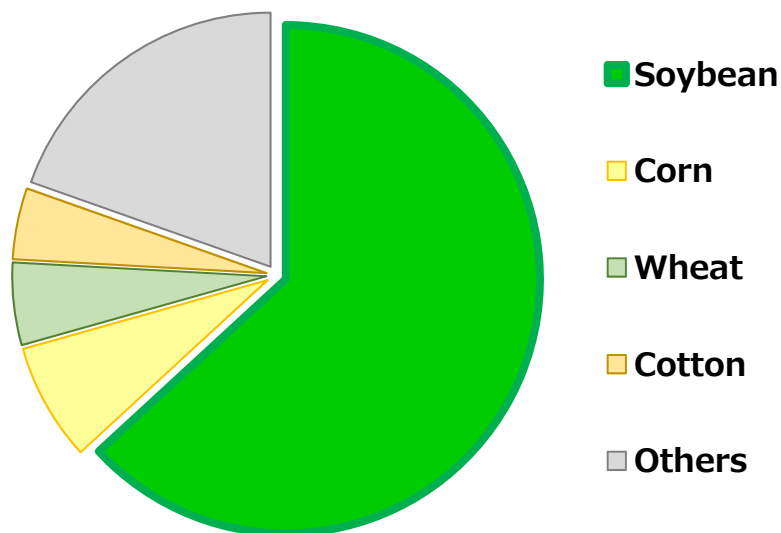
Expansion of our Crop Protection Business in South America

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ISO common name: inpyrfluxam
 Effective against : Asian soybean rust
 To be launched: in Japan (2020)
 in USA, **Brazil, Argentina** (2021)

Fungicide Market in Brazil (total amount: approx. \$3B)



Market of fungicide for Asian soybean rust: approx. \$2 bn

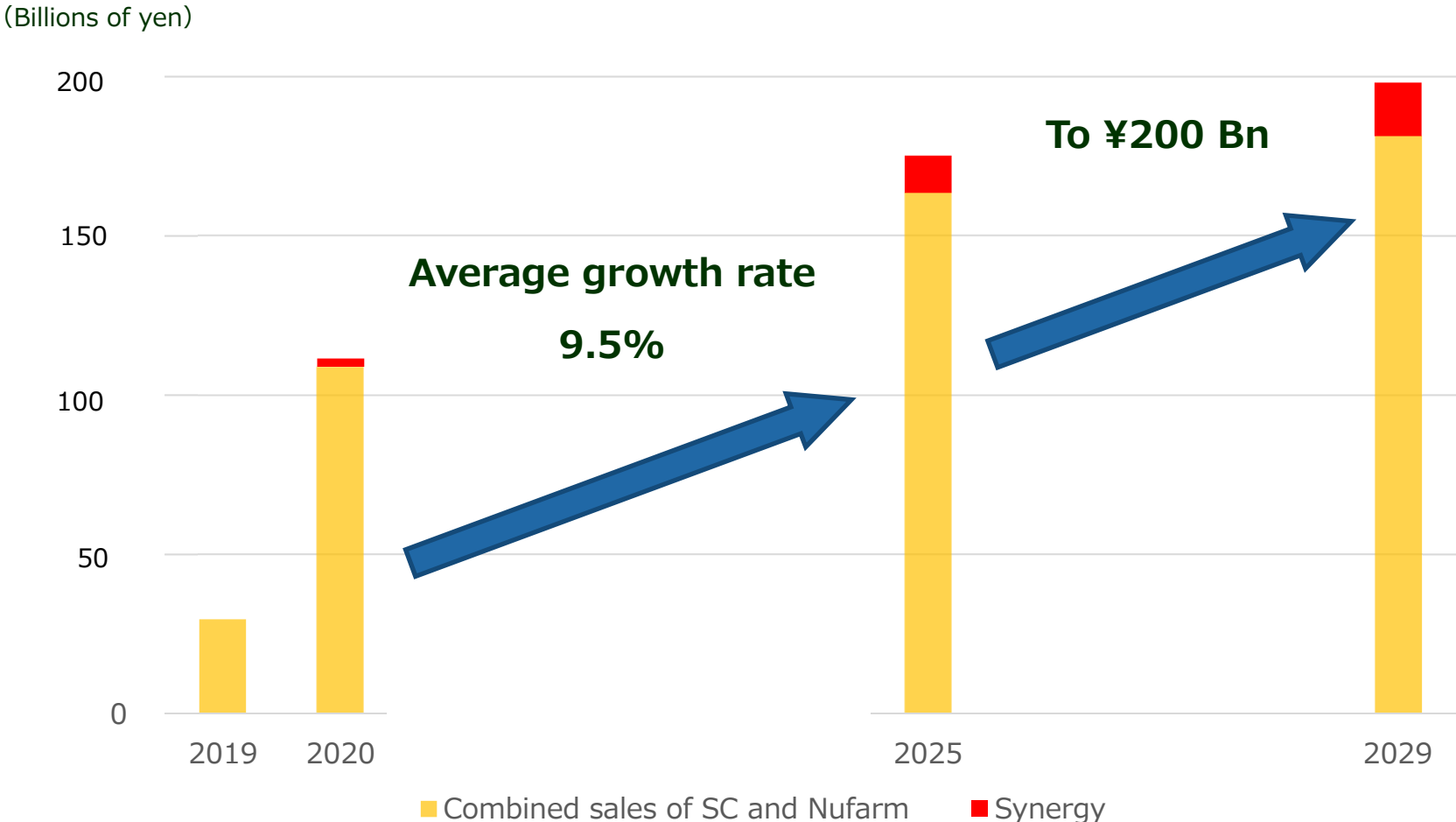
Features of INDIFLIN™

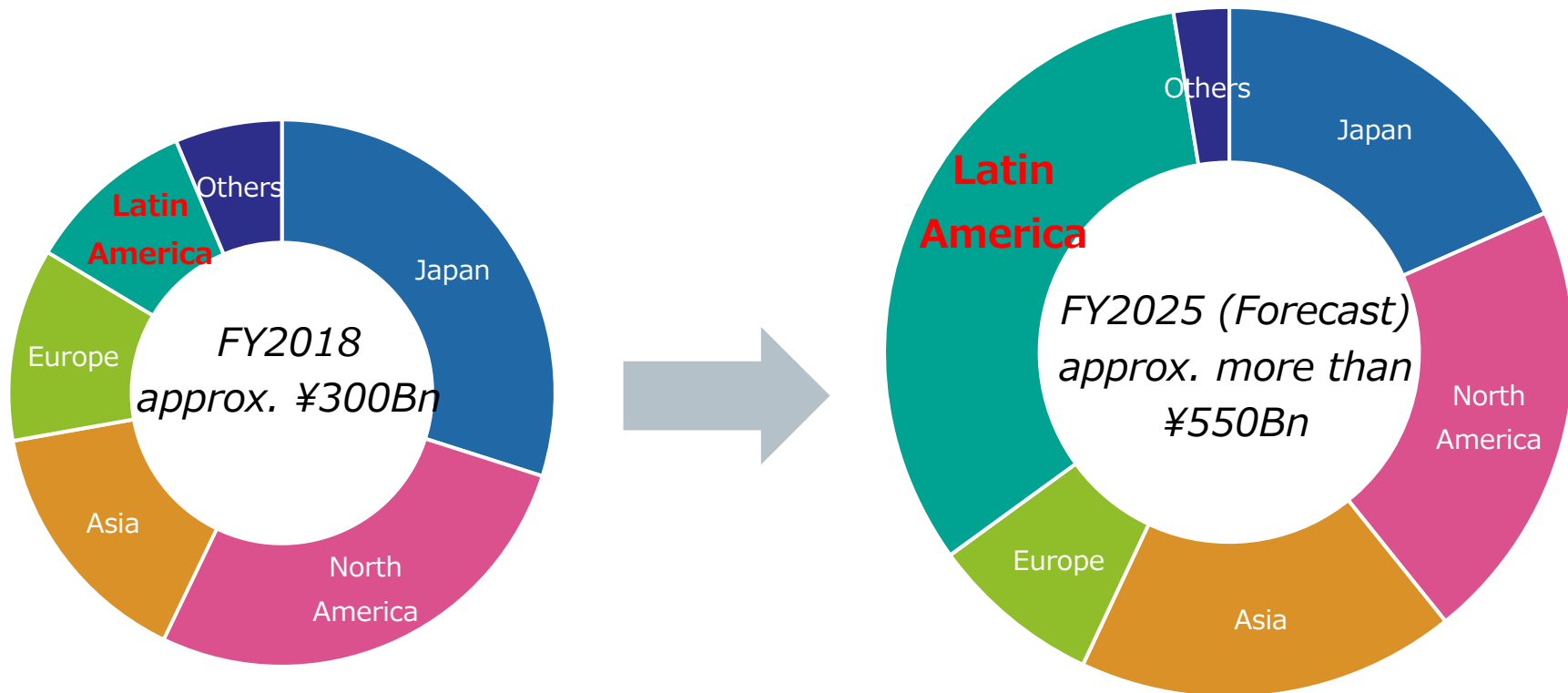
- **More than tenfold higher antifungal activity** against Asian soybean rust than competing products
→ Effective at lower rate
- Highly effective against known strains resistant to existing fungicides
- Systemicity, leading to high pest-infection activity



Sales Forecast of Our Crop Protection Business in South America

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**Drastically Expand the Business,
Driven by the Growth in South America**

Discontinue the Production at one of our Methionine Plant

- ✓ Discontinue the production at the end of September at one of our methionine plant that is aged and with less efficiency in production at Ehime Works

**Competitive
Advantage of
Our Plant**

Integrated production from raw material

Proprietary production technology

Waste liquid and gas treatment technology

Maintain profitability by further strengthening cost competitiveness amid a severe business environment

Cautionary Statement

Statements made in this document with respect to Sumitomo Chemical's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of the information currently available to it, and involve risks and uncertainties.

The important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, general economic conditions in Sumitomo Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Chemical's products in the marketplace; Sumitomo Chemical's ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.