Financial Results for FY2026 First Quarter
(April 1, 2026 – June 30, 2026)

August 4, 2026

SUMITOMO CHEMICAL

(Cautionary Statement)

Statements made in this material 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.

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(Reference)

1. Consolidated Financial Results for FY2026 First Quarter

Summary for FY2026 First Quarter

Core Operating Income

(Billions of yen)

Q1 FY2025	Q1 FY2026
27.7	62.3

Net Income Attributable to Owners of the Parent

(Billions of yen)

Q1 FY2025	Q1 FY2026
(4.5)	40.8

- **Both core operating income and net income attributable to owners of the parent improved and were significantly higher than the prior year**
- The **second-best** first-quarter performance on record

- **Core operating income** was driven by **Essential & Green Materials,** which showed significant improvement from the prior year (better profit margins at **Petro Rabigh** and a temporary gain on the difference between the inventory valuation of materials and their increased market price)
- In **Agro & Life Solutions, shipments of crop protection products** were strong, and profit margins for **feed additives** improved
- In **ICT & Mobility Solutions**, while shipments of display-related materials declined, shipments of **semiconductor processing materials** increased

- Due to our strong business performance and also Sumitomo Pharma's capital increase (JPY 97.8 billion), the D/E ratio improved significantly to 0.80x (D/E ratio as of March 2026: 0.93)

Consolidated Financial Results Summary

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	Variance Ratio
Sales revenue	**578.2**	526.1	52.1	9.9%
Core operating income	**62.3**	27.7	34.7	125.2%
of which equity-method investments	**12.2**	(9.8)	22.0	-
Total non-recurring items (breakdown below)	**(1.3)**	(2.2)	0.9	-
Restructuring costs	**(1.1)**	(2.7)	1.7	-
Others	**(0.2)**	0.5	(0.7)	-
Operating income	**61.0**	25.5	35.6	139.8%
Finance income/expenses (breakdown below)	**(0.7)**	(19.6)	18.9	-
Gain (loss) on foreign currency transactions including gain (loss) on derivatives	**1.6**	(16.4)	18.0	-
Others	**(2.3)**	(3.3)	0.9	-
Income before taxes	**60.3**	5.8	54.5	936.8%
Income tax expenses	**(9.0)**	(1.9)	(7.0)	-
Net income	**51.4**	3.9	47.5	-
Net (income) attributable to non-controlling interests	**(10.6)**	(8.4)	(2.2)	-
Net income (loss) attributable to owners of the parent	**40.8**	(4.5)	45.3	-
ROE	**3.9%**	(0.5)%		
Exchange rate (yen/$)	**159.57**	144.59		
Naphtha price (yen/kl)	**118,500**	66,300		
Overseas sales revenue ratio	**67.7%**	68.5%		

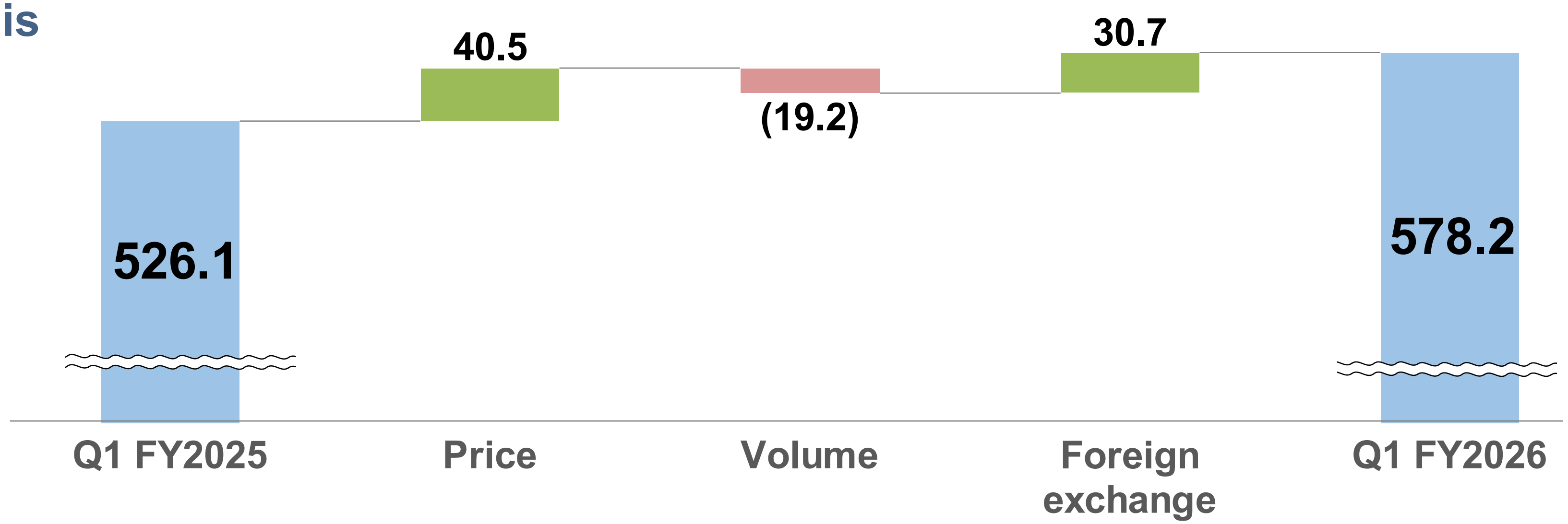
Sales Revenue by Reporting Segment

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	Variance Ratio	Sales price variance	Shipping volume variance	Foreign currency conversion variance
Agro & Life Solutions	**109.0**	96.9	12.1	12.5%	7.0	(1.5)	6.6
ICT & Mobility Solutions	**148.6**	137.4	11.2	8.1%	0.5	2.1	8.6
Advanced Medical Solutions	**10.4**	9.1	1.4	15.0%	0.0	1.3	0.0
Essential & Green Materials	**170.2**	165.4	4.8	2.9%	33.5	(34.7)	6.0
Sumitomo Pharma *	**129.0**	107.4	21.6	20.2%	(0.5)	12.6	9.5
Others	**11.0**	10.0	1.0	10.2%	0.0	1.0	0.0
Total	**578.2**	526.1	52.1	9.9%	40.5	(19.2)	30.7

*The regenerative medicine and cellular therapy CDMO business does not fall under this segment. Therefore, sales revenue differs between this segment and Sumitomo Pharma, Co., Ltd.

Variance analysis



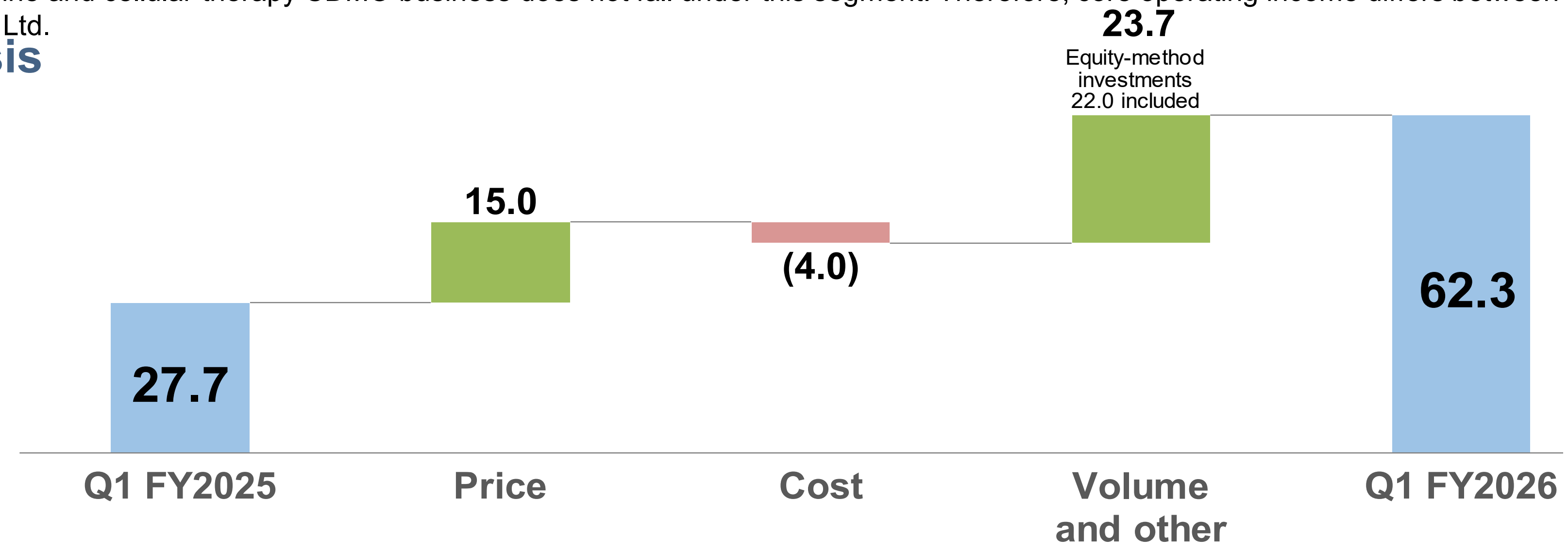
Core Operating Income by Reporting Segment

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	Price variance	Cost variance	Shipping volume variance and other
Agro & Life Solutions	**9.6**	2.2	7.4	6.5	0.0	0.9
ICT & Mobility Solutions	**13.0**	18.4	(5.3)	(3.5)	(1.5)	(0.3)
Advanced Medical Solutions	**(1.9)**	(1.0)	(0.9)	(0.5)	0.0	(0.4)
Essential & Green Materials	**27.2**	(5.5)	32.7	14.0	1.5	17.2
Sumitomo Pharma *	**18.8**	21.0	(2.2)	(0.5)	(4.0)	2.3
Others & Adjustments	**(4.5)**	(7.4)	3.0	(1.0)	0.0	4.0
Total	**62.3**	27.7	34.7	15.0	(4.0)	23.7

*The regenerative medicine and cellular therapy CDMO business does not fall under this segment. Therefore, core operating income differs between this segment and Sumitomo Pharma, Co., Ltd.

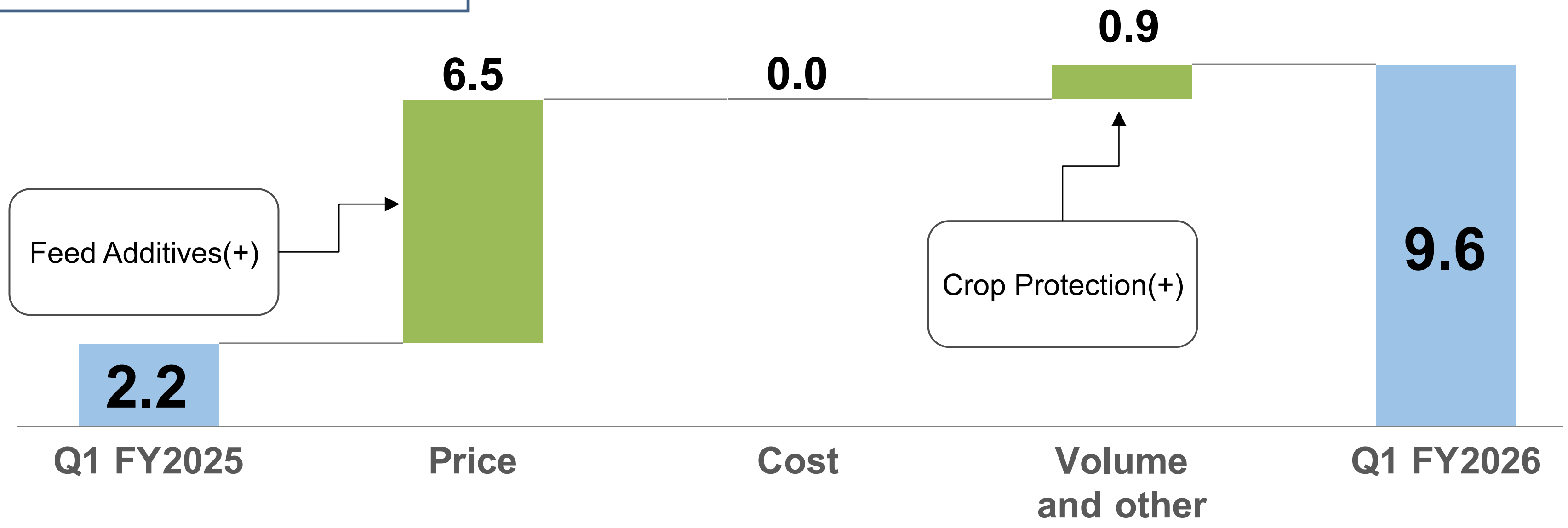
Variance analysis



Core Operating Income Analysis by Reporting Segment

Agro & Life Solutions

Total ¥ 9.6 billion ¥ 7.4 billion from Q1 FY2025

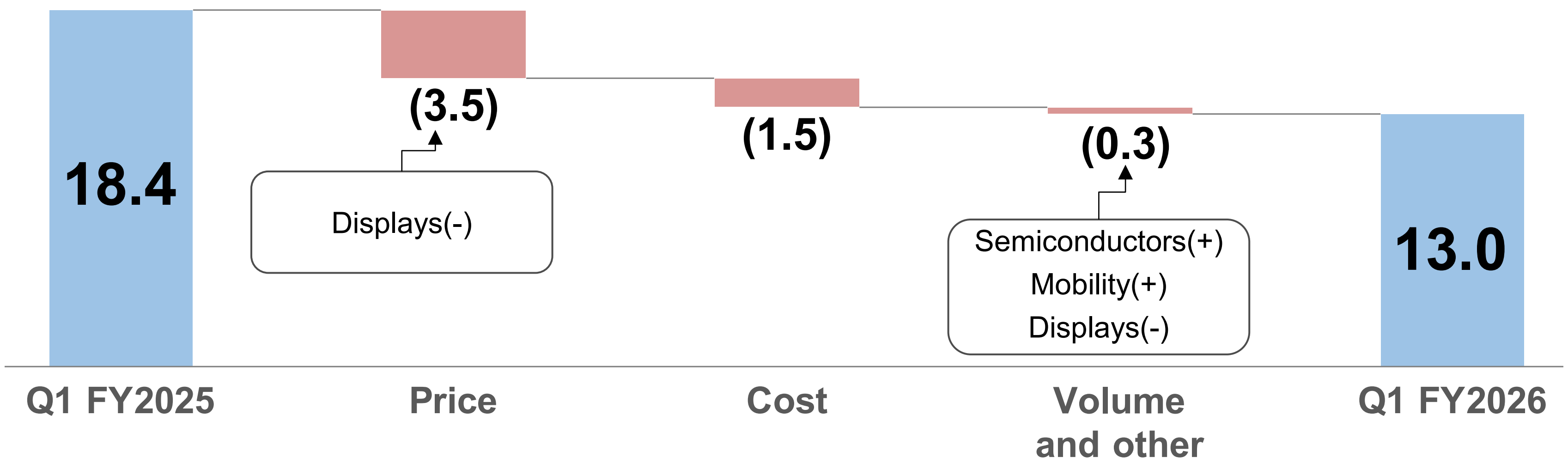


Crop Protection	↗ Steady shipments of crop protection products (Volume and other(+))
Feed Additives	↗ Improvement in profit margins (Price(+))

Core Operating Income Analysis by Reporting Segment

ICT & Mobility Solutions

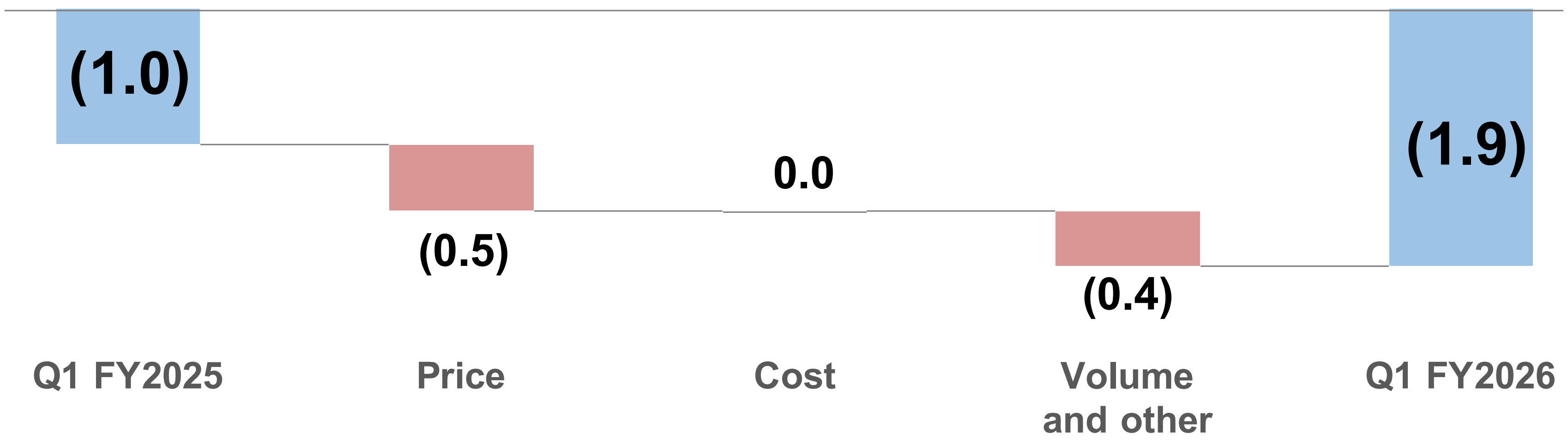
Total ¥ 13.0 billion ¥ (5.3) billion from Q1 FY2025



Displays	↘ Decline in the selling prices of polarizing films (Price(-)) Absence of prior year gain on the sale of the large LCD polarizing film business (Volume and other(-)) Decline in shipments due to a shortage of semiconductors (Volume and other(-))
Semiconductors	↗ Increase in shipments due to growing demand for semiconductors (Volume and other(+))
Mobility	↗ Increase in shipments of super engineering plastics to China (Volume and other(+))

Advanced Medical Solutions

Total ¥ (1.9) billion ¥ (0.9) billion from Q1 FY2025

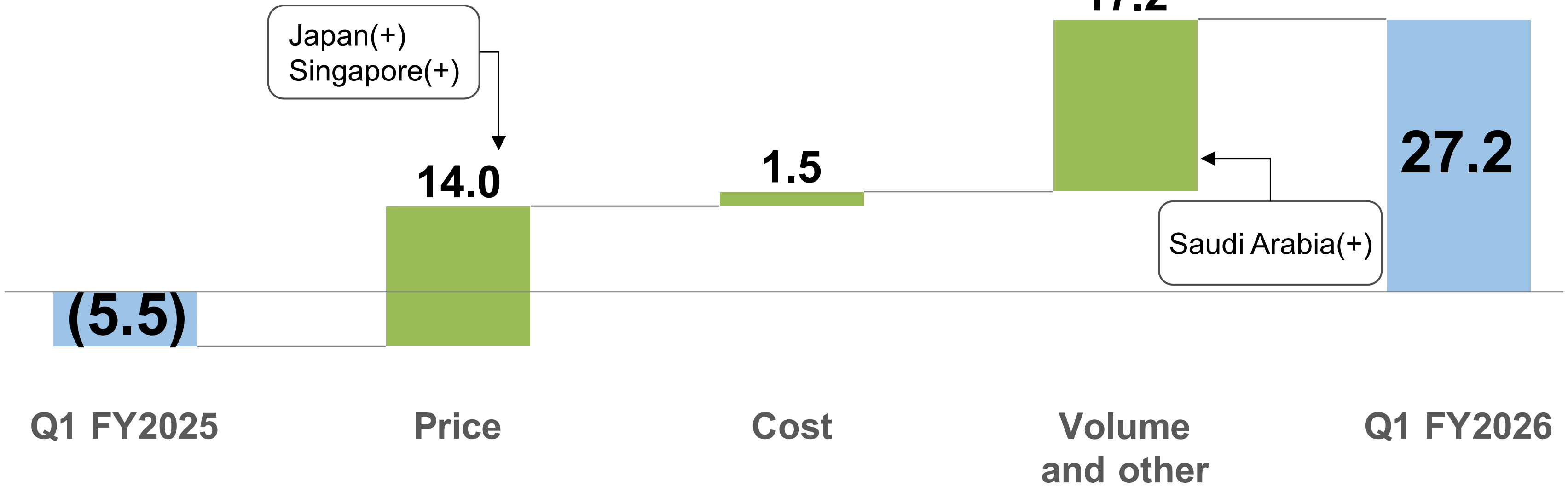


Decline in profit margins due to the Middle East geopolitical tensions (Price(-))
Difference in sales mix of active pharmaceutical ingredients and intermediates (Volume and other(-))

Core Operating Income Analysis by Reporting Segment

Essential & Green Materials

Total ¥ 27.2 billion ¥ 32.7 billion from Q1 FY2025

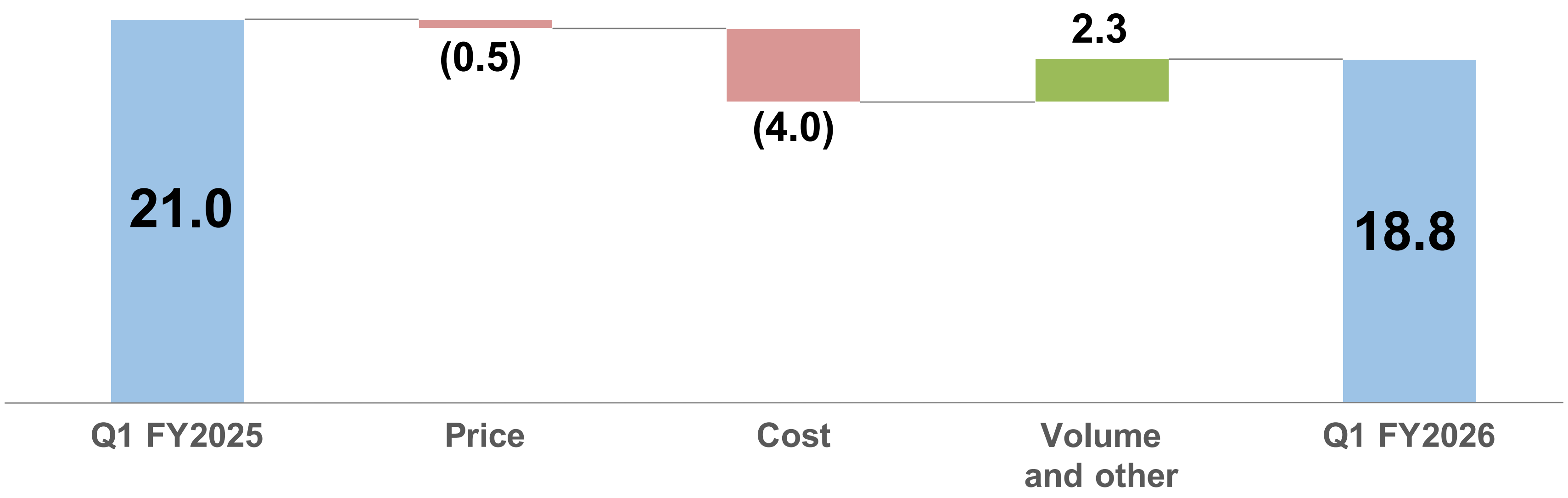


Japan	Improvement in profit margins (Price(+))
Singapore	Improvement in profit margins (Price(+))
Saudi Arabia	Improvement in profitability from investments accounted for using the equity method due to improved refining margins (Volume and other(+))

Core Operating Income Analysis by Reporting Segment

Sumitomo Pharma

Total ¥ 18.8 billion ¥ (2.2) billion from Q1 FY2025



- Increase in selling, general, and administrative expenses in North America (Cost(-))
- Increase in R&D expenses (Cost(-))
- Partial sale of the Asian business in the prior year (Cost(+),Volume and other(-))
- Increase in sales of ORGOVYX® (therapeutic agent for advanced prostate cancer) and GEMTESA® (treatment for overactive bladder) (Volume and other(+))
- Foreign exchange impact (Volume and other(+))

Consolidated Statement of Financial Position

(Billions of yen)

	30-Jun-26	31-Mar-26	Variance
Current assets	**1,659.1**	1,507.7	151.3
Cash and cash equivalents	**223.2**	208.6	14.6
Trade and other receivables	**644.5**	608.7	35.9
Inventories	**643.6**	595.5	48.1
Others	**147.7**	95.0	52.7
Non-current assets	**1,954.4**	1,897.3	57.1
Property, plant and equipment	**777.6**	770.7	6.9
Goodwill and intangible assets	**502.5**	501.0	1.5
Others	**674.4**	625.6	48.8
Total	**3,613.5**	3,405.0	208.5

	30-Jun-26	31-Mar-26	Variance
Liabilities	**2,201.1**	2,168.4	32.7
Trade and other payables	**550.1**	464.4	85.7
Interest-bearing liabilities	**1,132.2**	1,151.5	(19.3)
Others	**518.8**	552.5	(33.7)
Equity	**1,412.4**	1,236.7	175.8
Shareholders' equity	**807.9**	744.9	63.1
Other components of equity	**294.9**	263.8	31.2
Non-controlling interests	**309.6**	228.0	81.6
Total	**3,613.5**	3,405.0	208.5
Ratio of equity attributable to owners of the parent to total	**30.5%**	29.6%	0.9%
D/E ratio (times)	**0.80**	0.93	(0.13)

Consolidated Statement of Cash Flows

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance
Cash flows from operating activities	**5.0**	24.0	(19.0)
Cash flows from investing activities	**(49.2)**	(45.9)	(3.3)
Free cash flows	**(44.3)**	(21.9)	(22.3)
Cash flows from financing activities	**55.6**	(49.2)	104.8
Others	**3.3**	(0.9)	4.2
Increase (decrease) in cash and cash equivalents	**14.6**	(72.1)	86.7
Cash and cash equivalents at the end of the period	**223.2**	142.6	80.6

2. Outlook for FY2026 First Half

Outlook for the Business Environment (FY2026 First Half)

Economic Conditions

- Although investments in the field of technology are firmly supporting the global economy, future prospect remain uncertain due to the geopolitical risks, including the deterioration of the situation in the Middle East.

Business Environment

Crop Protection	Shipments are currently solid, but inventory congestion in distribution chains remains varied by region.
Feed additives	Although profit margins saw improvement in the first quarter, the outlook remains uncertain with raw material prices holding at high levels.
Displays	The mobile device market will remain sluggish due to the increasingly challenging procurement conditions for memory chips and other components.
Semiconductors	Demand for silicon semiconductors will remain solid, mainly driven by AI-related areas.
Petrochemicals/ Raw Materials	Enough raw materials have been secured to meet current production plans, but the impact of high raw material prices will continue for the time being.

Summary of the Financial Forecast for FY2026

Strong Outlook for the 1st Half FY2026

Core Operating Income

(Billions of yen)

FY2025 1st Half	FY2026 1st Half Forecast (announced in Aug.)	FY2026 Forecast (announced in May.)
108.7	**125.0**	215.0
※Excluding gains on sale of businesses		
approx. 50.0	**approx.120.0**	approx.210.0

Net Income Attributable to Owners of the Parent

(Billions of yen)

FY2025 1st Half	FY2026 1st Half Forecast (announced in Aug.)	FY2026 Forecast (announced in May.)
39.7	**70.0**	70.0

- Excluding gains on the sale of businesses, **core operating** income is projected to see **a two-fold increase from the prior year**
- **The forecast for net income attributable to owners of the parent announced in May is projected to be met in the first half of FY2026**

- **Essential & Green Materials** is projected to significantly improve (improved profit margins at **Petro Rabigh** and a temporary gain on the difference between the inventory valuation of these materials and their increased market price)
- **Agro & Life Solutions** is projected to see strong shipments of crop protection products and improved profit margins for feed additives
- In **ICT & Mobility Solutions**, while shipments of display-related materials are projected to decline due to a shortage of semiconductors, shipments of semiconductor processing materials are projected to increase

- **We plan to provide an explanation of our full-year forecast for FY2026 at the time we announce our financial results for the first half**

Performance Forecast for FY2026 First Half

(Billions of yen)

		FY2026 1st Half Forecast (announced in Aug.)	FY2025 1st Half	Variance	FY2026 Forecast (announced in May.)
Sales revenue		**1,170.0**	1,095.4	74.6	**2,360.0**
Core operating income		**125.0**	108.7	16.3	**215.0**
Non-recurring items		**(3.0)**	(5.0)	2.0	**(40.0)**
Operating income		**122.0**	103.7	18.3	**177.0**
Net income attributable to owners of the parent		**70.0**	39.7	30.3	**70.0**
Exchange rate (yen/$)		**157.00**	146.02		**155.00**
Naphtha price (yen/kl)		**104,000**	64,800		**92,000**
Cash dividends (yen)	Interim dividend	**8.00**	6.00		**8.00**
	Year-end dividend	**8.00**	7.50		**8.00**
	Annual dividend	**16.00**	13.50		**16.00**

Sales Revenue and Core Operating Income by Reporting Segment

(Billions of yen)

		FY2026 1st Half Forecast (announced in Aug.)	FY2025 1st Half	Variance	FY2026 Forecast (announced in May.)
Agro & Life Solutions	Sales Revenue	**260.0**	213.0	47.0	**560.0**
	Core Operating Income	**29.0**	11.2	17.8	**65.0**
ICT & Mobility Solutions	Sales Revenue	**310.0**	283.5	26.5	**590.0**
	Core Operating Income	**28.0**	33.1	(5.1)	**55.0**
Advanced Medical Solutions	Sales Revenue	**28.0**	21.1	6.9	**60.0**
	Core Operating Income	**0.0**	(1.4)	1.4	**3.0**
Essential & Green Materials	Sales Revenue	**300.0**	329.1	(29.1)	**560.0**
	Core Operating Income	**42.0**	(18.6)	60.6	**20.0**
Sumitomo Pharma	Sales Revenue	**250.0**	226.1	23.9	**540.0**
	Core Operating Income	**32.0**	97.3	(65.3)	**94.0**
Others	Sales Revenue	**22.0**	22.6	(0.6)	**50.0**
	Core Operating Income	**(6.0)**	(13.0)	7.0	**(22.0)**
Total	Sales Revenue	**1,170.0**	1,095.4	74.6	**2,360.0**
	Core Operating Income	**125.0**	108.7	16.3	**215.0**
	"Excluding gains on sale of businesses"	**approx. 120.0**	approx. 50.0		**approx. 210.0**

(Reference)

Sales Revenue by Reporting Segment (Quarterly)

(Billions of yen)

	FY2025				FY2026		
	Q1	Q2	Q3	Q4	Q1	1st Half Forecast (announced in Aug.)	Full-year Forecast (announced in May.)
Agro & Life Solutions	96.9	116.1	133.9	172.4	109.0	260.0	560.0
ICT & Mobility Solutions	137.4	146.1	148.3	142.4	148.6	310.0	590.0
Advanced Medical Solutions	9.1	12.1	14.5	23.0	10.4	28.0	60.0
Essential & Green Materials	165.4	163.8	181.8	167.8	170.2	300.0	560.0
Sumitomo Pharma	107.4	118.7	120.3	105.5	129.0	250.0	540.0
Others	10.0	12.6	12.1	11.1	11.0	22.0	50.0
Total	526.1	569.3	610.9	622.2	578.2	1,170.0	2,360.0

Core Operating Income by Reporting Segment (Quarterly)

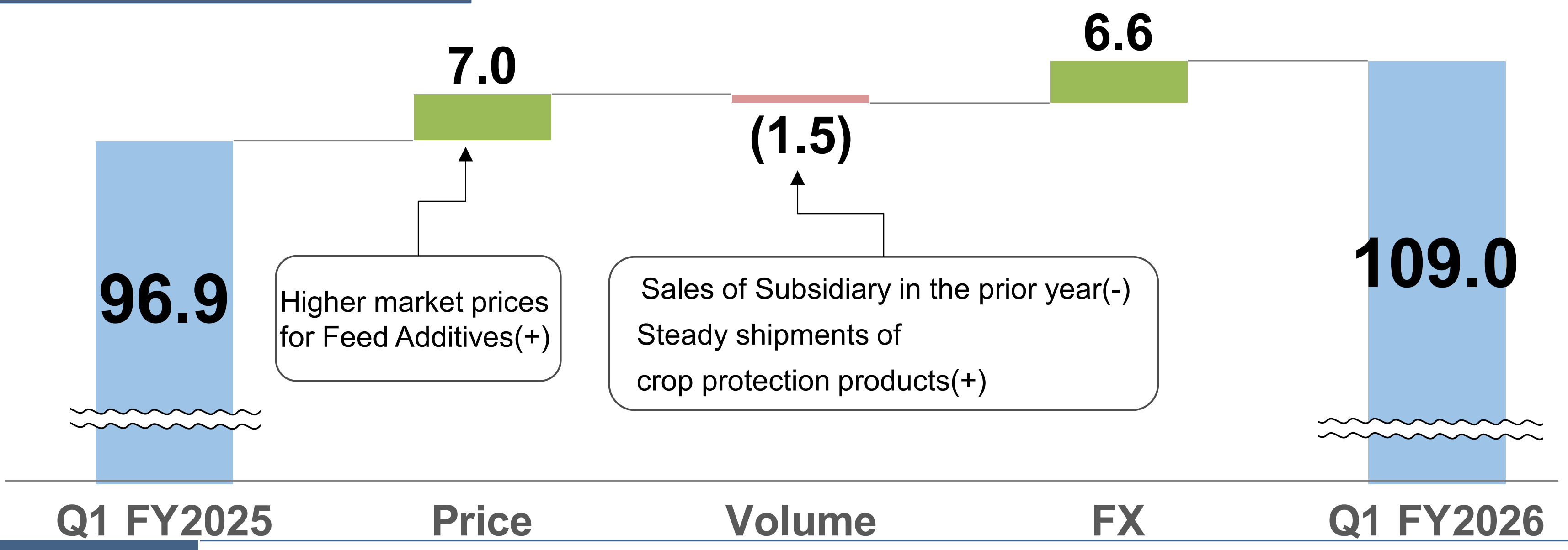
(Billions of yen)

	FY2025				FY2026		
	Q1	Q2	Q3	Q4	Q1	1st Half Forecast (announced in Aug.)	Full-year Forecast (announced in May.)
Agro & Life Solutions	2.2	9.0	16.9	28.2	9.6	29.0	65.0
ICT & Mobility Solutions	18.4	14.7	13.4	6.5	13.0	28.0	55.0
Advanced Medical Solutions	(1.0)	(0.4)	1.7	2.5	(1.9)	0.0	3.0
Essential & Green Materials	(5.5)	(13.1)	38.4	(5.3)	27.2	42.0	20.0
Sumitomo Pharma	21.0	76.3	13.9	(2.8)	18.8	32.0	94.0
Others & Adjustments	(7.4)	(5.5)	(6.2)	(7.6)	(4.5)	(6.0)	(22.0)
Total	27.7	81.0	78.1	21.5	62.3	125.0	215.0

Sales Revenue Analysis by Reporting Segment

Agro & Life Solutions

Total ¥ 109.0 billion ¥ 12.1 billion from Q1 FY2025

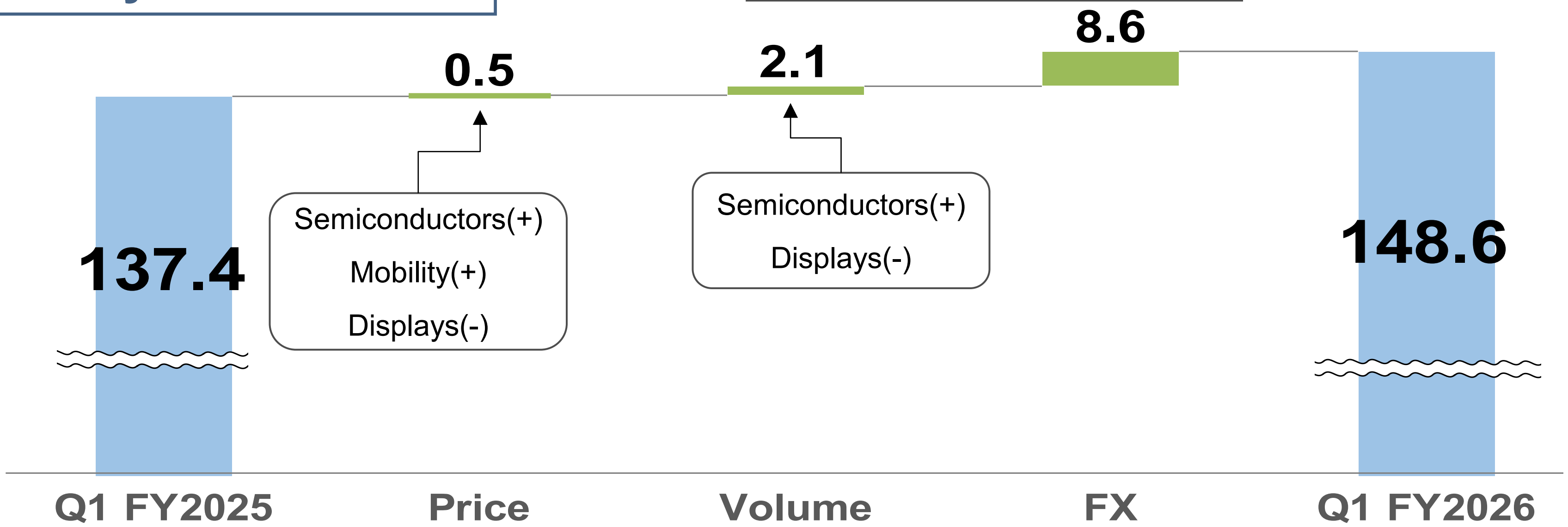


Crop Protection	↗ Weaker yen's effect on the sales of subsidiaries outside Japan when converted into yen(FX(+)) Steady shipments of crop protection products (Volume(+)) Absence of prior year sales of Sumitomo Chemical Garden Products Inc (Volume(-))
Feed Additives	↗ Higher market prices (Price(+))

Sales Revenue Analysis by Reporting Segment

ICT & Mobility Solutions

Total ¥ 148.6 billion ¥ 11.2 billion from Q1 FY2025

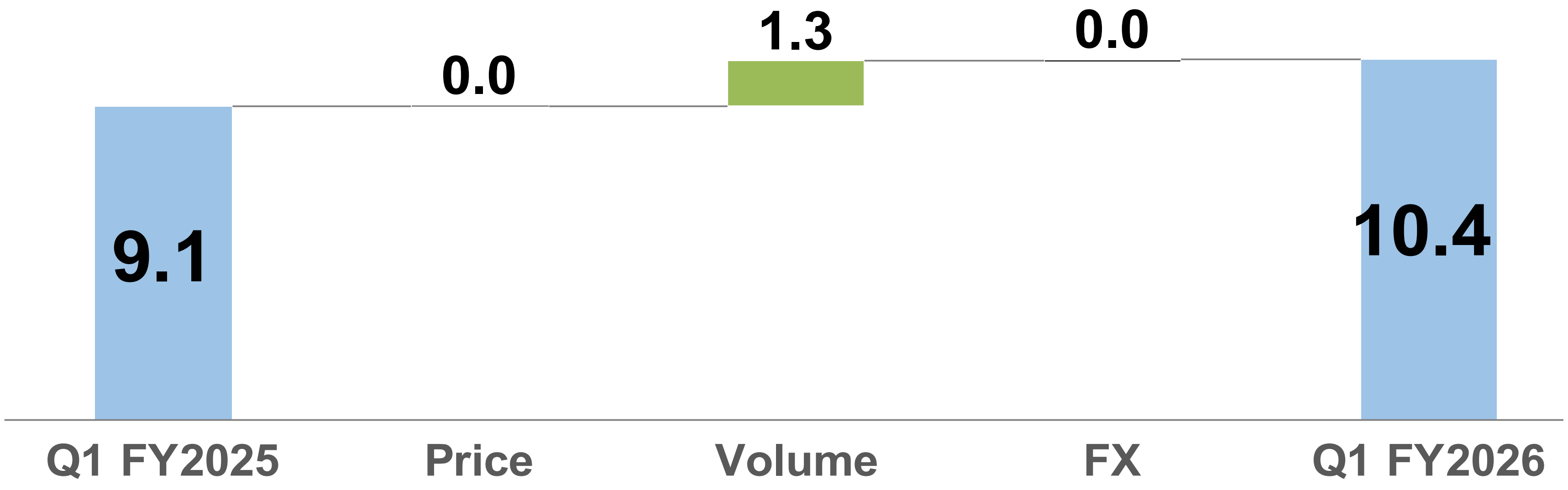


Displays	Decline in the selling prices of polarizing films (Price(-)) Decline in shipments due to a shortage of semiconductors (Volume(-)) Absence of prior year sales due to the divestiture of the large LCD polarizing film business(Volume(-))
Semiconductors	Increase in shipments due to growing demand for semiconductors (Volume(+)) Price optimization (Price(+))
Mobility	Price optimization (Price(+))

Sales Revenue Analysis by Reporting Segment

Advanced Medical Solutions

Total ¥ 10.4 billion ¥ 1.4 billion from Q1 FY2025

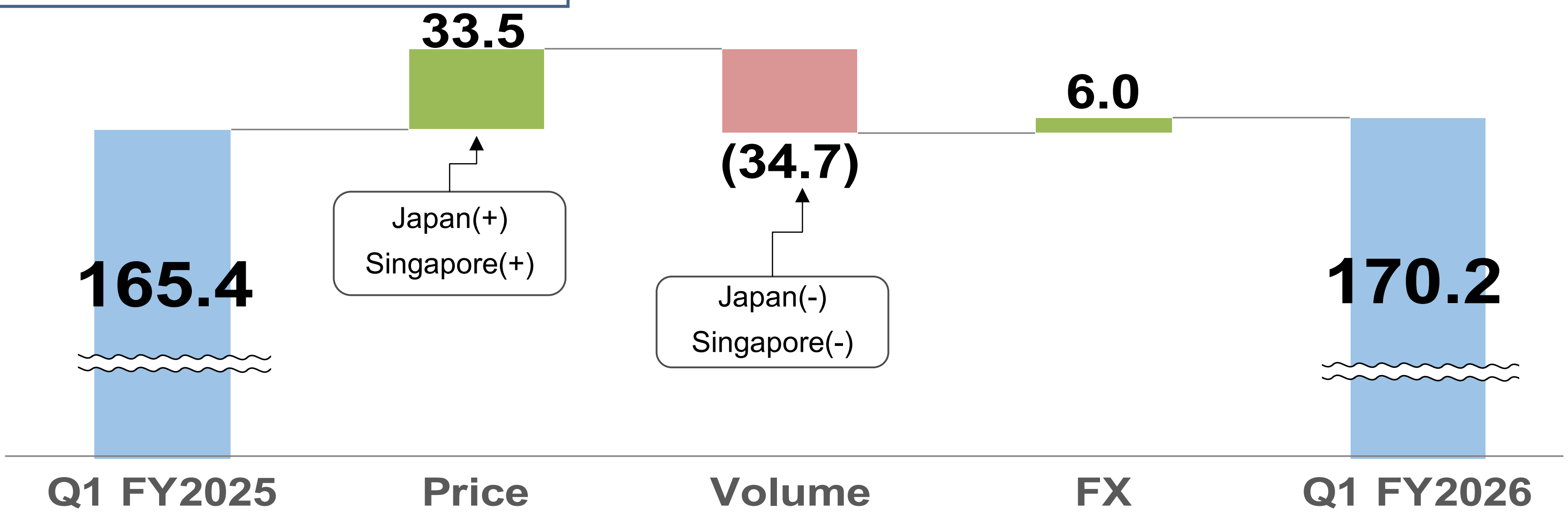


Difference in shipments timing for active pharmaceutical ingredients and intermediates (Volume(+))

Sales Revenue Analysis by Reporting Segment

Essential & Green Materials

Total ¥ 170.2 billion ¥ 4.8 billion from Q1 FY2025

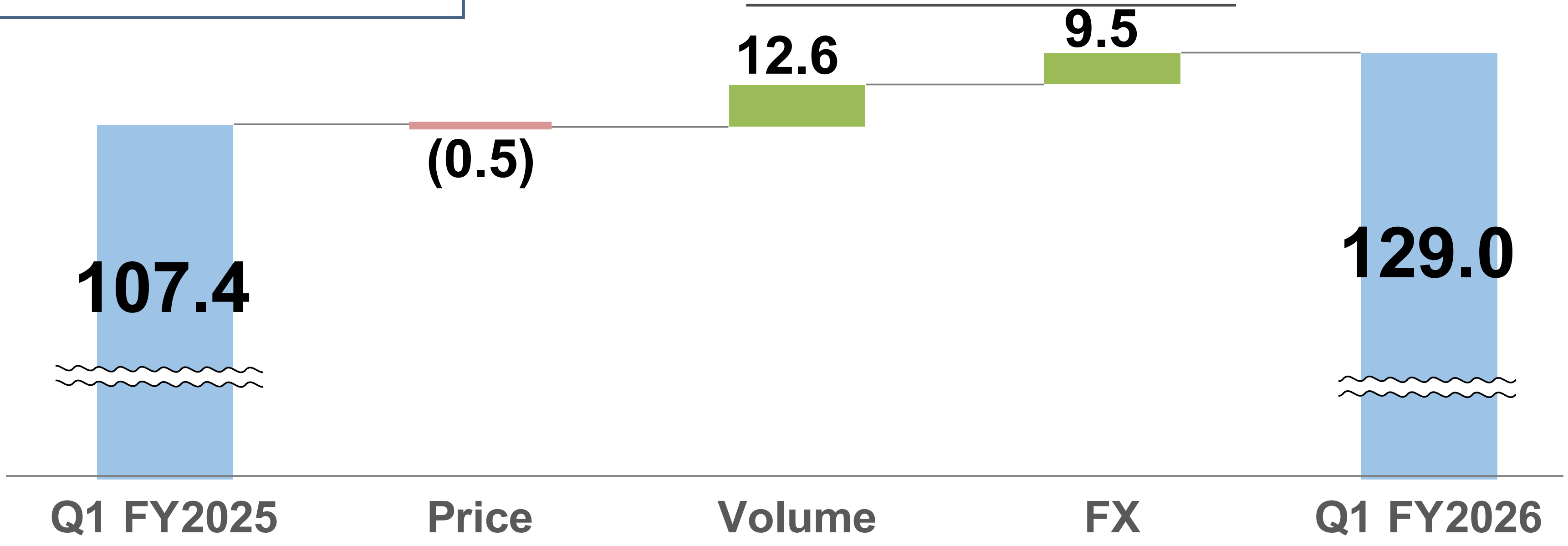


Japan	↗ Improvement in product market conditions (Price(+)) Partial sale of the NIPPON A&L stake in the prior year (Volume(-))
Singapore	↘ Improvement in product market conditions (Price(+)) Decline in capacity utilization rate due to the Middle East geopolitical tensions (Volume(-)) Decrease in shipments due to the transfer of sales rights for Petro Rabigh products (Volume(-))

Sales Revenue Analysis by Reporting Segment

Sumitomo Pharma

Total ¥ 129.0 billion ¥ 21.6 billion from Q1 FY2025



Increase in sales of ORGOVYX® (therapeutic agent for advanced prostate cancer) and GEMTESA® (treatment for overactive bladder) (Volume(+))

Partial sale of the Asian business in the prior year (Volume(-))

Major Group Companies

Company	Sales Revenue		Profit
	Q1 FY2026	Q1 FY2025	
The Polyolefin Company (Singapore) (Millions of USD)	196	197	↗ Improvement in profit margins
PCS (Millions of USD)	498	578	↗ Improvement in profit margins
Rabigh Refining and Petrochemical Company (Millions of SAR)	14,850	11,493	↗ Improvement in refining margins
Dongwoo Fine-Chem (Billions of KRW)	512.4	513.8	→ Profit remains flat
Sumitomo Chemical Brasil Indústria Química S.A. (Millions of BRL)	437	361	→ Profit remains flat
Sumitomo Biorational Company (Millions of USD)	179	191	→ Profit remains flat

Crop Protection Product Sales by Region

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	Reasons for Change
Japan	**17.3**	16.0	1.3	• Increase in shipments due to advanced sales
North America	**8.1**	7.6	0.5	
Central & South America	**16.7**	12.0	4.7	• Increase in shipments due to advanced sales
Asia (including India)	**19.2**	18.2	1.0	
Europe & Others	**7.2**	7.3	(0.1)	
Total	**68.5**	61.1	7.4	

※ Following the reorganization of our US biorationals business in April 2026, certain products were reclassified between the crop protection business and environmental health business.
The results for Q1 FY2025 have been adjusted to reflect this change.