

SUMITOMO CHEMICAL COMPANY, LIMITED

Notice of the 145th Ordinary General Meeting of Shareholders

THIS DOCUMENT IS A SUMMARY OF A NOTICE AND THE ATTACHMENTS THERETO, THE ORIGINALS OF WHICH ARE IN THE JAPANESE LANGUAGE. THIS DOCUMENT IS MADE ONLY FOR THE REFERENCE PURPOSES OF SHAREHOLDERS WHO LIVE IN COUNTRIES OUTSIDE OF JAPAN AND DOES NOT CONSTITUTE A FORMAL TRANSLATION OF THE ORIGINAL NOTICE AND THE ATTACHMENTS. IN THIS SUMMARY, CERTAIN INFORMATION IS INTENTIONALLY OMITTED. THE ORIGINALS CONTAIN MORE INFORMATION, SUCH AS THE REPORTS OF THE ACCOUNTING AUDITORS AND THE AUDIT & SUPERVISORY COMMITTEE, ETC., WHILE SOME SUPPLEMENTAL INFORMATION NOT CONTAINED IN THE ORIGINALS IS ADDITIONALLY GIVEN IN THIS SUMMARY AS FOOTNOTES WITH ASTERISKS.

To Our Shareholders:

Please take notice that Sumitomo Chemical Company, Limited (the “Company”) has called an Ordinary General Meeting of Shareholders to be held in Tokyo, Japan on June 24, 2026 (the “Meeting”) for the following purposes.

In convening this year’s Ordinary General Meeting of Shareholders, the Company has taken electronic provision measures for the information contained in the reference materials for the Ordinary General Meeting of Shareholders, etc. (“matters subject to electronic provision measures”) and posted the information on the Company’s website.

■ Company website:

<https://www.sumitomo-chem.co.jp/english/ir/stocks/meeting/>

In addition, the matters subject to electronic provision measures have been posted on the Tokyo Stock Exchange’s website. Please access the below website, enter the Company’s name or securities code (4005) to run a search, and select “Basic information” and then “Documents for public inspection/PR information” to view the information.

■ Tokyo Stock Exchange website (“Listed Company Search”):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

MATTERS TO BE REPORTED:

- No. 1. Reports on the Company's business report, consolidated financial statements, and the results of both the Accounting Auditor's and the Audit & Supervisory Committee's audits of the Company's consolidated financial statements for the 145th fiscal period (from April 1, 2025, to March 31, 2026) (the "145th fiscal period").
- No. 2. Reports on the Company's non-consolidated financial statements for the 145th fiscal period.

MATTERS TO BE RESOLVED:

- No. 1. To make partial amendments to the Articles of Incorporation.
- No. 2. To elect nine Directors (excluding Directors who are Audit & Supervisory Committee Members).

EXPLANATION OF THE SUBJECT MATTERS OF THE MEETING

- No. 1. Reports on the Company's business report, consolidated financial statements, and the results of both the Accounting Auditor's and the Audit & Supervisory Committee's audits of the Company's consolidated financial statements for the 145th fiscal period.
- No. 2. Reports on the Company's non-consolidated financial statements for the 145th fiscal period.

* The financial statements for the 145th fiscal period have been audited by the Accounting Auditors (certified public accountants under Japanese law) and the Audit & Supervisory Committee of the Company pursuant to the Companies Act (*kaishahou*) (Law No. 86 of 2005).

No. 1. To make partial amendments to the Articles of Incorporation.

1. Reasons for amendments

(1) The Company intends to change the scope of Directors who can enter into limitation of liability agreements based on the provisions of paragraph 1, Article 427 of the Companies Act to include Directors not engaged in business execution, to ensure that these Directors can also fulfill their expected roles through such an agreement. All Audit & Supervisory Committee Members have given their consent to this amendment.

2. Details of amendments

The details of the amendments are as follows.

The amendments in this proposal will take effect at the close of this Meeting.

(the underlined portions indicate amendments)

Present Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">CHAPTER IV - DIRECTORS AND BOARD OF DIRECTORS</p> <p>Article 25 (<u>Outside Directors</u>' Liability for Damages) The Company may, pursuant to paragraph 1, Article 427 of the Companies Act, enter into an agreement with <u>an Outside Director</u> to limit such <u>Outside Director's</u> liability for damages to the Company. However, the limit on the amount of liability under such agreement shall be the amount stipulated in applicable laws.</p>	<p style="text-align: center;">CHAPTER IV - DIRECTORS AND BOARD OF DIRECTORS</p> <p>Article 25 (<u>Non-executive Directors</u>' Liability for Damages) The Company may, pursuant to paragraph 1, Article 427 of the Companies Act, enter into an agreement with <u>a Director (excluding executive director, etc.)</u> to limit such <u>Director's</u> liability for damages to the Company. However, the limit on the amount of liability under such agreement shall be the amount stipulated in applicable laws.</p>

No. 2. To elect nine Directors (excluding Directors who are Audit & Supervisory Committee Members).

The terms of office of all nine Directors (excluding Directors who are Audit & Supervisory Committee Members; the same applies hereinafter in this proposal) will expire at the close of this Meeting. Accordingly, the election of nine Directors (including four Outside Directors) is proposed.

The candidates for Director are as follows:

Candidate No.	Name	Attendance at the Board of Directors meetings	Current Principal Occupation and Responsibility at the Company
1	Keiichi Iwata (Male) (Reappointment)	14 out of 14 meetings (100%)	Representative Director, Chairman
2	Nobuaki Mito (Male) (Reappointment)	11 out of 11 meetings (100%)	Representative Director, President & Executive President Supervision of Advanced Medical Solutions Sector
3	Keigo Sasaki (Male) (Reappointment)	11 out of 11 meetings (100%)	Representative Director & Senior Managing Executive Officer Supervision of Corporate Communications, Corporate Planning, Accounting, Finance, General Manager of Corporate Planning Office
4	Takanari Yamaguchi (Male) (Reappointment)	11 out of 11 meetings (100%)	Director & Senior Managing Executive Officer Supervision of Research Planning, Corporate Research Planning and Coordination, DX Acceleration, Intellectual Property, Industrial Technology & Research Laboratory, Advanced Research Laboratory for Fundamental Technologies, Assistant Supervision of Advanced Medical Solutions Sector
5	Shinoi Sakata (Female) (New appointment)	—	
6	Atsuko Muraki (Female) (Reappointment, Outside Director, Independent Officer)	14 out of 14 meetings (100%)	Director
7	Akira Ichikawa (Male) (Reappointment, Outside Director, Independent Officer)	14 out of 14 meetings (100%)	Director
8	Yumiko Noda (Female) (Reappointment, Outside Director, Independent Officer)	14 out of 14 meetings (100%)	Director


Candidate No.	Name	Attendance at the Board of Directors meetings	Current Principal Occupation and Responsibility at the Company
9	Tetsuji Ohashi (Male) (New appointment, Outside Director, Independent Officer)	—	

Opinion of the Audit & Supervisory Committee on this proposal

The Company has established the Nomination Advisory Committee and the Remuneration Advisory Committee, each composed of a majority of independent Outside Directors, as non-mandatory advisory bodies to the Board of Directors. Two Outside Directors who are Audit & Supervisory Committee Members participate as members of the Nomination Advisory Committee, and have confirmed the procedures for selecting the candidates for Director, expressed their views, and discussed these nominations at meetings of the Audit & Supervisory Committee. As a result, the candidates for Director have been selected in accordance with the recommendations of the Nomination Advisory Committee, which comprehensively considered attributes such as performance, knowledge, experience, character, and insight based on the Company's Corporate Governance Guidelines and selection policies and procedures, and the Audit & Supervisory Committee also deemed their nomination appropriate.

Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">1</p>  <p style="text-align: center;">Keiichi Iwata (Reappointment)</p>	<p>April 1982 Joined the Company April 2010 Executive Officer April 2013 Managing Executive Officer April 2018 Senior Managing Executive Officer June 2018 Representative Director & Senior Managing Executive Officer April 2019 Representative Director, President & Executive President April 2025 Representative Director, Chairman up to the present date</p> <p>[Reason for selection as a Director nominee, etc.] Keiichi Iwata served as a Director & Executive President for six years from April 2019 to March 2025, contributing to the improvement of corporate value of the Company and engaging in fundamental structural reforms. He has been focusing on the operations of the Board of Directors of the Company as a Director, Chairman since April 2025. He was continuously selected as a Director nominee since he has extensive business experience and advanced knowledge of the overall business of the Company, as described above.</p>	<p>October 11, 1957</p> <p>463,649 Shares</p>
<p style="text-align: center;">2</p>  <p style="text-align: center;">Nobuaki Mito (Reappointment)</p>	<p>April 1985 Joined the Company April 2015 Executive Officer April 2018 Managing Executive Officer June 2020 Representative Director & Managing Executive Officer April 2021 Representative Director & Senior Managing Executive Officer June 2024 Senior Managing Executive Officer April 2025 Executive President June 2025 Representative Director, President & Executive President up to the present date</p> <p>Current Responsibility at the Company Supervision of Advanced Medical Solutions Sector</p> <p>[Reason for selection as a Director nominee, etc.] Since joining the Company, Nobuaki Mito has mainly engaged in research and development in Health & Crop Sciences, as well as formulating and promoting the Company's intellectual property strategy as General Manager of the Intellectual Property Dept. Since being appointed as an Executive Officer, he has engaged in commercializing new businesses in the bioscience and other fields as officer responsible for planning. He supervised the Health & Crop Sciences Sector (currently the Agro & Life Solutions Sector) from 2020 onward. He was appointed Director & Executive President in June 2025 and promoted the current Corporate Business Plan. He was continuously selected as a Director nominee since he has extensive business experience and advanced knowledge of the overall business of the Company, as described above.</p>	<p>August 4, 1960</p> <p>231,398 Shares</p>


Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">3</p>  <p style="text-align: center;">Keigo Sasaki (Reappointment)</p>	<p>April 1986 Joined the Company April 2016 Executive Officer April 2020 Managing Executive Officer April 2025 Senior Managing Executive Officer June 2025 Representative Director & Senior Managing Executive Officer up to the present date</p> <p>Current Responsibility at the Company Supervision of Corporate Communications, Corporate Planning, Accounting, Finance, General Manager of Corporate Planning Office</p> <p>[Reason for selection as a Director nominee, etc.] Since joining the Company, Keigo Sasaki has consistently engaged in accounting duties, as well as gaining work experience at an accounting office in the United States. Since being appointed as an Executive Officer, he has served as the officer responsible for departments including Finance and Corporate Communications, in addition to Accounting, engaging in the formulation and promotion of finance and capital strategies and strengthening two-way communication with stakeholders. He currently supervises Corporate Communications, Corporate Planning, Accounting, and Finance as a Director & Senior Managing Executive Officer. He was continuously selected as a Director nominee since he has extensive business experience and advanced knowledge of the overall business of the Company, as described above.</p>	<p>February 11, 1963</p> <p>133,393 Shares</p>


Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">4</p>  <p>Takanari Yamaguchi (Reappointment)</p>	<p>April 1991 Joined the Company April 2018 Executive Officer April 2021 Managing Executive Officer April 2025 Senior Managing Executive Officer June 2025 Director & Senior Managing Executive Officer up to the present date</p> <p>Current Responsibility at the Company Supervision of Research Planning, Corporate Research Planning and Coordination, DX Acceleration, Intellectual Property, Industrial Technology & Research Laboratory, Advanced Research Laboratory for Fundamental Technologies, Assistant Supervision of Advanced Medical Solutions Sector</p> <p>Important Concurrent Posts Representative Director of S-RACMO Co., Ltd. Representative Director of RACTHERA Co., Ltd.</p> <p>[Reason for selection as a Director nominee, etc.] Since joining the Company, Takanari Yamaguchi has mainly engaged in research and development, process & production technology & safety planning, and new business promotion. Since being appointed as an Executive Officer in 2018, he has served as the officer responsible for the IT-related Chemicals Sector Planning & Coordination Office and Quality Assurance Office, as well as the Optical Materials Division, contributing to their growth and expansion. He currently supervises Research Planning, Corporate Research Planning and Coordination, DX Acceleration, Intellectual Property, and Corporate Research Laboratories as a Director & Senior Managing Executive Officer. He was continuously selected as a Director nominee since he has extensive business experience and advanced knowledge of the overall business of the Company, as described above.</p>	<p>June 1, 1962</p> <p>135,493 Shares</p>

Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">5</p>  <p style="text-align: center;">Shinoi Sakata (New appointment)</p>	<p>April 1979 Joined the Company April 2013 Executive Officer April 2016 Director & Vice President of Sumika Technical Information Service, Inc. June 2017 Representative Director & President of Sumika Technical Information Service, Inc. May 2018 Managing Director of the Japan Chemical Industry Association</p> <p>Important Concurrent Posts Outside Director of Kanadevia Corporation Outside Director of Senshu Ikeda Holdings, Inc.</p> <p>[Reason for selection as a Director nominee, etc.] During her time at the Company, Shinoi Sakata mainly engaged in research on the safety assessment of chemical substances. As an Executive Officer, she has also been responsible for the Intellectual Property Dept., promoting the Company's intellectual property strategy. Since retiring as an Executive Officer of the Company, she has served as President of Sumika Technical Information Service, Inc., Managing Director of the Japan Chemical Industry Association, and Outside Director of listed companies. She was newly selected as a Director nominee since she has extensive business experience at the Company, as well as extensive experience and broad insight as an Outside Director at other companies, as described above.</p>	<p>March 31, 1957</p> <p>3,000 Shares</p>

Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">6</p>  <p style="text-align: center;">Atsuko Muraki (Reappointment, Outside Director, Independent Officer)</p>	<p>April 1978 Joined Ministry of Labour (Currently Ministry of Health Labour and Welfare)</p> <p>October 2005 Counsellor for Policy Evaluation, Minister's Secretariat of Ministry of Health Labour and Welfare</p> <p>September 2006 Deputy Director-General, Equal Employment, Children and Families Bureau of Ministry of Health Labour and Welfare</p> <p>July 2008 Director-General, Equal Employment, Children and Families Bureau of Ministry of Health Labour and Welfare</p> <p>September 2010 Director-General for Policies on Cohesive Society of Cabinet Office</p> <p>September 2012 Director-General, Social Welfare and War Victims' Relief Bureau of Ministry of Health Labour and Welfare</p> <p>July 2013 Vice Minister of Health Labour and Welfare of Ministry of Health Labour and Welfare</p> <p>October 2015 Retired from Ministry of Health Labour and Welfare</p> <p>June 2018 Outside Director of the Company up to the present date</p> <p>Important Concurrent Post Outside Director of Oji Holdings Corporation</p> <p>[Reason for selection as an Outside Director nominee and outline of expected roles] Atsuko Muraki can be expected to make decisions on important management matters at the Board of Directors of the Company, appropriately oversee business execution, and provide advice and recommendations based on her advanced expertise, by making use of her wealth of experience and extensive knowledge in legal, social and other issues deriving from her employment over many years at administrative bodies as a civil servant as well as her expertise especially in human resources. Accordingly, she was continuously selected as an Outside Director nominee. Although she only has experience with enterprise management as an outside director or auditor, the Company has determined that she is capable of appropriately performing the duties of an Outside Director of the Company, due to the reasons mentioned above.</p>	<p>December 28, 1955</p> <p>0 Shares</p>

Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">7</p>  <p style="text-align: center;">Akira Ichikawa (Reappointment, Outside Director, Independent Officer)</p>	<p>April 1978 Joined Sumitomo Forestry Co., Ltd. June 2007 Executive Officer & General Manager of Corporate Planning Department of Sumitomo Forestry Co., Ltd.</p> <p>June 2008 Director, Managing Executive Officer of Sumitomo Forestry Co., Ltd.</p> <p>April 2010 Representative Director, President of Sumitomo Forestry Co., Ltd.</p> <p>April 2020 Representative Director, Chairman of the Board of Sumitomo Forestry Co., Ltd.</p> <p>up to the present date June 2022 Outside Director of the Company up to the present date</p> <p>Important Concurrent Posts Representative Director, Chairman of the Board of Sumitomo Forestry Co., Ltd. Outside Director of Daiwa Securities Group Inc.</p> <p>[Reason for selection as an Outside Director nominee and outline of expected roles] Akira Ichikawa can be expected to make decisions on important management matters at the Board of Directors of the Company, appropriately oversee business execution, provide well-balanced advice based on an extensive view on overall management, make recommendations based on his expertise in global operations, sustainability and other areas, and support appropriate risk-taking, by making use of his abundant experience and extensive knowledge as a management executive of a business corporation. Accordingly, he was continuously selected as an Outside Director nominee.</p>	<p>November 12, 1954</p> <p>0 Shares</p>

Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">8</p>  <p style="text-align: center;">Yumiko Noda (Reappointment, Outside Director, Independent Officer)</p>	<p>April 1982 Joined Bank of America Corporation Tokyo Branch</p> <p>March 1996 Deputy General Manager (Head of Structured Finance Department), London Branch, The Long-Term Credit Bank of Japan, Limited</p> <p>January 2000 Partner (Head of PPP (Public Private Partnership) and Privatization), PwC Financial Advisory Services Co., Ltd. (Currently PwC Advisory LLC)</p> <p>June 2007 Deputy Mayor of Yokohama City</p> <p>January 2011 Partner (Head of PPP and Infrastructure Asia-Pacific), PwC Advisory Co., Ltd. (Currently PwC Advisory LLC)</p> <p>October 2017 President and Representative Director of Veolia Japan K.K. (Currently Veolia Japan GK)</p> <p>June 2020 Chairman and Representative Director of Veolia Japan GK</p> <p>June 2024 Outside Director of the Company up to the present date</p> <p>June 2025 Chairman and Director of Veolia Japan GK up to the present date</p> <p>Important Concurrent Posts Chairman and Director of Veolia Japan GK Outside Director of Mizuho Financial Group, Inc. Outside Director of East Japan Railway Company</p> <p>[Reason for selection as an Outside Director nominee and outline of expected roles] Yumiko Noda can be expected to make decisions on important management matters at the Board of Directors of the Company, appropriately oversee business execution, provide well-balanced advice based on an extensive view on overall management, make recommendations based on her expertise in global management, finance, the circular economy and other areas, and support appropriate risk-taking, by making use of her abundant experience and extensive knowledge as a management executive of a globally expanding business corporation, as well as her deep expertise in finance at financial institutions and consulting companies. Accordingly, she was continuously selected as an Outside Director nominee.</p>	<p>January 26, 1960</p> <p>0 Shares</p>

Candidate No. Name	Career Summary, Principal Occupation and Responsibility at the Company, and Important Concurrent Post	Birth Date The Number of Shares Owned in the Company
<p style="text-align: center;">9</p>  <p style="text-align: center;">Tetsuji Ohashi</p> <p>(New appointment, Outside Director, Independent Officer)</p>	<p>April 1977 Joined Komatsu Ltd.</p> <p>January 2004 President and Chief Operating Officer (COO) of Komatsu America Corp.</p> <p>June 2009 Director and Senior Executive Officer of Komatsu Ltd.</p> <p>April 2013 President, Representative Director and CEO of Komatsu Ltd.</p> <p>April 2019 Chairman of the Board and Representative Director of Komatsu Ltd.</p> <p>June 2025 Senior Advisor of Komatsu Ltd.</p> <p>up to the present date</p> <p>Important Concurrent Posts</p> <p style="padding-left: 40px;">Senior Advisor of Komatsu Ltd.</p> <p style="padding-left: 40px;">Outside Director of Asahi Group Holdings, Ltd.</p> <p>[Reason for selection as an Outside Director nominee and outline of expected roles]</p> <p>Tetsuji Ohashi can be expected to make decisions on important management matters at the Board of Directors of the Company, appropriately oversee business execution, provide well-balanced advice based on an extensive view on overall management, make recommendations based on his expertise in the manufacturing and technical fields, global operations, and other areas, and support appropriate risk-taking, by making use of his abundant experience and extensive knowledge as a management executive of a business corporation. Accordingly, he was newly selected as an Outside Director nominee.</p>	<p>March 23, 1954</p> <p>0 Shares</p>

- NOTES: 1 None of the above candidates has any conflicts of interest with the Company.
- 2 Ms. Atsuko Muraki, Mr. Akira Ichikawa, Ms. Yumiko Noda, and Mr. Tetsuji Ohashi are the candidates for Outside Director.
- 3 Ms. Atsuko Muraki, Mr. Akira Ichikawa, and Ms. Yumiko Noda are currently Outside Directors of the Company. Ms. Atsuko Muraki's term of office will be eight years, Mr. Akira Ichikawa's term of office will be four years, and Ms. Yumiko Noda's term of office will be two years at the close of this Meeting.
- 4 Pursuant to the regulations of the Tokyo Stock Exchange, Inc., the Company has designated Ms. Atsuko Muraki, Mr. Akira Ichikawa and Ms. Yumiko Noda as Independent Directors, and Mr. Tetsuji Ohashi as a candidate for Independent Director, who have no risk of having conflicts of interest with ordinary shareholders.
- 5 At Sompo Japan Insurance Inc. ("Sompo Japan Insurance"), a subsidiary of Sompo Holdings, Inc. ("Sompo Holdings"), where Ms. Atsuko Muraki served as Outside Audit & Supervisory Board Member and Outside Director from June 2017 to June 2021, cases occurred involving acts that are considered to violate the Anti-Monopoly Act and acts that are inappropriate in light of the purpose of the Act, inappropriate handling by Sompo Japan Insurance regarding fraudulent automobile insurance claims by a used car sales company, acts that may be in violation of the Act on the Protection of Personal Information and acts that are inappropriate in light of the purpose of the Act, as well as acts that may be in

violation of the Unfair Competition Prevention Act and acts that are inappropriate in light of the purpose of the Act. In January 2024, Sompo Holdings received a business improvement order from the Financial Services Agency regarding its management of Sompo Japan Insurance based on the Insurance Business Act. Although she was unaware of the inappropriate fact at Sompo Japan Insurance until the incident came to light, during her tenure at Sompo Holdings, she fulfilled her duties as Outside Audit & Supervisory Board Member and Outside Director by speaking up about the importance of group governance and legal compliance at Audit & Supervisory Board meetings and Board of Directors meetings.

6 Mr. Akira Ichikawa's role as Chairman of the Board at Sumitomo Forestry Co., Ltd. is mainly to oversee management. He has no area of responsibility, and his involvement in day-to-day business execution decisions is limited. The business relationship between Sumitomo Forestry Co., Ltd. and the Company represents less than 0.1% of consolidated sales for both companies and is not a major business partner.

7 Yamaha Motor Co., Ltd., where Mr. Tetsuji Ohashi served as Outside Director from March 2020 to March 2026, announced in June 2024 that inappropriate actions had taken place regarding certification applications for the noise tests and sound pressure testing of vehicles it developed. Although he was unaware of the relevant facts in advance, as an Outside Director of the company, he regularly made proposals from the perspective of legal compliance and compliance management, as appropriate. After the incident came to light, he properly fulfilled his responsibilities by, among other things, demanding an investigation of the facts and the implementation of appropriate measures to prevent recurrence. In addition, at Asahi Group Holdings, Ltd., where he has served as an Outside Director since March 2022, a system malfunction and the leakage of personal information caused by a cyberattack occurred on September 29, 2025. Although he was unaware of the specific risk of this incident in advance, since it occurred, he has actively made proposals regarding measures to prevent recurrence and strengthen the governance system, thus fulfilling his duties as an Outside Director.

8 The Company executed limitation of liability agreements with Ms. Atsuko Muraki, Mr. Akira Ichikawa, and Ms. Yumiko Noda that limit their liabilities for damages to the Company pursuant to Article 423(1) of the Companies Act, up to the total of the amounts listed in the items of Article 425(1) of the Companies Act (the "Limitation of Liability Agreements"). When they are reappointed as Outside Directors of the Company, the Company will continue the Limitation of Liability Agreements. In addition, if Mr. Tetsuji Ohashi is appointed as Outside Director of the Company, the Company will execute an agreement with him with the same content as the Limitation of Liability Agreements. If Ms. Shinoi Sakata is appointed as Director of the Company, the Company will execute an agreement with her with the same content as the Limitation of Liability Agreements, subject to the approval of Proposal No. 1 "To make partial amendments to the Articles of Incorporation."

9 The Company entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3(1) of the Companies Act, to cover damages and dispute costs such as litigation costs, lawyer fees, and arbitration/settlement costs (including those arising in connection with lost shareholder derivative suits and claims for damages from the Company) that should be legally borne by the insured. If each candidate is elected, he or she will be covered by the insurance contract, and the Company plans to renew the insurance contract with the same content during his or her term of office.

(Reference)

Expertise and experience of Directors (to be complete after the close of the 145th Ordinary General Meeting of Shareholders)

	Corporate Management	Business strategy/ Marketing	Technology/ Research	Global	ESG/ Sustainability	Finance/ Accounting	Human resources and labor	Legal/ Compliance/ Internal control	Knowledge of other specialized fields
Directors (excluding Directors who are Audit & Supervisory Committee Members):									
Keiichi Iwata	○	○		○					
Nobuaki Mito	○	○	○						
Keigo Sasaki		○		○		○			○ (corporate communications)
Takanari Yamaguchi		○	○						○ (IT/DX)
Shinoi Sakata			○		○				○ (intellectual property)
Atsuko Muraki					○		○	○	
Akira Ichikawa	○			○	○				
Yumiko Noda	○			○		○			
Tetsuji Ohashi	○		○	○					○ (IT/DX)
Directors who are Audit & Supervisory Committee Members:									
Kunio Nozaki				○		○			
Kenji Ohno					○			○	
Yoshitaka Kato				○		○		○	
Michio Yoneda	○				○				○ (financial markets)
Masamichi Kamimura					○			○	

* The above table shows up to three of the major areas (excluding “Knowledge of other specialized fields”) of each person’s expertise and experience with ○.

(Reference)

Criteria for Designation of Independent Directors (Revised June 20, 2025)

1. These criteria set conditions for designation of the Company's Outside Directors as "Independent Directors & Auditors" defined in the listing rules of stock exchanges in Japan.
2. If none of the conditions given in (1) to (9) below applies, a person, in principle, shall be considered to have no material interest in the Company and may be designated as Independent Directors.

The person

- (1) Is an executor of business, i.e. someone who executes business of the Company or a company of the Company's Group (a Director (other than Outside Director), an executive officer, or an employee (by whatever name, someone having an employment relationship with the Company or with the company of the Company's Group)).
- (2) Is an executor of business who executes business of a major client or business partner of the Company. The "a major client or business partner" means any of the following.
 - (a) A vendor providing products or services to the Company, or a customer to which the Company is providing products or services, of which the total amount of such transactions in the fiscal year nearest to the time of intended designation as an Independent Directors exceeds 2% of their total sales or exceeds 2% of the Company's nonconsolidated sales, respectively.
 - (b) A financial institution providing loans to the Company, of which the total amount of the loans at the end of the fiscal year nearest to the time of intended designation as Independent Directors exceeds 2% of the Company's total nonconsolidated borrowings; provided that, even if the amount does not exceed 2%, a financial institution indicated as a lender to the Company on annual securities reports, business reports or other public documents shall be considered "a major business partner."
- (3) A consultant, certified public accountant, attorney or other expert receiving remuneration from the Company in addition to the remuneration payable to the Company's Directors, Officers, Etc., of which the total amount of the remuneration paid, other than the remuneration payable to the Company's Directors, Officers, Etc., in the fiscal year nearest to the time of intended designation as Independent Directors exceeds 10 million yen; provided that, even if the amount does not exceed 10 million yen, the person shall be considered a recipient of a substantial amount of remuneration if it exceeds 50% of that person's annual income.
- (4) A person who works for an organization that is a consulting firm, tax accounting firm, law office, other corporate body, partnership, etc., whose sales to the Company in the fiscal year nearest to the time of intended designation as Independent Directors exceeds 2% of the organization's total sales or 10 million yen, whichever is larger.
- (5) A shareholder of the Company whose share of voting rights at the end of the fiscal year nearest to the time of intended designation as Independent Directors is 10% or more (a total of direct and indirect holdings) or an executor of business at the shareholder entity.
- (6) Of the companies in which the Company holds shares, an entity in which the Company's share of voting rights at the end of the fiscal year nearest to the time of intended designation as Independent Directors is 10% or more (a total of direct and indirect holdings) or an executor of business at the entity.

- (7) A person who works for an auditing firm that conducts statutory audits of the Company.
- (8) A person to whom (1) above was applicable in the past or to whom any of (2) to (7) above was applicable in the past one year or equivalent period.
- (9) A spouse or a close relative (second-degree relative or closer) of a person to whom any of the following applies.
 - (a) A person listed in (1) to (7) above.
 - (b) A person who, in the past year or equivalent period, was an executor of business of the Company or a company of the Company's Group.
 - (c) In (a) and (b) above, "an executor of business" shall mean a person executing an important business at a company or a business partner, i.e. a Director having business execution functions, an Executive Officer or an employee having a position of department manager, its equivalent or above, and shall not include persons below the position of department manager or its equivalent.
 - (d) The above (a) notwithstanding, a person who "works for an organization" in (4) above shall not include a person who is neither an executor of important business in the organization nor, if the organization is an auditing firm, law office or other organization specializing in accounting or law, etc., a person who has specialized qualifications, such as a certified public accountant and attorney.
 - (e) The above (a) notwithstanding, a person who "works for an auditing firm" in (7) above shall include neither a person who is not an executor of important business in the firm nor a person who does not have specialized qualifications, such as a certified public accountant.

3. Even where the conditions set forth in 2. above do not apply, if there are circumstances that, in the judgment of the Company, sufficiently indicates any of Outside Directors being incapable of performing his or her duties as Independent Directors, that particular Outside Directors shall not be designated as Independent Directors.

4. With respect to an Outside Directors whom the Company intends to designate as Independent Directors in accordance with the foregoing, the Company shall, upon his or her written consent, designate that Outside Directors as Independent Directors, and shall make notification thereof to the stock exchanges on which the Company is listed. Prior to making the notification, the matter shall be reported to the Board of Directors and the Audit & Supervisory Committee.

Business Report

(April 1, 2025 - March 31, 2026)

1. Overview of the Company Group

(1) Business Progress and Results

In FY2025, the global economy maintained steady overall growth despite heightened geopolitical risks and uncertainty regarding trade policies, supported by fiscal and monetary policies implemented in various countries and strong AI-related investments. In Japan as well, the economy continued its moderate recovery despite the inflationary pressure from factors such as higher crude oil prices. This recovery was supported by stronger consumer spending amid improving income conditions, and by domestic demand underpinned by steady corporate capital investment in labor-saving initiatives and digitalization.

As a result, the Group's sales revenue declined by ¥277.8 billion compared to FY2024, to ¥2,328.5 billion. In terms of profits and losses, core operating income* was ¥208.4 billion, higher than in FY2024, but operating income was ¥151.7 billion, lower than in FY2024. Net income attributable to owners of the parent was ¥60.9 billion, higher than in FY2024. The Company's non-consolidated sales amounted to ¥758.2 billion, and net income was ¥32.1 billion.

NOTE: "Core operating income" is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating profit and loss, which includes the share of profits or losses from investments accounted for using the equity method.

The Company has decided to pay a year-end dividend of ¥7.5 per share. As a result, the Company's annual dividend for FY2025 is ¥13.5 per share, including an interim dividend of ¥6 per share.

Financial Results by Business Segment

Agro & Life Solutions

Shipments of crop protection chemicals remained steady domestically and overseas. Methionine (feed additive) faced a decline in shipments compared to FY2024. As a result, sales revenue declined by ¥21.0 billion compared to FY2024, to ¥519.3 billion. Despite the decline in sales revenue, core operating income increased by ¥1.4 billion compared to FY2024, to ¥56.3 billion, supported also by the shipments of crop protection chemicals mentioned above.

ICT & Mobility Solutions

In addition to the decline in the selling price of display-related materials due to severe price competition, there was also an impact from fundamental structural reforms implemented for the polarizing film business for large-size liquid crystal displays. Market conditions for semiconductor processing materials continue to slowly recover, and shipments have increased, but the business also faced higher fixed costs. In addition, the stronger yen decreased export income and negatively impacted sales from subsidiaries outside of Japan when converted into yen. As a result, sales revenue declined by ¥32.8 billion compared to FY2024, to ¥574.2 billion, and core operating income declined by ¥17.5 billion compared to FY2024, to ¥53.0 billion.

Advanced Medical Solutions

Oligonucleotide production and shipments increased, but due to differences in the product mix, sales revenue for active pharmaceutical ingredients and intermediates declined by ¥3.5 billion compared to FY2024, to ¥58.6 billion, and core operating income declined by ¥1.1 billion compared to FY2024, to ¥2.8 billion.

Essential & Green Materials

Shipments of the sales subsidiary declined because of the periodic shutdown maintenance at Rabigh Refining and Petrochemical Company (hereinafter, "Petro Rabigh"), an affiliated company accounted for using the equity method. In addition, shipments of aluminum and other products declined due to the Group's exit from the business in FY2024, while shipments of synthetic resins declined following the business transfer in FY2025. As a result, sales revenue declined by ¥220.2 billion compared to FY2024, to ¥678.8 billion. Core operating income increased by ¥72.9 billion compared to FY2024, to ¥14.4 billion, due to a gain on the sale of a portion of the Company's shares in Petro Rabigh, as well as improved trade terms for Petro Rabigh and for synthetic resins and other products.

Sumitomo Pharma

Sales revenue declined in Japan and Asia, but in North America there was an increase in sales of ORGOVYX[®] (therapeutic agent for advanced prostate cancer) and GEMTESA[®] (therapeutic agent for overactive bladder). Sales revenue was further increased by the recording of an ORGOVYX[®] sales milestone. As a result, sales revenue increased by ¥53.9 billion compared to FY2024, to ¥451.9 billion. Core operating income increased by ¥73.1 billion compared to FY2024, to ¥108.4 billion. In addition to the benefit of higher sales revenue, there was a reduction in selling, general and administrative expenses, including research and development expenses, resulting from the effects of business structure improvements, and there was also a gain posted on the partial divestiture of the Asian business.

Sales revenue and core operating income differ between this segment and the results reported by Sumitomo Pharma, Co., Ltd., a consolidated subsidiary of Sumitomo Chemical Co., Ltd., due to the Group's contract development and manufacturing organization business for regenerative medicine and cell therapy products not being included in this segment and because of the Group's consolidated account reporting.

Others

In addition to the above five segments, the Group supplies electric power and steam, and also provides transportation and warehousing. Sales revenue declined by ¥54.1 billion compared to FY2024, to ¥45.8 billion, due to the sale of the radiopharmaceutical business and other businesses in FY2024. Core operating income declined by ¥62.5 billion compared to FY2024, to ¥4.4 billion, due to the deconsolidation of the radiopharmaceutical business and other businesses, and the absence of non-recurring gains associated with the sale of those businesses.

Capital Expenditures

In the fiscal year under review, the Companies' capital expenditures totaled ¥121.6 billion, which includes investments for new installations and the expansion of manufacturing facilities as well as maintenance and rationalization of existing facilities.

There were no major facilities completed in the fiscal year under review.

Major facilities under construction in the fiscal year under review include the following: the new construction of an overseas subsidiary's semiconductor process chemical plant, the introduction of the Company's evaluation equipment for photoresists for use in advanced semiconductors, and the new establishment of the Company's materials production line for OLED displays and polarizing film in the ICT & Mobility Solutions Sector.

Financing

To respond to financing needs during the fiscal year under review, the Company raised funds, primarily via borrowings from banks. The balance of borrowings (including corporate bonds) decreased by ¥134.7 billion from the previous fiscal year, to ¥1,151.5 billion.

Status of the Acquisition or Disposition of Shares, Equity Interests, Share Acquisition Rights, etc., in Other Companies

The Company sold Class A ordinary shares of Petro Rabigh, representing an equity interest of approximately 22.5%, to Saudi Arabian Oil Company on October 8, 2025, and subscribed to Class B ordinary shares issued by Petro Rabigh on October 21, 2025.

(2) Issues to be Addressed

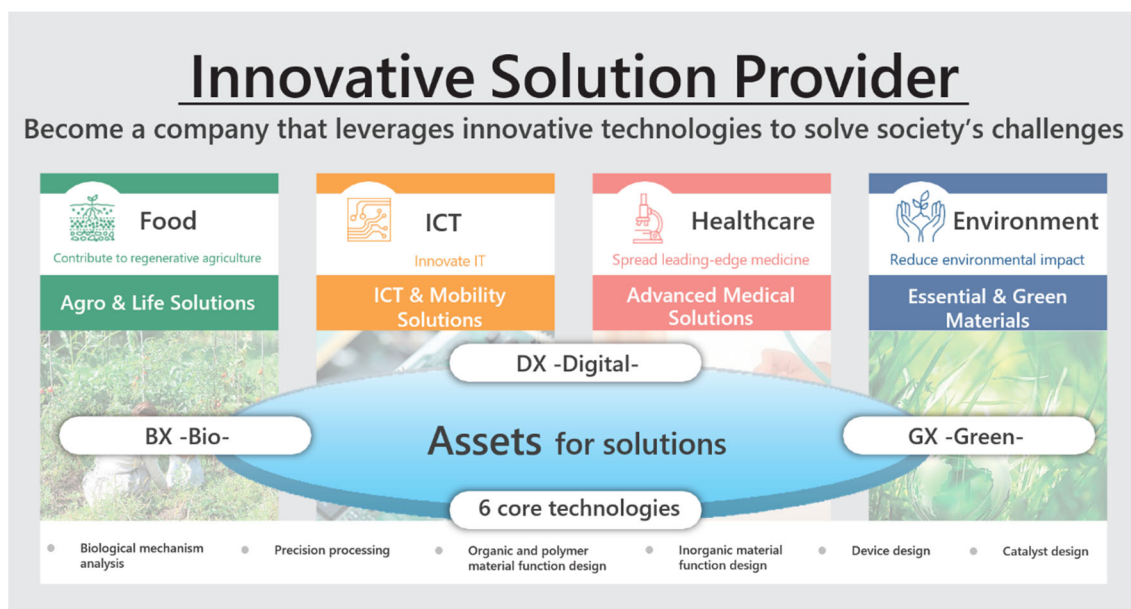
Long-term vision

Throughout its history, the Company has upheld Sumitomo's business spirit of "Harmony between the individual, the nation and society" (Sumitomo manifests this concept by seeking to benefit not only its own business, but also both the nation and society). Through this spirit, we have achieved growth while contributing to society. Based on this approach, we have established our long-term vision for the Company as an "Innovative Solution Provider" – a company that leverages innovative technologies to solve society's challenges.

To achieve this vision, we have identified food, ICT, healthcare, and the environment as societal issues we should tackle, on the basis of the technology and business assets that give the Company its distinct competitive advantages.

By leveraging the six unique core technologies that we have developed so far in each of the Company's business sectors, organized to address these issues, together with important assets focused on the three domains – GX, DX, and BX – driven by these technologies, we will generate solutions from innovative products and technologies in each of these areas and provide them broadly throughout society.

We will strive to continue to be a company with a global presence and aim for the sustainable improvement of corporate value.



FY2025–27 Corporate Business Plan: companywide policies

We launched the Group’s Three-Year Corporate Business Plan in FY2025. Under the plan, we have set forth a five-part basic policy, including “Upgrading the Company’s business portfolio through a new growth strategy,” “Increasing resilience through the continuous implementation of structural reforms,” and “Improving financial and capital efficiency.”

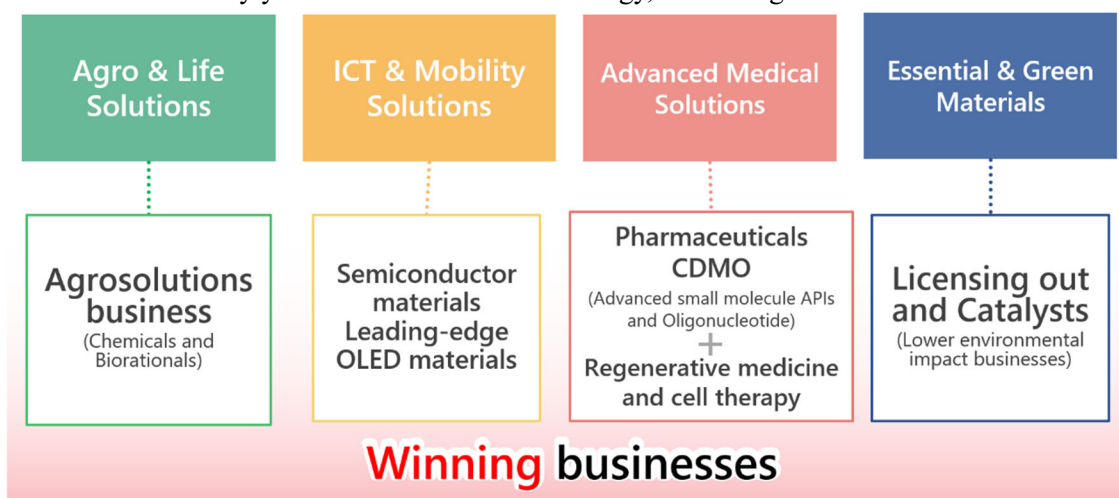
We have established the following financial performance targets for FY2027: core operating income of ¥200 billion, ROE of 8%, ROIC of 6%, and a D/E ratio of approximately 0.8.



Progress on the Corporate Business Plan

Basic Policy (1): Upgrading business portfolio with new growth strategy

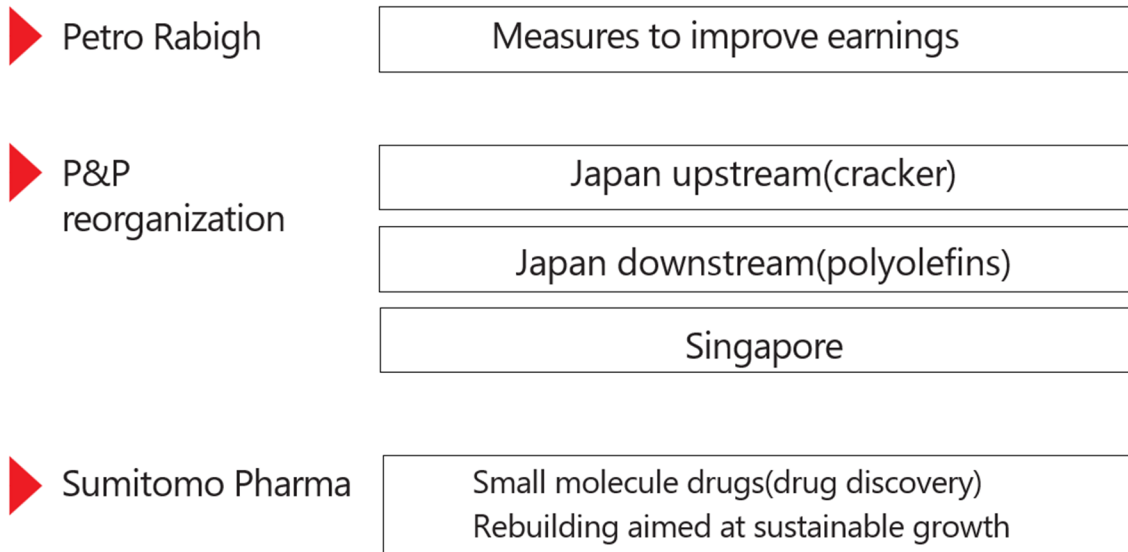
We strengthened our competitiveness across all segments and upgraded the business portfolio, centered on “winning businesses” based on our strength in organic synthesis technology. We also undertook various initiatives based on our policy of fostering the regenerative medicine and cell therapy business, in which we have a competitive advantage thanks to many years of accumulated technology, as a new growth business.



Basic Policy (2): Building greater resilience by executing continued structural reforms

We steadily promoted structural reforms in the petrochemical business, including reducing our equity stake in Petro Rabigh to 15%, agreeing on the operational optimization of existing ethylene plants in Japan and the integration of the polyolefins business. Sumitomo Pharma Co., Ltd. also improved its performance through structural reforms and increased its capital to secure the funds needed for future growth and strengthen its financial base. Although our equity stake in Sumitomo Pharma Co., Ltd. will decline as a result, it will remain a consolidated subsidiary.

Structural Reforms



Basic Policy (3): Improving financial and capital efficiency

We strengthened the investment management process, further embedding our commitment to ROIC-oriented management. By quantifying risks based on data and utilizing external insights, we enhanced the objectivity of investment decisions, and implemented these decisions under thorough risk management. In addition, we reinforced the post-investment monitoring system and promoted initiatives to maximize investment efficiency and improve ROIC by responding flexibly to changes in the environment.



Basic Policy (4): R&D strategy based on 3 X's

We reorganized our research structure to enhance research and development efficiency from a companywide perspective and enable strategic investments. We aim to facilitate decisions on strategic allocation to key areas and strengthen overall company monitoring through the establishment of a companywide research strategic committee, drive cross-company structural reform through the establishment of the Research Planning Dept., and achieve agile research and development through the formulation of a technology roadmap.

Basic Policy (5): Strengthening the management base to support new growth strategy

As part of our efforts to strengthen the management foundation, we promoted the utilization and advancement of generative AI. By monitoring its usage and providing training, we aimed to establish its routine utilization, while also implementing functions that allow the use of internal data to be customized according to specialized tasks, thereby deepening the use of internal knowledge. We worked to foster an environment where all employees use AI on a daily basis to enhance our business competitiveness.

FY2025: initiatives in each sector

Agro & Life Solutions Sector

In the crop protection and enhancement business, we pushed ahead with our efforts for potential next-generation blockbuster products in key markets. For example, we launched sales of the fungicide INDIFLIN™ to treat rice in India, in addition to its use for soybeans in South America. To further strengthen and grow the biorational business, we integrated the Group companies responsible for this business in North America and established a new structure to carry out functions such as research, manufacturing, and sales as an integrated global core base. Meanwhile, in South America, given the current challenging business environment, under a marketing policy rooted in the genuine added value of our main products, we aim to regain sales and maintain premium prices through measures such as strengthening our sales strategy for each distribution channel and expanding usage scenarios through a broader range of applications.

ICT & Mobility Solutions Sector

In the semiconductor-related business, we secured semiconductor chemical bases in Taiwan and the U.S. through the acquisition of Taiwan AUECC. We will proceed to deploy management resources to the maximum and most efficient extent, advancing the development and sales expansion of advanced materials and strengthening stable supply systems to capture the growth of the advanced semiconductor market driven by the rapid expansion of AI demand. In the display-related business, we implemented structural reforms of our operations concerning polarizing films for large LCDs and promoted a shift toward high-performance fields such as OLEDs and automotive applications. Additionally, in the mobility-related business, we consolidated our manufacturing bases for heat-resistant separators. Through these structural reforms, we aim to maximize profits and further expand the display-related and mobility-related businesses.

Advanced Medical Solutions Sector

We are pursuing business expansion by leveraging our comprehensive capabilities, from development to manufacturing and quality, with the CDMO business positioned as the core of our growth. In the field of medical oligonucleic acids, in particular, we are strengthening our customer support system using SC-AMSA, our base in the U.S., and working to expand new orders. In the regenerative medicine and cell therapy business, AMCHEPRY®, our world's first-ever iPS cell-derived product for the treatment of Parkinson's disease, received conditional and time-limited approval. Moving forward, we will strengthen our development, manufacturing, quality, and regulatory systems toward formal approval, as well as approval in the U.S. In addition, we will advance clinical trials and development for two subsequent ophthalmology products and a spinal cord injury treatment product, working to deliver innovative therapies to patients.

Essential & Green Materials Sector

In the petrochemical business, we reduced our equity stake in Petro Rabigh to 15% in October 2025. In Japan, we accelerated structural reforms, including reaching agreements with relevant parties regarding the operational optimization of existing ethylene plants and the integration of the polyolefins business. Additionally, through collaboration with other companies, we reinforced the foundations of our licensing and catalyst business, aiming to

develop it into a key business. In terms of providing solutions for reducing environmental impact, we are promoting the development of environmental impact reduction technologies, aiming for commercialization in the 2030s. This includes completing the construction of pilot facilities for chemical recycling.

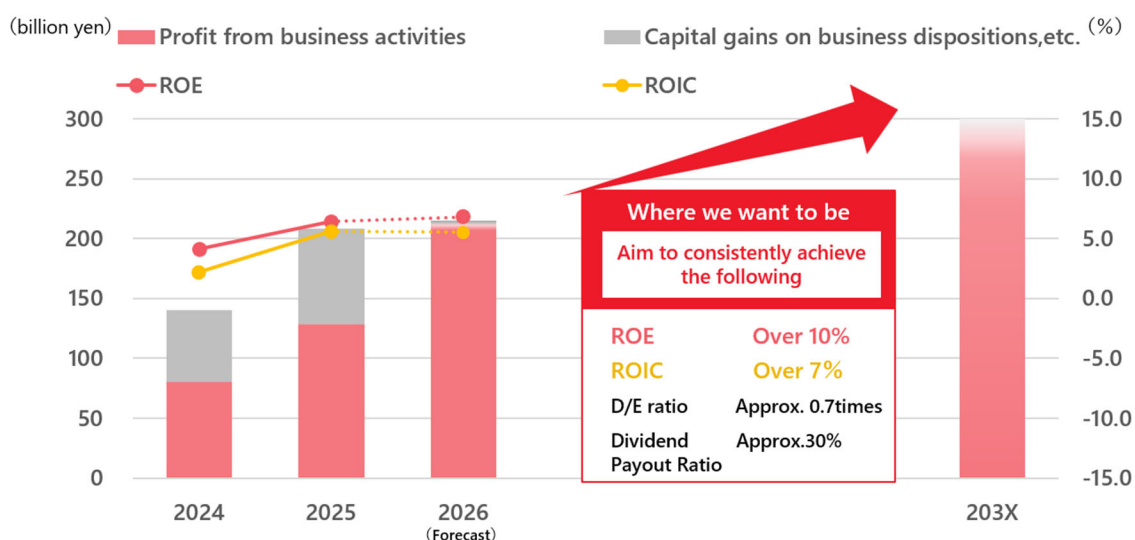
Results for FY2025

In FY2025, we reaped the fruit of Sumitomo Pharma's profit contribution, centered on the expanded sales of ORGOVYX[®], along with the results of structural reforms such as the partial transfer of our equity stake in Petro Rabigh and the sale of non-core businesses, achieving core operating income of ¥208.4 billion. Consequently, we have determined an annual dividend of ¥13.5 per share for FY2025, an increase of ¥4.5 over the annual dividend of ¥9 per share for FY2024. Additionally, by advancing the repayment of interest-bearing liabilities, we improved the D/E ratio from 1.20 at the end of FY2024 to 0.93 at the end of FY2025, improving the Company's financial position.

Outlook for FY2026 onward

In FY2026, improvements in earnings at Sumitomo Pharma, as well as financial improvements and the change in our equity stake in Petro Rabigh, are expected to contribute to the Company's overall performance, and we forecast core operating income of ¥215 billion. We anticipate a steady improvement in earnings capacity and significant growth on a practical capability basis. Looking toward FY2027 and beyond, we aim to drive performance companywide through the Agro & Life Solutions Sector and the ICT & Mobility Solutions Sector, our growth drivers, by maximizing the results of our existing investments. At the same time, we will steadily advance efforts to improve the profitability of the Essential & Green Materials Sector and to foster the swift development of the Advanced Medical Solutions Sector.

In the medium to long term, we aim to stably achieve our financial performance targets, including ROE of 10% or more, ROIC of 7% or more, and a D/E ratio of approximately 0.7.



(3) Assets and Income

1) Trends in assets and income of the Group

Item	The 142nd term (April 1, 2022 to March 31, 2023)	The 143rd term (April 1, 2023 to March 31, 2024)	The 144th term (April 1, 2024 to March 31, 2025)	The 145th term (April 1, 2025 to March 31, 2026)
IFRS				
Sales revenue (Billions of yen)	2,895.3	2,446.9	2,606.3	2,328.5
Core operating income (Billions of yen)	92.8	(149.0)	140.5	208.4
Net income attributable to owners of the parent (Billions of yen)	7.0	(311.8)	38.6	60.9
Basic earnings per share	4.27 yen	(190.69) yen	23.59 yen	37.16 yen
ROE	0.6%	(29.2)%	4.1%	6.4%
Equity attributable to owners of the parent (Billions of yen)	1,171.2	965.8	900.8	1,008.6
Total equity (Billions of yen)	1,489.2	1,164.4	1,074.4	1,236.7
Total assets (Billions of yen)	4,165.5	3,934.8	3,439.8	3,405.0

2) Trends in assets and income of the Company

Item	The 142nd term (April 1, 2022 to March 31, 2023)	The 143rd term (April 1, 2023 to March 31, 2024)	The 144th term (April 1, 2024 to March 31, 2025)	The 145th term (April 1, 2025 to March 31, 2026)
Japanese GAAP				
Net sales (Billions of yen)	894.4	809.6	856.6	758.2
Ordinary income (Billions of yen)	69.5	53.4	84.9	60.0
Net income (Billions of yen)	50.4	8.7	24.2	32.1
Net income per share	30.85 yen	5.32 yen	14.77 yen	19.57 yen
Net assets (Billions of yen)	378.0	370.4	393.9	421.6
Total assets (Billions of yen)	1,772.9	1,899.6	1,816.9	1,701.9

(4) Principal Businesses (as of March 31, 2026)

Business sector	Major products and businesses
Agro & Life Solutions	Crop protection chemicals, fertilizers, agricultural materials, household insecticides, products for control of infectious diseases, feed additives, etc.
ICT & Mobility Solutions	Optical products, semiconductor processing materials, compound semiconductor materials, touch screen sensor panels, high-purity aluminum and alumina, specialty chemicals, additives, engineering plastics, battery materials, etc.
Advanced Medical Solutions	Contract development and manufacturing organization business for polymer and small-molecule active ingredients and intermediates, medical oligonucleic acid substances, and regenerative medicine and cell therapy products, etc.
Essential & Green Materials	Synthetic resins, raw materials for synthetic fibers, various industrial chemicals, methyl methacrylate products, synthetic resin processed products, industrial alumina, synthetic rubber, etc.
Sumitomo Pharma	Small-molecule pharmaceuticals

NOTE: Aside from the above, as “Others”, the Group supplies electric power and steam, provides transportation and warehousing, etc.

(5) Principal Business Locations (as of March 31, 2026)

1) The Company

Head offices	Tokyo, Osaka
Branch offices	Tokyo, Osaka, Nagoya Branch Office, Fukuoka Branch Office
Plants	Oita Works, Misawa Works (Aomori), Osaka Works, Ohe Works (Ehime), Ibaraki Works, Okayama Works, Gifu Works, Ehime Works, Chiba Works
Research laboratories	Industrial Technology & Research Laboratory (Osaka), Environmental Health Science Laboratory (Osaka), Advanced Materials Development Laboratory (Ibaraki), Bioscience Research Laboratory (Osaka)

- NOTES: 1 Research laboratories are shown as Corporate R&D Laboratories. There also exist business sector research laboratories, such as the Agro & Life Solutions Research Laboratory (Hyogo).
- 2 On April 1, 2026, Corporate R&D Laboratories were renamed the Corporate Research Laboratories, and the Environmental Health Science Laboratory, Advanced Materials Development Laboratory, and Bioscience Research Laboratory were integrated into the newly established Advanced Research Laboratory for Fundamental Technologies.

2) Material subsidiaries

Domestic	Sumitomo Pharma Co., Ltd. (Osaka, Tokyo, Mie, Oita) Tanaka Chemical Corporation (Fukui, Osaka) Koei Chemical Co., Ltd. (Chiba, Tokyo) Taoka Chemical Co., Ltd. (Osaka, Hyogo, Ehime)
Overseas	United States Sumitomo Chemical America, Inc. Sumitomo Biorational Company LLC Valent BioSciences LLC Valent U.S.A. LLC Sumika Semiconductor Materials Texas Inc. Sumitomo Pharma America, Inc.
	Brazil Sumitomo Chemical Brasil Indústria Química S.A.
	Chile Sumitomo Chemical Chile S.A.
	United Kingdom Cambridge Display Technology Limited
	Switzerland Urovant Sciences GmbH Sumitomo Pharma Switzerland GmbH
	India Sumitomo Chemical India Limited
	Singapore Sumitomo Chemical Asia Pte Ltd The Polyolefin Company (Singapore) Pte. Ltd.
	South Korea Dongwoo Fine-Chem Co., Ltd. SSLM Co., Ltd.
	Taiwan Sumika Technology Co., Ltd.
	China Sumika Electronic Materials (Wuxi) Co., Ltd.

(6) Status of material subsidiaries (as of March 31, 2026)

Company name	Capital	Ratio of voting rights (%)	Principal business
Sumitomo Chemical Brasil Indústria Química S.A.	BRL 3,125,762 thousand	100.00	Development, promotion and sales of crop protection chemicals and household insecticides and manufacture of crop protection chemicals
Sumitomo Chemical America, Inc.	USD 690,092 thousand	100.00	Investment in related companies in the United States and sale of chemical products
Sumitomo Biorational Company LLC	USD 409,574 thousand	100.00 (100.00)	Provision of back-office services to related companies in North America
Valent BioSciences LLC	USD 268,972 thousand	100.00 (100.00)	Research, development, manufacture and sale of biorational
Valent U.S.A. LLC	USD 81,691 thousand	100.00 (100.00)	Development and sale of crop protection chemicals, etc.
Sumika Polymers America Corp.	USD 222,544 thousand	100.00 (100.00)	—
CDT Holdings Limited	GBP 187,511 thousand	100.00	Investment in Cambridge Display Technology Limited
Cambridge Display Technology Limited	GBP 183,716 thousand	100.00 (100.00)	R&D and licenses in polymer organic light emitting diodes and devices
Dongwoo Fine-Chem Co., Ltd.	KRW 293,227 million	100.00	Manufacture and sale of process chemicals for semiconductors and displays, photoresists, optical functional films, touch screen sensor panels, etc.
Sumika Semiconductor Materials Texas Inc.	USD 130,000 thousand	100.00 (80.00)	Manufacture and sale of process chemicals for semiconductors
SSLM Co., Ltd.	KRW 280,000 million	100.00	Manufacture and sale of heat-resistant separators
Japan-Singapore Petrochemicals Co., Ltd.	JPY 23,877 million	79.67	Investment in PCS (Pte.) Ltd.
Sumitomo Pharma Co., Ltd.	JPY 22,400 million	51.81	Manufacture and sale of pharmaceuticals
Sumitomo Pharma America, Inc.	USD 2,829,359 thousand	100.00 (100.00)	Manufacture and sale of pharmaceuticals
Sumitomo Pharma Switzerland GmbH	USD 1,015,332 thousand	100.00 (100.00)	Manufacture and sale of pharmaceuticals
Urovant Sciences GmbH	USD 1,198,609 thousand	100.00 (100.00)	Research and development of pharmaceuticals
Sumika Electronic Materials (Wuxi) Co., Ltd.	RMB 1,276,517 thousand	100.00 (10.00)	Processing and sale of optical functional films

Company name	Capital	Ratio of voting rights (%)	Principal business
Sumika Technology Co., Ltd.	TWD 4,417 million	84.96	Manufacture and sale of optical functional films and sputtering targets, research and development, and sale of color resists, and sale of photoresists and other products
Sumitomo Chemical Asia Pte Ltd	USD 150,565 thousand	100.00	Manufacture and sale of petrochemical products, etc. and supervision of the Sumitomo Chemical Group in the Southeast Asia, India, and Oceania area
The Polyolefin Company (Singapore) Pte. Ltd.	USD 51,690 thousand	70.00 (70.00)	Manufacture and sale of low-density polyethylene and polypropylene
Sumitomo Chemical Chile S.A.	USD 80,388 thousand	100.00	Sale, etc. of crop protection chemicals
Tanaka Chemical Corporation	JPY 9,155 million	100.00	Manufacturing and sale of positive electrode materials for rechargeable batteries
Sumitomo Chemical India Limited	INR 2,745,881 thousand	75.00	Development, promotion and sales of crop protection products and household insecticides and manufacture of crop protection chemicals
Koei Chemical Co., Ltd.	JPY 2,343 million	55.95 (0.04)	Manufacture and sale of pharmaceutical and crop protection related chemicals and functional chemicals, etc.
Taoka Chemical Co., Ltd.	JPY 1,572 million	50.90 (0.29)	Manufacture and sale of fine chemicals, functional materials, resin additives, etc.

Sumitomo Pharma UK Holdings, Ltd., which was presented as a material subsidiary in the previous fiscal year, has been removed from material subsidiaries due to liquidation.

XUYOU Electronic Materials (Wuxi) Co., Ltd., which was presented as a material subsidiary in the previous fiscal year, has been removed from material subsidiaries due to the transfer of all equity interest in April 2025.

Valent North America LLC was renamed Sumitomo Biorational Company LLC.

- NOTES: 1 Figures contained in parentheses () for ratio of voting rights are the ratio of voting rights held by subsidiaries of the Company.
- 2 Capital for Sumitomo Chemical America, Inc., Sumitomo Biorational Company LLC, Valent BioSciences LLC, Valent U.S.A. LLC, CDT Holdings Limited, Cambridge Display Technology Limited, Sumika Semiconductor Materials Texas Inc., Sumitomo Pharma America, Inc., Sumitomo Pharma Switzerland GmbH, and Urovant Sciences GmbH are shown as paid-in capital.

(7) Employees (as of March 31, 2026)

1) Employees of the Group

Business category	Number of employees (Persons)	Notes
Agro & Life Solutions	7,016	
ICT & Mobility Solutions	9,563	
Advanced Medical Solutions	2,161	
Essential & Green Materials	3,030	
Sumitomo Pharma	3,112	
Others	1,305	
Companywide shared	1,304	
Total	27,491	The number of employees decreased by 1,788 persons year-on-year.

NOTE: The number of employees does not include employees who are temporary, part-time, contracted, or seconded outside of consolidated subsidiaries.

2) Employees of the Company

Number of employees	Average age	Average years of employment	Notes
persons		Years	
6,465	42.4	16.7	The number of employees decreased by 204 persons year-on-year.

NOTE: The number of employees does not include employees who are temporary, part-time, contracted, or seconded to other companies.

(8) Primary sources of borrowings and amounts (as of March 31, 2026)

Source of borrowing	Amount of borrowing (Balance) (Billions of yen)
Development Bank of Japan Inc.	71.0
Sumitomo Mitsui Banking Corporation	67.5
The Norinchukin Bank	51.1
Sumitomo Mitsui Trust Bank, Limited	46.8
Mizuho Bank, Ltd.	32.1

NOTES: 1 The amount of borrowing listed above includes loans from overseas subsidiaries of the sources.
2 Aside from the above, there are 119.6 billion yen in borrowings as syndicated loans, managed by financial institutions such as the Sumitomo Mitsui Banking Corporation.

2. Status of Shares (as of March 31, 2026)

- (1) **Total number of shares authorized to be issued** 5,000,000,000 shares
- Total number of shares outstanding** 1,657,914,399 shares
(including 6,500,914 shares of the Company's treasury shares)
- (2) **Number of shareholders** 278,888 persons
- (3) **Major shareholders**

Shareholder name	Number of shares	Shareholding ratio
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	236,121	14.29
Custody Bank of Japan, Ltd. (Trust account)	91,814	5.55
Sumitomo Life Insurance Company	71,182	4.31
Nippon Life Insurance Company	41,031	2.48
STATE STREET BANK AND TRUST COMPANY 505103	34,089	2.06
Sumitomo Chemical Employee Stock Ownership Plan	31,233	1.89
JPMorgan Securities Japan Co., Ltd.	30,374	1.83
Custody Bank of Japan, Ltd. (Master trust for the Sumitomo Mitsui Trust Bank and trust account for retirement benefits for Sumitomo Life Insurance Company)	29,000	1.75
STATE STREET BANK AND TRUST COMPANY 505001	25,999	1.57
JP MORGAN CHASE BANK 385781	21,893	1.32

NOTE: The Company's treasury shares (6,500,914 shares) were excluded in the calculation of the percentage of shares held.

(4) Shares granted to Company officers and Executive Officers during the fiscal year under review as consideration for performance of duties

	Number of shares	Number of officers granted with shares
Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors)	292,161 shares	5
Executive Officers (excluding non-residents of Japan)	404,630 shares	27

3. Company Officers

(1) Directors (as of March 31, 2026)

Position	Name	Areas of responsibility and significant concurrent positions
Representative Director, Chairman	Keiichi Iwata	
Representative Director, President (Concurrently serving as Executive President)	Nobuaki Mito	Supervision of Advanced Medical Solutions Sector
Representative Director (Concurrently Serving as Senior Managing Executive Officer)	Keigo Sasaki	Supervision of Corporate Communications, Corporate Planning, Accounting, Finance General Manager of Corporate Planning Office
Director (Concurrently serving as Executive Vice President)	Hiroshi Niinuma	Supervision of General Affairs, Legal, Sustainability, Human Resources, Osaka Office Administration, Procurement, Logistics Director of Sumitomo Pharma Co., Ltd.
Director (Concurrently serving as Senior Managing Executive Officer)	Takanari Yamaguchi	Supervision of Research Planning and Coordination, DX Acceleration, Intellectual Property, Industrial Technology & Research Laboratory, Environmental Health Science Laboratory, Advanced Materials Development Laboratory, Bioscience Research Laboratory
Director (Outside Director, Independent Officer)	Motoshige Itoh	Outside Director of Shizuoka Financial Group, Inc. Outside Director of JX Nippon Mining & Metals Corporation Outside Director of Hagoromo Foods Corporation
Director (Outside Director, Independent Officer)	Atsuko Muraki	Outside Director of Oji Holdings Corporation
Director (Outside Director, Independent Officer)	Akira Ichikawa	Representative Director, Chairman of the Board of Sumitomo Forestry Co., Ltd. Outside Director of Daiwa Securities Group Inc.
Director (Outside Director, Independent Officer)	Yumiko Noda	Chairman and Director of Veolia Japan GK Outside Director of Mizuho Financial Group, Inc. Outside Director of East Japan Railway Company

Position	Name	Areas of responsibility and significant concurrent positions
Director Standing Audit & Supervisory Committee Member	Kunio Nozaki	
Director Standing Audit & Supervisory Committee Member	Kenji Ohno	
Director Audit & Supervisory Committee Member (Outside Director, Independent Officer)	Yoshitaka Kato	Certified Public Accountant Outside Audit & Supervisory Board Member of Japan Petroleum Exploration Co., Ltd.
Director Audit & Supervisory Committee Member (Outside Director, Independent Officer)	Michio Yoneda	Outside Director of Toyo Tire Corporation
Director Audit & Supervisory Committee Member (Outside Director, Independent Officer)	Masamichi Kamimura	Attorney

- NOTES:
- 1 The Company transitioned to a company with an Audit & Supervisory Committee on June 20, 2025. As a result, the term of office of Corporate Auditors Mr. Kunio Nozaki, Mr. Yoshitaka Kato, and Mr. Michio Yoneda expired, and they were appointed as Directors who are Audit & Supervisory Committee Members.
 - 2 Of the Directors, Mr. Motoshige Itoh, Ms. Atsuko Muraki, Mr. Akira Ichikawa, Ms. Yumiko Noda, Mr. Yoshitaka Kato, Mr. Michio Yoneda, and Mr. Masamichi Kamimura are Outside Directors.
 - 3 The Company has designated Mr. Motoshige Itoh, Ms. Atsuko Muraki, Mr. Akira Ichikawa, Ms. Yumiko Noda, Mr. Yoshitaka Kato, Mr. Michio Yoneda, and Mr. Masamichi Kamimura as Independent Directors pursuant to the regulations of the Tokyo Stock Exchange, Inc. and has made notification to said Exchange.
 - 4 Director who is an Audit & Supervisory Committee Member Mr. Yoshitaka Kato is qualified as a certified public accountant, and has a significant amount of knowledge regarding finance and accounting.
 - 5 The Company believes that to enhance the effectiveness of the Audit & Supervisory Committee, it is vital to share information at important internal meetings, receive regular business reports from the executive team, and maintain daily collaboration with the internal auditing and compliance departments. Therefore, the Company has appointed Mr. Kunio Nozaki and Mr. Kenji Ohno as Standing Audit & Supervisory Committee Members.
 - 6 There are no special interests between the Company and the companies where Outside Directors hold significant concurrent positions.

7 Directors and Corporate Auditors who retired in the fiscal year under review are as follows.

Position at time of retirement	Name	Areas of responsibility and significant concurrent positions at time of retirement
Representative Director, Chairman	Masakazu Tokura	
Representative Director	Hiroshi Ueda	
Director	Noriaki Takeshita	
Director	Hiroshi Tomono	Outside Director of Japan Nuclear Fuel Limited Outside Director of The Kansai Electric Power Company, Incorporated
Corporate Auditor	Kunio Nozaki	
Corporate Auditor	Hironobu Nishi	
Corporate Auditor	Mitsuhiro Aso	Attorney
Corporate Auditor	Yoshitaka Kato	Certified Public Accountant Outside Audit & Supervisory Board Member of Japan Petroleum Exploration Co., Ltd.
Corporate Auditor	Michio Yoneda	Outside Director of Toyo Tire Corporation

(Retired on June 20, 2025 because of the expiration of the term of office.)

8 Positions, areas of responsibility and significant concurrent positions for Directors as of April 1, 2026 are as follows.

Position	Name	Areas of responsibility and significant concurrent positions
Representative Director, Chairman	Keiichi Iwata	
Representative Director, President (Concurrently serving as Executive President)	Nobuaki Mito	Supervision of Advanced Medical Solutions Sector
Representative Director (Concurrently Serving as Senior Managing Executive Officer)	Keigo Sasaki	Supervision of Corporate Communications, Corporate Planning, Accounting, Finance General Manager of Corporate Planning Office
Director	Hiroshi Niinuma	Director of Sumitomo Pharma Co., Ltd.

Position	Name	Areas of responsibility and significant concurrent positions
Director (Concurrently serving as Senior Managing Executive Officer)	Takanari Yamaguchi	Supervision of Research Planning, Corporate Research Planning and Coordination, DX Acceleration, Intellectual Property, Industrial Technology & Research Laboratory, Advanced Research Laboratory for Fundamental Technologies, Assistant Supervision of Advanced Medical Solutions Sector Representative Director of S-RACMO Co., Ltd. Representative Director of RACTHERA Co., Ltd.
Director (Outside Director, Independent Officer)	Motoshige Itoh	Outside Director of Shizuoka Financial Group, Inc. Outside Director of JX Nippon Mining & Metals Corporation Outside Director of Hagoromo Foods Corporation
Director (Outside Director, Independent Officer)	Atsuko Muraki	Outside Director of Oji Holdings Corporation
Director (Outside Director, Independent Officer)	Akira Ichikawa	Representative Director, Chairman of the Board of Sumitomo Forestry Co., Ltd. Outside Director of Daiwa Securities Group Inc.
Director (Outside Director, Independent Officer)	Yumiko Noda	Chairman and Director of Veolia Japan GK Outside Director of Mizuho Financial Group, Inc. Outside Director of East Japan Railway Company
Director Standing Audit & Supervisory Committee Member	Kunio Nozaki	
Director Standing Audit & Supervisory Committee Member	Kenji Ohno	
Director Audit & Supervisory Committee Member (Outside Director, Independent Officer)	Yoshitaka Kato	Certified Public Accountant Outside Audit & Supervisory Board Member of Japan Petroleum Exploration Co., Ltd.
Director Audit & Supervisory Committee Member (Outside Director, Independent Officer)	Michio Yoneda	Outside Director of Toyo Tire Corporation

Position	Name	Areas of responsibility and significant concurrent positions
Director Audit & Supervisory Committee Member (Outside Director, Independent Officer)	Masamichi Kamimura	Attorney

(2) Compensation to Directors and Corporate Auditors

1) Policies and procedures for determining compensation of senior management and Directors

(A) Basic policy

- i. The remuneration of senior management* and Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) shall consist of Basic Compensation as fixed compensation and Bonuses and Stock Compensation as variable compensation. The remuneration of Executive Officers who are not senior management shall be similarly composed. In addition, the remuneration of Directors who are Audit & Supervisory Committee Members and Outside Directors shall consist of Basic Compensation only.
- ii. Basic Compensation is designed according to roles and responsibilities as basic remuneration for the performance of duties so that the actions of senior management and Directors are not aimed at short-term or sub-optimal effects.
- iii. The amount of Bonuses is designed to largely reflect the Company's consolidated financial results for a fiscal year in order to heighten short-term incentives to achieve the annual target of the business plans, as well as incorporate capital efficiency.
- iv. Stock Compensation is designed to promote further value sharing with shareholders and serve as a medium- to long-term incentive for the continuous growth of the Company.
- v. The remuneration shall be set at levels which are designed to be objectively competitive to attract and retain outstanding talent while comprehensively taking into consideration such factors as the scale and content of the Company's business and external evaluations of ESG and other non-financial factors. Based on surveys by a third-party organization and other materials, such levels shall be checked annually whether or not to be objectively appropriate.
- vi. The remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) shall be designed so that, if the Company achieves annual consolidated core operating income target of 200 billion yen, the ratio of fixed compensation to variable compensation is approximately 2 to 3 and the ratio of short-term incentives (Bonuses) to medium- to long-term incentives (Stock Compensation) in variable compensation is approximately 2 to 1.

* Senior management refers to Executive Officers at the level of Senior Managing Executive Officer and above, together with Executive Officers with specific titles who supervise certain functions directly under the Executive President.

(B) Mechanisms of each remuneration element

i. Basic Compensation

The level of Basic Compensation shall be determined based on the policy described in section (A) v. to vi. above.

While Basic Compensation for each year shall be fixed, the Company will adopt a mechanism where the Basic Compensation level would be changed in the event where the Company's position has changed in terms of "growth," "earnings capacity," and "outside evaluations" from a comprehensive and medium- to long-term perspective.

As main indicators for determining the change in the Company position, the Company will apply the following: (i) in terms of "growth," sales revenue, total assets and market capitalization; (ii) in terms of "earnings capacity," net income (attributable to the parent

company), ROE, ROI and D/E ratio; and (iii) in terms of “outside evaluations,” credit ratings and ESG index selected by GPIF (Government Pension Investment Fund).

The amounts to be paid to each person will be determined in accordance with the base amount set by each position.

ii. Bonuses (short-term incentive)

Bonuses shall be paid on the condition that performance for that fiscal year exceeds a particular level and shall be determined based on the bonus calculation formula.^(Note)

In order to reflect the current earnings capacity of the relevant business year (including financial activities) to the amount of bonuses, the Company will apply the combined value of consolidated core operating income and financial profit and loss (dividends received, net interest, etc.) to the performance indicator concerning the bonus calculation formula. The Company will set the coefficient of the calculation formula so that it will get larger as the position of a person gets higher. In addition, the Company will link the amount of bonuses to the achievement of ROIC targets.

$$\left\{ \begin{array}{l} \text{Consolidated performance} \\ \text{indicator (core operating} \\ \text{income + financial profit and} \\ \text{loss (dividends received, net} \\ \text{interest, etc.))} \end{array} \right\} \times \text{Coefficient} \times \left\{ \begin{array}{l} \text{Coefficient based on the} \\ \text{achievement of the} \\ \text{ROIC target} \end{array} \right\}$$

(Note) Bonuses may be specially increased for members of senior management (excluding the Executive President) who have achieved extremely outstanding results.

iii. Stock Compensation (medium- to long-term incentive)

Stock Compensation shall be restricted stock compensation. Restricted stocks shall be allocated at a certain time after the ordinary general meeting of shareholders each year according to the amount determined for each position and level of results, and it shall be obligatory to hold the stocks during the term of office. In addition, the Company shall set the ratio of Stock Compensation to total remuneration so that it will get larger as the position of a person gets higher.

<Overview of restricted stock compensation plan>

• Transfer restriction period

Until the retirement from the position of Director and Executive Officer not concurrently serving as a Director at the Company

• Removal of transfer restrictions

On the condition that the eligible person continuously served as a Director or Executive Officer not concurrently serving as a Director at the Company during his or her terms of office, the Company shall remove transfer restrictions on all allotted shares when the transfer restriction period ends.

However, if the eligible person resigns from his or her position as a Director and Executive Officer not concurrently serving as a Director at the Company before the end of his or her term of office owing to a justifiable reason, the Company shall reasonably adjust the number of allotted shares from which to remove transfer restrictions and the timing of the removal of transfer restrictions, as necessary.

• Conditions of forfeiture of shares

If the eligible person is found to be in material violation of any law, regulation or internal rule, all allotted shares, including those whose transfer restrictions have been removed, shall be forfeited (the Company shall acquire them without consideration).

(C) Procedures for determining remuneration

The Company shall establish a Remuneration Advisory Committee as an advisory body to the Board of Directors on a remuneration system for senior management and Directors, levels of remuneration, and other matters incidental thereto. Composed of Directors (a majority are Outside Directors), the Committee shall advise the Board of Directors, when

determining the remuneration system, levels of remuneration, etc., so that greater transparency and fairness can be ensured regarding the remuneration.

The Remuneration Advisory Committee consists of Representative Directors and Outside Directors, and the majority of the members are Outside Directors. The structure of the Remuneration Advisory Committee as of the end of the fiscal year under review is as follows:

Chairperson:	Atsuko Muraki	(Outside Director)
Member:	Motoshige Itoh	(Outside Director)
Member:	Akira Ichikawa	(Outside Director)
Member:	Yumiko Noda	(Outside Director)
Member:	Yoshitaka Kato	(Outside Director)
Member:	Keiichi Iwata	(Representative Director, Chairman)
Member:	Nobuaki Mito	(Representative Director, President)

The remuneration amount of Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be set at a level not higher than 1,000 million yen per annum (including up to 150 million yen per annum for Outside Directors), which is the upper limit of a total remuneration prescribed by the resolution of the 144th Ordinary General Meeting of Shareholders held on June 20, 2025. Furthermore, the amount of remuneration to be paid to Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) for granting restricted stock shall be determined within the upper limit of 400 million yen or less per annum set by resolution of the 144th Ordinary General Meeting of Shareholders held on June 20, 2025.

The Board of Directors shall deliberate on and decide the method of determining the remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members) based on the advice from the Remuneration Advisory Committee. Furthermore, the individual remuneration of senior management and Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be determined by the Remuneration Advisory Committee, which is authorized by the Board of Directors, in accordance with the policies for determining compensation of senior management and Directors. The Board of Directors, therefore, has concluded that the content of individual remuneration is in line with the determination policies. The individual remuneration of Directors who are Audit & Supervisory Committee Members shall be determined within the total remuneration limit set by resolution of the 144th Ordinary General Meeting of Shareholders held on June 20, 2025 (up to 200 million yen per annum) through discussion between the Directors who are Audit & Supervisory Committee Members.

2) Total amount of compensation to Directors and Corporate Auditors for the fiscal year under review

Category of Directors	Number of persons	Total amount of compensation	Total amount of compensation by type		
			Basic Compensation (fixed remuneration)	Bonuses (performance-linked remuneration)	Stock Compensation (non-monetary remuneration)
Directors (excluding Audit & Supervisory Committee Members) (Of which, Outside Directors)	13 persons (5 persons)	661 million yen (76 million yen)	389 million yen (76 million yen)	171 million yen (-)	101 million yen (-)
Directors who are Audit & Supervisory Committee Members (Of which, Outside Directors)	5 persons (3 persons)	113 million yen (46 million yen)	113 million yen (46 million yen)	-	-
Corporate Auditors (Of which, Outside Corporate Auditors)	5 persons (3 persons)	30 million yen (11 million yen)	30 million yen (11 million yen)	-	-
Total	23 persons	805 million yen	533 million yen	171 million yen	101 million yen

- NOTES: 1. Payments to Corporate Auditors relate to the period before the transition to a company with an Audit & Supervisory Committee, while payments to Directors who are Audit & Supervisory Committee Members relate to the period after the transition to a company with an Audit & Supervisory Committee.
2. The above number of persons and amount of compensation includes four Directors and five Corporate Auditors who retired during the fiscal year under review.
3. Based on a resolution adopted by the 144th Ordinary General Meeting of Shareholders held on June 20, 2025, the total amount of monetary compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall not exceed 1,000 million yen per annum (including up to 150 million yen per annum for Outside Directors). The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) as of the close of the 144th Ordinary General Meeting of Shareholders was nine (including four Outside Directors). The total amount of monetary compensation for Directors before the transition to a company with an Audit & Supervisory Committee was 1,000 million yen or less per annum, as resolved at the 125th Ordinary General Meeting of Shareholders held on June 23, 2006. The number of Directors as of the close of the 125th Ordinary General Meeting of Shareholders was ten.
- In addition, the total amount of compensation paid to grant restricted stock to Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors), separately from the above monetary compensation, is 400 million yen or less per annum, as resolved at the 144th Ordinary General Meeting of Shareholders held on June 20, 2025. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) as of the close of the 144th Ordinary General Meeting of Shareholders was five. The total amount of compensation paid to

grant restricted stock to Directors (excluding Outside Directors) before the transition to a company with an Audit & Supervisory Committee was 400 million yen or less per annum, as resolved at the 141st Ordinary General Meeting of Shareholders held on June 23, 2022. The number of Directors (excluding Outside Directors) as of the close of the 141st Ordinary General Meeting of Shareholders was eight.

The total amount of compensation paid to Directors who are Audit & Supervisory Committee Members is 200 million yen or less per annum, as resolved at the 144th Ordinary General Meeting of Shareholders held on June 20, 2025. The number of Directors who are Audit & Supervisory Committee Members as of the close of the 144th Ordinary General Meeting of Shareholders was five. The total amount of monetary compensation for Corporate Auditors before the transition to a company with an Audit & Supervisory Committee was 150 million yen or less per annum as resolved at the 125th Ordinary General Meeting of Shareholders held on June 23, 2006. The number of Corporate Auditors as of the close of the 125th Ordinary General Meeting of Shareholders was five.

4. Regarding performance-linked remuneration, the consolidated performance indicator results for the fiscal year under review was 148 billion yen and ROIC was 5.6%. (The Company does not determine bonuses based on the degree of achievement of performance targets.)
5. Stock Compensation (non-monetary remuneration) shows the amount charged in the fiscal year under review as restricted stock compensation.

(3) Outline of the directors and officers liability insurance

The Company entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3(1) of the Companies Act, to cover damages and dispute costs such as litigation costs, lawyer fees, and arbitration/settlement costs (including those arising in connection with lost shareholder derivative suits and claims for damages from the Company) that should be legally borne by the insured. The insured covered by the insurance contract includes Directors and Executive Officers. In addition, as a measure to prevent the insured's proper execution of duties from being hindered, the insurance contract includes a provision regarding deductibles and provides that damages that do not reach a certain amount shall not be covered. There are also certain exclusions, such as no coverage for any damage caused by criminal acts and acts performed by the insured with the knowledge that they are in violation of laws and regulations.

(Reference)

Executive Officers (excluding persons concurrently serving as Directors) are as follows.

(As of April 1, 2026)

Position	Name	Areas of responsibility
Executive Vice President	Masaki Matsui	Supervision of ICT & Mobility Solutions Sector
Senior Managing Executive Officer	Seiji Takeuchi	Supervision of Essential & Green Materials Sector, Business Development for Circular Carbon Economy
Senior Managing Executive Officer	Koichi Ogino	Supervision of Process & Production Technology & Safety Planning, Production & Safety Fundamental Technology Center, Engineering, Responsible Care, Procurement, Logistics

Position	Name	Areas of responsibility
Managing Executive Officer	Juan Ferreira	In charge of AgroSolutions Div. – International
Managing Executive Officer	Akira Nakanishi	Engaged in Sumitomo Chemical Advanced Technologies LLC, Sumika Semiconductor Materials Texas Inc.
Managing Executive Officer	Masao Shimizu	Supervision of General Affairs, Legal, Sustainability, Internal Control and Audit, Human Resources, Osaka Office Administration
Managing Executive Officer	Hiroyoshi Mukai	In charge of Planning & Coordination Office, Advanced Medical Solutions Sector, Pharma Solutions Div.
Managing Executive Officer	Satoshi Honda	In charge of Semiconductor Materials Div., Advanced Inorganic Products Div., Ibaraki Works
Managing Executive Officer	Yoshihiro Ino	In charge of Planning & Coordination Office, Essential & Green Materials Sector
Managing Executive Officer	Tetsuo Takahashi	In charge of Planning & Coordination Office, Rabigh Business, Essential Materials Div.
Managing Executive Officer	Takeo Kitayama	In charge of Resin- related Business Development Dept., Polyolefins Div., Automotive Materials Div., MMA Div., General Manager of MMA Div.
Managing Executive Officer	Noriaki Oku	In charge of Chiba Works, General Manager of Chiba Works
Managing Executive Officer	Junpei Tsuji	In charge of Research Planning Dept., Corporate Research Planning and Coordination Dept., Business Development Office for Circular Carbon Economy
Managing Executive Officer	Tadashi Katayama	Supervision of Agro & Life Solutions Sector
Managing Executive Officer	Toshihiro Yamauchi	In charge of Corporate Communications Dept., Accounting Dept., General Manager of Corporate Communications Dept.
Managing Executive Officer	Kyoko Odawara	Engaged in Japan Chemical Industry Association
Managing Executive Officer	Shinichi Takemura	In charge of Display Materials Div., General Manager of Display Materials Div.

Position	Name	Areas of responsibility
Managing Executive Officer	Masao Inoue	In charge of AgroSolutions Div. - Japan, Environmental Health Div.
Executive Officer	Sawa Matsubara	In charge of Finance Dept.
Executive Officer	Jongchan Lee	Engaged in Dongwoo Fine-Chem
Executive Officer	Kazunori Itabashi	Engaged in Sumitomo Chemical Brasil
Executive Officer	Yuji Kato	In charge of Corporate Planning Office (Business Development), Planning & Coordination Office, Advanced Medical Solutions Sector, General Manager of Corporate Planning Office (Business Development)
Executive Officer	Shigenori Saito	In charge of Corporate Planning Office (Strategic Planning), General Manager of Corporate Planning Office (Strategic Planning)
Executive Officer	Kunishige Edamatsu	In charge of Planning & Coordination Office, ICT & Mobility Solutions Sector, ICT & Mobility Solutions Research Laboratory
Executive Officer	Koji Yano	In charge of Ehime Works, General Manager of Ehime Works
Executive Officer	Toshiaki Taki	In charge of Oita Works, Okayama Works, Gifu Works, General Manager of Oita Works
Executive Officer	Atsushi Iwata	In charge of Planning & Coordination Office, Agro & Life Solutions Sector, Agro & Life Solutions Research Laboratory, Research Director of Agro & Life Solutions Research Laboratory
Executive Officer	Akihiko Hiraoka	In charge of General Affairs Dept., Procurement Dept., Logistics Dept., General Manager of General Affairs Dept.
Executive Officer	Shigeto Minami	In charge of Human Resources Dept., General Manager of Human Resources Dept.

4. Outside Officers

(1) Main activities during the fiscal year under review

Title	Name	Main activities
Outside Directors	Motoshige Itoh	<p>Mr. Motoshige Itoh is expected to oversee management and provide advice by making use of his expert knowledge of economics, etc. and his wealth of experience from his track record as a member of various government deliberative committees. He attended all 14 Board of Directors meetings held during the fiscal year under review and actively made statements based on such knowledge and experience. Specifically, he provided management oversight and advice based on an extensive view on overall management by making use of his expertise, regarding agenda items such as global management, business structure reforms, digital transformation, and sustainability. He also served as a member of the non-mandatory Nomination Advisory Committee and the Remuneration Advisory Committee, and made appropriate statements in deliberations at the committees, contributing to the improvement of transparency and fairness regarding the nomination and compensation of executives.</p>
	Atsuko Muraki	<p>Ms. Atsuko Muraki is expected to oversee management and provide advice by making use of her wealth of experience and extensive knowledge mainly in legal, social and other issues, especially her expertise in human resources, deriving from her employment at administrative bodies as a civil servant. She attended all 14 Board of Directors meetings held during the fiscal year under review and actively made statements based on such experience, knowledge, and expertise. Specifically, she provided management oversight and advice based on an extensive view on overall management by making use of her expertise, regarding agenda items such as utilization of human resources and organizational revitalization, corporate governance, sustainability, and business structure reforms. She also served as a member of the non-mandatory Nomination Advisory Committee and the Chairperson of the Remuneration Advisory Committee, and made appropriate statements in deliberations at the committees, contributing to the improvement of transparency and fairness regarding the nomination and compensation of executives.</p>

Title	Name	Main activities
	Akira Ichikawa	Mr. Akira Ichikawa is expected to mainly oversee management and provide advice from an experienced management perspective. He attended all 14 Board of Directors meetings held during the fiscal year under review and actively made statements from such perspective. Specifically, he provided management oversight and advice based on an extensive view on overall management, regarding agenda items such global management, business structure reforms, important investments, sustainability, and risk management. He also served as a member of the non-mandatory Nomination Advisory Committee and the Remuneration Advisory Committee, and made appropriate statements in deliberations at the committees, contributing to the improvement of transparency and fairness regarding the nomination and compensation of executives.
	Yumiko Noda	Ms. Yumiko Noda is expected to mainly oversee management and provide advice from an experienced management perspective. She attended all 14 Board of Directors meetings held during the fiscal year under review and actively made statements from such perspective. Specifically, she provided oversight and advice based on an extensive view on overall management, regarding agenda items such as global management, business structure reforms, important investments, finance, sustainability, and risk management. She also served as a member of the non-mandatory Nomination Advisory Committee and the Remuneration Advisory Committee, and made appropriate statements in deliberations at the committees, contributing to the improvement of transparency and fairness regarding the nomination and compensation of executives.
Outside Directors (Audit & Supervisory Committee Members)	Yoshitaka Kato	Mr. Yoshitaka Kato is expected to conduct audits by making use of his advanced expertise, wealth of experience and advanced knowledge in corporate accounting, finance, and corporate auditing operations as a certified public accountant, and to express opinions regarding corporate management and corporate governance considerations. He attended all 14 Board of Directors meetings held during the fiscal year under review, all 4 Board of Corporate Auditors meetings held before the transition to a company with an Audit & Supervisory Committee, and all 11 Audit & Supervisory Committee meetings held after the transition to a company with an Audit & Supervisory Committee, and actively expressed opinions from such perspective. Furthermore, in coordination with other Audit & Supervisory Committee Members, he conducted audits mainly over the development and operation of the Group's internal control system, risk management operations, measures taken to ensure thorough compliance, steps taken for appropriate operations regarding financial reporting, and actions for management plans. He also served as a member of the non-mandatory Remuneration Advisory Committee and made appropriate statements in deliberations at the committee, contributing to the improvement of transparency and fairness regarding the compensation of executives.

Title	Name	Main activities
	Michio Yoneda	Mr. Michio Yoneda is expected to conduct audits by making use of his abundant experience and advanced knowledge in capital markets and business management that he has accumulated in financial and securities market management and stock exchange management, and to express opinions regarding corporate management and corporate governance considerations. He attended all 14 Board of Directors meetings held during the fiscal year under review, all 4 Board of Corporate Auditors meetings held before the transition to a company with an Audit & Supervisory Committee, and all 11 Audit & Supervisory Committee meetings held after the transition to a company with an Audit & Supervisory Committee, and actively expressed opinions from such perspective. Furthermore, in coordination with other Audit & Supervisory Committee Members, he conducted audits mainly over the development and operation of the Group's internal control system, risk management operations, measures taken to ensure thorough compliance, steps taken for appropriate operations regarding financial reporting, and actions for management plans. He also served as a member of the non-mandatory Nomination Advisory Committee and made appropriate statements in deliberations at the committee, contributing to the improvement of transparency and fairness regarding the nomination of executives.
	Masamichi Kamimura	Mr. Masamichi Kamimura is expected to conduct audits by making use of his expertise and experience as a lawyer and his wealth of insight and advanced knowledge regarding corporate risk management and crisis management, and to express opinions regarding corporate management and corporate governance considerations. He attended all 11 Board of Directors meetings and all 11 Audit & Supervisory Committee meetings held since his appointment, and actively expressed opinions from such perspective. Furthermore, in coordination with other Audit & Supervisory Committee Members, he conducted audits mainly over the development and operation of the Group's internal control system, risk management operations, measures taken to ensure thorough compliance, steps taken for appropriate operations regarding financial reporting, and actions for management plans. He also served as a member of the non-mandatory Nomination Advisory Committee and made appropriate statements in deliberations at the committee, contributing to the improvement of transparency and fairness regarding the nomination of executives.

(2) Summary of the limitation of liability contracts

The Company has concluded limitation of liability contracts with each Outside Director that limit their liabilities for damages to the Company pursuant to Article 423(1) of the Companies Act, up to the total of the amounts listed in the items of Article 425(1) of the Companies Act, provided that the execution of duties by the Outside Director was in good faith and without gross negligence.

5. Policy for Decisions on the Distribution of Surplus

In decision on the distribution of surplus, the Company views shareholder return as one of the most important management issues, and in comprehensive consideration of factors such as business results for each term, the dividend payout ratio, and standards for internal reserves required for future business expansion, the Company's basic policy is to continue providing stable dividends. Furthermore, over the mid- to long-term, the Company aims to achieve a stable dividend payout ratio of approximately 30%.

The Company plans to utilize internal reserves for capital investment and other loans and investments with the intent of improving competitiveness in significant businesses and enriching overseas business, utilizing these in an effort to improve profitability.

Dividends are generally provided twice per year at the interim and year-end, and to flexibly implement dividends such as profit distribution to shareholders, the Company's Articles of Incorporation state that the body to determine dividends, etc., shall be the Board of Directors.

Consolidated Financial Statements

Consolidated Statement of Financial Position

			(Millions of Yen)		
Assets	145th term (As of March 31, 2026)	(Reference) 144th term (As of March 31, 2025)	Liabilities	145th term (As of March 31, 2026)	(Reference) 144th term (As of March 31, 2025)
Current assets:	1,507,710	1,583,134	Current liabilities:	1,001,346	1,038,747
Cash and cash equivalents	208,589	209,838	Bonds and borrowings	241,422	252,892
Trade and other receivables	608,670	593,836	Trade and other payables	464,422	488,132
Other financial assets	47,551	45,015	Other financial liabilities	63,737	81,364
Inventories	595,471	625,243	Income taxes payable	7,022	10,627
Other current assets	47,429	49,993	Provisions	110,408	89,711
Subtotal	1,507,710	1,523,925	Other current liabilities	114,335	109,360
Assets held for sale	–	59,209	Subtotal	1,001,346	1,032,086
			Liabilities directly associated with assets held for sale	–	6,661
Non-current assets:	1,897,331	1,856,650	Non-current Liabilities:	1,167,022	1,326,622
Property, plant and equipment	770,688	759,266	Bonds and borrowings	910,033	1,033,236
Goodwill	275,711	257,811	Other financial liabilities	87,885	91,157
Intangible assets	225,334	239,319	Retirement benefit liabilities	22,084	24,841
Investments accounted for using equity method	203,862	287,977	Provisions	26,383	25,974
Other financial assets	301,222	177,405	Deferred tax liabilities	78,321	111,048
Retirement benefit asset	52,222	72,618	Other non-current liabilities	42,316	40,366
Deferred tax assets	39,227	34,608			
Other non-current assets	29,065	27,646	Total liabilities	2,168,368	2,365,369
			Equity		
			Equity attributable to owners of the parent:	1,008,644	900,790
			Share capital	90,179	90,059
			Capital surplus	1,966	–
			Retained earnings	655,384	640,611
			Treasury shares	(2,650)	(8,361)
			Other components of equity	263,765	174,871
			Other comprehensive income associated with assets held for sale	–	3,610
			Non-controlling interests	228,029	173,625
Total assets	3,405,041	3,439,784	Total equity	1,236,673	1,074,415
			Total liabilities and equity	3,405,041	3,439,784

Consolidated Statement of Profit or Loss

		(Millions of Yen)
	145th term (April 1, 2025 to March 31, 2026)	(Reference) 144th term (April 1, 2024 to March 31, 2025)
Sales revenue	2,328,515	2,606,281
Cost of sales	(1,660,247)	(1,880,805)
Gross profit	668,268	725,476
Selling, general and administrative expenses	(565,505)	(601,074)
Other operating income	127,776	97,341
Other operating expenses	(35,524)	(49,349)
Share of profit (loss) of investments accounted for using the equity method	(43,271)	20,639
Operating income	151,744	193,033
Finance income	28,100	17,650
Finance expenses	(63,776)	(152,590)
Income before taxes	116,068	58,093
Income tax expenses	(666)	(15,405)
Net income (loss)	115,402	42,688
Net income attributable to:		
Owners of the parent	60,947	38,591
Non-controlling interests	54,455	4,097
Net income	115,402	42,688

Consolidated Statement of Changes in Equity

(From April 1, 2025 to March 31, 2026)

(Millions of Yen)

	Equity attributable to owners of the parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance at April 1, 2025	90,059	—	640,611	(8,361)
Net income	—	—	60,947	—
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	60,947	—
Issuance of new shares	120	120	—	—
Purchase of treasury shares	—	—	—	(6)
Disposal of treasury shares	—	(1)	—	0
Dividends	—	—	(19,645)	—
Changes resulting from loss of control of subsidiaries	—	—	1,789	—
Change in interest due to transactions with non-controlling interests	—	1,915	—	5,717
Transfer from other components of equity to retained earnings	—	—	(28,318)	—
Other changes	—	(68)	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—
Total transactions with owners	120	1,966	(46,174)	5,711
Balance at March 31, 2026	90,179	1,966	655,384	(2,650)

	Equity attributable to owners of the parent							
	Other components of equity					Total	Other comprehensive income associated with assets held for sale	Equity attributable to owners of the parent
	Remeasurements of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Cash flow hedges	Exchange differences on translation of foreign operations				
Balance at April 1, 2025	1,186	—	87	173,598	174,871	3,610	900,790	
Net income	—	—	—	—	—	—	60,947	
Other comprehensive income	31,356	(15,635)	(301)	61,917	77,337	(18,582)	58,755	
Total comprehensive income	31,356	(15,635)	(301)	61,917	77,337	(18,582)	119,702	
Issuance of new shares	—	—	—	—	—	—	240	
Purchase of treasury shares	—	—	—	—	—	—	(6)	
Disposal of treasury shares	—	—	—	—	—	—	(0)	
Dividends	—	—	—	—	—	—	(19,645)	
Changes resulting from loss of control of subsidiaries	(1,611)	(221)	—	—	(1,832)	43	—	
Change in interest due to transactions with non-controlling interests	—	—	—	—	—	—	7,631	
Transfer from other components of equity to retained earnings	12,462	15,856	—	—	28,318	—	—	
Other changes	—	—	—	—	—	—	(68)	
Transfer to other comprehensive income associated with assets held for sale	—	—	—	(14,929)	(14,929)	14,929	—	
Total transactions with owners	10,851	15,635	—	(14,929)	11,557	14,972	(11,848)	
Balance at March 31, 2026	43,393	—	(214)	220,586	263,765	—	1,008,644	

	Non-controlling interests	Total equity
Balance at April 1, 2025	173,625	1,074,415
Net income	54,455	115,402
Other comprehensive income	13,724	72,479
Total comprehensive income	68,179	187,881
Issuance of new shares	—	240
Purchase of treasury shares	—	(6)
Disposal of treasury shares	—	(0)
Dividends	(1,660)	(21,305)
Changes resulting from loss of control of subsidiaries	(3,176)	(3,176)
Change in interest due to transactions with non-controlling interests	(8,939)	(1,308)
Transfer from other components of equity to retained earnings	—	—
Other changes	—	(68)
Transfer to other comprehensive income associated with assets held for sale	—	—
Total transactions with owners	(13,775)	(25,623)
Balance at March 31, 2026	228,029	1,236,673

Non-consolidated Financial Statements

<u>Non-consolidated Balance Sheet</u>			(Millions of Yen)		
Assets	145th term (As of March 31, 2026)	(Reference) 144th term (As of March 31, 2025)	Liabilities	145th term (As of March 31, 2026)	(Reference) 144th term (As of March 31, 2025)
Current assets:	608,110	723,191	Current liabilities:	472,249	585,601
Cash on hand and in banks	23,827	85,714	Trade notes payable	980	1,419
Trade notes receivable	168	349	Trade accounts payable	89,387	140,273
Trade accounts receivable	223,383	233,583	Short-term borrowing	121,611	174,341
Merchandise and finished goods	176,347	188,939	Bonds due within one year	40,000	–
Work in process	2,344	1,133	Commercial paper	–	37,000
Raw materials and supplies	64,902	63,039	Non-trade accounts payable	93,395	86,244
Non-trade accounts receivable	59,365	91,640	Accrued expenses	13,734	12,296
Other	70,773	64,042	Deposits received	74,811	73,559
Allowance for doubtful receivables	(13,000)	(5,248)	Advances received	9,046	8,820
Non-current assets:	1,093,752	1,093,741	Reserve for loss on sale of shares of subsidiaries and associates	–	22,815
Property, plant and equipment:	240,776	239,846	Reserve for repairs	14,371	11,975
Buildings	57,109	60,189	Reserve for bonuses	12,100	10,950
Structures	22,103	23,331	Reserve for business restructuring	1,400	–
Machinery and equipment	72,809	74,444	Reserve for removal cost of property, plant and equipment	580	2,511
Vehicles	315	319	Reserve for loss on business of subsidiaries and affiliates	–	1,794
Tools and furniture	13,431	13,593	Other	834	1,605
Land	45,438	45,428	Non-current Liabilities:	808,033	837,417
Leased assets	118	132	Bonds	440,000	480,000
Construction in progress	29,453	22,410	Long-term borrowing due after one year	287,080	281,580
Intangible assets:	18,868	21,779	Deferred tax liabilities	42,965	42,423
Patent	865	1,017	Long-term deposits received	6,843	6,945
Software	13,678	15,834	Long-term advances received	9,048	6,424
Goodwill	1,128	1,226	Reserve for removal cost of property, plant and equipment	13,894	11,890
Other	3,197	3,703	Reserve for business restructuring	3,000	4,360
Investments and other non-current assets:	834,108	832,116	Reserve for repairs	2,082	697
Investment securities	87,003	76,403	Reserve for environmental measures	1,003	1,004
Investments in subsidiaries and affiliates	584,385	601,213	Reserve for loss on business of subsidiaries and affiliates	32	32
Investments in capital	587	587	Other	2,086	2,063
Investments in subsidiaries and affiliates' capital	29,650	38,596	Total liabilities	1,280,282	1,423,017
Long-term loans receivable	20	34	Net assets		
Long-term prepaid expenses	5,565	6,120	Shareholders' equity:	372,878	353,586
Prepaid pension expense	121,705	104,137	Common stock	90,179	90,059
Other	5,768	5,606	Capital surplus:	25,053	24,057
Allowance for doubtful receivables	(575)	(579)	Additional paid-in capital	24,175	24,055
			Other capital surplus	878	2
			Retained earnings:	260,296	247,831
			Legal reserve	21,361	21,361
			Other retained earnings	238,936	226,470
			General reserve	130,000	130,000
			Retained earnings brought forward	108,936	96,470
			Treasury stock	(2,650)	(8,361)
			Valuation and translation adjustments:	48,702	40,328
			Valuation difference on available-for-sale securities	48,702	40,328
			Total net assets	421,580	393,915
Total assets	1,701,862	1,816,932	Total liabilities and net assets	1,701,862	1,816,932

Non-consolidated Statement of Income

		(Millions of Yen)
	145th term (April 1, 2025 to March 31, 2026)	(Reference) 144th term (April 1, 2024 to March 31, 2025)
Net sales	758,245	856,554
Cost of sales	575,181	655,552
Gross profit	183,064	201,002
Selling, general and administrative expenses	147,857	141,349
Operating income	35,206	59,653
Non-operating income	50,894	64,117
Interest and dividend income	36,502	57,095
Foreign exchange gain	6,980	–
Other income	7,413	7,022
Non-operating expenses	26,056	38,885
Interest expense	12,835	13,786
Derivative losses	4,963	3,296
Cost of inactive facilities	3,728	6,867
Foreign exchange losses	–	623
Other expenses	4,530	14,313
Ordinary income	60,044	84,885
Special gains	23,896	118,708
Gain on sale of shares and investments in capital of subsidiaries and associates	13,814	66,728
Gain on sale of investment securities	7,929	40,203
Reversal of reserve for loss on sale of shares of subsidiaries and associates	2,153	–
Gain on sale of non-current assets	–	11,777
Special losses	54,612	160,694
Impairment loss	18,014	8,015
Loss on valuation of shares of subsidiaries and associates	15,982	–
Loss on related business	10,006	25,700
Business restructuring expenses	4,822	–
Loss on disposal of non-current assets	4,009	5,168
Loss on sale of shares and investments in capital of subsidiaries and associates	1,778	5,598
Loss on waiver for a loan to subsidiaries and associates	–	111,853
Provision for business restructuring	–	4,360
Income before income taxes	29,329	42,899
Income taxes – current	527	981
Income taxes – deferred	(3,308)	17,743
Net income	32,110	24,174

NOTES:

- Business report is listed as follows:
 - Fractions less than 0.1 billion yen or 1 million yen have been rounded to the nearest 0.1 billion yen or million yen.
 - Stock prices listed in units of 1,000 are shown rounded down to the nearest 1,000 shares.
- Fractions less than 1 million yen have been rounded to the nearest million yen with respect to the Consolidated Financial Statements, the Consolidated Statement of Profit or Loss, the Consolidated Statement of Changes in Equity, the Non-consolidated Financial Statements, and the Non-consolidated Statement of Income.