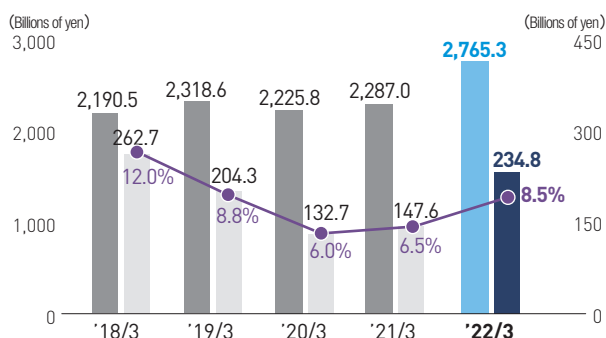
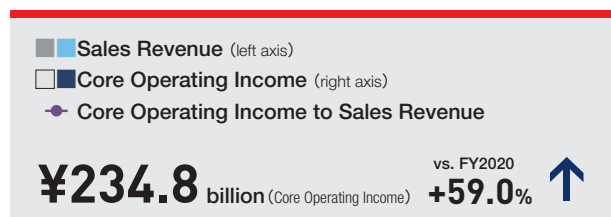
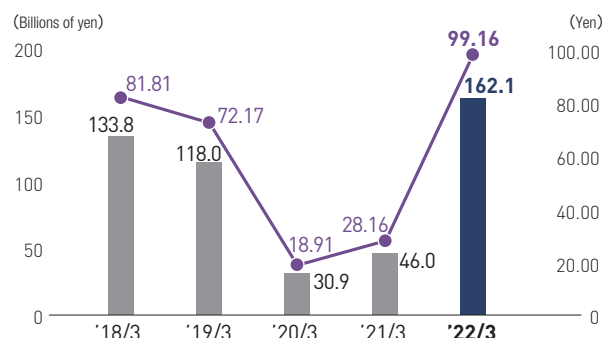
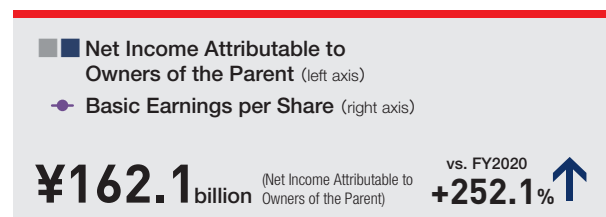


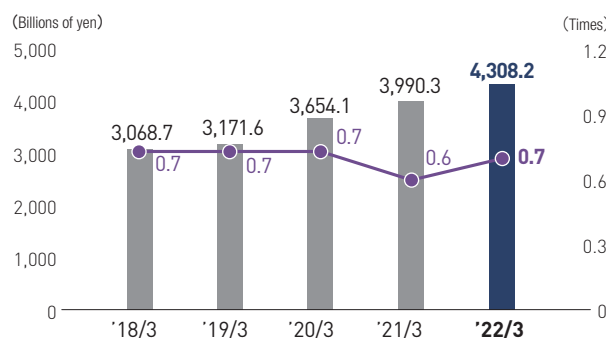
Data Highlights



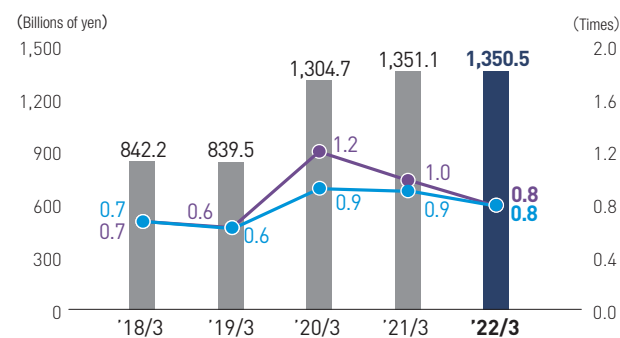
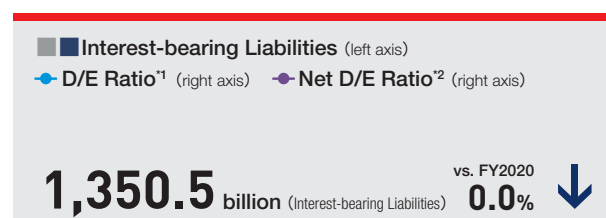
Terms of trade improved, especially for petrochemicals, and shipments also recovered, especially in the automotive sector. Shipments of display, semiconductor-related materials, and agrochemicals remained strong. As a result, sales revenue increased by 478.3 billion yen from the previous fiscal year, while core operating income increased by 87.2 billion yen over the previous fiscal year.



In addition to the improvement in core operating income, net income attributable to owners of the parent increased by 116.1 billion yen over the previous year, mainly due to foreign exchange gains resulting from the yen's depreciation at the end of the period.



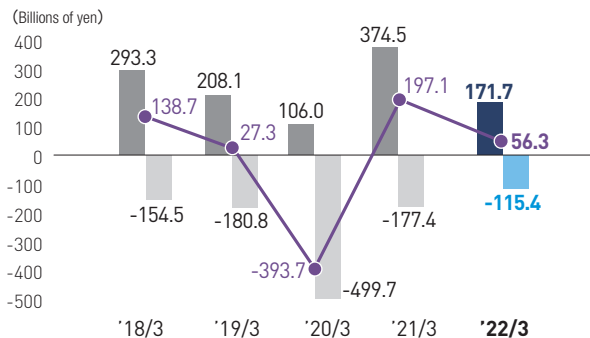
Total assets increased by 317.9 billion yen over the previous consolidated fiscal year, to 4,308.2 billion yen. Trade receivables and inventories increased due to higher raw material prices and other factors.



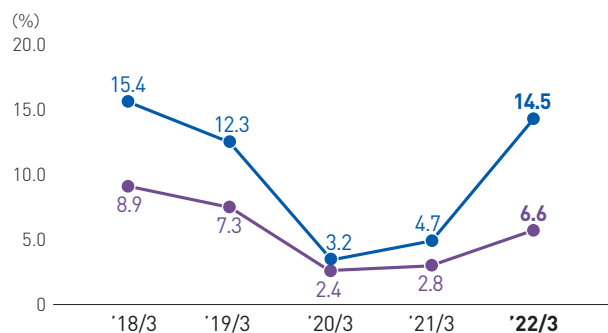
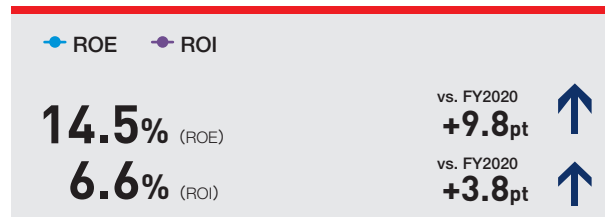
The balance of interest-bearing liabilities was flat year on year. On the other hand, the D/E ratio and net D/E ratio both declined due to an increase in equity attributable to owners of the parent resulting from improved net income attributable to owners of the parent.

*¹ D/E ratio=Interest-bearing liabilities/Total equity

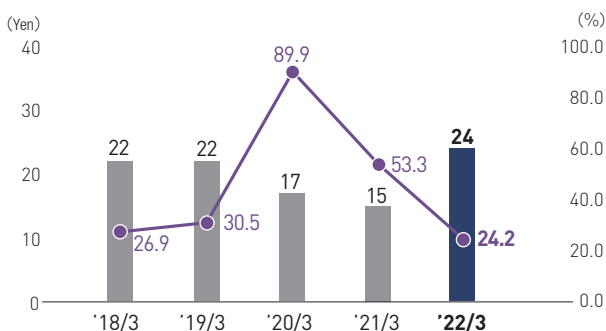
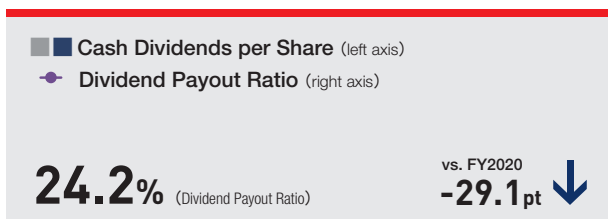
*² Net D/E Ratio=Net Interest-bearing Liabilities
(Interest-bearing Liabilities-Cash and Cash Equivalents)/
Equity attributable to Owners of the Parent



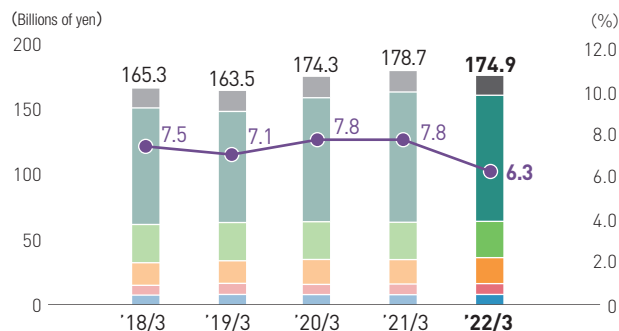
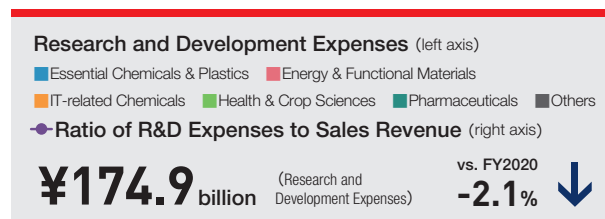
Cash flows from operating activities decreased by 202.7 billion yen mainly due to an increase in working capital. Cash flows from investing activities decreased by 62.0 billion yen, mainly due to the impact of the loan to Petro Rabigh in the previous year. As a result, free cash flow decreased by 140.8 billion yen to 56.3 billion yen.



Due to an improvement in net income attributable to the owners of the parent, both ROE and ROI exceeded figures for the previous fiscal year. ROE achieved its target of 10%.

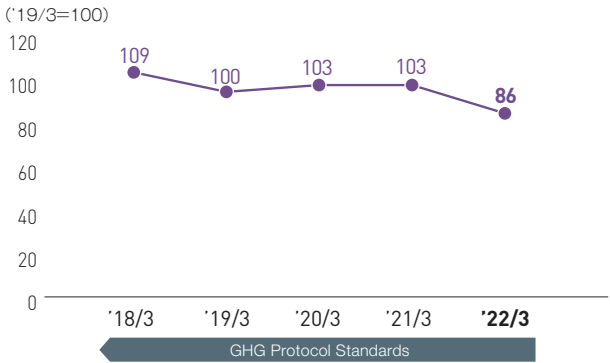
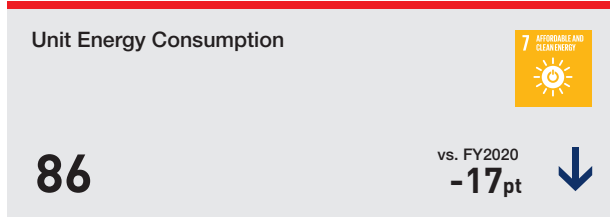


Record annual dividend per share was 24 yen in fiscal 2021, thus, the dividend payout ratio was 24.2%.

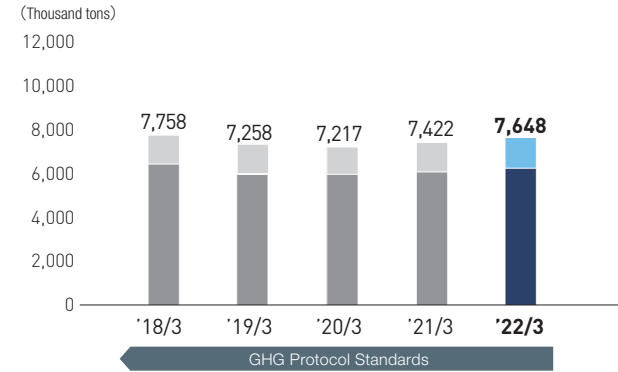
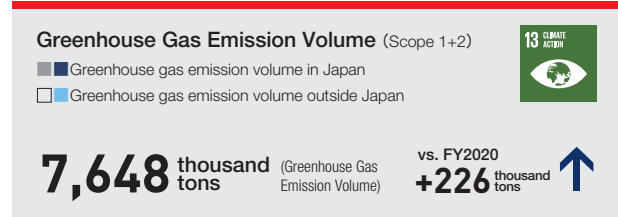


R&D expenses decreased by 3.7 billion yen over the previous fiscal year, to 174.9 billion yen, mainly due to a decrease in R&D expenses in the pharmaceutical sector.

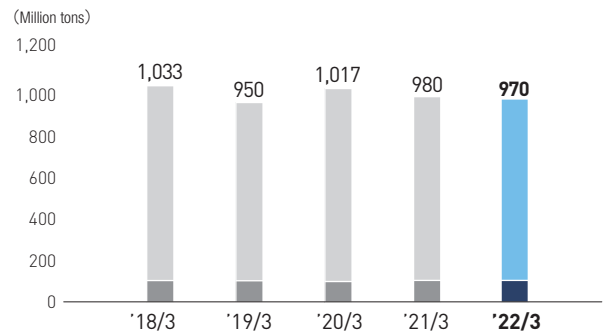
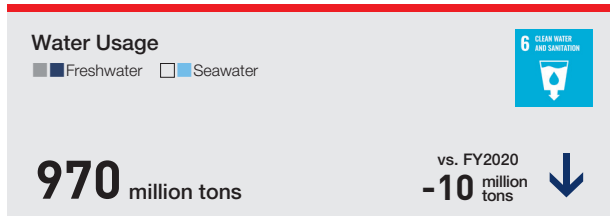
Data Highlights



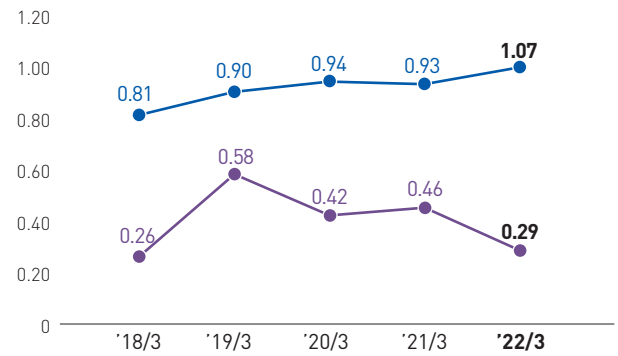
One of the material issues to be addressed as management priorities is “contribute to the environment,” which is the “sustainable use of natural capital.” In FY2021, the final year of the Previous Corporate Business Plan, we achieved a significant 14% reduction compared to FY2018, achieving our target of a 3% improvement.



One of the material issues to be addressed as management priorities is “contribute to the environment,” which is the “climate change mitigation and adaptation.” We will accelerate the reduction of GHG emissions in line with the grand design for achieving carbon neutrality by 2050, which was formulated in December 2021.

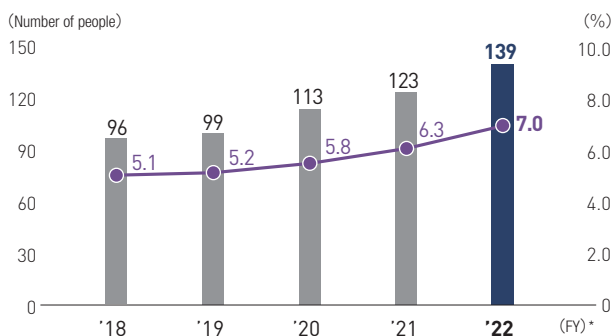
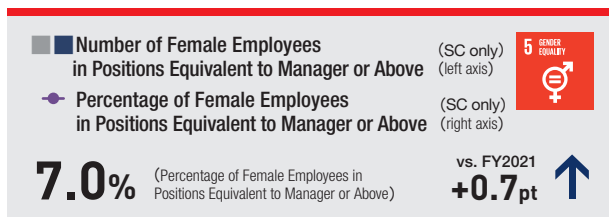


We will work to reduce water usage through effective use of water, depending on the application, while endeavoring to assess risks to water supplies. Seawater is used for cooling plants and other facilities.



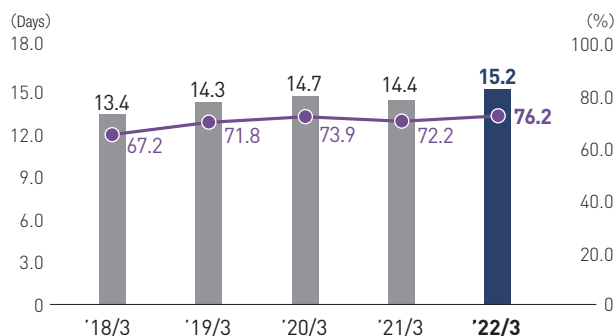
The frequency rate of lost-workday incidents for FY2021 was 0.29, falling short of the target of less than 0.1. We will investigate the cause of the problem, thoroughly implement basic safety rules, and work on measures to prevent recurrence.

* Indicates the frequency of industrial incidents as the number of deaths and injuries per one million hours of total work time.

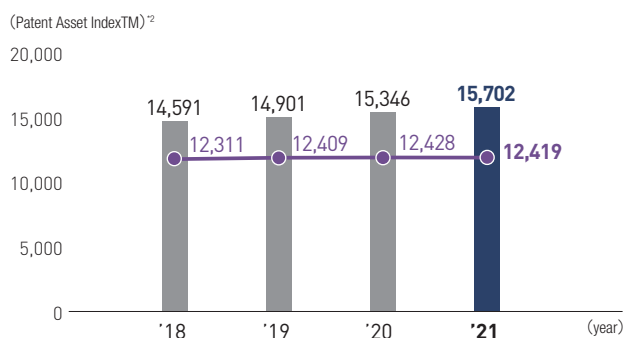
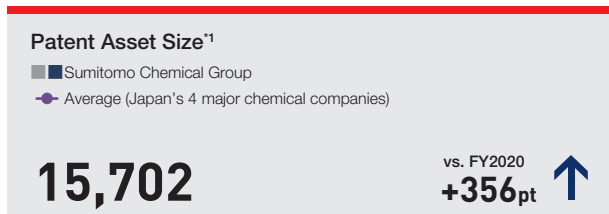


Sumitomo Chemical has raised “promotion of diversity, equity and inclusion” as one of the material issues to be addressed as management priorities. We aim to achieve a ratio of over 10% female employees in positions equivalent to manager or above at Sumitomo Chemical proper by fiscal 2022.

*All numbers as of April 1 of that year



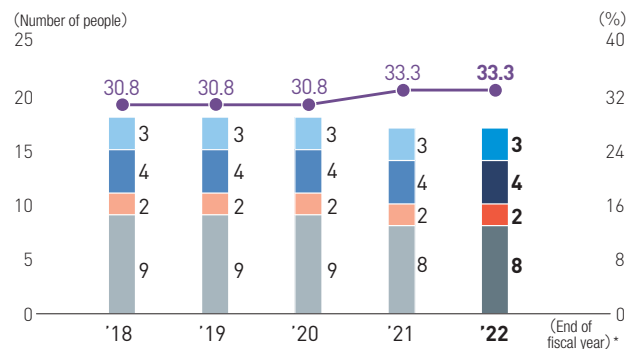
Sumitomo Chemical has raised a goal for all employees of Sumitomo Chemical proper to “take at least 80% of their paid leave each year on average.” From fiscal 2020 onward, we will continue to work on attaining this goal.



Due to active R&D and patent acquisition activities in recent years, the scale of our patent asset size has remained at a relatively high level. By deploying and making thorough use of artificial intelligence and materials informatics technologies on the front lines of R&D, and by strengthening collaboration with academia and startups, we will continue to build up and strengthen our patent portfolio.

¹ Patent asset size is evaluated using the Patent Asset Index™, generated using the patent analysis tool LexisNexis PatentSight®.

² The Patent Asset Index™ is an index for comprehensively assessing the status of legally active patents based on quantity (number of patents) and quality (countries of registration and number of citations)



With the goal of further strengthening the Board of Directors' oversight and advisory functions to increase the transparency and objectivity of management, in June 2018 we added one outside director, increasing the total number to four (including one female director). As a result, of the 12 members of the Board of Directors, four are outside directors.

*As of July 1, only for fiscal 2022