

May 26, 2011

Sumitomo Chemical to Expand Production Capacity for Herbicide Flumioxazin

Sumitomo Chemical (“the Company”) today announced that it will construct a new production line at a facility for its herbicide flumioxazin (branded Sumisoya in Japan) at its Oita Works (Tsurusaki, Oita City, Oita Prefecture) to meet the increasing demand for this product. The new production line will commence operation some time between July and September 2012. The expanded production is expected to boost sales of flumioxazin and derivative products by several tens of billions of yen per year.

Flumioxazin is an herbicide used in the cultivation mainly of soy beans, cotton, and sugar cane. It demonstrates long-lasting efficacy in suppressing the growth of weeds after spraying as well as efficacy in promoting early-stage growth of crops. Flumioxazin is also effective against weeds resistant to glyphosate, an herbicide widely used around the world, increasing demand for flumioxazin.

Sumitomo Chemical has been developing the US market for flumioxazin and expanding sales through its subsidiary Valent U.S.A. Demand for flumioxazin is growing considerably because of an increasing area of land under cultivation with soy beans in recent years. In addition, the Company entered into a long-term crop protection (weed management) collaboration agreement with US agrochemical major Monsanto in October last year, and the incorporation of flumioxazin into Monsanto’s Roundup® (active ingredient: glyphosate) weed management platform is anticipated to significantly increase sales of flumioxazin.

The Company has expanded production capacity for flumioxazin in steps as demand has increased. The Company has undertaken this large-scale capacity expansion with the aims of enhancing its stable supply capabilities to meet further demand growth and expanding its agrochemical business globally.

Life sciences is one of Sumitomo Chemical’s areas of focus, and it has worked to enlarge and strengthen its agrochemical business. The current capacity expansion for flumioxazin is part of this endeavor. The Company will continue to contribute to the improvement of agricultural crop productivity through its agrochemical business as it continues to expand its business globally.