

October 1, 2020

For Immediate Release

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| Company Name: | Sumitomo Chemical Co., Ltd. |
| Representative: | Keiichi Iwata President and Representative Director |
| Securities Code: | 4005 |
| Stock Exchange Listings: | First Section of the Tokyo Stock Exchange |
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Termination of Completion Guarantee for Rabigh Phase 2 Project Financing

Sumitomo Chemical and Saudi Arabian Oil Company (Saudi Aramco) have each provided a financial guarantee for 50% of the amount financed through project financing for the expansion plan of the existing integrated refinery and petrochemicals complex (Rabigh Phase 2 Project) through its completion. This project has been undertaken by Rabigh Refining and Petrochemical Company (Petro Rabigh), jointly founded by both companies.

This is to announce that the financial completion guarantee will be terminated as of September 30, 2020, as we have confirmed our fulfillment of specific requirements for continuous performance and debt-repayment ability stipulated in the project financing agreements, after consultation with a syndicate of banks.

A financial completion guarantee is an arrangement whereby investing companies for a given project guarantee a full repayment of the loan to a lender on behalf of the project company during construction and for a specified period after the completion of the construction work, until confirmation is made that the project company is deemed capable of making repayment with continuous cash flow generated by stable operations.

In March 2015, Petro Rabigh signed project financing agreements with a syndicate of banks, including the Japan Bank for International Cooperation (JBIC) and the Public Investment Fund (PIF) of Saudi Arabia, to receive an aggregate loan of US\$5.2 billion, which was 60% of the total cost of Rabigh Phase 2 Project (about US\$9.1 billion). For these agreements, Sumitomo Chemical and Saudi Aramco have each offered a financial completion guarantee for 50% of US\$5.2 billion based on the agreements with the syndicate of banks.

Petro Rabigh has already started the scheduled repayment of the debt principal since June 2019 (outstanding debt as of September 2020 is about US\$4.6 billion). The company will continue to repay the balance of the loan out of cash flow generated from its operating activities.

Meanwhile, the market environment has rapidly deteriorated since the end of last year. Coupled with other factors including periodic shutdown maintenance, Petro Rabigh faced the shortfall of working capital. To cover this shortfall, Sumitomo Chemical and Saudi Aramco have decided to make a loan totaling US\$2 billion (of which Sumitomo Chemical's portion is US\$750 million, 37.5% of the ownership stake) to Petro Rabigh.

Sumitomo Chemical continues to provide necessary support so that Petro Rabigh can continue stable operation to achieve sustained growth.

Company Profile of Petro Rabigh

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| Company Name: | Rabigh Refining & Petrochemical Company |
| Location: | Rabigh, the Kingdom of Saudi Arabia |
| Establishment: | September 19, 2005 |
| President & CEO: | Nasser D. Al-Mahasher |
| Capital: | SAR 8,760 million (as of October 1, 2020) |
| Shareholding Ratio: | Sumitomo Chemical 37.5%, Saudi Aramco 37.5%, Saudi Arabian public investors 25% |
| Major Business: | Manufacture and sale of refined petroleum products and petrochemicals |
| Number of Employees: | 3,637 (as of December 31, 2019) |