



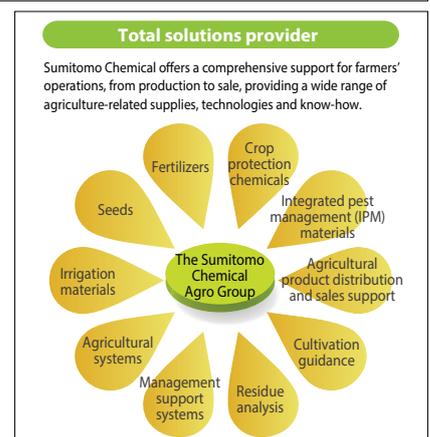
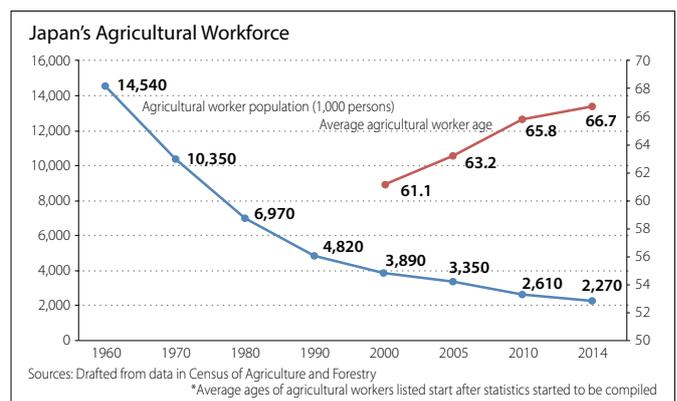
Sunrise Farm Saijo

Special Feature
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Invigorating Agriculture

Shrinking annually, Japan's agricultural workforce totaled 2.27 million in 2014, down approximately 30% compared with 2005. In addition, the aging farmer population resulting from a lack of successors is becoming a serious problem. The average age of agricultural workers has risen from 63 in 2005 to 66 in 2014. As a result, the area under cultivation is decreasing while neglected farmland continues to rise. Invigorating Japan's agricultural industry to address these issues directly has become an urgent task.

Sumitomo Chemical got its start producing fertilizers from sulfur dioxide generated in copper smelting. Over the century since then, the Company has been closely involved with Japanese agriculture. The Sumitomo Chemical Agro Group (Sumitomo Chemical and Group companies involved in agricultural businesses) offers a comprehensive support for farmers' operations, from production to sale, providing a wide range of agriculture-related supplies, technologies and know-how.



Searching for New Regional Agricultural Models

Since 2009, the Sumitomo Chemical Agro Group has established and operated agricultural corporations in regions throughout Japan with the aim of fostering food safety and consumers' confidence in agricultural production that is efficient. We are supporting the agricultural industry to efficiently use abandoned farmland and create employment opportunities in local communities.

In addition, we established and operate Sunrise Farm Saijo and Sunrise Farm Toyota as advanced agriculture models under the Future City Model Projects of Keidanren (Japan Business Federation). In conjunction with other manufacturers and local Japan Agricultural (JA) Cooperatives, the Group is supporting to make agricultural operations in Japan more competitive by testing and implementing next-generation agricultural technologies using ICT tools and other new technologies. Moreover, we established the Sunrise Saijo Processing Center in Saijo City, Ehime Prefecture, in February 2014. The center packages and processes lettuce, onions and other produce in association with regional businesses and local JA branches. We are working to increase the added value of agricultural products, nurture production areas, and "industrialize" Japan's agriculture by expanding the scope of agricultural producers' business to include food processing, marketing, sales and services.

Aiming for Labor-Efficient Paddy Rice Cultivation

One method for expanding growing areas in recent years is direct seeding culture of paddy rice, which reduces costs and labor.

Sumitomo Chemical, in cooperation with agricultural equipment makers, is contributing to stable cultivation via direct plantation by developing herbicides, insecticides, forefront one-shot basal application fertilizers, and fertilizers mixed with plant growth-regulator that can be spread via machine at the time of sowing. We are pursuing the development of technologies and materials in order to lower costs, improve efficiency, and enlarge the scale of paddy rice cultivation.

Entering the Rice Business

Growing Delicious, High-Yield Rice Suitable for Each Region

Sumitomo Chemical began operations in autumn 2014 to support rice farmers in such areas as consistently providing seeds, crop protection products, and fertilizers; assisting in cultivation management; and purchasing and selling rice crops. Going forward, we aim to establish a planting area of 10,000 hectares. Collaborating with farmers and distributors of rice and agricultural materials, we will assist in the development of Japanese agriculture by working to develop new rice cultivation techniques that fully utilize the delicious, high-yield characteristics of various rice varieties.

VOICE



Voice of a Participating Partner Working Together to Revitalize Regional Agriculture

Tsuyoshi Ito

Deputy General Manager Agricultural Production & Sales Dept. JA Saijo

I was honestly surprised when I heard that Sunrise Farm Saijo would be undertaking advanced agriculture in the Saijo region. We at JA are interested in learning how Sunrise Farm Saijo undertakes community-based agricultural operations, such as facilitating shared prosperity among local farmers and efficient use of farmland, and we want to work together with them to revitalize regional agriculture. The Sunrise Saijo Processing Center attracts wide attention, being seen as a promising way of securing outlets for agricultural products. We are very hopeful that the center's development will secure stable wages for local farmers.

Given the need for a trigger to stimulate the development of regional agriculture, we see the importance of establishing the Sunrise Saijo Processing Center as a means to propose new and innovative models for agricultural management. For JA Saijo, we expect the further development of agriculture and farmland in the Saijo region by turning these proposals into reality.

