

## Sumitomo Chemical Announces Revisions to Its Financial Forecast for the Full Year Ending March 31, 2024

Based on recent performance trends, Sumitomo Chemical co., Ltd. has made revisions to its consolidated financial forecast for the full year ending March 31, 2024, previously announced on May 15, 2023, as detailed below.

### Revisions to Consolidated Financial Forecast for the Full Year Ending March 31, 2024

(Millions of yen)

	Sales Revenue	Core Operating Income *	Operating Income	Net Income Attributable to Owners of the Parent	Earnings per Share (yen)
Previous forecast (A)	2,900,000	40,000	20,000	10,000	6.12
Revised forecast (B)	2,700,000	-70,000	-125,000	-95,000	-58.09
Variance in amount (B-A)	-200,000	-110,000	-145,000	-105,000	
Variance in percentage (%)	-6.9%	-	-	-	
Results for the full year ended March 31, 2023	2,895,283	92,752	-30,984	6,987	4.27

\* Core Operating Income is a gain and loss concept, reflecting recurring earning capacity, and deducts gains and losses incurred by non-recurring factors from operating income. It includes the share of profit from investments accounted for using the equity method.

### Reasons for the Revision

Regarding the consolidated financial forecast for the full year ending March 31, 2024, sales revenue and core operating income are expected to be lower than the previous forecast. The revision is due to a decrease in demand and a deterioration in margins caused by the global economic downturn in Essential Chemicals & Plastics and Energy & Functional Materials. In addition, a liquidation of crop protection products inventory in the midst of weaker demand in South America and a deterioration of methionine business in Health & Crop Sciences also have affected the forecast.

Operating income and net income attributable to owners of the parent are also expected to fall short of the previous forecast due to the decrease in core operating income as well as the impact of the impairment loss posted in the half-year ended September 30, 2023.

Regarding future plans for improving Sumitomo Chemical's financial performance, please refer to the presentation materials for "Investors' Meeting for FY2023 1st Half Financial Results, Management Priorities and Business Strategies," which is scheduled to be held today.

## Cautionary Statement

Statements made in this document with respect to Sumitomo Chemical's current plans, estimates, strategies and beliefs that are not historical facts are forward looking statements about the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of the information currently available to it, and involve risks and uncertainties.

The important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, general economic conditions in Sumitomo Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Chemical's products in the marketplace; Sumitomo Chemical's ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.

Information:

Financial Forecast by Segment for the Full Year Ending March 31, 2024

(Millions of yen)

		Fiscal 2023 Previous Forecast (A)	Fiscal 2023 Revised Forecast (B)	Variance in Amount (B-A)	Results for the Full Year ended March 31, 2023
Essential Chemicals & Plastics	Sales revenue	970,000	850,000	-120,000	852,916
	Core operating income	-7,000	-75,000	-68,000	-34,197
Energy & Functional Materials	Sales revenue	370,000	320,000	-50,000	342,460
	Core operating income	13,000	2,000	-11,000	15,239
IT-related Chemicals	Sales revenue	430,000	410,000	-20,000	431,219
	Core operating income	38,000	33,000	-5,000	47,601
Health & Crop Sciences	Sales revenue	610,000	610,000	-	598,390
	Core operating income	62,000	40,000	-22,000	57,277
Pharmaceuticals	Sales revenue	400,000	420,000	20,000	584,873
	Core operating income	-61,000	-69,000	-8,000	16,168
Others / Adjustments	Sales revenue	120,000	90,000	-30,000	85,425
	Core operating income	-5,000	-1,000	4,000	-9,336
Total	Sales revenue	2,900,000	2,700,000	-200,000	2,895,283
	Core operating income	40,000	-70,000	-110,000	92,752