

November 22, 2017

**Acquisition of Botanical Resources Australia Group, a major supplier of pyrethrum-derived insecticidal compounds**

Sumitomo Chemical has acquired 82.9% of shares in Botanical Resources Australia Pty Ltd and its affiliated companies (the BRA Group) from the shareholders and made the BRA Group, a major supplier of insecticidal compounds pyrethrins, a consolidated subsidiary.

Pyrethrins are insecticidal compounds extracted from the pyrethrum flower, which have the same basic chemical structure as synthetic pyrethroids. They are widely and commonly used in insecticides for household, vector control, pest control management and crop protection. Since its establishment in 1996, the BRA Group has been producing pyrethrins in Tasmania, Australia. Through improvements made in the quality of pyrethrum seeds and the accumulation of know-how relating to the manufacturing of pyrethrins, the BRA Group has become a highly reliable supplier with the proven ability to provide consistently high quality products. The Sumitomo Chemical Group has also been engaging in the production and sales of pyrethrins and is aiming to apply know-how of the BRA Group across its group. The Company also considers that this acquisition will enable the Sumitomo Chemical Group to form a more stable supply system for pyrethrins by utilizing production bases for pyrethrum subject to different climate conditions.

Sumitomo Chemical positions the field of life science as one of the key business domains for high growth in the future and has been expanding business in this area. Sumitomo Chemical will continue to make a contribution to resolving social issues, including the improvement of sanitation and hygiene in people's lives as well as prevention of infectious diseases.

<Overview of the BRA Group>

Group companies: Botanical Resources Australia Pty Ltd and its affiliated companies

Location: Tasmania, Australia

Business: Production and sale of pyrethrins and others

Number of Employees: Approximately 70

Shareholding to be acquired:

82.9% by Sumitomo Chemical

17.1% by McLaughlin Gormley King Company (86.5% of which is owned by Sumitomo Chemical)



Pyrethrum cultivation by the BRA Group