



For Immediate Release

May 15, 2024

## **Announcement of Finance Income, Restructuring Costs, and Extraordinary Loss in Non-consolidated Financial Statements**

Sumitomo Chemical Co., Ltd. (the “Company”) announces that finance income (foreign exchange income) and restructuring costs were posted in the fourth quarter of the fiscal year 2023 (from January 1, 2024 to March 31, 2024). In addition, an extraordinary loss was posted in the non-consolidated financial statements as detailed below.

### **1. Posting the Finance Income (Foreign Exchange Income)**

In the consolidated financial statements, a foreign exchange income of ¥32,194 million was recorded for the fourth quarter due to recent fluctuations in foreign exchange rates. This was mainly due to the valuation of assets denominated in foreign currencies.

### **2. Posting the Restructuring Costs**

In the consolidated financial statements, the restructuring costs of ¥22,767 million were posted in “Other operating expenses” for the fourth quarter. These are expenses mainly related to rationalization costs, including such as headcount reduction that Sumitomo Pharma Co., Ltd., the Company’s consolidated subsidiary, carried out in its wholly owned US subsidiary, as well as the property, plant, and equipment costs associated with restructuring the Company’s business.

### **3. Posting the Extraordinary Loss**

In the non-consolidated financial statements, the Company posted a loss of ¥21,421 million for the fourth quarter on a write-down of its investments in subsidiaries due to a substantial decline in the fair value of investments.

### **4. Impact on the Financial Results**

With regard to the impact of the above finance income and restructuring costs on the results of the Company operations, please refer to the “Summary of Consolidated Financial Results for Fiscal Year 2023” announced today.

The above-mentioned extraordinary loss is recorded only in the Company's non-consolidated financial statements. Since it is eliminated in the consolidated financial statements, there is no impact on consolidated results.