November 2, 2026

Summary of Consolidated Financial Results for Second Quarter (Interim Period) Fiscal Year 2026 (Under IFRS)

Company name: Sumitomo Chemical Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4005
URL: https://www.sumitomo-chem.co.jp/english/
Representative: Nobuaki Mito, Representative Director & President
Inquiries: Shoko Wato, General Manager, Corporate Communications Dept.
Telephone: +81-3-5201-0200

Scheduled date to commence dividend payments: December 2, 2026
Scheduled date to file semi-annual securities report: November 10, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(All amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for Second Quarter (Interim Period) Fiscal Year 2026 (April 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Sales revenue		Core operating income		Operating income		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Q2 FY2026	1,172,787	7.1	144,531	32.9	138,058	33.2	105,651	16.2	82,875	108.8	162,193	35.8
Q2 FY2025	1,095,394	(11.8)	108,716	268.8	103,685	(14.5)	90,929	—	39,699	—	119,446	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Q2 FY2026	50.08	50.07
Q2 FY2025	24.26	24.25

Reference: Share of profit or loss of investments accounted for using the equity method
Q2 FY2026: ¥ 36,695 million Q2 FY2025: ¥ (27,339) million
Income before taxes
Q2 FY2026: ¥ 121,927 million Q2 FY2025: ¥ 87,898 million

*Core operating income is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating income, which includes the share of profits or losses from investments accounted for using the equity method.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2026	3,626,081	1,482,626	1,165,298	32.1
March 31, 2026	3,405,041	1,236,673	1,008,644	29.6

2. Dividends

	Dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2025	—	6.00	—	7.50	13.50
FY2026	—	8.00			
FY2026 (Forecast)			—	9.00	17.00

Note: Revision of dividend forecasts from the latest announcement: Yes

3. Consolidated Financial Forecasts for Fiscal Year 2026 (April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Sales revenue		Core operating income		Operating income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full FY2026	2,490,000	6.9	270,000	29.6	215,000	41.7	90,000	47.7	54.27

Note: Revision of financial forecasts from the latest announcement: Yes

Notes:

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Prime Polymer Co., Ltd. *)
Excluded: —

*Equity-method associate

(2) Changes in accounting policies and changes in accounting estimates
(i) Changes in accounting policies required by IFRS: Yes
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None

(3) Number of shares issued (common shares)
(i) Total number of shares issued at the end of the period (including treasury shares)

As of September 30, 2026	1,662,978,884 shares
As of March 31, 2026	1,657,914,399 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	506,599 shares
As of March 31, 2026	6,500,914 shares

(iii) Average number of shares outstanding during the period

Six Months ended September 30, 2026	1,654,847,426 shares
Six Months ended September 30, 2025	1,636,596,564 shares

*This summary of financial results is exempt from audit procedures.

*Notes to appropriate use of forecasts and other special items:
Descriptions regarding forward-looking statements about the future performance of the Company contained in this summary are based on information currently available to the Company and certain assumptions judged reasonable 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 the Company's markets; demand for, and competitive pricing pressure on, the Company's products in the marketplace; rise in prices of raw materials; and fluctuations in foreign exchange rates.

*This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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1. Summary of Operating Results for Second Quarter (Interim Period) Fiscal Year 2026

(1) Operating Results

The Group's sales revenue for Q2 FY2026 increased by ¥77.4 billion compared to Q2 FY2025, to ¥1,172.8 billion. In terms of profits and losses, core operating income* was ¥144.5 billion, operating income was ¥138.1 billion, and net income attributable to owners of the parent was ¥82.9 billion. Results in every category of income were higher than in Q2 FY2025.

The Company decided to pay an interim dividend of ¥8 per share.

*Core operating income is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating income, which includes the share of profits or losses from investments accounted for using the equity method.

The financial results by reportable segment for Q2 FY2026 are as follows:

Agro & Life Solutions

Sales of crop protection products remained steady in Japan, but the recovery of the business environment outside of Japan has been slow. Profit margins for methionine (feed additives) improved amid temporary supply concerns stemming from the situation in the Middle East. In addition, the weaker yen also had a positive effect on sales from subsidiaries outside of Japan when converted into yen. As a result, sales revenue increased by ¥13.5 billion compared to Q2 FY2025, to ¥226.5 billion. Core operating income increased by ¥9.6 billion compared to Q2 FY2025, to ¥20.8 billion.

ICT & Mobility Solutions

Display-related materials were impacted by fundamental structural reforms implemented for the polarizing film business for large-size liquid crystal displays and the resulting decline in capital gains. In semiconductor processing materials, there was an increase in both sales revenue and core operating income from a growth in demand for high-purity chemicals and photoresists. In addition, the weaker yen also had a positive effect on sales from subsidiaries outside of Japan when converted into yen. As a result, sales revenue increased by ¥28.4 billion compared to Q2 FY2025, to ¥311.9 billion. Core operating income decreased by ¥1.2 billion from Q2 FY2025, to ¥31.9 billion.

Advanced Medical Solutions

Sales revenue was about the same level as Q2 FY2025 at ¥21.5 billion. On the other hand, the core operating loss from a different product mix of active pharmaceutical ingredients and intermediates further deteriorated by ¥2.3 billion compared to Q2 FY2025, to a loss of ¥3.7 billion.

Essential & Green Materials

Although selling prices were raised in response to the increase in market prices for raw materials and products, sales revenue decreased by ¥8.3 billion compared to Q2 FY2025, to ¥320.9 billion. This was due to a decrease in shipments from the sales subsidiary after discontinuing the resale of products from Rabigh Refining and Petrochemical Company (hereinafter, "Petro Rabigh"), an affiliated company accounted for using the equity method. Core operating income improved by ¥80.7 billion compared to Q2 FY2025, to ¥62.1 billion. This reflected an improvement in Petro Rabigh's performance due to the situation in the Middle East, as well as a rise in market prices for synthetic resins and other materials, which led to a gain on the difference between the inventory valuation of these materials and their increased market price.

Sumitomo Pharma

There was an increase in sales revenue from a growth in sales of ORGOVYX® (therapeutic agent for advanced prostate cancer) and GEMTESA® (therapeutic agent for overactive bladder) in the U.S. This offset the decrease in revenue from the partial transfer of the Group's interest in its Asian business in the previous fiscal year. As a result, sales revenue increased by ¥39.4 billion compared to Q2 FY2025, to ¥265.5 billion. Core operating income decreased by ¥53.8 billion compared to Q2 FY2025, to ¥43.6 billion. This was due to the absence of the gain from the partial transfer of the Group's interest in its Asian business in the previous fiscal year, as well as increases in selling, general and administrative expenses and R&D expenses. These expenses increased due to higher promotional spending to boost sales revenue in the U.S., the acceleration of clinical trials in the area of oncology, advancements in the area of neuropsychiatry, and other factors. Sales revenue and core operating income differ between this segment and the results reported by Sumitomo Pharma Co., Ltd., a consolidated subsidiary of Sumitomo Chemical Co., Ltd., due to the Group's contract development and manufacturing organization business for regenerative medicine and cell therapy products not being included in this segment and because of the Group's consolidated account reporting.

Others

In addition to the above five segments, the Group supplies electric power and steam, and also provides transportation and warehousing. Sales revenue increased by ¥3.9 billion compared to Q2 FY2025, to ¥26.5 billion. Core operating income increased by ¥0.5 billion compared to Q2 FY2025, to ¥3.8 billion.

(2) Consolidated Financial Position

As of the end of Q2 FY2026, total assets increased by ¥221.0 billion compared to the end of FY2025, to ¥3,626.1 billion. Trade and other receivables as well as inventories increased due to higher raw material prices.

Total liabilities decreased by ¥24.9 billion compared to the end of FY2025, to ¥2,143.5 billion. Interest-bearing liabilities decreased by ¥64.1 billion compared to the end of FY2025, to ¥1,087.4 billion.

Total equity (including non-controlling interests) increased by ¥246.0 billion compared to the end of FY2025, to ¥1,482.6 billion, because of increases in non-controlling interests and capital surplus mainly due to capital increase through a public offering conducted by Sumitomo Pharma Co., Ltd. during Q1 FY2026.

The ratio of equity attributable to the owners of the parent to total assets increased by 2.5 percentage points compared to the end of FY2025, to 32.1%.

(3) Consolidated Forecast and Other Forward-Looking Information

Based on recent performance trends, the Company has made revisions to its consolidated financial forecast for the full year ending March 31, 2027, previously announced on May 14, 2026, as detailed below.

Revisions to Consolidated Financial Forecast for the Full Year Ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(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)	2,360,000	215,000	177,000	70,000	42.40
Revised forecast (B)	2,490,000	270,000	215,000	90,000	54.27
Variance in amount (B-A)	130,000	55,000	38,000	20,000	
Variance in percentage (%)	5.5%	25.6%	21.5%	28.6%	
Results for the full year ended March 31, 2026	2,328,515	208,376	151,744	60,947	37.16

Reasons for the Revision

Regarding the consolidated financial forecast for FY2026, shipments of semiconductor processing materials in the ICT & Mobility Solutions segment are expected to increase. In the Essential & Green Materials segment, the Company took into account uncertainty in the business environment and incorporated risks into its previous financial forecast, but the Company has made steady progress in its business activities. Additionally, GEMTESA® sales have increased in North America within the Sumitomo Pharma segment. Therefore, the Company expects sales revenue and core operating income to exceed its previous forecast.

Operating income and net income attributable to owners of the parent are also expected to exceed the previous forecast due to the increase in core operating income.

(Supplemental information)

Consolidated Financial Forecast by Segment for the Full Year Ending March 31, 2027

(Millions of yen)

		FY2026 Previous Forecast (A)	FY2026 Revised Forecast (B)	Variance in Amount (B-A)
Agro & Life Solutions	Sales revenue	560,000	570,000	10,000
	Core operating income	65,000	65,000	-
ICT & Mobility Solutions	Sales revenue	590,000	610,000	20,000
	Core operating income	55,000	60,000	5,000
Advanced Medical Solutions	Sales revenue	60,000	60,000	-
	Core operating income	3,000	3,000	-
Essential & Green Materials	Sales revenue	560,000	630,000	70,000
	Core operating income	20,000	75,000	55,000
Sumitomo Pharma	Sales revenue	540,000	565,000	25,000
	Core operating income	94,000	108,000	14,000
Others & Adjustments	Sales revenue	50,000	55,000	5,000
	Core operating income	(22,000)	(41,000)	(19,000)
Total	Sales revenue	2,360,000	2,490,000	130,000
	Core operating income	215,000	270,000	55,000

2. Consolidated Financial Statements and Major Notes
(1) Consolidated Statement of Financial Position

Millions of yen	As of September 30, 2026	As of March 31, 2026
Assets		
Current assets:		
Cash and cash equivalents	¥ 208,432	¥ 208,589
Trade and other receivables	636,997	608,670
Other financial assets	70,616	47,551
Inventories	653,394	595,471
Other current assets	49,545	47,429
Subtotal	1,618,984	1,507,710
Assets held for sale	4,039	—
Total current assets	1,623,023	1,507,710
Non-current assets:		
Property, plant and equipment	772,704	770,688
Goodwill	275,141	275,711
Intangible assets	215,854	225,334
Investments accounted for using the equity method	270,136	203,862
Other financial assets	362,548	301,222
Retirement benefit assets	34,833	52,222
Deferred tax assets	41,680	39,227
Other non-current assets	30,162	29,065
Total non-current assets	2,003,058	1,897,331
Total assets	¥ 3,626,081	¥ 3,405,041

Millions of yen	As of September 30, 2026	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities:		
Bonds and borrowings	¥ 246,785	¥ 241,422
Trade and other payables	529,828	464,422
Other financial liabilities	48,928	63,737
Income taxes payable	18,670	7,022
Provisions	107,129	110,408
Other current liabilities	97,560	114,335
Subtotal	1,048,900	1,001,346
Liabilities directly associated with assets held for sale	824	—
Total current liabilities	1,049,724	1,001,346
Non-current liabilities:		
Bonds and borrowings	840,581	910,033
Other financial liabilities	83,204	87,885
Retirement benefit liabilities	22,407	22,084
Provisions	23,868	26,383
Deferred tax liabilities	93,639	78,321
Other non-current liabilities	30,032	42,316
Total non-current liabilities	1,093,731	1,167,022
Total liabilities	2,143,455	2,168,368
Equity		
Share capital	90,298	90,179
Capital surplus	40,249	1,966
Retained earnings	727,938	655,384
Treasury shares	(207)	(2,650)
Other components of equity	307,020	263,765
Equity attributable to owners of the parent	1,165,298	1,008,644
Non-controlling interests	317,328	228,029
Total equity	1,482,626	1,236,673
Total liabilities and equity	¥ 3,626,081	¥ 3,405,041

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

Second Quarter (Interim Period) ended September 30, 2026 and 2025

Millions of yen		Q2 FY2026		Q2 FY2025
Sales revenue	¥	1,172,787	¥	1,095,394
Cost of sales		(793,921)		(749,314)
Gross profit		378,866		346,080
Selling, general and administrative expenses		(287,364)		(273,398)
Other operating income		19,968		66,703
Other operating expenses		(10,107)		(8,361)
Share of profit (loss) of investments accounted for using the equity method		36,695		(27,339)
Operating income		138,058		103,685
Finance income		12,976		7,105
Finance expenses		(29,107)		(22,892)
Income before taxes		121,927		87,898
Income tax expenses		(16,276)		3,031
Net income		105,651		90,929
Net income attributable to:				
Owners of the parent		82,875		39,699
Non-controlling interests		22,776		51,230
Net income	¥	105,651	¥	90,929

Yen	Q2 FY2026	Q2 FY2025
Earnings per share:		
Basic earnings per share	50.08	24.26
Diluted earnings per share	50.07	24.25

Consolidated Statement of Comprehensive Income

Second Quarter (Interim Period) ended September 30, 2026 and 2025

Millions of yen	Q2 FY2026	Q2 FY2025
Net income	¥ 105,651	¥ 90,929
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Remeasurements of financial assets (equity instruments) measured at fair value through other comprehensive income	32,171	17,850
Remeasurements of defined benefit plans	4,619	249
Share of other comprehensive income of investments accounted for using the equity method	2,961	1,766
Total items that will not be reclassified to profit or loss	39,751	19,865
Items that may be subsequently reclassified to profit or loss		
Remeasurements of financial assets (debt instruments) measured at fair value through other comprehensive income	—	58
Cash flow hedges	281	(114)
Exchange differences on conversion of foreign operations	13,201	12,564
Share of other comprehensive income of investments accounted for using the equity method	3,309	(3,856)
Total items that may be subsequently reclassified to profit or loss	16,791	8,652
Other comprehensive income, net of taxes	56,542	28,517
Total comprehensive income	162,193	119,446
Total comprehensive income attributable to:		
Owners of the parent	134,247	67,530
Non-controlling interests	27,946	51,916
Total comprehensive income	¥ 162,193	¥ 119,446

(3) Consolidated Statement of Changes in Equity

Second Quarter (Interim Period) ended September 30, 2026

Millions of yen	Equity attributable to owners of the parent					
					Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2026	¥ 90,179	¥ 1,966	¥ 655,384	¥ (2,650)	¥ 43,393	¥ —
Net income	—	—	82,875	—	—	—
Other comprehensive income	—	—	—	—	30,141	2,590
Total comprehensive income	—	—	82,875	—	30,141	2,590
Issuance of new shares	120	120	—	—	—	—
Purchase of treasury shares	—	—	—	(4)	—	—
Disposal of treasury shares	—	3	—	1	—	—
Dividends	—	—	(12,386)	—	—	—
Changes resulting from loss of control of subsidiaries	—	—	—	—	—	—
Changes in interest due to transactions with non-controlling interests	—	38,204	—	2,446	51	—
Transfer from other components of equity to retained earnings	—	—	2,065	—	525	(2,590)
Others, net	—	(43)	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—
Total transactions with owners	120	38,284	(10,321)	2,443	576	(2,590)
Balance as of September 30, 2026	¥ 90,298	¥ 40,249	¥ 727,938	¥ (207)	¥ 74,110	¥ —

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components of equity			Other comprehensive income associated with assets held for sale	Equity attributable to owners of the parent		
	Cash flow hedges	Exchange differences on conversion of foreign operations	Total				
Balance as of April 1, 2026	¥ (214)	¥ 220,586	¥ 263,765	¥ —	¥1,008,644	¥ 228,029	¥1,236,673
Net income	—	—	—	—	82,875	22,776	105,651
Other comprehensive income	273	18,368	51,372	—	51,372	5,170	56,542
Total comprehensive income	273	18,368	51,372	—	134,247	27,946	162,193
Issuance of new shares	—	—	—	—	239	—	239
Purchase of treasury shares	—	—	—	—	(4)	—	(4)
Disposal of treasury shares	—	—	—	—	4	—	4
Dividends	—	—	—	—	(12,386)	(1,019)	(13,405)
Changes resulting from loss of control of subsidiaries	—	—	—	—	—	—	—
Changes in interest due to transactions with non-controlling interests	—	(6,103)	(6,052)	—	34,598	62,372	96,970
Transfer from other components of equity to retained earnings	—	—	(2,065)	—	—	—	—
Others, net	—	—	—	—	(43)	—	(43)
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—	—
Total transactions with owners	—	(6,103)	(8,117)	—	22,408	61,353	83,761
Balance as of September 30, 2026	¥ 59	¥ 232,851	¥ 307,020	¥ —	¥1,165,298	¥ 317,328	¥1,482,626

Second Quarter (Interim Period) ended September 30, 2025

Millions of yen	Equity attributable to owners of the parent					
					Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2025	¥ 90,059	¥ —	¥ 640,611	¥ (8,361)	¥ 1,186	¥ —
Net income (loss)	—	—	39,699	—	—	—
Other comprehensive income	—	—	—	—	17,351	268
Total comprehensive income	—	—	39,699	—	17,351	268
Issuance of new shares	120	120	—	—	—	—
Purchase of treasury shares	—	—	—	(2)	—	—
Disposal of treasury shares	—	(0)	—	0	—	—
Dividends	—	—	(9,820)	—	—	—
Changes resulting from loss of control of subsidiaries	—	—	1,789	—	(1,611)	(221)
Changes in interest due to transactions with non-controlling interests	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(15,705)	—	15,752	(47)
Others, net	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—
Total transactions with owners	120	120	(23,736)	(2)	14,141	(268)
Balance as of September 30, 2025	¥ 90,179	¥ 120	¥ 656,574	¥ (8,362)	¥ 32,678	¥ —

	Equity attributable to owners of the parent						
	Other components of equity						
	Cash flow hedges	Exchange differences on conversion of foreign operations	Total	Other comprehensive income associated with assets held for sale	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of April 1, 2025	¥ 87	¥ 173,598	¥ 174,871	¥ 3,610	¥ 900,790	¥ 173,625	¥1,074,415
Net income (loss)	—	—	—	—	39,699	51,230	90,929
Other comprehensive income	(78)	15,572	33,113	(5,282)	27,831	686	28,517
Total comprehensive income	(78)	15,572	33,113	(5,282)	67,530	51,916	119,446
Issuance of new shares	—	—	—	—	240	—	240
Purchase of treasury shares	—	—	—	—	(2)	—	(2)
Disposal of treasury shares	—	—	—	—	0	—	0
Dividends	—	—	—	—	(9,820)	(1,471)	(11,291)
Changes resulting from loss of control of subsidiaries	—	—	(1,832)	43	—	(3,176)	(3,176)
Changes in interest due to transactions with non-controlling interests	—	—	—	—	—	9	9
Transfer from other components of equity to retained earnings	—	—	15,705	—	—	—	—
Others, net	—	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	(14,929)	(14,929)	14,929	—	—	—
Total transactions with owners	—	(14,929)	(1,056)	14,972	(9,582)	(4,638)	(14,220)
Balance as of September 30, 2025	¥ 9	¥ 174,241	¥ 206,928	¥ 13,300	¥ 958,739	¥ 220,903	¥1,179,642

(4) Consolidated Statement of Cash Flows

Second Quarter (Interim Period) ended September 30, 2026 and 2025

Millions of yen	Q2 FY2026	Q2 FY2025
Cash flows from operating activities:		
Income before taxes	¥ 121,927	¥ 87,898
Depreciation and amortization	59,143	59,974
Impairment losses	4,178	3,299
Share of (profit) loss of investments accounted for using the equity method	(36,695)	27,339
Interest and dividend income	(10,659)	(6,138)
Interest expenses	17,628	15,628
Restructuring costs	5,003	3,501
(Increase) decrease in trade receivables	22,126	27,447
(Increase) decrease in inventories	(78,272)	(26,282)
Increase (decrease) in trade payables	80,398	(2,048)
Increase (decrease) in unearned revenue	(10,103)	(9,380)
Increase (decrease) in provisions	12	3,349
Others, net	(86,050)	(106,767)
Subtotal	88,636	77,820
Interest and dividends received	12,443	8,902
Interest paid	(16,342)	(14,147)
Income taxes paid	(6,016)	(13,422)
Restructuring costs paid	(12,168)	(1,488)
Net cash provided by (used in) operating activities	66,553	57,665
Cash flows from investing activities:		
Net (increase) decrease in time deposits	(19,122)	(4,425)
Net (increase) decrease in securities	(3,082)	(11,279)
Purchase of property, plant and equipment, and intangible assets	(61,230)	(61,463)
Proceeds from sales of property, plant and equipment, and intangible assets	1,209	2,082
Payments for acquisition of subsidiaries	(3,932)	—
Proceeds from sales of subsidiaries	—	55,705
Purchase of other financial assets	(1,815)	(5,618)
Proceeds from sales and redemption of other financial assets	3,749	7,339
Others, net	(631)	974
Net cash provided by (used in) investing activities	(84,854)	(16,685)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(30,313)	(34,315)
Net increase (decrease) in commercial paper	44,000	(37,000)
Proceeds from long-term borrowings	761	6,461
Repayments of long-term borrowings	(71,121)	(28,232)
Proceeds from issuance of bonds	39,849	—
Redemption of bonds	(40,000)	—
Repayments of lease liabilities	(8,417)	(8,693)
Cash dividends paid	(12,372)	(9,841)
Cash dividends paid to non-controlling interests	(1,020)	(1,471)
Capital contribution from non-controlling interests	96,875	—
Others, net	(2,248)	(1,683)
Net cash provided by (used in) financing activities	15,994	(114,774)
Effect of exchange rate changes on cash and cash equivalents	2,150	2,941
Increase (decrease) in cash and cash equivalents	(157)	(70,853)
Cash and cash equivalents at the beginning of the year	208,589	209,838
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	—	22,224
Cash and cash equivalents at the end of the period	¥ 208,432	¥ 161,209

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Changes in Accounting Policies

The material accounting policies adopted for the Group's quarterly consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended March 31, 2026, with the exception of the items described below. The items described below are the accounting standards applied by the Group starting from fiscal year ended March 31, 2027, in compliance with each transitional provision. The effect of the application of the following standards on the Group's quarterly consolidated financial statements is immaterial.

Standards	Name of standards	Description of new standards and amendments
IFRS 7 IFRS 9	Financial Instruments: Disclosures Financial Instruments	・Clarifying the classification of financial assets (clarifying elements for assessing whether the contractual cash flows meet the solely payments of principal and interest (SPPI) criterion) ・Clarifying the date of derecognition of financial liabilities settled through electronic cash transfer systems ・Amendments to the disclosures for investments in equity instruments designated to be measured at fair value through other comprehensive income (FVTOCI) and financial instruments with contingent features that can change cash flows

Segment Information

1. Reportable Segments

The reportable segments of the Group refer to business units for which separate financial information is available and that are reviewed regularly at the Board of Directors meeting in order to determine the allocation of management resources and evaluate the business performance of each business unit.

The Group divides its operations into business sectors identified by products and services, which manage manufacturing, sales, and research in an integrated manner. Each business sector is responsible for developing comprehensive domestic and overseas strategies with respect to its products and services, and operates its business activities.

Principally in accordance with the business sectors, the Group consists of the five reportable segments based on its products and services: "Agro & Life Solutions", "ICT & Mobility Solutions", "Advanced Medical Solutions", "Essential & Green Materials", and "Sumitomo Pharma".

The major products and services of each reportable segment are as follows:

Reportable Segment	Major Products and Services
Agro & Life Solutions	Crop protection chemicals, fertilizers, agricultural materials, household insecticides, products for control of infectious diseases, feed additives, etc.
ICT & Mobility Solutions	Optical products, semiconductor processing materials, compound semiconductor materials, touch screen sensor panels, high-purity aluminum and alumina, specialty chemicals, additives, engineering plastics, battery materials, etc.
Advanced Medical Solutions	Contract development and manufacturing organization business for advanced small-molecule drug, oligonucleotides, and regenerative medicine and cell therapy products, etc.
Essential & Green Materials	Synthetic resins, raw materials for synthetic fibers, various industrial chemicals, methyl methacrylate products, synthetic resin processed products, industrial alumina, synthetic rubber, etc.
Sumitomo Pharma	Small molecule pharmaceuticals

2. Reportable Segment Information

The accounting methods for each reportable segment are, in principle, identical to those used in the consolidated financial statements. The segment profit or loss is core operating income, which is calculated from operating income after excluding effects from non-recurring factors.

Inter-segment sales revenue is based on market prices.

Second Quarter (Interim Period) Fiscal Year 2026

Millions of yen	Agro & Life Solutions	ICT & Mobility Solutions	Advanced Medical Solutions	Essential & Green Materials	Sumitomo Pharma	Total	Others (Note 1)	Adjustments (Note 2)	Consolidated
Sales revenue:									
Sales revenues from external customers	¥ 226,496	¥ 311,912	¥ 21,476	¥ 320,862	¥ 265,516	¥ 1,146,262	¥ 26,525	¥ —	¥ 1,172,787
Inter-segment sales revenues	539	1,452	5,890	2,590	974	11,445	23,604	(35,049)	—
Total sales revenue	227,035	313,364	27,366	323,452	266,490	1,157,707	50,129	(35,049)	1,172,787
Segment profit (loss) : core operating income (loss)	¥ 20,802	¥ 31,907	¥ (3,717)	¥ 62,139	¥ 43,560	¥ 154,691	¥ 3,767	¥ (13,927)	¥ 144,531

Note 1: "Others" represents businesses such as supplying electrical power and steam, and providing transport and warehousing, which are not included in reportable segments.

Note 2: ¥(13,927) million for segment profit (loss) in "Adjustments" includes inter-segment elimination of ¥867 million and corporate expenses of ¥(14,794) million unallocated to each reportable segment. Corporate expenses are mainly research and development expenses for company-wide research, which are not treated as attributable to specific reportable segments.

Second Quarter (Interim Period) Fiscal Year 2025

Millions of yen	Agro & Life Solutions	ICT & Mobility Solutions	Advanced Medical Solutions	Essential & Green Materials	Sumitomo Pharma	Total	Others (Note 2)	Adjustments (Note 3)	Consolidated
Sales revenue:									
Sales revenues from external customers	¥ 212,971	¥ 283,482	¥ 21,142	¥ 329,144	¥ 226,071	¥ 1,072,810	¥ 22,584	¥ —	¥ 1,095,394
Inter-segment sales revenues	504	1,453	6,391	2,432	1,051	11,831	24,772	(36,603)	—
Total sales revenue	213,475	284,935	27,533	331,576	227,122	1,084,641	47,356	(36,603)	1,095,394
Segment profit (loss) : core operating income (loss)	¥ 11,227	¥ 33,109	¥ (1,380)	¥ (18,610)	¥ 97,320	¥ 121,666	¥ 3,235	¥ (16,185)	¥ 108,716

Note 1: ¥97,320 million for segment profit (core operating income) in "Sumitomo Pharma" included ¥49,544 million for gain related to business transfer.

Note 2: "Others" represented businesses such as supplying electrical power and steam, and providing transport and warehousing, which were not included in reportable segments.

Note 3: ¥(16,185) million for segment profit (loss) in "Adjustments" included inter-segment elimination of ¥486 million and corporate expenses of ¥(16,671) million unallocated to each reportable segment. Corporate expenses were mainly research and development expenses for company-wide research, which were not treated as attributable to specific reportable segments.

Adjustments to income before taxes from core operating income were as follows:

Millions of yen	Q2 FY2026	Q2 FY2025
Core operating income	¥ 144,531	¥ 108,716
Restructuring costs	(5,003)	(3,501)
Impairment losses	(4,178)	(3,299)
Others, net	2,708	1,769
Operating income	138,058	103,685
Finance income	12,976	7,105
Finance expenses	(29,107)	(22,892)
Income before taxes	¥ 121,927	¥ 87,898

Key Figures of Consolidated Financial Results for 2nd Quarter (Interim Period) FY2026

November 2, 2026
Sumitomo Chemical Co., Ltd.

1. Financial Summary (IFRS)

(Billions of yen)

	Q2 FY2026	Q2 FY2025	Variance	FY2026 (Revised Forecast announced in Nov.)	FY2025
Sales revenue	**1,172.8**	1,095.4	77.4	2,490.0	2,328.5
Core operating income	**144.5**	108.7	35.8	270.0	208.4
Operating income	**138.1**	103.7	34.4	215.0	151.7
Net income attributable to owners of the parent	**82.9**	39.7	43.2	90.0	60.9
Basic earnings per share	**¥ 50.08**	¥ 24.26	¥ 25.82	¥ 54.27	¥ 37.16
Return on equity	**7.6%**	4.3%	3.3%	8.6%	6.4%
Exchange rate (yen/$)	**159.49**	146.02	—	157.00 (2nd Half 155.00)	150.67
Naphtha price (yen/kl)	**107,500**	64,800	—	99,000 (2nd Half 90,000)	65,200

*Core operating income is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating income, which includes the share of profits or losses from investments accounted for using the equity method.

2. Sales Revenue / Core Operating Income by Reportable Segment (IFRS)

(Billions of yen)

		Q2 FY2026	Q2 FY2025	Variance	FY2026 (Revised Forecast announced in Nov.)	FY2025
Agro & Life Solutions	Sales revenue	**226.5**	213.0	13.5	570.0	519.3
	Core operating income	**20.8**	11.2	9.6	65.0	56.3
ICT & Mobility Solutions	Sales revenue	**311.9**	283.5	28.4	610.0	574.2
	Core operating income	**31.9**	33.1	(1.2)	60.0	53.0
Advanced Medical Solutions	Sales revenue	**21.5**	21.1	0.3	60.0	58.6
	Core operating income	**(3.7)**	(1.4)	(2.3)	3.0	2.8
Essential & Green Materials	Sales revenue	**320.9**	329.1	(8.3)	630.0	678.8
	Core operating income	**62.1**	(18.6)	80.7	75.0	14.4
Sumitomo Pharma	Sales revenue	**265.5**	226.1	39.4	565.0	451.9
	Core operating income	**43.6**	97.3	(53.8)	108.0	108.4
Others	Sales revenue	**26.5**	22.6	3.9	55.0	45.8
	Core operating income	**3.8**	3.2	0.5	4.0	4.4
Adjustments	Sales revenue	**—**	—	—	—	—
	Core operating income	**(13.9)**	(16.2)	2.3	(45.0)	(31.1)
Total	Sales revenue	**1,172.8**	1,095.4	77.4	2,490.0	2,328.5
	Core operating income	**144.5**	108.7	35.8	270.0	208.4

3. Summary of Consolidated Statement of Income (IFRS)

(Billions of yen)

	Q2 FY2026	Q2 FY2025	Variance	Variance Ratio
Sales revenue	**1,172.8**	1,095.4	77.4	7.1%
Core operating income	**144.5**	108.7	35.8	32.9%
of which equity-method investments	**36.7**	(27.3)	64.0	—
Total non-recurring items (breakdown below)	**(6.5)**	(5.0)	(1.4)	—
Restructuring costs	**(5.0)**	(3.5)	(1.5)	—
Impairment losses	**(4.2)**	(3.3)	(0.9)	—
Others	**2.7**	1.8	0.9	—
Operating income	**138.1**	103.7	34.4	33.2%
Finance income/expenses (breakdown below)	**(16.1)**	(15.8)	(0.3)	—
(Loss) on foreign currency transactions including gain (loss) on derivatives	**(9.4)**	(6.4)	(3.0)	—
Others	**(6.7)**	(9.4)	2.7	—
Income before taxes	**121.9**	87.9	34.0	38.7%
Income tax expenses	**(16.3)**	3.0	(19.3)	—
Net income	**105.7**	90.9	14.7	16.2%
Net (income) attributable to non-controlling interests	**(22.8)**	(51.2)	28.5	—
Net income attributable to owners of the parent	**82.9**	39.7	43.2	108.8%
ROE	**7.6%**	4.3%		
Exchange rate (yen/$)	**159.49**	146.02		
Naphtha price (yen/kl)	**107,500**	64,800		
Overseas sales revenue ratio	**68.2%**	70.0%		

4. Summary of Consolidated Statement of Financial Position (IFRS)

(Billions of yen)

	30-Sep-26	31-Mar-26	Variance
Current assets	**1,623.0**	1,507.7	115.3
Cash and cash equivalents	**208.4**	208.6	(0.2)
Trade and other receivables	**637.0**	608.7	28.3
Inventories	**653.4**	595.5	57.9
Others	**124.2**	95.0	29.2
Non-current assets	**2,003.1**	1,897.3	105.7
Property, plant and equipment	**772.7**	770.7	2.0
Goodwill and intangible assets	**491.0**	501.0	(10.1)
Others	**739.4**	625.6	113.8
Total	**3,626.1**	3,405.0	221.0

	30-Sep-26	31-Mar-26	Variance
Liabilities	**2,143.5**	2,168.4	(24.9)
Trade and other payables	**529.8**	464.4	65.4
Interest-bearing liabilities	**1,087.4**	1,151.5	(64.1)
Others	**526.3**	552.5	(26.2)
Equity	**1,482.6**	1,236.7	246.0
Shareholders' equity	**858.3**	744.9	113.4
Other components of equity	**307.0**	263.8	43.3
Non-controlling interests	**317.3**	228.0	89.3
Total	**3,626.1**	3,405.0	221.0
Ratio of equity attributable to owners of the parent to total assets	**32.1%**	29.6%	2.5%
D/E ratio (times)	**0.73**	0.93	(0.20)

5. Summary of Consolidated Statement of Cash Flows (IFRS)

(Billions of yen)

	Q2 FY2026	Q2 FY2025	Variance	FY2025
Cash flows from operating activities	**66.6**	57.7	8.9	234.8
Cash flows from investing activities	**(84.9)**	(16.7)	(68.2)	(74.8)
Free cash flows	**(18.3)**	41.0	(59.3)	159.9
Cash flows from financing activities	**16.0**	(114.8)	130.8	(199.1)
Others	**2.2**	2.9	(0.8)	15.7
Increase (decrease) in cash and cash equivalents	**(0.2)**	(70.9)	70.7	(23.5)
Cash and cash equivalents at the end of the period	**208.4**	161.2	47.2	208.6