

A Story of Evolving with the Times and Pioneering the Future with the Power of Chemistry

1913-1940

Sumitomo Spirit the origin of “Jiri-Rita Koushi-Ichinyo”

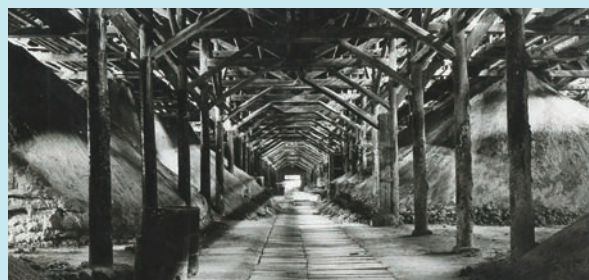
Origin of our company

The Besshi Copper Mine opened a smelter in 1884 and started full operation in 1893. Expansion of this smelting and refining business resulted in an unexpected problem of air pollution: sulfur dioxide gas emitted from the smelting process caused damage to local agricultural production. In response to this problem, Sumitomo made a decision to extract sulfur from copper ore to produce fertilizer (superphosphate lime) to reduce sulfur dioxide gas emissions during smelting.

Sumitomo Fertilizer Works, our predecessor, was established in 1913 to implement this plan. This not only reduced smoke pollution, but also made it possible to provide farmers with inexpensive fertilizers, contributing to the development of agriculture.

The Sumitomo family has passed down from generation to generation the words “Jiri-Rita Koushi-Ichinyo,” which means that its business must benefit society at large, not just its own interests. This business principle is embodied in the way Sumitomo addressed the problem of air pollution

they faced, and its commitment to contributing to the development of a sustainable society through business, which that story demonstrates, is deeply embedded in Sumitomo Chemical's Business Philosophy.



Calcium superphosphate warehouse

The First Step in our Ability to Develop Solutions Using Technology Birth of the Idea of Creating New Value through the Power of Chemistry



View of entire works after the first-phase ammonia plant completion

Going from a fertilizer manufacturer to a chemical company

The business that the company thus started, however, consumed only a small amount of sulfur in its production of fertilizer, accounting for only a mere 6% of the ore output of the Besshi Copper Mine. In order to increase the consumption of sulfur, in the form of sulfuric acid, the company decided to enter the ammonium sulfate business, which led to efficient use of sulfuric acid. Along with this, it also started manufacturing ammonia, a raw material for ammonium sulfate. After that, by introducing new technologies from outside, the company further expanded its business scope to include other industrial chemicals, including nitric acid, methanol, and formalin. In this way, a foundation was built for the company to develop from a fertilizer manufacturer into a chemical company.

Net Sales / Sales Revenue**2

1915-1977: Non-consolidated 1978-2022: Consolidated

*1 Since FY2016, Sumitomo Chemical has used IFRS (International Financial Reporting Standards).

*2 In FY1995, Sumitomo Chemical changed its fiscal year to end on March 31.

Revenue from January-March 1995 has been added to FY1994.

1915

1920

1925

1930

1935

1940

The Sumitomo Group's history dates back to about 400 years ago, when the Sumitomo family started its business in Kyoto, venturing into a broad range of fields, including copper smelting and refining, trading, and mining. In 1690, they discovered the Besshi Copper Mine in Ehime Prefecture. Sumitomo Chemical began its business journey by manufacturing fertilizers to prevent smoke pollution caused by the family's copper smelting operations, and has since been operating for over a century as one of the Sumitomo Group companies.

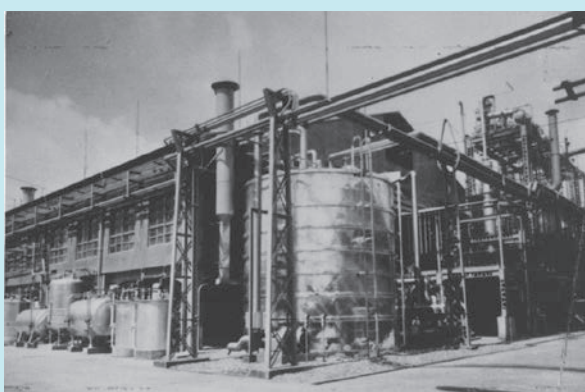
1941-1970

Creating Value in All Fields by Building a Broad Technology Base

Transformation into a diversified chemical company

In working to expand from the fertilizer business to the industrial chemicals business, the company found it essential to enter the field of fine chemicals, to grow into a diversified chemical company that could create synergies with its varied businesses. In 1944, Sumitomo Chemical merged with the Japan Dyestuff Manufacturing Company, which was engaged in the dyestuff and pharmaceuticals businesses. This marked the start of Sumitomo Chemical's fine chemicals business, which continued to grow in the years that followed.

After World War II, Sumitomo Chemical entered the agrochemicals business, comprised of household insecticides and crop protection products. In 1953, the company launched Pynamin, a household insecticide. Meanwhile, Sumithion, a crop protection product developed in-house, became a blockbuster. Driven by the twin engines of a household insecticide and a blockbuster crop protection product with a high safety profile, the agrochemicals business grew to play an important role in the company's fine chemicals sector.



Pynamin Plant

The pharmaceuticals business expanded through alliances and mergers with foreign companies. With new drug candidates successively coming into its pipeline and the launch of new treatments for psychiatric and neurological diseases and cardiovascular diseases, as well as anti-inflammatory and analgesic agents, this business achieved solid growth.

In 1958, Sumitomo Chemical completed the construction of manufacturing plants for ethylene and polyethylene in Ehime, Japan, and entered into the petrochemicals business. This was followed by the construction of a larger-scale ethylene plant in Chiba, Japan, and the expansion of the business into a wide range of petrochemical derivatives. The petrochemicals business expanded on the back of the rapid growth of the Japanese economy.



Ethylene Plant

(100 Million yen)
30,000

25,000

20,000

15,000

10,000

5,000

0

1945

1950

1955

1960

1965

1970 (FY)

A Story of Evolving with the Times and Pioneering the Future with the Power of Chemistry

1971-2000

Sumitomo Chemical to Build a Global Sumitomo Chemical Brand and Enter the World Market

Construction of Singapore Petrochemical Complex and entry into the U.S. agrochemical market

In 1971, at the request of the Singapore government, the Singapore Petrochemical Project, Sumitomo Chemical's first overseas project for its petrochemicals business, was initiated. Establishing a petrochemical base in Singapore had an immense significance for the company, because in Singapore naphtha was available at competitive prices and the location would allow the company easy access to the Southeast Asian market, where enormous growth in demand was expected.

While there were times when the future of this project became extremely uncertain, including the experience of the oil crisis, the Singapore Petrochemical Complex finally started full operation in 1984. These endeavors and achievements in Singapore brought the company valuable experience and know-how, which supported its efforts toward full-fledged globalization in the years that followed.

In 1988, we established Valent U.S.A. in the United States, entering the world's largest (at that time) crop protection market. Since then, in the agrochemicals business, Sumitomo Chemical successively launched new products from the 1990s to 2000s, including crop protection products

and household insecticides, by leveraging its advanced R&D capabilities. In addition, we have expanded the scale of our business through measures such as expanding our production capacity for methionine, a feed additive used to promote growth of poultry, and pursuing acquisitions both inside and outside Japan.



Valent U.S.A. Corp., a development and sales base in the United States for agrochemicals



Singapore Petrochemical Complex



Dongwoo Semiconductor Chemicals (currently, Dongwoo Fine-Chem) (South Korea)

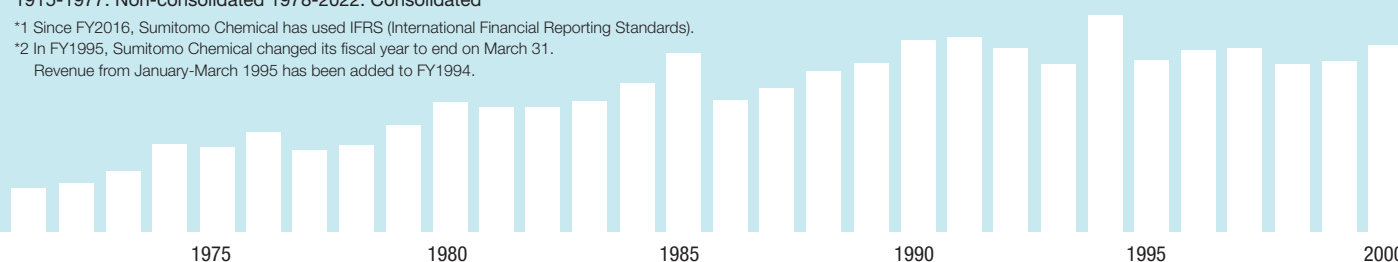
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2001-

Deepen Global Management and Develop Competitive Businesses in Global Markets

IT-related Chemicals Sector established and business growth

In the latter half of the 1990s, digitalization began to advance rapidly, with the internet, PCs, and cell phones becoming widely used in society. In response to these societal changes, Sumitomo Chemical decided to define information technology-related businesses that handle components and materials for electronic devices as one of the pillars that support the future of Sumitomo Chemical, and established the IT-related Chemicals Sector. With a particular focus on the South Korean, Taiwanese and Chinese markets, the company set up local production companies and actively expanded the business. Backed by rapid expansion in the use of liquid crystal display panels, the business for display components, including polarizing films and color filters, achieved remarkable growth.

Separation of the pharmaceutical business and the inauguration of Sumitomo Dainippon Pharma Co., Ltd.

In 1984, Sumitomo Chemical and Inabata & Co., Ltd. spun off their pharmaceuticals manufacturing and sales businesses to form Sumitomo Pharmaceutical Co., Ltd., with the aim of improving efficiency and agility in manufacturing, sales and R&D and increasing competitiveness. Furthermore, in 2005, Sumitomo Pharmaceutical merged with Dainippon Pharmaceutical to establish Sumitomo Dainippon Pharma Co., Ltd., with the goals of strengthening their business base in Japan while also expanding their global reach. Sumitomo Dainippon Pharma has actively been promoting the sales of LATUDA®, an atypical antipsychotic agent developed in-house, in the U.S. and the EU.

Implementation of the Rabigh Project

The Rabigh Project, a substantial project to construct a world-scale oil refinery and petrochemicals complex in Saudi Arabia, got its start in 2004 when Sumitomo Chemical and Saudi Aramco signed a memorandum of understanding. Saudi Aramco selected Sumitomo Chemical as its partner for this project, highly valuing Sumitomo Chemical's outstanding technological capabilities, robust sales force in Asia, and the achievements of its petrochemicals business in Singapore. In 2005, Rabigh Refining and Petrochemical Company (Petro Rabigh) was established as a joint venture between Saudi Aramco and Sumitomo Chemical, with the Phase I Project starting commercial operations in 2009, and the Phase II Project starting in 2019.



Joint information meeting on the merger of Dainippon Pharmaceutical and Sumitomo Pharmaceuticals



Petro Rabigh (Saudi Arabia)

Sumitomo Chemical remains committed to its principle of contributing to the development of a sustainable society through business, even after more than a century has passed since its foundation.

The company will continue to work to resolve various issues facing people around the world and achieve long-term sustained growth.

[Our Website: Company History](#)

