

June 27, 2017

Sumitomo Chemical and Bayer agree to collaborate on new fungicidal mixtures in Brazil

Sumitomo Chemical Company, Limited and Bayer announced today that the companies have reached a new agreement on the development of fungicidal mixture products aimed at controlling soybean diseases in Brazil.

These products will utilize Sumitomo Chemical's novel fungicide in combination with established Bayer fungicides to create a potent new means of combating major plant diseases. Financial terms were not disclosed.

Ray Nishimoto, Sumitomo Chemical's Representative Director, Senior Managing Executive Officer, and President of Health & Crop Sciences Sector, said, "Our novel compound will bring effective solutions to control major diseases and help our customers improve their productivity and profitability globally. The mixture products to be developed by each company in Brazil will broaden the choices for soybean disease control and contribute to stable production with their excellent performance."

"With this strategic partnership we contribute to the sustainable development of farming in Brazil," said Liam Condon, Member of the Board of Management of Bayer AG and president of the Crop Science division. "Growers have consistently told us that bacterial, viral and fungal diseases as well as devastating nematodes are the biggest problems they face. As the world's largest supplier of fungicides, we offer a wide range of tailored solutions that help Brazilian growers produce more sustainably."

The novel fungicide which Sumitomo Chemical is developing for global use is broadly effective against fungal pathogens and exhibits high activity against major soybean diseases such as Asian soybean rust. During the companies' collaboration, Sumitomo Chemical will continue the global development of its fungicide, while Bayer will focus on the development of mixture products designed to manage fungal diseases prevalent in Brazilian soybean crops. Sumitomo Chemical will also develop its own mixture products utilizing the fungicide.

Commercialization of the companies' respective products will begin following their registration and due regulatory approval from relevant authorities. Both companies anticipate they will submit their product registration applications at the end of 2017.

About Sumitomo Chemical Company, Limited

Headquartered in Tokyo, Japan, Sumitomo Chemical is one of Japan's leading chemical companies, offering a diverse range of products globally in the fields of petrochemicals, energy and functional materials, IT-related chemicals and materials, health and crop science products, and pharmaceuticals. The company's consolidated net sales for fiscal year 2016 were JPY 2 trillion. For additional information, please visit the company's website at www.sumitomo-chem.co.jp/english/.

Bayer: Science For A Better Life

Bayer is a global enterprise with core competencies in the Life Science fields of health care and agriculture. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2016, the Group employed around 115,200 people and had sales of EUR 46.8 billion. Capital expenditures amounted to EUR 2.6 billion, R&D expenses to EUR 4.7 billion. These figures include those for the high-tech polymers business, which was floated on the stock market as an independent company named Covestro on October 6, 2015. For more information, go to www.bayer.com.