

For Immediate Release

(This is an English translation of the Japanese original)

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Sumitomo Corporation  
Masayuki Hyodo  
Representative Director, President and Chief Executive Officer  
Code No. 8053 Tokyo Stock Exchange (TSE), 1<sup>st</sup> Section  
Contact: Ryuichiro Hirano  
Corporate Communications Dept.  
Tel. +81-3-6285-3100

**Notice Regarding Recognition of Valuation Loss on Investment in Subsidiary in the Non-consolidated  
Financial Statement for the Fiscal Year Ending March 31, 2020**

Sumitomo Corporation (hereinafter “Sumitomo”) announces that Sumitomo will recognize a valuation loss on investment in subsidiary Summit Ambatovy Mineral Resources Investment B.V. in the non-consolidated financial statement for FY2019 (April 1, 2019 to March 31, 2020).

The loss has already been recognized in the consolidated financial statements in the past years in accordance with IFRS (International Financial Reporting Standards), there is no impact on the consolidated earnings for the six-month period ending September 30, 2019 and the fiscal year ending March 31, 2020.

1. Details of non-operating loss in the non-consolidated earnings

Sumitomo, through Summit Ambatovy Mineral Resources Investment B.V. (headquartered in Amsterdam, Kingdom of the Netherlands, hereinafter “SAMRI”), its wholly-owned subsidiary, has invested in Ambatovy Minerals S.A., a nickel mine operator in Madagascar, and Dynatec Madagascar S.A., a nickel refinery operator (headquartered in Antananarivo, the Republic of Madagascar) at a 47.67% equity ratio. Since the substantial stock value of SAMRI has declined below its book value due to sluggish project operations, Sumitomo will recognize approximately 70 billion yen as “Valuation loss on investment securities” under “Non-operating expense” in the non-consolidated financial statement for the fiscal year ending March 31, 2020.

2. Consolidated earnings forecasts for the fiscal year ending March 31, 2020<sup>(Note)</sup>

The consolidated earnings forecasts announced on May 9, 2019 remain unchanged.

Profit for the year attributable to owners of the parent: 340.0 billion yen

(Note) Cautionary Statement Concerning Forward-looking Statements

This notice includes forward-looking statements relating to our future plans, forecasts, objectives, expectations and intentions. The forward-looking statements reflect management’s current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The management forecasts included in this notice are not projections, and do not represent

management's current estimates of future performance. Rather, they represent forecasts that management strives to achieve through the successful implementation of Sumitomo's business strategies. Sumitomo may be unsuccessful in implementing its business strategies, and management may fail to achieve its forecasts. Sumitomo is under no obligation — and expressly disclaims any such obligation — to update or alter its forward-looking statements.