

January 13, 2023

To whom it may concern

Sumitomo Corporation
Representative Director, President and Chief Executive Officer Masayuki Hyodo
(Code No: 8053, Prime, Tokyo Stock Exchange)
Contact: Shuichi Nagasawa, General Manager,
Corporate Communications Dept.
TEL: +81-3-6285-3100

Notice Regarding Company Split (Simplified Absorption-type Split) Involving Partial Transfer of Sumitomo Corporation's Mineral Resources Business to Wholly-owned Consolidated Subsidiary

Sumitomo Corporation hereby announces that it has resolved at its Board of Directors meeting held today that it will transfer a part of its mineral resources business (hereinafter, "this Company Split") to Summit CRM, Ltd. (hereinafter, "Summit CRM"), a wholly owned consolidated subsidiary, effective April 1, 2023, as detailed below.

Certain information has been omitted from this announcement since this Company Split is a simplified absorption-type split in which Sumitomo Corporation will transfer the assets to its wholly owned consolidated subsidiary.

1. Purpose of this Company Split

Sumitomo Corporation, via this Company Split, will transfer the following businesses (hereinafter, "Relevant Businesses") to Summit CRM and consolidate certain functions, thereby aiming to further increase corporate value as a group.

- (1) Business related to artificial graphite electrodes for steelmaking (hereinafter "Electrodes")
- (2) Business related to graphite cathode blocks for aluminum smelting and other special carbon products (hereinafter "Cathodes")

While Sumitomo Corporation had previously transferred part of its carbon business to Summit CRM, it has been determined to transfer the Relevant Businesses as well since Summit CRM is now equipped to achieve further growth. We have come to the conclusion that it is in the best interests of the Sumitomo Corporation Group and our business partners to expand our revenue base by forming a professional organization within Summit CRM and providing further added value.

2. Overview of this Company Split

(1) Schedule for this Company Split

Resolution on absorption-type split by Sumitomo Corporation's Board of Directors (Sumitomo Corporation and Summit CRM)	January 13, 2023
Conclusion of absorption-type split agreement	January 13, 2023
Date of record for split (effective date)	April 1, 2023 (tentative)

(Note) Since Sumitomo Corporation, as the splitting company, satisfies the requirements for a simplified absorption-type split under the provisions of Article 784, Paragraph 2 of the Companies Act, and Summit CRM, as the succeeding company, satisfies the requirements for a summary absorption-type split under the provisions of Article 796, Paragraph 1 of the Companies Act, this Company Split will be carried out without obtaining approval from the General Meeting of Shareholders of the respective companies.

(2) Method for this Company Split

This Company Split will be an absorption-type split (simplified split), with Sumitomo Corporation as the splitting company and Summit CRM as the succeeding company.

(3) Allocation of assets in connection with this Company Split

Summit CRM, as the succeeding company, will not deliver shares, money or other assets to Sumitomo Corporation as consideration for the businesses to be succeeded by this Company Split.

(4) Handling of share options and bonds with share options in connection with this Company Split

There will be no changes made to share options issued by Sumitomo Corporation as a consequence of this Company Split, and Sumitomo Corporation has not issued bonds with share options.

(5) Changes in capital in connection with this Company Split

There will be no changes made to Sumitomo Corporation's capital as a consequence of this Company Split.

(6) Rights and obligations to be assumed by the succeeding company

In connection with this Company Split, Summit CRM, as the succeeding company, is to inherit the status under the agreements concerning the Relevant Businesses deemed necessary for the execution thereof and the rights and obligations arising under these agreements, which are set forth in the absorption-type split agreement.

(7) Prospects for fulfillment of obligations

There are no liabilities which will be assumed by Summit CRM, as the succeeding company, in connection with this Company Split, and Sumitomo Corporation has determined that Summit CRM can be rightfully expected to fulfill the obligations it assumes.

3. Profiles of companies involved in this reorganization

	Splitting company (As of March 31, 2022)	Succeeding company (As of March 31, 2022)
(1) Name	Sumitomo Corporation	Summit CRM, Ltd.
(2) Address	3-2 Otemachi 2-Chome, Chiyoda-ku, Tokyo	1-2-2 Hitotsubashi, Chiyoda-ku, Tokyo
(3) Name and title of representative	Masayuki Hyodo, Representative Director, President and Chief Executive Officer	Kenichiro Uchida, President and CEO
(4) Description of business	Integrated trading company	Wholesaler (trading company)
(5) Capital	219,893 million yen (*1)	498 million yen
(6) Date established	December 24, 1919	November 1, 1996
(7) Shares outstanding	1,251,404,367 shares (*2)	9,960 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. 16.76% EUROCLEAR BANK S.A./N.V. 5.24% Custody Bank of Japan, Ltd. 5.15% Sumitomo Life Insurance Company 2.47%	Sumitomo Corporation 100.0%

(10) Financial position and operating results for most recent business year (in millions of yen, except when otherwise

specified)		
Name of company	Sumitomo Corporation (consolidated)	Summit CRM
Fiscal year	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2022
Net assets (Equity attributable to owners of the parent)	3,197,816	1,795
Total assets	9,582,166	10,641
Net assets per share (yen) (Equity per share attributable to owners of the parent)	2,558.24	180,276.64
Revenues	5,495,015	67,800
Operating income	-	1,461
Net income (Profit for the year attributable to owners of the parent)	463,694	1,173
Net income per share (yen) (Earnings per share attributable to owners of the parent (basic))	370.79	117,772.23

(*1, 2) Capital has increased by 153 million yen to 220,046 million yen as a result of the issuance of new shares as performance-linked stock-based remuneration as of August 18, 2022. The total number of shares outstanding has also increased by 167,500 shares to 1,251,571,867 shares.

4. Overview of businesses involved in this Company Split

(1) Details of businesses to be split

Businesses related to Electrodes and Cathodes

(2) Operating results of businesses to be split (for fiscal year ended March 2022)

Revenues: 13.6 billion yen

(3) Asset and liability items/amounts to be split (tentative)

Assets		Liabilities	
Current assets	-	Current liabilities	-
Fixed assets	-	Fixed liabilities	-
Total	-	Total	-

(Note) At this stage, it is not expected that there will be any assets or liabilities to be split. Only the rights and obligations described in “2. Overview of this Company Split, (6) Rights and obligations to be assumed by the succeeding company” will be succeeded by this Company Split.

5. Status of companies involved after this Company Split

There will be no changes made to the name, address, name and title of representative, description of business, capital, and fiscal year-end of Sumitomo Corporation or Summit CRM as a consequence of this Company Split.

6. Future outlook

This Company Split is a transaction between Sumitomo Corporation and a wholly-owned subsidiary of Sumitomo Corporation, so any impact that this Company Split might have on Sumitomo Corporation’s consolidated financial results will be negligible.

(Reference) Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (announced on November 4, 2022) and consolidated results for the previous fiscal year

	Profit for the year attributable to owners of the parent	Earnings per share attributable to owners of the parent (basic)
Unit	million yen	yen
Forecasts for current fiscal year (ending March 31, 2023)	550,000	439.96
Results for previous fiscal year (Fiscal year ended March 31, 2022)	463,694	370.79

(Note) Cautionary Statement Concerning Forward-Looking Statements

This report 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. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. Sumitomo Corporation is under no obligation—and expressly disclaims any such obligation—to update or alter its forward-looking statements.