Sumitomo Corporation of Americas

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Sumitomo Corporation Awarded *Infrastructure Investor's* Deal of The Year, Latin America alongside Brookfield Business Partners

New York, NY – March 9, 2018 – Infrastructure Investor's 9th Annual Global Awards recently honored Sumitomo Corporation and Brookfield Business Partners for "Deal of the Year, Latin America" regarding the sale of Odebrecht Ambiental, Brazil's largest water distribution and treatment company.

The \$908 million sale of Odebrecht Ambiental, a result of the Odebrecht corruption scandal in Brazil, took deal of the year for the Latin American market. A consortium of investors led by Brookfield Business Partners and Sumitomo Corporation agreed to buy a 70 percent stake in Brazil's largest water distribution and treatment company, with a portfolio of 26 operating businesses serving around 17 million people. The investor consortium in this deal agreed to pay \$768 million for the controlling stake and \$140 million to fund operations and support growth. Brazil's national severance guarantee fund retained a 30 percent interest, but the company was renamed BRK Ambiental.

"We are honored to be recognized for this important investment, for which we were very pleased to partner with Brookfield, among the other investors that were part of this deal," said Bill Cannon, GM and Senior Vice President of the Environment & Infrastructure Unit, Sumitomo Corporation of Americas. "The team that worked on this deal was second to none, and we look forward to improving the water concession business for residents in Brazil, and more broadly speaking, enhancing quality of life for all persons affected by our water business."

In Brazil, only 83% of the population has access to utility water services, and only 50% can access sewerage services (reference: Brazil's National Sanitation Information System, 2015). At the same time, leakage-related loss from the water supply network is becoming a critical issue that requires urgent improvement. Currently, 90% of water and sewerage services are managed by local governments. However, the Brazilian government has adopted a policy to bring in more private companies through concessions to improve the situation.

One of Sumitomo's strategic policies is to build and invest in water infrastructure such as water supply systems and sewage treatment and water desalination facilities, thereby helping to improve living standards around the world. Sumitomo intends to continue its strategy to become a major player in water infrastructure, utilizing its integrated corporate strength to contribute to the provision of stable water supplies and solving global water issues.

About Sumitomo Corporation of Americas

Established in 1952 and headquartered in New York City, Sumitomo Corporation of Americas (SCOA) has 9 offices in major U.S. cities. SCOA is the largest subsidiary of Sumitomo Corporation, one of the world's leading traders of goods and services. As an integrated business enterprise, the firm has emerged as a major organizer of multinational projects, an expediter of ideas, an important international investor and financier, and a powerful force for distribution of products and global communications through a network of offices worldwide. Its core business units include Tubular Products, Environment and Infrastructure, Steel and Non Ferrous Metals, Transportation and Construction Systems, Chemicals and Electronics, Media and IOT Applications, Real Estate, Mineral Resources and Energy, and Food. SCOA continues to grow its environment and infrastructure business and has extensive experience developing, operating and owning facilities around the world, including water, wind, geothermal, biomass and solar resources. For more information, visit <u>www.sumitomocorp.com</u>.