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FOR IMMEDIATE RELEASE

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Notice Concerning Execution of Share Exchange

Sumitomo Corporation (hereinafter referred to as “SC”) and Sumisho Lease Co., Ltd. (hereinafter referred to as “Sumisho Lease”) today announced that SC and Sumisho Lease will execute a share exchange transaction (hereinafter referred to as the “Share Exchange”) as described below to make Sumisho Lease a wholly-owned subsidiary of SC, based on the resolution of their respective Board of Directors held on May 22, 2007.

1. Purpose of the Share Exchange

As described in the press release on October 13, 2006, “Strategic Joint Business in Leasing Businesses between Sumitomo Corporation Group and Sumitomo Mitsui Financial Group,” SC and Sumisho Lease agreed with Sumitomo Mitsui Financial Group, Inc. (hereinafter referred to as “SMFG”) and SMBC Leasing Company, Limited (hereinafter referred to as “SMBC Leasing”) to build up a strategic joint business with an aim to establish the best leasing business in Japan, through the merger of Sumisho Lease and SMBC Leasing. Based on this agreement, SC conducted the tender offer of the shares of Sumisho Lease from October 31, 2006 to December 7, 2006 (hereinafter referred to as the

“Tender Offer”) with intent to make Sumisho Lease its wholly-owned subsidiary, and as a result SC held 96.53% of Sumisho Lease’s total number of outstanding shares as of March 31, 2007 (96.80% of the voting rights of Sumisho Lease’s common stock).

SC and Sumisho Lease believe that in order to accomplish the goals of the strategic joint business as early as possible, it is necessary to create the structure in which SC and SMFG jointly manage the new merged leasing company and provide management resources of the Sumitomo Corporation Group and the Sumitomo Mitsui Financial Group promptly and effectively. SC and Sumisho Lease have concluded that, for the parties to establish the above-described joint business and for the shareholders who did not apply to the Tender Offer to recover the invested capital, it is desirable for SC to make Sumisho Lease its wholly owned subsidiary through the Share Exchange.

SC and Sumisho Lease plan to pay cash to all of Sumisho Lease’s shareholders exclusive of SC, based on a share exchange agreement to be concluded between them (hereinafter referred to as the “Share Exchange Agreement”). In view of the fact that SC held 96.80% of the voting rights of Sumisho Lease’s common stock as of March 31, 2007, SC and Sumisho Lease each requested to a third-party institution the analyses and opinions on the cash amount to be paid in the Share Exchange in order to ensure fairness and reasonableness of the cash amount as described in the after-mentioned 2.(3), and examined and decided, at each company’s Board of Directors where outside corporate auditors of each company were also present, the cash amount to be paid in the Share Exchange following negotiations and discussions with reference to those analyses and opinions.

As a result of the Share Exchange, Sumisho Lease will become a wholly-owned subsidiary of SC, effective on July 1, 2007. According to the delisting procedures of Tokyo Stock Exchange and Osaka Securities Exchange, the shares of Sumisho Lease will be transferred to the “seiri post” (the “Seiri Post”) on May 23, 2007 and will be delisted on June 23, 2007 (the final trading day will be June 22, 2007). After delisting, the shares of Sumisho Lease will not be traded on Tokyo Stock Exchange and Osaka Securities Exchange.

2. Outline of the Share Exchange

(1) Schedule of the Share Exchange

Board meetings to resolve the Share Exchange	Tuesday, May 22, 2007 (today)
Conclusion of the Share Exchange Agreement	Tuesday, May 22, 2007 (today)*
Transfer of Sumisho Lease’s share to the Seiri Post	Wednesday, May 23, 2007*
Delisting of Sumisho Lease’s share	Saturday, June 23, 2007*
Deadline for submitting share certificates to Sumisho Lease	Sunday, July 1, 2007*

The effective date of the Share Exchange
*planned

Sunday, July 1, 2007*

Note: Approvals of the general meetings of shareholders will not be needed at each company because the Share Exchange will be executed through a simplified share exchange (*kan'i kabushiki kokan*) for SC and through a short-form share exchange (*ryakushiki kabushiki kokan*) for Sumisho Lease, based on Article 796, Paragraph 3 and Article 784, Paragraph 1 of the Company Law of Japan, respectively.

(2) The amount of cash to be paid in the Share Exchange

In accordance with the Share Exchange Agreement, SC will pay ¥7,000 per common stock to the shareholders of Sumisho Lease, exclusive of SC and inclusive of beneficial shareholders, who are described or recorded on the final shareholder register (including beneficial shareholder register) of Sumisho Lease as of June 30, 2007 (effectively as of Friday, June 29, 2007 considering the fact that June 30, 2007 is a non-business day of Sumisho Lease's shareholder register manager), the preceding day of the effective date of the Share Exchange, under Article 768, Paragraph 1, Item 2 of the Company Law of Japan.

(3) Basis of calculation for the cash amount to be paid in the Share Exchange

(i) Calculation basis

In order to ensure the fairness and reasonableness of the amount of cash to be paid in the Share Exchange, SC and Sumisho Lease requested Nomura Securities Co., Ltd. (hereinafter referred to as "Nomura") and Ernst & Young Transaction Advisory Services Co., Ltd. (hereinafter referred to as "Ernst & Young"), respectively, to present their professional analyses and opinions as independent third party institutions, on the amount of cash to be paid in the Share Exchange.

Nomura calculated the amount of cash to be paid in the Share Exchange based on the DDM (Dividend Discounted Model), the comparable companies analysis, and the comparable transactions analysis. In Nomura's calculation, the amount of cash to be paid in the Share Exchange is between ¥6,751 and ¥7,919 per share of Sumisho Lease based on the DDM, between ¥4,274 and ¥5,301 per share of Sumisho Lease based on the comparable companies analysis, and between ¥5,156 and ¥6,707 per share of Sumisho Lease based on the comparable transactions analysis, respectively (the forecast assumed in the DDM does not reflect significant increase or decrease in the profits plan).

On the other hand, Ernst & Young calculated the amount of cash to be paid in the Share Exchange based on the DCF (Discounted Cash Flow) method and the comparable companies analysis. In Ernst & Young's calculation, the amount of cash to be paid in the Share Exchange is

between ¥4,493 and ¥7,221 per share of Sumisho Lease based on the DCF method, and between ¥4,750 and ¥5,421 per share of Sumisho Lease based on the comparable companies analysis, respectively (the forecast assumed in the DCF method does not reflect significant increase or decrease in the profits plan).

Sumisho Lease is now in the negotiation with The Bank of Yokohama, Ltd. on sale of all Sumisho Lease's holding shares of Hamagin Finance Co., Ltd., a subsidiary of Sumisho Lease, to The Bank of Yokohama Group. However, neither details of the terms of the deal nor the probability of the agreement on the deal is confirmed at present. Nomura and Ernst & Young were informed about the potential deal of the shares of Hamagin Finance Co., Ltd. held by Sumisho Lease in the above-described calculations.

(ii) Calculation background

SC and Sumisho Lease requested, as described above, to Nomura and Ernst & Young the calculation of the amount of cash to be paid in the Share Exchange, respectively, and examine carefully the result of the calculation by those independent third party institutions. SC and Sumisho Lease conducted negotiations and discussions based on the above-described calculation and the result of the Tender Offer, and agreed on the type of consideration (cash) and the amount of cash to be paid in the Share Exchange at their respective Board of Directors held on May 22, 2007. The agreed-upon amount of cash to be paid is within the range of the calculation Nomura presented to SC and the calculation Ernst & Young presented to Sumisho Lease, respectively.

Please note that should any significant change occur affecting the conditions upon which the calculations are based, SC and Sumisho Lease may discuss and agree to change the above amount of cash to be paid.

(iii) Relationship with the third-party institutions

Nomura is not a related party to SC and Sumisho Lease. Nomura gave financial advices to SC as a financial advisor and a tender offer agent for the Tender Offer. On the other hand, Ernst & Young is not a related party to SC and Sumisho Lease.

(4) New share acquisition rights and bonds with new share acquisition rights in a prospective wholly-owned subsidiary

On August 1, 2006, Sumisho Lease issued, in relation to its stock option plan, the new share acquisition rights to its directors, executive officers, and corporate officers. Sumisho Lease decided to cancel the new share acquisition rights based on the resolution of its Board of Directors held on May 22, 2007.

3. Overview of the parties to execute the Share Exchange (As of March 31, 2007)

(1) Company name	Sumitomo Corporation	Sumisho Lease Co., Ltd.		
(2) Business description	Integrated trading business (<i>sogo shosha</i>)	General leasing business		
(3) Date of incorporation	December 24, 1919	January 12, 1948		
(4) Address of head office	8-11, Harumi 1-chome, Chuo-ku, Tokyo	5-33, Kitahama 4-chome, Chuo-ku, Osaka		
(5) Representative	Motoyuki Oka, President and CEO	Hideki Yamane, President		
(6) Capital (consolidated)	¥219,279 million	¥14,760 million		
(7) Total number of issued shares	1,250,602,867 shares	43,396,595 shares		
(8) Net assets (consolidated)	¥1,473,128 million	¥144,903 million		
(9) Total assets (consolidated)	¥8,430,477 million	¥1,492,420 million		
(10) Fiscal year end	March 31	March 31		
(11) Number of employees (company)	4,717	616		
(12) Major customers	—	—		
(13) Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust Account)	8.68%	Sumitomo Corporation	96.53%
	Japan Trustee Services Bank, Ltd. (Trust Account)	7.45%	Deutsche Securities Inc.	0.67%
	Japan Trustee Services Bank, Ltd. (Trust Account 4)	3.22%	State Street Bank and Trust Company	0.27%
	Mitsui Sumitomo Insurance Co., Ltd.	2.66%	Nomura Securities Co., Ltd.	0.25%
	Sumitomo Life Insurance Company	2.47%	CGMFP-PCF EQUITY	0.24%

(14) Main banks	Sumitomo Mitsui Banking Corporation	The Sumitomo Trust and Banking Company, Limited
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Sumitomo Mitsui Banking Corporation
	The Sumitomo Trust and Banking Company, Limited	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
	Mizuho Corporate Bank, Ltd.	
	The Norinchukin Bank	
(15) Relationship between the parties	Capital	As of March 31, 2007, SC holds 96.53% of the outstanding shares of Sumisho Lease (96.80% of the voting rights of Sumisho Lease's common stock). Sumisho Lease is a consolidated subsidiary of SC.
	Personnel	SC has seconded 3 employees to Sumisho Lease.
	Related party transactions	SC has leased and purchased in installments various equipment from Sumisho Lease and has sold leasing equipment and leased offices to Sumisho Lease.
	Subsidiary/affiliates relationship	Sumisho Lease is a consolidated subsidiary of SC.

(16) Business results for the latest three fiscal years

(Yen in millions)

Fiscal year Ending	SC (parent company) (consolidated) (Note 1)			Sumisho Lease (wholly-owned subsidiary) (consolidated)		
	March 2005	March 2006	March 2007	March 2005	March 2006	March 2007
Net sales	9,898,598	10,336,265	10,528,277	430,872	450,482	461,313
Operating income	112,385	176,133	239,748	21,861	25,731	29,080
Ordinary income	—	—	—	24,714	28,363	31,126
Net profit	85,073	160,237	211,004	15,158	17,080	20,017

Net income per share (Yen)	72.83	130.18	169.93	349.03	393.35	462.63
Dividend per share (Yen) (Note 2)	11.00	25.00	33.00	30.00	40.00	25.00
Net assets per share (Yen)	776.61	1,047.88	1,192.35	2,072.10	2,727.32	3,187.04

(Note 1) SC's Financial results have been prepared in conformity with accounting principles generally accepted in the United States of America, pursuant to Article 93 in the "Regulations Concerning Terminology, Forms and Method of Preparation of Consolidated Financial Statements" of Japan. "Net sales" and "Operating income" of SC have been presented in a manner customarily used in Japan.

(Note 2) "Dividend per Share" of SC for the fiscal year ended March 31, 2007 is a planned amount and subject to the approval by the shareholders at the ordinary general meeting to be held in June 2007. In order to avoid a difference in the economic benefits accrued between the shareholders who tender and do not tender the shares in the Tender Offer, Sumisho Lease's Board of Directors adopted a resolution in the meeting held on October 13, 2006, not to distribute the year-end dividend for the fiscal year ended March 31, 2007.

4. Parent company information after the Share Exchange

(1) Company name	Sumitomo Corporation
(2) Business description	Integrated trading business (<i>sogo shosha</i>)
(3) Address of head office	8-11, Harumi 1-chome, Chuo-ku, Tokyo
(4) Representative	Susumu Kato, President and CEO (Note)
(5) Capital (consolidated)	¥219,279 million
(6) Total assets (consolidated)	Not determined at this point
(7) Net assets (consolidated)	Not determined at this point
(8) Fiscal year end	March 31

(Note) It was unofficially determined on the resolution of the extraordinary meeting of SC's Board of Directors held on May 7, 2007, and will be officially determined on the resolution of SC's Board of Directors to be held following the general meeting of shareholders on June 22, 2007.

(9) Summary of Accounting Treatment

SC will apply the accounting standard under the accounting principles generally accepted in the United States of America ("U.S. GAAP"). However, the amount of goodwill, etc. has not been determined at present.

(10) Impact of the Share Exchange on the financial results

As a result of the Tender Offer, Sumisho Lease has become a consolidated subsidiary of SC from the fiscal year ended March 31, 2007. SC assumes that the impact of the Share Exchange on SC's consolidated and unconsolidated financial results is not material.

5. Summary of the merger after the Share Exchange

As a result of the Share Exchange, Sumisho Lease will become a wholly-owned subsidiary of SC. Sumisho Lease plans to merge with SMBC Leasing on October 1, 2007.

End of Document

This press release contains information about future business prospects, etc. Please note that the information provided in this press release is based on the predictions of the management of the parties at the time of this press release and involves risks and uncertainties. The actual results may differ from what is disclosed here, subject to changes in business environment, etc. Furthermore, this press release is not made for the purpose of solicitation of any kind, domestic or foreign.