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Sumitomo Corporation and UBS AG reached a settlement in relation to illicit copper trading by a former employee of Sumitomo

Tokyo, April 7, 2006 – Sumitomo Corporation (Sumitomo) today announced that Sumitomo and UBS AG (headquarters: Switzerland) reached a settlement of a lawsuit filed by Sumitomo against UBS AG in relation to the illicit copper trading by Yasuo Hamanaka, a former employee of Sumitomo in the Tokyo High Court on April 7, 2006.

UBS AG, without any admission of wrongdoing or unlawful act, will pay Yen 10 billion to Sumitomo for the settlement.

Sumitomo filed the lawsuit against UBS AG with the Tokyo District Court in June, 1999. The Tokyo District Court rendered a judgment dismissing Sumitomo's claims in May 2004. In May, 2004, Sumitomo filed an appeal to the Tokyo High Court on grounds of errors in the judgment by the Tokyo District Court. The Tokyo High Court advised Sumitomo and UBS AG that the lawsuit should be resolved by settlement and Sumitomo agreed to settle the lawsuit based on the advice by the Tokyo High Court.

The settlement amount of Yen 10 billion will be posted as profit in the fiscal year of March 2007.

Ends.