

For Immediate Release

(This is an English translation of the Japanese original.)

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Sumitomo Corporation

Motoyuki Oka, President and CEO

Code No.8053 Tokyo Stock Exchange, 1st Section

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Notice Concerning Dissolution of our Consolidated Subsidiary

This is to inform you that Kouei Drug Co., Ltd (wholly-owned subsidiary; hereinafter referred as Kouei Drug) adopted its dissolution on December 27, 2006 and Kouei Drug finished its liquidation on March 23, 2007.

1. Reason for dissolution of Kouei Drug

Sumitomo Corporation acquired 100% stakes in Kouei Drug in June 2006 for the purpose of expanding our franchise of drugstores. After our acquisition, whole business of Kouei Drug was assigned and transferred to SUMISHO DRUGSTORES INC. (also wholly-owned subsidiary) on January 1st, 2007 because we judged that the business of two subsidiaries could be in harmony each other and such business integration could realize synergies effects.

2. Profile of the dissolved company, Kouei Drug (as of August 31st, 2006)

- (1)Company Name : Kouei Drug Co., Ltd
- (2)Location of Headquarter: 1-10-3, Oi, Shinagawa, Tokyo
- (3)Month of Foundation : December, 1990
- (4)Paid-in Capital : JPY 40 million
- (5)Representative : Taizo Hirose
- (6)Banking Relationship : Sumitomo Mitsui Banking Corporation (Gotanda, Tokyo)
The Higashi-Nippon Bank, Limited (Togoshi, Tokyo)
Mizuho Bank, Ltd (Gotanda, Tokyo)

(7)Business Description : Drugstore business

(8)Result from Recent Business Years (Millions of Yen)

	2004/8	2005/8	2006/8
Sales	5,505	5,786	5,965
Ordinary Income	206	290	206
Net Income	122	108	5

3. Effect on Business Results

The dissolution of Kouei Drug has slight effect on our consolidated business results.