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To whom it may concern:

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Sumitomo to Jointly Establish Vehicle Production Facility in Mexico and Sales Company in Brazil with Mazda

TOKYO, Japan - Sumitomo Corporation (Chuo-ku, Tokyo; President and CEO: Susumu Kato; hereinafter, "Sumitomo") hereby announces that Sumitomo and Mazda Motor Corporation (Fuchu-cho, Aki-gun, Hiroshima; President and CEO: Takashi Yamanouchi; hereinafter "Mazda") have reached a basic agreement on launching a two-pronged joint venture focusing on Mazda cars in Central and South America—with production in Mexico and sales in Brazil—and have embarked on the preparatory process. The two companies aim to expand business in the burgeoning market by combining their respective strengths in a new cooperative project.

One pillar of the project is production of Mazda cars in Mexico, with a focus on compact cars targeting the entire Latin American market. In line with this concept, a car-body and engine assembly plant is planned for construction in Salamanca in the state of Guanajuato, around 250 kilometers northwest of Mexico City. The plant, scheduled to be completed in fiscal 2013, will have an initial annual output capacity of 140,000 units, which will mainly consist of Mazda 2 and Mazda 3 units, which are marketed under the name DEMIO and AXELA in Japan, respectively.

The other pillar is to be established in Brazil, a core market in Latin America. This market saw new car demand doubling to 3.5 million in 2010 from 2005, making it the world's fourth largest market following China, USA and Japan. It is planned that the sales and marketing base in Brazil will start operation in fiscal 2012 by importing vehicles produced in Japan, and upon completion of the Mexico plant, products will be supplied from the new base in addition to Japanese imports.

Sumitomo has maintained a partnership with Mazda for many years across a broad range of areas, from supplying raw materials, components and equipment to exporting products (finished cars and knocked-down kits) and auto leases. Under the recent agreement, Sumitomo will make its first foray into the automobile production business. We will vigorously work to make a success of this joint project, while building on our value chains which have been nurtured over many years of operating in the automotive business, and our strength as a globally operating general trading company.

Under this basic agreement, Sumitomo and Mazda will jointly establish two companies as outlined below:

Production Company outline

Company name: Mazda Motor Manufacturing de Mexico S.A.de C.V.
Head office: Salamanca City, Guanajuato, Mexico
Investment: 500 million dollars
Ownership: Mazda Motor Corporation (70%), Sumitomo Corporation (30%)
Business outline: Production and sales/marketing of Mazda vehicles and parts
Number of employees: Approx. 3,000 (under normal operation)

Sales company outline

Company name: Mazda Motor do Brasil Limitada
Head office: Sao Paulo, Brazil
Ownership: Mazda Motor Corporation (70%), Sumitomo Corporation (30%)
Business outline: Import and sales/marketing of Mazda vehicles and parts

End