

To Whom It May Concern:

July 31, 2020

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### Notice of Earnings Forecast and Dividend Forecast

Sumitomo Electric Industries, Ltd. ("the Company") hereby announces its consolidated earnings forecast and dividend forecast for the fiscal year ending March 31, 2021, which had been undetermined at the time of the announcement of its results for the fiscal year ended March 31, 2020 (on May 19, 2020).

#### 1. Consolidated earnings forecast

(1) Consolidated earnings forecast for the first half of the fiscal year ending March 31, 2021 (April 1, 2020 - September 30, 2020)

(Millions of yen, except per share figures)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of the parent	Earnings per share (yen)
Previous forecasts (A)	—	—	—	—	—
Revised forecasts (B)	1,200,000	-35,000	-45,000	-50,000	-64.11
Difference (B-A)	—	—	—	—	—
Increase/decrease (%)	—	—	—	—	—
(For reference) Actual for the first half of the previous fiscal year ended March 31, 2020	1,523,770	45,976	48,100	28,013	35.92

(2) Consolidated earnings forecast for the fiscal year ending March 31, 2021 (April 1, 2020 - March 31, 2021)

(Millions of yen, except per share figures)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of the parent	Earnings per share (yen)
Previous forecasts (A)	—	—	—	—	—
Revised forecasts (B)	2,750,000	55,000	48,000	10,000	12.82
Difference (B-A)	—	—	—	—	—
Increase/decrease (%)	—	—	—	—	—
(For reference) Actual for the previous fiscal year ended March 31, 2020	3,107,027	127,216	130,498	72,720	93.24

#### (3) Reason for the announcement

The Company's consolidated earnings forecast for the fiscal year ending March 31, 2021, had been undetermined because of the difficulty in making a reasonable estimate of the impact of COVID-19, but in view of the gradual recovery of economic activities due to the termination of the state of emergency in Japan and the lifting or relaxation of lockdown, restrictions on outings, etc. in overseas countries, the Company decided to announce its consolidated earnings forecast on the basis of the currently available information. This forecast is based on the assumption that COVID-19 will be gradually settled towards the end of this fiscal year and the situation will not change significantly due to the second wave, etc. although the future of COVID-19 remains uncertain.

In order to overcome this unprecedented difficulty and come back to a growth path, the Company is taking actions for the quick business recovery and making strong constitution of company which can withstand any kind of environment by company-wide effort for the further improvement of "SEQCDD" (safety, environment, quality, cost, delivery and R&D).

## 2. Dividend forecast

### (1) Dividend forecast

(Yen)

	Dividend per share		
	Interim	Year-End	Total
Previous dividend forecast	—	—	—
Revised dividend forecast	16.00	16.00	32.00
(For reference) Actual for the previous fiscal year ended March 31, 2020	24.00	16.00	40.00

### (2) Reason for the announcement

Our basic policy for dividend is to maintain stable dividend payout and make comprehensive judgement based on consolidated financial results, dividend payout ratio, level of retained earnings, etc., and to pay dividend twice a year through an interim dividend and a year-end dividend.

The dividend forecast of this term had been undetermined because of the difficulty in planning the consolidated earnings forecast, but along with the today's announcement of consolidated earnings forecast as described in above 1., the Company decided to announce that the annual dividend forecast is set at 32 yen per share (interim dividend of 16 yen and year-end dividend of 16 yen).

※ This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. Therefore, the final results might be different from the forecast due to various factors.