### **Sumitomo Corporation**

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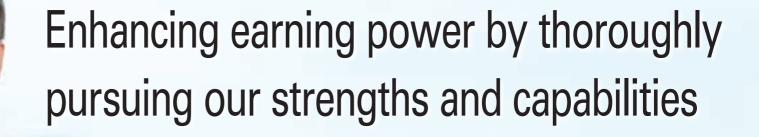
# **Sumitomo Corporation Business Report**

Newsletter to Shareholders for the 146th Fiscal Year [April 1, 2013 through March 31, 2014]

Stock Exchange Code: 8053







President and CEO Kuniharu Nakamura

### **Summary of Business Performance for Fiscal 2013**

### Consolidated net income for fiscal 2013 was ¥223.1 billion

In the world economy during fiscal 2013, the US economy was strong, and the Europe pulled out of its economic crisis, whereas emerging countries including China and Russia lacked vigor and recovery remained mild. Conditions in the international commodities market wavered throughout the year, reflecting the reduction of quantitative easing in US monetary policy and softening

demand.

In the Japanese economy, personal consumption and capital investment picked up, backed by improved confidence in response to correction of yen appreciation and rising stock prices and improved corporate performance. In addition, last-minute demand prior to the hike in the consumption tax rate in April 2014 became evident toward the fiscal year-end, and the recovery trend broadened.

In this environment, consolidated net income for fiscal

2013 was ¥223.1 billion, a decrease of ¥9.4 billion from the year earlier. Non-mineral resource businesses such as metal products and transportation & construction systems performed well, although profit declined in mineral resource businesses due to the impact of falling prices for resources, in addition to the posting of an impairment loss in the Australian coal business at the fiscal year-end.

#### **Progress of Medium-Term Management Plan**

### Progress of Medium-Term Management Plan "BBBO2014"

In May 2013, the Sumitomo Corporation set as its medium-to-long-term vision "What We Aim to Be in FY2019, Our Centennial Year" (Be the Best, Be the One). The first medium-term management plan aimed at achieving that vision is "Be the Best, Be the One (BBBO) 2014." This period is positioned as the stage of aiming for an even higher level of profit growth by thorough enhancement of our earning power, and we will stimulate the metabolism of our business portfolio

from a medium-to-long-term perspective.

During fiscal 2013, the first year of the plan, we steadily carried out new investment and loans, and replacement of existing assets based on BBBO2014.

To learn more about new investment and loans, please refer to page 4

### **Fiscal 2014 Business Performance Forecast**

### We aim to steadily achieve our profit target of ¥250.0 billion.

Although the environment in the mineral resource businesses is expected to remain severe as market conditions continue to soften, in the non-mineral resource businesses, in addition to profit growth in businesses that are earnings pillars, we also anticipate earnings contribution from businesses in which we have recently invested. In light of these circumstances, we have set a target of ¥250.0 billion in consolidated net income for fiscal 2014. The entire organization will work together to steadily achieve our profit targets.

I would like to ask for the ongoing understanding and support of all our shareholders.

### Dividend Policy

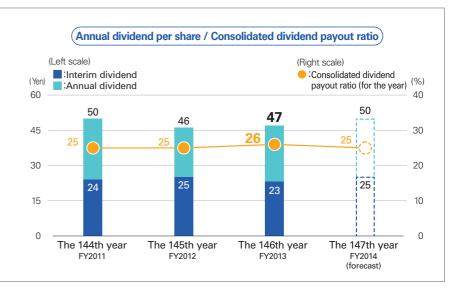
### Payment of dividends of ¥47 per share in fiscal 2013, as announced in the most recent forecast

Sumitomo Corporation aims to increase dividends by achieving medium and long-term earnings growth while adhering to its fundamental policy of paying shareholders a stable dividend over

the long term.

Under the "BBBO2014," a medium-term (two-year) management plan launched in April 2013, we have set the consolidated dividend payout ratio of 25%. Although consolidated net income for fiscal 2013 was ¥223.1 billion, below the forecast of ¥240.0 billion, the annual dividend for fiscal 2013 was ¥47 per share, as we previously announced.

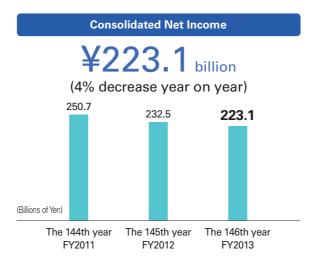
The annual dividend for fiscal 2014 is projected to be  $\pm 50$  per share, applying the consolidated dividend payout ratio of 25%, based on the dividend policy of the current medium-term management plan "BBBO2014," to the consolidated net income forecast of  $\pm 250.0$  billion.

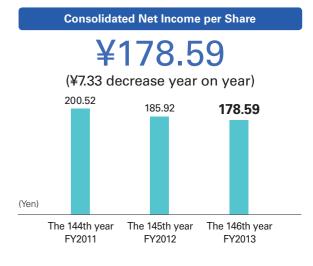


### Performance Highlights

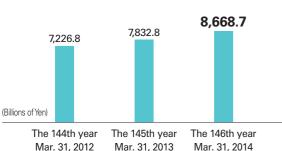
### **Changes in primary management indicators**



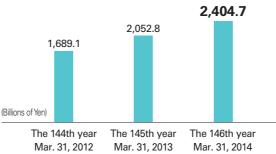




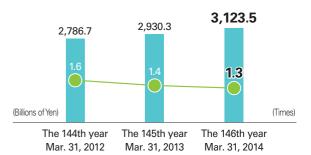
¥8,668.7 billion
(¥836.0 billion increase from March 31, 2013)













#### Interest-bearing liabilities (net)

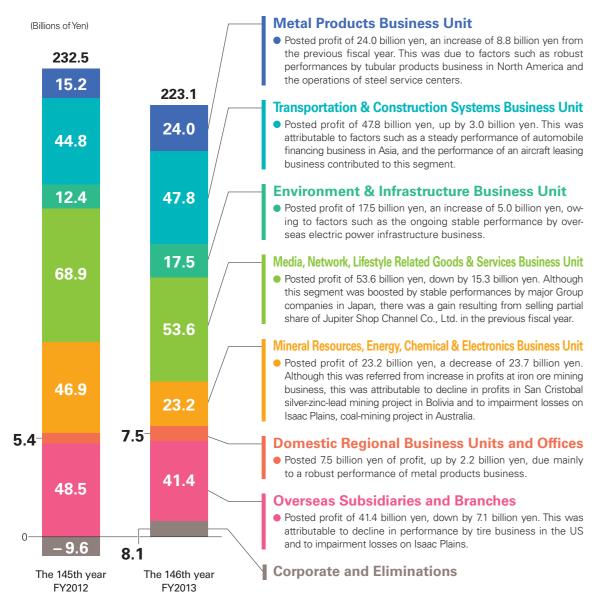
Gross interest-bearing liabilities (bank borrowing, corporate bonds,commercial paper,etc.) that must be repaid with interest, minus cash and cash equivalents.

#### Debt-Equity Ratio (net)

The value of interest-bearing liabilities (net) divided by shareholders' equity; an indicator of financial soundness.

<sup>\*</sup>In this publication, "consolidated net income" corresponds to "profit for the year attributable to owners of the parent" under IFRS and "shareholders' equity" corresponds to "equity attributable to owners of the parent."

### Consolidated net income by segment / Overview



### Plan for new investment and loans

In "BBBO2014", we plan to make new investment and loans totaling ¥750.0 billion over the two years. New investment and loans for fiscal 2013 were ¥290.0 billion. including the acquisition of Edgen Group and we are making steady progress as planned.

In the meantime, we are planning a total of ¥770.0 billion asset divestitures and reductions over the two years, exceeding the new investment and loans plan. Asset divestitures and reductions for fiscal 2013 were ¥250.0 billion, including a partial divestiture of a water supply and distribution business in the UK, and we are making steady progress largely in line with the plan.

#### Balance sheet plan (two-year totals)

(Billions of Yen)

	Plan (two-year totals)	Fiscal 2013 actual
New investment and loans	+750	+290
Asset divestitures and reductions	-770	-250
Changes in operating assets & other	+150	+800(*)
Net change	+130	+840

(\*)Including increases affected by exchange rates

#### New investment and loans (two-year totals) (Billions of Yen)

		-	
Business fields	Primary fields	Plan (two-year totals)	Fiscal 2013 Actual
Metal Products	Tubular Products Business	80	58
Transportation & Construction Systems	Automotive Business	160	20
Environment & Infrastructure	Power Infrastructure Business	90	33
Media, Network, Lifestyle Related Goods & Services	Media Business & Real Estate Business	130	56
Mineral Resources, Energy, Chemical & Electronics	Upstream in Mineral Resources and Energy Business	190	115
Strategic Industrial/ Regional Focus	<ul> <li>Strategic Industrial Focus Unconventional energy- related, Retail (Asia), Food</li> <li>Strategic Regional Focus India, Myanmar, Brazil, Turkey, Sub-Saharan Africa (six countries)</li> </ul>	100	(*) The amounts of investment and loans for strategic industrial/regional focus will be allocated to each segment.
To	otal	750	290

(\*)Indication, including domestic and overseas segments.



### Metal Products Business Unit



### **Acquisition of Edgen Group**

S umitomo Corporation and Sumitomo Corporation of America have jointly acquired Edgen Group, a major global distributor of tubulars and other steel products for the energy industry, headquartered in US. At a value of approximately US\$520 million, this share purchase is the largest investment for tubular products division. Edgen Group has two operating subsidiaries: Edgen Murray (EM) and Bourland & Leverich (B&L). EM is a supplier of pipe valves and fittings (PVF) and other steel products for offshore structures, with 35 business locations in 18 countries around the world. B&L is a US domestic oil country tubular goods (OCTG) distributor that has seen continued growth

primarily as an onshore OCTG supplier for the shale development areas.

Sumitomo Corporation has made continuous effort to establish a product supply value chain focused on the oil and gas industry, starting with a distribution network of OCTG initiated in US in the 1980s. We will continue to reinforce our sales structure of tubular and steel products together with Edgen Group, aiming to continue to grow and expand our presence in the oil & gas industry.



Pipe yard (Bourland & Leverich)

### Transportation & Construction Systems Business Unit



### **Diversifying the Construction Equipment Business in Indonesia**

raktor Nusantara, jointly funded by the Sumitomo Group and Indonesia's largest conglomerate Astra International, operates dealerships of industrial vehicles, construction equipment, and agricultural machinery in Indonesia. Since taking a stake in December 2004, Sumitomo Corporation has grown the business through measures including an expanded product line, and there are now 15 branches and 6 service outlets right across Indonesia dealing in products under 14 brands.

In the long-term forklift rental business that was launched as part of an effort to diversify the business, the company owns approximately 1,700 forklifts, and revenue from this area has increased more than sevenfold in a decade. It has developed into a

business going beyond just the functions of a sales and service dealership. Going forward, we plan to launch rental business for general-purpose machinery such as aerial work platform, which are expected to see market expansion in the future. Sumitomo Corporation will develop business by leveraging the experience it has gained through evolving in response to local needs in North America and other areas.



Forklifts awaiting shipment

### Environment & Infrastructure Business Unit



### **Construction Begins on Myanmar's First Large-Scale Industrial Park**

umitomo Corporation, Mitsubishi Corporation, and Marubeni are building a modern industrial park equipped with infrastructure including electricity and water supply in the Thilawa Special Economic Zone situated approximately 20 kilometers southeast of Yangon. The Myanmar government and local enterprises have also invested in the construction with the aim of commencing operations in mid 2015.

In its medium-term management plan, Sumitomo Corporation positions Myanmar as a strategic regional focus, and we are developing projects such as infrastructure and automobile-related businesses. In the Thilawa Special Economic Zone, we are drawing on the expertise gained through construction and operation of industrial parks in Southeast Asian nations to

play a leading role in ensuring smooth progress of the construction.

Myanmar is said to be Asia's "last frontier" and is attracting attention of many companies from Japan and abroad. Sumitomo Corporation will support the creation of new production bases for those manufacturing companies, and contribute to industrial and economic development in Myanmar, as well as to the expansion of employment opportunities in the region.



Sumitomo Corporation industrial parks

### Media, Network, Lifestyle Related Goods & Services Business Unit



### **Establishment of Flour Business Joint Venture in Vietnam**

umitomo Corporation and CJ CheilJedang, the largest food company based in South Korea, have jointly established a firm that will manufacture and sell flour and baking premix products in Ba Ria-Vung Tau Province, Vietnam. The factory is scheduled to begin operations in 2015. CheilJedang is a food company engaged in a wide range of businesses centered on the production of high-value-added flour, sugar and vegetable oil, as well as food, bakeries and distribution.

In order to capture the growth of emerging countries, Sumitomo Corporation has been developing the grain accumulation and storage business and frozen dough manufacturing business in Australia, while seeking an opportunity to advance into the primary grain-processing sector. In Vietnam, flour and related products are expected to become highly value-

added as the population grows and the people's diet shifts to Western-style. Bringing together Sumitomo Corporation's raw materials sourcing capabilities and CheilJedang's advanced technical competence, the joint venture will expand its market share by providing high quality, competitive products.



Groundbreaking ceremony on February 27. Expected annual production capacity is 100,000 tons of flour



### Mineral Resources, Energy, Chemical & Electronics Business Unit



### **Crop Protection Sales Companies in Turkey and Chile**

ith bases importing and selling crop protection products in some 30 countries around the world, we are expanding our unique value-added business. In 2011, we acquired Alcedo, a major distributor of agricultural materials in Romania to launch a multifaceted crop production support business that offers one-stop service not only for crop



Sumitomo Corporation Group's global distribution network for crop protection products

protection products but for all materials necessary for crops. Our service also includes financing for farmers and purchasing of their crops.

As a part of global development, we newly established two crop protection sales companies: Sumi Agro Turkey in April 2013, as the first outlet in the Middle East; and in January 2014, Summit Agro Chile in South America, a region that is said to account for one fifth of the entire global crop protection market.

We will continue to enhance our services to introduce and develop new crop protection products by making the most of our expertise and human resources we have built up, with a view of establishing more sales bases in other regions in the future.



### Contributing to Sustain

The Sumitomo Corporation Group regards CSR as working to achieve our corporate vision by putting into practice our Corporate Mission Statement. This approach is founded on gaining an understanding of social issues by engaging in dialogue with a variety of stakeholders, and working strategically through business activities to resolve them. In doing so, we create new value and promote sustainable growth of society and the Group.

### Through Business Activities: The wind power project in the Republic of South Africa

Sumitomo Corporation is working on a wind power project in the Republic of South Africa. Through our local based subsidiary Dorper Wind Farm, we are constructing a 100 MW wind power generation plant. We are in a process of commissioning the facility with a view to start commercial operations in July 2014.

Dorper Wind Farm will also contribute to the local economy and society. Our partners include local BEE companies who conduct business in line with South Africa's BEE policies to empower economy and overcome inequality. Furthermore, a portion of profits will be used to contribute to the local society. Sumitomo Corporation promotes renewable energy while engaging in business activities rooted in the area.



Installation of a total of 40 large wind turbines is completed

### able Society

### Our Group's CSR = Implementation of the Corporate Mission Statement

CSR through business activities

CSR through social contribution activities

### Social Contribution Activities: TOMODACHI Sumitomo Corporation Scholarship Program

Sumitomo Corporation joins the TOMODACHI Initiative, a tax-exempt non-profit organization led by the US-Japan Council and US Embassy in Japan, and launches the "TOMODACHI Sumitomo Corporation Scholarship Program" to be implemented for a period of four years starting in 2014. By providing support for travel and daily life expenses for undergraduate students studying abroad for one year based on mutual exchange agreements between Japanese and US universities, the program encourages the challenges of students who might otherwise have to abandon their hopes of studying abroad for financial reasons. Short training courses at Sumitomo Corporation of America are also planned during their vacations. Sumitomo Corporation hopes that the "TOMODACHI Sumitomo Corporation Scholarship Program" will help to develop many globally-minded young leaders who will

serve as bridges between Japan and the US.





Caroline B. Kennedy, US Ambassador to Japan (left), Irene Hirano Inouye, President, US-Japan Council (right), and Kuniharu Nakamura, President and CEO, Sumitomo Corporation (center).

## The Sumitomo Corporation website provides various information and material to further deepen the understanding of the Company.

Sumitomo Corporation



http://www.sumitomocorp.co.jp/english/

Top page



#### Gateway to Sumitomo Corporation

This website contains information to help you to understand Sumitomo Corporation, such as movies introducing our businesses and featured articles introducing the people who work for the Sumitomo Corporation Group around the world.

**Taking on endless challenges** Sumitomo Corporation - A 21st Century integrated trading company.



The passion and thoughts of Sumitomo Corporation employees who tackle various projects with all their might. These are articles that convey the present and future of an integrated trading company.

Striving to bring the shale gas revolution wave to Japan Sumitomo Corporation opens the door for the next generation with its integrated corporate strength.



Sumitomo Corporation has constantly been at the forefront of addressing issues that exist in society. We consider the outlook for energy issues from the most recent trends at the Company, which is spearheading the shale gas business.

## Future of the Light Metals & Specialty Steel Sheet Business



Executive Officer General Manager, Light Metals & Specialty Steel Sheet Division

#### Osamu Ishimura

Joined Sumitomo Corporation in 1982, Posted to the Chicago Office in 1991. After positions including General Manager of Railway Products, Forging & Casting Dept. in the Iron & Steel Division, No.1, and General Manager, Chicago Office, he was named Corporate Officer and General Manager of the Iron & Steel Division, No.1 in 2011. Has held current position since April 2013.

### Leaping Ahead through Expansion of Value Chain

### Rapid Growing Organization Dealing in High Value-Added Metal Products

The Light Metals & Specialty Steel Sheet Division, formed in the reorganization of April 2013, is a one-of-a-kind division bringing together in a single unit non-ferrous metals such as aluminum and

titanium, and specialty steels such as electrical steel sheets, tin plate, and stainless steel.

While taking advantage of the specializations of our abundant human resources with advanced knowledge and expertise in high value-added products, we are aiming for synergistic effects in sales activities through shuffling personnel. More frequent dialogue among staff who share the same clients is accelerating the information sharing.



Titanium, used in welded tubes in seawater desalination plants.

As a driver of growth with its performance tracking upwards, the Division seeks to make an even greater contribution to the Metal Products Business Unit and to the company as a whole. Growth rests on "expansion of value chain," and we have carried out bold business investments in order to achieve our plan.

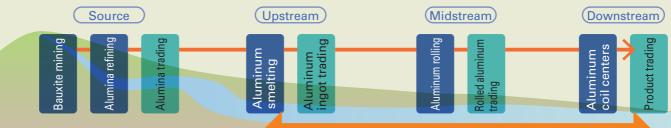
### Seizing Profit Opportunities Through Efforts From Upstream to Downstream

We will take the case of aluminum as a specific example.

The aluminum value chain spreads over the smelting of primary metal, rolling of flat rolled products, processing at the coil center, and product manufacturing (see diagram). While trading formerly played a central role, we have expanded the value chain through investments and other measures. These include participation in a coil center in Thailand and in Tri-Arrows Aluminum, a US rolling mill producing sheet for aluminum cans.

In the upstream business, Sumitomo Corporation acquired a 20%

#### Aluminum value chain in Light Metals & Specialty Steel Sheet Division



Sumitomo Corporation's value chain was expanded with the investment in Press Metal Berhad, a driving force in the aluminum smelting business

### Overview of Group Companies

## interests in the Press Metal's smelting projects in Malaysia, which has an annual production of 440,000 tons. The Primary aluminum ingots will be supplied to the aluminum manufacturers in Asia,

including UACJ Thai.



Press Metal Berhad's Samalaju Plant featuring good logistics access

With its characteristics lightness, strength, and high corrosion-resistance, aluminum is attracting attention as a material for automobiles, aircraft, and LNG ships. In January 2014, Tri-Arrows Aluminum and Constellium, a major European maker of aluminum rolled products, jointly announced a project to supply aluminum sheets for automobile panels to US. As the shift toward lighter vehicles picks up speed in US, the demand for aluminum sheets for automobile bodies is expected to expand rapidly from the current 100,000 tons per year to 1 - 1.5 million tons by 2020. We will also supply thick aluminum sheets to shipbuilding companies, and will strive to seize every opportunity for growth.

In addition to trading, business investment is increasing overseas and diverse human resources can now exercise their talents on a



Demand for aluminum sheets for automobile bodies for which demand is expected to expand significantly

broader stage. My motto is "to cultivate personnel who can communicate heart to heart." We will bring a sense of speed to our endeavors in order to make this division's business a growth driver that will be a pillar of earnings.

### Kienle + Spiess

### Leveraging Original Technology to Expand the Value Chain for Electrical Steel Sheets

As a part of expansion of the value chain for electrical steel sheets, Light Metals & Specialty Steel Sheet Division acquired Kienle + Spiess (K+S), headquartered in Sachsenheim, Germany, making it a wholly owned subsidiary in March 2013. K+S is a long-established, manufacturer of motor cores, the core components used in the motors of automobiles, wind power generators, and other machines, counted among Europe's largest companies in the field. Sumitomo Corporation focused on the possibilities and future potential of K+S's original Glulock technology, in which thin electrical steel sheets are laminated and fixed together by gluing and other technologies.

With two bases in Germany and one each in Hungary and the United Kingdom, K+S has developed its business mainly for the European market. During the year since the acquisition, Sumitomo Corporation and K+S have built a relationship of trust, overcoming the barriers of our respective corporate cultures and values. Leveraging the original technology of K+S, together with the Sumitomo Group network, we will spread our wings around the world. Specifically, we will expand sales to European automobile manufacturers engaged in local production in China and to wind power generation projects, in addition to exploring possibilities in North America and other areas.



Electrical steel sheets used in wind power generation and hybrid cars



 $K\!+\!S's$  strength is its integrated manufacturing process that begins from the design of motor cores



Sumitomo Corporation Worldwide

### Developing a Water Supply Business in the UK



### Supplying safe and clean water to 263,000 households and 17,000 commercial facilities

utton and East Surrey Water (SESW), a company jointly funded by Sumitomo Corporation and the Osaka Gas Group, located south-east of London, is engaged in the business of supplying water. Through its eight water treatment plants, and a total of 3,445 kilometers of pipelines, SESW supplies high-quality tap water to approximately 670,000 people within a distribution area covering 835km<sup>2</sup>. Water supply is public utility business, and since its founding in 1862, SESW has consistently maintained a high standard of service for 150 vears, and has sustained a high level of reliability through excellent management.

One example of that was seen in the response to the floods that occurred in various areas of the UK as a result of record-breaking rainfall in February 2014. SESW's Kenley water treatment works was damaged by the flood, but employees united to collaborate with local authorities, the fire brigade, and police department to protect the works, which serves some 40,000 households.

Thanks to its round-the-clock efforts such as pumping out floodwater from the site and preserving the facility, customers' water supply remained unaffected. This was widely reported in the media, and SESW received a great deal of gratitude from local residents.

Our partner in this venture, Osaka Gas, has been a supplier of city gas in Japan for many years. Leveraging the wealth of expertise possessed by Osaka Gas with regard to measures for improving customer service, maintenance and management of facilities, and other matters, we aim to enhance the business foundation of SESW.

Sumitomo Corporation has made its entry into the business of privatization of water supply, which is expected to see major growth. With this as a foothold, we will continue to support burgeoning populations across the world and economic development in emerging countries through its water business.



Natural splendor of SESW's "Bough Beech Reservoir"



Conduct water softening through removing calcium from the raw groundwater (Elmer Treatment Works)

Employees supply safe and clean water to 263,000 households and 17,000 commercial facilities





Marking the 150th anniversary of its founding, SESW is a water supply company with a long tradition in the UK



Network Manager

Jeremy Heath

Although we have a total of 240 staff, the company retains a very friendly atmosphere and everyone knows each other. We are proud not only of the service that we offer our customers, but also of our technical ability. We have recently established an innovative mobile working project with Google, and this has enabled us to plan and manage our field work far more efficiently. The new system and its effectiveness have been reported around the world.

### My Favorite

Surrey, where SESW is located, is the most wooded county in England. It has a range of chalk hills called the North Downs, which provide excellent views over both London and Surrey, as well as great mountain bike routes that weave up and down through the ancient forests.



### Sumitomo Corporation Group's Activities in UK

### Developing businesses rooted in local needs, while responding to a changing and growing market

### **HISTORY** Expanding Functions According to Changes in Europe

An office established in London in 1955 became an overseas subsidiary in 1985. Later, in response to changes in Europe including currency integration and market expansion, Sumitomo Corporation Europe was launched in 1999. Now, with the General Manager who oversees Europe, Middle East, Africa & CIS located in London, the company supports organizational system of four broad regions in Sumitomo Corporation Group.



Sumitomo Corporation (UK) in 1988, located in Cheapside, the financial center of London

#### PRESENT Deploying a Wide Range of Businesses Across the Group

In the UK, we are engaged in exploration, development, production and sale of oil and natural gas in the British North Sea, along with oil country tubular goods (OCTG) and oilfield equipment (OFE) related businesses. We have also been in the business of importing UK's Pandrol rail fastenings, which have a nearly fifty percent share of the world market, to Japan for over 25 years. Sumi Agro Europe, a holding company based in London, is investing in crop protection sales companies in European countries, and the business is performing well.



A pipe yard in Stavanger, Norway

### **FUTURE** Europe's Economic Recovery Offers Business Opportunities

The European economy is gradually recovering from the impact of the prolonged financial crisis. Sumitomo Corporation Europe, together with its offices in the Continental European region, is responding steadily to the recovery, and will continue to engage in business rooted in the local area. It will also support business development in regions around Europe such as the Middle East. Africa and CIS.



Staff at Sumitomo Corporation Europe

### Benefit for Self and Others, Private and Public Interests Are One and the Same.

The origins of the Sumitomo Group date back 400 years. In a series of articles, we trace the evolution of the business philosophy that underlies the Sumitomo of today, examining its emergence and legacy.

### About "Benefit for Self and Others, Private and Public Interests Are One and the Same."

This business spirit is part of the Sumitomo's business philosophy. Although uncodified, it expounds the concepts of "harmony with public interest" and "repaying the inherent debt to society" expressed in the words of Teigo Iba, the second Director General of the House of Sumitomo, in the Meiji period: "Sumitomo's business must not only benefit Sumitomo itself, but also bring benefit to the country and society it operates in."

The pioneering ideas that lead to today's CSR



Teigo Iba, Second Director General of the House of Sumitomo
Photo Credit: Sumitomo Historical Archives

(corporate social responsibility) can be seen in the origins of the Sumitomo family's copper business dating back to the 16th century. At the time, Tomomochi, the second-generation head of Sumitomo, propelled the development of the copper industry by sharing the new copper refining technique of Nanban-buki widely with Osaka copper smelters, rather than keeping it a family secret. He also contributed to national interests by preventing the silver from flowing outside the country. Later, the Sumitomo family avoided random excavation in the operations at Besshi Copper Mines and made use of the entire mine, bringing prosperity to the local society through long-term copper production.

The Sumitomo Group of today which inherited this spirit, practices the concept of "Benefit for self and others, private and public interests are one and the same" on a global scale by seeking to resolve social issues through its diverse business developments.

### Episode: Besshi Copper Mines

Opened in 1691, the Besshi Copper Mines (Niihama City, Ehime Prefecture) produced 650 thousand tons of copper over 280 years until its closure, and brought wealth for Sumitomo for many years. The copper from the mine had an impact on the world economy through its trading within East Asia during 18th to 19th century.

However, by the end of the 19th century, the devastation of the mountain forests of Besshi had become conspicuous, from the effects of sulfurous acid gas emitted during the smelting and refining process,





Besshi Copper Mines prior to reforestation (1881) (above) and current appearance (below).

Photos Credit: Sumitomo Historical Archives (above) and Sumitomo Forestry (below)

and progressive logging for the use of wood. Teigo lba, who became the general manager of the Besshi Copper Mines, endeavored to resolve the smoke pollution caused by sulfurous acid gas by relocating the smelter, and carried out large-scale tree planting to restore the original natural environment. This head-on effort to environmental protection from a CSR perspective was a path-breaking approach in the Meiji period (1868–1912).

In Teigo Iba's heart were feelings for coexistence with the local society and the blessings of the mother nature. This spirit lives on in the environmental and CSR activities of the Sumitomo Group today.

### Corporate Profile / Stock Information

#### Corporate Profile (As of March 31, 2014)

Establishment: December 1919
Paid-in Capital: ¥219,278,931,183

Status of Employees: Number of Employees 5,449 (Note)

Number of Employees (Consolidated

basis) 74,638

(Note) It includes 221 persons whom overseas offices of the Company employ.

Status of Subsidiaries and Associated Companies: Number of Consolidated Subsidiaries 606

Number of Associated Companies 254

**Status of Operating** Domestic 24 **Locations, etc.:** Overseas 115

Accounting Auditor: KPMG AZSA LLC

#### Directors and Corporate Auditors (As of June 20, 2014):

Kazuo Ohmori President and CEO\* Kuniharu Nakamura Director\* Shinichi Sasaki Director\* Takuro Kawahara Director\* Kazuhisa Togashi Director\* Yasuyuki Abe Director\* Naoki Hidaka Director\* Hiroyuki Inohara Director\* Michihiko Kanegae Director\* Masahiro Fuiita Director (Outside) Akio Harada Director (Outside) Kazuo Matsunaga Standing Corporate Auditor (Full-time) Takahiro Moriyama Nobuhiko Yuki Corporate Auditor (Full-time) Corporate Auditor (Outside) Tsuguoki Fujinuma Corporate Auditor (Outside) Mutsuo Nitta Corporate Auditor (Outside) Haruo Kasama

#### Stock Information (As of March 31, 2014)

Number of Shares Authorized for Issuance: 2,000,000,000 shares

Number of Issued Shares: 1,250,602,867 shares

Number of Shareholders: 157.177

#### **Shareholders Composition:**



(Note) As amounts below the thousandth place are omitted, the total does not necessarily add up to 100%.

#### **Major Shareholders**

Name	Number of Shares (InThousands of Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	74,287	5.95
Japan Trustee Services Bank, Ltd. (trust account)	58,686	4.70
Liberty Programming Japan, Inc.	45,652	3.66
Sumitomo Life Insurance Company	30,855	2.47
Mitsui Sumitomo Insurance Company, Limited	27,227	2.18
JP MORGAN CHASE BANK 385632	22,031	1.77
Barclays Securities Japan Limited	20,000	1.60
Japan Trustee Services Bank, Ltd. (trust account 9)	16,766	1.34
The Dai-ichi Life Insurance Company, Limited	15,889	1.27
Nippon Life Insurance Company	15,705	1.26

(Note) Shareholding ratio is calculated excluding treasury shares (2,963,171 shares) from the total number of issued shares, and is rounded off to the nearest hundredth place.

#### ■Information for Shareholders

Fiscal Year: From April 1 of each year through March 31 of the following year

Ordinary General Meeting June

of Shareholders:

Record Date: Ordinary General Meeting of Shareholders March 31

Year-end Dividends March 31 Interim Dividends September 30

StockTransfer Agent and Sumitomo Mitsui Trust Bank, Limited Account Management Institution 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

for Special Accounts:

StockTransfer Agent, Sumitomo Mitsui Trust Bank, Limited

Handling Office: Stock Transfer Agency Business Planning Department

4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

(Mailing Address) Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Business Planning Department 8-4, Izumi 2-chome, Suginami-ku, Tokyo, 168-0063

(Telephone Inquiries) 0120-782-031

(URL) http://www.smtb.jp/tools/english/

Shares per Unit: 100 shares

Stock Listings: Tokyo, Nagoya, Fukuoka

Stock Exchange Code: 8053

Public Notices: Public notices shall be made electronically. If electronic notice is

impossible due to accident or other unavoidable reason, the notice shall appear in the *Nihon Keizai Shimbun*.

(Public Notice URL) http://www.sumitomocorp.co.ip

#### **Contact for Notifications and Inquiries Concerning Shares**

- For shareholders having an account with a securities company
- →Please contact the securities company where the account is held.
- For shareholders who do not have an account with a securities company
- →Please contact Sumitomo Mitsui Trust Bank.
- **100** 0120-782-031

#### **About Special Accounts**

For shareholders who have not used the custody and book-entry transfer system for securities prior to introduction of electronic share certificate system, a special account has been established with Sumitomo Mitsui Trust Bank, Limited.

- Inquiries concerning special accounts.
- →Please contact Sumitomo Mitsui Trust Bank.

**100.** 0120-782-031

<sup>\*</sup>Indicates Representative Directors.

## The Sumitomo Corporation Group in Every Day Life

### "FEILER," Enchants People Throughout the World

#### An Elegant Design and Top-Quality Feel

FEILER is a German towel brand that features colorful chenille woven fabric made with traditional craftsmanship. Involving multiple processes carried out by skilled artisans using carefully selected 100% cotton yarn, the chenille products has characteristics of the fine quality of its gorgeous, colorful patterns, soft texture, high water absorbency, and colorfastness that resists repeated washing. It boasts a deep-rooted popularity among women in Japan, where it was introduced 42 years ago. "LaraLuka," a new line introduced

in 2009, is based on the concept of cuteness. The fresh and charming designs are popular among young women.

Since FEILER joined the Sumitomo Corporation Group in 2004, its products have been sold at 105 leading department stores, and sales at online shops and outlets started as well. Overseas, FEILER has two stores in Taiwan, and are planning further expansion in Asia.







(Above) Accessories in "LIAROSE PETIT", rosebud pattern popular among many generations (Middle) Bag in "RITA", new pattern for summer inspired from sunflower (Below) Pouch and handkerchief from "LaraLuka" line, whose cute appeal has led to rapidly rising popularity

#### (Limited Item) "FOUR SEASONS" Handkerchief

FEILER's first "four season" series just released! Inspired from flower and sky from the four seasons, its picturesque beauty only comes from FEILER. "Spring" and "Summer" (photo on right) are in stores now. "Autumn" (photo on left) is scheduled for release in July, and "Winter" in October.



Packaged in an original box, this item makes an excellent gift.

Brand Business Dept.
Sumitomo Corporation

Daiki Endo

EILER has grown as a brand beloved

across the generations.

We in the Sumitomo Corporation

Brand Business Dept., offer our

customers an enriched lifestyle

through FEILER products.

FEILER official online shop

http://feiler.jp

FEILER brand website

http://feiler-jp.com

### **Sumitomo Corporation**

(Publication: Corporate Communications Dept.)

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Editor's Note

We hope you enjoyed this edition of SC NEWS. We have received many opinions in the survey that was conducted with the first edition issued in November 2013, and we would

like to take this opportunity to offer you our sincere thanks. The next edition is planned for issue in winter 2014. We will continue to enhance our distribution of information based on the valuable comments of our shareholders. (koho-web@sumitomocorp.co.ip)