



**Sumitomo Corporation**

Enriching lives and the world

Stock Exchange Code: 8053

Sumitomo Corporation Business Report

# SC NEWS

**The 1st Half of  
156th Newsletter to  
Shareholders**

April 1, 2023 through September 30, 2023

**Enriching lives and the world**

## To All Shareholders,

I wish to express our sincere appreciation for the exceptional support you, our shareholders, have always shown us. I would like to extend my greetings to all along with the first half of the 156th (April 1, 2023 through September 30, 2023) newsletter to our shareholders.



This fiscal year is the final year of our mid-term management plan, "SHIFT 2023". We have been working diligently to successfully complete the three shifts: "Business Portfolio SHIFT", "Framework SHIFT", and "Management Base SHIFT". As a result, net income for the first half of FY2023 totaled 284.9 billion yen. This was a decrease of 65.4 billion yen versus the net income for the same period of the previous fiscal year. However, while earnings declined in the Mineral Resources business due to factors such as the impact of a drop in mineral resources and energy prices, non-mineral resources businesses have maintained strong performance partly due to an increase in profits in the Automotive Sales & Marketing businesses, Construction

& Mining Systems businesses, Domestic Electricity Retail businesses, despite the impact of rising prices and interest rates. Based on these results and the current business environment, we have revised upward our profit forecast for FY2023 to 500 billion yen, from the 480 billion yen announced in May 2023. From the previous fiscal year to the current fiscal year, we have been facing stronger negative factors, such as declining commodity prices, China's economic slowdown, rising interest rates, and an increase in operating costs due to inflation. Even under such an environment, many of our businesses have achieved results, and therefore we expect to achieve a profit level of 500 billion yen company-wide.

Consequently, the annual dividend forecast for this fiscal year has been revised to 125 yen per share (10 yen increase from the previous fiscal year), and the interim dividend will be 62.5 yen per share (5 yen increase from the previous fiscal year), taking into account our shareholder return policy.

We will continue to work together as a Group to successfully complete SHIFT 2023 and pursue a growth trajectory. We ask for your continued support in our endeavors.

November 2023

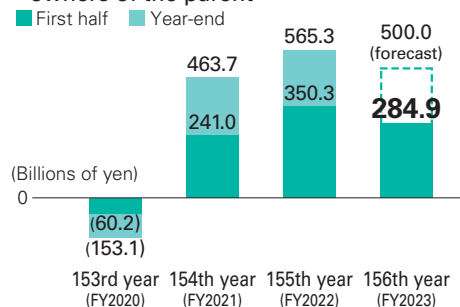
Representative Director  
President and Chief Executive Officer **Masayuki Hyodo**

For the results of the first half of FY2023 (156th term), please see our corporate website.



## Consolidated Performance Highlights

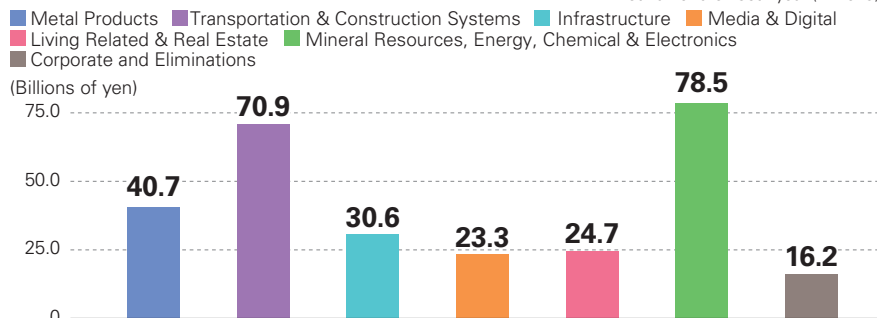
### ▶ Profit (loss) for the year attributable to owners of the parent



We have applied IAS 12 "Income Taxes" (amended in May 2021) from the three-month period ended June 30, 2023. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis.

### ▶ Profit for the year (attributable to owners of the parent) of each Segment

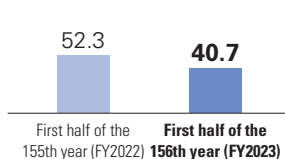
First half of the 156th year (FY2023)



## Consolidated net income or loss by segment / Overview

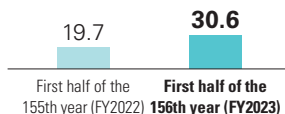
Profit for the year (Unit: Billions of yen)

### Metal Products



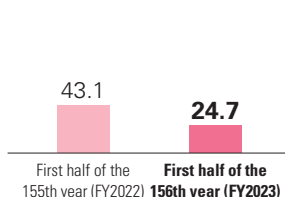
- Overseas steel service center: absence of strong performance in North America in FY2022 Q2
- Tubular products: absence of strong market in FY2022 Q2

### Infrastructure



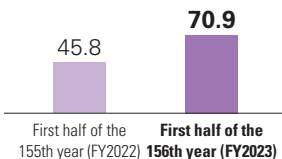
- Domestic electricity retail: strong due to contract renewal and stable electricity procurement prices
- One-off profits in power infrastructure business in FY2022 Q2

### Living Related & Real Estate



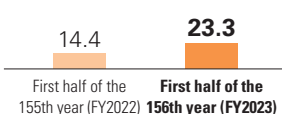
- Real estate: delivery of major projects in FY2022 Q2
- Fresh produce business in Europe and the Americas: melon production struggled due to pests while banana improved

### Transportation & Construction Systems



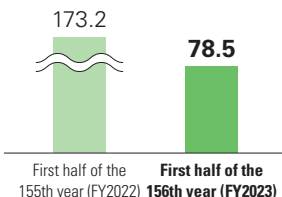
- Automotive sales & marketing: strong
- Construction & mining systems: strong
- Leasing: stable
- One-off profits from the divestment of retail portfolio in tire business

### Media & Digital



- Major domestic businesses: stable
- Telecommunications in Ethiopia: increase in startup cost
- One-off gains in media sector

### Mineral Resources, Energy, Chemical & Electronics



- Decline in mineral resources & energy prices
- Mineral resources and Energy trade: absence of strong performance in FY2022 Q2
- Agribusiness: market prices decline and absence of high demand in FY2022 Q2
- Profit from the sale of O&G business in the U.K. North Sea in FY2022 Q2

## Information

We occasionally deliver our latest information via corporate website. We kindly hope that you take a look.

### Launch of Sumitomo Corporation's official owned media, Enriching+

In October 2023, Sumitomo Corporation opened a special site, Enriching+, on its corporate website.

The media is titled Enriching+, incorporating the intent in our Group's corporate message of "Enriching lives and the world," which was formulated for the 100th anniversary of Sumitomo Corporation's establishment. Through its diverse content on topics, Enriching+ introduces the real Sumitomo Corporation Group including a wide range of projects and efforts the Group undertakes, and our employees actively working worldwide, which embody our corporate message. The content is designed to send out our new value to be added (+; plus) together with our stakeholders toward the future, which will include employees' thoughts and the stories behind the projects, as well as other things that cannot be fully expressed through an introduction of business projects. Please visit the Enriching+ website for more information.



Enriching+



### Publication of Integrated Report 2023 and ESG Communication Book 2023

We released our Integrated Report 2023, which communicates medium- to long-term value creation stories of the Sumitomo Corporation Group, and our ESG Communication Book 2023, which summarizes our initiatives for sustainability as an important factor for value creation. The Integrated Report describes our future vision for the Group in light of where we are now by delving into its true value. The ESG Communication Book presents initiatives implemented by the Group, carrying interviews with employees who strive to solve six key social issues in the ESG Stories section, and summarizing sustainability-related information in the ESG Data section. We hope these disclosure tools will help our stakeholders to understand the Group.



Integrated Report  
2023



ESG Communication  
Book 2023



### North Hanoi Sustainable City Development Project

We are developing a sustainable city in the northern part of Hanoi city, Vietnam with BRG Group.

This project is not limited to conventional real estate development including residences, public facilities such as schools, hospitals, commercial facilities, and office buildings. Rather, our efforts are focused on urban development that can solve social problems facing Vietnam and contribute to sustainable growth through solutions provided by Sumitomo Corporation Group, which demonstrates integrated corporate strengths in the domains of environmental issues, mobility, telecommunication, medical care, education, etc.

As short-term initiatives, we are carrying out verification projects on services to foster a community of local residents aiming to develop towns where residents help each other and realize co-creation. Based on dialogue with residents, we collect and verify ideas and knowledge on how sustainable urban development can provide comfortable living to develop new services.

We will endeavor to contribute to the economic and industrial development of rapidly growing Vietnam, and show the world a role model for development of sustainably-growing city.



For more information, please see the link

### FEILER: A brand continuing to prosper for 100 years

Feiler Japan Co., Ltd., one of our Group companies, engages in the import, design and sales of handkerchiefs, pouches, etc. for FEILER, a German luxury woven fabric brand.

This year marks the 51st year since the FEILER brand landed in Japan, and the 19th year since it joined our Group. To date, its traditional designs have attracted many customers, and we are proactively promoting various initiatives for making the brand more popular over a wide range of generations as a much-loved brand going forward. In FY 2022, net sales for the Feiler Japan Co., Ltd. renewed a historical high as a result of launching product lineups with new designs in addition to traditional designs, collaborative projects with other brands, and introduction of fan marketing using social media such as Instagram.

Keeping an eye on the current of the times while valuing tradition, we will consistently make efforts to preserve what should be preserved and change what should be changed, thus growing this brand so that it prospers for 100 years.



For more information, please see the link

## Corporate Profile (As of September 30, 2023)

**Company Name:** Sumitomo Corporation  
**Establishment:** December 1919  
**Paid-in Capital:** ¥220.0 billion  
**Head Office:** Otemachi Place East Tower, 3-2 Otemachi  
2-chome, Chiyoda-ku, Tokyo 100-8601, Japan  
Phone: +81-3-6285-5000

### Website:

<https://www.sumitomocorp.com/en/jp>

For stock information, visit the Investor Relations page.



### Facebook

<https://www.facebook.com/sumitomocorporation.global/>



### LinkedIn

<https://www.linkedin.com/company/sumitomocorporation/>



## Information for Shareholders

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

**Ordinary General Meeting of Shareholders:** June

**Record Date:** Ordinary General Meeting of Shareholders and Year-end Dividends: March 31  
Interim Dividends: September 30

**Stock Transfer Agent and Account Management Institution for Special Accounts:** Sumitomo Mitsui Trust Bank, Limited  
4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

**Shares per Unit:** 100 shares

**Stock Listing:** Tokyo

**Stock Exchange Code:** 8053

**Method for Public Notice:** Electronic public notice  
<https://www.sumitomocorp.com>  
(If we cannot issue an electronic public notice due to an accident or other unavoidable reason, we will post the notice in the *Nihon Keizai Shimbun*.)

### Stock-related Procedures

- **For shareholders having an account with a securities company:**  
Please contact the securities company where you hold the account.
- **For shareholders not having an account with a securities company (shareholders having a special account):**  
Please contact the following account management institution for special accounts.

Sumitomo Mitsui Trust Bank, Limited  
Stock Transfer Agency Business Planning Department  
Phone Inquiries: 0120-782-031  
Website: <https://www.smtb.jp/tools/english/>

\* Special accounts have been opened at our account management institution for special accounts, Sumitomo Mitsui Trust Bank, Limited, for shareholders who did not use the custody and book-entry transfer system for securities prior to the introduction of the electronic share certificate system.