

Integrated Corporate Strength: The source of our value creation

Over the years, Sumitomo Corporation has built its own strong business foundation consisting of trust, global networks, global relations and intellectual capital, and advanced functions in business development, logistics solutions, financial services, IT solutions, and risk management. We organically and strategically integrate these elements to provide a diverse array of values to our customers. We create businesses based upon such "integrated corporate strength," which is our core competence.

Integrated corporate strength comes from synergies of talents of more than 30,000 Group employees, each of whom has the expertise in his or her field to create and implement new businesses.

By linking talented people at various levels in the corporate organization through active communication and teamwork, we further enhance this core competence to create values that fully meet the diverse needs of our customers.

Our Core Competence: Integrated Corporate Strength

Risk Management

Only an integrated trading company with decades of business experience can expertly manage diverse risks associated with credit standing, markets, and enterprise operations.

Financial Services

This includes fee collection/payment, provision of capital, project financing, and advanced financing services such as securitization of assets.

Trust

Based on Sumitomo's business philosophy, we have cultivated the trust of our customers over the years. This is the most fundamental and valuable asset of our business.

Global Network

With over 160 offices and 720 subsidiaries and associated companies worldwide, our business network provides a basic platform for the prompt and secure transfer of goods, funds, and information.

IT Solutions

This involves the ability to build Supply Chain Management (SCM) systems and to support network business.

Logistics Solutions

In addition to the ability to provide a wide range of integrated logistic services, we also have the capacity to develop and deploy services to match demand and supply of cargoes, trucks, and warehouse space.

Business Development

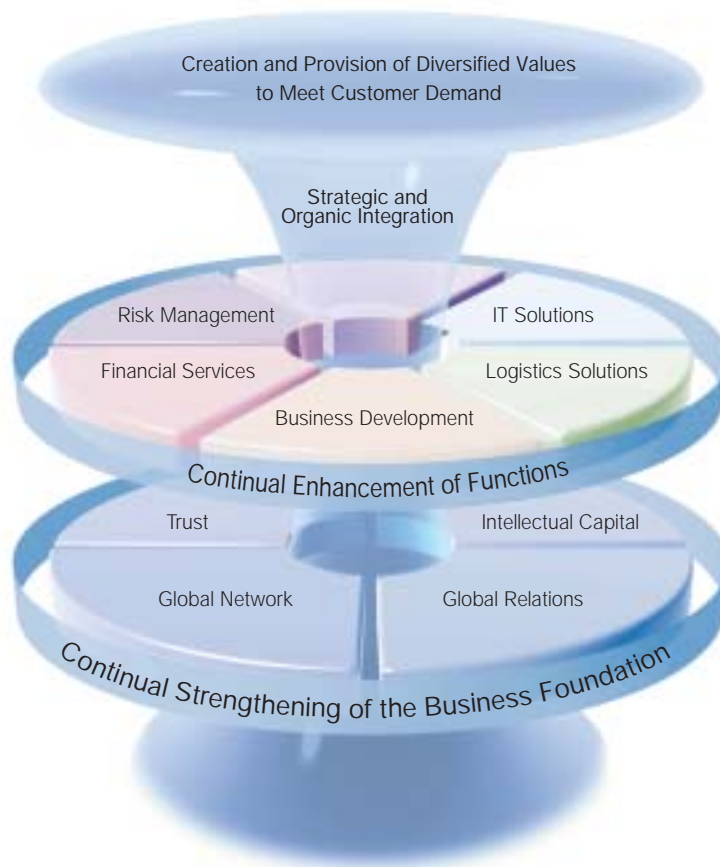
We excel in business creation, which involves identifying promising new products, developing new markets, and organizing appropriate business operations.

Intellectual Capital

The wealth of know-how, experience, and information accumulated by our skilled personnel in diverse fields is also an important element of our solid business foundation.

Global Relations

Our company has established close and multifaceted relations with over 100,000 business partners around the world across all industries.



Industrial park business that reflects our integrated corporate strength



Hajime Yamaguchi
General Manager, Overseas Industrial Park Department

We promote the development, sales and operation of industrial parks in Indonesia, the Philippines, Vietnam and China to support Japanese companies as they shift operations to Asia, which, at the same time, contributes to the economic growth of Asian countries. Collecting and providing valuable information in a timely fashion is crucial to getting more companies to show an interest in and come to the parks. Our global network and customer base, which cover broad business fields and regions, are making it happen.

In our industrial park business, we provide a wide range of serv-

ices drawing on our capabilities as an integrated trading company. We do not just provide our tenants with land and infrastructure such as power, water and waste water disposal. We also offer various support services: legal procedures for local registration; hiring; arrangements for building materials and construction companies; procurement, custom clearance, installation and set-up of plant equipments; purchase and import of raw materials and components; just-in-time logistical service utilizing our own local warehouse and logistics team; marketing and exports of finished goods. It could be said that industrial parks are one of our typical businesses, as they are driven by our integrated corporate strength and utilize the knowledge and experience distributed throughout the Company.

The success of our tenants can benefit local economies and societies as well. Our industrial park in Indonesia, for example, created 35,000 jobs and production worth US\$2.5 billion, or 4% of Indonesia's total exports. This is one such positive side-effect that our integrated corporate strength brings. We are pleased and honored to see our business become a part of a region's prosperity and dreams.

The intellectual capital of the Media, Electronics & Network Business Unit



Nobuhide Nakaido
Director and Managing Executive Officer
General Manager, Media, Electronics & Network Business Unit

The Media, Electronics & Network Business Unit runs the information technology (IT) solutions business, the electronic manufacturing services (EMS) business, and the broadcasting media business, which range from cable TV network operations to film and video content. These businesses are supported by as many as 4,500 professionals, including highly knowledgeable, skilled engineers and creative producers. These talented professionals who are specialists in their respective fields constitute the intellectual capital of the Business Unit and the source of its strength.

Within the IT solutions business, we have developed a team of

corporate high-tech venture capitalists who are engaged in identifying promising new technologies in the U.S., a leading country in this field. This team has built a global network that encompasses the world's top venture capitalists, our own IT-related subsidiaries, and our domestic and foreign customers, thus enabling them to quickly evaluate cutting-edge technologies. In addition, we have about 2,000 engineers working for our IT subsidiaries that customize those technologies for Japanese customers and deploy them in the Japanese market.

In broadcast media, our production and programming staff create top-notch content, and our cable TV operation is backed by numerous network engineers that provide 24-hour support for multi-channel broadcasting, telephone, and Internet services. In our movie business, film professionals sensitive to contemporary trends are regularly producing highly popular movies, including the award-winning "*Tasogare Seibe!*" ("*The Twilight Samurai*").

In the EMS business, we have a group of experts who handle a centralized procurement system for thousands of components, and manage assembly and delivery of printed circuit boards for digital home appliances. They are deployed in manufacturing and supply bases across Asia and respond to the exacting requirements of customers.

Continuous evolution of value chain in our automobile business



Makoto Sato
Executive Officer
General Manager, Motor Vehicles Business Division

We began our automobile business by exporting 20 buses to Myanmar in the early 1950s, and subsequently grew along with the development of the Japanese auto industry. At its peak in the 1980s our annual car export volume reached about 600,000 units per year, or 10% of Japan's total car exports. In recent years our exports have been about 300,000 units per year since Japanese auto manufacturers began to shift production to the U.S. and other countries. However, we have taken advantage of the growth in overseas production by promoting the procurement and supply

of equipment and automotive components to Japanese manufacturers' overseas production bases.

In addition, we have been developing and expanding automobile-related business in overseas market by leveraging our unique financing capabilities and expertise in overseas business that we have gained from years of experience in the auto sales business, by providing local independent sales companies with management training and marketing assistance. Starting with the establishment of a distributor in the U.S. in the 1970s, we now have more than 20 distributors, about 90 auto dealers, and 12 auto financing companies worldwide. Moreover, we are providing global value chains that organically combine these businesses to produce high added value.

Sumisho Auto Leasing Corporation is one of the largest auto leasing companies in Japan. Leveraging its expertise developed in corporate lease financing, it established a new company with Sanyo Shinpan Finance Co., Ltd. in October 2002. The new company started a consumer auto loan business, offering tailor-made services that match the diverse needs of today's consumers.

Automobiles have become indispensable in our daily life, and we are convinced that the automobile industry, including its supporting industries, will remain enormous. Looking at contemporary trends carefully and responding precisely to market needs, we will expand businesses with our integrated corporate strength fully leveraged.

Communication and Teamwork



Shuichi Mori
Executive Officer
General Manager, Corporate Planning & Coordination Department

To provide our customers with the best possible value and service, we must fully leverage our integrated corporate strength, the core competence of Sumitomo Corporation.

Integrated corporate strength functions effectively only when each business segment and employee's knowledge, experience and expertise are shared and utilized. In this respect, our main

strength comes from boundaryless communication and teamwork that permeates throughout our corporate culture and values that are put into practice daily by our employees.

To ensure this strength, we have set integrated corporate strength as one of our criteria for evaluating both employees and the performance of business sectors. For promoting communication, inter-divisional meetings to exchange business information and project team activities are held throughout the organization on a daily basis, to discuss new opportunities and business expansion.

We emphasize integrated corporate strength in our Corporate Mission Statement and SC VALUES.*

- To achieve teamwork and integrated corporate strength through active communication.
(from Sumitomo Corporation's Corporate Mission Statement)
- Integrated Corporate Strength — To create no boundaries within the organization; always to act with a company-wide perspective.
(from SC VALUES <for Managerial Staff>)

* The values described in our Corporate Mission Statement were integrated into nine SC VALUES, to be shared among all officers and employees.