

**Consolidated annual results FY2014 (Year ended March 31, 2015)**

[Prepared on the basis of International Financial Reporting Standards]

**Sumitomo Corporation**

Stock Exchange code No. 8053

(Listed on Tokyo, Nagoya and Fukuoka Stock Exchanges)

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The date of payout of dividend: June 24, 2015 (Planned)

**1. Consolidated results for the year ended March 31, 2015**

(Remarks)

Amounts are rounded to the nearest million.

% : change from the previous year.

**(1) Consolidated operating results**

	Total trading transactions		Operating profit		Profit before tax		Profit for the year		Profit for the year attributable to owners of the parent		Comprehensive income for the year	
	(increase/ decrease)	(%)	(increase/ decrease)	(%)	(increase/ decrease)	(%)	(increase/ decrease)	(%)	(increase/ decrease)	(%)	(increase/ decrease)	(%)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Year ended March 31, 2015	8,596,699	5.5	(84,374)	—	(18,561)	—	(70,817)	—	(73,170)	—	154,705	(64.0)
Year ended March 31, 2014	8,146,184	8.6	171,750	5.7	304,246	(4.6)	233,858	(4.0)	223,064	(4.0)	429,301	(6.0)

	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to total trading transactions
	(yen)	(yen)	(%)	(%)	(%)
Year ended March 31, 2015	(58.64)	(58.64)	(3.0)	(0.2)	(1.0)
Year ended March 31, 2014	178.59	178.46	10.0	3.7	2.1

[Notes] Share of profit of investments accounted for using the equity method (FY2014) 49,092 million yen (FY2013) 126,226 million yen

Total trading transactions is presented in a manner customarily used in Japan solely for Japanese investors' purposes.

Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Companies act as a principal or as an agent.

**(2) Consolidated financial position**

	Total Assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio	Equity per share attributable to owners of the parent
	(millions of yen)	(millions of yen)	(millions of yen)	(%)	(yen)
As of March 31, 2015	9,021,370	2,617,250	2,481,432	27.5	1,988.62
As of March 31, 2014	8,668,738	2,540,184	2,404,670	27.7	1,927.37

**(3) Consolidated cash flows**

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Year ended March 31, 2015	243,695	(399,586)	(74,776)	895,875
Year ended March 31, 2014	278,237	(249,852)	145,908	1,111,192

**2. Dividends**

	Cash dividends per share					Total amount of cash dividends per annum	Dividend payout ratio (Consolidated)	Dividend on equity attributable to owners of the parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	(%)	(%)
Year ended March 31, 2014	—	23.0	—	24.0	47.0	58,706	26.3	2.6
Year ended March 31, 2015	—	25.0	—	25.0	50.0	62,387	—	2.6
Year ending March 31, 2016 (Forecasts)	—	25.0	—	25.0	50.0		27.1	

**3. Forecasts for the year ending March 31, 2016**

(Remarks)

% : change from the previous year.

	Total trading transactions	Profit before tax	Profit attributable to owners of the parent	Earnings per share attributable to owners of the parent
	(increase/ decrease)	(increase/ decrease)	(increase/ decrease)	(yen)
	(millions of yen)	(millions of yen)	(millions of yen)	(%)
Apr.1-Sep.30, 2015	—	—	—	—
Year ending March 31, 2016	8,600,000	290,000	230,000	184.34

[Note] The Company has prepared only annual forecasts.

**[Notes]**

**(1) Change in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period: None**

**(2) Changes in accounting policies and accounting estimate**

- (i) Changes in accounting policies required by IFRS None
- (ii) Other changes None
- (iii) Changes in accounting estimate Yes

[Note] For further details please refer page 25 "Changes in accounting estimate."

**(3) Outstanding stocks (Common stocks)**

				(shares)
(i) Outstanding stocks including treasury stock	(March 31, 2015)	1,250,602,867	(March 31, 2014)	1,250,602,867
(ii) Treasury stocks	(March 31, 2015)	2,789,578	(March 31, 2014)	2,962,337
(iii) Average stocks	(April 1, 2014-March 31, 2015)	1,247,696,887	(April 1, 2013-March 31, 2014)	1,249,036,900

[Note] With regard to number of stocks used in earnings per share attributable to owners of the parent, please refer page 28.

**[Reference] Non-consolidated information**

**Non-consolidated results FY2014 (Year ended March 31, 2015)**

(Remarks)

Amounts are rounded down to the nearest million.

% : change from the previous year.

**(1) Operating results**

	Total trading transactions	(increase/ (decrease))	Operating income	(increase/ (decrease))	Ordinary income	(increase/ (decrease))	Net income	(increase/ (decrease))
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Year ended March 31, 2015	3,229,406	(3.3)	(20,149)	—	(59,681)	—	(52,788)	—
Year ended March 31, 2014	3,338,297	1.7	(12,890)	—	166,745	115.4	158,694	85.6

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Year ended March 31, 2015	(42.31)	—
Year ended March 31, 2014	127.05	126.96

[Note] "Net income per share (diluted)" for the year ended March 31, 2015 is not applicable due to net loss per share.

**(2) Financial position**

	Total assets	Net worth	Shareholders' equity ratio	Net worth per share
	(millions of yen)	(millions of yen)	(%)	(yen)
As of March 31, 2015	4,255,193	930,090	21.8	744.46
As of March 31, 2014	4,457,327	1,031,865	23.1	826.22

[Reference] Shareholders' equity (As of March 31, 2015) 928,953 million yen (As of March 31, 2014) 1,030,823 million yen

**Notice regarding audit status**

The audit of consolidated and non-consolidated financial statements required by the Financial Instruments and Exchange Law has not been completed as of May 1, 2015.

**Cautionary Statement Concerning Forward-looking Statements**

This report includes forward-looking statements relating to our future plans, forecasts, objectives, expectations and intentions. The forward-looking statements reflect management's current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The management forecasts included in this report are not projections, and do not represent management's current estimates of future performance. Rather, they represent forecasts that management strives to achieve through the successful implementation of the Company's business strategies. The Company may be unsuccessful in implementing its business strategies, and management may fail to achieve its forecasts. The Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

# Management results

## 1. Operating results

Total trading transactions for the fiscal year ended March 31, 2015 amounted to 8,596.7 billion yen, representing an increase of 450.5 billion yen from the previous fiscal year.

Gross profit totaled 952.9 billion yen up by 58.5 billion yen. Selling, general and administrative expenses increased by 48.8 billion yen to 755.2 billion yen. Impairment losses on long-lived assets increased by 247.2 billion yen to 278.6 billion yen. Operating profit decreased by 256.1 billion yen, from 171.8 billion yen to a loss of 84.4 billion yen.

Share of profit of investments accounted for using the equity method decreased by 77.1 billion yen to 49.1 billion yen.

As a result, Profit for the year attributable to owners of the parent decreased by 296.2 billion yen, from 223.1 billion yen to a loss of 73.2 billion yen.

### *<Profit for the year attributable to owners of the parent by segment>*

Metal Products Business Unit posted profit of 32.5 billion yen, an increase of 5.9 billion yen from the previous fiscal year. This was due to factors such as robust performances by tubular products business in North America and the operations of steel service centers.

Transportation & Construction Systems Business Unit posted profit of 49.8 billion yen, up by 1.1 billion yen. Although earnings of both automobile financing business in Indonesia and ship business decreased, leasing business and construction equipment rental business in the U.S. showed robust performances.

Environment & Infrastructure Business Unit posted profit of 22.9 billion yen, an increase of 3.8 billion yen, owing to factors such as the ongoing stable performance by overseas power infrastructure business.

Media, Network, Lifestyle Related Goods & Services Business Unit posted profit of 47.8 billion yen, down by 6.6 billion yen. This was referred from impairment losses of 7.5 billion yen in Tire business in the U.S., although domestic major group companies showed robust performances.

Mineral Resources, Energy, Chemical & Electronics Business Unit posted a loss of 191.0 billion yen, down by 214.7 billion yen. This was attributable to total impairment losses of 206.8 billion yen in Tight oil development project in the U.S., Iron ore mining project in Brazil, Shale gas project in the U.S., and Oil field interests in the North Sea, and to total losses of 21.0 billion yen from impairment losses and provisions for costs relating to placing the mine in care and maintenance in Coal-mining projects in Australia.

Overseas Subsidiaries and Branches segment posted a loss of 22.7 billion yen, down by 64.1 billion yen. This was due to total impairment losses of 71.6 billion yen in Tight oil development project in the U.S., Iron ore mining project in Brazil, Shale gas project in the U.S., Oil field interests in the North Sea, and Tire business in the U.S., and to total losses of 3.5 billion yen from impairment losses and provisions for costs relating to placing the mine in care and maintenance in Coal-mining projects in Australia, although metal products business showed a robust performance.

## **2. Forecasts for the fiscal year ending March 31, 2016**

Forecasts for the fiscal year ending March 31, 2016 are as follows.

- Total trading transactions (in a manner customarily used in Japan)	8,600 billion yen
- Profit before tax	290 billion yen
- Profit for the year attributable to owners of the parent	230 billion yen

### **Cautionary Statement Concerning Forward-Looking Statements**

This report includes forward-looking statements relating to our future plans, forecasts, objectives, expectations and intentions. The forward-looking statements reflect management's current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The management forecasts included in this report are not projections, and do not represent management's current estimates of future performance. Rather, they represent forecasts that management strives to achieve through the successful implementation of the Company's business strategies. The Company may be unsuccessful in implementing its business strategies, and management may fail to achieve its forecasts. The Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

## **3. Financial position**

### ***<Total assets, liabilities, and equity as of March 31, 2015>***

Total assets stood at 9,021.4 billion yen, representing an increase of 352.6 billion yen from the previous fiscal year-end due to new investments and the yen's depreciation despite a decrease caused by impairment losses in the several projects including Tight oil development project in the U.S. and Iron ore mining project in Brazil.

Equity attributable to owners of the parent totaled to 2,481.4 billion yen, an increase of 76.8 billion yen from the previous fiscal year-end, due primarily to an increase in Exchange differences on translating foreign operations caused by yen's depreciation despite a decrease in retained earnings by incurring loss for the period attributable to owners of the parent.

Interest-bearing liabilities (net) rose by 394.1 billion yen from the previous fiscal year-end, to 3,517.5 billion yen.

In consequence, the net debt-equity ratio (Interest-bearing liabilities (net)/ Equity attributable to owners of the parent) was 1.4.

#### *<Cash flows>*

Net cash provided by operating activities totaled 243.7 billion yen, as our core businesses performed! well in generating cash.

Net cash used in investing activities totaled 399.6 billion yen due mainly to new investments of approx. 450.0 billion yen.

As a result, free cash flow totaled 155.9 billion yen outflow.

Net cash used in financing activities was 74.8 billion yen.

In consequence, cash and cash equivalents as of March 31, 2015 decreased by 215.3 billion yen from March 31, 2014 to 895.9 billion yen.

#### **4. Dividend policy**

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.

During the "Be the Best, Be the One 2014", a medium-term (two-year) management plan launched in April 2013, we have applied the consolidated dividend payout ratio of 25%. Although profit for the year attributable to owners of the parent for fiscal 2014 was a loss of 73.2 billion yen, since its businesses excluding the impairment losses showed robust performance, the annual dividend for the fiscal year ending March 31, 2015 will be 50 yen per share, as we announced (the annual dividend for the previous year was 47 yen per share). As the interim dividend was 25 yen per share, the year-end dividend will be 25 yen per share.

The annual dividend for fiscal 2015 is projected to be 50 yen per share. For more details, please see Management Policy, 2. Management Challenges, ●Overview of a new medium-term management plan: “Be the Best, Be the One 2017”, (iv) Dividend policy for “BBBO2017”.

# Management Policy

## 1. Business activity etc. during the period.

●Below we introduce some of the activities undertaken by our business units.

### (i) Metal Products Business Unit

#### [TOPIC]Malaysia Expansion of Aluminum Smelting Business

We have been devoting efforts to an aluminum smelting project in Malaysia by teaming up with Press Metal Bhd. (PMB), the leading aluminum smelting company in the country. Following the 1st and 2nd phases of the project through which an annual production capacity of 440,000 metric tons has already been achieved, the two companies agreed to embark on the 3rd phase of the project to expand the smelter to further increase the annual production capacity by 320,000 metric tons. The increased production is slated to come online in January 2016. Sumitomo Corporation holds equity interests in aluminum smelters in other countries including Australia and trades primary aluminum metals widely in Asian markets for use in diverse applications such as construction materials, electric wire, and automotive products. We expect the partnership with PMB will benefit our long-term growth strategy in the aluminum business aimed at expanding the business in Asian markets where demand is likely to increase continuously.

### (ii) Transportation & Construction Systems Business Unit

#### [TOPIC]Indonesia Supplying Railway Cars for the Jakarta Mass Rapid Transit System

Sumitomo Corporation and Nippon Sharyo, Ltd. have been awarded a contract to supply 96 railway cars for the North-South Line of the Jakarta Mass Rapid Transit System, which is to be constructed in Indonesia. The cars provided under the contract will adopt the urban railway system standards developed by Japanese railway companies and the Japanese government based on Japan's railway technologies and knowhow in order to promote the export of Japanese railway systems to Asian countries. This is expected to help ensure the safe and reliable operation of the MRT system in Jakarta. The MRT system project is regarded as a flagship project of the Metropolitan Priority Area initiative<sup>1</sup>

<sup>1</sup>The Metropolitan Priority Area for Investment and Industry (MPA) in Jabodetabek: An initiative under which the Jakarta Metropolitan Area, the economic center of Indonesia, is designated as a "Metropolitan Priority Area," and various projects, including the construction of port, railway, power generation and other infrastructure, will be implemented to improve the investment environment of the area through the cooperation of companies and governments of both countries.

agreed upon by the Japanese and Indonesian governments. As there are plans to build new railway systems in other cities, we will continue to expand our railway car business in Indonesia.

### **(iii) Environment & Infrastructure Business Unit**

#### **[TOPIC]Expansion of the Electric Power Infrastructure Business in Emerging and Developing Countries**

We have been devoting efforts to the electric power infrastructure business in regions with a high potential for economic growth. In Ghana, we are participating in a combined cycle power plant<sup>2</sup> project together with Sumitomo Corporation Africa Pty Ltd. Construction started in January 2015 with a view to launching commercial operation in autumn 2017, and we will continue to be involved in the operation of the plant for 20 years thereafter. The plant is expected to produce electric power for approximately 600,000 households in Ghana. In Vietnam, we were awarded an engineering, procurement and construction (EPC) contract for a supercritical power plant<sup>3</sup> (Duyen Hai 3 coal-fired thermal power station expansion project), which Vietnam's state-run utility company is planning to construct in southern Vietnam. Sumitomo Corporation will be further expanding its electric power infrastructure-related business in countries anticipating greater power demand, and will actively contribute to infrastructure developments and the economic development of these countries.

### **(iv) Media, Network, Lifestyle Related Goods & Services Business Unit**

#### **[TOPIC]Myanmar Expansion of the Telecommunications Business**

We have launched joint operations with KDDI Corporation and Myanma Posts & Telecommunications to expand the telecommunications business, aimed at providing "Japanese level of quality" mobile, fixed-line and Internet services throughout Myanmar. Since an agreement was signed regarding joint operations in July 2014, we have actively promoted a series of activities including the complete renewal of the brand image; the opening of the first directly operated shop and other projects to expand the sales network; and expansion of the telecommunications network. We will leverage the know-how in telecommunications business operations which we have accumulated in emerging countries over many years and endeavor to advance the business to a higher level through the

<sup>2</sup> A combined cycle power plant that generates electricity through a combination of a high-efficiency gas turbine and a steam turbine. The waste heat from the gas turbine is used to make steam which drives the steam turbine. This power generation system is very fuel-efficient and helps reduce greenhouse gas emissions.

<sup>3</sup> A supercritical power plant that uses steam of higher temperature and pressure levels than in existing thermal power plants to increase power generation efficiency and reduce environmental impact.



development of human resources and other efforts to support economic growth and the improvement of living standards in Myanmar.

**(v) Mineral Resources, Energy, Chemical & Electronics Business Unit**

**[TOPIC] Brazil Commencement of Multifaceted Distribution of Products and Services for Farmers**

We have reached an agreement to acquire a 65% share of Agro Amazônia Produtos Agropecuários Ltda., a distributor of agrochemicals, seeds, fertilizers, and other farm and livestock supplies located in the State of Mato Grosso, Brazil's largest granary. We have a track record of success in a similar investment; we acquired Alcedo S.R.L, the largest agricultural material distribution company in Romania, in 2011 and transformed the company into a multifaceted agricultural production support business<sup>4</sup> and boosted its sales and profit significantly within only two years after the acquisition. In Brazil, a major agricultural power, we will create synergies between a broad lineup of products and a high-quality customer base of Agro Amazônia on one hand and our financing, logistics, procurement, and marketing capabilities on the other to strengthen and expand the business with the aim of contributing to the stable food supply.

**●Initiatives for environmental conservation**

**Biomass Power Plant in Handa, Aichi Prefecture**

The Sumitomo Corporation Group is undertaking various environment-related businesses in line with our basic policy of striving to achieve a sustainable society, aiming for harmony between social and economic progress and environmental preservation through sound business activities. As part of this effort, we are undertaking various renewable-energy-based<sup>5</sup> power generation projects both in and outside of Japan. In the period under review, we started construction of Japan's largest pure-biomass-fired power plant in the city of Handa in Aichi Prefecture with a view to starting commercial service within FY2016. Among various sources of renewable energy, biomass is one of the most stable sources of power. We will continue to promote environment-related businesses including the development, construction, and operation of renewable-energy-based power plants to help maintain

<sup>4</sup> A multifaceted agricultural production support business that serves as a "one-stop shop" for farmers by offering a comprehensive range of farm or livestock supplies and agricultural services. By expanding this business in areas where sophistication of agriculture is expected or needed, we aim to increase revenues while contributing to the enhancement of agricultural productivity in the areas covered.

<sup>5</sup> Biomass refers to various organic resources derived from animals and plants, such as ligneous resources and food residue. For this project, we are planning to use wood chips and oil palm kernel shells as the main fuels.

and improve the global environment.

## ●Sumitomo Corporation Group's Contributions to society

### (i) Basic principles

#### Objective

To build a sustainable society

#### Activities

Develop the next generation of human resources who will drive the sustainable development of society.

Contribute to local communities in areas we do business in all over the world.

Take part in various activities as a good corporate citizen.

#### Approach

Strengthen our relationships with all our stakeholders.

Perform and seek to continuously improve our activities with modesty and high aspirations.

Maintain a high level of transparency.

### (ii) Development of the next generation of human resources

#### TOMODACHI Sumitomo Corporation Scholarship Program

We have taken part in the TOMODACHI Initiative, a U.S.-Japan partnership initiative led by the U.S. Embassy in Japan and the U.S.-Japan Council (Japan), a non-profit organization, and have launched the TOMODACHI Sumitomo Corporation Scholarship Program to support Japanese students studying in the United States.

Under this program, which is intended to allow students with high aspirations to study in the United States as exchange students by supporting their travel and living expenses, the scholarship students currently studying in the United States have been provided with—not only financial assistance but also—an opportunity to receive unique training in Sumitomo Corporation of Americas, among others, which they cannot experience at their universities. Using the opportunity to study in an international setting, the students work to broaden their vision and deepen their knowledge.

Continuous support for future leaders in Asia

The Sumitomo Corporation Scholarship program has supported about 15,000 undergraduate and graduate students from 17 Asian countries in total since its foundation in 1996.

**(iii) Contribution to local communities (support for reconstruction after the Great East Japan Earthquake)**

Youth Challenge Program for the Revitalization of East Japan

With the aim of providing support for young people in their late teens or twenties engaging in reconstruction assistance activities as well as to promote their community involvement, we implement the Youth Challenge Program for the Revitalization of East Japan.

One project supported by this program is the Scale Model Project for Restoring “Lost Homes.” In this project, students studying architecture are creating 1:500 scale models of lost towns and villages and displaying the models in workshops to which local residents are invited to pass down their memories of how they were living in their respective towns and villages. The project is also intended to help residents explore how they can rebuild their towns and villages and restore ties among them in each community.

The Youth Challenge Program also supports young people participating in long-term internships at non-profit organizations in the areas affected by the disaster.

Support for the activities of the Kesenuma Shishiori Fisheries Processing Cooperative Association

The Sumitomo Corporation Group has teamed up with Mitsui & Co., Ltd. to support the activities of the Kesenuma Shishiori Fisheries Processing Cooperative Association to facilitate the reconstruction of the fish processing industry in the city of Kesenuma in Miyagi Prefecture.

## 2. Management Challenges

### ●Economic Prospects

We expect that the world economy will continue to record gradual growth centering on the United States and other advanced countries. But in some emerging countries, low natural resource prices and increased funding costs caused by the normalization of U.S. financial policy may become a heavy burden on the economy. A number of risks are also expected to remain, such as the possibilities of financial market turbulence due to the European debt problem and of a heightening of tensions over the situations in Ukraine and in the Middle East and North Africa.

The Japanese economy will be underpinned by economic measures by the government and Bank of Japan, and due to the end of the aftereffects of the consumption tax rate hike, improvement of the employment and income environment, stronger corporate performance and export volumes stimulated by the weak yen, and other factors, we can expect the movement toward recovery to gradually grow stronger.

### ●Summary of the medium-term management plan: “Be the Best, Be the One 2014”

The Company had positioned its medium-term management plan “Be the Best, Be the One 2014 (BBBO2014)” as the “stage of heading for an even higher level of profit growth by thoroughly enhancing our earning power” for the two years until March this year, and made efforts to build a solid earnings base while maintaining financial soundness. To be specific, we stimulated the metabolism of our business portfolio by executing new investment and loans as well as replacing businesses in order to expand our earnings base; however, due to the incurrence of impairment losses on large projects in FY2014, among other factors, we failed to reach the quantitative targets of “BBBO2014” such as consolidated net income<sup>6</sup>, etc.

<sup>6</sup>“Consolidated net income” is equivalent to the “profit attributable to owners of the parent” set out in the International Financial Reporting Standards (IFRS).

**(i) Achievements of “BBBO2014”**

The quantitative targets of “BBBO2014” and actual performance were as below.

	Targets		Actual	
	FY2013	FY2014	FY2013	FY2014
Consolidated net income	¥240.0 billion	¥270.0 billion	¥223.1 billion	-¥73.2 billion
Risk-adjusted return ratio	(2-year average)	Approx.12%	(2-year average)	3.5%
ROA	(2-year average)	3% or more	(2-year average)	0.9%

In FY2013, solid results in metal products, transportation and construction systems, and other non-mineral resources businesses pushed up our company-wide performance, but in our mineral resources businesses, we felt the impact of lower prices, and at the end of the fiscal year we booked impairment losses of 27.7 billion yen in the coal-mining projects in Australia; as a result our consolidated net income for the year totaled 223.1 billion yen.

In FY2014, our consolidated net income for the year amounted to a loss of 73.2 billion yen. This reflected a sluggish performance in mineral resources businesses due to a further drop in commodity prices, combined with 310.3 billion yen of impairment losses posted for several projects including the Tight oil development project in the U.S. and the Iron ore mining project in Brazil. These factors outweighed robust performances from our earnings pillars and profit contributions from investments made in recent years in non-mineral resources businesses.

**(ii) Impairment losses**

The principal projects that posted impairment losses, which were the main reason for the failure to reach the quantitative targets of “BBBO2014” are shown below.

<b>Projects</b>	<b>Project Outline</b>	<b>Amount of Impact on Consolidated Net Income</b>	<b>Main Reason for Impairment Loss</b>
Tight oil development project in the U.S.	Tight oil & gas development and relevant businesses in the state of Texas, U.S.	-¥199.2 billion	Resolution of the divestment of certain fixed assets, decline in the oil prices, revision of the long-term business plan
Iron ore mining project in Brazil	Iron ore mining operations and relevant businesses in the Serra Azul region of the state of Minas Gerais in Brazil	-¥62.3 billion	Decline in the iron ore prices, revision of the life of mine plan and future expansion plan
Shale gas project in the U.S.	Shale gas development and relevant businesses in the state of Pennsylvania, U.S.	-¥31.1 billion	Decline in the oil & gas prices, revision of the long-term business plan
Coal mining projects in Australia	Investments in coal mines in Australia	-¥24.4 billion	Decline in the coal prices
Tire business in the U.S. (TBC)	Retail and wholesale of tires in the U.S.	-¥21.9 billion	Revision of the business plan
Oil field interests in the North Sea	Crude oil & natural gas development and relevant businesses in the British and Norwegian zones of the North Sea	-¥3.6 billion	Decline in the oil prices, revision of the long-term business plan
Tax effect and others		¥32.3 billion	
Total amount		-¥310.3 billion	

## ● Overview of a new medium-term management plan: “Be the Best, Be the One 2017”

### (i) Basic policy

Based on the summary of “BBBO2014,” the Company has prepared a new medium-term management plan “Be the Best, Be the One 2017 (BBBO2017),” which covers FYs2015, 2016 and 2017. Its basic policies are as follows:

**Theme:** To make group-wide efforts in overcoming issues and to outline a path toward the realization of “What We Aim to Be”

- Steady implementation of managerial reform
- Strengthening earning power to achieve “What We Aim to Be”
- Regaining balance between core risk buffer and risk-adjusted assets<sup>7</sup> and securing positive post-dividend free cash flow (3-year total)

#### “What We Aim to Be”

- We aim to be a corporate group that is recognized by society as meeting and exceeding the high expectations directed toward us, creating value that nobody else can match in ways befitting our distinctive identity.
- We aim to build a solid earnings base and aim for an even higher level of profit growth while maintaining financial soundness.
- In quantitative terms, we aim for total assets of around ¥10 trillion and consolidated net income of ¥400 billion or more.

<sup>7</sup> Our core risk buffer represents the sum of “common stock,” “additional paid-in capital,” “retained earnings” and “Exchange difference on translating foreign operations” minus “treasury stock, at cost.” Our basic management policy is to keep risk-adjusted assets, which are our maximum possible losses, within our core risk buffer.

## **(ii) Priority actions**

### Steady implementation of managerial reform

- ✓ Change the Management Council into a decision-making body  
We will change the Management Council, which had been positioned as an advisory body to the President, into a decision-making body in order to establish a system under which decisions on important matters are made through multilateral discussions more than before.
- ✓ Strengthen the system for handling important and large-scale projects  
We will strengthen our risk management system by introducing a scheme of Loan and Investment Committees within business units, in addition to the company-wide Loan and Investment Committee, to discuss and examine investments from various perspectives prior to the investment stage and by holding discussions in two stages, first at the time of considering the investment and second at the time of execution of the investment.
- ✓ Adjust the hurdle rate for investments  
We will review our hurdle rate for investments so that they better correspond to the nature of the risks for each business and will aim to determine the profitability of investments more appropriately by using the hurdle rate.
- ✓ Increase in the number of outside directors
- ✓ Active response to the Corporate Governance Code

### Strengthening earning power to achieve “What We Aim to Be” (promoting a growth strategy)

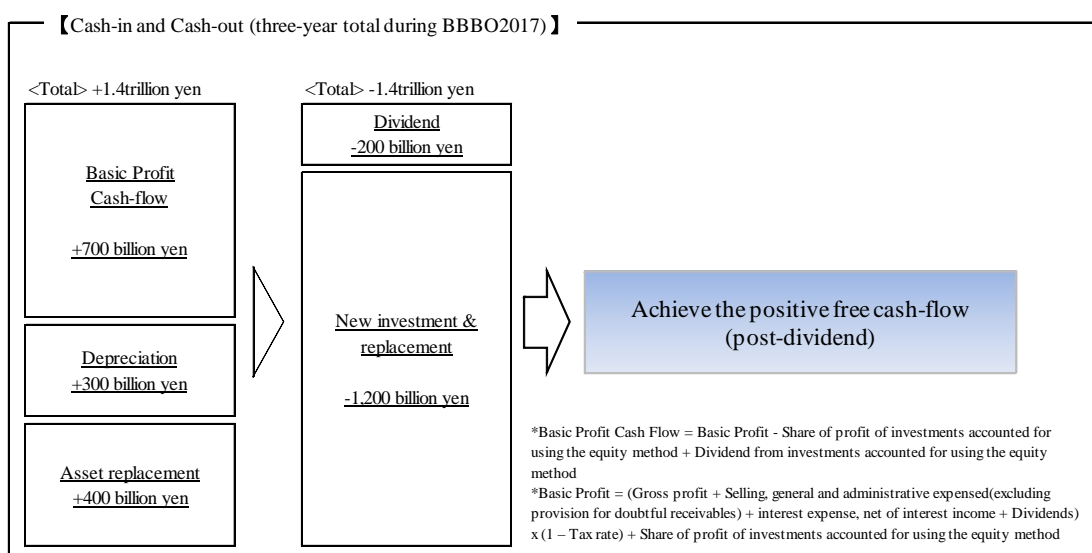
- ✓ Strengthening/promoting cross-organizational collaboration  
Based on the growth strategies of each business unit, we will strengthen and promote cross-organizational collaboration among businesses which have compatibilities in terms of industry, function and region in respect of overall portfolio.
- ✓ Strategic industrial/regional focus  
Following our initiatives started in “BBBO2014,” we will continue to strengthen the structure to develop businesses in the following industries and regions with growth potential:  
Industrial focus: Energy-related business, retail business in Asia, food and agriculture-related business  
Regional focus: Brazil, India, Myanmar, Turkey, Sub-Saharan Africa
- ✓ Policy for the upstream mineral resources & energy business
  - Reduction of risk exposure through early financial completion (Nickel project in Madagascar, copper project in Chile, etc.)



- Continuous cost reduction and earning power improvement in existing businesses
- Basic policy; new investments replace existing assets
- Reconstruction of the risk management and assessment system
  - Manage concentration risk (monitoring and stress test regularly)
  - Improve methodology of project valuation (improve criteria for pipeline screening and risk scenario analyses)
  - Establish an expert organization (strengthen market analyses and technical evaluation abilities through the use of expertise of external human resources)

Regaining a balance between core risk buffer and risk-adjusted assets and securing positive post-dividend free cash flow (3-year total)

As a discipline for the promotion of our growth strategies, we will make investments and pay dividends within the cash generated from profits and asset replacements, in order to realize sustainable profit growth. In the three-year period of the “BBBO2017,” we plan to collect cash of approximately ¥1.4 trillion through basic profit cash flow<sup>8</sup>, depreciation and amortization and asset replacement. We plan to allocate approximately ¥200 billion to dividend payment and the remaining ¥1.2 trillion to investment. We aim to regain a balance between our core risk buffer and our risk-adjusted assets while continuing investment for growth to secure a positive post-dividend free cash flow.



<sup>8</sup> “Basic profit cash flow” is calculated by deducting “share of profit of investments accounted for using the equity method” from “basic profit” and adding “dividend from investments accounted for using the equity method.”

**(iii) Quantitative targets**

We will aim to achieve the following figures in FY2017 by steadily executing the priority actions mentioned above.

		<b>FY2017</b>
Profit targets	Consolidated net income	¥300 billion or more
	ROA	3% or more
	Risk-adjusted return ratio	10% or more
	ROE	Around 10%
Financial policies	Balance between core risk buffer and risk-adjusted assets	Regain balance by the end of FY2017
	Free cash flow ( Post-dividend free cash flow)	3-year total ¥200 billion (3-year totals Positive)
Investment plan		3-year total ¥1.2 trillion

**(iv) Dividend policy for “BBBO2017”**

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.

During “BBBO2017,” we will decide the dividend amount in view of the situations regarding basic profit and cash flow, with ¥50 per share as the minimum amount of annual dividend and a consolidated payout ratio of 25% or more as our reference. The annual dividend for FY2015 is projected to be ¥50 per share (interim dividend: ¥25, year-end dividend: ¥25 per share).

## **Basic Concept Regarding Selection of Accounting Standard**

Sumitomo Corporation has adopted International Financial Reporting Standards (IFRS), which are global accounting standards, to enhance the convenience of our financial statements for investors by improving their quality. We are also utilizing IFRS as a significant management tool to deal with management issues such as the further improvement of operational quality, the promotion of management resource reallocation, etc.

## Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries  
As of March 31, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars
	March 31, 2015	March 31, 2014	March 31, 2015
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	¥ 895,875	¥ 1,111,192	\$ 7,466
Time deposits	7,866	4,283	66
Marketable securities	9,622	33,683	80
Trade and other receivables	1,569,214	1,549,363	13,077
Other financial assets	101,706	44,591	847
Inventories	994,404	872,030	8,287
Advance payments to suppliers	140,935	136,357	1,174
Other current assets	229,062	187,999	1,909
Total current assets	3,948,684	3,939,498	32,906
<b>Non-current assets:</b>			
Investments accounted for using the equity method	1,947,115	1,683,829	16,226
Other investments	495,451	510,450	4,129
Trade and other receivables	780,781	722,064	6,507
Other financial assets	174,403	115,633	1,453
Property, plant and equipment	884,766	921,157	7,373
Intangible assets	365,438	367,906	3,045
Investment property	269,460	256,602	2,246
Biological assets	12,851	12,993	107
Prepaid expenses	58,497	46,195	487
Deferred tax assets	83,924	92,411	699
Total non-current assets	5,072,686	4,729,240	42,272
Total assets	¥ 9,021,370	¥ 8,668,738	\$ 75,178

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥120=US\$1.

## Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries  
As of March 31, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars
	March 31, 2015	March 31, 2014	March 31, 2015
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities:</b>			
Bonds and borrowings	¥ 947,997	¥ 876,379	\$ 7,900
Trade and other payables	1,051,081	1,076,713	8,759
Other financial liabilities	77,005	43,790	642
Income tax payables	19,396	25,414	162
Accrued expenses	127,982	106,796	1,066
Advances from customers	169,664	168,412	1,414
Provisions	4,306	6,230	36
Other current liabilities	82,189	66,090	685
Total current liabilities	2,479,620	2,369,824	20,664
<b>Non-current liabilities:</b>			
Bonds and borrowings	3,473,280	3,362,553	28,944
Trade and other payables	131,661	138,286	1,097
Other financial liabilities	69,775	46,611	582
Accrued pension and retirement benefits	32,529	29,353	271
Provisions	48,247	41,130	402
Deferred tax liabilities	169,008	140,797	1,408
Total non-current liabilities	3,924,500	3,758,730	32,704
Total liabilities	6,404,120	6,128,554	53,368
<b>Equity:</b>			
Common stock	219,279	219,279	1,827
Additional paid-in capital	260,009	268,332	2,167
Treasury stock	(3,721)	(3,952)	(31)
Other components of equity	531,343	346,222	4,428
Retained earnings	1,474,522	1,574,789	12,288
Equity attributable to owners of the parent	2,481,432	2,404,670	20,679
<b>Non-controlling interests</b>	135,818	135,514	1,131
Total equity	2,617,250	2,540,184	21,810
Total liabilities and equity	¥ 9,021,370	¥ 8,668,738	\$ 75,178

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥120=US\$1.

# Consolidated Statements of Comprehensive Income

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars	
	2015	2014	2015	
<b>Revenues</b>				
Sales of tangible products	¥ 3,129,946	¥ 2,727,867	\$ 26,083	
Sales of services and others	632,290	589,539	5,269	
<b>Total revenues</b>	<b>3,762,236</b>	<b>3,317,406</b>	<b>31,352</b>	
<b>Cost</b>				
Cost of tangible products sold	(2,629,241)	(2,271,461)	(21,910)	
Cost of services and others	(180,054)	(151,529)	(1,501)	
<b>Total cost</b>	<b>(2,809,295)</b>	<b>(2,422,990)</b>	<b>(23,411)</b>	
<b>Gross profit</b>	<b>952,941</b>	<b>894,416</b>	<b>7,941</b>	
<b>Other income (expenses)</b>				
Selling, general and administrative expenses	(755,190)	(706,353)	(6,293)	
Impairment losses on long-lived assets	(278,620)	(31,407)	(2,322)	
Gain (loss) on sale of long-lived assets, net	9,450	11,586	79	
Other, net	(12,955)	3,508	(108)	
<b>Total other income (expenses)</b>	<b>(1,037,315)</b>	<b>(722,666)</b>	<b>(8,644)</b>	
<b>Operating profit (loss)</b>	<b>(84,374)</b>	<b>171,750</b>	<b>(703)</b>	
<b>Finance income (costs)</b>				
Interest income	20,718	13,874	172	
Interest expense	(33,680)	(31,316)	(281)	
Dividends	17,242	14,872	144	
Gain (loss) on securities and other investments, net	12,441	8,840	104	
<b>Finance income (costs), net</b>	<b>16,721</b>	<b>6,270</b>	<b>139</b>	
<b>Share of profit of investments accounted for using the equity method</b>	<b>49,092</b>	<b>126,226</b>	<b>409</b>	
<b>Profit (loss) before tax</b>	<b>(18,561)</b>	<b>304,246</b>	<b>(155)</b>	
<b>Income tax expense</b>	<b>(52,256)</b>	<b>(70,388)</b>	<b>(435)</b>	
<b>Profit (loss) for the year</b>	<b>(70,817)</b>	<b>233,858</b>	<b>(590)</b>	
<b>Profit (loss) for the year attributable to:</b>				
Owners of the parent	¥ (73,170)	¥ 223,064	\$ (610)	
Non-controlling interests	2,353	10,794	20	
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Financial assets measured at fair value through other comprehensive income	64,845	43,039	540	
Remeasurements of defined benefit pension plans	(587)	1,861	(5)	
Share of other comprehensive income of investments accounted for using the equity method	2,162	4,184	18	
<b>Total items that will not be reclassified to profit or loss</b>	<b>66,420</b>	<b>49,084</b>	<b>553</b>	
<b>Items that may be reclassified subsequently to profit or loss</b>				
Exchange differences on translating foreign operations	163,746	147,333	1,365	
Cash-flow hedges	3,171	1,273	26	
Share of other comprehensive income of investments accounted for using the equity method	(7,815)	(2,247)	(65)	
<b>Total items that may be reclassified subsequently to profit or loss</b>	<b>159,102</b>	<b>146,359</b>	<b>1,326</b>	
<b>Other comprehensive income, net of tax</b>	<b>225,522</b>	<b>195,443</b>	<b>1,879</b>	
<b>Comprehensive income for the year</b>	<b>154,705</b>	<b>429,301</b>	<b>1,289</b>	
<b>Comprehensive income for the year attributable to:</b>				
Owners of the parent	¥ 145,989	¥ 411,549	\$ 1,216	
Non-controlling interests	8,716	17,752	73	
<b>Total trading transactions</b>	<b>¥ 8,596,699</b>	<b>¥ 8,146,184</b>	<b>\$ 71,639</b>	

Notes:

1) The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥120=US\$1.

2) Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Companies act as a principal or as an agent. Total trading transactions is a measure commonly used by Japanese trading companies. It is not to be construed as equivalent to, or a substitute for, sales or revenues under IFRSs.

## Consolidated Statements of Changes in Equity

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
<b>Equity:</b>			
<b>Common stock:</b>			
Balance, beginning of year	¥ 219,279	¥ 219,279	\$ 1,827
Balance, end of year	219,279	219,279	1,827
<b>Additional paid-in capital:</b>			
Balance, beginning of year	268,332	269,285	2,236
Acquisition (disposal) of non-controlling interests, net	(3,459)	911	(29)
Others	(4,864)	(1,864)	(40)
Balance, end of year	260,009	268,332	2,167
<b>Treasury stock:</b>			
Balance, beginning of year	(3,952)	(232)	(33)
Acquisition (disposal) of treasury stock, net	231	(3,720)	2
Balance, end of year	(3,721)	(3,952)	(31)
<b>Other components of equity:</b>			
Balance, beginning of year	346,222	173,044	2,885
Other comprehensive income for the year	219,159	188,485	1,826
Transfer to retained earnings	(34,038)	(15,307)	(283)
Balance, end of year	531,343	346,222	4,428
<b>Retained earnings:</b>			
Balance, beginning of year	1,574,789	1,391,440	13,123
Transfer from other components of equity	34,038	15,307	284
Profit (loss) for the year attributable to owners of the parent	(73,170)	223,064	(610)
Cash dividends	(61,135)	(55,022)	(509)
Balance, end of year	1,474,522	1,574,789	12,288
<b>Equity attributable to owners of the parent</b>	<b>¥ 2,481,432</b>	<b>¥ 2,404,670</b>	<b>\$ 20,679</b>
<b>Non-controlling interests:</b>			
Balance, beginning of year	135,514	123,066	1,129
Cash dividends to non-controlling interests	(3,872)	(3,378)	(33)
Acquisition (disposal) of non-controlling interests and others, net	(4,540)	(1,926)	(38)
Profit for the year attributable to non-controlling interests	2,353	10,794	20
Other comprehensive income for the year	6,363	6,958	53
Balance, end of year	135,818	135,514	1,131
<b>Total equity</b>	<b>¥ 2,617,250</b>	<b>¥ 2,540,184</b>	<b>\$ 21,810</b>
<b>Comprehensive income for the year attributable to:</b>			
Owners of the parent	145,989	411,549	1,216
Non-controlling interests	8,716	17,752	73
<b>Total comprehensive income for the year</b>	<b>¥ 154,705</b>	<b>¥ 429,301</b>	<b>\$ 1,289</b>

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥120=US\$1.

## Condensed Consolidated Statements of Cash Flows

Sumitomo Corporation and Subsidiaries  
For the years ended March 31, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
<b>Operating activities:</b>			
Profit (loss) for the year	¥ (70,817)	¥ 233,858	\$ (590)
Adjustments to reconcile profit for the year to net cash provided by operating activities:			
Depreciation and amortization	117,687	106,525	981
Impairment losses on long-lived assets	278,620	31,407	2,322
Finance (income) costs, net	(16,721)	(6,270)	(139)
Share of profit of investments accounted for using the equity method	(49,092)	(126,226)	(409)
(Gain) loss on sale of long-lived assets, net	(9,450)	(11,586)	(79)
Income tax expense	52,256	70,388	435
(Increase) decrease in inventories	(48,657)	16,309	(406)
Decrease (increase) in trade and other receivables	94,399	(33,197)	787
Increase in prepaid expenses	(14,503)	(6,502)	(121)
Decrease in trade and other payables	(67,246)	(26,777)	(560)
Other, net	(22,781)	30,308	(190)
Net cash provided by operating activities	243,695	278,237	2,031
<b>Investing activities:</b>			
Changes in:			
Property, plant, equipment and other assets	(241,934)	(168,575)	(2,016)
Marketable securities and investments	(78,252)	(23,919)	(652)
Loans receivables	(79,400)	(57,358)	(662)
Net cash used in investing activities	(399,586)	(249,852)	(3,330)
Free Cash Flows:	(155,891)	28,385	(1,299)
<b>Financing activities:</b>			
Changes in:			
Short-term debt	(10,360)	12,908	(86)
Long-term debt	4,366	193,877	36
Cash dividends paid	(61,135)	(55,022)	(509)
(Acquisition) disposal of treasury stock, net	115	(3,822)	1
Payment to and from non-controlling interests and others, net	(7,762)	(2,033)	(65)
Net cash (used in) provided by financing activities	(74,776)	145,908	(623)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(230,667)</b>	<b>174,293</b>	<b>(1,922)</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>1,111,192</b>	<b>924,513</b>	<b>9,260</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>15,350</b>	<b>12,386</b>	<b>128</b>
<b>Cash and cash equivalents at the end of period</b>	<b>¥ 895,875</b>	<b>¥ 1,111,192</b>	<b>\$ 7,466</b>

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥120=US\$1.



**Assumptions for Going Concern** : None

**Changes in accounting estimate** :

The significant changes in accounting estimate in the Consolidated Statements are as follows.

<Impairment loss>

The significant impairment losses in the fiscal year ended March 31, 2015 are as follows.

Sumitomo, through Summit Shale International Corporation (Head Office: Texas, USA, hereinafter “SSIC”), a wholly owned subsidiary of Sumitomo, and Summit Discovery Resources III LLC (Head Office: Texas, USA), a wholly owned oil and gas development subsidiary of SSIC, have participated in a Tight oil development project (hereinafter the “**Project**”) jointly with Devon Energy Corporation (Head Office: Oklahoma, USA, hereinafter “**Devon**”), an independent Oil & Gas E&P company, in the Permian Basin, Texas since September, 2012 (Sumitomo’s interest in the Project: 30 percent).

At the meeting of the Board of Directors held on September 29, 2014, Sumitomo resolved to divest the lease properties, wells and related facilities in the northern part of the Project jointly with Devon. Analyzing the development results until now in the northern part of the Project, the Companies determined that it is difficult to extract the oil and gas efficiently and it cannot expect as much production to recover the investment. As a result of reevaluating the recoverability of the carrying amount of the Project’s assets, the impairment loss of 173,638 million yen was recognized. In addition, the impairment loss of 25,586 million yen was recognized relating to the southern part of the project, which Sumitomo plans to continue holding, as a result of revaluation of the project reflecting a subsequent decline in oil prices and revision of long term business plan. Consequently, the impairment loss of 199,224 million yen was recognized in total in this fiscal year.

In the iron ore mining project in Brazil, the impairment loss of 62,342 million yen was recognized mainly due to the decline in iron ore prices, and revision of the life of mine plan and future expansion plan of the project.

In coal mining projects in Australia, the impairment loss of 17,594 million yen was recognized due to the decline in prices for coal, etc.

In the tire business in the U.S., the impairment loss of 21,868 million yen was recognized due to revision of the business plan, etc.

In the shale gas project in the U.S. and the oil field interests in the North Sea, the impairment losses of 31,095 million yen and 3,585 million yen were recognized respectively due to the decline in oil and gas prices and revision of the long-term business plan.

The impairment loss relating to the iron ore mining project in Brazil is included in “Share of profit of investments accounted for using the equity method” and others are included in “Impairment losses on long-lived assets” in the Consolidated Statements of Comprehensive Income.

<Provisions>

The provisions of 6,838 million yen for costs relating to placing the mine in care and maintenance in coal mining projects in Australia were recognized. The provisions are included in “Other, net” in the Consolidated Statements of Comprehensive Income.

## Segment Information (Condensed)

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2015 and 2014

2015:	Segment	Millions of Yen		
		Gross profit	Profit (loss) for the year (attributable to owners of the parent)	As of March 31 Total assets
	Metal Products	¥ 103,533	¥ 32,508	¥ 877,599
	Transportation & Construction Systems	133,932	49,805	1,615,390
	Environment & Infrastructure	64,471	22,948	597,197
	Media, Network, Lifestyle Related Goods & Services	288,690	47,848	1,903,769
	Mineral Resources, Energy, Chemical & Electronics	86,915	(191,023)	1,682,739
	Overseas Subsidiaries and Branches	277,499	(22,658)	2,164,414
	Segment Total	955,040	(60,572)	8,841,108
	Corporate and Eliminations	(2,099)	(12,598)	180,262
	Consolidated	¥ 952,941	¥ (73,170)	¥ 9,021,370

2014:	Segment	Millions of Yen		
		Gross profit	Profit for the year (attributable to owners of the parent)	As of March 31 Total assets
	Metal Products	¥ 97,168	¥ 26,590	¥ 884,398
	Transportation & Construction Systems	124,205	48,680	1,440,647
	Environment & Infrastructure	63,696	19,143	597,031
	Media, Network, Lifestyle Related Goods & Services	284,891	54,424	1,871,190
	Mineral Resources, Energy, Chemical & Electronics	82,933	23,629	1,748,111
	Overseas Subsidiaries and Branches	244,535	41,393	1,889,690
	Segment Total	897,428	213,859	8,431,067
	Corporate and Eliminations	(3,012)	9,205	237,671
	Consolidated	¥ 894,416	¥ 223,064	¥ 8,668,738

2015:	Segment	Millions of U.S. Dollars		
		Gross profit	Profit (loss) for the year (attributable to owners of the parent)	As of March 31 Total assets
	Metal Products	\$ 863	\$ 271	\$ 7,313
	Transportation & Construction Systems	1,116	415	13,461
	Environment & Infrastructure	537	191	4,977
	Media, Network, Lifestyle Related Goods & Services	2,406	399	15,865
	Mineral Resources, Energy, Chemical & Electronics	724	(1,592)	14,023
	Overseas Subsidiaries and Branches	2,313	(189)	18,037
	Segment Total	7,959	(505)	73,676
	Corporate and Eliminations	(18)	(105)	1,502
	Consolidated	\$ 7,941	\$ (610)	\$ 75,178

Notes:

1) The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥120=US\$1.

2) On April 1, 2014 the Kansai Regional Business Unit and Chubu Regional Business Unit were abolished, and the business departments constituting the above two regional business units were incorporated into organizations under headquarters business units and divisions. Accordingly, the Domestic Regional Business Units and Offices segment was abolished, and we reorganized our operating segments into five segments based on industries and overseas regional segment (Overseas Subsidiaries and Branches) from the first quarter of this fiscal year. Also, on October 1, 2014 Commodity Business Department was transferred from Corporate and Eliminations to Mineral Resources, Energy, Chemical & Electronics Business Unit.

The segment information of the same period of the previous year has also been reclassified.

## Earnings per share

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2015 and 2014

A calculation of the basic and diluted earnings per share (attributable to owners of the parent) for the years ended March 31, 2015 and 2014 is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Profit (loss) for the year attributable to owners of the parent	¥ (73,170)	¥ 223,064	\$ (610)

	Number of shares	
	2015	2014
Weighted-average shares—basic	1,247,696,887	1,249,036,900
Dilutive effect of:		
Stock options	—	891,250
Weighted-average shares—diluted	1,247,696,887	1,249,928,150

	Yen		U.S. Dollars
	2015	2014	2015
Earnings per share (attributable to owners of the parent):			
Basic	¥ (58.64)	¥ 178.59	\$ (0.49)
Diluted	(58.64)	178.46	(0.49)

Notes:

1) The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥120=US\$1.

2) Diluted earnings per share does not include stock options due to the anti-dilutive effect caused by the loss during the year ended 31 March, 2015.

## Subsequent events

There are no material subsequent events to be disclosed.