Sumitomo Corporation

Annual Results for FY2011

May 11, 2012

Sumitomo Corporation

Topics

Sumitomo Corporation

1. Summary of FY2011
2. Forecasts for FY2012
3. Progress in $f(x)$
4. Dividends

1. Summary of FY2011
(1) Net Income

Achieved record high Net Income and Basic Profit

	FY2010	FY2011	Increase/ (decrease)
Net Income (billion yen)	200.2	250.7	+50.4
Basic Profit (billion yen)	220.5	251.5	+31.0
Risk-return	13.9%	16.5%	+2.6

- Mineral Resources: Rise in commodity prices, Iron ore mining business in Brazil started to contribute to the earnings
- Non-Mineral Resources: Core businesses were stable

Basic Profit=(Gross profit-Selling, general and administrative expenses(excluding provision for doubtful receivables)-Interest expense, net of interest income+Dividends) ×59% (to take into account income taxes) + Share of profit of investments accounted for using the equity method

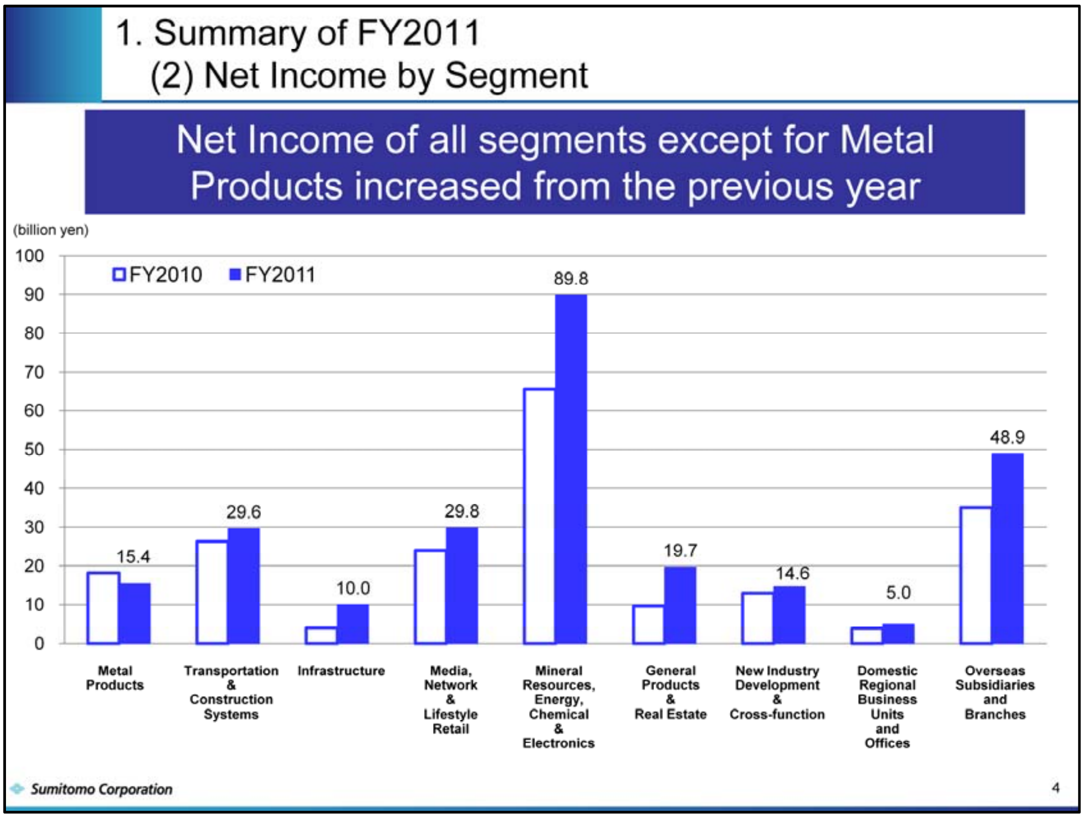
Sumitomo Corporation 3

Our net income for fiscal 2011 reached a record high of 250.7 billion yen, surpassing our earnings of 200.2 billion yen for the previous fiscal year.

Our basic profit, which excludes extraordinary gain and losses, also reached a new record of 251.5 billion yen, almost the same level as our net income.

This positive growth in net income increased the risk-adjusted return ratio, a measure of profitability, by 2.6% from the previous fiscal year to 16.5%.

The positive outcome reflects steady growth in core businesses that we have developed in our non-Mineral Resources business areas. In addition, the rise in commodity prices and the iron ore mining project in Brazil, which started to contribute to the earnings, were the factors of the strong performance.



Now let us look at net income from each business segment.
White shows net income in fiscal 2010, while blue indicates net income in this fiscal 2011.

As you can see, earnings from almost all the segments increased. In particular, *Mineral Resources, Energy, Chemical & Electronics* posted strong performance led by upstream resource business.

Transportation & Construction Systems and *Overseas Subsidiaries and Branches* successively contributed to the strong performance.

In addition, *Media, Network & Lifestyle Retail* and *General Products & Real Estate* achieved stable earnings in their core businesses mainly in Japan.

1. Summary of FY2011
(3) Key Financial Indicators

(billion of yen)	Start of *f(x)* As of March 31, 2011		End of 1st year As of March 31, 2012
Total Assets	7,230.5		7,226.8
Shareholders' equity	1,570.5		1,689.1
Shareholders' equity ratio	21.7%		23.4%
Interest-bearing Liabilities (Net)	3,056.3		2,786.7
DER(Net) (times)	1.9		1.6
Risk Assets	1,503.7		1,532.4
Risk-return	FOCUS'10 2-year average 12.7%	FY2011	16.5%
Free Cash Flow	FOCUS'10 2-year total 202.4	FY2011	154.7

Sumitomo Corporation 5

Now, let me explain the key financial indicators at the end of the first year of "*f(x)*".

Compared to March 31, 2011, our total assets remained at almost the same level while interest-bearing liabilities decreased due to our active replacement of assets. As a result, our net debt-equity ratio improved to 1.6 times.

Our free cash flow totaled approximately 150 billion yen positive, due to our dedicated efforts to collect cash through the sale of businesses and assets as well as to increase profit which generates cash.

(This page is intentionally left blank.)

2. Forecasts for FY2012
(1) Net Income

Expects another record high in FY2012

<Business Environment>
- Although uncertainties remain, the world economy is expected to grow gradually

<Sumitomo Corporation's performance>
- While Mineral Resources businesses decline, the whole company profit will increase due to growth in non-Mineral Resources businesses

	FY2011 Results	FY2012 Forecasts	Increase/ (decrease)
Net Income (billion yen)	250.7	260.0	+9.3
Basic Profit (billion yen)	251.5	254.0	+2.5
Risk-return	16.5%	15% or more	-

Basic profit= (Gross profit-Selling, general and administrative expenses(excluding provision for doubtful receivables)-Interest expenses, net of interest income+Dividends)×(1 - tax rate*) +Share of profit of investments accounted for using the equity method
*tax rate used in calculating basic profit: FY2011 41%, FY2012 38%

Sumitomo Corporation 7

I will now move on to explain the forecasts for fiscal 2012.

We should keep in mind the fact that downside risks remain in the world economy.
However, given that Japan and the U.S. are expected to sustain modest economic recoveries while economy in emerging countries is expected to grow steadily supported by domestic demand, we predict that the world economy will continue to grow gradually.

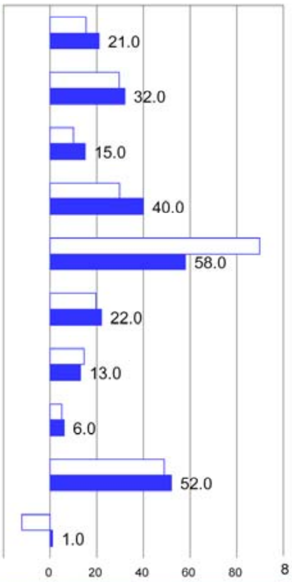
In this business environment, we aim to achieve a net income of 260 billion yen in fiscal 2012, marking another new record.

Although the Mineral Resources businesses, which drove our results in fiscal 2011, will suffer a drop in earnings due to a decline in commodity prices, our business growth will be driven by core businesses in non-Mineral Resources businesses that have been steadily developed.

2. Forecasts for FY2012
(2) Net Income by Segment

Increase in most segments

(billion yen)	FY2011 Results	FY2012 Forecasts	Factors of Increase/decrease
Metal Products	15.4	21.0	Impact of the earthquake and Thai flood in steel business in FY11, Temporary losses in FY11
Transportation & Construction Systems	29.6	32.0	Automobile and construction equipment businesses: stable
Infrastructure	10.0	15.0	Earnings from TJB power plant expansion project increase
Media, Network & Lifestyle Retail	29.8	40.0	Major group companies: stable Temporary gain expected
Mineral Resources, Energy, Chemical & Electronics	89.8	58.0	Commodity prices decline and cost increases, Chemical: stable, Temporary gain in FY11
General Products & Real Estate	19.7	22.0	Major businesses including tire business in the U.S.: stable
New Industry Development & Cross-function	14.6	13.0	Contribution of new Aircraft leasing business, gain regarding IPO of a company was recognized in FY11
Domestic Regional Business Units and Offices	5.0	6.0	Metal products business: stable
Overseas Subsidiaries and Branches	48.9	52.0	Metal products business: stable
Corporate and Eliminations	-12.1	1.0	Temporary losses in FY11



Sumitomo Corporation 8

This chart indicates net income from each business segment in fiscal 2011 and fiscal 2012, and the key factors for the increase or decrease of earnings.

In *Metal Products*, in addition to capturing rebounding demand after the Great East Japan Earthquake and the widespread flooding in Thailand, we are going to respond to increased demand for automobiles in China and Southeast Asia.

In *Infrastructure*, we completed expansion project on the TJB power plant in Indonesia in fiscal 2011, which will make a full contribution to earnings in fiscal 2012.

In *Media, Network & Lifestyle Retail*, we expect our core businesses such as J:COM and Jupiter Shop Channel to perform steadily. Additionally, we also anticipate temporary gain.

As you can see, all segments except *Mineral Resources, Energy, Chemical & Electronics* are expected to contribute positively to our overall earnings in fiscal 2012.

3. Progress in *f(x)*
(1) Basic policy, Quantitative targets & Progress

"Growth across regional, generational, and organizational boundaries"

【Basic Policy】
Under our medium-term management plan "*f(x)*"(f-cross), we will carry on with the basic policies and measures adopted under our previous plan with a view to the next 10 years, FOCUS'10—whence the *f* —*and at the same time undertake the execution—whence the x—of our* *business model innovation*.
We are doing this to meet the demands of the times based on our Corporate Mission Statement, which define value creation as our corporate vision, with the aim of achieving growth together with all our partners across regional, generational, and organizational boundaries.

Medium-term management plan : *f(x)*			As of start of FY2012	
Quantitative Targets	**FY2011 Plan**	**FY2012 Plan**	**FY2011 Results**	**FY2012 Revised Forecasts**
Net Income (billions of yen)	220.0	260.0	250.7	260.0
Risk-adjusted Return ratio	---	15% or more	16.5%	15% or more

B/S Plan (2-year total) (billions of yen)	**Amount**	**Risk Assets**	**FY2011 Results**	**FY2012 Plan**
Acquisition & Enhancement	+1,150.0	+350.0	+570.0	+430.0
(new Investments included)	(+580.0)	(+320.0)	(+220.0)	(+360.0)
Divestiture & Reduction	-1,150.0	-130.0	-570.0	-580.0

Sumitomo Corporation 9

I will now move on to discuss the progress we achieved so far in "*f(x)*," our current medium-term management plan.

Under "*f(x)*," we are not only executing business model innovation to achieve higher growth potential and profitability for sustainable growth, but also promoting strategic resource management measures from a company-wide perspective.

As one such measure, we are implementing balance sheet management, by which we seek to improve asset quality through replacing assets in order to improve our profitability.

Under our two-year balance sheet plan, we will maintain total assets at the same level as at the commencement of "*f(x)*": while we will add assets of a total value of 1,150 billion yen through active investments, other assets of the same value will be divested and reduced.

So far, we have made good progress toward fulfilling the plan. Assets with a value of 570 billion yen were added in fiscal 2011, and other assets of the same value were divested and reduced in the same period.

3. Progress in *f(x)*
(2)Results and Plan for Investments

Steady progress under *f(x)* plan

(billion yen)	*f(x)* 2-year total plan for Investments	FY2011 Results for Investments	FY2012 Plan for Investments	FY2012 Announced
Total (RA: Risk Assets)	580 (RA:320)	220 (RA:120)	360 (RA:200)	115 (RA:97)
(breakdown)				
Mineral Resources & Energy Area	175 (RA:95)	67 (RA:51) ・Ambatovy Nickel Project ・Sierra Gorda copper project ・Shale gas development, etc.	108 (RA:44)	45 (RA:37) ・Iron ore mining expansion project in Brazil ・Ambatovy Nickel Project ・Shale gas development, etc.
New Industry Development and Infrastructure Area	105 (RA:65)	10 (RA:10) ・Geothermal IPP in Indonesia ・Wind power IPP in the U.S., etc.	95 (RA:55)	18 (RA:6) ・Wind power IPP in the U.S. and South Africa, etc.
Media and life-related Area	150 (RA:60)	105 (RA:30) ・Acquisition of CSK ・Redevelopment project of Tokyo Denki University(TDU), etc.	45 (RA:30)	32 (RA:17) ・Acquisition of U.S. automotive repairment and service company ・Redevelopment project of TDU, etc.
Others	150 (RA:100)	38 (RA:29) ・Tubular products manufacturing business in the U.S. ・Automobile production business in Mexico, etc.	112 (RA:71)	20 (RA:37) ・Acquisition of aircraft leasing business, etc.

Sumitomo Corporation 10

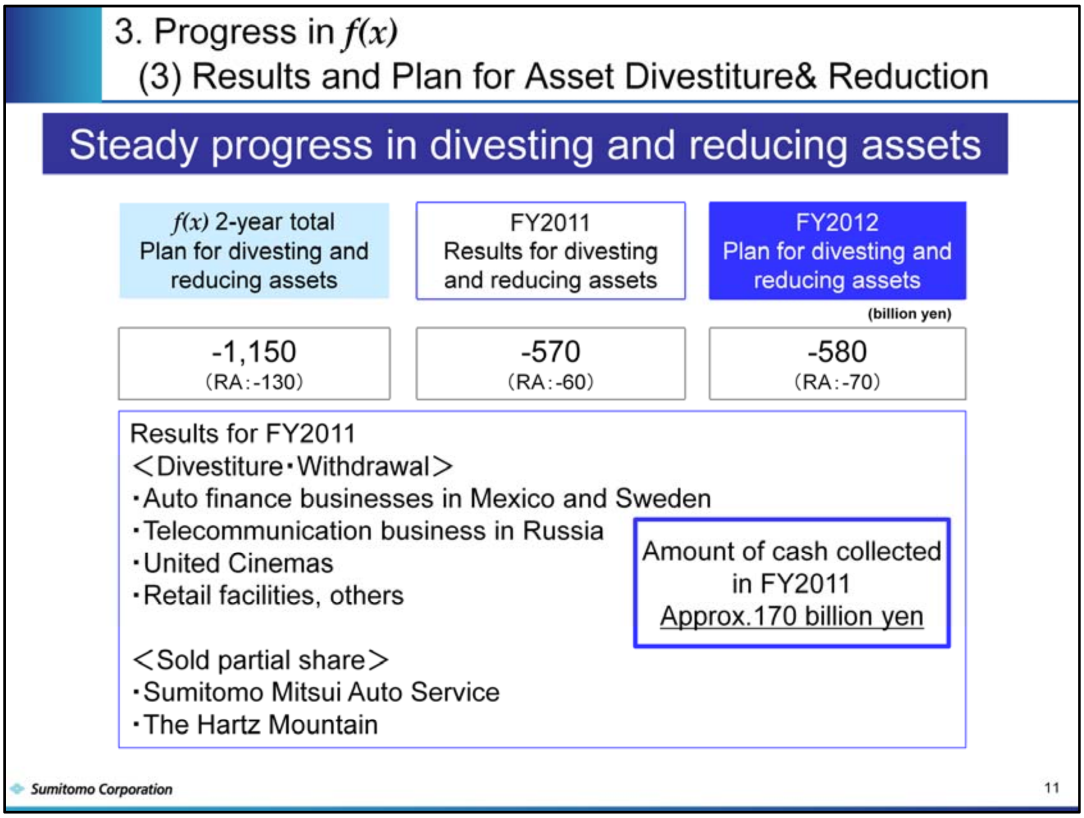
Now, I will explain the progress of the investments.

Against the "*f(x)*" plan of making investments of 580 billion yen over two years, we invested 220 billion yen in fiscal 2011.

Looked at by business area, the investment in the *Mineral Resources & Energy* area was 67 billion yen, which was mainly used for the acquisition of new interests and the expansion of existing projects.
In our non-Mineral Resources business areas, we also made investments in core businesses and other businesses with high future growth potential in order to drive steady earnings growth over the long term.

In fiscal 2012, we plan to invest 360 billion yen in total.

Amid the European crisis, new investment opportunities are increasing. However, we will keep on searching for high-grade investment opportunities without loosening our investment discipline, and build up our investments steadily.



Next, I will explain the results of our asset divestiture and reduction.

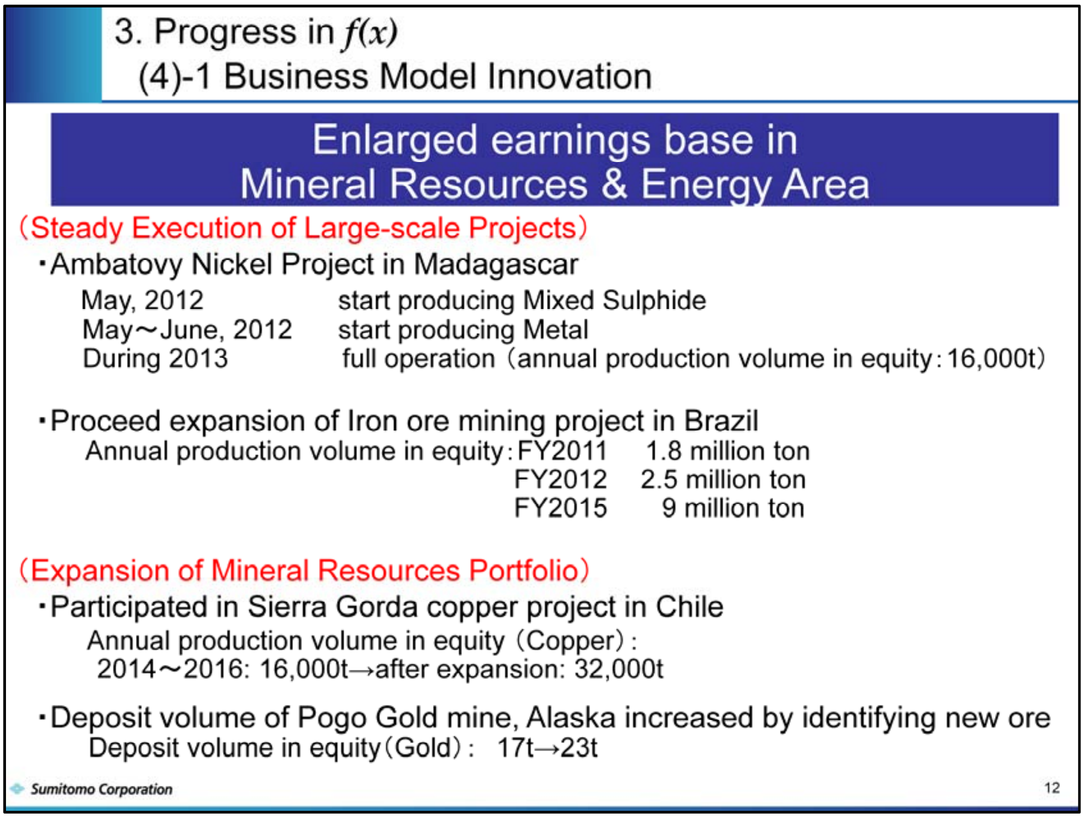
Implementation of the plan has progressed smoothly. In fiscal 2011, we reduced assets by 570 billion yen. Along with this reduction, we successfully collected cash of approximately 170 billion yen.

Based on our thorough assessment of the future prospects of each business in each area, we determined to sell or withdraw from businesses with less growth potential or with reduced profitability due to changes in the business environment.

In addition, there were some cases where we reduced assets as a result of forming business alliances with strong business partners, such as Sumitomo Mitsui Auto Service Company, Limited and The Hartz Mountain Corporation, for the purpose of expanding the relevant business.

Through these asset reductions, I believe that we can successfully allocate sufficient management resources to more profitable businesses.

In fiscal 2012, we will continue to divest and reduce assets.



I will now move on to discuss the action on "*f(x)*" for the expansion of our earnings base.

In the field of *Mineral Resources & Energy* area, we are steadily implementing large-scale projects.

Ambatovy Nickel Project in Madagascar will commence production of mixed sulphide by the end of this month.
It will start production of metal by the end of June and will go into full-scale production during calendar year 2013. When production runs at full capacity, our annual nickel production volume in equity will reach 16,000 tons.

In addition, with regard to the iron ore mining project in Brazil which we acquired in December 2010, we anticipate that our annual production volume in equity will increase because we are going to expand the facilities in fiscal 2012 and also commence joint production at some neighboring mining sites.

Furthermore, we are currently pushing forward an expansion project with the aim of dramatically increasing our annual production volume in equity in fiscal 2015.

3. Progress in *f(x)*
(4)-2 Business Model Innovation

Expanded earnings base in core businesses

(Strengthen tubular products value chain in North America)

- Strengthened seamless tubular products business in the U.S.
  In Sep, 2011 invested in V&M TWO LLC, a subsidiary of Vallourec, France
  Currently constructing a mill which manufactures small-diameter seamless steel pipes used for developing shale gas and oil
  Full commercial operation planned by the end of 2012

(Expand IPP/IWPP)

- Indonesia participated in geothermal IPP business
- Kuwait received preferred bidder notification letter for IWPP
- Participated in a new U.S. wind power business, Selected as a preferred bidder in South Africa

(Expand aircraft leasing business)

- Together with Sumitomo Mitsui Financial Group (SMFG), reached an agreement to acquire aircraft leasing business of RBS Group (currently acquiring regulatory approval and clearance)

Total assets of the business	: 7.2 billion USD (550 billion yen)
Shares in equity	: 30～40% (includes direct and indirect)
aircraft owned and under management	: 318 (As of Dec 31, 2010, world 4th largest)

SC・SMFG Group	78 aircraft
RBS Group	240 aircraft

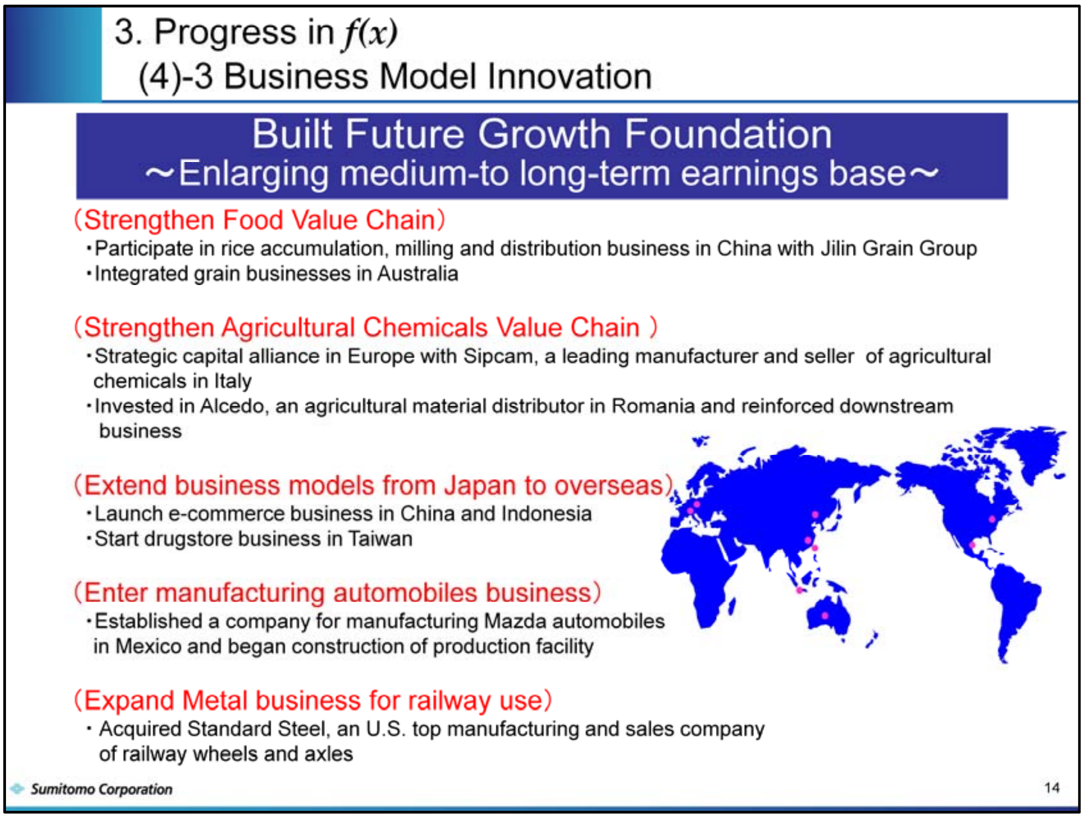
Sumitomo Corporation 13

In the non-Mineral Resources business area, we have been working on the expansion of earnings bases in core businesses in each field in collaboration with strong business partners.

In the tubular product business, through cooperation with Vallourec, we have been working on strengthening business in seamless tubular products used for shale gas/oil in the U.S. A new small-diameter tubular rolling mill with a production capacity of 350,000 tons per year, which is currently under construction in Ohio, will commence full-scale production in the second half of 2012.

In the IPP/IWPP business, we are going to promote the world's largest geothermal power project in Indonesia with Suez Group, a major European private developer. In Kuwait, also together with Suez Group, we received preferred bidder notification letter of Independent Water & Power Producer project.

In the leasing business, we are engaged in aircraft leasing as one of our strategic joint businesses with Sumitomo Mitsui Financial Group, Inc. The joint acquisition of RBS's aircraft leasing unit in collaboration with SMFG enabled us to be positioned as the fourth largest player in the world in terms of the number of aircrafts owned and under management. We, together with our business partner, will further expand and develop the business in response to increasing demand for aircraft in emerging markets by leveraging our accumulated know-how and expertise in aircraft operating leasing and technical management. In addition, we will also diversify into a wide-range of aircraft-related businesses.

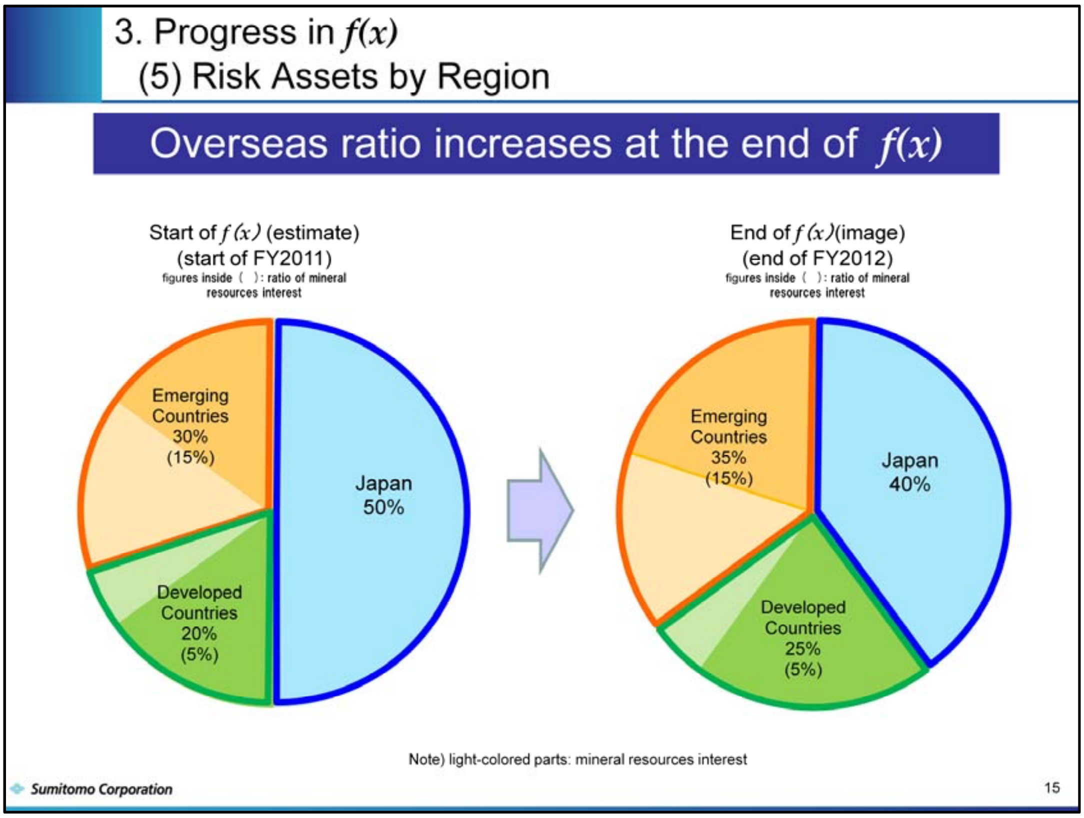


Finally, I will explain our approach to launching new businesses in collaboration with major business partners around the world in order to build up our future earnings bases.

In the food business, with our strategic business partner Jilin Grain Group Co., Ltd., which accumulates and processes agricultural products in China, we will commence rice accumulation, milling and distribution as a new business in China.
We will use this business as a base to expand our grain business in the Chinese market where living standards are improving.

Speaking of other areas, in the agricultural chemicals business, with Sipcam S.p.A., a leading Italian manufacturer and seller of agricultural chemicals, we will expand sales across the European agricultural chemicals market by combining the strong sales network in the Central and East European markets we have constructed over a number of years with Sipcam's strong access to the West and South European markets.
Furthermore, we acquired S.C. Alcedo S.R.L. in Romania, which has a direct sales network to farm households, for the purpose of enhancing the value-chain.

We are also extending the consumer business we are currently conducting in Japan to emerging countries. For example, we are going to enter the e-commerce business in China and Indonesia, the drugstore business in Taiwan and other consumer businesses in other emerging countries.



As I explained earlier, through replacing our assets, we are going to shift from current risk assets to assets in developed countries with high growth potential or those in emerging countries.

Accordingly, as shown in the pie graph, we expect Japan, which currently accounts for approximately 50% of our risk assets, to fall to a level of 40%, while the overseas ratio will increase to approximately 60%.

Talking of investments in emerging countries, our skills and expertise including managing country risk will be increasingly important. However, I believe we can manage such risks appropriately by effectively utilizing our proprietary know-how and experiences on risk control.

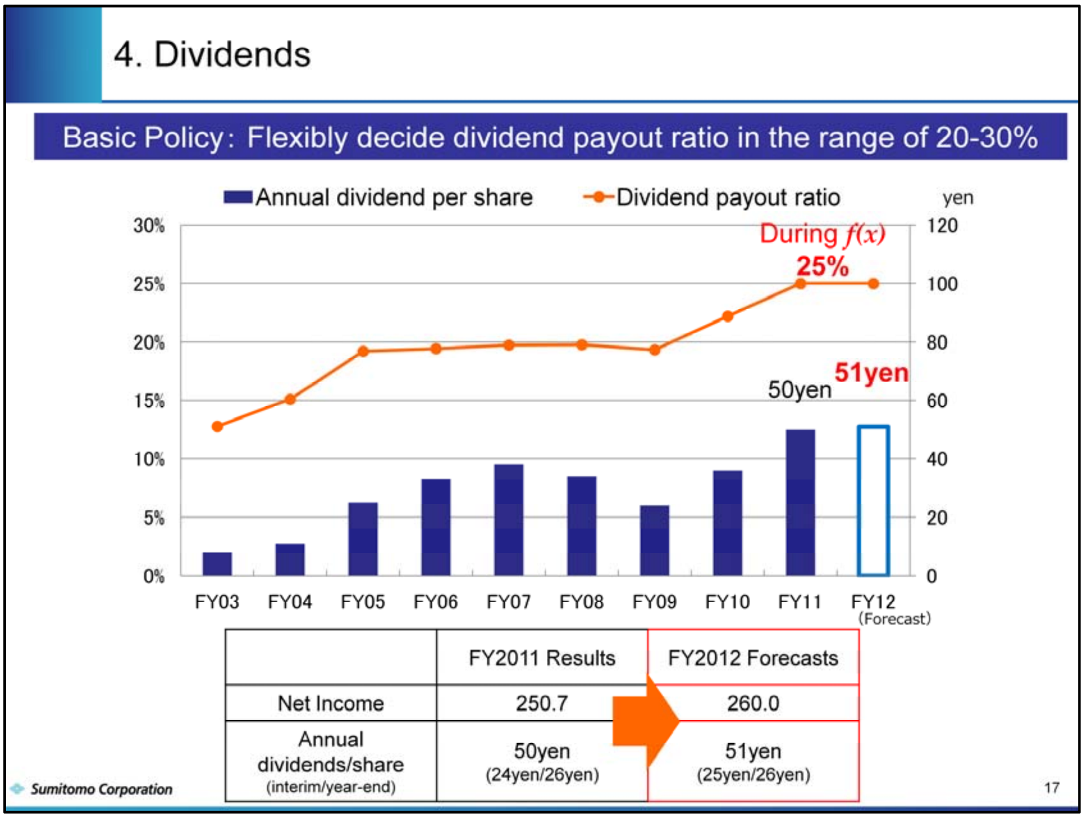
3. Progress in *f(x)*
(6) Key Financial Indicators

(billion yen)	Start of *f(x)* March 31, 2011	March 31, 2013 (Forecasts as of May, 2011)	End of *f(x)* March 31, 2013 (Forecasts as of May, 2012)
Total Assets	7,230.5	7,240.0	7,080.0
Shareholders' equity	1,570.5	1,940.0	1,890.0
Shareholders' equity ratio	21.7%	around 27%	around 27%
Interest-bearing Liabilities (Net)	3,056.3	2,780.0	2,620.0
DER (Net) (times)	1.9	around1.5	around1.5
Risk Assets	1,503.7	1,730.0	1,730.0
Risk Return	FOCUS'10 2-year average 12.7%	15% or more	FY2012 15% or more
Free Cash Flow	FOCUS'10 2-year total 202.4	Positive	*f(x)* 2-year total Positive

Note) The figures of March 31, 2013 (Forecasts as of May, 2011) are final figures after adopting IFRS and not as same as the figures announced in May, 2011.

Sumitomo Corporation 16

Now let us look at the key financial indicators at the start of "*f(x)*" and those at the end of "*f(x)*." Since the first year of ***f(x)*** has finished, we have reviewed our forecasts. The "*f(x)*" has progressed smoothly and in line with our initial plan.



I will now move on to explain dividends.

We have a basic policy to flexibly decide the consolidated dividend payout ratio in the range of 20% to 30%.

During the period of "*f(x)*," we will apply a consolidated payout ratio of 25%, considering the balance between retained earnings required for sustainable growth and return to shareholders.

Accordingly, the annual dividend per share for fiscal 2011 is 50 yen, increased by 14 yen from that of fiscal 2010.

Regarding dividends for fiscal 2012, the annual dividend per share would be 51 yen based on our forecast of net income of 260 billion yen.

Toward "Growth across regional, generational, and organizational boundaries"

"cross-boundary growth"

(Appendix)

- Assumptions
- Supplemental materials by segment
  (Performance Overview, $f(x)$ Strategies & Priority Fields)
- Basic Profit by Region
- $f(x)$ related materials
- Medium-term Management Plans
- Shareholders' Composition

Assumptions

Assumptions		FY2011 Results	FY2012 Outlook	Sensitivity to profit*
Foreign Exchange (YEN/US$) [Apr.-Mar.]		79.06	80.00	around 1.3 billion yen (1JPY/US$)
Interest rate	LIBOR 6M (YEN) [Apr.-Mar.]	0.35%	0.40%	-
	LIBOR 6M (US$) [Apr.-Mar.]	0.60%	0.80%	-
Crude oil<North Sea Brent> (US$/bbl) [Jan.-Dec.]		112	120	around 40 million yen (1US$/bbl)
Copper (US$/t) [Jan.-Dec.]		8,813	8,267	around 230 million yen (100US$/t)
Zinc (US$/t) [Jan.-Dec.]		2,191	2,146	around 860 million yen (100US$/t)
Iron ore (US$/t) [Jan.-Dec.]**		162	133	around 260 million yen (1US$/t)
Coking coal (US$/t) [Apr.-Mar.]**		291	236	around 140 million yen (1US$/t)

*Foreign Exchange: including hedge, Others: excluding hedge
**Iron ore and Coking coal prices are general market price.
All the figures are the average of the period written in the chart.

Metal Products

Performance Overview

【FY11 Result：15.4 billion yen 】
(2.8 billion yen decrease from FY10)

・**Steel Sheets**
Overseas steel service center: Impact of the Great East Japan Earthquake and Thai flood

・**Tubular Products**
North America: stable demand

・**Others**
Temporary losses in 4Q

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	66.1	66.8	71.0
Operating profit	22.4	19.5	-
Share of profit of investments accounted for using the equity method	6.0	5.0	-
Profit for the period attributable to owners of the parent	18.2	15.4 1Q:4.5 2Q:3.9 3Q:5.8 4Q:1.1	21.0
Total assets	635.1	638.4	-

【FY12 Forecast：21.0 billion yen】
(5.6 billion yen increase from FY11)

・**Steel Sheets**
Overseas steel service center: demand mainly for automobile increases since there was impact of the earthquake and Thai flood in the previous year

・**Tubular Products**
North America: stable tubular products demand due to active developments of oil unconventional resources

【Results of major subsidiaries and associated companies】

Company： Equity in earnings of the segment

Company	FY10	FY11	FY12(Forecasts)
・SC Pipe Services：	2.1	2.8	2.8
・ERYNGIUM(30/100)*：	0.6	1.2	1.2
・Sumisho Metalex(90/100)*：	1.0	0.9	0.9
・Asian Steel：	1.0	0.4	0.4

* (shares in equity owned by the segment/ owned by whole company)

$f(x)$ Strategies and Priority Fields

・Energy and automobile related business

> enhance value chain of tubular products
strengthen tubular products business in North America
enhance SCM operating bases (15 locations in 14 countries, as of Mar, 2012)
global expansion of processing tubular products/ steel products for oil-well
global expansion of manufacturing and selling metal parts

> upgrade steel service centers' function
(steel service center production capacity as of Mar, 2012：around 7.6 million tons (includes Asia& China : 4.4 million tons, Japan: 2.3 million tons))

> expand secondary processing of specialty steel business abroad

・ Building material
> capture demands in emerging countries (China, Vietnam, Pakistan, etc.)

・ Aluminum
> aluminum smelting and rolling business

・ Eco and new energy related business
> renewable energy related business
> materials for solar cells and secondary battery

【Investments and Replacements in FY2011】
・acquired shares of a manufacturer & supplier of rolled aluminum sheet (U.S., Aug, 2011)
・acquired a manufacturing and sales company of railway wheels and axles (U.S., Aug, 2011)
・participated in small-diameter seamless steel pipe manufacturing business (U.S., Sep, 2011)

Transportation & Construction Systems

Performance Overview

【FY11 Result：29.6 billion yen 】

(3.3 billion yen increase from FY10)

・Automobile

Finance businesses in Indonesia: provisions for doubtful receivables increased, contract unit decreased

Finance business in Japan: stable due to temporary rise in used car prices, temporary gain

・Construction equipment

Canada and Russia: stable

・Ships, aerospace and railway car

Oshima Shipbuilding: stable

Value realization through replacing ship

【FY12 Forecast：32.0 billion yen】

(2.4 billion yen increase from FY11)

・Automobile

Stable auto parts manufacturing business covers decrease in finance business in Japan

・Construction equipment

Canada and Russia: stable

・Ships, aerospace and railway car

Oshima Shipbuilding: earnings decrease

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	145.7	147.1	114.0
Operating profit	31.0	33.7	-
Share of profit of investments accounted for using the equity method	10.7	11.6	-
Profit for the period attributable to owners of the parent	26.3	29.6 1Q：9.8 2Q：7.8 3Q：8.3 4Q：3.7	32.0
Total assets	1,310.9	900.8	-

【Results of major subsidiaries and associated companies】

Company： Equity in earnings of the segment

Company	FY10	FY11	FY12(Forecasts)
・Sumitomo Mitsui Auto Service*1：	3.5	6.7	3.0
・Oto Murtiartha：	5.0	1.6	1.2
・SOF(89.56/99.56)*2：	3.9	0.2	0.5

*1 At the end of Feb, 2012, sold 20% share of SMAS. (previous share: 66%)

*2 (shares in equity owned by the segment/ owned by whole company)

f(x) Strategies and Priority Fields

・Automobile

> Auto finance

Japan: reinforce Sumitomo Mitsui Auto Service through alliance with Hitachi Capital Group

Overseas: Oto Multiartha / Summit Oto Finance (Indonesia)

continue corporate strategy for mid-to long-term sustainable growth

(results of financing in FY11 : OTO 82,000 automobiles, SOF 795,000 motorcycles

plans for financing in FY12: OTO 66,000 automobiles, SOF 660,000 motorcycles)

> Wholesale/Dealer

strengthen sales in emerging countries (Libya, Iraq, etc.)

> Manufacturing

increase overseas production capacity of KIRIU

・Construction equipment

> expand distributor business in emerging countries

> enhance mining machinery sales/service business globally

> enhance rental construction equipment business

・Ships, aerospace and railway car

> Ships: enhance portfolio through continuous asset replacement

【Investments and Replacements in FY2011】

・Started preparation for production and sales businesses in Latin America with Mazda Motor Corporation

・Alliance with Hitachi Capital Group regarding Sumitomo Mitsui Auto Service

・Sold auto finance company in Mexico and Sweden

Infrastructure

Performance Overview

【FY11 Result：10.0 billion yen 】
（6.0 billion yen increase from FY10）

・**IPP/IWPP businesses**
earnings increased due to Tanjung Jati B expansion project

・**Others**
mobile phone business in Mongolia: stable

value realization through replacing a telecommunication business in Russia

【FY12 Forecast：15.0 billion yen】
(5.0 billion yen increase from FY11)
・earnings from Tanjung Jati B power plant expansion project contribute full year

・ mobile phone business in Mongolia: stable

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	23.3	31.2	39.0
Operating profit	-2.4	6.3	-
Share of profit of investments accounted for using the equity method	5.5	4.4	-
Profit for the period attributable to owners of the parent	4.0	10.0 1Q：1.2 2Q：1.0 3Q：3.3 4Q：4.5	15.0
Total assets	544.9	563.1	-

【Results of major subsidiaries and associated companies】

Company：	Equity in earnings of the segment FY10	FY11	FY12(Forecasts)
・MobiCom：	1.7	1.6	1.9
・Perennial Power Holdings(50.01/100)*：	-0.7	0.5	1.2
・Sumisho Machinery Trade Corporation(55.5/100)*：	0.6	0.5	0.5

*(shares in equity owned by the segment/ owned by whole company)

$f(x)$ Strategies and Priority Fields

・IPP/IWPP
> further expand in Asia, Oceania, Middle East, and North America
> actively develop green field projects including geothermal power generation
> Shuweihat S3 project (326MW, completion planned in Mar, 2014)

・Tanjung Jati B power plant project
> completed construction of expansion project
(1,320 MW, unit 3: completed construction in Oct, 2011, unit 4: completed construction in Jan, 2012)

power generation capacity target: 6,300 MW
(as of Mar, 2012: 5,363MW (contract base)

・ Wind power generation/Water infrastructure business
> wind power generation: expand earnings base in markets with proven record(U.S. and China)
develop emerging countries such as South Africa and offshore businesses
> water: strengthen alliance with partners to expand business investment in China, other Asian countries, and Middle East as well as in mineral resource area

・Telecommunication
> invest in mobile communications and broadband businesses in overseas

【Investments and Replacements in FY2011】
・Tanjung Jati B power plant expansion project (Indonesia)
・Sold a telecommunication business in Russia

Media, Network & Lifestyle Retail

Performance Overview

【FY11 Result：29.8 billion yen 】
(5.9 billion yen increase from FY10)

・Major group companies
Jupiter Shop Channel: strong
J:COM and SCSK: stable

・Others
Temporary gain through acquisition and replacement of group companies
Temporary gain regarding reform of the tax system, etc.

【FY12 Forecast：40.0 billion yen】
(10.2 billion yen increase from FY11)

・ Major group companies
(J:COM, Jupiter Shop Channel and SCSK): stable

・ temporary gain expected

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	183.2	221.1	221.0
Operating profit	16.5	21.3	-
Share of profit of investments accounted for using the equity method	15.8	18.2	-
Profit for the period attributable to owners of the parent	24.0	29.8 1Q：9.2 2Q：5.6 3Q：14.1 4Q：0.9	40.0
Total assets	777.7	1,031.6	-

【Results of major subsidiaries and associated companies】

Company： Equity in earnings of the segment

Company	FY10	FY11	FY12(Forecasts)
・J:COM：	15.9	14.4	15.7
・Jupiter Shop Channel：	9.3	12.0	11.8
・SCSK：	-	6.5	5.2
・Summit(92.5/100)*：	1.7	1.6	1.7

* (shares in equity owned by the segment/ owned by whole company)

f(x) Strategies and Priority Fields

・Establish unique and strong consumer business through integration of media, network and retail
> provide top-level businesses in each industry
> deepen value chain among group companies
> enhance multichannel retail business

・Enhance core businesses
> J:COM(largest MSO in Japan, market share of Sep, 2011:around 36%):expand customer base and enhance services
> Sumisho Computer Systems and CSK: strengthen IT businesses through integration synergy
(On October 1, SCS and CSK merged into newly established SCSK)
> T-GAIA (cell phone store) : enhance sales network and improve efficiency
> Summit (supermarket) /Tomod's (drugstore) : expand business by new branch shops
(number of locations as of Mar, 2012: Summit 104, SC Drug stores 138)
>Jupiter Shop Channel (largest TV shopping company in Japan):
enhance products and programs while expanding customer base

・Build and develop new earnings base
> online supermarket: enhance product variety, improve service and operation efficiency
> internet drugstore: reinforce structure to acquire top position in the EC daily necessities area
> expand successful business models from Japan to abroad
(TV shopping, retail business, mobile& EC business, etc)

【Investments and Replacements in FY2011】
・made CSK a subsidiary through TOB (April, 2011)
・sold Hachette Fujingaho(May, 2011), United Cinemas(March, 2012), and NISSHO ELECTORONICS (March, 2012)

Mineral Resources, Energy, Chemical & Electronics

Performance Overview

【FY11 Result：89.8 billion yen 】

(24.2 billion yen increase from FY10)

- **Coal mining operation in Australia**
  decrease in coking coal sales volume
- **Copper businesses**：reversal of deferred tax liability resulted from business reorganization
- **San Cristobal silver-zinc-lead mining operation**
  increased due to market price increase 14.9 (+1.4)
  improvement in prices hedging profit -0.0 (+5.2)
- **Iron ore mining businesses:** strong
- **Temporary gain**

【FY12 Forecast：58.0 billion yen】

(31.8 billion yen decrease from FY11)

- **Coal mining operation in Australia**
  fall in market prices
- **Copper businesses:** production volume decline
- **San Cristobal silver-zinc-lead mining operation**
  sales volume decline and fall in silver price
- **Iron ore mining businesses**
  although sales volume increase, decrease due to price decline
- **Chemical:** stable

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	111.3	112.8	108.0
Operating profit	55.7	55.5	-
Share of profit of investments accounted for using the equity method	32.4	41.5	-
Profit for the period attributable to owners of the parent	65.6	89.8 1Q：28.0 2Q：37.2 3Q：16.7 4Q：7.9	58.0
Total assets	1,150.4	1,171.3	-

【Results of major subsidiaries and associated companies】

Company：	Equity in earnings of the segment FY10	FY11	FY12(Forecasts)
・Sumisho Coal Australia：	25.9	19.9	14.1
・Nusa Tenggara Mining：	15.4	15.1	1.8
・Silver, zinc and lead business in Bolivia(93/100)*1：	13.5	14.9	13.0
・Oresteel Investments(45/49)*：	7.8	12.4	8.2
・Iron Ore Mining Business in Brazil：	-0.0	7.4	5.5
・SC Minerals America(84.75/100)*：	3.5	4.9	3.9
・SMM Cerro Verde Netherlands：	3.6	3.5	2.7
・Oil fields interests in the North Sea：	-1.2	3.2	2.5
・LNG Japan：	1.4	2.2	2.7
・SC Mineral Resources：	0.9	0.9	0.7
・Sumitomo Shoji Chemicals(75/100)*：	1.7	0.9	1.0
・Petro Summit Pte.(80/100)*：	0.2	0.2	0.3
・The Hartz Mountain(24/49)*2：	0.4	0.2	0.2

*(shares in equity owned by the segment/ owned by whole company)
*1 shares in equity of the segment in FY10：100/100
*2 In Dec, 2011, sold 16.59% share of the segment.

f(x) Strategies and Priority Fields

・Proceed major upstream projects

> nickel (Madagascar) ：complete construction and start commercial production

> silver-zinc-lead (Bolivia) ：stable operation, explore mine in surrounding areas

> iron ore (Brazil): execute business plan toward 30 million tons annual production

>copper (Chile): develop Sierra Gorda project, commercial operation planned in 2014

・Strengthen mineral resources portfolio

> acquire new interests: mainly in four strategic areas (copper, coal, iron ore and oil & gas)

> expand existing interests: copper <Cerro Verde (Peru), Northparkes (Australia),Morenci(U.S.A)>
coal <Sumisho Coal Australia>
oil & gas<oil & gas (North Sea), shale gas(North America)>

・Reinforce Chemical &Electronics businesses in growing and emerging markets

> inorganic minerals: acquire and develop scarce resources such as rare earth

> agrichemicals: expand investment to strengthen value chain (Europe, North America, and Asia)

> pharmaceuticals: increase value of business in China through new medicine license business and supply of pharmaceutical ingredients

【Investments and Replacements in FY2011】

- invested in development of the Sierra Gorda project (Chile, Sep, 2011)
- Progress in Ambatovy nickel project (Madagascar)
- invested in agricultural material distributor in Romania (Nov, 2011)
- sold partial share of Hartz (Dec, 2011)

[Mineral Resources Equity Share of Production and Sensitivity to Net Income]

		FY11 Results 1Q	2Q	3Q	4Q	Annual	FY12 Forecasts	Sensitivity to net income (annual base/excluding prices hedge)
Coking coal	Equity share of shipping volume〔mil t〕	0.5	0.6	0.6	0.5	2.2	2.8	¥140 mil ($1/t)
	Prices〔$/t〕	330	315	285	235	291	236	
Thermal coal	Equity share of shipping volume〔mil t〕	0.5	0.5	0.6	0.4	2.0	2.1	¥90 mil ($1/t)
	Prices〔$/t〕	130	128	127	115	125	114	
Iron ore	Equity share of shipping volume〔mil t〕	0.4	1.3	0.5	1.6	3.8	4.8	¥260 mil ($1/t)
MUSA		0.4	0.4	0.5	0.4	1.7	2.6	
	Prices〔$/t〕	138	172	169	167	162	133	
Manganese ore	Equity share of shipping volume〔mil t〕	-	0.2	-	0.3	0.5	0.5	¥30 mil ($1/t)
	Prices〔$/t〕	-	261	-	233	247	230	
Copper	Equity share of production〔Kt〕	15	13	15	11	54	43	¥230 mil ($100/t)
Batu Hijau		7	5	7	4	23	14	
	Prices〔$/t〕	9,645	9,137	8,982	7,489	8,813	8,267	

Note) Prices are general market price. As for iron ore and manganese, we recognize equity earnings of Oresteel Investments semiannually (in second and fourth quarter) and thus equity share of shipping volume is recognized only semiannually.

[Mineral Resources Equity Share of Production and Sensitivity to Net Income]

		FY11 Results 1Q	2Q	3Q	4Q	Annual	FY12 Forecasts	Sensitivity to net income (annual base/excluding prices hedge)
Silver	Equity share of production〔t(mil oz)〕	78(2.5)	84(2.7)	78(2.5)	62(2.0)	302(9.7)	292(9.4)	¥430 mil ($1/oz)
	Prices〔$/oz〕	31.9	38.0	38.8	31.9	35.2	32.2	
Zinc	Equity share of production〔Kt〕	46	46	53	44	189	198	¥860 mil ($100/t)
	Prices〔$/t〕	2,393	2,250	2,224	1,897	2,191	2,146	
Lead	Equity share of production〔Kt〕	15	19	21	19	75	55	¥250 mil ($100/t)
	Prices〔$/t〕	2,605	2,550	2,459	1,983	2,399	2,241	
Crude oil, gas	Equity share of production〔mil bbl〕	0.8	0.9	0.9	0.7	3.3	2.6	¥40 mil ($1/bbl)
	Prices〔$/bbl〕	106	117	113	112	112	120	
LNG	Equity share of production〔Kt〕	70	60	80	80	290	350	-

Note) Prices are general market price.

General Products & Real Estate

Performance Overview

【FY11 Result：19.7 billion yen 】

(10.0 billion yen increase from FY10)

・**Food** Banana business: stable
Fertilizer business: market recovered
profit ratio improved

・**Materials & Supplies**
Building Materials and Cement: stable
TBC: sales increase in maintenance service

・**Construction & Real Estate**
Temporary losses in the previous year
office building leasing, sales of condominium: stable
value realization through replacement of assets in 4Q

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	99.1	100.2	108.0
Operating profit	14.4	29.9	-
Share of profit of investments accounted for using the equity method	3.6	4.6	-
Profit for the period attributable to owners of the parent	9.6	19.7 1Q：7.7 2Q：2.1 3Q：3.4 4Q：6.4	22.0
Total assets	696.5	771.6	-

【Results of major subsidiaries and associated companies】

Company： Equity in earnings of the segment

Company	FY10	FY11	FY12(Forecasts)
・TBC(40/100)*：	2.0	1.9	2.1
・Banana business：	1.7	1.9	1.8

*(shares in equity owned by the segment/ owned by whole company)

【FY12 Forecast：22.0 billion yen】

(2.3 billion yen increase from FY11)

・ **Food**
Banana business: stable

・ **Materials & Supplies**
Wood Resources, Building Materials, Cement, and tire: stable

・ **Construction & Real Estate**
Office building leasing and Condo sales: stable

f(x) Strategies and Priority Fields

・Food: Establish overseas earnings base

> Banana: enhance the production and sales network, strengthen high-value-added products
(Japanese market share of FY2011: 30%)

> Wheat: expand business in Asia utilizing upstream business value chain in Australia

・Materials & Supplies

> Tire : promote growth strategy of TBC (market share in North America as of Mar, 2012: around10%)
expand overseas sales business

> Timber: improve earnings base of timber processing business (Russia)
acquire new forest resources

・Construction & Real Estate

> Office building, commercial facilities:
replace assets while acquiring profitable assets
(manage 54 office buildings and 18 retail facilities as of Mar, 2012)
promote development in strategic area (Kanda, Tokyo)

> Condominium:
develop high-quality urban properties in Japan,
develop in China

【Investments and Replacements in FY2011】

・sold retail facilities

・redevelopment plan of the Tokyo Denki University Kanda Campus site

New Industry Development & Cross-function

Performance Overview

【FY11 Result：14.6 billion yen 】
(1.6 billion yen increase from FY10)

・Sumitomo Mitsui Finance & Leasing
stable due to decline in credit costs

・Others
gain regarding IPO of a company in which we invested

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	30.4	27.8	28.0
Operating profit	3.7	-0.1	-
Share of profit of investments accounted for using the equity method	11.0	11.3	-
Profit for the period attributable to owners of the parent	13.0	14.6 1Q：5.5 2Q：2.0 3Q：4.4 4Q：2.7	13.0
Total assets	597.3	549.7	-

【FY12 Forecast：13.0 billion yen】
(1.6 billion yen decrease from FY11)

・Sumitomo Mitsui Finance & Leasing: stable

・expect profit from newly acquired aircraft leasing business of Royal Bank of Scotland

・ cannot expect gain regarding IPO as previous year

【Results of major subsidiaries and associated companies】

Company：	Equity in earnings of the segment FY10	FY11	FY12(Forecasts)
・Sumitomo Mitsui Finance and Leasing(35/40)*	11.3	11.0	10.9
・Sumisho Aircraft Asset Management(95/100)*	0.4	0.4	0.3

*(shares in equity owned by the segment/ owned by whole company)

f(x) Strategies and Priority Fields

・New Business Development & Promotion

> expand earnings base in priority businesses (solar power generation, recycle of used home appliances, and 4R business(4R: Reuse, Resell, Refabricate and Recycle)

> create new businesses in growing areas (smart community,Co2 selective permeable membranes)

・Financial business

> Leasing business: strengthen cooperation with Sumitomo Mitsui Finance & Leasing Company

> Commodity: strengthen hedging against commodity prices corresponding actual demand

・Logistics business

> Industrial park (overseas) : expand businesses in Vietnam, India, and Indonesia

【Investments and Replacements in FY2011】

・Together with Sumitomo Mitsui Financial Group, reached an agreement to acquire aircraft leasing business of Royal Bank of Scotland (January, 2012)

Overseas Subsidiaries and Branches

Performance Overview

【FY11 Result：48.9 billion yen 】
(13.9 billion yen increase from FY10)

America： 27.8 billion yen(11.8 billion yen increase)
Europe: 7.3 billion yen(1.9 billion yen increase)
Asia： 5.2 billion yen(0.9 billion yen increase)
China： 3.5 billion yen(1.6 billion yen decrease)
Australia： 1.2 billion yen(0.4 billion yen increase)

・**America** ：metal products business: stable
temporary gain
・**Other areas:** metal products business: stable

【FY12 Forecast：52.0 billion yen】
(3.1 billion yen increase from FY11)
metal products businesses: stable

America：26.2 billion yen
Europe: 7.6 billion yen
Asia： 8.6 billion yen
China： 4.6 billion yen
Australia： 1.8 billion yen

(unit: billion of yen)

	FY2010 Results	FY2011 Results	FY2012 Forecasts
Gross profit	176.4	179.0	187.0
Operating profit	40.5	52.8	-
Share of profit of investments accounted for using the equity method	9.2	13.7	-
Profit for the period attributable to owners of the parent	35.0	48.9 1Q: 13.8 2Q: 13.5 3Q: 14.1 4Q: 7.6	52.0
Total assets	1,155.5	1,152.0	-

【Results of major subsidiaries and associated companies】

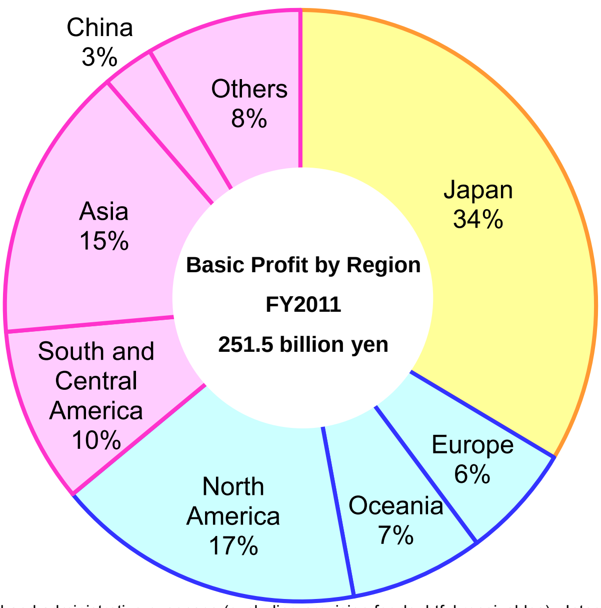
Company： Equity in earnings of the segment	FY10	FY11	FY12(Forecasts)
・TBC(60/100)：	3.1	2.8	3.2
・ERYNGIUM(70/100)：	1.5	2.7	2.6
・Silver, zinc and lead business in Bolivia(7/100)*1：	0.0	1.1	1.0
・Oresteel Investments(4/49)：	0.7	1.1	0.7
・SC Minerals America(15.25/100)：	0.6	0.9	0.7
・Perennial Power Holdings(49.99/100)：	-0.7	0.5	1.2
・Petro Summit Pte.(20/100)：	0.0	0.1	0.0
・The Hartz Mountain(25/49)*2：	0.6	0.3	0.2
・SOF(10/99.56)：	0.4	0.0	0.1
・Sumisho Aircraft Asset Management(5/100)：	0.0	0.0	0.0

(shares in equity owned by the overseas subsidiary/ owned by whole company)
*1 shares in equity of FY10：0/100
*2 In Dec, 2011, sold 34.41% share of the overseas segment.

Basic Profit by Region

Well-balanced Business Portfolio

Overseas (emerging countries) Overseas (developed countries) Japan



Basic Profit＝(Gross profit - Selling, general and administrative expenses (excluding provision for doubtful receivables) - Interest expense, net of interest income + Dividends) × 59% (to take into account income taxes) + Share of profit of investments accounted for using the equity method

f(x)
Plan for Increasing Risk Assets（As of April, 2011）

Plan for Increasing Risk Assets（2-year total）

Risk Assets ：+220 billion yen（Net）

- increase ：+350 billion yen
- decrease ：-130 billion yen

(FY2011 Results)

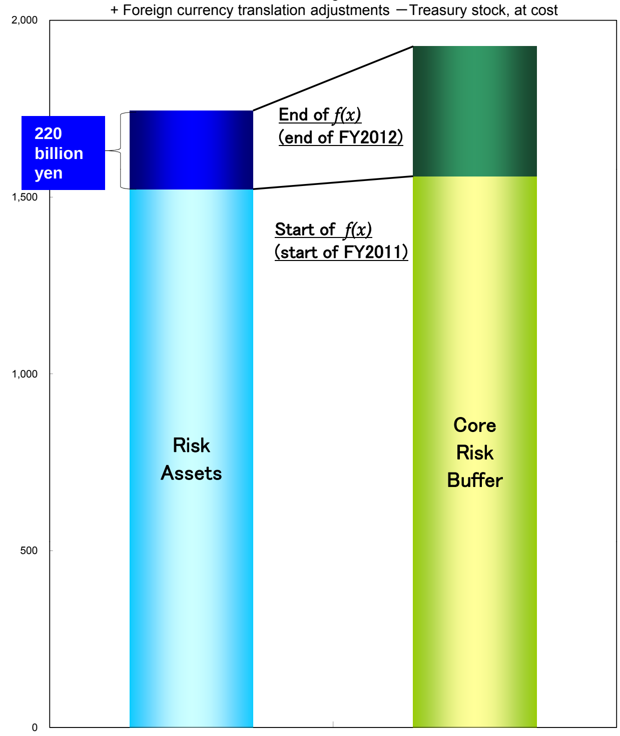
Risk Assets ：+30 billion yen（Net）

- increase ：+90 billion yen
- decrease ：-60 billion yen

Balance between risk assets and core risk buffer*

（billion yen）

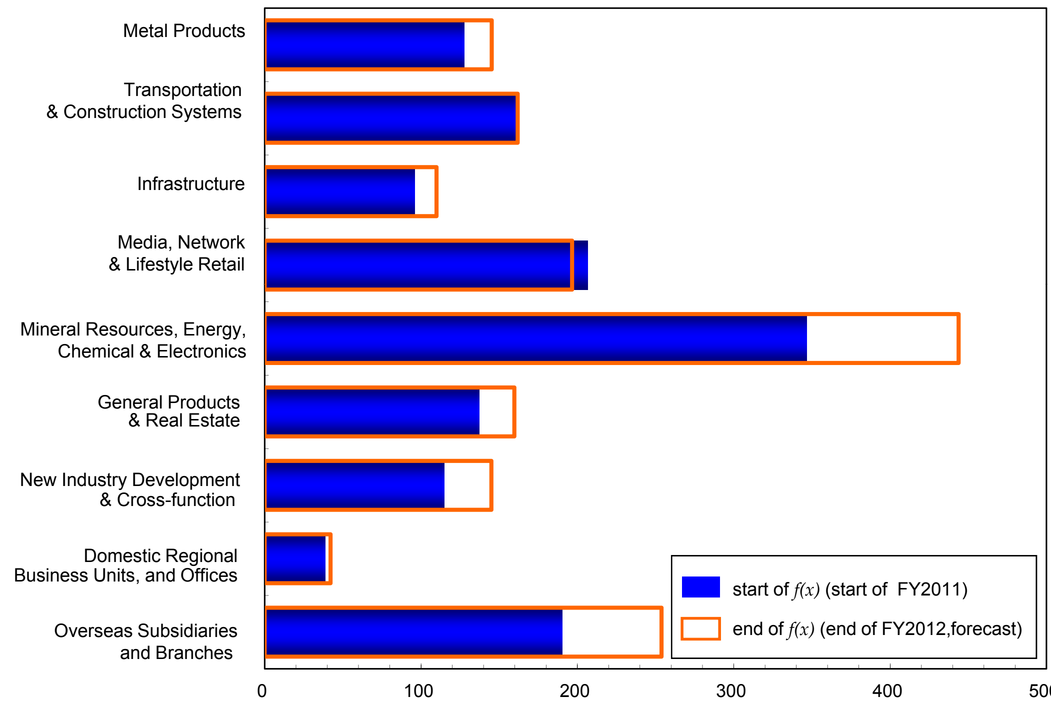
* Common stock + Retained earnings + Foreign currency translation adjustments －Treasury stock, at cost



f(x)
Forecasts of Risk Assets by Segment (as of May, 2012)

f(x)(FY11-12)

Risk Assets（billion yen）



FY2012 Risk return Forecasts
15.2%
21.0%
15.8%
19.9%
14.3%
14.9%
10.9%
14.0%
22.0%

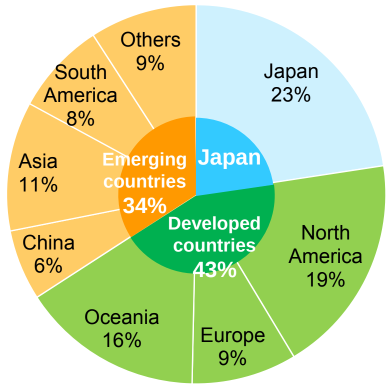
f(x) Plan for Investments

Investment Plan(2-year total): 580 billion yen
(in Risk Assets: 320 billion yen)

actively invest in core businesses and growth-expected businesses in each area

Plan for Investments (2-year total) (unit: billion of yen)	Amount	Risk-adjusted Assets
New investments	+580	+320
Mineral Resources and Energy area	(175)	(95)
New Industry development and Infrastructure area	(105)	(65)
Media and life-related area	(150)	(60)
Others	(150)	(100)

New investments by Region

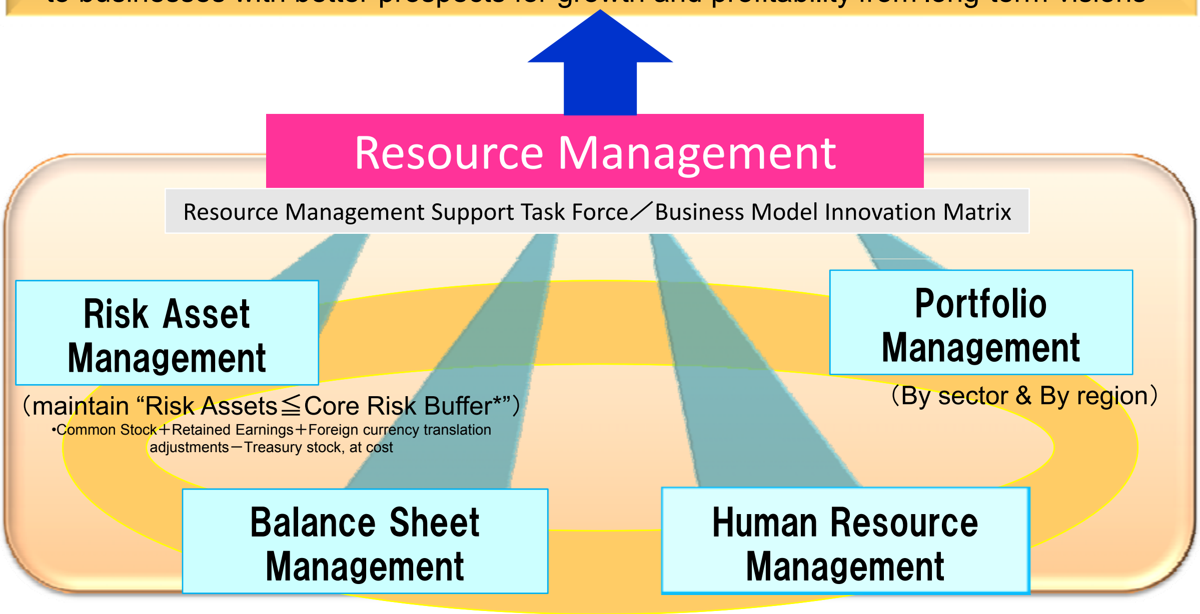


Amount Basis

f(x) Resource Management

Business Model Innovation

～to businesses with better prospects for growth and profitability from long-term visions ～



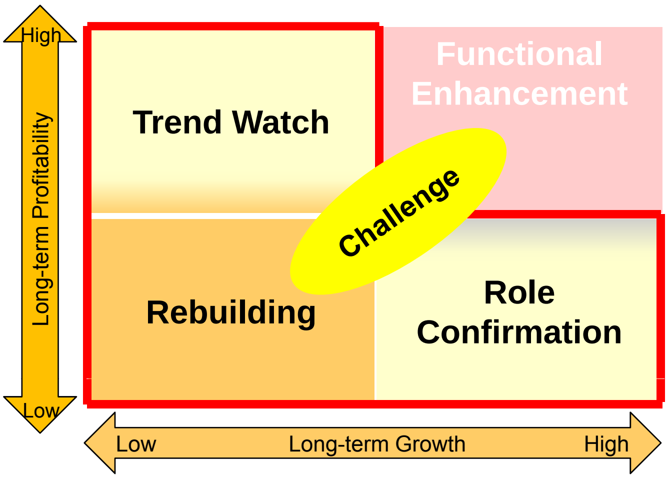
Accelerate the strategic allocation of corporate resources to businesses with better prospects for growth and profitability.

f(x)
Major Initiatives< Business Model Innovation Matrix>

Promote Business Model Innovation (BMI) through the BMI Matrix.

➢BMI Matrix

Define Business Lines (BLs) throughout the company in terms of long-term growth and profitability, and utilize the categorization as infrastructure for resource management.



➢**Challenge BLs**

(investments into futures)

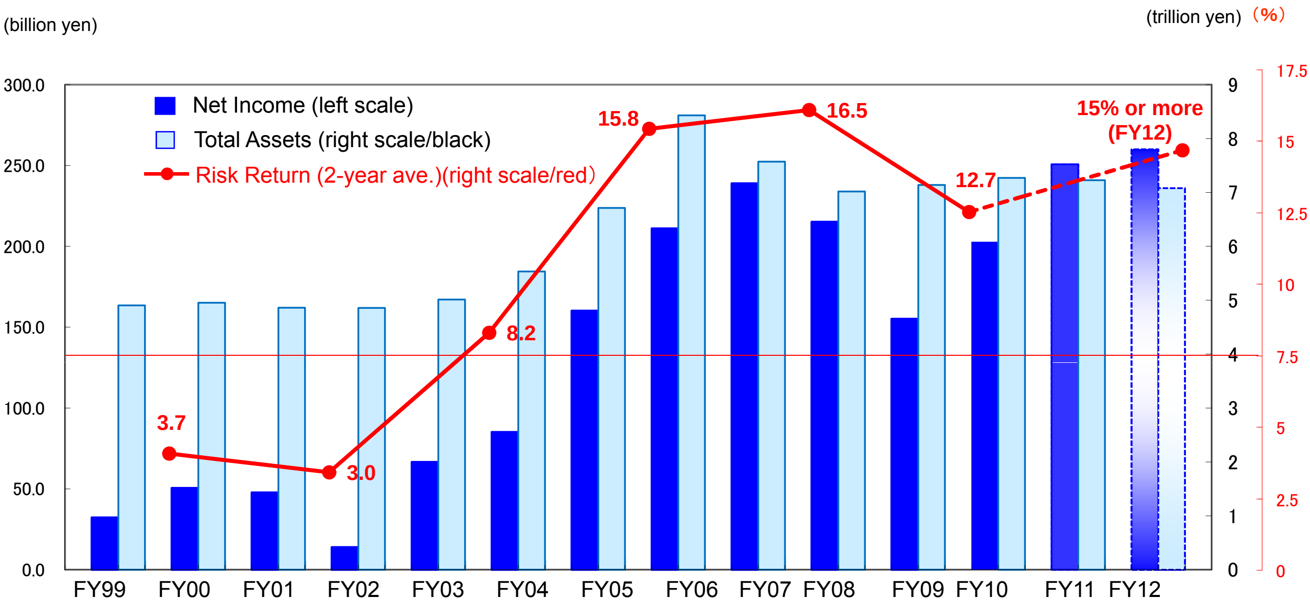
Businesses to allocate resources to and continue to foster on a company-wide basis, expecting growth and profitability in the future

➢**"L-shaped" BLs**

(Underperformance in long-term growth or profitability)

Establish a company-wide guideline for resource allocation (**" L-shaped" BL Ratio)** to develop and execute specific action plans aimed for its reduction

Medium-term Management Plans



Reform package	Step Up Plan	AA Plan	AG Plan	GG Plan	FOCUS'10	*f(x)*
Enhanced corporate strength by selecting core businesses and withdrawing from non-core businesses	Increased profitability by replacing low return assets with potentially higher return assets	Strategic investments in assets with potential profitability	Strategic moves for further growth and development	Pursuit of further improvement of quality heading for a new stage of growth	A growth scenario on a new stage	Growth across regional, generational, and organizational boundaries

Shareholders' Composition