

 **Sumitomo Corporation**



cross-boundary growth through
business model innovation



Six Months Results ended Sep.30, 2011

November 7, 2011

Sumitomo Corporation

1. Six Months Results of FY 2011

2. Forecasts for FY 2011

3. Progress in $f(x)$

4. Dividends

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.

I am Susumu Kato, President and CEO of Sumitomo Corporation, and I would like to start by thanking you all for attending today's earnings briefing.

I will cover four topics: Our six months results of fiscal 2011, our forecasts for fiscal 2011, progress in " $f(x)$ " (f-cross), and dividends.

1. Six Months Results of FY 2011

(1) Net Income

Achieved 69% of 220 billion yen initial annual forecast

(billion yen)	FY 2010 Apr-Sep Result	FY 2011 Apr-Sep Result	Increase compared to FY2010 Apr-Sep Result (%)
Net Income *	111.7	151.5	+39.8(+36%)

- ✓ Strong performance in mineral resources businesses due to rise in commodity prices
- ✓ Businesses in Japan such as Media lifestyle were stable
- ✓ Impact of the Great East Japan Earthquake was limited

*In this document, "Net Income" is equivalent to "Profit for the period attributable to owners of the parent" and does not include "Profit for the period attributable to Non-controlling interests".

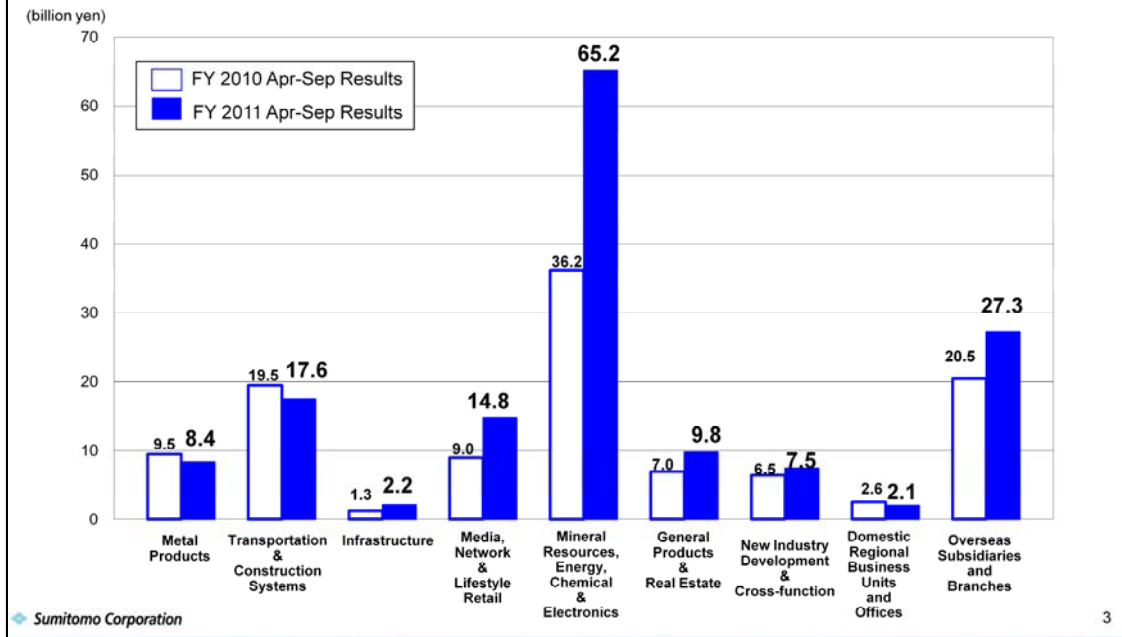
Our net income for the first half was 151.5 billion yen, which is 39.8 billion yen, or 36 percent, higher than our earnings for the same period of the previous fiscal year. This positive outcome was due to factors such as strong performance in mineral resources business reflecting higher commodity prices than in the previous fiscal year, robust performance from our businesses in Japan such as Media and Lifestyle, and limited impact from the Great East Japan Earthquake.

This result also means that we have already achieved 69 percent of our initial annual forecast of 220 billion yen.

1. Six Months Results of FY 2011

(2) Net Income by Segment

Mineral Resources, Energy, Chemical & Electronics led the results



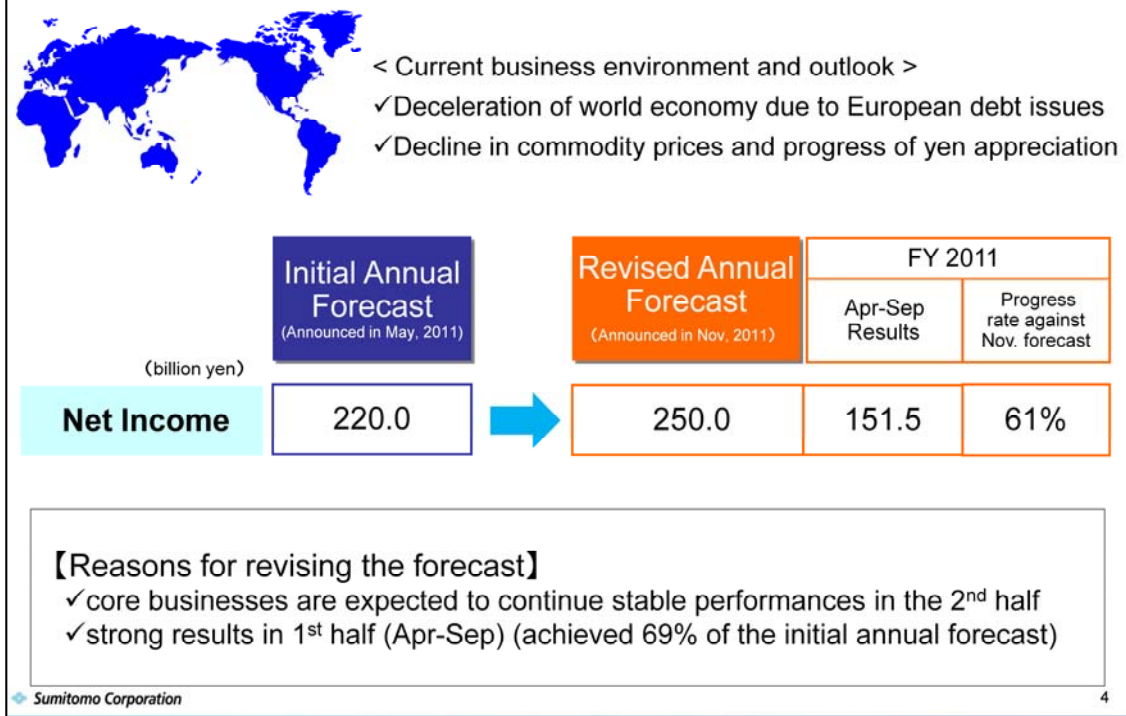
Now let us look at net income from each business segment. White shows net income in the first half of fiscal 2010, while blue indicates net income in the first half of this fiscal 2011.

As you can see, the overall positive performance was driven by “Media, Network & Lifestyle Retail,” “Mineral Resources, Energy, Chemical & Electronics” and “Overseas Subsidiaries and Branches.”

On the other hand, a slight drop in earnings was seen in “Transportation & Construction Systems” resulting from a slowdown in our automobile finance businesses in Indonesia, in addition to “Metal Products” and “Domestic Regional Business Units and Offices” that suffered damage from the Great East Japan Earthquake.

2. Forecasts for FY 2011

(1) Business Environment and Forecasts for FY 2011



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

There is an increasingly uncertain outlook for the world economy with strong fears of deceleration due to debt issues in Europe.

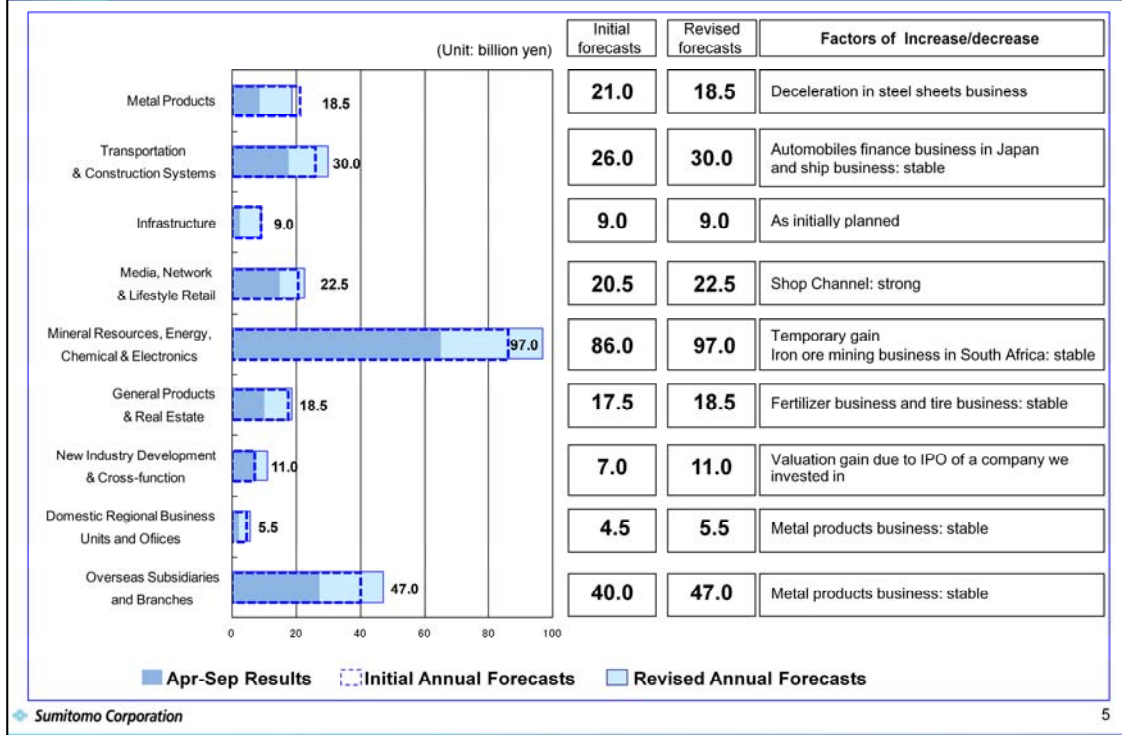
I recognize that the current declining trend in commodity prices and continued yen appreciation has negative effects on the business environment surrounding us.

In addition, I am also concerned about the impact of the catastrophic flooding in Thailand.

However, although the business environment remains tough, I anticipate that our performance in the second half will be stable, given the limited impact on our core businesses in our non-resource-related business fields such as businesses in Japan that drove our first-half results.

Given that we already achieved 69 percent of our initial annual forecast of 220 billion yen at the end of the second quarter, we have therefore revised up our annual forecast of net income to 250 billion yen.

2. Forecasts for FY 2011 (2) Net Income Forecasts by Segment



This graph shows the net income forecasts for each business segment.

We predict that “*Transportation & Construction Systems*” will perform much better than initial forecast since our automobile finance businesses in Japan and our ship business continue to perform strongly, although our automobile finance businesses in Asia are likely to decelerate due to the ongoing intensifying competition in the market.

We expect “*Mineral Resources, Energy, Chemical & Electronics*” to perform far better than initial forecast since there was temporary gain that we had not expected at the beginning of fiscal 2011 and our iron ore mining business in South Africa has been stable.

We also predict “*Overseas Subsidiaries and Branches*” to outperform our initial forecast reflecting solid performance in metal product businesses, particularly the tubular product businesses in North America.

On the other hand, “*Metal Products*” is likely to underperform our initial forecast, due to the downturn in demand for steel sheets.

In our overseas steel service center business, demand is unlikely to recover as rapidly as we assumed at the beginning of fiscal 2011, although it has already recovered from the decline caused by the earthquake disaster.

3. Progress in $f(x)$ (1)-1 Business Model Innovation

Expand business base through Business Model Innovation

Strengthen business in Latin America with Mazda Motor Corporation

Began constructing production facility in Mexico. Positioning it as a strategic production site, strengthen value chain in Latin American market.

- Initial annual production capacity : 140,000 units/year
- Commence operation : in fiscal 2013

Create a new business model through integrating agricultural value chain

Invested in Alcedo, an agricultural material distributor in Romania.
Establish an agricultural value chain covering upstream to downstream.

Sumitomo Mitsui Auto Service and Hitachi Capital Auto Lease, becoming No.1 in the industry

Signed agreement regarding business alliance for strategic joint partnership in Auto Leasing Business.

◆ Sumitomo Corporation

6

I will now move on to discuss the progress we achieved in “ $f(x)$ ” during the first half.

Under our medium-term business plan “ $f(x)$ ”, we focus on business model innovation to meet the demand of the times with the aim of achieving growth across regional, generational, and organizational boundaries. I would like to use this opportunity to explain the concrete steps we have taken so far in business model innovation.

In order to strengthen our automobile business in the fast-growing Latin America market, we have begun construction of a new vehicle production facility.

With our partner Mazda, we plan to manufacture and sell compact cars in the Mexican market where we already engage in manufacturing auto parts in alliance. In addition, we position Mexico as a strategic production site and strengthen the value chain in the Latin America market which has strong demand growth potential.

Next, I will describe our new business in Romania, a country in Eastern Europe with a large agricultural sector, which is positioned to contribute to the improvement of agricultural productivity in emerging countries.

We are importing and trading agricultural chemicals in Romania. In order to deepen the agricultural value chain, we decided to acquire a stake in Alcedo, the largest agricultural material distributor in Romania.

We will combine our strong network of agricultural chemicals and seed manufacturers with Alcedo’s sales network to family farms with the aim of establishing an agricultural value chain from upstream to downstream.

In the future, we will promote production of agricultural crops, exports to Japan and entry into agricultural machinery and insurance businesses in order to conduct a broader range of activities to contribute to the improvement of agricultural productivity in Romania.

Finally, I will explain the business alliance for strategic joint partnership between Sumitomo Mitsui Auto Service and Hitachi Capital Auto Lease, which we have recently announced.

For details, please see the next slide.

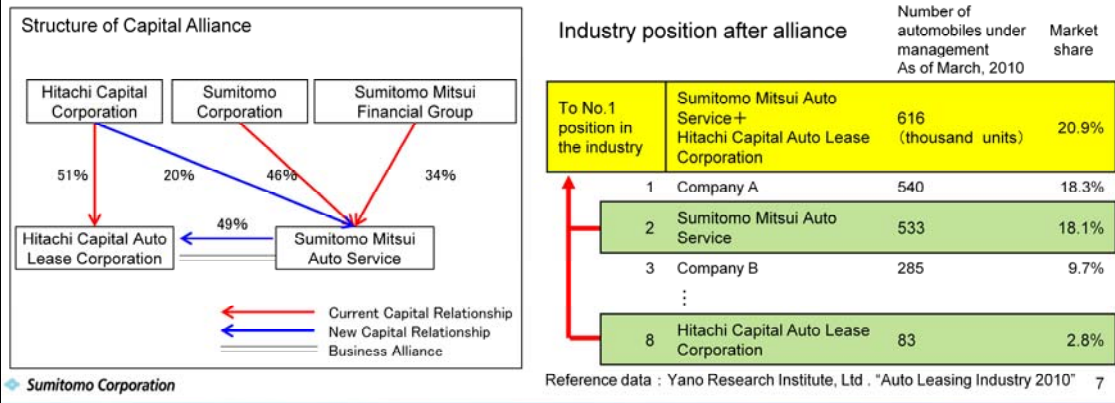
3. Progress in $f(x)$

(1)-2 Business Model Innovation Sumitomo Mitsui Auto Service

**Establish leading position in the industry through
alliance with Hitachi Capital**

Outline of Strategic Alliance

- Improve profitability by expanding maintenance services taking advantage of the customer base possessed by both parties
- Create and expand earnings opportunity by improving supplemental auto leasing services
- Reduce costs by jointly purchasing motor vehicles and parts to be leased
- Improve profitability through disposal of used motor vehicles



We concluded the final agreement on forming a strategic joint partnership in the auto leasing business with Hitachi Capital Corporation, Hitachi Capital Auto Lease Corporation, Sumitomo Mitsui Financial Group, Inc. and Sumitomo Mitsui Auto Service Company, Limited.

By leveraging the customer base and know-how possessed by each partner, we will try to expand maintenance services and reduce costs so as to improve overall profitability.

As you can see, this alliance will increase the number of automobiles under management by Sumitomo Mitsui Auto Service from 533,000 units to 616,000 units, accounting for an over 20 percent market share of the Japanese auto leasing market.

This strategic alliance will strengthen our business infrastructure further by securing Sumitomo Mitsui Auto Service's No.1 position in the Japanese auto leasing market, which I believe will contribute to the expansion of our earnings base.

Please note that Sumitomo Mitsui Auto Service will be changed from a consolidated subsidiary to an equity-accounted investee upon execution of the capital alliance as we will transfer a currently held 20% stake in Sumitomo Mitsui Auto Service to Hitachi Capital Corporation.

3. Progress in $f(x)$ (2) Results for Investments

Steady progress based on $f(x)$ plan. Initial plan unchanged.

(billion yen)	$f(x)$ 2-year total Plan for Investments	FY2011 1 st half Results for Investments	FY2011 2 nd half & FY2012 Plan for Investments	Announced
Total	580 (RA: 320)	90 (RA: 70)	490 (RA: 250)	142 (RA: 63)
<i>(Breakdown)</i>				
Mineral Resources & Energy area*	175 (RA: 95)	29 (RA: 19)	146 (RA: 76)	70 (RA: 40)
New Industry Development and Infrastructure area*	105 (RA: 65)	3 (RA: 6)	102 (RA: 59)	4 (RA: 2)
Media and life-related area*	150 (RA: 60)	30 (RA: 22)	120 (RA: 38)	58 (RA: 11)
Others	150 (RA: 100)	28 (RA: 23)	122 (RA: 77)	10 (RA: 10)

Sumitomo Corporation *Company-wide investments including business segments and overseas RA: Risk Assets 8

I will now describe the investments we made during the first half.

Against the “ $f(x)$ ” plan to make investments of 580 billion yen over two years, we have already invested 90 billion yen during the first half.

Looked at by business area, the investment in the Mineral Resources & Energy area was 29 billion yen, which was mainly used for the acquisition of an interest in a copper mine in Chile, the development of the Ambatovy Nickel Project and Shale Gas drilling projects in North America.

Investment in the Media and Life-related area was 30 billion yen, including a tender offer for the shares of CSK.

Investment in other areas totaled 28 billion yen, mainly consisting of the acquisition of shares in a U.S. rolled aluminum sheet business and the construction of a vehicle production facility in Mexico.

The estimated amount of investment in the $f(x)$ period for the projects already officially announced is 142 billion yen.

Amid radical transformation of the financial environment, new investment opportunities are likely to increase. However, we will keep on searching for high-grade investments without loosening our investment discipline, and build up our investments steadily.

3. Progress in $f(x)$ (3) Results for Investments

Enlarging our medium- to long-term earnings base

1st half
Results for
Investments
¥90 billion

Expanded U.S. seamless tubular products business: ¥8billion

Invested in V&M TWO LLC, a subsidiary of Vallourec, France in September, 2011.
Constructing a mill which manufactures small-diameter seamless steel pipes used for developing shale gas and oil

- Total investment amount of SC : ¥10 billion
- Investment ratio : 19.47%
- Production capacity : 350,000t/year
- Full commercial operation : by the end of 2012

Invested in Sierra Gorda copper project in Chile: ¥9billion

- Total investment amount of SC : 390 million USD(2011~2014)
- Investment ratio : 13.5%
- Annual production volume in equity(copper) : 16 Kt(2014~2016), 32Kt(after expansion)
- Commercial operation : 2014

Acquired CSK: ¥26billion

In April, 2011, SC and Sumisho Computer Systems(SCS) acquired CSK shares through tender offer.

In October, 2011, SCS and CSK merged into newly established SCSK.

- Investment ratio : 50.83% (SC's Equity share of SCSK)
- Sales : ¥207.3 billion (Forecast for fiscal 2011)

Next, out of the investments we made during the first half, I will give you some specific examples of investments that can be expected to contribute to our earnings over the medium- to long-term.

In order to further strengthen our edge in the U.S. seamless tubular products business, we invested in a manufacturer of small-diameter seamless steel pipes for development of shale gas and oil, a sector which has strong future demand growth potential.

We plan to start full commercial operation in the second half of 2012 with target sales of 350,000 tons per year by leveraging our supply-chain, which has the largest market share of the U.S. oil seamless steel pipe market.

In the Mineral Resources & Energy area, we acquired an interest in the Sierra Gorda copper mine in Chile with the aim of increasing interests of copper, one of our key strategic resources.

Assumed minable reserves are approximately 1.3 billion tons, containing an expected 5 million tons of copper.

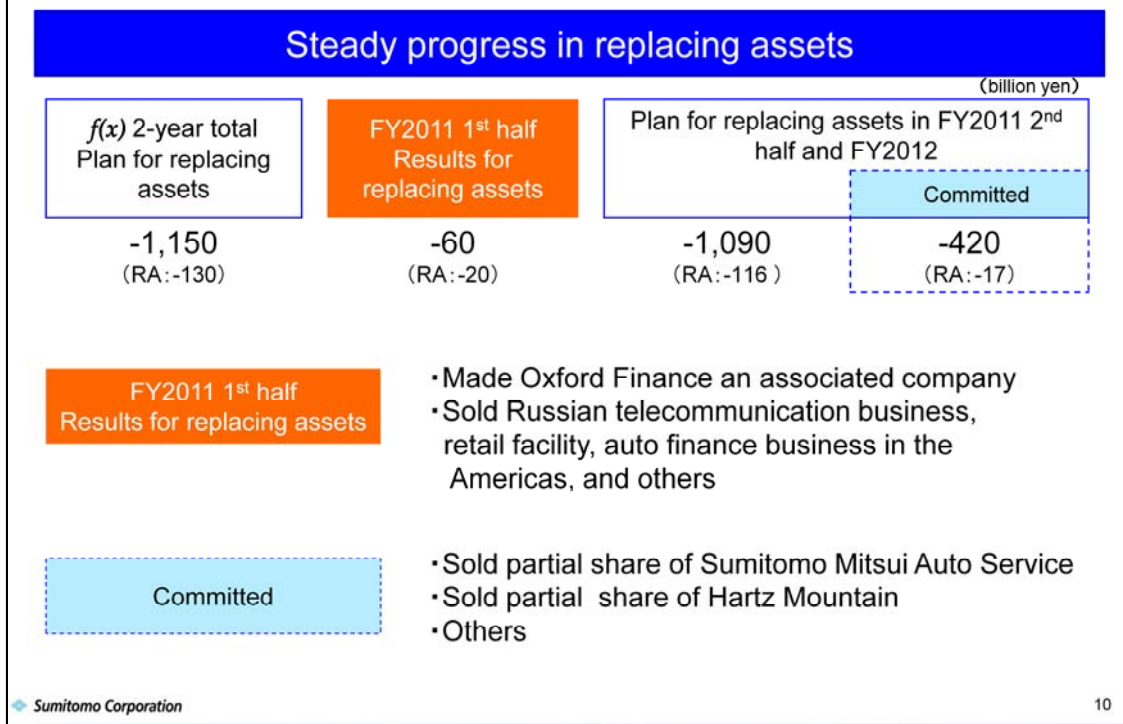
We will commence commercial operations in 2014 with annual average production volume in equity (copper) of 16,000 tons for the initial three years.

We plan to increase the annual production volume to 32,000 tons in 2017. This project is expected to contribute to our earnings over 20 years.

In the Media and Life-related area, Sumitomo Corporation and Sumisho Computer Systems (SCS) acquired the shares of CSK through a joint tender offer. In October 2011, SCS and CSK were merged into a newly-established company named "SCSK."

The new company, with top-class sales in this business field in Japan, will expand its earnings base by combining CSK's prime customer base in Japan and SCS's global operational presence to address a wide range of customer needs.

3. Progress in $f(x)$ (4) Results for Asset Replacement



I have so far explained progress in investment. Now, I will explain progress in asset replacement.

Under the balance sheet management plan under “ $f(x)$ ”, we plan to replace assets with a value of some 1.15 trillion yen over two years.

Actual asset replacement already conducted in the first half totaled 60 billion yen. In addition, assets we have already committed to divest and sell amount to 420 billion yen, including the sale of a partial share of Sumitomo Mitsui Auto Service and Hartz Mountain.

Adding the actual asset replacement result in the first half, the total reduction in assets was 480 billion yen. We have made steady progress in asset replacement to achieve the target.

3. Progress in $f(x)$ (5) Key Financial Indicators

	Start of $f(x)$ (as of Mar.31, 2011)	End of 1 st half 2011 (as of Sep.30, 2011)	End of $f(x)$ (as of March 31, 2013) Forecasts
Total assets	7,230.5	7,472.3	7,240.0
Shareholders' equity*	1,570.5	1,613.2	1,940.0
Shareholders' equity ratio*	21.7%	21.6%	around 27%
Interest-bearing liabilities (net)	3,056.3	2,900.0	2,770.0
Debt-equity ratio* (net) (times)	1.9	1.8	around 1.5
Risk Assets	1,500.0	1,520.0	1,730.0
Risk Return (2-year average)	12.7%	—	FY2012 15% or more
Free Cash Flows (2-year total)	202.4	FY2011 1st half 24.4	positive

* "Shareholders' equity" is equivalent to "Equity attributable to owners of the parent" and does not include "non-controlling interests".
Likewise, equity attributable to owners of the parent used in calculating "Shareholders' equity ratio" and "Debt-equity ratio, net" does not include "Non-controlling interests".

◆ Sumitomo Corporation

The following chart shows key financial indicators.

At the end of the first half of fiscal 2011, our total assets increased by 240 billion yen compared with March 31, 2011 to stand at 7.47 trillion yen. This increase was mainly due to making CSK a subsidiary.

Shareholders' equity was 1.61 trillion yen, thanks to a steady increase in net income that more than offset a decrease in foreign currency translation adjustment influenced by the appreciation of the yen.

Net interest-bearing liabilities, after subtracting cash and deposits, stood at 2.9 trillion yen. As a result, the net debt-equity ratio was 1.8 times.

Free cash flow for the first half of fiscal 2011 totaled 24 billion yen.

4. Dividends

【Basic Policy】 Flexibly decide dividend payout ratio in the range of 20-30%

【Dividend for FY2011】

Considering the balance between retained earnings required for sustainable growth and return to shareholders

Apply dividend payout ratio of 25% to annual net income

FY2011 Interim Dividend : ¥24 (FY2010 Interim Dividend : ¥16)

Half the amount of planned annual dividend for FY2011, 49 yen per share, calculated by applying the consolidated dividend payout ratio of 25% to our net income annual forecast of 250 billion yen.

	FY2010 Results	FY2011 Initial Plan (Announced in May, 2011)	FY2011 Revised Plan (Announced in Nov, 2011)
Net Income	202.7 billion yen (U.S.GAAP)	220 billion yen	250 billion yen
Annual dividend / share (interim / year-end)	36 yen (16 yen / 20 yen)	43 yen (21 yen / 22 yen)	49 yen (24 yen / 25 yen)

I will now move on to explain dividends.

We have set the policy to flexibly decide the consolidated dividend payout ratio in the range of 20% to 30%. This is based on our fundamental policy to meet shareholders' expectations by ensuring long-term stable dividends while considering both the changes in the economic environment and progress in investment plans.

Regarding our dividends for fiscal 2011, we will apply a consolidated payout ratio of 25% as I stated at the beginning of the fiscal year. Therefore, the interim dividend per share is 24 yen, calculated as half of the planned annual dividend for fiscal 2011, 49 yen per share.

The planned annual dividend of 49 yen per share is an increase of 13 yen from the actual dividend last fiscal year of 36 yen, and an increase of 6 yen from our forecast of 43 yen at the beginning of this fiscal year.

Toward “Growth across regional, generational, and organizational boundaries”

“cross-boundary growth”

The role of key driver of the economic growth has increasingly shifted from developed countries to emerging countries and industrial structures have also changed drastically. In 10 years, the business environment surrounding us will be completely different.

When formulating “ $f(x)$ ”, we thought that conducting business model innovation by capturing and staying a step ahead with the changes, with a view to the next 10 years, was the most important for our future growth.

As I explained earlier, I am satisfied with the progress under “ $f(x)$ ” .

However, I recognize that the current uncertainty in the world economy indicates that we may be facing a tougher business environment in the future.

Even under such a business environment, I am confident in our policy of innovating our business model by capturing significant changes, as I explained earlier.

We will promptly conduct the asset replacement plan and enhance our earnings base for our future growth.

I hope we can count on your continued understanding and support, and I would like to thank you for listening to my remarks here today.

- Assumptions
- Supplemental materials by segment (IFRS)
(Performance Overview, $f(x)$ Strategies & Priority Fields)
- $f(x)$ Major Initiatives
- Medium-term Management Plans, etc.

Assumptions

Assumptions		FY2011			Sensitivity to profit* (as of Nov, 2011)
		Outlook (as of May, 2011)	Results (Apr.-Sep.)	Forecasts (as of Nov, 2011)	
Foreign Exchange (YEN/US\$) [Apr.-Mar.]		85	79.74	80	around 1.3 billion yen (1JPY/US\$)
Interest rate	LIBOR 6M (YEN) [Apr.-Mar.]	0.40%	0.35%	0.40%	-
	LIBOR 6M (US\$) [Apr.-Mar.]	0.70%	0.45%	0.60%	-
Crude oil<North Sea Brent> (US\$/bbl) [Jan.-Dec.]		98	111	109	around 50 million yen (1US\$/bbl)
Copper (US\$/t) [Jan.-Dec.]		8,819	9,391	8,721	around 310 million yen (100US\$/t)
Zinc (US\$/t) [Jan.-Dec.]		2,249	2,322	2,195	around 860 million yen (100US\$/t)
Iron ore (US\$/t) [Jan.-Dec.]**		148	155	162	around 170 million yen (1US\$/t)
Coking coal (US\$/t) [Apr.-Mar.]**		258	323	303	around 190 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.

Performance Overview

【FY11 Apr-Sep Result : 8.4 billion yen】

(1.1 billion yen decrease from FY10 Apr-Sep)

• Steel Sheets

Overseas steel service center:
Impact of the Great East Japan Earthquake

• Tubular Products

North America: stable demand

【Investments 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)

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	32.8	31.7	-
Operating profit	11.7	10.0	-
Share of profit of investments accounted for using the equity method	3.3	3.0	-
Profit for the period attributable to owners of the parent	9.5	8.4 1Q:4.5 2Q:3.9	18.5
Total assets	Mar,2011 635.1	623.4	-

【Results of major subsidiaries and associated companies】

Company :	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
• SC Pipe Services :	1.0	1.2	2.5
• ERYNGIUM(30/100)* :	0.2	0.5	1.0
• Sumisho Metalex(90/100)* :	0.5	0.4	1.0
• Asian Steel :	0.6	0.4	0.6

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

【Business Outlook】

- **Steel Sheets**: overseas steel service center : demand recovery from the earthquake expected from 3Q but substantial rise cannot be expected due to world economy slowdown. Also, impact of Thai flood is concerned.
- **Tubular Products** North America & Export business from Japan: stable but concerns such as yen appreciation exist

f(x) Strategies and Priority Fields

- Energy and automobile related business
 - > enhance value chain of tubular products
 - tubular products manufacturing (Brazil)
 - enhance SCM operating bases (15 locations in 14 countries, as of Sep, 2011)
 - 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 Sep, 2011 : around 7.3 million tons)
 - (includes Asia& China : 4.2 million tons, Japan: 2.2 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

Performance Overview

【FY11 Apr-Sep Result: 17.6 billion yen】

(1.9 billion yen decrease from FY10 Apr-Sep)

•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

China: market slowdown, tough competition

•Ships, aerospace and railway car

Oshima Shipbuilding: stable

Value realization through replacing a ship

【Investments in FY2011】

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

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	75.7	78.3	-
Operating profit	23.7	27.0	-
Share of profit of investments accounted for using the equity method	6.0	5.5	-
Profit for the period attributable to owners of the parent	19.5	17.6 1Q:9.8 2Q:7.8	30.0
Total assets	Mar, 2011 1,310.9	1,276.1	-

【Results of major subsidiaries and associated companies】

Company:	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
•Sumitomo Mitsui Auto Service:	2.4	4.4	5.5
•Oto Murtiartha:	3.0	1.3	1.9
•SOF(89.56/99.56)*:	2.8	0.7	0.5

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

【 Business Outlook】

•**Automobile:** Finance businesses in Indonesia: continue to decelerate resulted from increase in provisions for doubtful receivables and decrease in contract due to tighter credit assessment

Finance business in Japan: decelerates due to used car prices returning to normal

•**Construction equipment:** stable Canada and Russia businesses cover weak performance in China

•**Ships:** Oshima Shipbuilding expects rise in steel sheets price, etc.

f(x) Strategies and Priority Fields

•Automobile

> Auto finance

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

Overseas: Oto Multiartha / Summit Oto Finance (Indonesia)

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

results of financing in FY10: OTO 132,000 automobiles, SOF 943,000 motorcycles

initial plans for financing in FY11: OTO 145,000 automobiles, SOF 1,115,000 motorcycles

revised plans for financing in FY11: OTO 82,000 automobiles, SOF 823,000 motorcycles

> Wholesale/Dealer

strengthen sales in emerging countries (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

Performance Overview

【FY11 Apr-Sep Result : 2.2 billion yen】
 (0.9 billion yen increase from FY10 Apr-Sep)

- **IPP/IWPP businesses**
stable including Tanjung Jati B
- **Others**
mobile phone business in Mongolia: stable
value realization through replacing a telecommunication business in Russia

【Investments in FY2011】

- Progress in Tanjung Jati B expansion project (Indonesia)

** Announced in November, 2011. (unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	10.8	11.0	-
Operating profit	-0.8	-0.9	-
Share of profit of investments accounted for using the equity method	2.7	1.9	-
Profit for the period attributable to owners of the parent	1.3	2.2 1Q:1.2 2Q:1.0	9.0
Total assets	Mar, 2011 544.9	533.8	-

【Results of major subsidiaries and associated companies】

Company:	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
•MobiCom:	0.8	0.8	1.8
•Perennial Power Holdings(50.01/100)*:	0.3	0.3	0.5
•Sumisho Machinery Trade Corporation(55.5/100)*:	0.3	0.3	0.5

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

【 Business Outlook】

- increase in leasing profit (Tanjung Jati B expansion project)
- mobile phone business in Mongolia: stable

f(x) Strategies and Priority Fields

- IPP/IWPP
 - > further expand in Asia, Middle East, Australia and the Americas
 - > actively develop green field projects including geothermal power generation
 - > Shuweihat S3 project (326MW, completion planned in Mar, 2014)
 - Tanjung Jati B project
 - > complete construction of expansion project (1,320 MW, unit 3: completed construction in Oct, 2011, unit 4: completion planned in Jan, 2012)
 - Wind power generation/Water infrastructure business
 - > wind power generation: expand earnings base in priority markets(U.S. and China) develop new markets (Australia, South Africa, and Europe)
 - > water: expand business investment scale in China and develop new priority markets (India, Middle East, and Malaysia)
 - Telecommunication
 - > invest in mobile communications and broadband businesses in overseas
- } power generation capacity target: 6,300 MW (as of Sep, 2011: 5,363MW (contract base))

Performance Overview

【FY11 Apr-Sep Result: 14.8 billion yen】

(5.9 billion yen increase from FY10 Apr-Sep)

•Major group companies

Jupiter Shop Channel: strong

J:COM and Sumisho Computer Systems: stable

made CSK a subsidiary

•Others

Temporary gain through acquisition and replacement of group companies in 1Q

【Investments in FY2011】

•made CSK a subsidiary through TOB (April, 2011)

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	87.6	105.5	-
Operating profit	5.7	11.3	-
Share of profit of investments accounted for using the equity method	7.9	10.2	-
Profit for the period attributable to owners of the parent	9.0	14.8	22.5
		1Q:9.2 2Q:5.6	
Total assets	Mar, 2011 777.7	992.6	-

【Results of major subsidiaries and associated companies】

Company:	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
•J:COM:	8.1	7.8	15.0
•Jupiter Shop Channel:	4.3	5.6	11.2
•SCSK ¹ :	-	3.1	4.1
•Summit(92.5/100) ² :	0.7	0.6	1.9

¹ On October 1, Sumisho Computer Systems and CSK merged into newly established SCSK.

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

【 Business Outlook 】

•Major group companies (J:COM, Jupiter Shop Channel): stable

•SCSK expects costs to enhance management efficiency in the second half

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 Mar, 2011:around 37%):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 Sep, 2011: Summit 99, SC Drug stores 137)
 - >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)

Performance Overview

【FY11 Apr-Sep Result : 65.2 billion yen】

(29.0 billion yen increase from FY10 Apr-Sep)

- **Coal mining operation in Australia**
decrease in sales volume
- **Copper businesses**
reversal of deferred tax liability resulted from business reorganization
- **San Cristobal silver-zinc-lead mining operation**
increased in sales volume and rise in prices 12.0 (+7.4)
improvement in prices hedging profit 0.2 (+3.3)

- **Chemical**
agricultural chemicals : stable
- **Temporary gain**

【Investments in FY2011】

- invested in development of the Sierra Gorda project (Chile, Sep, 2011)
- Progress in Ambatovy nickel project (Madagascar)

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	53.5	70.0	-
Operating profit	27.3	44.1	-
Share of profit of investments accounted for using the equity method	16.2	22.9	-
Profit for the period attributable to owners of the parent	36.2	65.2	97.0
		1Q:28.0 2Q:37.2	
Total assets	1,150.4	1,175.3	-

【Results of major subsidiaries and associated companies】

Company:	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
•Sumisho Coal Australia:	13.9	13.0	24.4
•Nusa Tenggara Mining:	7.9	12.2	15.1
•Silver, zinc and lead business in Bolivia(93/100)*1,2:	4.6	12.0	17.1
•Oresteel Investments(45/49)*1:	3.5	5.7	10.4
•Iron Ore Mining Business in Brazil:	-	3.7	8.0
•SC Minerals America(84.75/100)*1:	1.5	2.4	4.1
•SMM Cerro Verde Netherlands:	1.3	2.4	3.6
•Oil fields interests in the North Sea:	2.3	1.5	2.7
•LNG Japan:	0.5	1.0	1.6
•Sumitomo Shoji Chemicals(75/100)*1:	0.8	0.5	0.9
•SC Mineral Resources:	0.3	0.4	0.8
•The Hartz Mountain(40.59/100)*1:	0.3	0.2	0.3
•Petro Summit Pte.(80/100)*1:	▲0.0	0.0	0.4

*1 (shares in equity owned by the segment/ owned by whole company)
*2 shares in equity of the segment in FY10.2Q: 100/100

【 Business Outlook】

- **Coal mining operation in Australia:** stable. However, uncertainties of market prices remain until March, 2012.
- **Iron ore business:** stable
- **Silver, zinc and lead business in Bolivia:** although production volume recovers, expects market prices decline
- **Copper business :** expects drop in market prices

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
- 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)>
 - 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

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

		FY10 Results	FY11			Sensitivity to net income (annual base/excluding prices hedge)
			1Q Results	2Q Results	Forecasts	
Coking coal	Equity share of shipping volume [mil t]	3.0	0.5	0.6	2.5	¥ 130 mil (\$1/t)
	Prices[\$/t]	215	330	315	303	
Thermal coal	Equity share of shipping volume [mil t]	1.8	0.5	0.5	1.8	¥70 mil (\$1/t)
	Prices[\$/t]	104	130	128	126	
Iron ore	Equity share of shipping volume [mil t]	1.4	0.4	1.3	3.4	¥190 mil (\$1/t)
		-	0.4	0.4	1.8	
Iron Ore Mining Business in Brazil	Prices[\$/t]	114	138	172	162	
Manganese ore	Equity share of shipping volume [mil t]	0.5	-	0.2	0.4	¥20 mil (\$1/t)
	Prices[\$/t]	328	-	261	247	
Copper	Equity share of production [Kt]	75	15	13	54	¥310 mil (\$100/t)
		46	7	5	23	
Nusa Tenggara Mining	Prices[\$/t]	7,540	9,645	9,137	8,721	

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]

		FY10 Results	FY11			Sensitivity to net income (annual base/excluding prices hedge)
			1Q Results	2Q Results	Forecasts	
Silver	Equity share of production [t(mil oz)]	398(12.8)	78(2.5)	84(2.7)	323(10.4)	¥560 mil (\$1/oz)
	Prices[\$/oz]	20.2	31.9	38.0	34.8	
Zinc	Equity share of production [Kt]	193	46	46	206	¥860 mil (\$100/t)
	Prices[\$/t]	2,159	2,393	2,250	2,195	
Lead	Equity share of production [Kt]	56	15	19	72	¥300 mil (\$100/t)
	Prices[\$/t]	2,147	2,605	2,550	2,421	
Crude oil, gas	Equity share of production [mil bbl]	3.7	0.8	0.9	3.3	¥50 mil (\$1/bbl)
	Prices[\$/bbl]	80	106	117	109	
LNG	Equity share of production [Kt]	290	70	60	320	-

Note) Prices are general market price.

Performance Overview

【FY11 Apr-Sep Result: 9.8 billion yen】
(2.8 billion yen increase from FY10 Apr-Sep)

• Food

Banana business: stable

Fertilizer business: market recovered
profit ratio improved

• Materials & Supplies

Lumber and Building Materials: stable

TBC: sales increase of maintenance service
in retail stores

• Construction & Real Estate

condo sales: strong

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	47.6	51.2	-
Operating profit	10.4	13.1	-
Share of profit of investments accounted for using the equity method	2.3	3.0	-
Profit for the period attributable to owners of the parent	7.0	9.8	18.5
		1Q:7.7 2Q:2.1	
Total assets	696.5	682.4	-

【Results of major subsidiaries and associated companies】

Company:	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
•Banana business:	1.4	1.3	1.5
•TBC(40/100)*:	1.1	1.2	1.9

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

【 Business Outlook 】

•Food: banana and fertilizer business decelerate due to seasonal reasons

•Materials & Supplies: stable

•Construction & Real Estate: 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 Apr-Sep, 2011: 29%)

> 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 Sep, 2011: around 11%)
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 56 office buildings and 16 retail facilities as of Sep, 2011)

promote development in strategic area (Kanda, Tokyo)

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

Performance Overview

【FY11 Apr-Sep Result : 7.5 billion yen】
 (1.1 billion yen increase from FY10 Apr-Sep)

• **Sumitomo Mitsui Finance & Leasing**

stable due to decline in credit costs

• **Others**

valuation gain due to IPO of a company
 in which we invested

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	14.0	14.0	-
Operating profit	0.8	0.5	-
Share of profit of investments accounted for using the equity method	5.4	5.5	-
Profit for the period attributable to owners of the parent	6.5	7.5 1Q:5.5 2Q:2.0	11.0
Total assets	Mar. 2011 597.3	648.8	-

【Results of major subsidiaries and associated companies】

Company:	Equity in earnings of the segment		
	FY10 Apr-Sep	FY11 Apr-Sep	FY11(Forecasts**)
• Sumitomo Mitsui Finance and Leasing(35/40)*:	5.3	6.3	8.4
• Sumisho Aircraft Asset Management(95/100)*:	0.2	0.2	0.4

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

【 Business Outlook 】

• Stable performance expected including Sumitomo Mitsui Finance & Leasing

f(x) Strategies and Priority Fields

• New Business Development & Promotion

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

> create new businesses in growing areas (new battery material, smart community)

• 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

upgrade management know-how and improve operating efficiency

Performance Overview

【FY11 Apr-Sep Result : 27.3 billion yen】

(6.8 billion yen increase from FY10 Apr-Sep)

America: 15.2 billion yen (3.8 billion yen increase)

Europe: 4.1 billion yen (1.1 billion yen increase)

Asia: 3.1 billion yen (1.0 billion yen increase)

China: 2.2 billion yen (0.7 billion yen increase)

Australia: 0.7 billion yen (0.2 billion yen increase)

• **America** : metal products business: stable

valuation gain on stocks, etc.

• **Other areas**: metal products business: stable

** Announced in November, 2011.

(unit: billion of yen)

	FY2010 Apr-Sep	FY2011 Apr-Sep	FY2011 Forecast**
Gross profit	88.8	93.3	-
Operating profit	24.4	29.2	-
Share of profit of investments accounted for using the equity method	4.1	7.7	-
Profit for the period attributable to owners of the parent	20.5	27.3	47.0
	Mar. 2011	1Q:13.8 2Q:13.5	
Total assets	1,155.5	1,121.2	-

【Results of major subsidiaries and associated companies】

Company:

Equity in earnings of the segment

FY10 Apr-Sep FY11 Apr-Sep FY11(Forecasts**)

• ERYNGIUM(70/100) :	0.6	1.1	2.4
• SOF(10/99.56) :	0.4	0.1	0.0
• Perennial Power Holdings(49.99/100) :	0.3	0.3	0.4
• Silver, zinc and lead business in Bolivia(7/100)*1 :	0.0	0.9	1.3
• SC Minerals America(15.25/100) :	0.2	0.4	0.7
• Oresteel Investments(4/49) :	0.3	0.5	0.9
• The Hartz Mountain(59.41/100) :	0.3	0.2	0.5
• Petro Summit Pte.(20/100) :	▲0.0	0.0	0.1
• TBC(60/100) :	1.7	1.9	2.8
• Sumisho Aircraft Asset Management(5/100) :	0.0	0.1	0.0

*1 shares in equity of FY10.2Q: 0/100

【Business Outlook】

• Metal products business: stable

$f(x)$

Basic policy & Quantitative targets

“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.

New Medium-term management plan : $f(x)$

Quantitative targets	FY2011	FY2012
Net Income (billions of yen)	220	260
Risk-adjusted Return ratio	---	15% or more

(Unit: billion of yen)

B/S Plan (2-year total)	Amount	Risk Assets
Acquisition & Enhancement	+1,150	+350
(new Investments included)	(+580)	(+320)
Divestiture & Reduction	-1,150	-130
(specific cases included)	(-780)	(-50)

$f(x)$

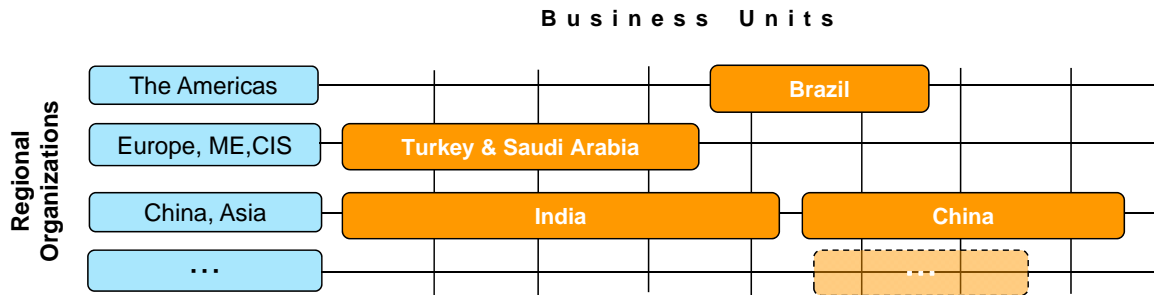
Major Initiatives <Global Partnership>

Create new businesses by leveraging the strengths of our networks and partnerships inside and outside the company.

- Develop new businesses on a global basis jointly with promising or leading local companies.
- Implement Global Partnership Building Support optimal for each organization.

“Global Partnership Building Support Focused Areas”

⇒ “Rich business opportunities” x “Demand for support from Regional Organizations”
x Macroeconomics



Above areas are initial nominees with chances for change or addition

$f(x)$

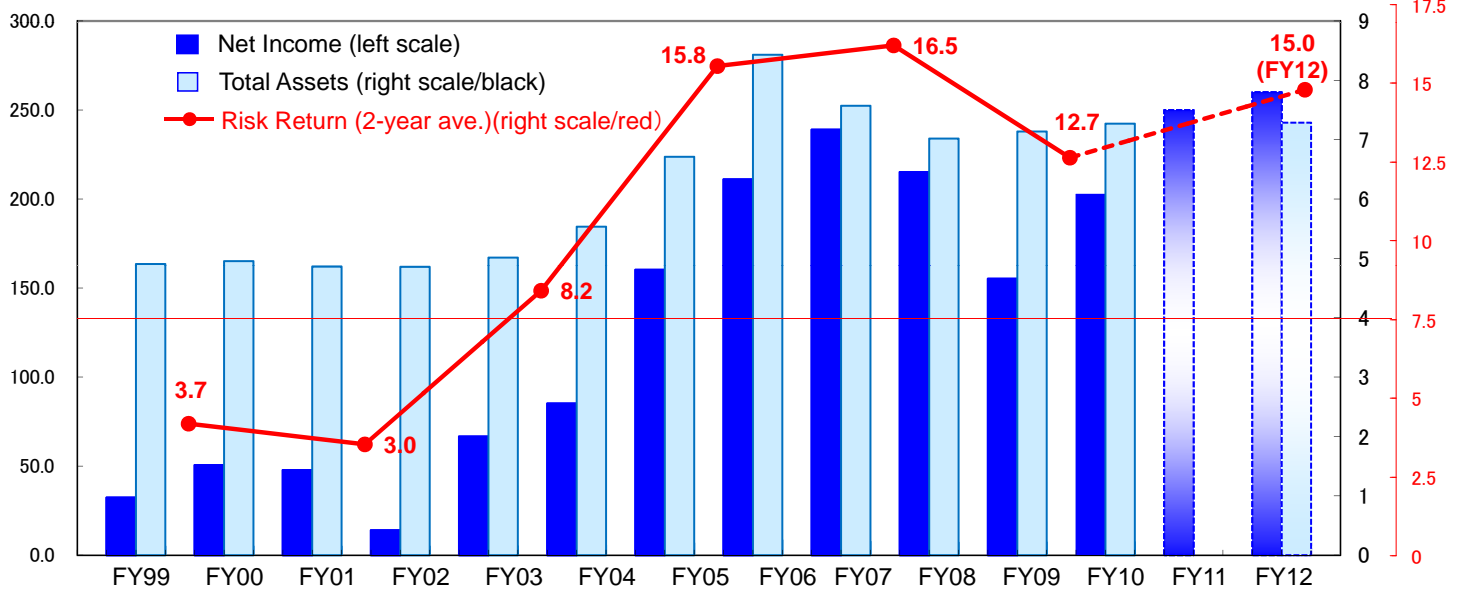
Forecasts of Risk Assets by Segment



Medium-term management plans

(billion yen)

(trillion yen) (%)



Reform package	Step Up Plan	AA Plan	AG Plan	GG Plan	FOCUS'10	<i>f(x)</i>
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

