

For Immediate Release

Sumitomo Corporation Announces Quarterly Financial Results for the Fiscal Year 2012 (Three-month period ended June 30, 2012)

On August 1, 2012, Sumitomo Corporation announced its consolidated results for the three-month period ended June 30, 2012, prepared on the basis of International Financial Reporting Standards (IFRS).

“Profit for the period attributable to owners of the parent” for the three-month period ended June 30, 2012 was 48.7 billion yen, decreased by 34.8 billion yen from the same period of the previous year. Basic profit*, which indicates after-tax actual earnings power, was 53.0 billion yen, decreased by 15.0 billion yen from the same period of the previous year.

The reason of the decrease can be summarized as follows:

1. Basic profit decreased due to fall in commodity prices.
2. Temporary factors decreased by approximately 20 billion yen.

However, when comparing basic profit of this quarter with that of last quarter (FY2011.4Q), it remained at the same level. Although there is impact of commodity prices decline from the second half of fiscal 2011, our non-mineral resources businesses are showing stable performances.

* Calculation: (Gross profit-Selling, general and administrative expenses (excluding provision for doubtful receivables)-Interest expense, 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%

1. Consolidated Income

- Gross profit was 203.7 billion yen, a decrease of 27.2 billion yen from the same period of the previous year. Sales volume decreased in San Cristobal silver-zinc-lead mining project in Bolivia. Also, condo sales were concentrated in the same period of the previous year.
- Share of profit of investments accounted for using the equity method decreased by 4.4 billion yen to 23.1 billion yen. Copper business in Indonesia decreased.

2. Segment Information

- In this quarter, profit of “Media, Network & Lifestyle Retail”, “Mineral Resources, Energy, Chemical & Electronics” and “New Industry Development & Cross-function” decreased from the same period of the previous year due to fall in commodity prices as well as decline in temporary gain.
- Core businesses in non-mineral resources areas such as below contributed to the results.
 - Metal Products
Tubular products business in North America, capturing demand of shale gas and shale oil, contributed to the results.
 - Transportation & Construction Systems
Automobile business showed stable performance.
 - Infrastructure
Leasing profit from Tanjung Jati B expansion project, which was completed in fiscal 2011, increased.
 - Media, Network & Lifestyle Retail
Major group companies such as Jupiter Shop Channel Co., Ltd. and SCSK Corporation showed stable performances.

3. Financial position

- Total assets as of June 30, 2012 amounted to 7,170.6 billion yen, the same level as March 31, 2012. “Assets classified as held for sale” includes Jupiter Shop Channel, which we plan to sell partial share regarding strategic alliance with Bain Capital Group (announced on June 22, 2012).
- Equity attributable to owners of the parent was 1,692.0 billion yen, the same level as March 31, 2012. While retained earnings increased, dividend payment was made. Interest-bearing liabilities, net were 2,796.9 billion yen, the same level as March 31, 2012.

- As a result, Debt-equity ratio, net (Interest-bearing liabilities, net/ Equity attributable to owners of the parent) was 1.7 times.

4. Cash flows

- During the three-month period ended June 30, 2012, net cash provided by operating activities was 39.1 billion yen. Our core businesses steadily generated cash.
- Net cash used in investing activities was 27.2 billion yen. In this quarter, TBC Corporation, a tire wholesaler and retailer in the U.S, acquired an automotive repair and service company to expand business base. Also, we invested in an aircraft leasing business with Sumitomo Mitsui Financial Group, Inc. On the other hand, we collected cash through selling an office building in the U.S.
- As a result, free cash flow was 11.9 billion yen inflow.
- In our medium-term management plan $f(x)$, we are implementing asset replacement. In this fiscal year, we will continue to make new investments to strengthen earnings base while maintaining financial soundness.

5. Progress for the full fiscal year ending March 31, 2012

- “Profit for the period attributable to owners of the parent” progressed 19% of 260 billion yen annual forecast.
- Uncertainties of the world economy seem to be spreading since high growth trend in China started to change while instability resulted from sovereign debt issues in Europe remains. However, economy in emerging countries is showing stable growth supported by domestic consumption, partly due to interest rate cuts. Also, economy in the United States is expected to show approximately 2% growth.
- Thus, as a whole, the world economy is expected to grow gradually.
- Looking at our businesses, mineral resources businesses are anticipated to show weaker performances than initial forecast since commodity prices are lower than assumed. However, core businesses in non-mineral resources area are expected to

steadily contribute to our results. In addition, extraordinary profit regarding reorganization of businesses is expected.

- Although we have not reviewed the annual forecasts which were announced on May 7, 2012, taking all of these factors into account, we expect we can achieve our profit attributable to owners of the parent forecast of 260 billion yen.

For further information contact:
Sumitomo Corporation
Investor Relations Dept.
Phone: +81-3-5166-3469
Fax : +81-3-5166-6292
e-mail: ir@sumitomocorp.co.jp

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.