

Highlights of consolidated quarterly results for FY2014 (Six-month period ended September 30, 2014)

[Prepared on the basis of International Financial Reporting Standards]

Sumitomo Corporation

1. Summary

< FY2014 Q2 Results > Profit (loss) for the period attributable to owners of the parent (38.4) billion yen (155.0 billion yen decrease from FY2013 Q2) (Impairment losses of 167.3 billion yen in Tight oil development project in the U.S. and Coal-mining projects in Australia)

Basic profit 115.7 billion yen (1.8 billion yen increase from FY2013 Q2)

- Mineral resources business 3.1 billion yen (12.0 billion yen decrease from FY2013 Q2)
- Non-mineral resources business 112.6 billion yen (13.8 billion yen increase from FY2013 Q2)

Free cash flow 197.1 billion yen outflow (New investments: approx. 220.0 billion yen)

Total assets 8,813.0 billion yen (144.3 billion yen increase from FY2013 year-end)

< FY2014 Forecasts > Profit for the year attributable to owners of the parent 10.0 billion yen (Remain the forecasts announced on September 29, 2014 unchanged)

Projected year-end dividend 25 yen per share

2. Operating Results

Unit: Billions of yen (rounded to the nearest 100 million yen)

	Apr.1-Sep.30, 2014		Apr.1-Sep.30, 2013	Increase/(decrease)		Summary																																		
	(A)	Jul.1-Sep.30, 2014		(B)	Amount (A)-(B)		Percentage																																	
Gross Profit	450.3	225.2	433.8	16.5	4%	<u>Gross profit</u> <Factors causing increase> - New consolidation such as Edgen Group - Robust performance by tubular products business in North America <Factors causing decrease> - Water concession business company and other companies becoming associated company <u>Share of profit of investments accounted for using the equity method</u> - Decrease in profits of mineral resources businesses - Stable performance by J:COM and Sumitomo Mitsui Finance and Leasing <u>Gain (loss) on property, plant and equipment, net</u> - Impairment losses in Tight oil development project in the U.S. and Coal-mining projects in Australia 【Reference】 < Quarter-on-quarter comparison > Profit (loss) for the period <table border="1" style="margin-left: 20px;"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">FY2013</th> <th colspan="2">FY2014</th> </tr> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th>Q1</th> <th>Q2</th> </tr> </thead> <tbody> <tr> <td></td> <td>60.9</td> <td>55.7</td> <td>63.9</td> <td>42.6</td> <td>52.3</td> <td>(90.7)</td> </tr> <tr> <td>Mineral resources business</td> <td>6.6</td> <td>9.5</td> <td>7.2</td> <td>(7.6)</td> <td>(1.3)</td> <td>(104.0)</td> </tr> <tr> <td>Non-mineral resources business</td> <td>54.3</td> <td>46.2</td> <td>56.7</td> <td>50.2</td> <td>53.6</td> <td>13.3</td> </tr> </tbody> </table>		FY2013				FY2014		Q1	Q2	Q3	Q4	Q1	Q2		60.9	55.7	63.9	42.6	52.3	(90.7)	Mineral resources business	6.6	9.5	7.2	(7.6)	(1.3)	(104.0)	Non-mineral resources business	54.3	46.2	56.7	50.2	53.6	13.3
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	Q1	Q2	Q3	Q4	Q1	Q2																																		
	60.9	55.7	63.9	42.6	52.3	(90.7)																																		
Mineral resources business	6.6	9.5	7.2	(7.6)	(1.3)	(104.0)																																		
Non-mineral resources business	54.3	46.2	56.7	50.2	53.6	13.3																																		
Selling, general and administrative expenses	(358.4)	(178.4)	(347.3)	(11.1)	(3%)																																			
<i>Provision for doubtful receivables</i>	(4.8)	(1.3)	(3.0)	(1.8)	(59%)																																			
Interest expense, net of interest income	(6.8)	(3.1)	(9.5)	2.7	29%																																			
Dividends	10.0	4.3	6.7	3.3	49%																																			
Share of profit of investments accounted for using the equity method	51.7	30.8	60.1	(8.4)	(14%)																																			
Gain (loss) on securities and other investments, net	13.9	13.3	3.9	10.0	259%																																			
Gain (loss) on property, plant and equipment, net	(190.7)	(190.4)	1.5	(192.2)	-																																			
Other, net	(0.7)	(1.7)	2.2	(2.9)	-																																			
Profit (loss) before tax	(30.6)	(100.1)	151.4	(182.1)	-																																			
Income tax expense	(3.6)	12.4	(30.5)	26.9	88%																																			
Profit (loss) for the period	(34.3)	(87.7)	120.9	(155.2)	-																																			
Profit (loss) for the period attributable to:																																								
<i>Owners of the parent</i>	(38.4)	(90.7)	116.6	(155.0)	-																																			
Non-controlling interests	4.1	3.1	4.3	(0.2)	(4%)																																			
Basic profit (Calculation for reference)*	115.7	62.3	113.9	1.8	2%	<u>Basic profit</u> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">FY2013</th> <th colspan="2">FY2014</th> </tr> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th>Q1</th> <th>Q2</th> </tr> </thead> <tbody> <tr> <td></td> <td>56.8</td> <td>57.0</td> <td>57.7</td> <td>73.4</td> <td>53.3</td> <td>62.3</td> </tr> <tr> <td>Mineral resources business</td> <td>5.8</td> <td>9.3</td> <td>6.0</td> <td>15.6</td> <td>(1.4)</td> <td>4.5</td> </tr> <tr> <td>Non-mineral resources business</td> <td>51.1</td> <td>47.7</td> <td>51.7</td> <td>57.8</td> <td>54.8</td> <td>57.8</td> </tr> </tbody> </table>		FY2013				FY2014		Q1	Q2	Q3	Q4	Q1	Q2		56.8	57.0	57.7	73.4	53.3	62.3	Mineral resources business	5.8	9.3	6.0	15.6	(1.4)	4.5	Non-mineral resources business	51.1	47.7	51.7	57.8	54.8	57.8
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Non-mineral resources business	51.1	47.7	51.7	57.8	54.8	57.8																																		
Comprehensive income for the period (attributable to owners of the parent)	84.8	32.2	243.9	(159.1)	(65%)	Key indicators <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Apr.1-Sep.30, 2014</th> <th>Apr.1-Sep.30, 2013</th> </tr> </thead> <tbody> <tr> <td>Exchange rate (Yen/US\$)</td> <td>(Apr.-Sep.) 103.01</td> <td>98.86</td> </tr> <tr> <td>Interest rate (6m Yen LIBOR)</td> <td>(Apr.-Sep.) 0.18%</td> <td>0.25%</td> </tr> <tr> <td>Interest rate (6m US\$ LIBOR)</td> <td>(Apr.-Sep.) 0.33%</td> <td>0.41%</td> </tr> <tr> <td>Crude oil (US\$/bbl) <North Sea Brent></td> <td>(Jan.-Jun.) 109</td> <td>108</td> </tr> <tr> <td>Copper (US\$/MT)</td> <td>(Jan.-Jun.) 6,914</td> <td>7,540</td> </tr> <tr> <td>Zinc (US\$/MT)</td> <td>(Apr.-Sep.) 2,193</td> <td>1,850</td> </tr> <tr> <td>Iron ore (US\$/MT) *</td> <td>(Jan.-Jun.) 112</td> <td>137</td> </tr> <tr> <td>Hard Coking coal (US\$/MT) *</td> <td>(Apr.-Sep.) 120</td> <td>159</td> </tr> </tbody> </table>		Apr.1-Sep.30, 2014	Apr.1-Sep.30, 2013	Exchange rate (Yen/US\$)	(Apr.-Sep.) 103.01	98.86	Interest rate (6m Yen LIBOR)	(Apr.-Sep.) 0.18%	0.25%	Interest rate (6m US\$ LIBOR)	(Apr.-Sep.) 0.33%	0.41%	Crude oil (US\$/bbl) <North Sea Brent>	(Jan.-Jun.) 109	108	Copper (US\$/MT)	(Jan.-Jun.) 6,914	7,540	Zinc (US\$/MT)	(Apr.-Sep.) 2,193	1,850	Iron ore (US\$/MT) *	(Jan.-Jun.) 112	137	Hard Coking coal (US\$/MT) *	(Apr.-Sep.) 120	159							
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Calculation of basic profit: (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + Dividends) x (1-Tax rate)

+ Share of profit of investments accounted for using the equity method

*Tax rate used in calculating basic profit: FY2013 38%, FY2014 36%

Sumitomo Corporation

3. Segment Information

Unit: Billions of yen (rounded to the nearest 100 million yen)

	Gross profit			Profit (loss) for the period attributable to owners of the parent			Summary (Factors affecting profit (loss) for the period attributable to owners of the parent)
	Apr.1- Sep.30, 2014	Apr.1- Sep.30, 2013	Increase/ (decrease)	Apr.1- Sep.30, 2014	Apr.1- Sep.30, 2013	Increase/ (decrease)	
Metal Products	51.7	44.1	7.6	16.2	12.6	3.6	- Robust performance by tubular products business in North America and the operation of steel service centers
Transportation & Construction Systems	61.5	63.7	(2.2)	25.5	29.7	(4.2)	- Decrease in earnings of automobile financing business in Indonesia and ship business - Robust performance by leasing business
Environment & Infrastructure	30.8	32.2	(1.4)	8.7	7.0	1.7	- Stable performance of overseas power infrastructure business
Media, Network, Lifestyle Related Goods & Services	136.8	137.6	(0.8)	22.1	17.5	4.7	- Stable performance of domestic major group companies - Decline in the condo delivery
Mineral Resources, Energy, Chemical & Electronics	37.5	39.2	(1.7)	(97.5)	23.5	(121.0)	- Impairment losses of 120.3 billion yen in Tight oil development project in the U.S. and Coal-mining projects in Australia
Overseas Subsidiaries and Branches	134.5	116.4	18.1	(17.1)	21.5	(38.5)	- Impairment losses of 47.0 billion yen in Tight oil development project in the U.S. and Coal-mining projects in Australia - Robust performance by metal products business
Total	452.8	433.2	19.6	(42.0)	111.7	(153.7)	
Corporate and Eliminations	(2.5)	0.6	(3.2)	3.6	4.9	(1.3)	
Consolidated	450.3	433.8	16.5	(38.4)	116.6	(155.0)	

*On April 1, 2014 the Kansai Regional Business Unit and Chubu Regional Business Unit were abolished, and the business departments constituting the above two regional business units were incorporated into organizations under headquarter's business units and divisions. Accordingly, the Domestic Regional Business Units and Offices segment was abolished, and we reorganized our operating segments into five segments based on industries and overseas regional segment (Overseas Subsidiaries and Branches) from the first quarter of this fiscal year. The segment information of the same period of the previous year has also been reclassified.

4. Cash Flows

	Apr.1- Sep.30, 2014	Apr.1- Sep.30, 2013
Net cash provided by operating activities	77.3	50.1
Net cash used in investing activities	(274.4)	(139.4)
Free Cash Flow	(197.1)	(89.3)
Net cash (used in)/provided by financing activities	(28.8)	33.7
Effect of exchange rate changes on cash and cash equivalents	14.5	6.1
Net (decrease)/increase in cash and cash equivalents	(211.5)	(49.5)

Summary	
<u>Net cash provided by operating activities</u>	
- Core businesses generated cash steadily	
<u>Net cash used in investing activities</u>	
- New investments: approx. 220 billion yen	

5. Financial Position

	As of Sep.30, 2014	As of Mar.31, 2014	Increase/ (decrease)	Summary
Total assets	8,813.0	8,668.7	144.3	<u>Total Assets</u>
Shareholders' equity *	2,428.1	2,404.7	23.4	- Increase due to new investments and financing activities - Increase due to the yen's depreciation
Unrealized holding gains on securities available-for-sale *	174.3	151.2	23.1	$\left(\begin{array}{c} < \text{Exchange rate (Yen/US\$)} > \\ \begin{array}{ c c } \hline \text{As of Sep. 30, 2014} & \text{As of Mar. 31, 2014} \\ \hline 109.45 & 102.92 \end{array} \end{array} \right)$
Foreign currency translation adjustments *	298.3	206.9	91.4	
Shareholders' equity ratio*	27.6%	27.7%	(0.1pt)	<u>Shareholders' equity</u>
Interest-bearing liabilities, net	3,410.9	3,123.5	287.4	- Increase due to the yen's depreciation
Debt-equity ratio, net (times)	1.4	1.3	0.1pt	

*"Shareholders' equity" is equivalent to "Equity attributable to owners of the parent" in Consolidated Statements of Financial Position.
"Unrealized holding gains on securities available-for-sale" and "Foreign currency translation adjustment" are equivalent to "Financial assets measured at fair value through other comprehensive income" and "Exchange differences on translating foreign operations" under IFRS.
"Shareholders' equity ratio" is calculated by dividing "Equity attributable to owners of the parent" by "Total assets".

6. Forecasts for the fiscal year ending March 31, 2015

Profit for the year attributable to owners of the parent: 10.0 billion yen (Remain the forecasts announced on September 29, 2014 unchanged)

- Impairment losses (expected): Approx. (240.0) billion yen
(Tight oil development project in the U.S., Coal-mining projects in Australia, Iron ore mining project in Brazil and Tire business in the U.S. (TBC))
- Forecasts except for impairment losses: Core businesses in non-mineral resources business are expected to continuously show robust performance in the second half.

Basic profit: 190.0 billion yen

- Mineral resources business: (40.0) billion yen (70.0 billion yen decrease from initial forecasts
(including expected impairment loss of 50.0 billion yen in Iron ore mining project in Brazil))
- Non-mineral resources business: 230.0 billion yen (10.0 billion yen increase from initial forecasts)

Profit for the year attributable to owners of the parent			
(Billions of yen)	1st half Results	Annual forecasts	Annual forecasts
		(Announced in Oct. 2014)	(Announced in May 2014)
Profit for the year attributable to owners of the parent	(38.4)	10.0	250.0
Impairment losses (expected)	(167.3)	(240.0)	-
Forecasts except for impairment losses	128.9	250.0	250.0

Forecasts for operating performance

Unit: Billions of yen (rounded to the nearest 100 million yen)

	Annual forecasts		Annual forecasts (Announced in May 2013) (D)	Increase/(decrease)	
	(Announced in Oct. 2014) (C)	(Announced in Sep. 29, 2014)		Amount (C)-(D)	Percentage
Gross Profit	960.0	-	950.0	10.0	1%
Selling, general and administrative expenses	(755.0)	-	(740.0)	(15.0)	(2%)
Provision for doubtful receivables	(5.0)	-	(5.0)	0.0	0%
Interest expense, net of interest income	(18.0)	-	(18.0)	0.0	0%
Dividends	15.0	-	15.0	0.0	0%
Share of profit of investments accounted for using the equity method	60.0	-	115.0	(55.0)	(48%)
Other, net	(200.0)	-	10.0	(210.0)	-
Profit before tax	62.0	62.0	332.0	(270.0)	(81%)
Income tax expense	(40.0)	-	(70.0)	30.0	43%
Profit for the year	22.0	-	262.0	(240.0)	(92%)
Profit for the year attributable to:					
Owners of the parent	10.0	10.0	250.0	(240.0)	(96%)
Non-controlling interests	12.0	-	12.0	0.0	0%
Basic profit (Calculation for reference) *1	190.0	-	250.0	(60.0)	(24%)
Total trading transactions *2	8,600.0	8,600.0	8,600.0	0.0	0%

Forecasts by segment (Profit for the year attributable to owners of the parent)

Unit: Billions of yen (rounded to the nearest 100 million yen)

	Annual forecasts (Announced in Oct. 2014)	Annual forecasts (Announced in May 2014)	Increase/ (decrease)
Metal Products	33.0	31.0	2.0
Transportation & Construction Systems	48.0	46.0	2.0
Environment & Infrastructure	24.0	21.0	3.0
Media, Network, Lifestyle Related Goods & Services	50.0	54.0	(4.0)
Mineral Resources, Energy, Chemical & Electronics	(154.0)	38.0	(192.0)
Overseas Subsidiaries and Branches	(12.0)	50.0	(62.0)
Total	(11.0)	240.0	(251.0)
Corporate and Eliminations	21.0	10.0	11.0
Consolidated	10.0	250.0	(240.0)

< Assumptions for the forecasts >

Key indicators	Results (Apr. 2014- Sep. 2014)	Outlook (Oct. 2014- Mar. 2015)	Initial Outlook (as of May 2014)	
Exchange rate (Yen/US\$)	(Apr.-Mar.)	103.01	105.00	100.00
Interest rate (6m Yen LIBOR)	(Apr.-Mar.)	0.18%	0.20%	0.20%
Interest rate (6m US\$ LIBOR)	(Apr.-Mar.)	0.33%	0.40%	0.40%
Crude oil (US\$/bbl) <North Sea Brent>	(Jan.-Dec.)	109	103	106
Copper (US\$/MT)	(Jan.-Dec.)	6,914	6,976	6,834
Zinc (US\$/MT)	(Apr.-Mar.)	2,193	2,151	2,086
Iron ore (US\$/MT) *	(Jan.-Dec.)	112	90	125
Hard Coking coal (US\$/MT) *	(Apr.-Mar.)	120	120	120

*Market price

< Sensitivity of profit to the fluctuation of FOREX >

Depreciation of 1 yen per US\$ will increase profit for the year attributable to owners of the parent by approximately 1.3 billion yen

*1 Calculation of basic profit: (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + Dividends) x 64% + Share of profit of investments accounted for using the equity method

*2 Presented in a manner customarily used in Japan solely for Japanese investors' purposes.

7. Dividend

Year ending March 31, 2015	interim	year-end (plan)
¥50	¥25	¥25

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.