

Highlights of consolidated annual results FY2014 (Year ended March 31, 2015)

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May 1, 2015

[Prepared on the basis of International Financial Reporting Standards]

1. Summary

Sumitomo Corporation

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

<FY2014 Results>

Profit (loss) for the year attributable to owners of the parent (73.2) billion yen (296.2 billion yen decrease from FY2013)

- Total impairment losses of 310.3 billion yen (Refer to the figure on the right.)

Free cash flow 155.9 billion yen outflow (New investments: approx. 450.0 billion yen)

Total assets 9,021.4 billion yen (352.6 billion yen increase from FY2013 year-end)

Basic profit			
	FY2014	FY2013	Increase/ (decrease)
Mineral resources businesses	(52.5)	36.2	(88.7)
Non-mineral resources businesses	236.5	208.8	27.7
Consolidated	184.0	245.0	(61.0) *

* Impairment losses of 62.3 billion yen in Iron ore mining project in Brazil are included.

<FY2015 Forecasts>

Profit for the year attributable to owners of the parent 230.0 billion yen

Profit (loss) for the year attributable to owners of the parent		
	Year ended Mar. 31, 2015	Annual forecasts (Announced on Mar. 25, 2015)
Profit (loss) for the year attributable to owners of the parent	(73.2)	(85.0)
Impairment losses	(310.3)	(325.0)
Tight oil development project in the U.S.	(199.2)	(200.0)
Coal mining projects in Australia	(24.4)	(26.0)
Iron ore mining project in Brazil	(62.3)	(65.0)
Tire business in the U.S.	(21.9)	(22.0)
Shale gas project in the U.S.	(31.1)	(40.0)
Oil field interests in the North Sea	(3.6)	
Tax effect and others	32.3	28.0
Profit except for impairment losses	237.1	240.0

2. Operating Results

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

	Year ended Mar. 31, 2015		Year ended Mar. 31, 2014	Increase/(decrease)		Summary for the year ended Mar. 31, 2015																																
	(A)	Jan.1-Mar.31, 2015	(B)	Amount (A)-(B)	Percentage																																	
Gross profit	952.9	267.9	894.4	58.5	7%	Gross profit																																
Selling, general and administrative expenses	(755.2)	(209.7)	(706.4)	(48.8)	(7%)	<Factors causing increase> - New consolidation such as Edgen Group - Robust performance by tubular products business in North America																																
Provision for doubtful receivables	(8.8)	(2.9)	(6.1)	(2.7)	(43%)	<Factors causing decrease> - Water concession business company and other companies becoming associated company																																
Interest expense, net of interest income	(13.0)	(3.2)	(17.4)	4.5	26%	Share of profit of investments accounted for using the equity method - Impairment losses of 62.3 billion yen in Iron ore mining project in Brazil - Decrease in profits of mineral resources businesses - Profit contributions from investments made in recent years																																
Dividends	17.2	4.0	14.9	2.4	16%																																	
Share of profit of investments accounted for using the equity method	49.1	(26.5)	126.2	(77.1)	(61%)																																	
Gain (loss) on securities and other investments, net	12.4	(1.2)	8.8	3.6	41%	Gain (loss) on property, plant and equipment, net - Impairment losses in mineral resources businesses such as Tight oil development project in the U.S., and Tire business in the U.S.																																
Gain (loss) on property, plant and equipment, net	(269.2)	(56.9)	(19.8)	(249.3)	-	[Reference]<Quarter-on-quarter comparison>																																
Other, net	(13.0)	(2.9)	3.5	(16.5)	-	Profit (loss) for the period																																
Profit (loss) before tax	(18.6)	(28.5)	304.2	(322.8)	-	<table border="1"> <thead> <tr> <th colspan="5">FY2014</th> <th>FY2013</th> </tr> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>52.3</td> <td>(90.7)</td> <td>28.1</td> <td>(62.9)</td> <td>(73.2)</td> <td>223.1</td> </tr> </tbody> </table>	FY2014					FY2013	Q1	Q2	Q3	Q4			52.3	(90.7)	28.1	(62.9)	(73.2)	223.1														
FY2014					FY2013																																	
Q1	Q2	Q3	Q4																																			
52.3	(90.7)	28.1	(62.9)	(73.2)	223.1																																	
Income tax expense	(52.3)	(37.5)	(70.4)	18.1	26%	Basic profit																																
Profit (loss) for the year	(70.8)	(66.0)	233.9	(304.7)	-	<table border="1"> <thead> <tr> <th colspan="5">FY2014</th> <th>FY2013</th> </tr> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>53.3</td> <td>62.3</td> <td>55.2</td> <td>13.2</td> <td>184.0</td> <td>245.0</td> </tr> <tr> <td>Mineral resources</td> <td>(1.3)</td> <td>3.9</td> <td>(2.0)</td> <td>(53.1)</td> <td>(52.5)</td> <td>36.2</td> </tr> <tr> <td>Non-mineral resources</td> <td>54.7</td> <td>58.4</td> <td>57.1</td> <td>66.3</td> <td>236.5</td> <td>208.8</td> </tr> </tbody> </table>	FY2014					FY2013	Q1	Q2	Q3	Q4			53.3	62.3	55.2	13.2	184.0	245.0	Mineral resources	(1.3)	3.9	(2.0)	(53.1)	(52.5)	36.2	Non-mineral resources	54.7	58.4	57.1	66.3	236.5	208.8
FY2014					FY2013																																	
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53.3	62.3	55.2	13.2	184.0	245.0																																	
Mineral resources	(1.3)	3.9	(2.0)	(53.1)	(52.5)	36.2																																
Non-mineral resources	54.7	58.4	57.1	66.3	236.5	208.8																																
Profit (loss) for the year attributable to:																																						
Owners of the parent	(73.2)	(62.9)	223.1	(296.2)	-																																	
Non-controlling interests	2.4	(3.1)	10.8	(8.4)	(78%)																																	
Basic profit (Calculation for reference)*	184.0	13.2	245.0	(61.0)	(25%)																																	
Comprehensive income for the year (attributable to owners of the parent)	146.0	(140.7)	411.5	(265.6)	(65%)																																	

Key indicators		FY 2014	FY 2013
Exchange rate (Yen/US\$)	(Apr.-Mar.)	109.76	100.17
Interest rate (6m Yen LIBOR)	(Apr.-Mar.)	0.16%	0.22%
Interest rate (6m US\$ LIBOR)	(Apr.-Mar.)	0.34%	0.38%
Crude oil (US\$/bbl) <North Sea Brent>	(Jan.-Dec.)	99	108
Copper (US\$/MT)	(Jan.-Dec.)	6,860	7,326
Zinc (US\$/MT)	(Apr.-Mar.)	2,175	1,910
Iron ore (US\$/MT)***	(Jan.-Dec.)	97	135
Hard Coking coal (US\$/MT)***	(Apr.-Mar.)	119	153

***Market Price

* Calculation of basic profit : (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: 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 year attributable to owners of the parent			Summary for the year ended Mar. 31, 2015 (Factors affecting profit (loss) for the year attributable to owners of the parent)
	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Increase/(decrease)	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Increase/(decrease)	
Metal Products	103.5	97.2	6.4	32.5	26.6	5.9	- Robust performance by tubular products business in North America and the operation of steel service centers
Transportation & Construction Systems	133.9	124.2	9.7	49.8	48.7	1.1	- Robust performance by leasing business and construction equipment rental business in the U.S. - Decrease in earnings of automobile financing business in Indonesia and ship business
Environment & Infrastructure	64.5	63.7	0.8	22.9	19.1	3.8	- Stable performance of overseas power infrastructure business
Media, Network, Lifestyle Related Goods & Services	288.7	284.9	3.8	47.8	54.4	(6.6)	- Impairment losses of 7.5 billion yen in Tire business in the U.S. - Stable performance of domestic major group companies
Mineral Resources, Energy, Chemical & Electronics	86.9	82.9	4.0	(191.0)	23.6	(214.7)	- Total impairment losses of 227.8 billion yen in several mineral projects including Tight oil development project in the U.S.
Overseas Subsidiaries and Branches	277.5	244.5	33.0	(22.7)	41.4	(64.1)	- Total impairment losses of 75.0 billion yen in several mineral projects including Tight oil development project and Tire business in the U.S. - Robust performance by metal products business
Total	955.0	897.4	57.6	(60.6)	213.9	(274.4)	
Corporate and Eliminations	(2.1)	(3.0)	0.9	(12.6)	9.2	(21.8)	
Consolidated	952.9	894.4	58.5	(73.2)	223.1	(296.2)	

*On April 1, 2014 the Kansai Regional Business Unit and Chubu Regional Business Unit were abolished, and the business departments constituting the above two regional business units were incorporated into organizations under 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. Also, on October 1, 2014 Commodity Business Department was transferred from Corporate and Eliminations to Mineral Resources, Energy, Chemical & Electronics Business Unit. The segment information of the previous year has also been reclassified.

4. Cash Flows

	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014
Net cash from operating activities	243.7	278.2
Net cash used in investing activities	(399.6)	(249.9)
Free Cash Flow	(155.9)	28.4
Net cash (used in) / provided by financing activities	(74.8)	145.9
Effect of exchange rate changes on cash and cash equivalents	15.4	12.4
Net (decrease) / increase in cash and cash equivalents	(215.3)	186.7

Summary

<Net cash provided by operating activities>
- Core businesses generated cash steadily

<Net cash used in investing activities>
- New investments: approx. 450 billion yen

5. Financial Position

	As of Mar. 31, 2015	As of Mar. 31, 2014	Increase/(decrease)	Summary				
Total assets	9,021.4	8,668.7	352.6	Total assets				
Shareholders' equity*	2,481.4	2,404.7	76.8	- Increase due to new investments and financing activities - Increase due to the yen's depreciation				
Financial assets measured at fair value through other comprehensive income	182.2	151.2	31.0	(< Exchange rate (Yen/US\$) >) <table border="1"> <tr> <td>As of Mar. 31, 2015</td> <td>As of Mar. 31, 2014</td> </tr> <tr> <td>120.17</td> <td>102.92</td> </tr> </table>	As of Mar. 31, 2015	As of Mar. 31, 2014	120.17	102.92
As of Mar. 31, 2015	As of Mar. 31, 2014							
120.17	102.92							
Exchange differences on translating foreign operations	365.7	206.9	158.8					
Shareholders' equity ratio*	27.5%	27.7%	(0.2 pt)	Shareholders' equity				
Interest-bearing liabilities, net	3,517.5	3,123.5	394.1	- Increase due to the yen's depreciation				
Debt-equity ratio, net (times)	1.4	1.3	0.1 pt					

*"Shareholders' equity" is equivalent to "Equity attributable to owners of the parent" in Consolidated Statements of Financial Position. "Shareholders' equity ratio" is calculated by dividing "Equity attributable to owners of the parent" by "Total assets".

6. Forecasts for the Year ending March 31, 2016

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

	Year ending Mar. 31, 2016 (C)	Year ended Mar. 31, 2015 (D)	Increase/(decrease)		Summary for the year ending March 31, 2016																																								
			Amount (C)-(D)	Percentage																																									
Gross profit	950.0	952.9	(2.9)	(0%)	<p><Profit (loss) for the year attributable to owners of the parent> Forecasts 230 billion yen</p> <p>- The robust performance is expected to continue in relation to our core businesses in Transportation & Construction Systems; Environment & Infrastructure; and Media, Network, Lifestyle Related Goods & Services segment.</p> <p>- The performance of mineral resources businesses and tubular products business is expected to slow down due to the drop in prices for oil and other mineral resources.</p> <p><Assumptions for the forecasts></p> <table border="1"> <thead> <tr> <th></th> <th></th> <th>FY2015 (Outlook)</th> <th>FY2014 (Results)</th> </tr> </thead> <tbody> <tr> <td>Exchange rate (Yen/US\$)</td> <td>(Apr.-Mar.)</td> <td>115.00</td> <td>109.76</td> </tr> <tr> <td>Interest rate (6m Yen LIBOR)</td> <td>(Apr.-Mar.)</td> <td>0.20%</td> <td>0.16%</td> </tr> <tr> <td>Interest (6m US\$ LIBOR)</td> <td>(Apr.-Mar.)</td> <td>0.65%</td> <td>0.34%</td> </tr> <tr> <td>Crude oil (US\$/bbl) <North Sea Brent></td> <td>(Jan.-Dec.)</td> <td>60</td> <td>99</td> </tr> <tr> <td>Copper (US\$/MT)</td> <td>(Jan.-Dec.)</td> <td>5,732</td> <td>6,860</td> </tr> <tr> <td>Zinc (US\$/MT)</td> <td>(Apr.-Mar.)</td> <td>2,167</td> <td>2,175</td> </tr> <tr> <td>Nickel (US\$/lb)</td> <td>(Jan.-Dec.)</td> <td>6.77</td> <td>7.65</td> </tr> <tr> <td>Iron ore (US\$/MT)*</td> <td>(Jan.-Dec.)</td> <td>68</td> <td>97</td> </tr> <tr> <td>Hard Coking coal (US\$/MT)*</td> <td>(Apr.-Mar.)</td> <td>120</td> <td>119</td> </tr> </tbody> </table> <p>*Market price <Sensitivity to exchange rate fluctuations of profit (loss) for the year attributable to owners> Each depreciation of ¥1/US\$ will cause an increase of approximately 1.1 billion yen</p>			FY2015 (Outlook)	FY2014 (Results)	Exchange rate (Yen/US\$)	(Apr.-Mar.)	115.00	109.76	Interest rate (6m Yen LIBOR)	(Apr.-Mar.)	0.20%	0.16%	Interest (6m US\$ LIBOR)	(Apr.-Mar.)	0.65%	0.34%	Crude oil (US\$/bbl) <North Sea Brent>	(Jan.-Dec.)	60	99	Copper (US\$/MT)	(Jan.-Dec.)	5,732	6,860	Zinc (US\$/MT)	(Apr.-Mar.)	2,167	2,175	Nickel (US\$/lb)	(Jan.-Dec.)	6.77	7.65	Iron ore (US\$/MT)*	(Jan.-Dec.)	68	97	Hard Coking coal (US\$/MT)*	(Apr.-Mar.)	120	119
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Selling, general and administrative expenses	(780.0)	(755.2)	(24.8)	(3%)																																									
Provision for doubtful receivables	(10.0)	(8.8)	(1.2)	(14%)																																									
Interest expense, net of interest income	(15.0)	(13.0)	(2.0)	(16%)																																									
Dividends	15.0	17.2	(2.2)	(13%)																																									
Share of profit of investments accounted for using the equity method	110.0	49.1	60.9	124%																																									
Other, net	10.0	(269.7)	279.7	-																																									
Profit (loss) before tax	290.0	(18.6)	308.6	-																																									
Income tax expense	(50.0)	(52.3)	2.3	4%																																									
Profit (loss) for the year	240.0	(70.8)	310.8	-																																									
Profit (loss) for the year attributable to:																																													
Owners of the parent	230.0	(73.2)	303.2	-																																									
Non-controlling interests	10.0	2.4	7.6	325%																																									
Basic profit (Calculation for reference) *1	230.0	184.0	46.0	25%																																									
Total trading transactions *2	8,600.0	8,596.7	3.3	0%																																									

*1) Calculation of 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: FY2014 36%, FY2015 33%

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

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

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

	Year ending Mar. 31, 2016	Year ended Mar. 31, 2015	Increase/ (decrease)		Year ending Mar. 31, 2016	Year ended Mar. 31, 2015	Increase/ (decrease)
Metal Products	23.0	32.5	(9.5)	Mineral Resources, Energy, Chemical & Electronics	26.0	(191.0)	217.0
Transportation & Construction Systems	50.0	40.6	9.4	Overseas Subsidiaries and Branches	47.0	(22.7)	69.7
Environment & Infrastructure	25.0	22.9	2.1	Corporate and Eliminations	3.0	(12.6)	15.6
Media, Network, Lifestyle Related Goods & Services	56.0	57.1	(1.1)	Consolidated	230.0	(73.2)	303.2

*On April 1, 2015 Tire Business Department was transferred from Media, Network, Lifestyle Related Goods & Services Business Unit to Transportation & Construction Systems Business Unit. We reviewed segment information accordingly.

7. Dividend

Year ended Mar. 31, 2015	Forecasts for the Year ending Mar. 31, 2016	
	interim	year-end (plan)
¥50	¥25	¥25

dividend payout ratio: -%

Year ending Mar. 31, 2016	Forecasts for the Year ending Mar. 31, 2016	
	interim (plan)	year-end (plan)
¥50	¥25	¥25

dividend payout ratio: 27%

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.