May 9, 2016

Consolidated annual results FY2015 (Year ended March 31, 2016)

[Prepared on the basis of International Financial Reporting Standards]

Sumitomo Corporation

Stock Exchange code No. 8053
(Listed on Tokyo, Nagoya and Fukuoka Stock Exchanges)
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The date of payout of dividend: June 27, 2016 (Planned)

1. Consolidated results for the year ended March 31, 2016

(Remarks)
Amounts are rounded to the nearest million.
% : change from the previous year.

(1) Consolidated operating results

	Total trading transactions	increase/ (decrease)	Operating profit	increase/ (decrease)	Profit before tax	increase/ (decrease)	Profit for the year	increase/ (decrease)	Profit for the year attributable to owners of the parent	increase/ (decrease)	Comprehensive income for the year	increase/ (decrease)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Year ended March 31, 2016	7,584,146	(11.8)	113,722	－	140,116	－	88,567	－	74,546	－	(157,104)	－
Year ended March 31, 2015	8,596,699	5.5	(84,374)	－	(18,561)	－	(70,817)	－	(73,170)	－	154,705	(64.0)

	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to total trading transactions
	(yen)	(yen)	(%)	(%)	(%)
Year ended March 31, 2016	59.73	59.69	3.2	1.7	1.5
Year ended March 31, 2015	(58.64)	(58.64)	(3.0)	(0.2)	(1.0)

[Notes] Share of profit of investments accounted for using the equity method (FY2015) (53,815) million yen (FY2014) 49,092 million yen

Total trading transactions is presented in a manner customarily used in Japan solely for Japanese investors' purposes.

Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Companies act as a principal or as an agent.

(2) Consolidated financial position

	Total Assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio	Equity per share attributable to owners of the parent
	(millions of yen)	(millions of yen)	(millions of yen)	(%)	(yen)
As of March 31, 2016	7,817,818	2,391,945	2,251,509	28.8	1,803.95
As of March 31, 2015	9,021,370	2,617,250	2,481,432	27.5	1,988.62

(3) Consolidated cash flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Year ended March 31, 2016	599,708	(85,448)	(507,157)	868,755
Year ended March 31, 2015	243,695	(399,586)	(74,776)	895,875

2. Dividends

	Cash dividends per share					Total amount of cash dividends per annum	Dividend payout ratio (Consolidated)	Dividend on equity attributable to owners of the parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	(%)	(%)
Year ended March 31, 2015	－	25.0	－	25.0	50.0	62,387	－	2.6
Year ended March 31, 2016	－	25.0	－	25.0	50.0	62,403	83.7	2.6
Year ending March 31, 2017 (Forecasts)	－	25.0	－	25.0	50.0		48.0	

3. Forecasts for the year ending March 31, 2017

(Remarks)
% : change from the previous year.

	Total trading transactions	increase/ (decrease)	Profit before tax	increase/ (decrease)	Profit attributable to owners of the parent	increase/ (decrease)	Earnings per share attributable to owners of the parent
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Apr.1-Sep.30, 2016	－	－	－	－	－	－	－
Year ending March 31, 2017	－	－	170,000	21.3	130,000	74.4	104.17

[Note] The Company has prepared only annual forecasts.

The Company has not prepared forecast of Total trading transactions from the year ending March 31, 2017.

[Notes]

(1) Change in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period: None

(2) Changes in accounting policies and accounting estimate

(i) Changes in accounting policies required by IFRS	None
(ii) Other changes	None
(iii) Changes in accounting estimate	Yes

[Note] For further details please refer page 21 "Changes in accounting estimate."

(3) Outstanding stocks (Common stocks)

(shares)

(i) Outstanding stocks including treasury stock	(March 31, 2016)	1,250,602,867	(March 31, 2015)	1,250,602,867
(ii) Treasury stocks	(March 31, 2016)	2,506,842	(March 31, 2015)	2,789,578
(iii) Average stocks	(April 1, 2015-March 31, 2016)	1,247,994,051	(April 1, 2014-March 31, 2015)	1,247,696,887

[Note] With regard to number of stocks used in earnings per share attributable to owners of the parent, please refer page 24.

[Reference] Non-consolidated information

Non-consolidated results FY2015 (Year ended March 31, 2016)

(Remarks)
Amounts are rounded down to the nearest million.
% : change from the previous year.

(1) Operating results

	Total trading transactions	increase/(decrease)	Operating income	increase/(decrease)	Ordinary income	increase/(decrease)	Net income	increase/(decrease)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Year ended March 31, 2016	2,758,832	(14.6)	(18,604)	―	1,157	―	24,801	―
Year ended March 31, 2015	3,229,406	(3.3)	(20,149)	―	(59,681)	―	(52,788)	―

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Year ended March 31, 2016	19.87	19.86
Year ended March 31, 2015	(42.31)	―

[Note] "Net income per share (diluted)" for the year ended March 31, 2015 is not applicable due to net loss per share.

(2) Financial position

	Total assets	Net worth	Shareholders' equity ratio	Net worth per share
	(millions of yen)	(millions of yen)	(%)	(yen)
As of March 31, 2016	3,972,450	873,950	22.0	699.38
As of March 31, 2015	4,255,193	930,090	21.8	744.46

[Notes] Shareholders' equity (As of March 31, 2016) 872,893 million yen (As of March 31, 2015) 928,953 million yen

Non-consolidated results FY2014 (Year ended March 31, 2015) have been corrected. For further detail please refer "Corrections of Non-consolidated information in the Consolidated Annual Results FY2014 (Year ended March 31, 2015) [Prepared on the basis of International Financial Reporting Standards]" which is released on May 9, 2016.

Notice regarding audit status

The audit of consolidated and non-consolidated financial statements required by the Financial Instruments and Exchange Law has not been completed as of May 9, 2016.

Cautionary Statement Concerning Forward-looking Statements

Management results

1. Operating results

Total trading transactions for the fiscal year ended March 31, 2016 amounted to 7,584.1 billion yen, representing a decrease of 1,012.6 billion yen from the previous fiscal year.

Gross profit totaled 894.1 billion yen down by 58.9 billion yen, while Selling, general and administrative expenses increased by 7.5 billion yen to 762.7 billion yen. Impairment losses on long-lived assets decreased by 221.4 billion yen to 57.2 billion yen. Operating profit improved by 198.1 billion yen to 113.7 billion yen.

Share of profit (loss) of investments accounted for using the equity method decreased by 102.9 billion yen to a loss of 53.8 billion yen.

As a result, Profit for the year attributable to owners of the parent totaled 74.5 billion yen, representing an increase of 147.7 billion yen from the previous fiscal year.

<Profit for the year attributable to owners of the parent by segment>

Metal Products Business Unit posted profit of 12.0 billion yen, a decrease of 20.5 billion yen from the previous fiscal year. Although the operation of overseas steel service centers showed stable performances, there was the impairment loss of 5.3 billion yen in Edgen Group, in addition to a decrease in earnings of tubular products business in North America.

Transportation & Construction Systems Business Unit posted profit of 73.4 billion yen, up by 32.8 billion yen. This was attributable to factors such as the profits on sale and revaluation of stocks stemming from the business reorganization of the automobile financing business in Indonesia, in addition to robust performances by leasing business and construction equipment rental business in the U.S.

Environment & Infrastructure Business Unit posted profit of 25.6 billion yen, an increase of 2.7 billion yen. This was owing to factors such as profits from value realization in renewable energy power generation businesses in addition to a stable performance of overseas power infrastructure business, although a decrease in earning of domestic power infrastructure business, impacted by the fluctuation of wholesale prices in the electric power market.

Media, Network, Lifestyle Related Goods & Services Business Unit posted profit of 64.8 billion yen, up by 7.7 billion yen. This was attributable to robust performances of domestic major group companies and real estate business, although there was the impairment loss of 9.8 billion yen in Grain business in Australia.

Mineral Resources, Energy, Chemical & Electronics Business Unit posted a loss of 151.6 billion yen, an increase of 39.4 billion yen. This was due to factors such as a decrease in the amount of impairment losses, although there was a decrease in earnings impacted by the decline of mineral resources prices. In this fiscal year, there were impairment losses of 156.8 billion yen in total posted for several businesses, including Nickel mining and refining business in Madagascar, Iron ore mining project in South Africa, Iron ore mining project in Brazil, Copper and molybdenum mining business in Chile, and Coal-mining projects in Australia. On the other hand, there were impairment losses and provisions of 227.8 billion yen in total posted in the previous fiscal year for several businesses, such as Tight oil development project in the U.S., Iron ore mining project in Brazil, Shale gas project in the U.S., and Coal-mining projects in Australia.

Overseas Subsidiaries and Branches segment posted profit of 21.1 billion yen, up by 43.7 billion yen. This was owing to factors such as a decrease in the amount of impairment losses in addition to realized gains resulting from asset replacements, although there was a decrease in earnings of tubular products business in North America. In this fiscal year, there were impairment losses of 23.6 billion yen in total for several businesses, including Edgen group and Grain business in Australia. On the other hand, there were impairment losses and provisions of 75.0 billion yen in total posted in the previous year for several businesses, such as Tight oil development project in the U.S. and Tire business in the U.S.

2. Forecasts for the fiscal year ending March 31, 2017

Forecasts for the fiscal year ending March 31, 2017 are as follows.

- Profit before tax	170 billion yen
- Profit for the year attributable to owners of the parent	130 billion yen

For more details, please see Management Policy, 2. Management Challenges, ●Promoting the medium-term management plan, “Be the Best, Be the One 2017”, (iv) Quantitative targets, Forecasts for FY2016.

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.

3. Financial position

<Total assets, liabilities, and equity as of March 31, 2016>

Total assets stood at 7,817.8 billion yen, representing a decrease of 1,203.6 billion yen from the previous fiscal year-end. Key factors causing the net decrease were a decrease resulting from asset replacements such as the business reorganization of the automobile financing business in Indonesia and the sales of renewable energy power generation businesses, impairment losses including in Nickel mining and refining business in Madagascar and Iron ore mining project in South Africa, and a decrease in Trade receivables and Inventories.

Equity attributable to owners of the parent totaled to 2,251.5 billion yen, a decrease of 229.9 billion yen from the previous fiscal year-end, due primarily to a decrease in Exchange differences on translating foreign operations caused by yen’s appreciation.

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Interest-bearing liabilities (net) decreased by 747.2 billion yen from the previous fiscal year-end, to 2,770.3 billion yen.

In consequence, the net debt-equity ratio (Interest-bearing liabilities (net)/ Equity attributable to owners of the parent) was 1.2.

<Cash flows>

Net cash provided by operating activities totaled 599.7 billion yen due to the cash inflow stemming from a decrease in working capital in addition to our core businesses that performed well in generating cash.

Net cash used in investing activities totaled 85.4 billion yen due mainly to new investments of approx. 270.0 billion yen, despite collection of funds by asset replacement.

As a result, Free cash flow totaled 514.3 billion yen inflow.

Net cash used in financing activities was 507.2 billion yen.

In consequence, Cash and cash equivalents as of March 31, 2016 decreased by 27.1 billion yen from March 31, 2015 to 868.8 billion yen.

4. Dividend policy

Sumitomo Corporation aims to increase dividends by achieving medium and long-term earnings growth while adhering to its fundamental policy of paying shareholders a stable dividend over the long term.

During ”Be the Best, Be the One (BBBO) 2017”, the medium-term management plan launched in March 2015, we decide the dividend amount in view of the situations regarding basic profit and cash flow, with 50 yen per share as the minimum amount of annual dividend and a consolidated payout ratio of 25% or more as our reference.

Although the consolidated profits for FY 2015 resulted 74.5 billion yen, the annual dividend for the fiscal year ending March 31, 2016, is projected to be 50 yen per share as recently announced. The year-end dividend is projected to be 25 yen per share since the interim dividend was 25 yen per share.

The annual dividend forecast for the fiscal year ending March 31, 2017, is projected to be 50 yen per share based on our dividend policy during BBBO2017.

Management Policy

1. Business activity during the period.

●Below we introduce some of the activities undertaken by our business units.

(i) Metal Products Business Unit

［TOPIC］**Mexico Expanding Our Steel Service Center Businesses by Constructing a New Plant**

Servilamina Summit Mexicana S.A. de C.V., a 100% subsidiary of the Sumitomo Corporation Group that processes and distributes steel products in Mexico, has decided to construct a third plant to join the two plants already in operation. The new plant will increase the subsidiary's capacity to process and supply automotive steel sheets, among other products. The subsidiary aspires to achieve co-prosperity with automakers, its main customers, in Mexico, where the production of automobiles is expected to continue to increase as a major supply center for the United States, one of the largest automotive markets.

(ii) Transportation & Construction Systems Business Unit

［TOPIC］**Thailand Contract Award for the Construction of Mass Transit System Project in Bangkok**

Together with Mitsubishi Heavy Industries, Ltd. and Hitachi, Ltd., Sumitomo Corporation has been awarded a contract to design and build an Electric and Mechanical system, including supplying railway cars for the Red Line Construction Project, a mega project to construct a mass transit system in the Bangkok metropolitan region. In this region (population about 10 million), traffic congestion and air pollution caused by an increased number of automobiles and other motor vehicles are becoming severe, and the government is promoting a shift away from road transportation to urban railway transportation. We will utilize this project as a foundation for the further expansion of our business in Thailand, with a view to gaining more contract awards in our railway business while contributing to the country's efforts to reduce traffic congestion and air pollution.

(iii) Environment & Infrastructure Business Unit

［TOPIC］**Initiating Electricity Retail Sales to Households**

Following the liberalization of electricity supply to high-voltage users and package sales of electricity to condominium complexes, electricity sales to households have also been deregulated. The Sumitomo Corporation Group has advanced into this power supply business through two of its Group companies: Summit Energy Corporation, which has an ample track record in electricity retail sales, and Jupiter Telecommunications Co., Ltd. (J: COM), a cable TV operator with an extensive sales network reaching millions of households. The two companies will closely cooperate to expand the new business and offer energy services that sustain daily life. Summit Energy Corporation is currently constructing biomass power plants in the cities of Handa in Aichi Prefecture and Sakata in Yamagata Prefecture as new sources of power supply that will support the expansion of the Group's electricity retail business.

(iv) Media, Network, Lifestyle Related Goods & Services Business Unit

［TOPIC］**Capital Reorganization for the TV Shopping Business**

The ownership structure of Jupiter Shop Channel Co., Ltd. ("Shop Channel"), the TV shopping company of the Sumitomo Corporation Group, has been altered by allowing J:COM and KDDI Corporation (KDDI) to respectively acquire 50% and 5% of Shop Channel shares, placing the company under the control of a new partnership among Sumitomo Corporation, J:COM, and KDDI. This will enable J:COM and Shop Channel to conduct sales and promotional activities targeted at each other's customers to cultivate new customers and expand their businesses. The Business Unit is thus able to leverage the strength of each of its businesses while reinforcing collaboration among them to develop new services and businesses and increase earnings.

(v) Mineral Resources, Energy, Chemical & Electronics Business Unit

［TOPIC］**Cambodia　Establishment of Electronics Manufacturing Services Site**

Sumitomo Corporation has decided to launch electronics manufacturing services (EMS) in Cambodia, a country in which the rapid growth of the manufacturing industry is expected. According to the plan, the Sumitronics Group, a subsidiary of Sumitomo Corporation, will establish a local company, and commence EMS operations in October 2016, mainly for Japanese manufacturers operating in Thailand, Cambodia's neighboring country. Southeast Asia, where the ASEAN Economic Community was established at the end of 2015, is likely to see greater economic collaboration within the community and economic growth in the near future. Based on its experience in the area of EMS, We aim to achieve further expansion of the business and contribution to the development of the region through the business.

2. Management Challenges

●Economic Prospects

On the global front, while developed countries are expected to continue upon the path of gradual economic growth, in emerging economies low natural resource prices and increased funding costs caused by the U.S. interest rate hike may continue to pose a heavy burden. Furthermore, there is a concern that the current situation in which prices remain stagnant due to oversupply and there is low willingness to invest may be prolonged.

The Japanese economy will be underpinned by economic measures undertaken by the government and Bank of Japan, and it is expected that the employment and income environment will continue to improve. However, the decrease in exports and return on investment that may be caused by the slowdown of growth in the United States and emerging economies in Asia represent a risk that may hold the economy back.

●Promoting the medium-term management plan, “Be the Best, Be the One 2017”

In its medium-term management plan “Be the Best, Be the One 2017 (BBBO2017),” Sumitomo Corporation has been promoting managerial reforms and growth strategies, enhancing “individual capability” and “organizational capability,” and securing financial soundness based on the theme of making group-wide efforts in overcoming issues and outlining a path toward the realization of “What We Aim to Be in 2019, Our Centennial Year,” in light of changes in the environments that surround our businesses as well as managerial issues that manifested in large-scale impairment losses in FY2014.

<Overview of “BBBO2017”>

Promote managerial reforms

Promote growth strategies

Enhance “individual capability” and “organizational capability”

Secure financial soundness

Quantitative targets (key indicators)

○Profit targets

Consolidated net income[1] – FY2015: ¥230 billion; FY2017: ¥300 billion or more

○ Financial policies

・Regaining the balance between the core risk buffer and risk-adjusted assets[2] (by the end of FY2017)

・Free cash flow: ¥200 billion (3-year total) (Post-dividend free cash flow) (Positive (3-year total))

The major progress made in fiscal 2015 is described below:

(i)Promoting managerial reforms

Revising decision-making process

The Management Council was designated the highest decision-making body at the operational execution level as of July 2015, and a system has been put in place to incorporate diverse opinions and multilateral discussions into the process for making decisions on specific key matters. We have added another Outside Director to the Board of Directors, and we have amended the standards for matters to be discussed by the Board of Directors so that the Board can concentrate on the deliberation of important matters regarding the company-wide management such as the business policy and management plan. At the same time, we have increased the submitting matters to the Board of Directors to strengthen the Board's monitoring function over the execution of operations so that it can give priority to formulating Company-wide strategies and basic policies when deliberating on matters.

Revamping risk management system

Loan and Investment Committee meetings were held at the business unit and Company-wide levels and a framework established whereby discussions can be conducted from a variety of angles both when considering investments and when executing them, and we revised our hurdle rate for investments and our post-investment monitoring system.

[1] "Consolidated net income" is equivalent to the "profit attributable to owners of the parent" set out in the International Financial Reporting Standards (IFRS).

[2] Our core risk buffer represents the sum of "common stock," "additional paid-in capital," "retained earnings" and "exchange difference on translating foreign operations" minus "treasury stock, at cost." Our basic management policy is to keep risk-adjusted assets, which are our maximum possible losses, within our core risk buffer.

Complying with Corporate Governance Code

In addition to amending the Corporate Governance Principles, we dissolved the Remuneration Committee for constructive reasons and replaced it with a new Nomination and Remuneration Advisory Committee comprising a majority of outside directors (chairperson: outside director) to serve as an advisory body to the Board of Directors in order to make the processes for deciding on the nomination and remuneration of Directors more transparent and objective. Furthermore, analyses/evaluations of the Board of Directors are being conducted each year from FY2015 using self-evaluations by Directors and Corporate Auditors and other means to enable the Company to achieve sustained growth and improve its corporate value.

(ii) Promoting growth strategies

Strengthening/promoting cross-organizational collaboration

We executed growth strategies in the metal products, transportation systems, media and other businesses in which the Company enjoys advantages, and undertook cross-organizational collaboration and enhanced our approaches for pursuing these as Company-wide projects in energy-related business, retail business in Asia, and other fields with high growth potential.

Efforts in upstream mineral resources & energy businesses

We focused on launching projects in which we have invested over recent years, e.g., achieved financial completion of Nickel mining and refining business in Madagascar in September 2015, and we continued to cut costs in existing projects. We also formulated a policy for managing our upstream mineral resource portfolio, and established a new specialist organization to strengthen our market analyses and technical evaluation abilities.

Executing investment/loan plans

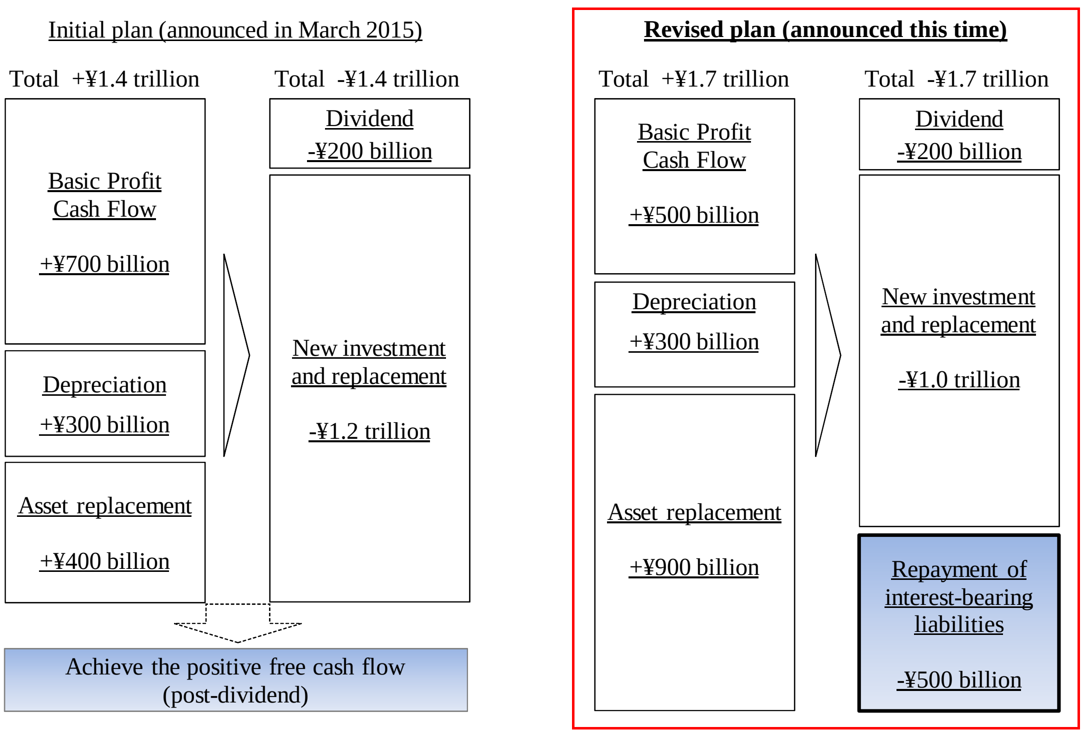
In FY2015, the initial year of "BBBO2017," we increased our assets in our construction equipment rental business in the United States, invested in domestic real estate projects including commercial facilities, and carried out investment to launch existing upstream mineral resource projects, executing investment and loans totaling approximately 270 billion yen across the Company.

(iii) Securing financial soundness

Reducing interest-bearing liabilities

In FY2015, we recovered approximately 230 billion yen in funds owing to asset replacements including the business reorganization of our automobile financing business in Indonesia and disposal of our renewable energy power generation business. In addition, cash was generated due to a decrease in working capital. As a result, post-dividend free cash flow for FY2015 reached a positive figure of 451.9 billion yen. Although we had been upholding the target of securing a positive post-dividend free cash flow (three-year total) in our initial plan for the purpose of maintaining financial soundness, in light of the Company's performance and the recent deterioration in the business environment, we have revised our post-dividend free cash flow target to 500 billion yen (three-year total), with the funds recovered to be used to repay interest-bearing liabilities in order to further reduce our interest-bearing liabilities and enhance our financial structure during the term for "BBBO2017."

【 Cash-in / cash-out (3-year total of the period of "BBBO2017") 】



* Basic Profit Cash Flow = Basic Profit – Share of profit (loss) of investments accounted for using the equity method + Dividend from investments accounted for using the equity method

* 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 (loss) of investments accounted for using the equity method

Regaining the balance between the core risk buffer and risk-adjusted assets

We will execute the plan described in "Reducing interest-bearing liabilities" above and regain the balance between the core risk buffer and risk-adjusted assets by the end of fiscal 2017, the final fiscal year of "BBBO2017."

(iv) Quantitative targets

FY2015 results

Non-mineral resource businesses made a steady showing overall in FY2015, but performance deteriorated in our mineral resources businesses and tubular products business due to falling mineral resource prices, and several businesses including upstream mineral resource-related ones saw impairment losses of approximately 195.1 billion yen. Consequently, consolidated net income regrettably came to 74.5 billion yen vis-à-vis our target of 230 billion yen.

The principal projects that posted impairment losses in FY2015 are as follows:

Projects	**Project Outline**	**Amount of Impact on Consolidated Net Income (billions of yen)**	**Main Reason for Impairment Loss**
Nickel mining and refining business in Madagascar	Nickel development and related business in Madagascar	-77.0	Decline in the nickel prices and revision of the long-term business plan
Iron ore mining project in South Africa	Investment in iron ore project in South Africa	-18.3	Decline in the iron ore prices and revision of the long-term business plan
Edgen Group	Global distributor of metal and tubular products for energy industry	-18.1	Decline in demand resulting from drop in the oil prices and revision of the long-term business plan
Iron ore mining project in Brazil	Iron ore mining operations and relevant businesses in the Serra Azul region of the state of Minas Gerais in Brazil	-14.6	Decline in the iron ore prices and revision of the long-term business plan
Copper and molybdenum mining business in Chile	Investment in and financing of the Sierra Gorda copper mine in Chile	-14.0	Decline in the copper prices and revision of the long-term business plan
Coal mining projects in Australia	Investments in coal mines in Australia	-12.1	Decline in the coal prices and revision of the long-term business plan
Grain business in Australia	Grain accumulation and investment in grain storage and export terminal operating business in Australia	-11.4	Revision of the business plan
Others		-29.5	
Total amount		-195.1	

Forecasts for FY2016

With regard to our forecasts for FY2016, while robust overall performance is projected in our non-mineral resources businesses, such as our main businesses in Environment & Infrastructure and Media, Network, Lifestyle Related Goods & Services segments, we expect the difficult business climate for our mineral resources businesses and tubular products business to continue as a result of the impact of falling mineral resources prices. In addition to these elements, we are factoring in approximately 20 billion yen in cost needs for steady asset replacements and improvement of our financial structure. As a result, a consolidated net income of 130 billion yen is forecast for FY2016.

Revision of quantitative targets

Anticipating slow recoveries in the mineral resource, energy-related and tubular products businesses due to the prolonged slump in mineral resource prices, we have revised the quantitative targets for “BBBO2017” as follows:

		FY/Period	Initial plan	Revised plan
Profit targets	Consolidated net income	FY2015	¥230 billion	¥74.5 billion
		FY2016	—	¥130 billion
		FY2017	¥300 billion or more	¥220 billion or more
	ROA	FY2017	3% or more	2.5% or more
	Risk-adjusted return ratio	FY2017	10% or more	9.0% or more
	ROE	FY2017	Around 10%	Around 9.0%
Financial policies	Balance between the core risk buffer and risk-adjusted assets	By the end of FY2017	Regain balance	Regain balance
	Free cash flow	3-year total	¥200 billion	¥700 billion
	Post-dividend free cash flow	3-year total	Positive	¥500 billion
Investment plan		3-year total	¥1.2 trillion	¥1.0 trillion

With the business environment expected to remain challenging, we will strive to improve our financial structure through the reduction of interest-bearing liabilities, and to bolster our earning power and return to a growth track by steadily executing the growth strategies set out in “BBBO2017” and by promoting cross-organizational collaboration in Company-wide projects.

Basic Concept Regarding Selection of Accounting Standard

Sumitomo Corporation has adopted International Financial Reporting Standards (IFRS), which are global accounting standards, to enhance the convenience of our financial statements for investors by improving their quality. We are also utilizing IFRS as a significant management tool to deal with management issues such as the further improvement of operational quality, the promotion of management resource reallocation, etc.

Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries
As of March 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	March 31, 2016	March 31, 2015	March 31, 2016
ASSETS			
Current assets:			
Cash and cash equivalents	¥ 868,755	¥ 895,875	$ 7,757
Time deposits	11,930	7,866	107
Marketable securities	4,748	9,622	42
Trade and other receivables	1,204,650	1,569,214	10,756
Other financial assets	132,886	101,706	1,186
Inventories	807,371	994,404	7,209
Advance payments to suppliers	164,669	140,935	1,470
Other current assets	192,063	229,062	1,715
Total current assets	3,387,072	3,948,684	30,242
Non-current assets:			
Investments accounted for using the equity method	1,891,768	1,947,115	16,891
Other investments	410,730	495,451	3,667
Trade and other receivables	538,855	780,781	4,811
Other financial assets	120,737	174,403	1,078
Property, plant and equipment	785,009	884,766	7,009
Intangible assets	310,789	365,438	2,775
Investment property	266,623	269,460	2,381
Biological assets	11,911	12,851	106
Prepaid expenses	22,881	58,497	204
Deferred tax assets	71,443	83,924	638
Total non-current assets	4,430,746	5,072,686	39,560
Total assets	¥ 7,817,818	¥ 9,021,370	$ 69,802

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥112=US$1.

Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries
As of March 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	March 31, 2016	March 31, 2015	March 31, 2016
LIABILITIES AND EQUITY			
Current liabilities:			
Bonds and borrowings	¥ 737,457	¥ 947,997	$ 6,584
Trade and other payables	933,147	1,051,081	8,332
Other financial liabilities	66,195	77,005	591
Income tax payables	21,916	19,396	196
Accrued expenses	103,967	127,982	928
Advances from customers	186,383	169,664	1,664
Provisions	10,940	4,306	98
Other current liabilities	60,114	82,189	537
Total current liabilities	2,120,119	2,479,620	18,930
Non-current liabilities:			
Bonds and borrowings	2,913,486	3,473,280	26,013
Trade and other payables	134,240	131,661	1,198
Other financial liabilities	64,384	69,775	575
Accrued pension and retirement benefits	34,332	32,529	306
Provisions	38,059	48,247	340
Deferred tax liabilities	121,253	169,008	1,083
Total non-current liabilities	3,305,754	3,924,500	29,515
Total liabilities	5,425,873	6,404,120	48,445
Equity:			
Common stock	219,279	219,279	1,958
Additional paid-in capital	256,500	260,009	2,290
Treasury stock	(3,344)	(3,721)	(30)
Other components of equity	311,880	531,343	2,785
Retained earnings	1,467,194	1,474,522	13,100
Equity attributable to owners of the parent	2,251,509	2,481,432	20,103
Non-controlling interests	140,436	135,818	1,254
Total equity	2,391,945	2,617,250	21,357
Total liabilities and equity	¥ 7,817,818	¥ 9,021,370	$ 69,802

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥112=US$1.

Consolidated Statements of Comprehensive Income

Sumitomo Corporation and Subsidiaries
For the years ended March 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	2016	2015	2016
Revenues			
Sales of tangible products	¥ 3,439,634	¥ 3,129,946	$ 30,711
Sales of services and others	571,174	632,290	5,100
Total revenues	4,010,808	3,762,236	35,811
Cost			
Cost of tangible products sold	(2,905,949)	(2,629,241)	(25,946)
Cost of services and others	(210,802)	(180,054)	(1,882)
Total cost	(3,116,751)	(2,809,295)	(27,828)
Gross profit	894,057	952,941	7,983
Other income (expenses)			
Selling, general and administrative expenses	(762,724)	(755,190)	(6,810)
Impairment losses on long-lived assets	(57,228)	(278,620)	(511)
Gain (loss) on sale of long-lived assets, net	23,783	9,450	212
Other, net	15,834	(12,955)	141
Total other income (expenses)	(780,335)	(1,037,315)	(6,968)
Operating profit (loss)	113,722	(84,374)	1,015
Finance income (costs)			
Interest income	29,724	20,718	265
Interest expense	(32,351)	(33,680)	(289)
Dividends	10,623	17,242	95
Gain (loss) on securities and other investments, net	72,213	12,441	645
Finance income (costs), net	80,209	16,721	716
Share of profit (loss) of investments accounted for using the equity method	(53,815)	49,092	(480)
Profit (loss) before tax	140,116	(18,561)	1,251
Income tax expense	(51,549)	(52,256)	(460)
Profit (loss) for the year	88,567	(70,817)	791
Profit (loss) for the year attributable to:			
Owners of the parent	¥ 74,546	¥ (73,170)	$ 666
Non-controlling interests	14,021	2,353	125
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income	(37,004)	64,845	(331)
Remeasurements of defined benefit pension plans	(24,894)	(587)	(222)
Share of other comprehensive income of investments accounted for using the equity method	96	2,162	1
Total items that will not be reclassified to profit or loss	(61,802)	66,420	(552)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	(170,348)	163,746	(1,521)
Cash-flow hedges	(7,647)	3,171	(68)
Share of other comprehensive income of investments accounted for using the equity method	(5,874)	(7,815)	(53)
Total items that may be reclassified subsequently to profit or loss	(183,869)	159,102	(1,642)
Other comprehensive income, net of tax	(245,671)	225,522	(2,194)
Comprehensive income for the year	(157,104)	154,705	(1,403)
Comprehensive income for the year attributable to:			
Owners of the parent	¥ (164,394)	¥ 145,989	$ (1,468)
Non-controlling interests	7,290	8,716	65
Total trading transactions	¥ 7,584,146	¥ 8,596,699	$ 67,716

Notes:
1) The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥112=US$1.
2) Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Companies act as a principal or as an agent. Total trading transactions is a measure commonly used by Japanese trading companies. It is not to be construed as equivalent to, or a substitute for, sales or revenues under IFRSs.

Consolidated Statements of Changes in Equity

Sumitomo Corporation and Subsidiaries
For the years ended March 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	2016	2015	2016
Equity:			
Common stock:			
Balance, beginning of year	¥ 219,279	¥ 219,279	$ 1,958
Balance, end of year	219,279	219,279	1,958
Additional paid-in capital:			
Balance, beginning of year	260,009	268,332	2,322
Acquisition (disposal) of non-controlling interests, net	(294)	(3,459)	(3)
Others	(3,215)	(4,864)	(29)
Balance, end of year	256,500	260,009	2,290
Treasury stock:			
Balance, beginning of year	(3,721)	(3,952)	(33)
Acquisition (disposal) of treasury stock, net	377	231	3
Balance, end of year	(3,344)	(3,721)	(30)
Other components of equity:			
Balance, beginning of year	531,343	346,222	4,745
Other comprehensive income for the year	(238,940)	219,159	(2,134)
Transfer to retained earnings	19,477	(34,038)	174
Balance, end of year	311,880	531,343	2,785
Retained earnings:			
Balance, beginning of year	1,474,522	1,574,789	13,165
Transfer from other components of equity	(19,477)	34,038	(174)
Profit (loss) for the year attributable to owners of the parent	74,546	(73,170)	666
Cash dividends	(62,397)	(61,135)	(557)
Balance, end of year	1,467,194	1,474,522	13,100
Equity attributable to owners of the parent	¥ 2,251,509	¥ 2,481,432	$ 20,103
Non-controlling interests:			
Balance, beginning of year	135,818	135,514	1,213
Cash dividends to non-controlling interests	(4,762)	(3,872)	(43)
Acquisition (disposal) of non-controlling interests and others, net	2,090	(4,540)	19
Profit for the year attributable to non-controlling interests	14,021	2,353	125
Other comprehensive income for the year	(6,731)	6,363	(60)
Balance, end of year	140,436	135,818	1,254
Total equity	¥ 2,391,945	¥ 2,617,250	$ 21,357
Comprehensive income for the year attributable to:			
Owners of the parent	(164,394)	145,989	(1,468)
Non-controlling interests	7,290	8,716	65
Total comprehensive income for the year	¥ (157,104)	¥ 154,705	$ (1,403)

Note:The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥112=US$1.

Condensed Consolidated Statements of Cash Flows

Sumitomo Corporation and Subsidiaries
For the years ended March 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	2016	2015	2016
Operating activities:			
Profit (loss) for the year	¥ 88,567	¥ (70,817)	$ 791
Adjustments to reconcile profit for the year to net cash provided by operating activities:			
Depreciation and amortization	125,076	117,687	1,117
Impairment losses on long-lived assets	57,228	278,620	511
Finance (income) costs, net	(80,209)	(16,721)	(716)
Share of (profit) loss of investments accounted for using the equity method	53,815	(49,092)	480
(Gain) loss on sale of long-lived assets, net	(23,783)	(9,450)	(212)
Income tax expense	51,549	52,256	460
Decrease (increase) in inventories	148,190	(48,657)	1,323
Decrease in trade and other receivables	174,890	94,399	1,562
Decrease (increase) in prepaid expenses	5,552	(14,503)	50
Decrease in trade and other payables	(43,778)	(67,246)	(391)
Other, net	42,611	(22,781)	380
Net cash provided by operating activities	599,708	243,695	5,355
Investing activities:			
Changes in:			
Property, plant, equipment and other assets	(84,066)	(241,934)	(751)
Marketable securities and investments	28,219	(78,252)	252
Loans receivables	(29,601)	(79,400)	(264)
Net cash used in investing activities	(85,448)	(399,586)	(763)
Free Cash Flows:	514,260	(155,891)	4,592
Financing activities:			
Changes in:			
Short-term debt	(212,719)	(10,360)	(1,899)
Long-term debt	(233,910)	4,366	(2,089)
Cash dividends paid	(62,397)	(61,135)	(557)
(Acquisition) disposal of treasury stock, net	86	115	1
Payment to and from non-controlling interests and others, net	1,783	(7,762)	16
Net cash used in financing activities	(507,157)	(74,776)	(4,528)
Net increase (decrease) in cash and cash equivalents	7,103	(230,667)	64
Cash and cash equivalents at the beginning of year	895,875	1,111,192	7,999
Effect of exchange rate changes on cash and cash equivalents	(34,223)	15,350	(306)
Cash and cash equivalents at the end of year	¥ 868,755	¥ 895,875	$ 7,757

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥112=US$1.

Assumptions for Going Concern : None

Changes in accounting estimate :

The significant changes in accounting estimate in the Condensed Statements are as follows.

<Impairment loss>

Sumitomo recognized the impairment loss of 77,031 million yen relating to Nickel mining and refining business in Madagascar in the fiscal year ended March 31, 2016. In 2005, Sumitomo participated in the business tasked with establishing nickel operations that integrate processes from mining through to refining. Sumitomo, through Summit Ambatovy Mineral Resources Investment B.V. (Head Office: Amsterdam Netherlands), its wholly-owned subsidiary, has invested in Ambatovy Minerals S.A., a mining company, and Dynatec Madagascar S.A., a refining company, (Head Office: Antananarivo Madagascar, hereinafter “Project Companies”) at 32.5% share ratio respectively. The business is jointly operated with Sherritt International Corporation (Head Office: Ontario Canada, Share ratio 40%) and Korea Resources Corporation (Head Office: Gangwon-do Korea, Share ratio 27.5%).

As a result of revisions to medium and long-term price forecasts due to the current decline in nickel prices, Project Companies have determined that it will be difficult to recover the entire carrying value of their fixed assets and have accordingly posted an impairment loss up to the recoverable amount.

In Edgen Group, the impairment loss of 19,884 million yen was recognized due to the decline in demand resulting from drop in the oil prices and revision of the long-term business plan.

In Iron ore mining project in South Africa and Iron ore mining project in Brazil, the impairment losses of 18,338 million yen and 14,572 million yen were recognized respectively due to the decline in iron ore prices and revision of the long-term business plan.

In Copper and molybdenum mining business in Chile, the impairment loss of 14,039 million yen was recognized due to the decline in copper prices and revision of the long-term business plan.

In Grain business in Australia, the impairment loss of 12,104 million yen was recognized due to revision of the business plan, etc.

In Coal-mining projects in Australia, the impairment loss of 12,079 million yen was recognized due to the decline in coal prices and revision of the long-term business plan.

The impairment losses relating to Nickel mining and refining business in Madagascar, Iron ore mining project in South Africa, Iron ore mining project in Brazil, and Copper and molybdenum mining business in Chile are included in “Share of profit (loss) of investments accounted for using the equity method” and others are included in “Impairment losses on long-lived assets” in the Consolidated Statements of Comprehensive Income.

Segment Information (Condensed)

Sumitomo Corporation and Subsidiaries
For the years ended March 31, 2016 and 2015

2016:

Segment	Gross profit (Millions of Yen)	Profit for the year (attributable to owners of the parent) (Millions of Yen)	As of March 31 Total assets (Millions of Yen)
Metal Products	¥ 77,331	¥ 12,030	¥ 674,150
Transportation & Construction Systems	175,527	73,411	1,508,501
Environment & Infrastructure	56,790	25,629	560,195
Media, Network, Lifestyle Related Goods & Services	254,567	64,779	1,734,959
Mineral Resources, Energy, Chemical & Electronics	80,344	(151,612)	1,434,374
Overseas Subsidiaries and Branches	253,249	21,091	1,869,558
Segment Total	897,808	45,328	7,781,737
Corporate and Eliminations	(3,751)	29,218	36,081
Consolidated	¥ 894,057	¥ 74,546	¥ 7,817,818

2015:

Segment	Gross profit (Millions of Yen)	Profit (loss) for the year (attributable to owners of the parent) (Millions of Yen)	As of March 31 Total assets (Millions of Yen)
Metal Products	¥ 103,533	¥ 32,508	¥ 877,599
Transportation & Construction Systems	183,630	40,592	1,756,429
Environment & Infrastructure	64,471	22,948	597,197
Media, Network, Lifestyle Related Goods & Services	238,992	57,060	1,762,730
Mineral Resources, Energy, Chemical & Electronics	86,915	(191,023)	1,682,739
Overseas Subsidiaries and Branches	277,499	(22,658)	2,164,414
Segment Total	955,040	(60,573)	8,841,108
Corporate and Eliminations	(2,099)	(12,597)	180,262
Consolidated	¥ 952,941	¥ (73,170)	¥ 9,021,370

2016:

Segment	Gross profit (Millions of U.S. Dollars)	Profit for the year (attributable to owners of the parent) (Millions of U.S. Dollars)	As of March 31 Total assets (Millions of U.S. Dollars)
Metal Products	$ 691	$ 108	$ 6,019
Transportation & Construction Systems	1,567	656	13,469
Environment & Infrastructure	507	229	5,002
Media, Network, Lifestyle Related Goods & Services	2,273	578	15,491
Mineral Resources, Energy, Chemical & Electronics	717	(1,354)	12,807
Overseas Subsidiaries and Branches	2,261	188	16,692
Segment Total	8,016	405	69,480
Corporate and Eliminations	(33)	261	322
Consolidated	$ 7,983	$ 666	$ 69,802

Notes:
1) The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥112=US$1.
2) On April 1, 2015 Tire Department was transferred from Media, Network, Lifestyle Related Goods & Services Business Unit to Transportation & Construction Systems Business Unit.
The segment information of the previous year has also been reclassified.

Earnings per share

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2016 and 2015

A calculation of the basic and diluted earnings per share (attributable to owners of the parent) for the years ended March 31, 2016 and 2015 is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2016	2015	2016
Profit (loss) for the year attributable to owners of the parent	¥ 74,546	¥ (73,170)	$ 666

	Number of shares	
	2016	2015
Weighted-average shares－basic	1,247,994,051	1,247,696,887
Dilutive effect of:		
Stock options	939,524	－
Weighted-average shares－diluted	1,248,933,575	1,247,696,887

	Yen		U.S. Dollars
	2016	2015	2016
Earnings per share (attributable to owners of the parent):			
Basic	¥ 59.73	¥ (58.64)	$ 0.53
Diluted	59.69	(58.64)	0.53

Notes:

1) The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥112=US$1.

2) Diluted earnigs per share does not include stock options due to the anti-dilutive effect caused by the loss during the year ended 31 March, 2015.

Subsequent events

There are no material subsequent events to be disclosed.

Other

On December 30, 2011, Minera San Cristobal S.A. (“MSC”), which is a consolidated subsidiary of the Company in Plurinational State of Bolivia (“Bolivia”), received a correction notice relating to its withholding tax returns, from Bolivian Tax Authority.

MSC has appealed to the Supreme Court for the revocation of corrected amount of tax payment order, etc (approximately 185 million US dollars) issued by General Authority of Taxes. In addition, MSC has offered the appropriate fixed assets as a collateral in accordance with the procedure stipulated in the related Bolivian law.

On March 21, 2016, the Supreme Court of Bolivia elected the judge in charge of this appeal. MSC has not received the ruling as of May 6, 2016.