

Quarterly Results for FY2016 (Three-month period ended June 30, 2016)

August 1st, 2016
Sumitomo Corporation

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.

1. Operating Results

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(Unit: Billions of yen)	FY2015 Q1 (Apr.-Jun.)	FY2016 Q1 (Apr.-Jun.)	Increase/ Decrease	FY2016 Annual Forecasts (announced in May, 2016)	Progress
Profit for the period	82.0	22.7	-59.3	130.0	17%
Basic profit^{*1}	67.7	41.1	-26.6	150.0	27%
Mineral resources*2	5.0	-6.0	-11.0	-40.0	-
Tubular products*2	3.7	-2.1	-5.7	-	-
Non-mineral resources (excl. Tubular products)	59.0	49.1	-9.9	200.0	25%
				-10.0	
			Impact of Forex		
One-off profits/losses	Approx. 17.0	Approx. -14.0	Approx. -31.0	Approx. -20.0	^{*3}

(Reference) Key indicators		FY2015 Q1 (Apr.-Jun.)	FY2016 Q1 (Apr.-Jun.)		Annual Forecasts
Exchange rate	<YEN/US\$>	121.43	108.16	110.00	110.00
Interest rate	LIBOR 6M (YEN)	0.14%	0.00%	0.00%	0.00%
	LIBOR 6M (US\$)	0.42%	0.92%	1.00%	1.00%
Copper *1	(US\$/MT)	5,815	4,668	4,589	4,589
Zinc	(US\$/MT)	2,193	1,915	1,800	1,800
Nickel	(US\$/lb)	6.51	4.00	3.92	3.92
Iron ore *1	(US\$/MT)	62	48	50	50
Hard Coking coal *2	(US\$/MT)	110	84	80	80
Crude Oil	Brent *1 (US\$/bbl)	54	34	48	48
	WTI (US\$/bbl)	58	46	46	46

*1 These commodities show the prices in Jan.-Mar. (Forecasts: Jan.-Dec.)

*2 Hard Coking coal...Market price

< Summary (Results) >

- Mineral resources·Tubular products : ✓ Decrease in the earnings due to the drop in mineral resources prices
- Non-mineral resources : ✓ Decrease in the earnings of automobile distribution & sales business (stagnant emerging markets)
✓ Decrease in the earnings of ship business (lackluster shipping market)
✓ Robust performance in domestic major group companies
- One-off profits/losses : ✓ (FY2016) Tax provisions in San Cristobal silver-zinc-lead mining project in Bolivia*4, etc.
✓ (FY2015) Realized gains resulting from asset replacements, etc.

< Summary (Annual Forecasts) >

- Mineral resources : ✓ Holding up at levels of mineral resources prices than initial forecasts
- Tubular products : ✓ Gradual recovery in the 2nd half, despite of prolonged difficult business climate
- Non-mineral resources : ✓ Stable performance of core businesses, including leasing business, overseas IPP/IWPP businesses, and Media, Network, Lifestyle Related Goods & Services segments, etc.
✓ Progress in new large EPC* projects in the 2nd half
✓ Impact of lackluster shipping market and stagnant emerging markets

* EPC ... Engineering, Procurement & Construction

*1 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

*2 Global basis, including operations in Overseas Subsidiaries and Branches segment (reference)

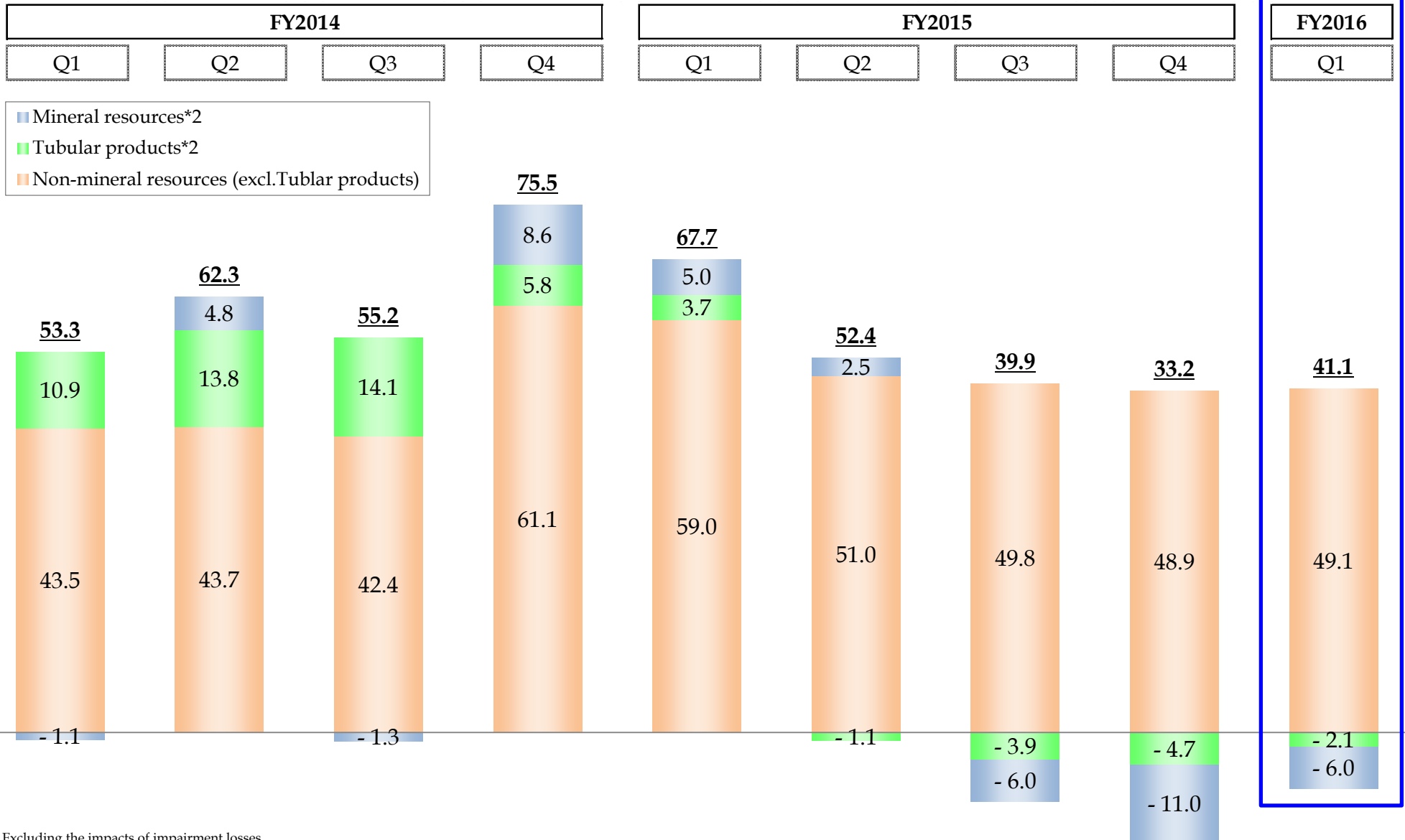
*3 We set costs (-20.0) for strategic assets replacement in annual forecast

*4 Posted provisions of withholding tax (-10.8) in San Cristobal silver-zinc-lead mining project in Bolivia

2. Quarterly Trend for Basic profit*1

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(Unit: Billions of yen)



*1 Excluding the impacts of impairment losses

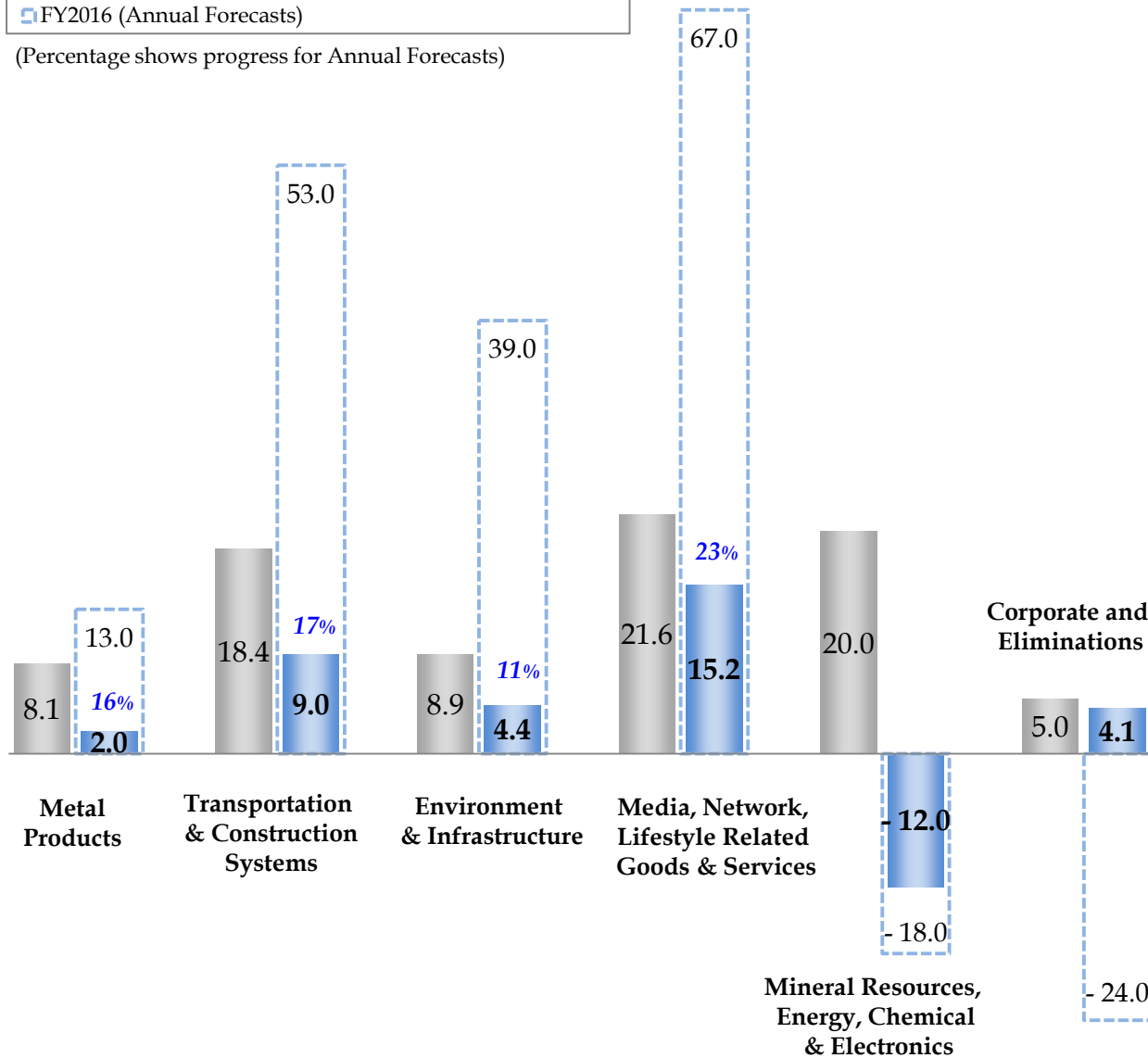
*2 Global basis, including operations in Overseas Subsidiaries and Branches segment (reference)

3. Profit for the period by Segment (Global basis*)

■ FY2015 Q1 (Result) ■ FY2016 Q1 (Result)
 □ FY2016 (Annual Forecasts)

(Unit: Billions of yen)

(Percentage shows progress for Annual Forecasts)



〈 Summary by segment (Results) 〉

■ Metal Products

- ✓ Decrease in earnings of tubular products business in North America
- ✓ Stable performance of the operation of overseas steel service centers

■ Transportation & Construction Systems

- ✓ Lackluster shipping market and stagnant emerging markets
- ✓ Robust performance by leasing business and construction equipment rental business in the U.S.

■ Environment & Infrastructure

- ✓ Stable performance of overseas IPP/IWPP businesses
- ✓ Profit from value realization in renewable energy power generation business in the same period of the previous year

■ Media, Network, Lifestyle Related Goods & Services

- ✓ Robust performance by domestic major group companies
- ✓ Realized gains resulting from asset replacements in the same period of the previous year

■ Mineral Resources, Energy, Chemical & Electronics

- ✓ Decrease in earnings due to the drop in mineral resources prices
- ✓ Tax provisions in San Cristobal silver-zinc-lead mining project in Bolivia
- ✓ The one-off profits stemming from business reorganization in the same period of the previous year

* Global basis, including operations in Overseas Subsidiaries and Branches segment (reference)

4. Cash Flows / Financial Position

● Cash Flows (Unit: Billions of yen)

	FY2015 Q1	FY2016 Q1
Operating activities	+ 152.9	+ 119.6
Investing activities	- 46.0	- 49.0
Free Cash Flow	+ 106.9	+ 70.7

Cash in	Basic profit cash flow*	+ 71.7
	Depreciation	+ 28.5
	Asset replacement	Approx. + 10.0
	Others	Approx. + 20.0
Cash out	Investment & Loan	Approx. - 60.0

* 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

〈 Summary 〉

- **Basic profit cash flow**
 - ✓ Core businesses generated cash steadily
(Dividend from J:COM, Sumitomo Mitsui Finance and Leasing, etc.)
- **Asset replacement**
 - ✓ Sale of domestic real estate, etc.
- **Investment & Loan**
 - ✓ Acquired office building in the U.S.
 - ✓ Increased assets in aircraft engine leasing business, etc.

● Financial Position (Unit: Trillions of yen)

As of Mar. 31, 2016
 Total asset 7.8

Current assets 3.4	Other liabilities 1.9
Non-Current assets 4.4	Interest-bearing liabilities 3.7 (2.8)*
	Shareholders' equity* 2.3
D/E Ratio(Net) : 1.2	

As of Jun. 30, 2016
 Total asset 7.4

Current assets 3.3	Other liabilities 1.9
Non-Current assets 4.2	Interest-bearing liabilities 3.5 (2.7)*
	Shareholders' equity* 2.1
D/E Ratio(Net) : 1.3	

〈 Summary (Unit: Billions of yen) 〉

- **Total asset -369**
(7,818→7,449)
 - ✓ Decrease due to the yen's appreciation
 - ✓ Decrease in trade receivables
- **Shareholders' equity -186**
(2,252→2,065)
 - ✓ Decrease due to the yen's appreciation

(Reference) BBBO2017^(*) Cash Flow Plans

(Unit: Billions of yen)

Cash in	Cash out
+1,700	- 1,700
Basic profit cash flow +500	Dividend - 200
Depreciation +300	New investment and Replacement investment - 1,000
Asset replacement +600	Repayment of interest-bearing liabilities - 500
Others +300	

Three-year total

(Apr., 2015~Mar., 2018)

Cash in	Cash out
+910	- 910
+280	- 90
+150	- 330
+240	(*) - 490
+240	

Cumulative total

(Apr., 2015~Jun., 2016)

(*) We set our post-dividend free cash flow target of 500 billion yen (three-year total), with the funds recovered to be used to repay interest-bearing liabilities, during the term for our current medium-term management plan "Be the Best, Be the One 2017 (BBBO2017)", which covers three years from April 2015 to March 2018.

(*) Cumulative total of our post-dividend free cash flow(+/- reversal)

* Figures in parenthesis in "interest-bearing liabilities" show "interest-bearing liabilities, net".
 "Shareholders' equity" is equivalent to "Equity attributable to owners of the parent" in Consolidated Statements of Financial Position.