

Results for the Six-month period ended September 2017

November 8th, 2017
Sumitomo Corporation

 Sumitomo Corporation

Topics

1. Six-month results for FY2017 and Forecasts for FY2017

2. Progress in Be the Best, Be the One 2017

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.

 Sumitomo Corporation

1. Six-month results for FY2017 and Forecasts for FY2017

◆ Sumitomo Corporation

1-1. Operating Results

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(Unit: Billions of yen)	FY2016 Q2 (Apr.-Sep.) (A)	FY2017 Q1		FY2017 Q2 (Apr.-Sep.) (B)	Increase (B)-(A)
		Q1 (Apr.-Jun.)	Q2 (Jul.-Sep.)		
Profit for the period	65.8	78.2	77.1	155.3	+ 89.5
Basic Profit^{*1}	92.0	77.4	74.3	151.7	+ 59.7
Mineral resources ^{*2}	-3.3	13.6	14.6	28.2	+ 31.5
Tubular products ^{*2}	-6.6	2.4	1.5	3.9	+ 10.5
Non-mineral resources (excl. Tubular products)	101.8	61.5	58.1	119.6	+ 17.8
One-off profits/losses	Approx. -17.0	Approx. + 6.0	Approx. + 9.0	Approx. + 15.0	Approx. + 32.0

< Summary (Results) >

- Mineral resources : ✓ Increase in earnings due to higher commodity prices
- Tubular products : ✓ Recovery in earnings of tubular products business in North America
- Non-mineral resources : ✓ Stable performance by real estate business and leasing business
 ✓ Progress in development and construction of large-scale projects in power infrastructure business
- One-off profits/losses : ✓ Tax provisions in Silver-zinc-lead mining project in Bolivia, etc. in FY2016
 ✓ One-off profits from asset replacement, etc. in FY2017

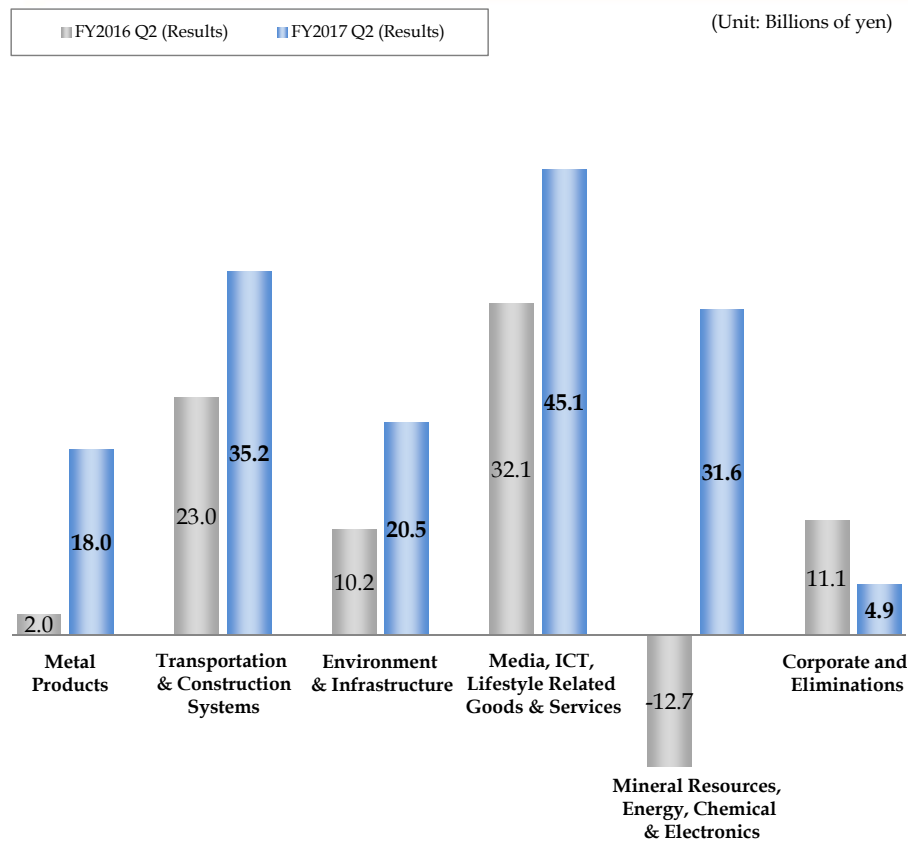
*1 Basic profit = (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables)

+ 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)

1-2. Profit for the period by Segment (Global basis*)



Summary by segment (Results)

■ Metal Products

- ✓ Recovery in earnings of tubular products business in North America
- ✓ Stable performance of the operation of overseas steel service centers
- ✓ One-off profit from asset replacement

■ Transportation & Construction Systems

- ✓ Stable performance of leasing business
- ✓ Gradual recovery in shipping market
- ✓ Stable performance of construction equipment sales & marketing and rental business

■ Environment & Infrastructure

- ✓ Stable performance of overseas IPP/IWPP business
- ✓ Progress in development and construction of large-scale projects in power infrastructure business
- ✓ One-off profits in renewable energy power generation business

■ Media, ICT, Lifestyle Related Goods & Services

- ✓ Stable performance by domestic major group companies and real estate business
- ✓ One-off profit from asset replacement

■ Mineral Resources, Energy, Chemical & Electronics

- ✓ Stable performance of Silver-zinc-lead mining project in Bolivia, Iron ore mining project in South Africa and Coal mining projects in Australia
- ✓ Tax provisions in FY16

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

1-3. Cash Flows / Financial Position

● Cash Flows (Unit: Billions of yen)

	FY2016 Q2	FY2017 Q2
Operating activities	+175.0	+50.0
Investing activities	- 26.5	- 29.0
Free Cash Flows	+148.5	+21.1
▽		
<Cash in>		
Basic profit cash flow*	+103.9	+164.8
Depreciation	+55.3	+58.6
Asset replacement	Approx. +50.0	Approx. +120.0
Others	Approx. +50.0	Approx. - 180.0
<Cash out>		
Investment & Loan	Approx. - 110.0	Approx. - 140.0

* 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 investments accounted for using the equity method (88 billion yen)
- **Asset replacement**
 - ✓ Sale of all shares in an automotive finance business in Europe
 - ✓ Sale of a part of office buildings in the U.S., etc.
- **Others**
 - ✓ Increase in working capital, etc.
- **Investment & Loan**
 - ✓ Water concession business in Brazil, Telecommunications business in Myanmar, etc.

● Financial Position (Unit: Trillions of yen)

As of Mar. 31, 2017		As of Sep. 30, 2017	
Total asset 7.8		Total asset 8.0	
Current assets 3.3	Other liabilities 2.0	Current assets 3.5	Other liabilities 2.0
Non-Current assets 4.4	Interest-bearing liabilities 3.4 (2.6)*	Non-Current assets 4.5	Interest-bearing liabilities 3.4 (2.6)*
	Shareholders' equity* 2.4		Shareholders' equity* 2.5
Shareholders' Equity Ratio : 30.5%		Shareholders' Equity Ratio : 31.7%	
D/E Ratio(Net) : 1.1		D/E Ratio(Net) : 1.0	

* 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.
 *Shareholders' equity" includes Exchange differences on translating foreign operations (158 billion yen→174).
 Financial assets measured at fair value through other comprehensive income (173→188).

Summary (Unit: Billions of yen)

- **Total asset + 190**
(7,762→7,952)
✓ Increase in inventories, etc.
- **Shareholders' equity +157**
(2,367→2,524)
✓ Increase in retained earnings
✓ Dividend paid

< Exchange rate (YEN/US\$) >	
As of Mar. 31, 2017	As of Sep. 30, 2017
112.19	112.73

1-4. Annual Forecasts

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(Unit: Billions of yen)	FY2016 Results	FY2017 Initial Forecasts as of May 2017 (A)	Q2 Results (B)	FY2017 Revised Forecasts (C)	Increase (C)-(A)	Progress (B)/(C)
Profit for the year	170.9	230.0	155.3	280.0	+ 50.0	55%
Basic profit^{*1} (excl. impairment losses)	226.7	260.0	151.7	300.0	+ 40.0	51%
Mineral resources	16.1	30.0	28.2	50.0	+ 20.0	56%
Tubular products	-12.5	0	3.9	7.5	+ 7.5	52%
Non-mineral resources (excl. Tubular products)	223.1	230.0	119.6	242.5	+ 12.5	49%
One-off profits/losses	Approx. -46.0	Approx. -20.0	Approx. +15.0	Approx. -10.0	Approx. +10.0	-
Costs for strategic assets replaceme	-	Approx. -20.0	-	Approx. -20.0		
Others	Approx. -46.0	-	Approx. +15.0	Approx. +10.0		

< Annual forecasts >

- Mineral resources : ✓ Effects of higher commodity prices
- Tubular products : ✓ Increase in earnings due to increased demand against market recovery
- Non-mineral resources : ✓ Stable performance of major businesses and group companies
- One-off profits/losses : ✓ One-off profits from asset replacement in the first half etc.
✓ Costs (Approx. -20.0) for strategic assets replacement in Initial Forecasts remain unchanged

*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)

1-5. Annual Forecasts by Segment (Global basis^{*1})

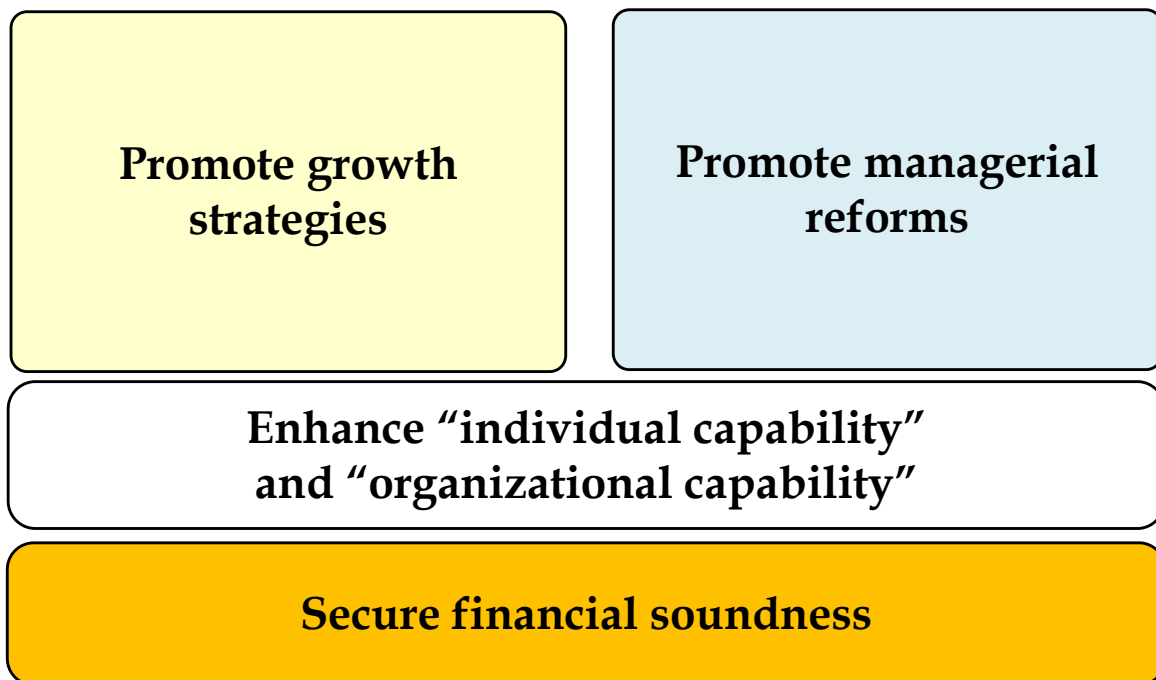
BE THE BEST. BE THE ONE

(Unit: Billions of yen)	FY2016 Results	FY2017 Initial Forecasts as of May 2017 (A)	Q2 Results (B)	FY2017 Revised Forecasts as of Nov. 2017 (C)	Increase (C)-(A)	Progress (B)/(C)	<Summary>
Metal Products	1.8	25.0	18.0	30.0	+5.0	60%	• Recovery in earnings of tubular products business in North America • Stable performance of overseas steel service centers • Stable performance of Aluminium smelting business
Transportation & Construction Systems	56.3	57.0	35.2	70.0	+13.0	50%	• Stable performance of leasing business • Gradual recovery in shipping market • Stable performance of construction equipment business
Environment & Infrastructure	29.1	29.0	20.5	37.0	+8.0	56%	• Stable performance of overseas IPP/IWPP business • Progress in construction in power infrastructure business • One-off profits in renewable energy power business
Media, ICT, Lifestyle Related Goods & Services	77.0	86.0	45.1	88.0	+2.0	51%	• Stable performance by domestic major group companies and real estate business • One-off profits from asset replacement
Mineral Resources, Energy, Chemical & Electronics	-6.6	53.0	31.6	63.0	+10.0	50%	• Increase in earnings due to higher commodity prices in coal mining projects in Australia, etc.
Sub total	157.6	250.0	150.4	288.0	+ 38.0	52%	
Corporate and Eliminations	13.3	-20.0	4.9	-8.0	+12.0	-	• Costs (Approx. -20.0) for strategic assets replacement in Initial Forecasts remain unchanged
Total	170.9	230.0	155.3	280.0	+ 50.0	55%	

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

Base Policy	Aim to increase dividends by achieving medium- and long-term earnings growth while adhering to fundamental policy of paying shareholders a stable dividend over the long term										
BBBO2017 Dividend Policy	We will decide amount in view of the situations regarding basic profit and cash flow, with ¥50 per share as the minimum amount of annual dividend and a consolidated payout ratio of 25% or more as reference										
Dividend	<table border="1"> <thead> <tr> <th></th> <th>Initial Plan (Announced in May, 2017)</th> <th>Revised Plan (Announced in Nov. 2017)</th> </tr> </thead> <tbody> <tr> <td>Net income</td> <td>230.0 billion yen</td> <td>280.0 billion yen</td> </tr> <tr> <td>Annual dividend(Plan)/share (Interim dividend/share)</td> <td>50 yen (25 yen)</td> <td>56 yen (28 yen)</td> </tr> </tbody> </table> <p>Applying the consolidated dividend payout ratio of 25% to annual forecast of profit of 280.0 billion yen</p>			Initial Plan (Announced in May, 2017)	Revised Plan (Announced in Nov. 2017)	Net income	230.0 billion yen	280.0 billion yen	Annual dividend(Plan)/share (Interim dividend/share)	50 yen (25 yen)	56 yen (28 yen)
	Initial Plan (Announced in May, 2017)	Revised Plan (Announced in Nov. 2017)									
Net income	230.0 billion yen	280.0 billion yen									
Annual dividend(Plan)/share (Interim dividend/share)	50 yen (25 yen)	56 yen (28 yen)									

2. Progress in Be the Best, Be the One 2017

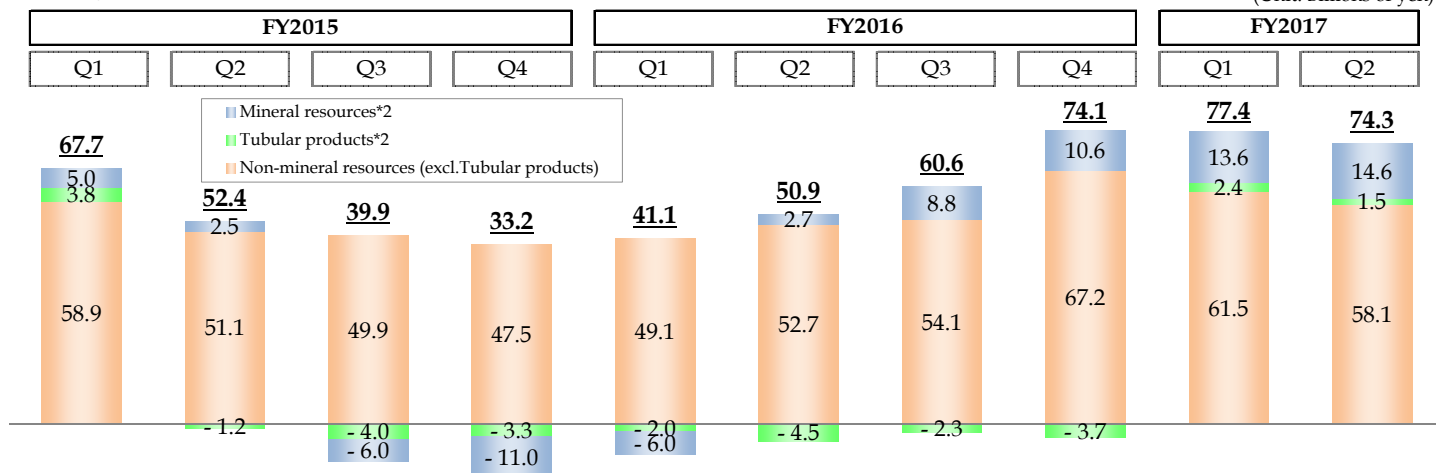


2-2. Progress in earning targets

		Initial Plan (May, 2015)	Plans of the year	Results/Plans	<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid gray; padding: 2px;">Growth strategies</div> <div style="border: 1px solid gray; padding: 2px;">Managerial reforms</div> </div> <div style="border: 1px solid gray; padding: 2px; margin-top: 2px;">Enhance capabilities</div> <div style="border: 1px solid gray; padding: 2px; margin-top: 2px; background-color: #FFD700;">Financial soundness</div>
Profit for the year	FY2015	230.0 billion yen	230.0 billion yen	74.5 billion yen (result)	
	FY2016	—	130.0 billion yen	170.9 billion yen (result)	
	FY2017	300.0 billion yen or more	230.0 billion yen	280.0 billion yen (plan)	
Basic profit (excl. impairment losses)	FY2015	230.0 billion yen	230.0 billion yen	193.2 billion yen (result)	
	FY2016	—	180.0 billion yen	226.7 billion yen (result)	
	FY2017	300.0 billion yen or more	260.0 billion yen	300.0 billion yen (plan)	

<Quarterly Trend for Basic profit *1>

(Unit: Billions of yen)



*1 Excluding the impacts of impairment losses

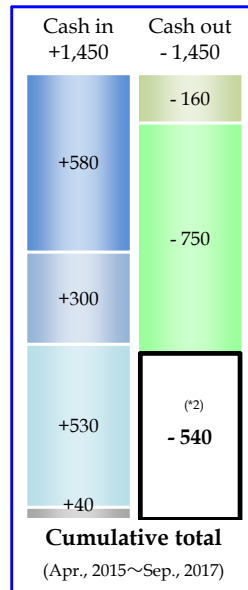
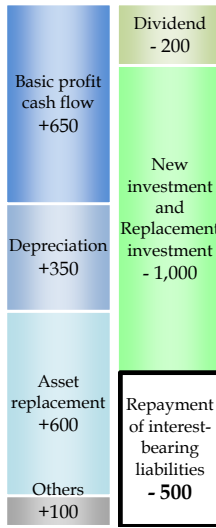
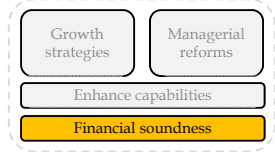
*2 Global basis, including operations in Overseas Subsidiaries and Branches segment (reference)

2-3. Progress in cash flow plans*1

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	Initial plan (May, 2015)	Revised plan (May, 2016)	Result
Post-dividend free cash flow (3-year total)	Positive	+500.0 billion yen	+540.0 billion yen (as of the end of Sep. 2017)
Cash in +1,700			
Cash out -1,700			

(Unit: Billions of yen)



Three-year total
(Apr., 2015~Mar., 2018)

- 〈 Summary 〉
- **Basic profit cash flow**
(Results: 580 billion yen)
✓ Core businesses generated cash steadily
 - **Asset replacement**
(Results: 530 billion yen)
✓ Collection from large-scale assets replacement
 - Value realization in renewable energy power generation business
 - Value realization in real estate business
 - Sale of all shares in Soukai Drug
 - Sale of whole interests in Batu Hijau Copper/Gold mine
 - **New investment and Replacement investment**
(Results: 750 billion yen)
* see P.15 for details

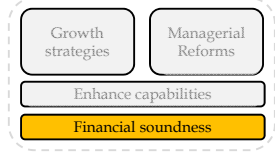
*1 We set our post-dividend free cash flow target of 500 billion yen (three-year total), with the funds recovered to be used to repay interest-bearing liabilities, during the term for our current medium-term management plan "Be the Best, Be the One 2017 (BBBO2017)", which covers three years from April 2015 to March 2018. The plan above was revised from the plan announced in May 2016 in the following points.
 • Basic profit cash flow: +50 (+650-+600)
 • Depreciation: +50 (+350-+300)
 • Others: -100(+100-+200)

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

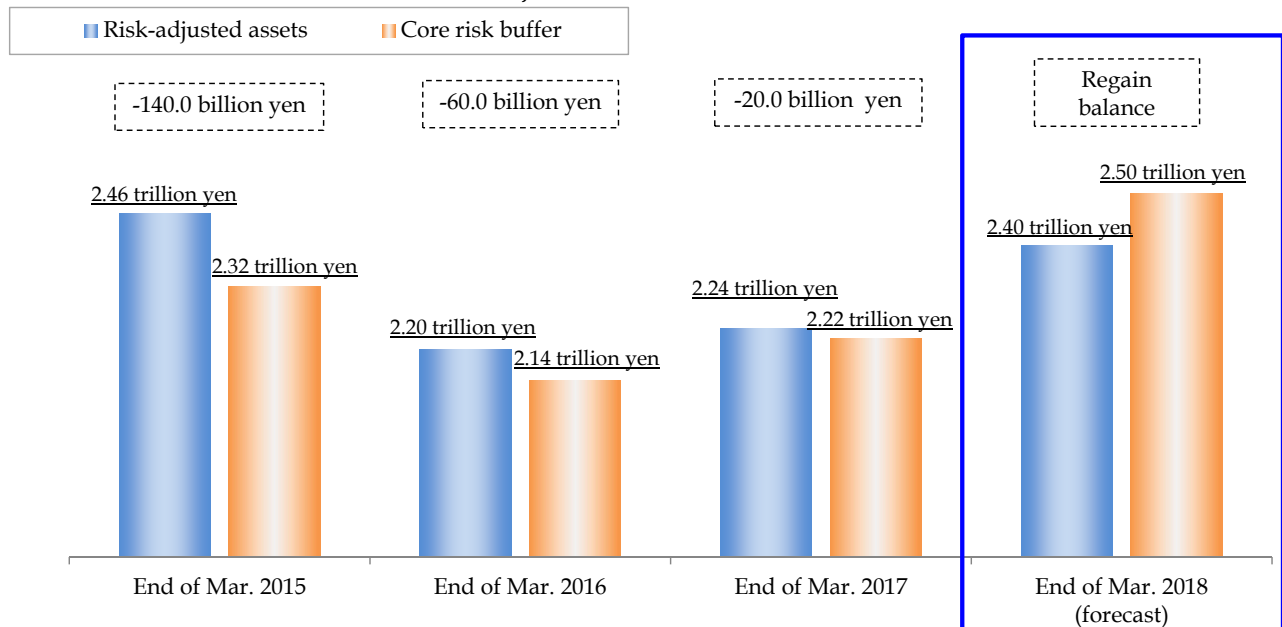
2-4. Progress in the balance between Core Risk Buffer and Risk-adjusted Assets

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Initial plan (May, 2015)	Revised plan (May, 2016)	Result
Regain balance by the end of Mar. 2018	Regain balance by the end of Mar. 2018	Regain balance by the end of Mar. 2018



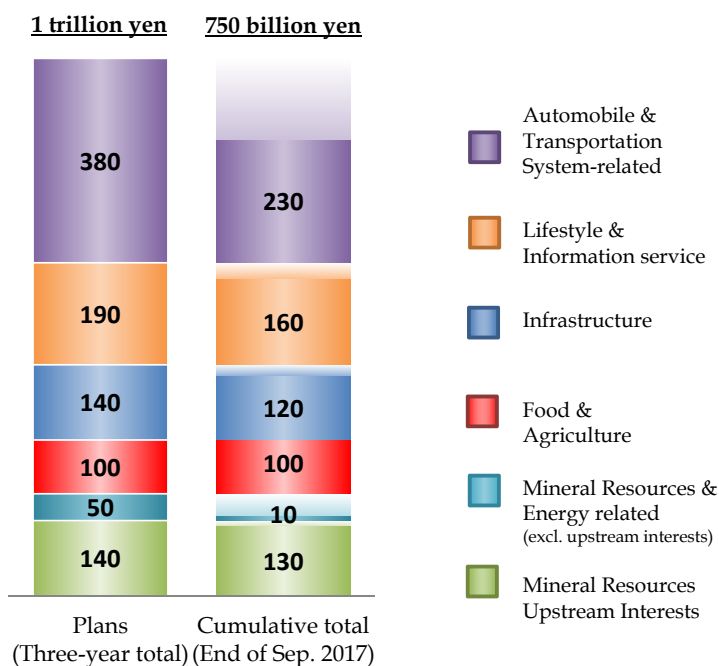
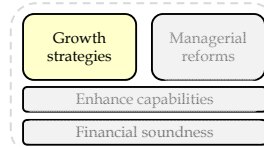
< the balance between Core Risk Buffer and Risk-adjusted Assets >



2-5. Investments by Business Field

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	Initial plan (May, 2015)	Revised plan (May, 2016)	Result
Investment plan	1.2 trillion yen (3-year total)	1.0 trillion yen (3-year total)	750 billion yen (as of the end of Sep. 2017)



Major investments (Apr.2015-Sep.2017)
<ul style="list-style-type: none"> Construction equipment rental business in the U.S. Aircraft engine leasing business Automotive forged parts manufacturing business in Europe
<ul style="list-style-type: none"> Real estate business in Japan and overseas Capital investments in ICT businesses in Japan Additional investment in telecommunications business in Myanmar
<ul style="list-style-type: none"> Off-shore wind power generation business in Europe Water concession business in Brazil Biomass power generation business in Japan
<ul style="list-style-type: none"> Produce marketer and distributor in Ireland Agricultural input & service business in Brazil
<ul style="list-style-type: none"> Manganese alloy manufacturing and sales business in Malaysia
<ul style="list-style-type: none"> Nickel project in Madagascar

2-6. Key Financial Indicators

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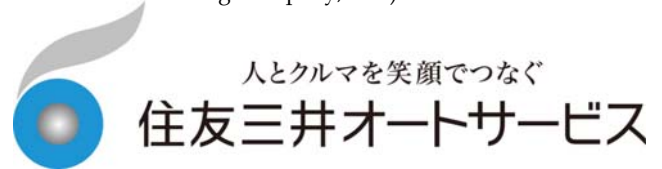
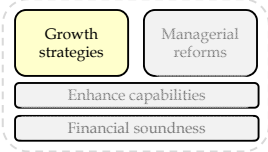
(Unit: Billions of yen)	FY2015 Results	FY2016 Results	FY2017 Revised Forecasts (As of Nov. 2017)	FY2017 Initial Forecasts (As of May, 2017)
Profit for the year	74.5	170.9	280.0	230.0
Total Assets	7,817.8	7,761.8	8,000.0	8,000.0
Shareholders' Equity	2,251.5	2,366.5	2,600.0	2,500.0
Shareholders' Equity Ratio	28.8%	30.5%	approx. 32.5%	approx. 30%
Interest-bearing Liabilities (Net)	2,770.3	2,627.9	2,700.0	2,700.0
DER (Net, times)	1.2	1.1	approx. 1.0	approx. 1.1
ROA	0.9%	2.2%	approx. 3.5%	2.5% or more
ROE	3.2%	7.4%	approx. 11.0%	approx. 9.0%
Risk-adjusted Return Ratio	3.2%	7.7%	approx. 12.0%	9.0% or more
Basic Profit Cash Flow	+204.3	+210.6	3-year total +650.0	3-year total +600.0
Free Cash Flow	+514.3	+165.1	3-year total +700.0	3-year total +700.0
Free Cash Flow (post-dividend)	+451.9	+102.7	3-year total +500.0	3-year total +500.0
Risk-adjusted Assets [RA]	2,200.0	2,240.0	2,400.0	2,400.0
Core Risk Buffer [RB]*	2,140.0	2,220.0	2,500.0	2,400.0
(Core RB-RA)	(-60.0)	(-20.0)	(Regain balance)	(Regain balance)

* Core risk buffer = Common stock + Retained earnings + Foreign currency translation adjustments - Treasury stock, at cost



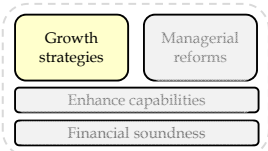
三井住友ファイナンス&リース
Sumitomo Mitsui Finance and Leasing

(Sumitomo Mitsui Finance and Leasing Company, Ltd.)



(Sumitomo Mitsui Auto Service Company, Limited)

Reorganization of Leasing business (SMFL/AC/SMAS)

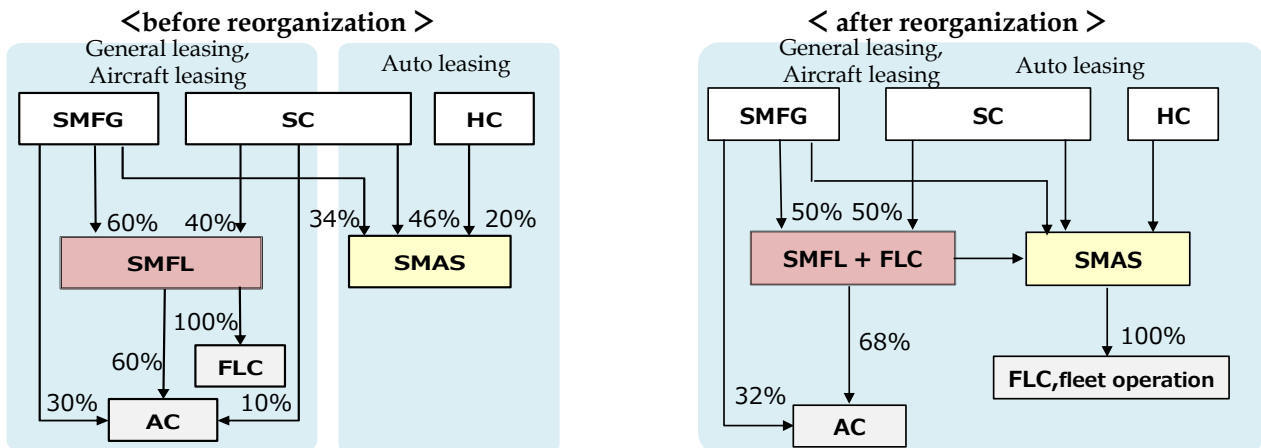


- Increase business value through collaboration among companies
- Enhance the business partnership framework with SMFG

Companies involved

SMFG : Sumitomo Mitsui Financial Group, Inc.
SMFL : Sumitomo Mitsui Finance and Leasing Company, Limited
SMAS : Sumitomo Mitsui Auto Service Company, Limited

AC : SMBC Aviation Capital Limited,
SMBC Aviation Capital (UK) Limited
FLC : SMFL Capital Co., Ltd.
HC : Hitachi Capital Corporation



※ Concerned parties will engage in discussions concerning their respective ownership ratios in SMAS. The basic policy of the discussions is for SC to remain the largest shareholder in SMAS while making the company an equity method affiliate of SC, SMFL, SMFG, and HC.

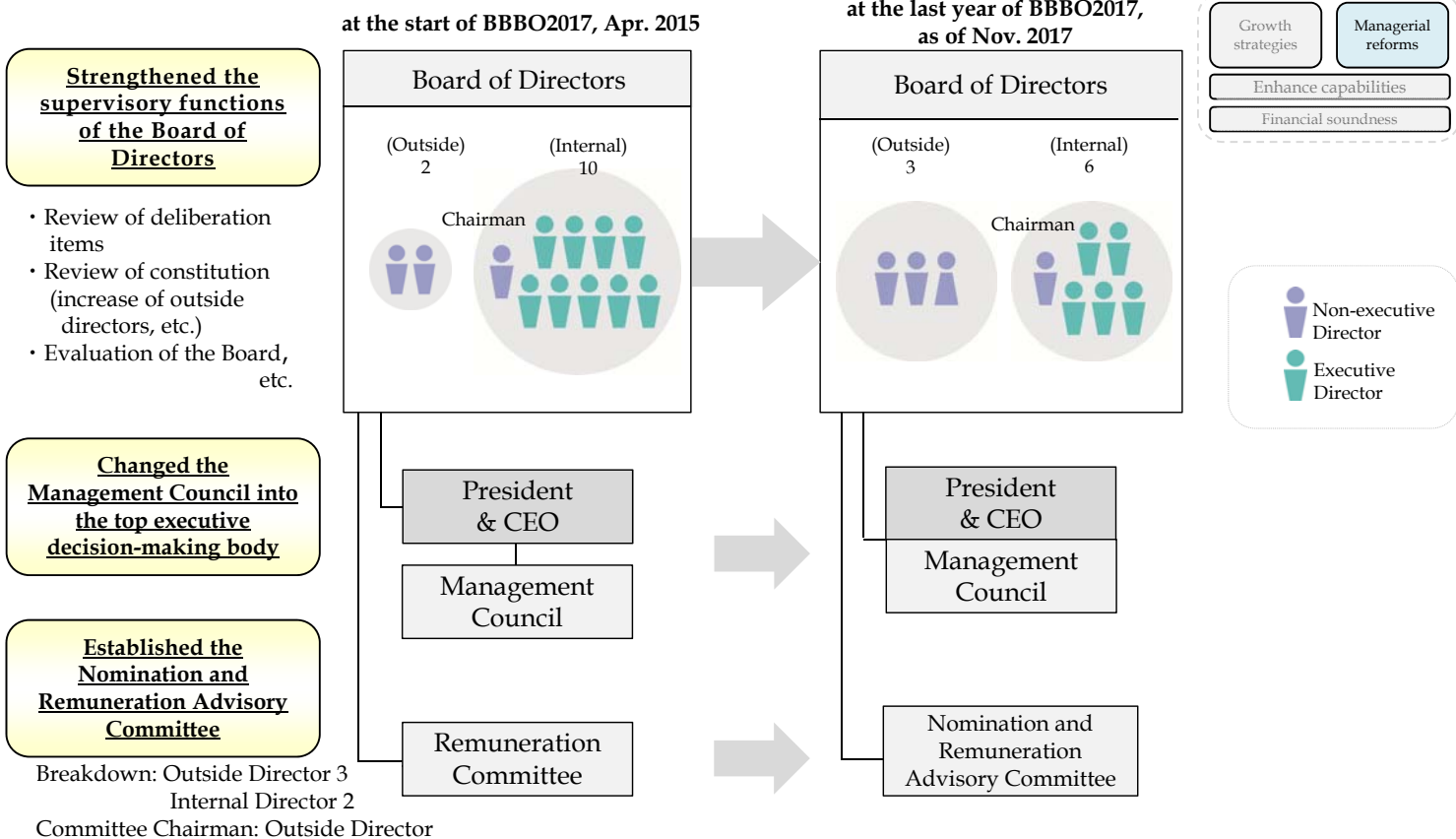
Growth strategies and aims of reorganization

Growth strategies	Managerial reforms
Enhance capabilities	
Financial soundness	

Sumitomo Corporation	<ul style="list-style-type: none"> • Increase asset efficiency • Expand aircraft-related business • Strengthen business base in auto leasing business and provide a wide range of mobility services
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SMFL	<ul style="list-style-type: none"> • Enter into business sectors which are expected future growth, such as eco-business, infrastructure, and healthcare • Expand asset-based finance operations • Create value chains with the aim of enhancing businesses targeting clients' commercial channels
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2-8. Promote managerial reforms, Governance



Achieve “Be the Best, Be the One 2017”

Initiatives toward the centennial
Relocation of Head Office
Workstyle innovation project



**Return to
the growth track**



Achieve sustainable growth with society over the next 100 years

BE THE BEST, BE THE ONE

<MEMO>

Appendix

✓ Investments by Segment	(P.25)
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Investment by Segment

Business unit	Investment (bil.yen)		Major investments (Apr.2015 - Sep.2017)
	Results (15/4-17/9)	3 year Plans (15/4-18/3)	
Metal Products	42.0	120.0	<ul style="list-style-type: none"> •Railcar axle machining business in the U.S. •Automotive forged parts manufacturing business in Europe
Transportation & Construction Systems	195.0	280.0	<ul style="list-style-type: none"> •Acquisition of 100% ownership of construction equipment rental subsidiary in the U.S. •Manufacturing and sales business of forged parts for wind power generation in Brazil
Environment & Infrastructure	121.0	140.0	<ul style="list-style-type: none"> •Off-shore wind power generation business in Europe •Biomass power generation business in Japan
Media, ICT, Lifestyle Related Goods and services	253.0	280.0	<ul style="list-style-type: none"> •Produce marketer and distributor in Ireland (Fyffes) •Real estate business in Japan and overseas
Mineral Resources, Energy, Chemical & Electronics	146.0	180.0	<ul style="list-style-type: none"> •Manganese alloy manufacturing and sales business in Malaysia •Nickel project in Madagascar
(Upstream interests)	(128.0)	(140.0)	
Total	750.0	1,000.0	

Assumption		FY2016	FY2017			Sensitivity to profit* ¹ (as of Nov. 2017)
		2Q Results* ³	2Q Results* ³	Forecasts	(Ref.) Initial forecasts	
Foreign Exchange (YEN/US\$) [Apr.-Mar., average]		105.25	111.04	110.00	110.00	around 1 billion yen (1YEN/US\$)
Interest rate	LIBOR 6M(YEN) [Apr.-Mar., average]	0.00%	0.01%	0.05%	0.05%	-
	LIBOR 6M(US\$) [Apr.-Mar., average]	1.04%	1.44%	1.65%	1.73%	-
Copper (US\$/MT) [Jan.-Dec., average]		4,699	5,749	6,191	5,864	around 330 million yen (US\$100/MT)
Zinc (US\$/MT) [Apr.-Mar., average]		2,084	2,779	2,985	2,650	around 1.1 billion yen (US\$100/MT)
Nickel (US\$/lb) [Apr.-Mar., average]		4.33	4.49	4.89	4.60	around 5 billion yen (US\$1/lb)
Iron ore(US\$/MT) [Jan.-Dec., average]		58	75	70	70	around 350 million yen (US\$1/MT)
Coking coal* ² (US\$/MT) [Apr.-Mar., average]		88	182	182	150	around 80 million yen (US\$1/MT)
Thermal coal (US\$/MT) [Apr.-Mar., average]		-	85	85	78	around 320 million yen (US\$1/MT)
Crude Oil	Brent (US\$/bbl) [Jan.-Dec., average]	40	52	54	53	around 80million yen (US\$1/bbl)
	WTI (US\$/bbl) [Apr.-Mar., average]	45	48	50	52	

*1 Foreign Exchange : including hedge, Others : excluding hedge

*2 Coking coal price and Thermal coal price are general market price.

*3 Prices are average of Jan.-June or Apr.- Sep..

Performance Overview

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- 1-2 Transportation & Construction Systems
- 1-3 Environment & Infrastructure
- 1-4 Media, ICT, Lifestyle Related Goods & Services
- 1-5 Mineral Resources, Energy, Chemical & Electronics
 - Mineral Resources Equity Share of Production and Sensitivity to Profit for the Year

1-1 Metal Products

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【 Apr.-Sep. 2017 Result^[Note] : 18.0 billion yen 】

(16.0 billion yen increase from Apr.-Sep. 2016)

•Steel sheets

Overseas steel service centers : stable

•Non-ferrous metals

Aluminium smelting business in Malaysia : stable

•Tubular products

Recovery in earnings of tubular products business in North America

•One-off profit from asset replacement

(unit: billions of yen)	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Global Basis ^[Note]				
Profit for the year attributable to owners of the parent	2.0	18.0		30.0
		1Q	2Q	
		8.0	10.0	
Segment Basis				
Gross profit	31.2	31.9		
Share of profit of Investments accounted for using the equity method	2.3	4.6		
Profit for the year attributable to owners of the parent	4.1	13.3		
		1Q	2Q	
		5.6	7.7	
Basic profit	4.1	9.2		
Total assets	Mar, 2017			
	676.1		624.7	

【Results of major subsidiaries and associated companies^[Note]】

Company	Equity in earnings of the segment (unit: billions of yen)			
	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
•Aluminium smelting business in Malaysia:	0.8	1.6	2.5	1.9
•Sumisho Metalex Corporation:	0.2	0.0	0.7	0.7
• Edgen Group:	-1.4	-0.3	-0.3	-0.3
• ERYNGIUM Ltd.:	-0.7	-0.5	-0.3	-0.3

【Business Outlook^[Note]】

- Recovery in earnings of tubular products business in North America
- Stable performance of the operation of overseas steel service centers
- Stable performance of aluminium smelting business in Malaysia

(Note) From the first quarter of FY2016, above Segment Information is presented by Global Basis for reference purpose. The numbers of "Global Basis" consist of results including operations in Overseas Subsidiaries and Branches segment.

1-2 Transportation & Construction Systems

BE THE BEST. BE THE ONE

【 Apr.-Sep. 2017 Result^[Note] : 35.2 billion yen 】

(12.2 billion yen increase from Apr.-Sep. 2016)

•Ships, Aerospace and Railway car

Leasing business : stable

Ship business : shipping market is bottoming out

•Automobile

Automotive Financing Business in Indonesia : stable

Distribution & Sales business :

continued sluggish performance in emerging countries

•Construction equipment

Rental business and Sales & Marketing business : stable

【Investment & Replacement in FY17】

- Participation of Sumitomo Precision Products Co., Ltd. (May, 2017)
- Assets increase in leasing business and rental business
- Sold all shares in an automotive finance business in Europe (Sep,2017)

【Business Outlook^[Note]】

- Robust performance by leasing business
- Shipping market is bottoming out
- Robust performance in automotive financing business in Indonesia
- Robust performance in construction equipment rental business and sales & marketing business

(Note) From the first quarter of FY2016, above Segment Information is presented by Global Basis for reference purpose. The numbers of "Global Basis" consist of results including operations in Overseas Subsidiaries and Branches segment.

(unit: billions of yen)	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Global Basis ^[Note]				
Profit for the year attributable to owners of the parent	23.0	35.2		70.0
		1Q	2Q	
		15.7	19.5	
Segment Basis				
Gross profit	62.1	39.3		
Share of profit of Investments accounted for using the equity method	18.1	22.4		
Profit for the year attributable to owners of the parent	18.3	26.5		
		1Q	2Q	
		12.2	14.4	
Basic profit	20.9	27.0		
Total assets	Mar, 2017			
	1,471.9		1,308.8	

【Results of major subsidiaries and associated companies^[Note]】

Company	Equity in earnings of the segment (unit: billions of yen)			
	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
•Sumitomo Mitsui Finance and Leasing Company, Limited (SMFL)*1:	11.2	13.1	22.4	20.4
• Sumitomo Mitsui Auto Service Company, Limited:	2.6	2.5	4.9	4.9
• Automotive Financing Business in Indonesia :	1.8	2.5	4.1	4.1
• PT. Bank Tabungan Pensiunan Nasional Tbk (BTPN)*1,2:	1.6	1.6	-	-
•Sumisho Machinery Trade Corporation*1:	0.5	1.0	1.3	1.3
•TBC Corporation:	-0.3	-0.4	0.8	0.8

*1 Equity in earnings for companies marked with an asterisk are equity amounts company-wide including other segments. The percentage of this segment/companywide of each company is as follows: SMFL:35/40, BTPN:17.79/20.33, Sumisho Machinery Trade Corporation: 60/100

*2 We refrain from disclosing both original and updated forecasts of FY2017 since BTPN does not disclose those.

1-3 Environment & Infrastructure

BE THE BEST. BE THE ONE

【Apr.-Sep. 2017 Result^[Note] : 20.5 billion yen】

(10.3 billion yen increase from Apr.-Sep. 2016)

- Power infrastructure business (overseas):
IPP/IWPP business : stable
Large-scale EPC* projects : progress in construction
- One-off profits from renewable energy power generation business

*EPC: Engineering, Procurement & Construction

【Investment & Replacement in FY17】

- Participated in water concession business in Brazil (April, 2017)
- Completed construction of biomass plant in Japan (Aichi prefecture, June, 2017)
- Constructing biomass and solar power plants in Japan (Yamagata and Fukushima prefecture, respectively)
- Constructing offshore wind farms in UK

【Business Outlook^[Note]】

- Power infrastructure business (overseas):
 - Stable performance of overseas IPP/IWPP business
 - Progress in construction of large-scale EPC projects
- One-off profits in renewable energy power generation business

(Note) From the first quarter of FY2016, above Segment Information is presented by Global Basis for reference purpose. The numbers of "Global Basis" consist of results including operations in Overseas Subsidiaries and Branches segment.

(unit: billions of yen)	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Global Basis ^[Note]				
Profit for the year attributable to owners of the parent	10.2	20.5		37.0
		1Q	2Q	
		10.6	10.0	
Segment Basis				
Gross profit	26.7	33.4		
Share of profit of Investments accounted for using the equity method	4.3	6.1		
Profit for the year attributable to owners of the parent	7.3	14.0		
		1Q	2Q	
		5.9	8.1	
Basic profit	7.4	13.5		
Total assets	Mar, 2017			
	666.3	712.4		

【Results of major subsidiaries and associated companies^[Note]】

Company	Equity in earnings of the segment (unit: billions of yen)			
	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Sumisho Global Logistics Co., Ltd.:	0.9	1.4	2.3	2.3
Summit Southern Cross Power Holdings Pty Ltd :	0.7	1.3	1.8	1.8

1-4 Media, ICT, Lifestyle Related Goods & Services

BE THE BEST. BE THE ONE

【Apr.-Sep. 2017 Result^[Note] : 45.1 billion yen】

(13.0 billion yen increase from Apr.-Sep. 2016)

- Major group companies in Japan and real estate business : stable
- One-off profit from asset replacement

【Investment & Replacement in FY17】

- Additional investment in telecommunications business in Myanmar (Apr, Jul, 2017)
- Acquired stake in Canadian Wood Pellet Manufacturer (Jul, 2017)
- Sold office buildings in the U.S. (Jun, 2017)
- Sold domestic real estates (logistics facilities etc.) (Apr.-Jun., Jul.-Sep., 2017)

【Business Outlook^[Note]】

- Robust performance by major group companies in Japan and real estate business
- One-off profit from asset replacement

(Note) From the first quarter of FY2016, above Segment Information is presented by Global Basis for reference purpose. The numbers of "Global Basis" consist of results including operations in Overseas Subsidiaries and Branches segment.

(unit: billions of yen)	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Global Basis ^[Note]				
Profit for the year attributable to owners of the parent	32.1	45.1		88.0
		1Q	2Q	
		23.5	21.6	
Segment Basis				
Gross profit	124.5	134.8		
Share of profit of Investments accounted for using the equity method	24.9	24.5		
Profit for the year attributable to owners of the parent	32.3	42.8		
		1Q	2Q	
		21.2	21.6	
Basic profit	38.0	41.1		
Total assets	Mar, 2017			
	1,909.3	1,916.9		

【Results of major subsidiaries and associated companies^[Note]】

Company	Equity in earnings of the segment (unit: billions of yen)			
	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Jupiter Telecommunications Co., Ltd.:	18.5	17.4	35.5	35.5
SCSK Corporation:	4.8	7.8	19.2	11.1
Jupiter Shop Channel Co., Ltd.:	3.8	3.9	8.5	8.5
Summit, Inc.:	2.7	2.6	4.5	4.5
T-Gaia Corporation:	1.8	1.8	4.3	4.3
SC Foods Co., Ltd.:	0.8	1.6	2.6	2.0
TOMOD'S Inc.:	0.7	0.8	1.3	1.3
S.C.Cement Co., Ltd.:	0.4	0.5	1.3	1.3
Grain business companies in Australia:	-0.8	0.4	0.5	0.4
Sumifru Singapore Pte. Ltd.*1:	-0.2	-0.4	-1.2	0.5

* 1 We changed the name from "Banana business company" to "Sumifru Singapore Pte. Ltd.".

【 Apr.-Sep. 2017 Result^[Note] : 31.6 billion yen 】

(44.2 billion yen increase from Apr.-Sep. 2016)

• Mineral Resources & Energy

Silver, zinc and lead mining business in Bolivia :

Tax provisions posted in FY16, higher prices

Iron ore mining projects in South Africa : higher prices

Coal mining projects in Australia : higher prices

• Chemical & Electronics : stable

【 Investment & Replacement in FY17 】

- Increase of shares in cosmetic ingredient and distribution business in Brazil (Jun, 2017)
- Making strategic investment in animal health pharmaceutical company in the U.S. (Sep, 2017)
- Acquisition of new shares in Nileworks, agriculture drone company (Oct, 2017)

【 Business Outlook^[Note] 】

- Increase in earnings due to higher commodity prices such as in coal mining projects in Australia, and others.

(Note) From the first quarter of FY2016, above Segment Information is presented by Global Basis for reference purpose. The numbers of "Global Basis" consist of results including operations in Overseas Subsidiaries and Branches segment.

(unit: billions of yen)	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
Global Basis ^[Note]				
Profit for the year attributable to owners of the parent	-12.7	31.6	63.0	53.0
		1Q 2Q		
		17.7 13.9		
Segment Basis				
Gross profit	45.7	65.6		
Share of profit of Investments accounted for using the equity method	-8.2	9.2		
Profit for the year attributable to owners of the parent	-15.2	26.6		
		1Q 2Q		
		15.1 11.5		
Basic profit	2.5	34.1		
Total assets	Mar, 2017	1,333.6	1,349.8	

【 Results of major subsidiaries and associated companies^[Note] 】

Company	Equity in earnings of the segment (unit: billions of yen)			
	2016 Apr.-Sep.	2017 Apr.-Sep.	2017 Forecasts	(Ref.) 2017 Initial Forecasts
• Silver, zinc and lead business companies in Bolivia :	-3.2	13.2	29.2	29.3
• Oresteel Investments (Proprietary) Limited :	0.5	8.3	13.7	13.7
• Companies related to coal business in Australia :	-2.2	5.7	10.6	8.1
• Iron ore mining business in Brazil :	0.5	2.8	3.1	3.4
• SC Minerals America, Inc. :	1.3	2.0	5.5	4.6
• Sumitronics group ^{*1} :	1.5	1.7	3.8	3.8
• Sumitomo Shoji Chemicals Co., Ltd. :	0.9	1.4	2.3	2.3
• Companies with oil field interests in the North Sea :	0.1	0.9	0.6	0.6
• Summit Rural Western Australia Pty. Ltd. :	0.9	0.6	0.7	0.7
• LNG Japan Corporation :	0.1	0.1	1.7	1.7
• Shale gas business in the U.S. :	-0.8	0.1	-0.3	-0.7
• SMM Cerro Verde Netherlands B.V. :	0.8	-0.4	1.1	2.5
• Pacific Summit Energy LLC :	1.1	-0.8	0.8	0.8
• Copper and molybdenum mining business in Chile :	-2.0	-1.5	-3.0	-3.3
• Nickel mining and refining business in Madagascar :	-6.2	-7.8	-14.2	-17.8

*1 From the first quarter of FY2017, equity in earnings of Sumitronics Taiwan Co., Ltd is included. FY2016 Apr.-Sep. and FY2017 Forecasts are in the same manner.

Mineral Resources Equity Share of Production and Sensitivity to Profit for the Year

		FY16	FY17				Sensitivity to net income (annual base/ excluding prices hedge)
		Results	1Q Results	2Q Results	Forecasts	(Ref.) Initial Forecasts	
Coking Coal	Equity share of shipping Volume[mil MT]	1.8	0.3	0.4	1.2	1.4	¥80 mil (US\$1/MT)
	Prices[US\$/MT]*1	165	194	170	182	150	
Thermal Coal	Equity share of shipping Volume[mil MT]	5.2	1.0	1.3	5.1	5.3	¥320 mil (US\$1/MT)
	Prices[US\$/MT]*1	78	85	_*2	85	78	
Iron Ore ^{*3}	Equity share of shipping Volume[mil MT]	3.9	0.2	1.8	4.2	4.1	¥350 mil (US\$1/MT)
	Prices[US\$/MT]	59	86	63	70	70	
Manganese Ore ^{*3}	Equity share of shipping Volume [mil MT]	0.5	-	0.3	0.5	0.5	¥40 mil (US\$1/MT)
	Prices[US\$/MT]	202	237	249	261	264	
Copper	Equity share of Production[KMT]	59	14	15	58	60	¥330 mil (US\$100/MT)
	Prices[US\$/MT]	4,863	5,834	5,663	6,191	5,864	

Note) FY17 forecasts and sensitivity to net income are as of Nov, 2017.

*1 Prices are general market price

*2 Prices were not settled.

*3 The shipping volume of iron ore and manganese ore of Oresteel Investments are recognized semi-annually (in second and fourth quarter).

Mineral Resources Equity Share of Production and Sensitivity to Profit for the Year

		FY16 Results	FY17				Sensitivity to net income (annual base/ excluding prices hedge)
			1Q Results	2Q Results	Forecasts	(Ref.) Initial Forecasts	
Silver	Equity share of Production[mil toz]	13.4	3.0	2.9	13.8	17.2	¥700 mil (US\$1/toz)
	Prices[US\$/toz]	17.8	17.2	16.8	17.0	17.0	
Zinc	Equity share of Production[KMT]	227	56	61	242	244	¥1.1 bil (US\$100/MT)
	Prices[US\$/MT]	2,367	2,596	2,963	2,985	2,650	
Lead	Equity share of Production[KMT]	60	18	20	67	69	¥300 mil (US\$100/MT)
	Prices[US\$/MT]	2,005	2,161	2,334	2,363	2,200	
Nickel	Equity share of Production[KMT]	13.2	2.8	2.6	16.1	19.2-20.9	¥5.0 bil (US\$1/lb)
	Prices[US\$/lb]	4.55	4.18	4.78	4.89	4.60	
Crude Oil, Gas (North Sea)	Equity share of Production [mil bbl]	2.9	0.7	0.8	2.6	2.6	¥80 mil (US\$1/bbl)
	Prices[US\$/bbl, Brent]	44	54	50	54	53	
LNG	Equity share of Production[KMT]	350	80	70	330	340	-

Note) FY17 forecasts and sensitivity to net income are as of Nov, 2017.

Exposure of Upstream Mineral Resources & Energy Business

(Unit: billion yen)

	End of Mar, 2017	End of Sep, 2017
Coking/Thermal Coal	90.0	90.0
Iron Ore	80.0	70.0
Copper	120.0	130.0
Silver, Zinc, Lead	110.0	120.0
Nickel	190.0	190.0
Crude Oil, Gas, LNG	80.0	80.0
Total	670.0	680.0

<Reasons of differences>

· Increase in retained earnings by recovery of business performance

* The amount of exposure is the total of investment, loan and guarantee

Medium-to long-term Strategy

<Contents>

- 1 Metal Products
- 2 Transportation & Construction Systems
- 3 Environment & Infrastructure
- 4 Media, ICT, Lifestyle Related Goods & Services
- 5 Mineral Resources, Energy, Chemical & Electronics
 - Policy for the upstream mineral resources & energy business

1 Metal Products

Strategy to realize “What We Aim to Be”

Existing Earnings Pillars to enhance

- ✓ Metal products for automotive industry
 - Enhance value chain of automotive-related products including steel products and parts to be a leading supplier
 - Pursue synergies across existing steel service centers
- ✓ Railway-related metal products
 - Establish firm position in railway field (rail / wheel / axle / maintenance)
- ✓ Tubular products
 - Based on OCTG business, expand value chain in oilfield related and synergistic markets, preparing for oil & gas market recovery
 - Expand to oilfield equipment, material and services segments
 - Optimize distribution network for oil & gas transport pipelines and special pipes

Future Earnings Pillars to develop

- ✓ Aluminum smelting and rolling business
 - Expand value chain from upstream (smelting) to middle stream (rolling)

Major initiatives

- | | |
|---|--|
| <ul style="list-style-type: none"> ✓ Metal products for automotive industry <ul style="list-style-type: none"> • In the process of investment in specialty rolled steel business which is operated by a subsidiary of Mukand Limited, leading manufacturer in India • Have begun operation of the 3rd steel service center in Mexico • Considering business development in China of motor core supplier; K+S, for electric vehicles ✓ Railway-related metal products <ul style="list-style-type: none"> • Have entered into smart maintenance business utilizing big data by contracting with an Italian company Mermec; a company conducting a monitoring system of railway maintenance, to become their distributor in Japan | <ul style="list-style-type: none"> ✓ Tubular products <ul style="list-style-type: none"> • Launched digital interface for oil majors to upgrade SCM • Expanded package deals of metal materials/equipment and service to the energy industry led by collaboration between Edgen Group and our line pipe business • Have begun considering integration of domestic steel pipe businesses of Sumitomo Corporation Group and Metal One Group ✓ Aluminum smelting and rolling business <ul style="list-style-type: none"> • Have maintained stable operation and have improved efficiency of aluminium smelting business in Malaysia |
|---|--|

Strategy to realize “What We Aim to Be”

Existing Earnings Pillars to enhance

- ✓ Sales and Services Business Area
 - Strengthen and expand automotive sales businesses, enter into new markets
 - Strengthen construction equipment product support business, expand sales network in emerging markets
 - Steady execution of reforming plan to strengthen Tire business in the U.S.
 - Strengthen railways related business
- ✓ Finance and Asset Business Area
 - Strengthen leasing and rental business by executing strategic capital injection/collection and asset replacement
 - Diversify retail financing business in Indonesia and the other countries
 - Replace assets of ship owning/joint owning business
- ✓ Manufacturing Business Area
 - Strengthen manufacturing businesses of automotives and automotive parts

Future Earnings Pillars to develop

- ✓ PFI (Private Finance Initiative) business for airport
- ✓ Mobility services business
 - Create new businesses

Major initiatives

- | | |
|---|---|
| <ul style="list-style-type: none"> ✓ Completed capital reorganization in automotive/motorcycle retail finance business in Indonesia ✓ Completed the acquisition of General Electric Group’s leasing business in Japan by Sumitomo Mitsui Finance and Leasing ✓ Received an order of city railway construction project in Bangkok, Thailand ✓ Concluded a business collaboration with akippa Inc. , a parking lot sharing platform | <ul style="list-style-type: none"> ✓ Made the subsidiary of construction equipment rental business in the U.S. to wholly-owned company ✓ Participation of forged parts for wind power generation in Brazil ✓ Acquisition of Sumitomo Precision Products shares ✓ Launched development and demonstration project of zero emission regional transportation infrastructure in Saitama-city ✓ Strategic partnership agreement with Gogoro Inc., provides Smartscooter sharing service and energy network |
|---|---|

3 Environment & Infrastructure

Strategy to realize “What We Aim to Be”

Existing Earnings Pillars to enhance

- | | |
|--|--|
| <ul style="list-style-type: none"> ✓ Power infrastructure business (IPP/IWPP / EPC*, overseas) <ul style="list-style-type: none"> •Enhance electric power businesses in Asia, Middle East, Americas and Sub-Saharan Africa ✓ Power generation from renewable energy (overseas) <ul style="list-style-type: none"> •Develop new projects getting support from renewable energy promotion policies in each country •Expand business focusing on off-shore wind power generation •Strategic asset replacement | <ul style="list-style-type: none"> ✓ Electricity business (Japan) <ul style="list-style-type: none"> •Secure additional competitive power sources and expand retail business taking advantage of deregulation in the energy market ✓ Industrial park (overseas) <ul style="list-style-type: none"> •Expand existing industrial parks, provide advanced functions and develop new projects in emerging markets continuously |
|--|--|

* EPC: Engineering, Procurement & Construction

Future Earnings Pillars to develop

- | | |
|--|--|
| <ul style="list-style-type: none"> ✓ Water infrastructure | <ul style="list-style-type: none"> ✓ Power storage business |
|--|--|

Major initiatives

- | | |
|--|---|
| <ul style="list-style-type: none"> ✓ Power infrastructure business (overseas) (IPP / IWPP businesses) <ul style="list-style-type: none"> •Constructing plant for combined cycle power plant in Ghana •Constructing geothermal power plant in Indonesia (EPC businesses) <ul style="list-style-type: none"> •Constructing natural gas-fired combined cycle power plants in Tanzania and Mozambique •Constructing ultra-supercritical coal fired power plant in Indonesia •Started construction of gas-fired combined cycle power plant in Tunisia and ultra-supercritical coal fired thermal power plant in Bangladesh ✓ Electricity business (Japan) <ul style="list-style-type: none"> •Completed construction of biomass power plant in Japan •Constructing biomass and solar power plants in Japan | <ul style="list-style-type: none"> ✓ Power generation from renewable energy (overseas) <ul style="list-style-type: none"> •Started construction of off-shore wind farm in Belgium •Constructing off-shore wind power plant in the U.K. ✓ Industrial park (overseas) <ul style="list-style-type: none"> •Started sales of industrial park in Vietnam and India ✓ Water infrastructure <ul style="list-style-type: none"> •Participation in water infrastructure business in Brazil |
|--|---|

Strategy to realize “What We Aim to Be”

Existing Earnings Pillars to enhance

- ✓ Further strengthen business base of core companies in the fields of Media, ICT and Retail (J:COM / SCSK / Jupiter Shop Channel etc.)
- ✓ Increase sophistication and competitiveness of operations in telecommunications business in Myanmar
- ✓ Strengthen base of food business
- ✓ Strengthen earnings base of timber resources business
- ✓ General real estate business including office buildings, retail facilities, condominiums, logistic facilities and asset management (Japan, overseas)

Future Earnings Pillars to develop

- ✓ Enter into emerging markets including Asian countries, applying successful domestic business model in media, ICT and retail field
- ✓ Fruit and vegetable business in Europe, Americas and Asia
- ✓ Solid biomass fuel related business

Major initiatives

- | | |
|---|---|
| <ul style="list-style-type: none"> ✓ Media, ICT and Retail field <ul style="list-style-type: none"> • Realized synergy between J:COM and Jupiter Shop Channel promoted by the capital reorganization of Jupiter Shop Channel ✓ Telecommunications business in Myanmar <ul style="list-style-type: none"> • Kept on improving the quality of telecommunication network and expanding sales network and 4G LTE service ✓ Food <ul style="list-style-type: none"> • Expanded fresh food distribution business and strengthened sales force of SC Foods Co., Ltd. • Acquired Fyffes, an international produce marketer and distributor in Ireland | <ul style="list-style-type: none"> ✓ Timber resources <ul style="list-style-type: none"> • Increased forest assets in Russia and New Zealand • Expanded timber trading in the Pacific rim ✓ General real estate business <ul style="list-style-type: none"> • Raised and launched of the private-placement fund targeting U.S. properties • Completed “GINZA SIX”, Ginza area’s largest retail facility ✓ Solid biomass fuel <ul style="list-style-type: none"> • Expanded trading business of biomass fuel and acquired stake in Canadian wood pellet manufacturer “Pacific BioEnergy Corporation” ✓ Building Material <ul style="list-style-type: none"> • Business Integration between Sumisho & Mitsui Bussan Kenzai Co., Ltd and Marubeni Building Materials Co., Ltd. |
|---|---|

Strategy to realize “What We Aim to Be”

Existing Earnings Pillars to enhance

- ✓ Expand earnings base in crop protection business
 - Establish global distribution network
 - Expand agricultural Input & service business through expanding earnings base of existing business in Romania and steady start-up of new business in Brazil
- ✓ Strengthen the base of electronics manufacturing service (“EMS”) business for automotive manufacturers
- ✓ Petrochemical business
 - Maximize synergies with phenol production project
 - Enter into auto parts business area

Future Earnings Pillars to develop

- | | |
|--|--|
| <ul style="list-style-type: none"> ✓ Strengthen energy trade business <ul style="list-style-type: none"> • Promote trade business of natural gas in the U.S. and LNG • Strengthen business base of integrated LPG import and wholesale company | <ul style="list-style-type: none"> ✓ Pharmaceutical and cosmetic businesses <ul style="list-style-type: none"> • Enhance functions and services by taking advantage of our global network |
|--|--|

Major initiatives

- | | |
|--|--|
| <ul style="list-style-type: none"> ✓ Agricultural input & service business <ul style="list-style-type: none"> • Invested in Agro Amazonia Produtos Agropecuarios S.A. in Brazil ✓ Distribution of crop protection products <ul style="list-style-type: none"> • Strengthened capital alliance with manufacturing and sales company of crop protection products, Sipcam in Italy • Established new sales company of crop protection products in Vietnam ✓ Manufacture and sales business of animal drugs <ul style="list-style-type: none"> • Invested in Shandong Sinder Technology Co., Ltd. which is engaged in manufacture and sales business of animal drugs | <ul style="list-style-type: none"> ✓ FPSO owning and chartering business <ul style="list-style-type: none"> • Participation in FPSO owning and chartering business for offshore oil and gas field in Ghana ✓ EMS business <ul style="list-style-type: none"> • Established new site in Cambodia ✓ Phenol production in China <ul style="list-style-type: none"> • Started commercial production |
|--|--|

Policy: Improvement of the asset quality for the upstream mineral resources & energy business

- ◆ Early completion and improvement in profitability of ramping-up projects
(Nickel project in Madagascar, Copper & Molybdenum project in Chile etc.)
- ◆ Continuous cost reduction to improve profitability in existing businesses
- ◆ Basic policy : new investments replaces existing assets
(targeting competitive and prime assets, considering the timing of investment)

Reconstruction of the upstream mineral resources & energy strategies

- ◆ Manage concentration risk
 - Setting management policy of upstream mineral resources portfolio
 - Monitoring assets portfolio regularly
- ◆ Improve methodology of project valuation
(improve criteria for screening projects and risk scenario analysis)
- ◆ Establish an expert organization
(strengthen market analysis and technical evaluation abilities,
complement expertise by active employment of external human resources)

Condensed Consolidated Statements of Comprehensive Income

(Unit: Billions of yen)	FY2016 (16/4-16/9)	FY2017 (17/4-17/9)	Increase/(decrease)		Summary
			Amount (B)-(A)	Percentage	
Revenues	1,858.9	2,293.5	434.6	23%	
Gross profit	399.1	467.3	68.1	17%	Gross profit
Selling, general and administrative expenses (Provision for doubtful receivables)	(336.4) 0.2	(359.5) (0.5)	(23.1) (0.7)	(7%) -	- Effects of higher commodity prices (Silver-zinc-lead mining project in Bolivia and Coal mining projects in Australia etc.) - Recovery in earnings of tubular products business in North America
Interest expense, net of interest income	(1.5)	(2.5)	(1.0)	(66%)	- Progress in development and construction of large-scale projects in power infrastructure business
Dividends	4.7	5.8	1.1	24%	- Stable performance by real estate business
Share of profit (loss) of investments accounted for using the equity method	46.7	74.7	28.1	60%	
Gain (loss) on securities and other investments, net	(2.6)	10.9	13.5	-	Share of profit (loss) of investments accounted for using the equity method
Gain (loss) on property, plant and equipment, net	(1.4)	2.6	4.1	-	- Effects of higher commodity prices - Stable performance of leasing business
Other, net	(12.3)	3.4	15.7	-	- Stable performance of Aluminium smelting business in Malaysia
Profit before tax	96.2	202.7	106.5	111%	
Income tax expense	(23.5)	(38.1)	(14.6)	(62%)	Gain (loss) on securities and other investments, net/ Gain (loss) on property, plant and equipment, net/ Other, net
Profit for the period	72.7	164.6	91.9	126%	- One-off profits from asset replacement in FY17 - Tax provisions in Silver-zinc-lead mining project in Bolivia in FY16
Profit for the period attributable to:					
Owners of the parent	65.8	155.3	89.5	136%	
Non-controlling interests	7.0	9.3	2.4	34%	
Basic profit (Calculation for reference)*	92.0	151.7	59.7	65%	
Comprehensive income for the period (attributable to owners of the parent)	(142.8)	188.4	331.2	-	

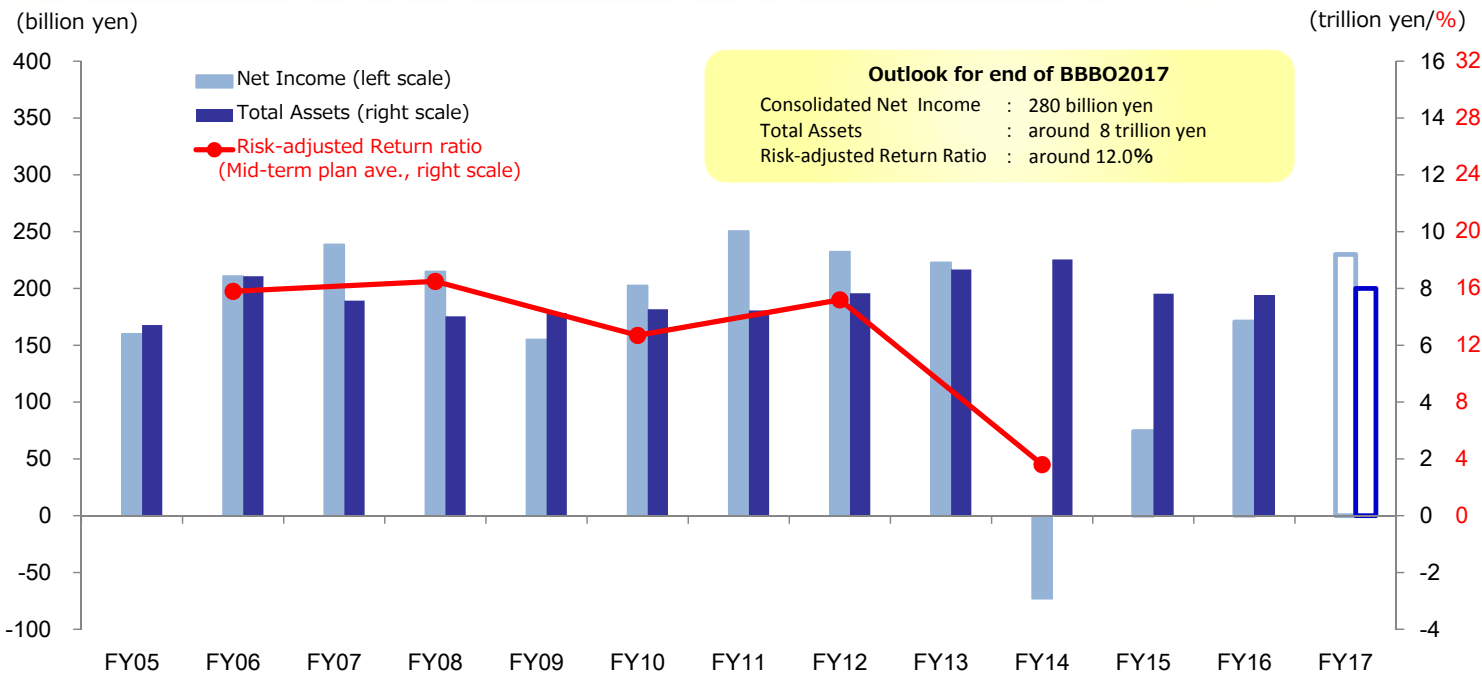
* Basic profit = (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + Dividends) × (1-Tax rate) + Share of profit (loss) of investments accounted for using the equity method

	U.S.GAAP					IFRS				
	GG Plan	FOCUS'10			<i>f(x)</i>		BBBO2014		BBBO2017	
(Billions of yen)	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017 2Q
Revenues	3,511.6	2,884.2	3,100.2	3,261.0	3,016.2	3,317.4	3,762.2	4,010.8	3,997.0	2,293.5
Gross profit	935.2	779.5	864.0	918.8	827.0	894.4	952.9	894.1	842.7	467.3
Selling, general and administrative expenses	(654.4)	(639.2)	(660.7)	(686.4)	(657.1)	(706.4)	(755.2)	(762.7)	(693.8)	(359.5)
Interest expense, net	(36.1)	(24.1)	(18.1)	(15.1)	(15.8)	(17.4)	(13.0)	(2.6)	(1.7)	(2.5)
Dividends	14.6	11.3	10.0	11.2	13.4	14.9	17.2	10.6	9.4	5.8
Share of profit (loss) of investments accounted for using the equity method	90.0	76.1	95.6	110.6	107.4	126.2	49.1	(53.8)	83.5	74.7
Gain (loss) on securities and other investments, net	4.5	32.9	9.5	14.8	51.5	8.8	12.4	72.2	12.9	10.9
Gain (loss) on property, plant and equipment, net	(15.1)	5.0	(17.6)	(9.0)	(5.8)	(19.8)	(269.2)	(33.4)	(19.7)	2.6
Other, net	(1.6)	1.5	(2.2)	(3.6)	(1.6)	3.5	(13.0)	15.8	(20.1)	3.4
Profit (loss) before tax	319.6	223.3	280.5	341.4	319.0	304.2	(18.6)	140.1	213.1	202.7
Income tax expense	(96.3)	(61.8)	(70.7)	(77.7)	(75.3)	(70.4)	(52.3)	(51.5)	(25.9)	(38.1)
Profit (loss) for the year	223.3	161.5	209.8	263.7	243.7	233.9	(70.8)	88.6	187.2	164.6
Profit (loss) for the year attributable to:										
Owners of the parent	215.1	155.2	200.2	250.7	232.5	223.1	(73.2)	74.5	170.9	155.3
Non-controlling interests	8.3	6.3	9.6	13.0	11.2	10.8	2.4	14.0	16.3	9.3
Basic profit	243.0	151.4	220.5	251.5	216.5	245.0	184.0	46.5	193.1	151.7
Net cash from operating activities	348.8	510.4	219.5	190.4	280.3	278.2	243.7	599.7	345.8	50.0
Net cash used in investing activities	(261.5)	(59.4)	(469.4)	(35.7)	(186.2)	(249.9)	(399.6)	(85.4)	(180.7)	(29.0)
Free cash flows	87.3	451.0	(249.9)	154.7	94.1	28.4	(155.9)	514.3	165.1	21.1
Net cash from (used in) financing activities	(5.8)	(150.1)	155.9	(33.3)	(24.7)	145.9	(74.8)	(507.2)	(254.4)	(43.7)

Historical Data(2) B/S, Key Financial Indicator

	U.S.GAAP					IFRS				
	GG Plan	FOCUS'10			<i>f(x)</i>		BBBO2014		BBBO2017	
(Billions of yen)	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017 2Q
Total Assets	7,018.2	7,137.8	7,230.5	7,226.8	7,832.8	8,668.7	9,021.4	7,817.8	7,761.8	7,951.7
Equity attributable to owners of the parent	1,353.1	1,583.7	1,570.5	1,689.1	2,052.8	2,404.7	2,481.4	2,251.5	2,366.5	2,523.9
Interest-bearing liabilities (gross)	3,702.7	3,600.7	3,767.4	3,613.8	3,861.4	4,238.9	4,421.3	3,650.9	3,418.3	3,399.3
Interest-bearing liabilities (net)	3,186.8	2,781.8	3,056.3	2,786.7	2,930.3	3,123.5	3,517.5	2,770.3	2,627.9	2,626.9
Equity attributable to owners of the parent ratio (%)	19.3	22.2	21.7	23.4	26.2	27.7	27.5	28.8	30.5	31.7
ROE (%)	15.1	10.6	12.9	15.4	12.4	10.0	(3.0)	3.2	7.4	-
ROA (%)	2.9	2.2	2.8	3.5	3.1	2.7	(0.8)	0.9	2.2	-
Debt-Equity Ratio (net) (times)	2.4	1.8	1.9	1.6	1.4	1.3	1.4	1.2	1.1	1.0
(Yen)										
Stock price of Sumitomo Corp. (closing price)	843	1,075	1,189	1,196	1,178	1,313	1,286.0	1,118.5	1,497.5	1,618.5
(highest)	1,658	1,113	1,297	1,284	1,276	1,616	1,420.0	1,513.0	1,547.0	1,660.5
(lowest)	556	811	874	875	984	1,101	1,054.0	983.5	975.5	1,398.0
Nikkei stock average (closing price)	8,109.53	11,089.94	9,755.10	10,083.56	12,397.91	14,827.83	19,206.99	16,758.67	18,909.26	20,356.28
Shares of common stock issued (unit: thousand)	1,250,603	1,250,603	1,250,603	1,250,603	1,250,603	1,250,603	1,250,603	1,250,603	1,250,603	1,250,603
Earnings per share attributable to owners of the parent (basic)	172.06	124.15	160.17	200.52	185.92	178.59	(58.64)	59.73	136.91	124.40

We have prepared consolidated financial statements in accordance with U.S. GAAP for FY2009 or earlier and International Financial Reporting Standards ("IFRSs") for FY2010 or later. Under U.S. GAAP, "Share of profit of investments accounted for using the equity method" corresponds to "Equity in earnings of associated companies, net," "Profit for the year attributable to owners of the parent" corresponds to "Net income attributable to Sumitomo Corporation," "Equity attributable to owners of the parent" corresponds to "Sumitomo Corporation shareholders' equity" and "Equity attributable to owners of the parent ratio" corresponds to "Sumitomo Corporation shareholders' equity ratio."



AG Plan (2 year)	GG Plan (2 year)	FOCUS'10 (2 year)	f(x) (2 year)	BBBO2014 (2 year)	BBBO2017 (3 year)
Strategic moves for further growth and development	Pursuit of further improvement of quality heading for a new stage of growth	A growth scenario on a new stage	Growth across regional generational and organizational boundaries	Heading for an even higher level of profit growth by thorough enhancement of our earning power	To make group-wide efforts in overcoming issues and to outline a path toward the realization of "What We Aim to Be"

Shareholders' Composition

