

Annual Results for FY2017

May 8th, 2018

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. Annual Results for FY2017

(Unit: Billions of yen)	FY2016 Results	FY2017				FY2017 Results	Increase
	(A)	Q1 (Apr.-Jun.)	Q2 (Jul.-Sep.)	Q3 (Oct.-Dec.)	Q4 (Jan.-Mar.)		
Profit for the year	170.9	78.2	77.1	97.6	55.6	308.5	+137.6
Basic profit^{*1} (excl. impairment losses)	226.7	77.4	74.3	80.9	91.2	323.7	+97.1
Mineral resources ^{*2}	16.1	13.6	14.6	19.4	27.9	75.5	+59.4
Tubular Products ^{*2}	-12.5	2.4	1.5	2.0	-1.1	4.7	+17.3
Non-mineral resources	223.1	61.5	58.1	59.5	64.4	243.5	+20.4
One-off profits/losses	approx. -46.0	approx. +6.0	approx. +9.0	approx. +22.0	approx. -14.0	approx. +23.0	approx. +69.0

< Summary (Results) >

- **Mineral resources** : ✓ Increase in earnings due to higher commodity prices, etc.
- **Tubular products** : ✓ Recovery in earnings of tubular products business in North America
- **Non-mineral resources** : ✓ Stable performance of leasing business and construction equipment business
 ✓ Stable performance by domestic major group companies in Media, ICT, Lifestyle Related Goods & Services segment and real estate business
 ✓ Progress in development and construction of projects in power infrastructure business
- **One-off profits/losses** : ✓ (FY2017) U.S. tax reform impact (approx.+21.0),
 Realized gains resulting from asset replacement,
 Impairment loss in Indonesian commercial bank (-15.1), etc.
 ✓ (FY2016) Impairment loss in Copper-molybdenum mining business in Chile (-33.6),
 Tax provisions in Silver-zinc-lead mining project in Bolivia, etc.

^{*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
 Excluding the impact of impairment losses in Copper-molybdenum mining business in Chile (-33.6) in FY2016 and in Indonesian commercial bank (-15.1) in FY2017

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

(Reference)		FY2016 (Apr.-Mar.) Results	FY2017 (Apr.-Mar.) Results
Exchange rate	(YEN/US\$)	108.38	110.85
Interest rate	LIBOR 6M (YEN)	0.01%	0.01%
	LIBOR 6M (US\$)	1.20%	1.66%
Copper *1	(US\$/MT)	4,863	6,163
Zinc	(US\$/MT)	2,367	2,931
Nickel	(US\$/lb)	4.55	5.06
Iron ore *1	(US\$/MT)	59	71
Hard coking coal	(US\$/MT)	165	198
Thermal coal	(US\$/MT)	78	94
Crude Oil	Brent *1 (US\$/bbl)	44	54
	WTI (US\$/bbl)	48	54

^{*1} These commodities show the prices in Jan.-Dec.

^{*2} Hard Coking coal : Market price

- Profit for the year for FY2017 : 308.5 billion yen
 (+137.6 billion yen compared with FY2016)
 ✓ Record-high profit
 (surpassed 250.7 billion yen we marked in FY2011)
- Basic profit for FY2017 : 323.7 billion yen
 (+97.1 billion yen compared with FY2016)
- ✓ **Mineral Resources : Significant increase**
 - The profit from San Cristobal silver-zinc-lead mining project in Bolivia and iron ore mining business in South Africa increased due to higher commodity prices, etc.
- ✓ **Tubular products : Recovery**
 - Gradual increase in rig counts in the U.S.

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(continued)

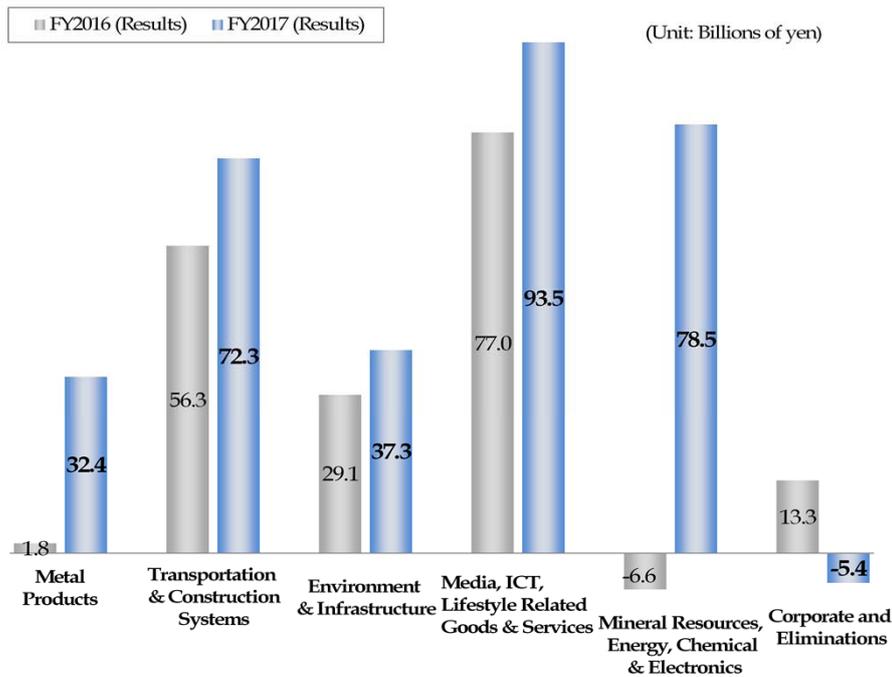
✓ Non-mineral resources : Increase

- Stable performance of core businesses, such as leasing business, construction equipment business, domestic major group companies in Media, ICT, Lifestyle Related Goods & Services segment, and real estate business
- Progress in development and construction of projects in power infrastructure business

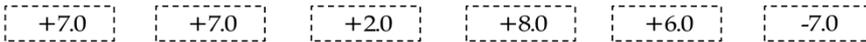
➤ One-off profits and losses : approx. +69.0 billion yen compared with FY2016

- ✓ FY2016 : approx. -46.0 billion yen
 - Impairment loss in Copper-molybdenum mining business in Chile, etc.
- ✓ FY2017 : approx. +23.0 billion yen
 - Gains from U.S. tax reform and asset replacements
 - Impairment loss of 15.1 billion yen in Indonesian commercial bank which was booked in FY2017 Q4

2. Profit for the year by Segment (Global basis*)



One-off profits/losses included in profit for the year for FY2017 by segment



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

〈 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 profits from asset replacements

■ Transportation & Construction Systems

- ✓ Stable performance of leasing business
- ✓ Gradual recovery in shipping market
- ✓ Robust 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

■ 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
- ✓ One-off losses in FY2016
- ✓ One-off profits in FY2017

【Profit by segment】

- All segments increased the profit comparing to FY2016
- ✓ Stable performance of core businesses

● Cash Flows (Unit: Billions of yen)

	FY2016	FY2017
Operating activities	+345.8	+295.3
Investing activities	-180.7	-155.8
Free Cash Flows	+165.1	+139.5
▽		
<Cash in>		
Basic profit cash flow*	+210.6	+273.9
Depreciation	+114.3	+118.9
Asset replacement approx.	+180.0	+180.0
Others approx.	±0.0	-150.0
<Cash out>		
Investment & Loan approx.	-340.0	-280.0

* 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 (114.9 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**
 - ✓ Generic pharmaceutical business in the U.S., Water concession business in Brazil, etc.

● Financial Position (Unit: Trillions of yen)

As of Mar. 31, 2017		As of Mar.31, 2018	
Total asset 7.8		Total Asset 7.8	
Current assets	Other liabilities	Current assets	Other liabilities
3.3	2.0	3.5	2.0
Non-Current assets	Interest-bearing liabilities	Non-Current Assets	Interest-bearing liabilities
	3.4 (2.6)*		3.2 (2.5)*
4.4	Shareholders equity*	4.3	Shareholders equity*
	2.4		2.6
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 (157.6 billion yen→-80.6), Financial assets measured at fair value through other comprehensive income (173.0→-189.8).

〈 Summary (Unit: Billions of yen) 〉

- **Total asset + 8.8**
 (7,761.8→7,770.6)
 - ✓ Increase in trade receivables
 - ✓ Increase in inventories
 - ✓ Decrease due to the yen's appreciation, etc.
- **Shareholders' equity +191.7**
 (2,366.5→2,558.2)
 - ✓ Increase in retained earnings
 - ✓ Dividend paid, etc.

	As of Mar. 31, 2017	As of Mar. 31, 2018
Exchange rate (YEN/US\$)	112.19	106.24

【Cash Flows】

- Free Cash Flows for FY2017 : +139.5 billion yen
 - ✓ Basic profit cash flow : +273.9 billion yen
 - Core businesses generated cash steadily.
 - ✓ Asset replacement : approx. +180.0 billion yen
 - ✓ Others : approx. -150.0 billion yen
 - Increase in working capital due to brisk business
 - ✓ Investment & Loan : approx. -280.0 billion yen
 - Participation in generic pharmaceutical business in the U.S. and water concession business in Brazil, etc.

【Financial Position】

- Total Assets : 7,770.6 billion yen
 (+8.8 billion yen compared with Mar. 31, 2017)
 - ✓ Almost the same as that of Mar. 31, 2017 because increase in trade receivables and inventories offsets decrease in asset due to the yen's appreciation.
- Shareholders' equity : 2,558.2 billion yen
 (+191.7 billion yen compared with Mar. 31, 2017)
 - ✓ Due mainly to increase in retained earnings

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>Announced in Feb. 2018</th> <th>Announced in May, 2018</th> </tr> </thead> <tbody> <tr> <td>Net income</td> <td>300.0 billion yen</td> <td>308.5 billion yen</td> </tr> <tr> <td>Annual dividend/share (interim/year-end)</td> <td>60 yen (28 yen/32 yen)</td> <td>62 yen (28 yen/ 34 yen) (plan)</td> </tr> </tbody> </table> <p>Applying the consolidated dividend payout ratio of 25% to profit for the year of 308.5 billion yen</p>			Announced in Feb. 2018	Announced in May, 2018	Net income	300.0 billion yen	308.5 billion yen	Annual dividend/share (interim/year-end)	60 yen (28 yen/32 yen)	62 yen (28 yen/ 34 yen) (plan)
	Announced in Feb. 2018	Announced in May, 2018									
Net income	300.0 billion yen	308.5 billion yen									
Annual dividend/share (interim/year-end)	60 yen (28 yen/32 yen)	62 yen (28 yen/ 34 yen) (plan)									

【Annual dividend for FY2017】

- Annual dividend for FY2017 is projected to be 62 yen per share.
 - ✓ Applying the consolidated dividend payout ratio of 25% to profit for the year of 308.5 billion yen.
- The year-end dividend is projected to be 34 yen per share since interim dividend was 28 yen per share.

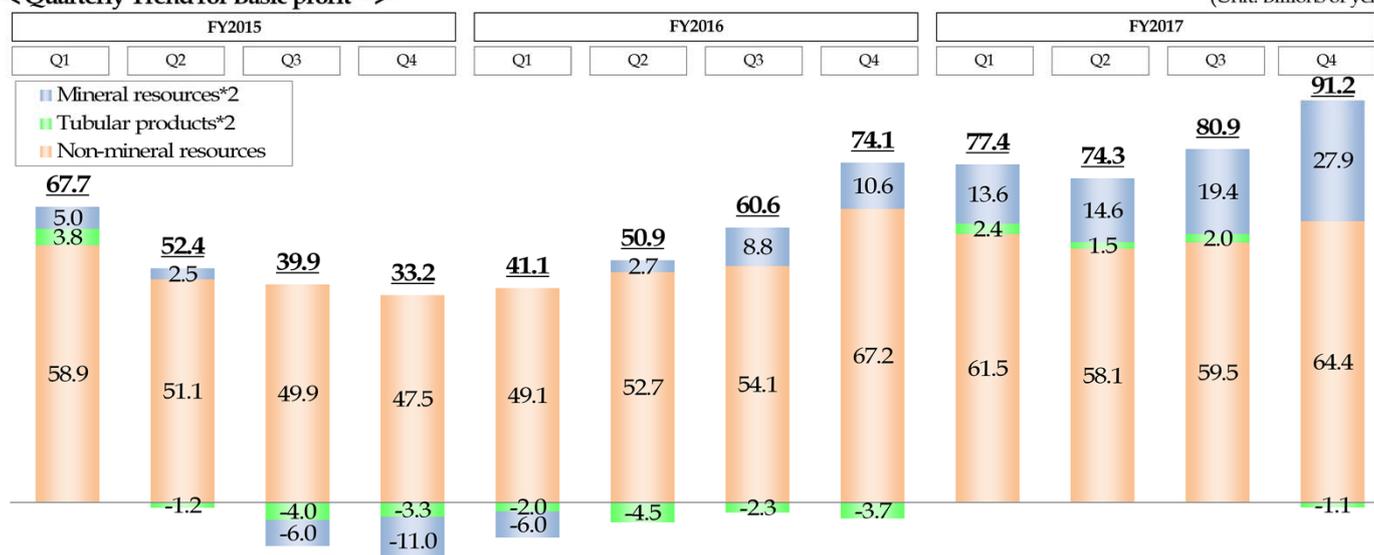
5. BBBO2017, Profit for the year and Basic profit

(Unit: Billions of yen)

	Initial Plans (May, 2015)	Results		
	FY2017	FY2015	FY2016	FY2017
Profit for the year	300.0 or more	74.5	170.9	308.5
Basic profit (excl. impairment losses)	300.0 or more	193.2	226.7	323.7

< Quarterly Trend for Basic profit *1 >

(Unit: Billions of yen)



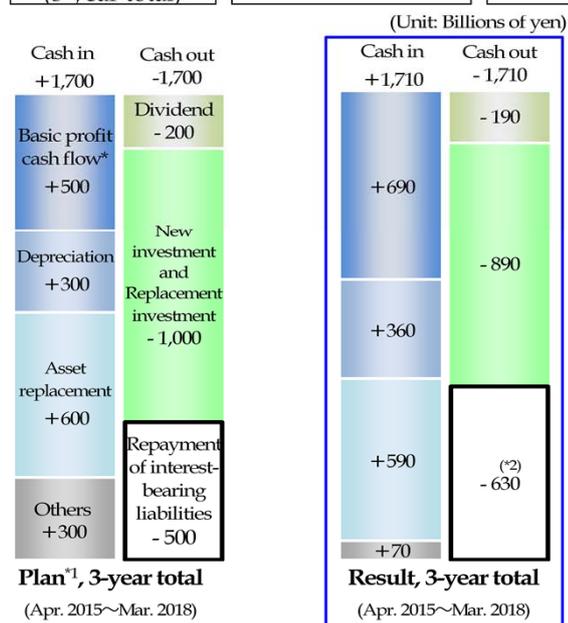
*1 Excluding the impacts of impairment losses

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

【Review of BBBO2017 (Profit / Basic Profit)】

- We initially set the quantitative targets for both profit for the year and basic profit of 300.0 billion yen or more for FY2017.
- Recent basic profit result has exceeded the level of 80.0 billion yen or more per quarter. Our earning power has grown steadily and strongly.

	Initial Plan (May, 2015)	Revised Plan (May, 2016)	Result
Post-dividend free cash flow (3-year total)	Positive	+ 500.0 billion yen	+ 630.0 billion yen



* 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

*1 Announced in May, 2016

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

< Summary >

■ Basic profit cash flow

- ✓ Core businesses generated cash steadily

(FY2015 → FY2016 → FY2017
204.3 → 210.6 → 273.9 (billion yen))

■ Asset replacement

- ✓ Value realization in renewable energy power generation business
- ✓ Value realization in real estate business in Japan and overseas
- ✓ Sale of whole interests in Batu Hijau Copper/Gold mine in Indonesia

■ New investment and Replacement investment

- ✓ Produce marketer and distributor in Ireland (Fyffes)
- ✓ Real estate business in Japan and overseas
- ✓ Nickel project in Madagascar

【Review of BBBO2017 (Cash flows)】

- Post-dividend free cash flow (3-year total) : +630.0 billion yen
 - ✓ We limited investments and dividends to the amount of the cash generated by the Company to secure financial soundness. As a result of this, post-dividend free cash flow exceeded our plan.
 - ✓ We used post-dividend free cash flow to repay interest-bearing liabilities.
- Basic profit cash flow (3-year total) : +690.0 billion yen
 - ✓ Cash generating power has been growing steadily every fiscal year.

7. BBBO2017, Key Financial Indicators

(Unit: Billions of yen)	Start of BBBO2017 (as of Mar. 31, 2015)	End of BBBO2017 (as of Mar. 31, 2018)	change
Total Assets	9,021.4	7,770.6	approx. -1,250.0
	(Major factors)	Yen's appreciation Decrease of receivables and inventories Reorganization of automotive financing business in Indonesia	approx.-440.0 approx.-270.0 approx.-220.0
Shareholders' Equity	2,481.4	2,558.2	approx. +80.0
	(Major factors)	Retained earnings Dividend paid Yen's appreciation	approx.+550.0 approx.-190.0 approx.-290.0
Interest-bearing Liabilities (Net)	3,517.5	2,521.5	approx. -1,000.0
	(Major factors)	Repayment with cash generated Reorganization of automotive financing business in Indonesia Yen's appreciation	approx.-630.0 approx.-200.0 approx.-180.0
DER (Net, times)	1.4	1.0	-0.4pt
Risk-adjusted Assets [RA]	2,460.0	2,360.0	-100.0
Core Risk Buffer [RB]* (Core RB-RA)	2,320.0 (-140.0)	2,390.0 (+30.0)	+70.0
	(Initial Plans, May, 2015)		Regained balance
ROA	FY2017 3.0% or more	FY2017 4.0%	
ROE	FY2017 approx. 10.0%	FY2017 12.5%	

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

【Review of BBBO2017 (Key Financial Indicators)】

- D/E Ratio (Net) : 1.0 times (improved 0.4 points compared with Mar. 31, 2015)
 - ✓ Shareholders' equity : approx. +80.0 billion yen compared with Mar. 31, 2015
 - Retained earnings have been increased.
 - ✓ Net interest-bearing debt : approx. -1.0 trillion yen compared with Mar. 31, 2015
 - We used approx. 630.0 billion yen of post-dividend free cash to repay Net interest-bearing liabilities.

- Balance between Core Risk Buffer and Risk-adjusted Assets : We regained the balance as of Mar. 31, 2018 while Risk-adjusted Assets exceeded by 140.0 billion yen to Core Risk Buffer at the end of Mar. 31, 2015.
 - ✓ Risk-adjusted Assets decreased through asset replacements.
 - ✓ Core Risk Buffer increased by accumulation of retained earnings.

- Profitability indicators were improved and exceeded the original plan.
 - ✓ ROA and ROE were 4% and 12.5% respectively in FY2017.

Improve corporate governance and decision-making process

- **Update process in business management / Strengthen the function of Board of Directors**
 - ✓ Changed the Management Council into the top executive decision-making body
 - ✓ Strengthened the system of deliberation and monitoring of material issues through review of deliberation items of the Board of Directors
 - ✓ Reviewed the constitution of the Board of Directors (Increased the number of Outside Directors and the ratio within the Board of Directors)
 - ✓ Established the Nomination and Remuneration Advisory Committee
 - ✓ Revised the Sumitomo Corporation Corporate Governance Principles

Strengthen risk management system

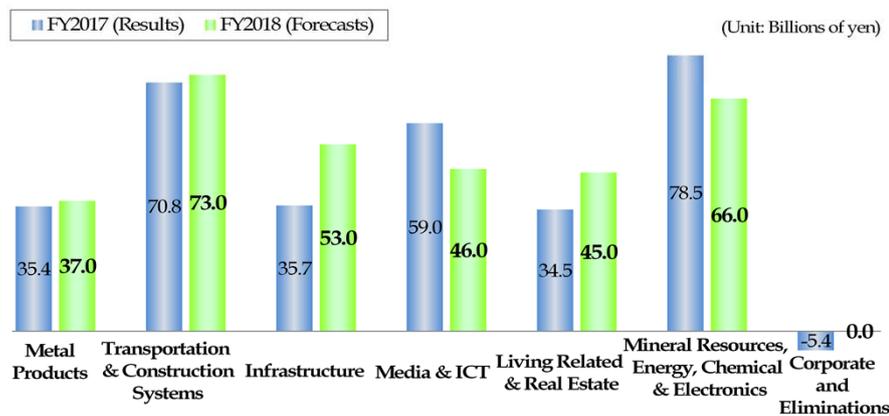
- **Establish a system of multiple-stage and multiple-layer deliberation of large-scale investments**
 - ✓ Established the Unit Investment Committee, Introduced two-stage deliberation at initial assessment stage and execution stage
- **Update a monitoring process after investment**
 - ✓ Strengthened follow-up actions after investment through “100 days plan”

【Review of BBBO2017 (Promote managerial reforms)】

- We have implemented “Improving corporate governance and decision-making process” and “Strengthening risk management system.”
- We will continue to work on establishing a better management structure.

9. Forecasts for FY2018 (Profit for the year)

(Unit: Billions of yen)	FY2017 Results (A)	FY2018 Forecasts (B)	Increase / Decrease (B)-(A)
Profit for the year	308.5	320.0	+11.5
One-off profits/losses	approx. +23.0	-	approx. -23.0
(excl. one-off profits/losses)	approx. (285.0)	(320.0)	approx. (+35.0)



One-off profits/losses included in profit for the year for FY2017 by segment

+8.0	+6.0	+2.0	+6.0	+2.0	+6.0	-7.0
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* The segment information of FY2017 has been reclassified, according to organizational change on Apr. 1, 2018.

< Summary by segment >

■ Metal Products

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

■ Transportation & Construction Systems

- ✓ Stable performance of leasing business
- ✓ Stable performance of automotive financing business in Indonesia
- ✓ Robust performance of construction equipment sales & marketing and rental business

■ Infrastructure

- ✓ Stable performance of overseas IPP/IWPP business
- ✓ Progress in development and construction of large-scale projects in power infrastructure business

■ Media & ICT

- ✓ Increase in costs of capital investment by domestic major group companies, etc.

■ Living Related & Real Estate

- ✓ Stable performance of real estate business
- ✓ Higher commodity price in fresh produce business

■ Mineral Resources, Energy, Chemical & Electronics

- ✓ Decrease in earnings of Silver-zinc-lead mining project in Bolivia

- Profit for the year for FY2018 forecasts : 320.0 billion yen (+11.5 billion yen compared with FY2017)

<One-off profits and losses>

- FY2017 : approx. +23.0 billion yen
- FY2018 : not expected

⇒ Profit excluding one-off profits and losses : approx. +35.0 billion yen compared with FY2017

- Profit for FY2018 forecasts by segment

- ✓ Expected to increase in profit :

Metal Products, Transportation & Construction Systems, Infrastructure and Living Related & Real Estate business unit

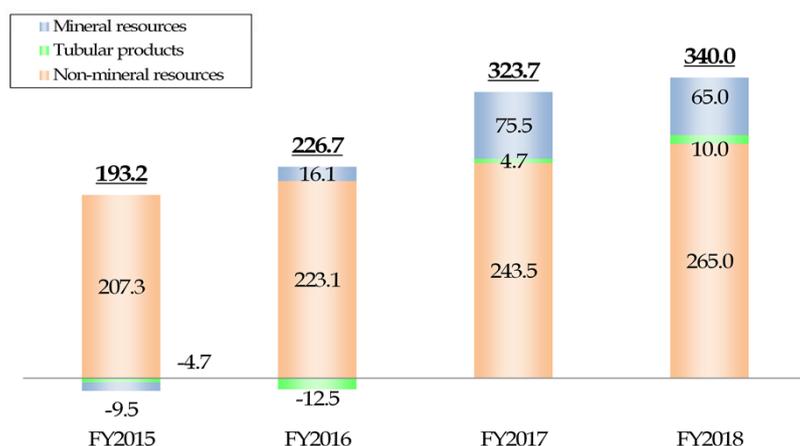
- ✓ Expected to decrease in profit :

Media & ICT and Mineral Resources, Energy, Chemical & Electronics business unit

10. Forecasts for FY2018 (Basic profit)

(Unit: Billions of yen)	FY2017 Results (A)	FY2018 Forecasts (B)	Increase /Decrease (B)-(A)
Basic Profit^{*1} (excl. impairment losses)	323.7	340.0	+16.3
Mineral resources	75.5	65.0	-10.5
Tubular products	4.7	10.0	+5.3
Non-mineral resources	243.5	265.0	+21.5

〈 Summary 〉	
■ <u>Mineral resources</u>	: ✓ Assume no large fluctuation in commodity prices ✓ One-off profits in FY2017
■ <u>Tubular products</u>	: ✓ Increase in demand along with market recovery, etc.
■ <u>Non-mineral Resources</u>	: ✓ Stable performance of major business and group companies such as power infrastructure business and real estate business, etc.



*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

(Reference) Key indicators	FY2017 (Apr.-Mar.) Results	FY2018 (Apr.-Mar.) Forecasts
Exchange rate <YEN/US\$>	110.85	110.00
Interest rate	LIBOR 6M (YEN)	0.01%
	LIBOR 6M (US\$)	2.65%
Copper *1 (US\$/MT)	6,163	6,482
Zinc (US\$/MT)	2,931	3,100
Nickel (US\$/lb)	5.06	5.52
Iron ore *1 (US\$/MT)	71	65
Hard coking coal (US\$/MT)	198	190
Thermal coal (US\$/MT)	94	86
Crude Oil	Brent *1 (US\$/bbl)	54
	WTI (US\$/bbl)	54

*1 These commodities show the prices in Jan.-Dec.

*2 Hard Coking coal : Market price

*3 Sensitivity of profit for the year to exchange rate:

Each appreciation of ¥1/US\$ will cause on decrease of approximately 1.1 billion yen.

- Basic profit for FY2018 forecasts : 340.0 billion yen (+16.3 billion yen compared with FY2017)
- Mineral resources : 65.0 billion yen (-10.5 billion yen compared with FY2017)
 - ✓ Absence of one-off profits posted in FY2017
 - ✓ We assume no large fluctuation in commodity prices.
- Tubular products : 10.0 billion yen (+5.3 billion yen compared with FY2017)
 - ✓ We expect gradual recovery in North America business since the rig count in the U.S. is expected to remain steadily grow.
- Non-mineral resources : 265.0 billion yen (+21.5 billion yen compared with FY2017)
 - ✓ Core businesses of each unit such as construction of projects in power infrastructure business and real estate business are expected to maintain its stable performance.

Appendix

11. One-off profits/losses for FY2017

(Unit: Billions of yen)	Results	Major one-off profits/losses
Metal Products	+7.0	<ul style="list-style-type: none"> •U.S. tax reform impact (approx.+6.0) •One-off profits from asset replacements •Other one-off losses, etc.
Transportation & Construction Systems	+7.0	<ul style="list-style-type: none"> •U.S. tax reform impact (approx.+13.0) •One-off profit from reorganization of SMFL (approx.+6.0) •Impairment loss in Indonesian commercial bank, BTPN (approx.-13.0), etc.
Environment & Infrastructure	+2.0	<ul style="list-style-type: none"> •U.S. tax reform impact (approx.+1.0) •One-off profits in renewable energy power generation business, etc.
Media, ICT, Lifestyle Related Goods and Services	+8.0	<ul style="list-style-type: none"> •U.S. tax reform impact (approx.+2.0) •One-off profit related to sale of QUO CARD Co., Ltd. (approx.+6.0), etc.
Mineral Resources, Energy, Chemical & Electronics	+6.0	<ul style="list-style-type: none"> •One-off profits/losses in mineral resources, energy business (approx.+8.0) •One-off profit in chemical business (approx.+2.0) •One-off loss in Coal mining projects in Australia, etc.
Corporate and Eliminations	-7.0	<ul style="list-style-type: none"> •U.S. tax reform impact (approx.-1.0) •Impairment loss in Indonesian commercial bank, BTPN (approx.-2.0), etc.
Total	+23.0	

12. BBBO2017, Investments by Segment

(Unit: Billions of yen)	Investment		Major investments
	Results (Apr.2015-Mar.2018)	3-year Plans* (Apr.2015-Mar.2018)	
Metal Products	60.0	120.0	<ul style="list-style-type: none"> •Railcar axle machining business in the U.S. •Automotive forged parts manufacturing business in Europe
Trasnsportation & Construction Systems	210.0	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	140.0	140.0	<ul style="list-style-type: none"> •Water concession business in Brazil •Off-shore wind power generation business in Europe
Media, ICT, Lifestyle Related Goods and Services	290.0	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	180.0	180.0	<ul style="list-style-type: none"> •Nickel project in Madagascar •Generic pharmaceutical business in the U.S.
(Upstream interests)	(140.0)	(140.0)	
Total	890.0	1,000.0	

* Announced in May, 2017

13. BBBO2017, Investments by Business Field

(Unit: billions of yen)	Investment		Major investments
	Results (Apr.2015-Mar.2018)	3-year Plans* (Apr.2015-Mar.2018)	
Automobile & Transportation System-related	250.0	380.0	<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
Lifestyle & Information service	210.0	190.0	<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
Infrastructure	150.0	140.0	<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
Food & Agriculture	110.0	100.0	<ul style="list-style-type: none"> • Produce marketer and distributor in Ireland (Fyffes) • Agricultural input & service business in Brazil
Mineral Resources & Energy related (excl. upstream interests)	30.0	50.0	<ul style="list-style-type: none"> • Manganese alloy manufacturing and sales business in Malaysia
Mineral Resources Upstream Interests	140.0	140.0	<ul style="list-style-type: none"> • Nickel project in Madagascar
Total	890.0	1,000.0	

* Announced in May, 2017

14. Summary of Consolidated Statements of Comprehensive Income

(Unit: Billions of yen)	FY2016 Results (Apr.2016-Mar.2017)	FY2017 Results (Apr.2017-Mar.2018)	change		Summary of FY2017
			amount	%	
Revenues	3,997.0	4,827.3	+830.3	21%	«Gross profit» · Impact of higher mineral resources prices · Tubular products business in North America: Recovery in earnings · Robust performance in construction equipment rental business and sales & marketing business · Large-scale EPC projects : Progress in construction · Stable performance in Real estate business · Impact of Yen's depreciation, approx. +14.0 «Share of profit (loss) of investments accounted for using the equity method» · Impact of higher mineral resources prices · Leasing business : Stable · Aluminium smelting business in Malaysia : Stable · Posted impairment loss (FY2017: Indonesian commercial bank, FY2016: Copper and molybdenum mining business in Chile), etc «Gain (loss) on securities and other investments, net / Gain (loss) on property, plant and equipment, net / Other, net» · One-off profits in asset replacement in FY2017, etc · Tax provisions in Silver-zinc-lead mining project in Bolivia in FY2016 · Posted impairment loss in FY2016 (Ship business, Edgen group, etc), etc «Income tax expense» · Impact of U.S. tax reform in FY2017 · Tax effects on impairment losses posted in the past in FY2016
Gross profit	842.7	956.5	+113.8	14%	
Selling, general and administrative expenses <small>(Provision for doubtful receivables, included in the above)</small>	-693.8 (-2.3)	-731.6 (-0.6)	-37.9 (+1.7)	-5% (75%)	
Interest expense, net of interest income	-1.7	-5.8	-4.0	-234%	
Dividends	9.4	10.7	+1.3	14%	
Share of profit (loss) of investments accounted for using the equity method	83.5	149.7	+66.3	79%	
Gain (loss) on securities and other investments, net	12.9	27.8	+14.9	116%	
Gain (loss) on property, plant and equipment, net	-19.7	-4.4	+15.3	78%	
Other, net	-20.1	9.4	+29.6	-	
Profit (loss) before tax	213.1	412.3	+199.2	93%	
Income tax expense	-25.9	-78.4	-52.5	-203%	
Profit (loss) for the year	187.2	333.9	+146.7	78%	
Profit (loss) for the year attributable to:					
<i>Owners of the parent</i>	170.9	308.5	+137.6	81%	
Non-controlling interests	16.3	25.4	+9.1	56%	
Basic profit *	193.1	308.7	+115.6	60%	
Comprehensive income (Owners of the parent)	169.7	256.3	+86.6	51%	

	FY2016	FY2017	change	change(%)
Exchange rate (Yen/US\$, average)	108.38	110.85	+2.47	+2.3%

* 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

15. Summary of Consolidated Statements of Cash Flows

(Unit: Billions of yen)	FY2016 Results (Apr.2016-Mar.2017)	FY2017 Results (Apr.2017-Mar.2018)	change	Summary of FY2017
Net cash provided by operating activities	345.8	295.3	-50.5	«Net cash provided by operating activities» •Core businesses generated cash steadily •Dividend from investments accounted for using the equity method, such as J-COM, Shop Channel, etc. •Increase in working capital «Net cash used in investing activities» •Property, plant, equipment and other assets, net -Constructing biomass power plants and solar farms in Japan -Capital investment by SCSK -Partial sale of office buildings in the U.S. etc. •Marketable securities and investment, net -Participation of a generic pharmaceutical business in the U.S. -Participation in water concession business in Brazil -Additional investment in telecommunications business in Myanmar etc. -Sold a part of listed shares •Loan receivables, net - Sale of all shares in an automotive finance business in Europe etc.
Basic profit cash flow* ¹ (Dividend from investments accounted for using the equity method, included in the above)	210.6	273.9	+63.2	
Depreciation and amortization* ¹	(101.0)	(114.9)	(+13.9)	
Others (increase/decrease of working capital etc.)	114.3	118.9	+4.6	
Net cash used in investing activities	20.9	-97.5	-118.4	
Property, plant, equipment and other assets, net	-180.7	-155.8	+24.9	
Marketable securities and investment, net	-105.3	-87.1	+18.2	
Loan receivables, net	-112.1	-104.2	+7.9	
Free Cash Flows	36.8	35.5	-1.3	
Net cash used in financing activities	165.1	139.5	-25.6	
	-254.4	-229.6	+24.8	

*1 Segment Information (Global Basis)²

(billion yen)	Basic profit cash flow			Depreciation and amortization		
	FY2016	FY2017	change	FY2016	FY2017	change
Metal Products	6.2	23.9	+17.7	13.5	13.0	-0.5
Transportation & Construction Systems	29.3	37.3	+8.0	42.4	42.5	+0.0
Environment & Infrastructure	16.6	26.6	+10.0	4.4	5.2	+0.8
Media, ICT, Lifestyle Related Goods & Services	69.6	93.0	+23.4	24.7	28.6	+3.9
Mineral Resources, Energy, Chemical & Electronics	77.6	84.6	+6.9	21.2	20.2	-1.0
Segment total	199.4	265.4	+66.0	106.3	109.6	+3.2
Corporate and Eliminations	11.3	8.5	-2.8	8.0	9.4	+1.4
Consolidated	210.6	273.9	+63.2	114.3	118.9	+4.6

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

16. Summary of Consolidated Statements of Financial Position

(Unit: Billions of yen)	FY2016 Results (as of Mar.31,2017)	FY2017 (Results) (as of Mar.31,2018)	Change	Summary of FY2017										
Assets	7,761.8	7,770.6	+8.8	<p>■ Summary</p> <ul style="list-style-type: none"> ○ Total Assets: 7,770.6 billion yen (increased by 8.8 billion yen from the end of Mar, 2017) • Increase in Accounts receivable and Inventories (excluding translation adjustments) • Decrease caused by Yen's Appreciation - 140.0 • Allocation to Assets held for sale (US Tire Business) etc. ○ Shareholders' Equity: 2,558.2 billion yen (increased by 191.7 billion yen from the end of Mar, 2017) • Profit for FY2017 +308.5 • Dividend -66.2 etc. <p>«Inventories»</p> <ul style="list-style-type: none"> • Increase : Tubular Products, Real Estate, Precious Metal, etc. Decrease : Allocation to Asset held for sale etc. <p>«Investments accounted for using the equity method»</p> <ul style="list-style-type: none"> • Participation of a generic pharmaceutical business in the U.S., Participation in water concession business in Brazil, Additional investment in telecommunications business in Myanmar, etc. <p>«Trade and other receivables (non-current) »</p> <ul style="list-style-type: none"> • Collection of Lease Receivables, Sale of all shares in an automotive finance business in Europe, etc. <p>«Tangible fixed assets/intangible assets»</p> <ul style="list-style-type: none"> • Allocation to Asset held for sale etc. <p>«Shareholders' Equity»</p> <ul style="list-style-type: none"> • Retained Earnings +250.7 (1,828.0←1,577.3) • Exchange difference on translating foreign operation: -77.0 (80.6←157.6) • Financial assets measured at fair value through other comprehensive income +16.8 (189.8←173.0) <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>FY2016</th> <th>FY2017</th> <th>Change</th> <th>Change%</th> </tr> </thead> <tbody> <tr> <td>Exchange Rate (Yen/US\$)</td> <td>112.19</td> <td>106.24</td> <td>-5.95</td> <td>-5.3%</td> </tr> </tbody> </table>		FY2016	FY2017	Change	Change%	Exchange Rate (Yen/US\$)	112.19	106.24	-5.95	-5.3%
	FY2016	FY2017	Change		Change%									
Exchange Rate (Yen/US\$)	112.19	106.24	-5.95		-5.3%									
Current Assets	3,321.2	3,477.3	+156.1											
Cash and cash equivalents	776.5	667.2	-109.3											
Trade and other receivables	1,206.4	1,266.8	+60.4											
Inventories	830.9	877.8	+46.9											
Assets held for sale	-	247.7	+247.7											
Other current assets	253.2	196.8	-56.4											
Non-current Assets	4,440.6	4,293.3	-147.3											
Investments accounted for using the equity method	1,870.9	1,994.4	+123.4											
Trade and other receivables	472.5	381.1	-91.3											
Tangible fixed assets / intangible assets	1,153.3	1,014.7	-138.5											
Liabilities (Current / Non-current)	5,274.8	5,076.3	-198.5											
Trade and other payables	1,150.4	1,142.8	-7.6											
Interest bearing liabilities (gross)	3,418.3	3,203.9	-214.4											
(net)	2,627.9	2,521.5	-106.4											
Equity	2,487.0	2,694.3	+207.3											
Shareholders' Equity	2,366.5	2,558.2	+191.7											
Shareholders' Equity Ratio	30.5%	32.9%	+2.4pt											
D/E ratio (Net)	1.1	1.0	+0.1pt											

* Shareholders' Equity is the "Equity attributable to owners of the parent" shown in the Consolidated Statements of Financial Position