

## Consolidated Financial Results FY2022 (Year ended March 31, 2023)

[Prepared on the basis of International Financial Reporting Standards]

**Company Name:** *Sumitomo Corporation*  
**Stock Exchange Code No.:** 8053  
**Representative:** Masayuki Hyodo  
 Representative Director, President and Chief Executive Officer  
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**Scheduled Ordinary Shareholder's Meeting Date:** June 23, 2023  
**Scheduled Securities Report Submission Date:** June 23, 2023  
**Scheduled Starting Date of Dividend Payment:** June 26, 2023  
**Supplementary Documents on Financial Results:** Yes  
**Financial Results Meeting:** Yes (for Financial Analysts)

### 1. Consolidated results for the year ended March 31, 2023

(Remarks)

Amounts are rounded to the nearest million.

% : change from the previous year.

#### (1) Consolidated operating results

	Revenues	(increase/ (decrease)	Profit before tax	(increase/ (decrease)	Profit for the year	(increase/ (decrease)	Profit for the year attributable to owners of the parent	(increase/ (decrease)	Comprehensive income for the year	(increase/ (decrease)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Year ended March 31, 2023	6,817,872	24.1	722,918	22.5	599,088	23.6	565,178	21.9	810,450	2.4
Year ended March 31, 2022	5,495,015	18.3	590,019	—	484,567	—	463,694	—	791,265	682.3

	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets
	(yen)	(yen)	(%)	(%)
Year ended March 31, 2023	452.51	452.15	16.2	7.3
Year ended March 31, 2022	370.79	370.53	16.2	6.7

[Note] Share of profit (loss) of investments accounted for using the equity method (FY2022) 252,186 million yen (FY2021) 176,831 million yen

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio	Equity per share attributable to owners of the parent
	(millions of yen)	(millions of yen)	(millions of yen)	(%)	(yen)
As of March 31, 2023	10,106,252	3,977,459	3,779,518	37.4	3,062.59
As of March 31, 2022	9,582,166	3,381,285	3,197,816	33.4	2,558.24

#### (3) Consolidated cash flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Year ended March 31, 2023	232,801	(91,525)	(250,459)	656,859
Year ended March 31, 2022	194,066	49,039	(139,924)	733,824

### 2. Dividends

	Cash dividends per share					Total amount of cash dividends per annum	Dividend payout ratio (Consolidated)	Dividend on equity attributable to owners of the parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	(%)	(%)
Year ended March 31, 2022	—	45.00	—	65.00	110.00	137,496	29.7	4.8
Year ended March 31, 2023	—	57.50	—	57.50	115.00	142,849	25.4	4.1
Year ending March 31, 2024 (Forecasts)	—	60.00	—	60.00	120.00		30.9	

### 3. Forecasts for the year ending March 31, 2024

(Remarks)

% : change from the previous year.

	Profit for the year attributable to owners of the parent	(increase/ (decrease)	Earnings per share attributable to owners of the parent
	(millions of yen)	(%)	(yen)
Year ending March 31, 2024	480,000	△15.1	388.95

## Notes

### (1) Change in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period: Yes

Excluded companies: 2 (ND Cayman Holding, Summit Fresh Produce Limited)

[Note] ND Cayman Holding and Summit Fresh Produce Limited have been excluded from the scope of consolidation of Sumitomo Corporation due to the distribution in kind of the two companies' holdings as a result of Intra-group reorganization.

### (2) Changes in accounting policies and accounting estimate

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

[Note] For further details please refer to page 15 "Changes in accounting estimate."

### (3) Outstanding stocks (Common stocks)

					(shares)
(i) Outstanding stocks including treasury stock	(March 31, 2023)	1,251,571,867	(March 31, 2022)		1,251,404,367
(ii) Treasury stocks	(March 31, 2023)	17,478,130	(March 31, 2022)		1,399,754
(iii) Average stocks	(April 1, 2022-March 31, 2023)	1,248,421,952	(April 1, 2021-March 31, 2022)		1,249,983,857

[Note] With regard to number of stocks used in earnings per share attributable to owners of the parent, please refer page 17.

[Reference] Non-consolidated information

### Non-consolidated results FY2022 (Year ended March 31, 2023)

(Remarks)

Amounts are rounded down to the nearest million.

% : change from the previous year.

#### (1) Operating results

	Revenues		Operating income		Ordinary income		Net income	
	(millions of yen)	(increase/ (decrease) (%)	(millions of yen)	(increase/ (decrease) (%)	(millions of yen)	(increase/ (decrease) (%)	(millions of yen)	(increase/ (decrease) (%)
Year ended March 31, 2023	590,170	13.8	(59,510)	—	391,718	42.2	413,561	43.6
Year ended March 31, 2022	518,495	—	(71,049)	—	275,466	—	287,902	—

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Year ended March 31, 2023	331.27	331.00
Year ended March 31, 2022	230.35	230.19

#### (2) Financial position

	Total assets	Net worth	Shareholders' equity ratio	Net worth per share
	(millions of yen)	(millions of yen)	(%)	(yen)
As of March 31, 2023	4,801,000	1,419,359	29.6	1,149.68
As of March 31, 2022	4,702,441	1,205,666	25.6	963.97

[Note] Shareholders' equity (As of March 31, 2023) 1,418,816 million yen (As of March 31, 2022) 1,204,967 million yen

\* This report is not subject to audits by certified public accountants or auditing firms.

#### \* 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.

## Management results

### 1. Operating results

Revenues for the fiscal year ended March 31, 2023, amounted to 6,817.9 billion yen, representing an increase of 1,322.9 billion yen compared to 5,495.0 billion yen in the previous fiscal year.

Gross profit totaled 1,234.8 billion yen increased by 225.1 billion yen compared to 1,009.6 billion yen in the previous fiscal year. This was due mainly to strong performance in the tubular products business in North America and the mineral resources & energy trade business. Selling, general and administrative expenses totaled 811.7 billion yen increased by 97.8 billion yen compared to 713.9 billion yen in the previous fiscal year.

Gain (loss) on property, plant and equipment was profit of 13.3 billion yen, an increase of 25.9 billion yen compared to loss of 12.6 billion yen in the previous fiscal year. This was mainly due to an increase in profit in the real estate business as a result of the delivery of large-scale properties.

Share of profit (loss) of investments accounted for using the equity method totaled profit of 252.2 billion yen increased by 75.4 billion yen compared to profit of 176.8 billion yen in the previous fiscal year. This was due to the absence of a loss in the aircraft leasing business related to the Russian-Ukrainian situation in the previous fiscal year, in addition to increase in earnings accompanied by higher mineral resource prices.

As a result, profit for the year attributable to owners of the parent totaled 565.2 billion yen, representing an increase of 101.5 billion yen compared to profit of 463.7 billion yen in the previous fiscal year.

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

The Metal Product Business Unit posted profit of 110.4 billion yen, an increase of 55.2 billion yen compared to 55.2 billion yen in the previous fiscal year. This was due mainly to increasing in earnings accompanied by favorable market conditions for the tubular products business in North America and stable performance by overseas steel service centers.

The Transportation & Construction Systems Business Unit posted profit of 92.0 billion yen, an increase of 57.0 billion yen compared to profit of 34.9 billion yen in the previous fiscal year. This increase was due to stability in the automobile distribution business and the construction equipment

related business particularly in North America, despite an impairment loss in the automobile manufacturing business. Moreover, the leasing business were also stable performance, in addition to the absence of a loss in the aircraft leasing business related to the Russian-Ukrainian situation in the previous fiscal year.

The Infrastructure Business Unit posted profit of 20.8 billion yen, a decrease of 12.5 billion yen compared to profit 33.3 billion yen in the previous fiscal year. This was due mainly to soaring electricity procurement prices in the domestic electricity retail business, while the overseas IPP/IWPP business was stable performance.

The Media & Digital Business Unit posted profit of 13.0 billion yen, a decrease of 26.3 billion yen compared to profit 39.3 billion yen in the previous fiscal year. This was due mainly to an impairment loss on equity method investment in the telecommunications business in Myanmar and increased start-up costs in the telecommunications business in Ethiopia, while major domestic group companies had shown stable performance.

The Living Related & Real Estate Business Unit posted profit of 59.0 billion yen, an increase of 14.8 billion yen compared to profit 44.2 billion yen in the previous fiscal year. This was due mainly to transfer of large-scale properties in the real estate business, while profit decreased in the domestic supermarket business.

The Mineral Resources, Energy, Chemical & Electronics Business Unit posted profit of 266.9 billion yen, an increase of 19.6 billion yen compared to profit 247.3 billion yen in the previous fiscal year. The increase was due mainly to higher mineral resource and energy prices, solid performance in mineral resources and energy trading, and stable performance in the chemical products and electronics business.

## **2. Financial position**

### ***<Total assets, liabilities and equity as of March 31, 2023>***

Total assets stood at 10,106.3 billion yen, representing an increase of 524.1 billion yen compared to 9,582.2 at the previous fiscal year-end, due mainly to the impact of yen's depreciation, the increase of working capital and investments accounted for using the equity method.

Equity attributable to owners of the parent totaled 3,779.5 billion yen, representing an increase of 581.7 billion yen compared to 3,197.8 at the previous fiscal year-end, due mainly to the impact of yen's depreciation and the profit attributable to owners of the parent posted in the fiscal year ended

March 31, 2023, while dividend payment and share repurchase were executed.

Interest-bearing liabilities (net) (\*1) totaled 2,484.4 billion yen increased by 210.7 billion yen compared to 2,273.7 billion yen at the previous fiscal year-end.

In consequence, the net debt-equity ratio (Interest-bearing liabilities (net)/ Equity attributable to owners of the parent) was 0.7.

#### <Cash flows>

Net cash provided by operating activities totaled 232.8 billion yen as basic profit cash flow (\*2) totaled an inflow of 509.3 billion yen because our core businesses performed well in generating cash, while working capital increased.

Net cash used in investing activities totaled 91.5 billion yen. We have invested in domestic and overseas real estate and also executed a tender offer for Sumitomo Precision Products Co., Ltd. On the other hand, we have recovered funds through asset replacement, such as the sale of domestic real estates, the sale of silver, zinc and lead business in Bolivia, and the sale of oil and gas business in the British territories of U.K. North Sea.

As a result, free cash flows, representing sum of net cash provided by operating activities and net cash used in investing activities, totaled an inflow of 141.3 billion yen.

Net cash used in financing activities totaled 250.5 billion yen due mainly to dividend payment, share repurchase, and repayments of lease liabilities, while execution of borrowings.

In consequence of the foregoing and consideration of the impact such as foreign exchange fluctuation, cash and cash equivalents stood at 656.9 billion yen as of March 31, 2023, representing a decrease of 77.0 billion yen compared to 733.8 billion yen at the previous fiscal year-end.

(\*1) Interest-bearing liabilities = Sum of bonds and borrowings (current and non-current) (excluding lease liabilities)

(\*2) Basic profit cash flow = (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + Dividends) × (1-Tax rate) + Dividend from investments accounted for using the equity method

### **3. Forecasts for fiscal year ending March 31, 2024**

Amidst financial instability originating in the U.S. and continuing uncertainty in the Russian-Ukrainian situation, the prospect is the slowdown of global economic growth. Monetary tightening as well as high prices caused by rising prices for raw materials due to soaring resource and energy prices have become a burden on corporate and household economic activity. Among developed countries, the U.S. economy will maintain positive growth, although at a slower pace, supported by consumer spending, while a gradual recovery is expected to continue in the Japanese economy. In contrast, the slump in the Euro-zone economy is expected to continue as a result of effects from a delayed recovery in external demand and unstable energy supplies. Among emerging countries, economic activity in China is expected to continue recovering as a result of the abolishment of zero-COVID policies, the recovery of the real estate market, and other factors. Many other emerging and developing countries are expected to continue recovering at a gradual pace. Risks include turmoil in the financial industry, intensification of the conflict in Ukraine, a potential rebounding of COVID-19, prolonged high prices and effects from the accompanying financial tightening, intensification of debt problems in emerging economies, and heightened geopolitical risks in Northeast Asia, the Middle East, North Africa, and other regions.

Under these circumstances, our forecast for consolidated financial results for FY2023 is as follows:

Profit for the year attributable to owners of the parent: 480.0 billion yen

The mineral resources business is expected to report lower profit due to effects from softening mineral resource and energy prices as well as a downturn from the solid performance in trading in the previous fiscal year. And the non-mineral resources business is expected to report a lower profit in the tubular products business and construction equipment related business in North America, but the domestic electricity retail business is expected to recover and other businesses are expected to generally perform well. As a result, our forecast for consolidated financial results for FY2023 is 480.0 billion yen.

### **4. Shareholder Return Policy**

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

The company's policy on shareholder returns for FY2022 and beyond is as follows: we will decide the amount of annual dividends within a DOE (dividend on equity ratio) range of 3.5% to 4.5% by taking into consideration fundamental earnings capacity, cash flows, and other factors with a consolidated payout ratio of 30% as a guideline. If 30% of the profit for the year exceeds the above range, we will pay dividends or repurchase our shares for the excess portion in a flexible and agile manner.

Profit for the year attributable to owners of the parent in FY2022 totaled 565.2 billion yen, the annual dividend for FY2022 is planned 115 yen per share. The year-end dividend for FY2022 is planned to be 57.5 yen per share since the interim dividend was 57.5 yen per share.

Also, we decided at the time of FY2022-Q3 earning announcement to repurchase our shares (from February 7 to April 28, 2023) up to a maximum of 50 billion yen as an additional return for the excess portion of the upper limit of the DOE range, which was completed on April 28. Separately from this, we have decided today to execute further share repurchases (from May 10 to June 9, 2023) up to a maximum of 20 billion yen. For details, please refer to the "Notice Regarding Share Repurchases and Cancellation of Treasury Stock" released today.

Considering that the forecast for consolidated financial results for FY2023 is 480.0 billion yen, we plan to increase the annual dividend for FY2023 by 5 yen per share to 120 yen per share (minimum for FY2023).

**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.

## **Basic Concept Regarding Selection of Accounting Standard**

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



## Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries

As of March 31, 2022 and 2023

	Millions of Yen		Millions of U.S. Dollars
	March 31, 2022	March 31, 2023	March 31, 2023
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	¥ 733,824	¥ 656,859	\$ 4,939
Time deposits	13,847	10,783	81
Marketable securities	2,308	1,741	13
Trade and other receivables	1,621,862	1,678,995	12,624
Contract assets	300,539	426,369	3,206
Other financial assets	250,892	123,827	931
Inventories	1,058,003	1,390,559	10,455
Advance payments to suppliers	116,795	135,177	1,016
Assets classified as held for sale	33,815	6,574	50
Other current assets	513,598	442,073	3,324
Total current assets	4,645,483	4,872,957	36,639
<b>Non-current assets:</b>			
Investments accounted for using the equity method	2,356,984	2,642,504	19,868
Other investments	416,667	388,767	2,923
Trade and other receivables	215,941	207,201	1,558
Other financial assets	204,415	190,736	1,434
Property, plant and equipment	1,023,733	1,046,316	7,867
Intangible assets	254,966	284,790	2,141
Investment property	339,336	346,355	2,604
Biological assets	40,241	36,891	277
Deferred tax assets	26,660	30,790	232
Other non-current assets	57,740	58,945	444
Total non-current assets	4,936,683	5,233,295	39,348
Total assets	¥ 9,582,166	¥ 10,106,252	\$ 75,987

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥133=US\$1.

## Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries

As of March 31, 2022 and 2023

	Millions of Yen		Millions of U.S. Dollars
	March 31, 2022	March 31, 2023	March 31, 2023
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities:</b>			
Bonds and borrowings	¥ 608,031	¥ 685,356	\$ 5,153
Trade and other payables	1,612,480	1,648,976	12,398
Lease liabilities	73,820	76,058	572
Other financial liabilities	292,185	119,170	896
Income tax payables	63,373	48,060	361
Accrued expenses	119,979	137,190	1,032
Contract liabilities	155,651	119,603	899
Provisions	6,429	12,152	91
Liabilities associated with assets classified as held for sale	16,917	5,487	41
Other current liabilities	127,925	113,103	851
Total current liabilities	3,076,790	2,965,155	22,294
<b>Non-current liabilities:</b>			
Bonds and borrowings	2,413,343	2,466,733	18,547
Trade and other payables	50,651	57,575	433
Lease liabilities	410,027	421,759	3,171
Other financial liabilities	95,764	57,243	430
Accrued pension and retirement benefits	20,742	21,841	164
Provisions	55,969	39,996	301
Deferred tax liabilities	77,595	98,491	741
Total non-current liabilities	3,124,091	3,163,638	23,787
Total liabilities	6,200,881	6,128,793	46,081
<b>Equity:</b>			
Common stock	219,894	220,047	1,654
Additional paid-in capital	255,996	254,114	1,911
Treasury stock	(1,871)	(39,563)	(297)
Other components of equity	454,136	637,538	4,794
Retained earnings	2,269,661	2,707,382	20,356
Equity attributable to owners of the parent	3,197,816	3,779,518	28,418
<b>Non-controlling interests</b>	183,469	197,941	1,488
Total equity	3,381,285	3,977,459	29,906
Total liabilities and equity	¥ 9,582,166	¥ 10,106,252	\$ 75,987

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥133=US\$1.

# Consolidated Statements of Comprehensive Income

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2022 and 2023

	Millions of Yen		Millions of
	2022	2023	U.S. Dollars
<b>Revenues</b>			
Sales of tangible products	¥ 4,997,278	¥ 6,238,706	\$ 46,908
Sales of services and others	497,737	579,166	4,355
<b>Total revenues</b>	<b>5,495,015</b>	<b>6,817,872</b>	<b>51,263</b>
<b>Cost</b>			
Cost of tangible products sold	(4,219,322)	(5,278,970)	(39,692)
Cost of services and others	(266,090)	(304,150)	(2,287)
<b>Total cost</b>	<b>(4,485,412)</b>	<b>(5,583,120)</b>	<b>(41,979)</b>
<b>Gross profit</b>	<b>1,009,603</b>	<b>1,234,752</b>	<b>9,284</b>
<b>Other income (expenses)</b>			
Selling, general and administrative expenses	(713,941)	(811,737)	(6,103)
Impairment reversal (loss) on long-lived assets	(17,887)	(6,861)	(52)
Gain (loss) on sale of long-lived assets, net	5,244	20,152	152
Other, net	55,881	(3,241)	(24)
<b>Total other income (expenses)</b>	<b>(670,703)</b>	<b>(801,687)</b>	<b>(6,027)</b>
<b>Finance income (costs)</b>			
Interest income	28,989	48,340	363
Interest expense	(30,194)	(59,791)	(450)
Dividends	27,255	20,068	151
Gain (loss) on securities and other investments, net	48,238	29,050	218
<b>Finance income (costs), net</b>	<b>74,288</b>	<b>37,667</b>	<b>282</b>
<b>Share of profit (loss) of investments accounted for using the equity method</b>	<b>176,831</b>	<b>252,186</b>	<b>1,896</b>
<b>Profit before tax</b>	<b>590,019</b>	<b>722,918</b>	<b>5,435</b>
<b>Income tax expense</b>	<b>(105,452)</b>	<b>(123,830)</b>	<b>(931)</b>
<b>Profit for the year</b>	<b>484,567</b>	<b>599,088</b>	<b>4,504</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent	¥ 463,694	¥ 565,178	\$ 4,249
Non-controlling interests	20,873	33,910	255
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Financial assets measured at fair value through other comprehensive income	14,188	4,735	36
Remeasurements of defined benefit pension plans	10,577	8,885	67
Share of other comprehensive income of investments accounted for using the equity method	(1,646)	769	6
<b>Total items that will not be reclassified to profit or loss</b>	<b>23,119</b>	<b>14,389</b>	<b>109</b>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations	246,071	123,559	929
Cash-flow hedges	19,354	26,175	197
Hedging cost	(2,209)	(1,596)	(12)
Share of other comprehensive income of investments accounted for using the equity method	20,363	48,835	367
<b>Total items that may be reclassified subsequently to profit or loss</b>	<b>283,579</b>	<b>196,973</b>	<b>1,481</b>
<b>Other comprehensive income, net of tax</b>	<b>306,698</b>	<b>211,362</b>	<b>1,590</b>
<b>Comprehensive income for the year</b>	<b>791,265</b>	<b>810,450</b>	<b>6,094</b>
<b>Comprehensive income for the year attributable to:</b>			
Owners of the parent	¥ 765,330	¥ 774,262	\$ 5,822
Non-controlling interests	25,935	36,188	272

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥133=US\$1.

## Consolidated Statements of Changes in Equity

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2022 and 2023

For the years ended March 31, 2022

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity	Retained earnings	Total		
<b>Balance, beginning of year</b>	219,781	251,781	(2,063)	187,041	1,871,411	2,527,951	167,599	2,695,550
Profit for the year					463,694	463,694	20,873	484,567
Other comprehensive income for the year				301,636		301,636	5,062	306,698
<b>Comprehensive income for the year</b>				301,636	463,694	765,330	25,935	791,265
<b>Transaction with owners:</b>								
Share-based payment transactions	113	113				226		226
Acquisition (disposal) of non-controlling interests, net		3,967				3,967	643	4,610
Acquisition (disposal) of treasury stock, net			192			192		192
Cash dividends to owners of the parent					(99,985)	(99,985)		(99,985)
Cash dividends to non-controlling interests							(10,708)	(10,708)
Others		135				135		135
<b>Transfer to retained earnings</b>				(34,541)	34,541	—		—
<b>Balance, end of year</b>	219,894	255,996	(1,871)	454,136	2,269,661	3,197,816	183,469	3,381,285

For the years ended March 31, 2023

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity	Retained earnings	Total		
<b>Balance, beginning of year</b>	219,894	255,996	(1,871)	454,136	2,269,661	3,197,816	183,469	3,381,285
Profit for the year					565,178	565,178	33,910	599,088
Other comprehensive income for the year				209,084		209,084	2,278	211,362
<b>Comprehensive income for the year</b>				209,084	565,178	774,262	36,188	810,450
<b>Transaction with owners:</b>								
Share-based payment transactions	153	559				712		712
Acquisition (disposal) of non-controlling interests, net		(2,578)				(2,578)	1,839	(739)
Acquisition (disposal) of treasury stock, net			(37,692)			(37,692)		(37,692)
Cash dividends to owners of the parent					(153,139)	(153,139)		(153,139)
Cash dividends to non-controlling interests							(23,555)	(23,555)
Others		137				137		137
<b>Transfer to retained earnings</b>				(25,682)	25,682	—		—
<b>Balance, end of year</b>	220,047	254,114	(39,563)	637,538	2,707,382	3,779,518	197,941	3,977,459

For the years ended March 31, 2023

Millions of U.S. Dollars

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity	Retained earnings	Total		
<b>Balance, beginning of year</b>	1,653	1,925	(14)	3,414	17,065	24,043	1,379	25,422
Profit for the year					4,249	4,249	255	4,504
Other comprehensive income for the year				1,573		1,573	17	1,590
<b>Comprehensive income for the year</b>				1,573	4,249	5,822	272	6,094
<b>Transaction with owners:</b>								
Share-based payment transactions	1	4				5		5
Acquisition (disposal) of non-controlling interests, net		(19)				(19)	14	(5)
Acquisition (disposal) of treasury stock, net			(283)			(283)		(283)
Cash dividends to owners of the parent					(1,151)	(1,151)		(1,151)
Cash dividends to non-controlling interests							(177)	(177)
Others		1				1		1
<b>Transfer to retained earnings</b>				(193)	193	—		—
<b>Balance, end of year</b>	1,654	1,911	(297)	4,794	20,356	28,418	1,488	29,906

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥133=US\$1.

# Consolidated Statements of Cash Flows

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2022 and 2023

	Millions of Yen		Millions of U.S. Dollars	
	2022	2023	2022	2023
<b>Operating activities:</b>				
Profit for the year	¥ 484,567	¥ 599,088	\$ 4,504	
Adjustments to reconcile profit for the year to cash flows from operating activities:				
Depreciation and amortization	170,363	183,749	1,382	
Impairment reversal (loss) on long-lived assets	17,887	6,861	52	
Finance (income) costs, net	(74,288)	(37,667)	(282)	
Share of (profit) loss of investments accounted for using the equity method	(176,831)	(252,186)	(1,896)	
(Gain) loss on sale of long-lived assets, net	(5,244)	(20,152)	(152)	
Income tax expense	105,452	123,830	931	
Changes in inventories	(148,056)	(264,356)	(1,988)	
Changes in trade and other receivables	(200,792)	(9,911)	(76)	
Changes in prepaid expenses	(28,476)	(10,599)	(80)	
Changes in trade and other payables	251,924	(39,662)	(298)	
Other, net	(249,621)	(118,258)	(889)	
Interest received	13,601	20,728	156	
Dividends received	142,767	205,786	1,547	
Interest paid	(22,650)	(46,483)	(349)	
Income taxes paid	(86,537)	(107,967)	(812)	
Cash flows from operating activities	194,066	232,801	1,750	
<b>Investing activities:</b>				
Proceeds from sale of property, plant and equipment	5,300	15,140	114	
Purchases of property, plant and equipment	(69,716)	(70,295)	(529)	
Proceeds from sale of investment property	22,327	32,119	242	
Purchases of investment property	(7,576)	(44,333)	(333)	
Proceeds from sale of other investments	166,017	116,771	878	
Acquisitions of other investments	(95,738)	(145,218)	(1,092)	
Collection of loans receivable	50,492	20,273	152	
Increase in loans receivable	(22,067)	(15,982)	(120)	
Cash flows from investing activities	49,039	(91,525)	(688)	
Free Cash Flows:	243,105	141,276	1,062	
<b>Financing activities:</b>				
Net changes in short-term debts	55,708	72,247	543	
Proceeds from issuance of long-term debts	354,709	381,151	2,866	
Repayments of long-term debts	(369,915)	(415,156)	(3,122)	
Repayments of lease liabilities	(68,365)	(71,509)	(538)	
Cash dividends paid	(99,985)	(153,139)	(1,151)	
Capital contribution from non-controlling interests	758	663	5	
Payments for acquisitions of subsidiary's interests from non-controlling interests	(2,178)	(3,247)	(24)	
Payments of dividends to non-controlling interests	(10,708)	(23,555)	(177)	
Acquisitions and disposal of treasury stock, net	52	(37,914)	(285)	
Cash flows from financing activities	(139,924)	(250,459)	(1,883)	
<b>Net changes in cash and cash equivalents</b>	<b>103,181</b>	<b>(109,183)</b>	<b>(821)</b>	
<b>Cash and cash equivalents at the beginning of year</b>	<b>599,013</b>	<b>733,824</b>	<b>5,517</b>	
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>40,668</b>	<b>26,959</b>	<b>203</b>	
<b>Net changes in cash and cash equivalents resulting from transfer to assets classified as held for sale</b>	<b>(9,038)</b>	<b>5,259</b>	<b>40</b>	
<b>Cash and cash equivalents at the end of year</b>	<b>¥ 733,824</b>	<b>¥ 656,859</b>	<b>\$ 4,939</b>	

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥133=US\$1.

**Assumptions for Going Concern**

: None

## **Changes in accounting estimate**

The significant changes in accounting estimates in the Consolidated Financial Statements are as follows.

Sumitomo, through KDDI Summit Global Singapore Pte.Ltd. (hereinafter “holding company”), its equity-method affiliate at 49.9% share ratio, has invested in KDDI Summit Global Myanmar Co.,Ltd. to support Myanma Posts & Telecommunications which is a licensed telecommunications service provider in Myanmar.

Sumitomo recognized an impairment loss of 17,464 million yen on the investments in the holding company, as a result of reassessing recoverable amount of the investments due to the increasing country risk in the country. The impairment loss is included in “Share of profit (loss) of investments accounted for using the equity method” in the Consolidated Statements of Comprehensive Income.

Sumitomo recognized an impairment reversal of 11,379 million yen relating to B&L PIPECO SERVICES, INC., a tubular products business company in North America, in which Sumitomo indirectly invests 100% through Sumitomo Corporation of Americas, its wholly-owned subsidiary, due to revision of the long-term business plan in line with market recovery. The impairment reversal is included in “Impairment reversal (loss) on long-lived assets” in the Consolidated Statements of Comprehensive Income.

## Segment Information

Sumitomo Corporation and Subsidiaries  
For the years ended March 31, 2022 and 2023

2022:	Millions of Yen									
		Metal Products	Transportation & Construction Systems	Infrastructure	Media & Digital	Living Related & Real Estate	Mineral Resources, Energy, Chemical & Electronics	Segment Total	Corporate and Eliminations	Consolidated
Total revenues	¥	1,056,045	894,092	524,605	418,525	979,186	1,526,138	5,398,591	96,424	5,495,015
Gross profit		140,275	189,350	71,491	111,004	222,652	271,196	1,005,968	3,635	1,009,603
Share of profit (loss) of investments accounted for using the equity method		8,179	5,782	10,042	36,059	7,903	107,534	175,499	1,332	176,831
Profit for the year (attributable to owners of the parent)		55,197	34,945	33,283	39,257	44,192	247,318	454,192	9,502	463,694
Total assets (As of March 31)		981,264	1,751,663	1,228,743	1,007,972	1,527,726	2,747,353	9,244,721	337,445	9,582,166

2023:	Millions of Yen									
		Metal Products	Transportation & Construction Systems	Infrastructure	Media & Digital	Living Related & Real Estate	Mineral Resources, Energy, Chemical & Electronics	Segment Total	Corporate and Eliminations	Consolidated
Total revenues	¥	1,760,388	1,053,184	613,633	451,306	1,059,099	1,854,780	6,792,390	25,482	6,817,872
Gross profit		220,449	261,033	59,813	121,277	242,754	329,661	1,234,987	(235)	1,234,752
Share of profit (loss) of investments accounted for using the equity method		11,704	63,313	11,964	14,315	8,624	140,983	250,903	1,283	252,186
Profit for the year (attributable to owners of the parent)		110,372	91,968	20,822	12,980	58,997	266,882	562,021	3,157	565,178
Total assets (As of March 31)		1,161,058	2,004,969	1,379,568	1,062,708	1,704,435	2,490,098	9,802,836	303,416	10,106,252

2023:	Millions of U.S. Dollars									
		Metal Products	Transportation & Construction Systems	Infrastructure	Media & Digital	Living Related & Real Estate	Mineral Resources, Energy, Chemical & Electronics	Segment Total	Corporate and Eliminations	Consolidated
Total revenues	\$	13,236	7,919	4,614	3,393	7,963	13,946	51,071	192	51,263
Gross profit		1,657	1,963	450	912	1,825	2,479	9,286	(2)	9,284
Share of profit (loss) of investments accounted for using the equity method		88	476	90	107	65	1,060	1,886	10	1,896
Profit for the year (attributable to owners of the parent)		830	691	156	98	444	2,007	4,226	23	4,249
Total assets (As of March 31)		8,730	15,075	10,373	7,990	12,815	18,723	73,706	2,281	75,987

### Notes:

1) The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥133=US\$1.

2) On April 1, 2022, precision agriculture business was transferred from Transportation & Construction Systems Business Unit to Mineral Resources, Energy, Chemical & Electronics Business Unit and digital health business was transferred from Media & Digital Business Unit to Living Related & Real Estate Business Unit.

Accordingly, the segment information of the previous year has been reclassified.



## Earnings per share

Sumitomo Corporation and Subsidiaries

For the years ended March 31, 2022 and 2023

The calculation of the basic and diluted earnings per share for the years ended March 31, 2022 and 2023 is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2022	2023	2023
Profit used to calculate basic earnings per share and diluted earnings per share:			
Profit attributable to owners of the parent	¥ 463,694	¥ 565,178	\$ 4,249
Adjustment to profit	(213)	(257)	(2)
Profit used to calculate basic earnings per share	463,481	564,921	4,248
Adjustment to profit	213	257	2
Profit used to calculate diluted earnings per share	463,694	565,178	4,249
	Number of shares		
	2022	2023	
Weighted-average shares:			
Weighted-average shares-basic	1,249,983,857	1,248,421,952	
Dilutive effect of:			
Stock options	6,253	1,819	
Restricted stock	490,100	384,983	
Performance share unit	547,322	405,136	
Restricted performance share unit	411,443	771,615	
Weighted-average shares-diluted	1,251,438,975	1,249,985,505	
	Yen		U.S. Dollars
	2022	2023	2023
Earnings per share:			
Basic	¥ 370.79	¥ 452.51	\$ 3.40
Diluted	370.53	452.15	3.40

Notes:

The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥133=US\$1.

## Subsequence Events

### Repurchases and Cancellation of Treasury Stock

At a meeting of its Board of Directors held on May 9, 2023, the Company has resolved to repurchase shares of its common stock pursuant to Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Act, and to cancel a portion of its treasury stock in accordance with Article 178 of the Act. Details of the repurchase and cancellation are as follows.

#### 1. Purpose of the share repurchases

To improve capital efficiency and to enhance shareholder returns

#### 2. Details of the share repurchases

- |   |  |
|---|--|
| (1) Class of shares to be repurchased:        | Common stock   |
| (2) Total number of shares to be repurchased: | Up to 12 million shares (Ratio to the number of<br>outstanding shares (excluding treasury stock) about 1.0%) |
| (3) Aggregate repurchase amount:              | Up to 20 billion yen   |
| (4) Period for repurchases:                   | From May 10, 2023 to June 9, 2023  |
| (5) Method of repurchases:                    | Purchase on the Tokyo Stock Exchange   |

#### 3. Details of cancellation

- |   |                        |
|---|------------------------|
| (1) Class of shares to be cancelled:                          | Common stock           |
| (2) Total number of shares of treasury stock to be cancelled: | All shares repurchased |
| (3) Scheduled date of cancellation:                           | July 24, 2023          |

#### (Reference)

Number of treasury stock shares (as of March 31, 2023) (\*)

Number of outstanding shares (excluding treasury stock): 1,234,093,737 shares

Number of treasury stock shares: 17,478,130 shares

(\*) 5,036,700 shares were repurchased from April 1, 2023 to April 28, 2023. The share repurchases pursuant to the resolution of the meeting of Board of Directors held on February 6, 2023 have been completed.