

# Highlights of consolidated annual results 2001 (Year ended March 31, 2002)

[Prepared on the basis of accounting principles generally accepted in the United States of America]

May 9, 2002

Unit: 100 millions of yen (rounded to the nearest 100 million)

**Sumitomo Corporation**

(1) Consolidated income	Year ended		increase/(decrease)	Summary	(4) Segment Information	Gross trading profit			Operating income			Net income			
	March 31, 2002	March 31, 2001				Year ended March 31, 2002	Year ended March 31, 2001	increase/(decrease)	Year ended March 31, 2002	Year ended March 31, 2001	increase/(decrease)	Year ended March 31, 2002	Year ended March 31, 2001	increase/(decrease)	
Total trading transactions [100,000]	96,454	100,801	(4,347)	(4.3%)	<b>Gross trading profit</b> < Businesses which showed strong performances > • Plant projects in Asia (Taiwan etc.) • Automobile dealership businesses in Europe • Retail and consumer services (including supermarket "Summit") • Condominiums in Tokyo metropolitan area < Businesses which showed weak performances > • Electronic parts and electronics related materials • PVC conduit business in the U.S. <b>Selling, general and administrative expenses</b> • Increased due to expansion of subsidiaries' businesses <b>Provision for doubtful receivables</b> • Net reversal due to the collection of certain doubtful receivables <b>Interest expense</b> • Improved by lower interest rates <b>Gain/loss on marketable securities and investments</b> • Gain on sale of marketable securities and investments 27.8 billion yen • Valuation losses on marketable securities and investments 50.5 billion yen <b>Equity in earnings/losses of associated companies</b> • Jupiter Programming turnaround into profit, Batu Hijau Project, and newly established LNG Japan contributed to improvement in equity in earnings.	Metal Products	366	357	9	89	96	(7)	45	33	12
Gross trading profit [4,900]	4,873	4,884	(11)	(0.2%)		Transportation & Construction Systems	785	730	55	127	142	(15)	44	26	17
Selling, general and administrative expenses	(4,008)	(3,906)	(103)	(2.6%)		Machinery & Electric	306	265	42	47	(5)	53	41	(60)	101
Reversal (Provision) for doubtful receivables	19	(90)	109	-		Media, Electronics & Network	419	496	(76)	35	92	(57)	63	154	(91)
Operating income [900]	884	889	(5)	(0.5%)		Chemical	255	290	(34)	36	71	(34)	19	29	(10)
Interest expense (net of interest income)	(138)	(180)	43	23.6%		Mineral Resources & Energy	301	301	0	41	43	(2)	25	(71)	95
Dividends	67	60	7	11.3%		Consumer Goods & Service	819	779	40	89	66	23	51	30	21
Other, net	17	96	(79)	(81.9%)		Materials & Real Estate	426	370	56	111	80	31	30	(37)	67
Income before income taxes and equity in earnings/losses of associated companies [800]	830	864	(34)	(4.0%)		Financial & Logistics	145	134	12	20	12	8	13	13	1
Income taxes	(328)	(345)	17	4.9%		Domestic Regional Business Units, Offices and Branch Offices	531	557	(26)	78	99	(21)	41	26	15
Income before equity in earnings/losses of associated companies [450]	502	520	(17)	(3.3%)		Overseas Subsidiaries and Branches	591	609	(18)	85	132	(48)	79	60	19
Minority interest	(52)	(52)	(1)	(1.0%)		Total	4,945	4,886	59	758	828	(69)	449	203	247
Equity in earnings/losses of associated companies, net (after income tax effect) [0]	2	(65)	67	-		Corporate & elimination	(72)	(2)	(70)	126	61	64	3	201	(198)
Net income [450]	452	403	49	12.1%		Consolidated	4,873	4,884	(11)	884	889	(5)	452	403	49

(2) Assets and liabilities	March 31,		increase/(decrease)
	2002	2001	
Total assets	48,526	49,501	(975)
Total shareholders' equity	6,504	6,230	274
Shareholders' equity ratio	13.4%	12.6%	0.8point
Debt*	24,883	24,477	406
*Exclude effect of adopting FAS 133			
Debt to equity ratio	3.8	3.9	0.1point

(3) Cash Flows	Year ended	
	March 31, 2002	March 31, 2001
Net cash provided by operating activities	727	857
Net cash provided by/used in investing activities	(788)	(628)
(Free Cash Flows)	(61)	229
Net cash provided by/used in financing activities	267	140
Effect of exchange rate changes on cash and cash equivalents	46	32
Net increase/decrease in cash and cash equivalents	252	401

(5) Projections (fiscal year ending March 31, 2003)	Year ending		increase/ (decrease)
	March 31, 2003	March 31, 2002	
Total trading transactions	95,000	96,454	(1,454) (1.5%)
Gross trading profit	5,200	4,873	327 6.7%
Selling, general and administrative expenses	(4,150)	(4,008)	(142) (3.5%)
Reversal (Provision) for doubtful receivables	(50)	19	(69) -
Operating income	1,000	884	116 13.1%
Changes in interest expense	(120)	(138)	18 13.0%
Dividends	70	67	3 4.5%
Other, net	(50)	17	(67) -
Income before income taxes and equity in earnings/losses of associated	900	830	70 8.4%
Income taxes	(350)	(328)	(22) (6.7%)
Income before equity in earnings/losses of associated companies	550	502	48 9.6%
Minority interest	(50)	(52)	2 3.8%
Equity in earnings of associated companies, net (after income tax effect)	50	2	48 -
Net income	550	452	98 21.7%