

## Financial Section

## Consolidated Statement of Cash Flows

Sumitomo Corporation and Subsidiaries  
For the years ended March 31, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
<b>Operating activities</b> (Note 32):			
Profit (loss) for the year	¥ (70,817)	¥ 233,858	\$ (590)
Adjustments to reconcile profit for the year to net cash provided by operating activities:			
Depreciation and amortization	117,687	106,525	981
Impairment losses on long-lived assets	278,620	31,407	2,322
Finance (income) costs, net	(16,721)	(6,270)	(139)
Share of profit of investments accounted for using the equity method	(49,092)	(126,226)	(409)
(Gain) loss on sale of long-lived assets, net	(9,450)	(11,586)	(79)
Income tax expense	52,256	70,388	435
(Increase) decrease in inventories	(48,657)	16,309	(406)
Decrease (increase) in trade and other receivables	94,399	(33,197)	787
Increase in prepaid expenses	(14,503)	(6,502)	(121)
Decrease in trade and other payables	(67,246)	(26,777)	(560)
Other, net	(54,542)	(7,794)	(454)
Interest received	20,022	12,490	167
Dividends received	85,938	92,887	716
Interest paid	(33,216)	(27,708)	(277)
Income tax paid	(40,983)	(39,567)	(342)
Net cash from operating activities	243,695	278,237	2,031
<b>Investing activities</b> (Note 32):			
Proceeds from sale of property, plant and equipment	14,569	12,187	121
Proceeds from sale of investment property	18,846	62,271	157
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	25,057	7,245	209
Proceeds from sale of other investments	170,061	147,326	1,417
Collection of loan receivables	486,090	382,815	4,051
Purchase of property, plant and equipment	(247,965)	(196,740)	(2,066)
Purchase of investment property	(27,384)	(46,293)	(228)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(6,790)	(54,050)	(57)
Acquisition of other investments	(266,580)	(124,440)	(2,221)
Increase in loan receivables	(565,490)	(440,173)	(4,713)
Net cash used in investing activities	(399,586)	(249,852)	(3,330)
<b>Financing activities</b> (Note 32):			
Net increase in short-term debt	(10,360)	12,908	(86)
Proceeds from issuance of long-term debt	654,063	651,684	5,450
Repayment of long-term debt	(649,697)	(457,807)	(5,414)
Cash dividends paid	(61,135)	(55,022)	(509)
Capital contribution from non-controlling interests	1,073	1,568	9
Payment for acquisition of subsidiary's interests from non-controlling interests	(4,963)	(223)	(41)
Payment of dividends to non-controlling interests	(3,872)	(3,378)	(33)
(Acquisition) disposal of treasury stock, net	115	(3,822)	1
Net cash (used in) provided by financing activities	(74,776)	145,908	(623)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(230,667)</b>	<b>174,293</b>	<b>(1,922)</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>1,111,192</b>	<b>924,513</b>	<b>9,260</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>15,350</b>	<b>12,386</b>	<b>128</b>
<b>Cash and cash equivalents at the end of year</b>	<b>¥ 895,875</b>	<b>¥1,111,192</b>	<b>\$ 7,466</b>

See the accompanying notes to the consolidated financial statements.