

Quarterly Results for FY2019 (Three-month period ended June 30, 2019)

August 2nd, 2019

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.

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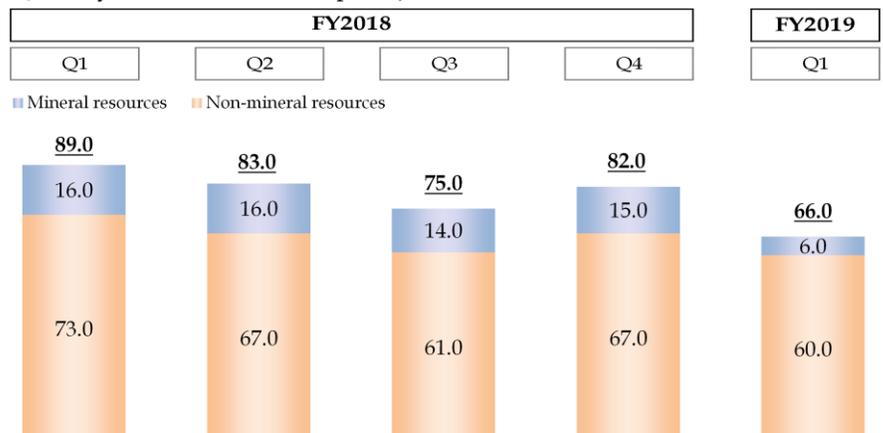
1. Operating Results(Profit for the period)

| (Unit: Billions of yen) | FY2018 Q1 (Apr.-Jun.) (A) | FY2019 Q1 (Apr.-Jun.) (B) | Increase/ Decrease (B)-(A) | FY2019 Annual Forecasts (announced in May, 2019) (C) | Progress (B) / (C) |
|-------------------------------------|------------------------------------|------------------------------------|----------------------------------|--|-----------------------|
| Profit for the period | 91.4 | 79.7 | - 11.6 | 340.0 | 23% |
| One-off profits/losses | approx. +2.0 | approx. +14.0 | approx. +12.0 | - | |
| excl. one-off profits/losses | approx. 89.0 | approx. 66.0 | approx. - 23.0 | approx. 340.0 | 19% |
| Mineral resources *1 | 16.0 | 6.0 | - 10.0 | 44.0 | 14% |
| Non-mineral resources *2 | 73.0 | 60.0 | - 13.0 | 296.0 | 20% |

< Summary (excl. one-off profits/losses) > (Results)

- **Mineral resources**
 - ✓ Decrease in earnings of Silver-zinc-lead mining project in Bolivia
 - ✓ Low performance of Nickel project in Madagascar
- **Non-mineral resources**
 - ✓ Decrease in earnings of tubular products business in North America due to lower market indicators
 - ✓ Low performance of automotive related business
 - ✓ Progress in construction of large-scale projects in power infrastructure business
 - ✓ Stable performance of real estate business

< Quarterly Trend for excl. one-off profits/losses >



| (Reference) Key indicators | | FY2018 Q1 (Apr.-Jun.) | FY2019 Q1 (Apr.-Jun.) | Annual Forecasts |
|-------------------------------|---------------------|-----------------------------|-----------------------------|---------------------|
| Exchange rate | (YEN/US\$) | 109.10 | 109.90 | 110.00 |
| Interest rate | LIBOR 6M (YEN) | 0.02% | 0.00% | 0.01% |
| | LIBOR 6M (US\$) | 2.50% | 2.50% | 2.70% |
| Copper *1 | (US\$/MT) | 6,959 | 6,220 | 6,878 |
| Zinc | (US\$/MT) | 3,112 | 2,762 | 2,700 |
| Nickel | (US\$/lb) | 6.57 | 5.56 | 6.48 |
| Iron ore *1 | (US\$/MT) | 74 | 83 | 86 |
| Hard coking coal *2 | (US\$/MT) | 197 | 204 | 214 |
| Thermal coal | (US\$/MT) | 105 | 80 | 89 |
| Crude Oil | Brent *1 (US\$/bbl) | 67 | 64 | 61 |
| | WTI (US\$/bbl) | 68 | 60 | 53 |

*1 These commodities show the prices in Jan.-Mar. (Forecasts: 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 1.0 billion yen.

*1 Mineral resources is a sum of Mineral resources division No.1, Mineral resources division No.2 and Energy division.

*2 Non-mineral resources business is calculated by subtracting Mineral resources business from the total (excl.one-off profits/losses)

Profit for the period for the first quarter decreased 11.6 billion yen year-on-year to 79.7 billion yen.

One-off profit rose 12.0 billion yen year-on-year to 14.0 billion yen, mainly due to the recording of profits related to the change in the shareholding structure of the LPG wholesaling business Gyxis Corporation.

Excluding one-off profits and losses, profit for the period was 66.0 billion yen, down 23.0 billion yen from the same period of the previous fiscal year.

Breaking this down into mineral resources businesses and non-mineral resources businesses, mineral resources businesses posted a year-on-year decline of 10.0 billion yen in profits to 6.0 billion yen.

This was mainly due to a decline in profits in Nickel mining and refining business in Madagascar and a reactionary decline following the concentration of profits in the same period of the previous fiscal year due to changes in contract terms at Silver-zinc-lead mining project in Bolivia.

Non-mineral resources businesses stood at 60.0 billion yen, down 13.0 billion yen from the same period of the previous fiscal year. This was mainly due to a reactionary decline in tubular products business in North America against the robust performance of the market as a result of the measures under Article 232 of the US Trade Law in the same period of the previous fiscal year and the low performance of the automotive-related business due to the sluggish market, especially in the Chinese market, despite the stable progress of construction of large-scale projects in power infrastructure business and the solid performance trend in real estate business.

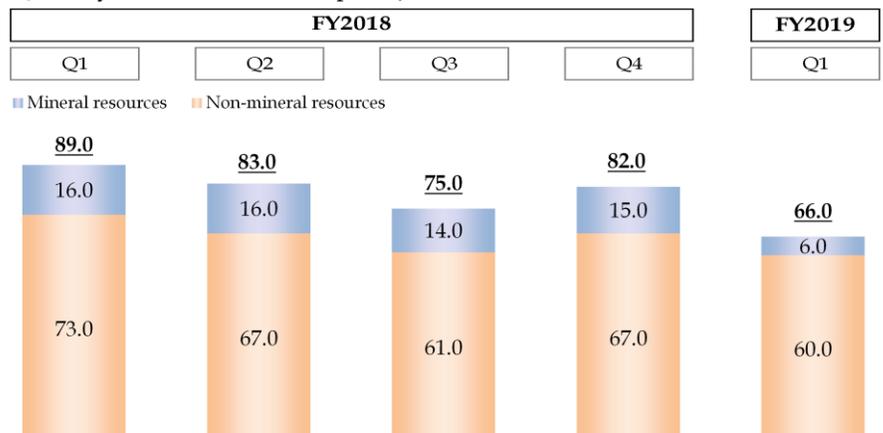
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< Quarterly Trend for excl. one-off profits/losses >



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(Continued)

We have not revised our full-year forecast of 340.0 billion yen.

Overall, the progress rate for the first quarter was 23%, and we believe it is generally steady.

Currently, there are some businesses that are weakening, such as low performance in the automobile-related business against the backdrop of the US-China trade problem and weaker-than-expected resource prices compared with the initial forecast. However, we have not changed our outlook for the full fiscal year to reach 340.0 billion yen, as we are expecting business recovery in the future, one-off profits and losses, and other factors.

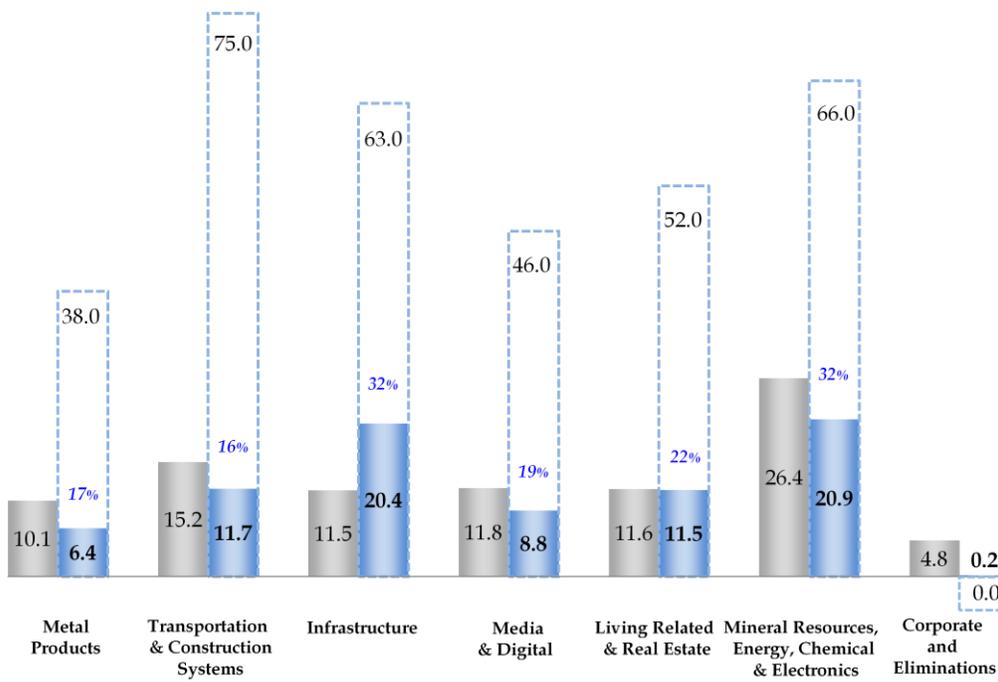
Looking at each business, although mineral resources business has made progress rate of 14% against the initial forecast, it has generally made progress as expected considering the solid performance of the resource-related mid-downstream trading business and the profits from Iron ore mining project in South Africa, which are posted in Q2 and Q4.

Non-mineral resources business is progressing at 20% but is expected to recover from the second half, mainly in tubular products business in North America and US tire business TBC Corporation (TBC).

2. Profit for the period by Segment

(Unit: Billions of yen)

■ FY2018 Q1 (Results) ■ FY2019 Q1 (Results) □ FY2019 (Annual Forecasts) (Percentage shows progress for Annual Forecasts)



One-off profits/losses included in profit for the period by segment (Left : FY 2018 Q1, Right : FY 2019 Q1)

| | | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------|------|------|
| ±0.0 | ±0.0 | -1.0 | ±0.0 | ±0.0 | +6.0 | ±0.0 | ±0.0 | ±0.0 | -1.0 | +3.0 | +10.0 | ±0.0 | ±0.0 |
|------|------|------|------|------|------|------|------|------|------|------|-------|------|------|

* The segment information of FY2018 Q1 has been reclassified, according to organizational change on Oct. 1, 2018.

< Summary by segment (Results) >

- **Metal Products**
 - ✓ Decrease in earnings of tubular products business in North America due to lower market indicators
 - ✓ Low performance of the operation of overseas steel service centers
- **Transportation & Construction Systems**
 - ✓ Stable performance of leasing business
 - ✓ Stable performance of construction equipment sales & marketing and rental business
 - ✓ Low performance of automotive manufacturing business
- **Infrastructure**
 - ✓ Progress in construction of large-scale projects in power infrastructure business
 - ✓ Stable performance of IPP/IWPP business
- **Media & Digital**
 - ✓ Stable performance of domestic major group companies
 - ✓ Change of fiscal year of telecommunication business in Myanmar in FY2018Q1
- **Living Related & Real Estate**
 - ✓ Stable performance of domestic major group companies
 - ✓ Stable performance of real estate business
- **Mineral Resources, Energy, Chemical & Electronics**
 - ✓ Decrease in earnings of Silver-zinc-lead mining project in Bolivia
 - ✓ Low performance of Nickel project in Madagascar

3. Cash Flows / Financial Position

● Cash Flows (Unit: Billions of yen)

| | FY2018 Q1 | FY2019 Q1 |
|--|----------------|----------------|
| Operating activities | -42.3 | +48.9 |
| Investing activities | +11.4 | -89.3 |
| Free Cash Flow | -30.9 | -40.4 |
| ▽ | | |
| <Cash in> | | |
| Basic profit cash flow*1 | +103.7 | +109.8 |
| (Dividend from investments accounted for using the equity method, included in the above) | (+51.0) | (+61.4) |
| Depreciation and amortization | +27.6 | +38.4 |
| Asset replacement | approx. +80.0 | approx. +30.0 |
| Others | approx. -170.0 | approx. -100.0 |
| <Cash out> | | |
| Investment & Loan | approx. -70.0 | approx. -120.0 |

< Summary >

- **Basic profit cash flow**
 - ✓ Core businesses generated cash steadily
- **Asset replacement**
 - ✓ Sale of offshore wind farm project in the U.K.
 - ✓ Restructuring of aircraft engine leasing company, etc.
- **Others**
 - ✓ Increase in working capital, etc.
- **Investment & Loan**
 - ✓ Acquisition of parking provider in northern Europe
 - ✓ Acquisition of domestic real estate assets, etc.

● Financial Position (Unit: Trillions of yen)

| As of Mar. 31, 2019 | | As of Jun. 30, 2019 | |
|---------------------------|--|---------------------------|--|
| Total assets 7.9 | | Total assets 8.3 | |
| Current assets 3.5 | Other liabilities 2.0 | Current assets 3.6 | Other liabilities 2.4 |
| Non-current assets 4.4 | Interest-bearing Liabilities *2 3.1 (2.4) | Non-current assets 4.7 | Interest-bearing Liabilities *2 3.2 (2.5) |
| | Shareholders' equity *3 2.8 | | Shareholders' equity *3 2.7 |
| D/E Ratio(Net) : 0.9 | | D/E Ratio(Net) : 0.9 | |

< Summary (Unit: Billions of yen) >

- **Total assets +344.2**
(7,916.5→8,260.7)
 - ✓ Increase by adopting IFRS 16 (change in accounting treatment for "lease") (approx. +390 bil. yen)
 - ✓ Decrease due to the yen's appreciation (approx. -100 bil. yen), etc.
- **Shareholders' equity -97.0**
(2,771.5→2,674.5)
 - ✓ Increase in retained earnings
 - ✓ Dividend paid
 - ✓ Decrease due to the yen's appreciation, etc.

| | As of Mar. 31, 2019 | As of Jun. 30, 2019 |
|-----------------------------|------------------------|------------------------|
| Exchange rate (YEN/US\$) | 110.99 | 107.79 |

*1 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
 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 "Interest-bearing liabilities" is sum of bonds and borrowings (current and non-current), excluding lease liabilities.
 Figures in parenthesis in "interest-bearing liabilities" show "interest-bearing liabilities, net".
 * 3 "Shareholders' equity" is equivalent to "Equity attributable to owners of the parent" in Consolidated Statements of Financial Position.

Free cash flow during the first quarter posted negative 40.4 billion yen.

Basic profit cash flows totaled 109.8 billion yen, mainly due to the steady generation of cash by core businesses.

In asset replacements, we recovered 30.0 billion yen from the sale of offshore wind farms in UK and the restructuring of the aircraft engine leasing business.

Other cash flows were net cash outflows of 100.0 billion yen, mainly due to an increase in working capital.

Investments and loans generated a cash outflow of 120.0 billion yen due to the acquisition of the parking provider in northern Europe and the acquisition of domestic real estate assets.

While free cash flow in the first quarter was negative, we will continue to manage it in order to turn it to positive for the full fiscal year.

Regarding the financial position on the right side of the page, total assets increased by 344.2 billion yen from the end of the previous fiscal year to 8.261 trillion yen.

This was mainly due to an increase of approximately 400.0 billion yen in operating leases as a result of the adoption of the new leasing standard under IFRS No. 16, despite a decrease of 100.0 billion yen caused by the appreciation of the yen.