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#### Cautionary Statement Concerning Forward-Looking Statements

Certain statements contained in this report relating to our future plans, targets, objectives, expectations, operations, performance and other developments, economic prospects, projections of revenue, income, earnings, expenditures or other financial results and intentions constitute forward-looking statements. The forward-looking statements can be identified by the use of words such as “believes,” “expects,” “anticipate,” “should,” “will,” “would,” “plan,” “estimate,” “potential,” “goal,” “outlook,” “may,” “predicts,” “could,” “seek,” “intend,” or the negative of those words and other comparable expressions. The forward-looking statements are based on management’s current assumptions and expectations of future events, and are subject to a number of factors and uncertainties that may result in changes in circumstances. Actual results may differ materially from those the Company expected for a wide range of possible reasons, including general industry and market conditions, general international economic conditions and the risk factors identified in our public filings. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The Company may be unsuccessful in implementing its business strategies, and management may fail to achieve its targets. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, events or performances. These forward-looking statements are made as of the date of this report and the Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

## **INTERIM REPORT FOR THE FIRST HALF OF THE 142<sup>nd</sup> FISCAL YEAR**

April 1, 2009, through September 30, 2009

**SUMITOMO CORPORATION**

## **To All Shareholders**

We sincerely thank you for the exceptional support you have always given to us.

We have just conducted an interim closing of accounts for the first half of the 142<sup>nd</sup> Fiscal Year (April 1, 2009 through September 30, 2009), and we would like to report on the general condition of operations for such period.

November 2009  
Susumu Kato  
President and CEO

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# General Condition of the Business

## 1. Review of Business Operations for the First Half of the 142nd Fiscal Year

### • Economic Environment

During the first half of this fiscal year (April 1 to September 30, 2009), the global economy moved tentatively toward an end to the simultaneous global downturn thanks to concerted implementation of all sorts of policy measures by the major countries, with China and other emerging economies managing to halt the vicious cycle of deteriorating sentiment and shrinking demand. Prices on international commodity markets turned up again, reflecting the resumption of the flow of funds into risk assets and expectations of increased demand from emerging economies.

In Japan, though the employment picture continued to deteriorate, with the unemployment rate on the rise, the improvement in the global economy and the implementation of emergency stimulus packages by the government put brakes on the simultaneous downturn in exports and production, and expectations of a recovery began to build.

### • Overview and Progress of the Medium-Term Management Plan, “FOCUS’10”

Sumitomo Corporation has been achieving steady progress in implementing its medium-term management plan, FOCUS’10, launched at the start of this fiscal year in April.<sup>1</sup> Under this plan we aim to establish “a growth scenario on a new stage” with a view to the next 10 years and become a value-creating company that leverages change into growth. We will seek to do this in the context of external conditions of unprecedented economic crisis by continuing to strive for “the creation of new value,” as set forth in our Corporate Mission Statement, building on the management reforms implemented over a period of 10 years starting with the Reform Package launched in April 1999 and continuing through the GG Plan completed in March this year.

For this purpose, our fundamental principles will be to (1) promote medium/long-term growth by enhancing our value-creation capability while reinforcing our soundness and efficiency and (2) promote company-wide growth by leveraging the diversity and the strength of our businesses. In qualitative terms, we will devote efforts to (a) steady execution of selective and focused growth strategies, (b) thorough reinforcement of soundness and efficiency, and (c) development of human and organizational dynamism to enhance value-creation capability. In quantitative terms, we have set the targets of ¥115 billion in consolidated net income<sup>2</sup> for fiscal year 2009 and a risk-adjusted return ratio<sup>3</sup> of around 10% as a two-year average. In the first half of fiscal 2009 our consolidated net income came to ¥62.1 billion.

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<sup>1</sup> The word “FOCUS” stands for the key words of the new management plan: F for Future (a medium- to long-term perspective), O for Originality (respect for individuality and diversity), C for Core (solid earnings pillars), U for Unity (leveraging of our integrated corporate strength), and S for Soundness (reinforcement of operational health and efficiency). The name as a whole expresses our intention of focusing on these key elements from now through ’10 (2010), the year for completion of the plan.

<sup>2</sup> “Consolidated net income” is equivalent to “Net income attributable to Sumitomo Corporation” after adopting ASC810 “Consolidation” (formerly SFAS160) and equivalent to “Net Income” which had been used until fiscal year 2008.

<sup>3</sup> The “risk-adjusted return ratio” is a measure of the profitability of a business against the risks involved in it. It is calculated by dividing (a) the return on the business as measured by the consolidated net income (after taxes) that it is expected to generate during an accounting period by (b) the value of the maximum losses that could be incurred if all the potential risks were actually to happen during the same period (“risk-adjusted assets”).

## • Actions Taken to Implement FOCUS'10

In order to implement FOCUS'10, our business units have concentrated their efforts on the activities described below. (In April this year we reorganized our existing eight business units into seven.)

### **(1) Metal Products Business Unit**

In India, a country with good growth prospects, we established India Steel Summit Private Limited as an integrated steel service center. We will actively develop this business, responding precisely to the rapidly growing and diversifying needs of customers by providing a wide range of services, including not just the processing of steel but also press molding and die fabrication. Also in India, we decided to take an equity stake in SMI Amtek Crankshaft Private Limited, a joint venture for the manufacture and sale of forged crankshafts for motor vehicles established by an Indian automobile parts manufacturer and Sumitomo Metal Industries, Ltd. We will work at strengthening our earnings base in the forged crankshaft market, where demand growth is anticipated in the context of the rapid expansion of the automobile industry. In China, we took an equity stake in Kunshan Chain Chon Metal Technology Industrial Co., Ltd., a company that processes and sells stainless steel sheet and plate products. We will use this company as our base for stainless steel processing and sales, working to find and develop new demand in the Chinese market for these products, the largest such market in the world. In addition, we won a three-year contract to supply wheels produced by Sumitomo Metal Industries, Ltd., to Deutsche Bahn AG for the latter's high-speed Inter City Express (ICE) trains.

### **(2) Transportation & Construction Systems Business Unit**

In the automobile business, we continued to focus efforts on the retail automobile and motorcycle financing business in emerging Asian economies, and we decided to establish a joint venture with a subsidiary of Metropolitan Bank and Trust Company in the Philippines, where the motorcycle market is expected to grow, to provide motorcycle financing for individual customers. We intend to develop this business aggressively, tapping the know-how we have built up through our automobile and motorcycle financing activities in Indonesia. In the construction equipment field, we are continuing step by step to make equity investments in the sales agencies of Komatsu's products. We will strive for the further expansion of our earnings base by actively developing retail business through agencies in view of the prospects for continuing strong growth in demand for construction equipment in China, which has become the world's largest market for such equipment, hydraulic shovels in particular.

### **(3) Infrastructure Business Unit**

In the field of electric power and social infrastructure, we acquired a stake in the company that owns and operates the natural-gas-fired combined-cycle Kwinana power plant in Australia. It was our company's first investment in the power generation business in that country. The plant was commissioned in November last year, and has been operating well since then; it expects steady earnings on the basis of a long-term power supply contract it has concluded with the retail power company operated by the government of Western Australia. We will use this as a starting point for the development of our business to tap the anticipated expansion of demand for electric power in Australia. In Mexico, meanwhile, a

subsidiary established jointly by Degrémont S.A. of France and Sumitomo Corporation de Mexico S.A. de C.V. undertook a wastewater treatment services expansion project contributing to lightening the burden on the environment. This will expand the existing wastewater treatment facilities and maintain and operate them; in addition to the primary treatment facility that purifies the water sufficiently for use in agriculture, the company will add a secondary treatment facility to purify water to a higher level. In the area of telecommunications, the environment, and industrial infrastructure, we entered the US wind energy business, joining Sumitomo Corporation of America in purchasing an interest in the Stanton wind power facility in Texas. This facility was commissioned in February 2008 and has been operating smoothly since then. By comparison with a coal-fired plant of similar scale, this facility will offer a reduction of about 800,000 tons in carbon dioxide emissions, amounting to some 20 million tons over its expected operating life of 25 years. In Saudi Arabia, meanwhile, we signed contracts for comprehensive packages covering engineering, procurement, and construction of communications systems, including optical fiber networks and terminal units and facilities, and security systems for two major projects: the undersea oil field project being undertaken by Saudi Arabia's state-operated oil company, Saudi Aramco, in the Arabian Gulf, which is the biggest such project ever, and the oil refinery plant project being undertaken by a joint venture between Saudi Aramco and France's Total S.A. on the country's east coast.

#### **(4) Media, Network & Lifestyle Retail Business Unit**

Even as domestic consumption lagged, we progressed steadily with our media, information-technology, and retail businesses, expanding our operations to respond to changing market conditions and pushing ahead with our multi-channel strategy in the retail business. In the media field, Jupiter Telecommunications Co., Ltd.(J:COM), Japan's biggest cable television company, steadily increased the number of its subscriber households and service contracts per household through ongoing efforts to diversify its sales routes, enhance its digital services, and expand the content it offers. In our network business, T-Gaia Corporation, our affiliated company for mobile phone sales, maintained solid performance despite the decline in unit sales resulting from the lengthening of the handset replacement cycle by pushing for greater operational efficiency and achieving growth in maintenance services. In addition, Soukai Drug Co., Ltd., an online retailer of general everyday merchandise, achieved steady growth through the enhancement of its distinctive product lineup and logistics system. In our lifestyle retail operations, Summit, Inc., operator of a food supermarket chain, maintained steady performance thanks to its strategic deployment of stores and efforts to create attractive sales corners. Meanwhile, in July this year we acquired Katsumata Co., Ltd., which operates a chain of competitive drugstores ranging from western Tokyo to the Yokohama area. In the period to come we will aim to enhance our profitability and strengthen our business base by building up a high-quality drugstore chain combining convenience with specialization through the inclusion of prescription departments, moving to merge Katsumata's operations with those of Sumisho Drugstores Inc., whose operations include the Tomod's drugstore chain, taking advantage of the strengths of both organizations.

#### **(5) Mineral Resources, Energy, Chemical & Electronics Business Unit**

In our upstream resource business, we continued to work at acquiring interests in high-quality resources,

developing and implementing projects, and stabilizing operations. In the core field of nonferrous metal mine development, we worked at improving the ore recovery rate and cutting costs at our silver-zinc-lead mining project in Bolivia, which is of the world's largest class, and we stabilized operations there and kept up a high level of production. Meanwhile, together with Sumitomo Metal Mining Co., Ltd., we increased our stake in the Pogo Gold Mine in Alaska; our two companies now own 100% of the mine. We will be strengthening our involvement in the mine's operations and seeking to expand our earnings base. In the oil and gas business, we further strengthened our earnings base with the acquisition of additional assets in the British North Sea, one of the key regions for this business, obtaining attractive oil fields that promise to yield a steady, long-term supply of oil through 2030. In the field of basic chemicals, we launched a business for the recovery of rare-earth<sup>4</sup> elements to use in the high-performance magnets of hybrid car motors from uranium ore residues in Kazakhstan together with the Kazakh National Atomic Company. We are scheduled to establish a joint venture by the end of this year, and in the future we will aim to establish an integrated system of local production of high-value-added products using rare-earth elements. Securing steady supplies of rare earths and other rare metals is extremely important in order to maintain and enhance the competitive position of Japanese manufacturing, and the Japanese government has decided to support the development of technology for this project as an undertaking that merits intensive, strategic implementation efforts.

#### **(6) General Products & Real Estate Business Unit**

In the food business, we continued to maintain steady sales of bananas thanks to increased demand resulting from the broadening of consumers' needs. In the area of materials and supplies, OAO Terneyles, Russia's biggest integrated forestry company, in which we are the leading shareholder, has shifted its main focus from raw timber exports to exports of processed lumber, and it started operating a lumber processing plant completed in March this year, exporting products to Japan, South Korea, and other destinations. In the construction and real estate business, we successfully completed sales of units in a Shanghai condominium project in which we have an equity stake, applying the planning and sales know-how that we have built up from our business in Japan. And in the area of office building operations, we completed construction of a new building in Kyobashi 1-chome, a convenient location in central Tokyo's Chuo Ward. We will aim for further expansion of our earnings base with the construction of such office buildings sited conveniently in the heart of Tokyo.

#### **(7) Financial & Logistics Business Unit**

In the field of financial services, an aircraft leasing company we established jointly with Sumitomo Mitsui Finance and Leasing Company, Limited, in December last year concluded a new 12-year operating-lease contract for three medium-sized Boeing passenger aircraft with domestic and foreign airline companies. Aircraft leasing is the mainstay of our leasing operations, and in the context of the trend for airline companies to shift from aircraft ownership to leasing, we will aim to grow our earnings base with aggressive efforts to conclude additional such contracts. In the field of asset management, meanwhile,

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<sup>4</sup> Rare earths consist of the 15 elements of the lanthanoid series, along with scandium and yttrium. They are a type of rare metal, and they are essential for the manufacture of advanced products, including automobiles and consumer electronics.

Sumisho Capital Management (Singapore) Pte. Ltd. was selected on the basis of its good track record to manage assets for the new fund designed by the Daiwa Securities Group linked to the commodity index created by the famous investor Jim Rogers. Strong sales of this new index fund resulted in growth in the company's assets under management, giving it a steady flow of commission income. In the logistics field, we continued to work on Thang Long Industrial Park II in Vietnam and focused effort on sales activities, in which we achieved steady progress. And in Indonesia, the logistics center we set up for a local Japanese-affiliated motorcycle manufacturer has been operating smoothly.

## 2. Operating Results and Financial Status

### • Operating Results

Total trading transactions<sup>5</sup> for the six-month period ended September 30, 2009 amounted to 3,783.6 billion yen representing 37.8% decline from the same period of the previous year.

Gross profit decreased by 165.5 billion yen to 374.2 billion yen.

Though selling, general and administrative expenses decreased by 21.2 billion yen which was partly due to the yen appreciation, operating income decreased by 139.1 billion yen to 53.8 billion yen.

Equity in earnings of associated companies decreased by 15.6 billion yen to 36.6 billion yen.

As a result, net income attributable to Sumitomo Corporation<sup>6</sup> totaled 62.1 billion yen, a decrease of 98.2 billion yen or 61.3% from the same period of the previous year.

#### <Net income attributable to Sumitomo Corporation by segments>

Metal Products Business Unit posted 4.2 billion yen, a decrease of 17.5 billion yen from the same period of the previous year. Demand in steel service center operations was sluggish and the tubular products business in North America declined.

Transportation & Construction Systems Business Unit posted 9.9 billion yen, down 11.4 billion yen. Demand in automobile and construction equipment businesses was flagging mainly in Europe although ship business showed stable performance.

Infrastructure Business Unit posted 6.2 billion yen, a decrease of 2.8 billion yen, due to the decline in such as telecommunication-related businesses although IPP<sup>7</sup> businesses mainly in Asia showed stable performance.

Media, Network & Lifestyle Retail Business Unit posted 3.7 billion yen, down 1.7 billion yen from the same period of the previous year, due to the weak performance such as Sumisho Computer Systems Corporation although Jupiter Telecommunications Co., Ltd. showed stable performance.

Mineral Resources, Energy, Chemical & Electronics Business Unit posted 16.7 billion yen, a decrease of 22.5 billion yen. San Cristobal silver-zinc-lead mining project in Bolivia turned into the black through

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<sup>5</sup> Total trading transactions is presented in a manner customarily used in Japan solely for Japanese investors' purpose. Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Company and its consolidated subsidiaries act as principal or as agent.

<sup>6</sup> "Net income attributable to Sumitomo Corporation" is the presentation changed from "Net Income" on our consolidated statements of income by adopting ASC810 "Consolidation" (formerly SFAS160) from fiscal year 2009 and equivalent to "Net Income" which had been used until fiscal year 2008.

<sup>7</sup> "IPP" is short for "Independent Power Producer".

stable operation and the iron ore business in South Africa showed strong performance. On the other hand, sales prices decreased in coal mining operation in Australia and the copper businesses in Indonesia (Batu Hijau copper & gold mine development project) and in the Americas were affected by the drop in the market prices.

General Products & Real Estate Business Unit posted 4.3 billion yen, down 4.6 billion yen. Though banana business showed steady performance, fertilizer business was affected by the plunge in market prices and there were large sales of condominium in the same period of the previous year.

Financial & Logistics Business Unit posted 0.7 billion yen, whereas the same period of the previous year was 0.2 billion yen. Harsh business condition continued in finance business.

Domestic Regional Business Units and Offices posted 1.0 billion yen, down 4.4 billion yen. This was mainly due to the decline in metal product related business.

Overseas Subsidiaries and Branches posted 13.0 billion yen, a decrease of 22.1 billion yen due to the weak performance in metal product related business and fertilizer business.

#### • **Financial Status**

##### *<Total assets, liabilities, and shareholders' equity as of September 30, 2009>*

Total assets decreased by 287.3 billion yen to 6,730.8 billion yen from March 31, 2009, mainly due to the decrease of operating assets resulted from such as the efforts of optimizing the inventory level.

Interest-bearing liabilities (gross) were 3,509.3 billion yen, a decrease of 193.4 billion yen. Interest-bearing liabilities (net) were 2,985.9 billion yen, down 201.0 billion yen.

Sumitomo Corporation shareholders' equity<sup>8</sup> increased by 88.5 billion yen, from March 31, 2009, due to the increase of retained earnings and unrealized holding gains on securities available-for-sale. As a result, Sumitomo Corporation shareholders' equity ratio was 21.4%, up 2.1 points. Also, net debt-equity ratio was 2.1 times, improved by 0.3 points.

##### *<Cash flows>*

Net cash provided by operating activities was 290.4 billion yen as a result of stable business performances in our core businesses and substantial decline in operating assets.

Net cash used in investing activities was 80.7 billion yen, due to acquisition such as the leasing assets and oilfield interests in the British North Sea. Accordingly, free cash flow was 209.7 billion yen inflow. Net cash used in financing activities was 202.9 billion yen.

As a result, cash and cash equivalents as of September 30, 2009 was 518.7 billion yen, increased by 7.4 billion yen from March 31, 2009.

#### • **Interim Dividend**

Our basic policy is to meet shareholders' expectations by ensuring long-term stable dividends. In addition to this basic policy, we have set the dividend payout ratio at around 20%, reflecting consolidated financial results.

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<sup>8</sup> "Sumitomo Corporation shareholders' equity" is equivalent to "shareholders' equity" which had been used until fiscal year 2008 and used in calculating "Sumitomo Corporation shareholders' equity ratio" and "net debt-equity ratio".

Based on our consolidated net income<sup>9</sup> target of 115.0 billion yen for fiscal year 2009, the interim dividend resolved by the Board of Directors held on October 30, 2009 is 9 yen per share, half amount of the planned annual dividend of 18 yen<sup>10</sup>.

### **3. Future Economic Prospects and Management Challenges**

#### **• Economic Prospects**

Though signs of recovery can be seen in the global economy, particularly in the emerging countries, thanks to the effects of the measures adopted by major countries in tandem, the persistence of negative effects from the credit crunch centered on the advanced countries will mean, in our assessment, that the overall pace of growth will continue to be slow. In addition, certain potential risks remain, including the possibility of a slowdown in the economies of emerging countries like China, the weakening of the dollar's international position, and higher long-term interest rates from the expansionary fiscal policies adopted by various countries.

In the Japanese economy, there are concerns over the weakness of the recovery power of domestic demand, notably capital investment and consumer spending, reflecting the deterioration of corporate performance and of the job picture, along with the possible impact from emergence of the risks mentioned above, but we expect movement toward recovery to continue, reflecting the impact of emergency stimulus measures and improvement on the export front.

#### **• Management Challenges**

The aim of our new medium-term management plan, FOCUS'10, is to establish "a growth scenario on a new stage" with a view to the next 10 years. The entire company will work as one and undertake the task of thoroughly strengthening soundness and efficiency, aiming to enhance value-creation capability and construct solid earnings pillars by taking full advantage of diversity and strengths of our people and businesses in a medium- to long-term.

Looking at the economic environment, we can see we are in a severe situation compared with the upswing of the past few years, but we will aim for the unflinching accomplishment of our FOCUS'10 objectives so as to build a corporate framework and growth model capable of maintaining sustained growth, even in the severe business environment we are now facing.

We sincerely request the ongoing understanding and support of all our shareholders.

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<sup>9</sup> "Consolidated net income" is equivalent to "Net income attributable to Sumitomo Corporation" after adopting ASC810 "Consolidation" (formerly SFAS160) and equivalent to "Net Income" which had been used until fiscal year 2008.

<sup>10</sup> In the fiscal year 2008, the annual dividend totaled 34 yen per share by adding the interim dividend of 19 yen and the year-end dividend of 15 yen.

#### 4. General Condition of Consolidated Operating Results

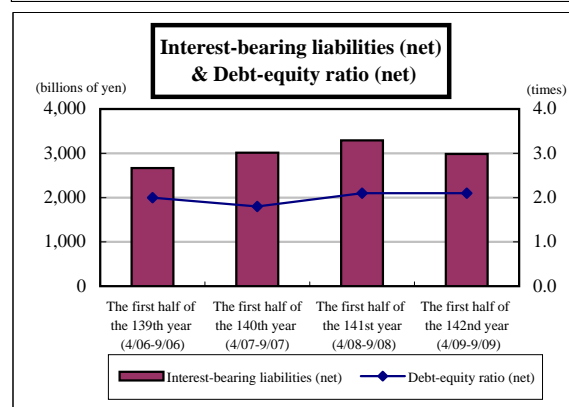
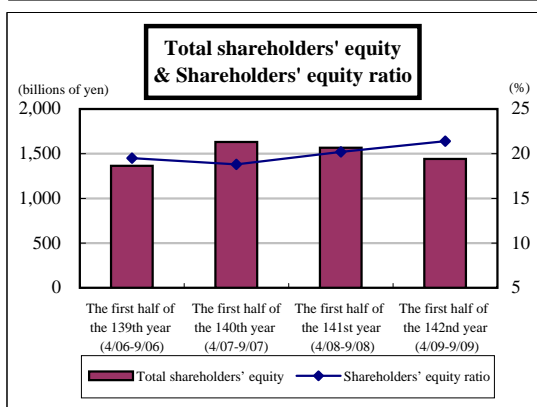
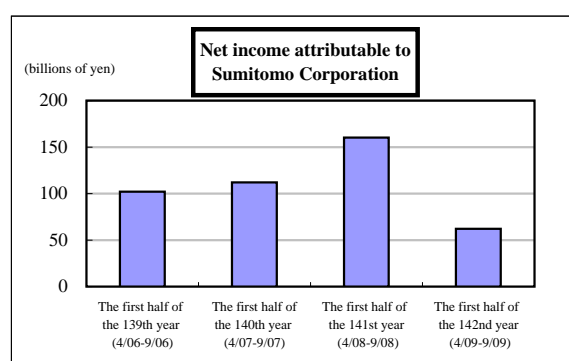
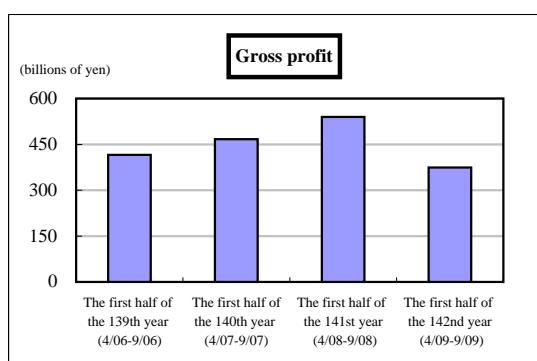
[Prepared on the basis of accounting principles generally accepted in the United States of America]

Sumitomo Corporation and Subsidiaries

##### • Summary of Consolidated Financial Statements and Trend of Financial Status

	The first half of the 139th year (4/06-9/06)	The first half of the 140th year (4/07-9/07)	The first half of the 141st year (4/08-9/08)	The first half of the 142nd year (4/09-9/09)	The 141st year (4/08-3/09)
Gross profit (billions of yen)	415.6	467.2	539.7	374.2	935.2
Net income attributable to Sumitomo Corporation (billions of yen)	102.1	112.0	160.3	62.1	215.1
Net income per share attributable to Sumitomo Corporation (yen)	82.01	90.86	128.23	49.65	172.06
Total assets (billions of yen)	6,999.6	8,664.9	7,771.6	6,730.8	7,018.2
Total shareholders' equity (billions of yen)	1,363.6	1,630.7	1,566.8	1,441.7	1,353.1
Shareholders' equity per share (yen)	1,095.83	1,304.59	1,253.40	1,153.28	1,082.47
Shareholders' equity ratio (%)	19.5	18.8	20.2	21.4	19.3
Interest-bearing liabilities (net) (billions of yen)	2,665.5	3,013.5	3,292.2	2,985.9	3,186.8
Debt-equity ratio (net) (times)	2.0	1.8	2.1	2.1	2.4
Total trading transactions (billions of yen)	5,246.6	5,695.4	6,084.3	3,783.6	10,750.0

- Notes: 1. Interest-bearing liabilities (net) excludes cash and cash equivalents and time deposits from interest-bearing liabilities.  
2. Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Company and its consolidated subsidiaries act as principal or as agent. Total trading transactions is a measure commonly used by Japanese trading companies. It is not to be construed as equivalent to, or a substitute for, sales or revenues under U.S. GAAP.  
3. Amounts in billions of yen are rounded to the nearest tenth.  
4. The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 810 "Consolidation" (formerly SFAS 160) and changed certain presentation.



## •Segment Information (Condensed)

Sumitomo Corporation and Subsidiaries

For the six-month periods ended September 30, 2009 and 2008

(Unaudited)

Operating segments: 2009:	Millions of Yen			
	Segment	Gross profit	Net income	As of September 30
			attributable to Sumitomo Corporation	Segment assets
Metal Products	¥ 26,032	¥ 4,246	¥ 570,644	¥ 630,816
Transportation & Construction Systems	63,200	9,858	1,386,792	602,827
Infrastructure	16,496	6,223	492,410	140,515
Media, Network & Lifestyle Retail	84,442	3,705	629,981	284,956
Mineral Resources, Energy, Chemical & Electronics	33,403	16,677	1,050,492	1,001,751
General Products & Real Estate	48,033	4,330	691,049	341,914
Financial & Logistics	10,606	677	563,614	23,620
Domestic Regional Business Units and Offices	16,816	1,000	359,846	398,494
Overseas Subsidiaries and Branches	80,285	13,002	1,086,605	676,168
Segment Total	379,313	59,718	6,831,433	4,101,061
Corporate and Eliminations	(5,138)	2,342	(100,592)	(317,449)
Consolidated	¥ 374,175	¥ 62,060	¥ 6,730,841	¥ 3,783,612

2008:	Millions of Yen			
	Segment	Gross profit	Net income	As of March 31, 2009
			attributable to Sumitomo Corporation	Segment assets
Metal Products	¥ 52,337	¥ 21,791	¥ 645,509	¥ 1,036,457
Transportation & Construction Systems	91,973	21,219	1,451,365	923,923
Infrastructure	20,529	8,982	482,537	183,814
Media, Network & Lifestyle Retail	85,699	5,435	696,877	291,172
Mineral Resources, Energy, Chemical & Electronics	68,983	39,131	967,963	1,988,438
General Products & Real Estate	61,800	8,895	722,158	449,958
Financial & Logistics	16,912	156	581,484	86,124
Domestic Regional Business Units and Offices	24,417	5,419	409,142	588,741
Overseas Subsidiaries and Branches	120,219	35,067	1,203,154	1,129,668
Segment Total	542,869	146,095	7,160,189	6,678,295
Corporate and Eliminations	(3,209)	14,197	(142,033)	(594,008)
Consolidated	¥ 539,660	¥ 160,292	¥ 7,018,156	¥ 6,084,287

### Notes:

1) Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Company and its subsidiaries act as principal or as agent. Total trading transactions is a measure commonly used by Japanese trading companies. It is not to be construed as equivalent to, or a substitute for, sales or revenues under U.S. GAAP.

2) The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 810 "Consolidation" (formerly SFAS 160) and changed certain presentation including the same period of the previous year.

3) On April 1, 2009, the Companies reorganized the Business Units from eight to seven. Accordingly, from this fiscal year, the operating segments have been changed. The operating segment information of the same period of the previous year has also been reclassified.

## Consolidated Balance Sheets [Prepared on the basis of U.S. GAAP]

Sumitomo Corporation and Subsidiaries

As of September 30, 2009 (Unaudited) and March 31, 2009

	Millions of Yen	
	September 30, 2009	March 31, 2009
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	¥ 518,726	¥ 511,350
Time deposits	4,671	4,514
Marketable securities	11,711	18,963
Receivables-trade		
Notes and loans	192,952	188,564
Accounts	1,171,619	1,304,030
Associated companies	114,871	115,943
Allowance for doubtful receivables	(16,456)	(16,477)
Inventories	700,705	840,088
Deferred income taxes	36,556	33,987
Advance payments to suppliers	85,108	94,859
Other current assets	192,170	279,026
Total current assets	3,012,633	3,374,847
<b>Investments and long-term receivables:</b>		
Investments in and advances to associated companies	926,219	893,372
Other investments	498,104	450,280
Long-term receivables	702,259	745,583
Allowance for doubtful receivables	(34,370)	(33,051)
Total investments and long-term receivables	2,092,212	2,056,184
<b>Property and equipment, at cost less accumulated depreciation</b>	1,106,580	1,055,149
<b>Goodwill and other intangible assets</b>	389,760	400,555
<b>Prepaid expenses, non-current</b>	61,371	43,518
<b>Deferred income taxes, non-current</b>	26,085	36,161
<b>Other assets</b>	42,200	51,742
<b>Total</b>	<b>¥ 6,730,841</b>	<b>¥ 7,018,156</b>

**Note:**

The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 810 "Consolidation" (formerly SFAS 160). In accordance with ASC 810, the Companies included noncontrolling interests, which were previously referred to as "minority interests" and classified between total liabilities and shareholders' equity on the consolidated balance sheets, as a part of total equity. The prior year end amounts are reclassified to conform to ASC 810.

**Consolidated Balance Sheets** [Prepared on the basis of U.S. GAAP]

Sumitomo Corporation and Subsidiaries

As of September 30, 2009 (Unaudited) and March 31, 2009

	Millions of Yen	
	September 30, 2009	March 31, 2009
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities:</b>		
Short-term debt	¥ 506,029	¥ 792,169
Current maturities of long-term debt	394,791	382,849
Payables-trade		
Notes and acceptances	50,013	63,719
Accounts	784,390	830,356
Associated companies	30,980	34,863
Income taxes	24,332	28,133
Accrued expenses	76,461	85,634
Advances from customers	118,756	122,389
Other current liabilities	132,321	239,591
Total current liabilities	2,118,073	2,579,703
<b>Long-term debt, less current maturities</b>	2,877,659	2,821,287
<b>Accrued pension and retirement benefits</b>	18,227	20,003
<b>Deferred income taxes, non-current</b>	167,549	138,264
<b>Equity:</b>		
<b>Sumitomo Corporation shareholders' equity:</b>		
Common stock	219,279	219,279
Additional paid-in capital	291,221	291,256
Retained earnings		
Appropriated for legal reserve	17,696	17,696
Unappropriated	1,152,752	1,109,442
Accumulated other comprehensive income (loss)		
Net unrealized holding gains on securities available-for-sale	48,318	18,955
Foreign currency translation adjustments	(215,104)	(221,291)
Net unrealized losses on derivatives	(18,172)	(14,851)
Pension liability adjustments	(53,243)	(66,229)
Treasury stock, at cost	(1,087)	(1,142)
Total Sumitomo Corporation shareholders' equity	1,441,660	1,353,115
<b>Noncontrolling interests</b>	107,673	105,784
Total equity	1,549,333	1,458,899
<b>Total</b>	¥ 6,730,841	¥ 7,018,156

## Note:

The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 810 "Consolidation" (formerly SFAS 160) in accordance with ASC 810, the Companies included noncontrolling interests, which were previously referred to as "minority interests" and classified between total liabilities and shareholders' equity on the consolidated balance sheets, as a part of total equity. The prior year end amounts are reclassified to conform to ASC 810.

## Consolidated Statements of Income and Comprehensive Income

[Prepared on the basis of U.S. GAAP]  
Sumitomo Corporation and Subsidiaries  
For the six-month periods ended September 30, 2009 and 2008  
(Unaudited)

	Millions of Yen	
	September 30, 2009	September 30, 2008
<b>Revenues:</b>		
Sales of tangible products	¥ 1,096,721	¥ 1,548,745
Sales of services and others	281,683	372,701
Total revenues	1,378,404	1,921,446
<b>Cost:</b>		
Cost of tangible products sold	(898,658)	(1,266,486)
Cost of services and others	(105,571)	(115,300)
Total cost	(1,004,229)	(1,381,786)
<b>Gross profit</b>	374,175	539,660
<b>Other income (expenses) :</b>		
Selling, general and administrative expenses	(316,016)	(337,233)
Provision for doubtful receivables	(4,393)	(9,524)
Impairment losses on long-lived assets	(884)	(343)
Gain on sale of property and equipment, net	865	1,102
Interest income	9,157	11,749
Interest expense	(21,398)	(28,570)
Dividends	6,644	8,395
Other than temporary impairment losses on securities	(1,781)	(5,571)
Gain on sale of marketable securities and other investments, net	4,059	11,429
Gain (loss) on issuances of stock by subsidiaries and associated companies, net	11	(3)
Equity in earnings of associated companies, net	36,583	52,176
Other, net	1,478	(310)
Total other income (expenses)	(285,675)	(296,703)
<b>Income before income taxes</b>	88,500	242,957
<b>Income taxes</b>	(23,463)	(75,962)
<b>Net income</b>	65,037	166,995
<b>Less: Net income attributable to noncontrolling interests</b>	(2,977)	(6,703)
<b>Net income attributable to Sumitomo Corporation</b>	¥ 62,060	¥ 160,292
<b>Disclosure of comprehensive income (loss):</b>		
Net income	¥ 65,037	¥ 166,995
Other comprehensive income (loss), net of tax:		
Net unrealized holding gains (losses) on securities available-for-sale	29,406	(36,284)
Foreign currency translation adjustments	6,057	(22,071)
Net unrealized losses on derivatives	(4,231)	(866)
Pension liability adjustments	13,351	(4,945)
<b>Comprehensive income</b>	109,620	102,829
Less: Comprehensive income attributable to noncontrolling interests	(2,345)	(3,959)
<b>Comprehensive income attributable to Sumitomo Corporation</b>	¥ 107,275	¥ 98,870
<b>Total trading transactions</b>	¥ 3,783,612	¥ 6,084,287

Notes:

1) Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Company and its consolidated subsidiaries act as principal or as agent. Total trading transactions is a measure commonly used by Japanese trading companies. It is not to be construed as equivalent to, or a substitute for, sales or revenues under U.S. GAAP.

2) The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 810 "Consolidation" (formerly SFAS 160) and changed certain presentation. The prior year amounts of the same period are reclassified to conform to ASC 810.

**Condensed Consolidated Statements of Cash Flows** [Prepared on the basis of U.S. GAAP]

Sumitomo Corporation and Subsidiaries

For the six-month periods ended September 30, 2009 and 2008

(Unaudited)

	Millions of Yen	
	September 30, 2009	September 30, 2008
<b>Operating activities:</b>		
Net income	¥ 65,037	¥ 166,995
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	82,495	78,744
Provision for doubtful receivables	4,393	9,524
Impairment losses on long-lived assets	884	343
Gain on sale of property and equipment, net	(865)	(1,102)
Other than temporary impairment losses on securities	1,781	5,571
Gain on sale of marketable securities and other investments, net	(4,059)	(11,429)
(Gain) loss on issuances of stock by subsidiaries and associated companies, net	(11)	3
Equity in earnings of associated companies, less dividends received	(18,047)	(16,658)
Changes in operating assets and liabilities, excluding effect of acquisitions and divestitures:		
Decrease (increase) in receivables	159,100	(124,289)
Decrease (increase) in inventories	130,509	(138,574)
(Decrease) increase in payables	(74,813)	100,531
Other, net	(56,008)	17,452
Net cash provided by operating activities	290,396	87,111
<b>Investing activities:</b>		
Changes in:		
Property, equipment and other assets	(80,475)	(169,896)
Marketable securities and investments	(32,398)	(11,262)
Loans and other receivables	31,873	39,406
Time deposits	254	(1,266)
Net cash used in investing activities	(80,746)	(143,018)
<b>Financing activities:</b>		
Changes in:		
Short-term debt	(277,763)	76,793
Long-term debt	93,536	(19,736)
Cash dividends paid	(18,750)	(24,999)
Acquisition of treasury stock, net	55	34
Net cash (used in) provided by financing activities	(202,922)	32,092
<b>Effect of exchange rate changes on cash and cash equivalents</b>	648	(2,904)
<b>Net increase (decrease) in cash and cash equivalents</b>	7,376	(26,719)
<b>Cash and cash equivalents, beginning of period</b>	511,350	456,809
<b>Cash and cash equivalents, end of period</b>	¥ 518,726	¥ 430,090

Note:

The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 810 "Consolidation" (formerly SFAS 160) and changed certain presentation. The prior year amounts of the same period are reclassified to conform to ASC 810.

Notes:

- 1) Consolidated results' amounts in millions of yen are rounded to the nearest million.
- 2) The Companies adopted the Financial Accounting Standards Board Accounting Standards Codification (ASC) 105 "Generally Accepted Accounting Principles" (formerly SFAS 168). ASC 105 is the source of authoritative U.S. GAAP recognized by the FASB, which modifies the general accounting standards hierarchy to classify only two levels of GAAP; authoritative and non-authoritative. ASC 105 is effective for financial statements issued in the interim and annual periods ending after September 15, 2009.

## General Condition of the Company (as of September 30, 2009)

- **Date of Incorporation** December 1919
- **Amount of Capital** ¥219,278,931,183

### 1. Principal Lines of Business

Through its worldwide network, the Sumitomo Corporation Group engages in diverse business activities in a wide variety of fields, such as metal products, transportation and construction systems, infrastructure, media, network and lifestyle retail, mineral resources, energy, chemical and electronics, general products and real estate, and financial and logistics. These activities include engaging in domestic and overseas transactions, import and export of various goods and commodities, providing wide range of services and investing in businesses.

### 2. Status of the Stock

- **Number of Shares Authorized for Issuance** 2,000,000,000 shares
- **Number of Issued Shares** 1,250,602,867 shares
- **Number of Shareholders** 137,795 persons

### 3. Status of Employees

- **Number of Employees** 5,129 persons

Note: In addition to the above, the Company employs 357 persons overseas.

- **Number of Employees (Consolidated basis)** 71,583 persons

#### 4. Status of Operating Locations, etc.

- **Domestic**

The Company's Head Office	Chuo-ku, Tokyo	
The Company's Regional Business Units	3 units	Chubu (Nagoya), Kansai (Osaka), Kyushu Okinawa (Fukuoka)
The Company's Regional Main Offices	3 offices	Hokkaido (Sapporo), Tohoku (Sendai), Chugoku (Hiroshima)
The Company's Branch Offices	6 offices	Shizuoka, Hamamatsu, Shikoku (Takamatsu), Niihama, Nagasaki, Okinawa (Naha)

Note: In addition to the above, there are 3 sub-branch offices of the Company.

The Company's Domestic Incorporated Subsidiaries	3 subsidiaries	Sumitomo Corporation Hokkaido Co., Ltd., Sumitomo Corporation Tohoku Co., Ltd., Sumitomo Corporation Kyushu Co., Ltd.
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Note: There are 10 head, branch or other offices of these 3 domestic incorporated subsidiaries of the Company.

- **Overseas**

The Company's Branch Offices	3 offices	Manila, Kuala Lumpur, Johannesburg
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Note: In addition to the above, there are 37 overseas representative offices of the Company.

The Company's Overseas Locally Incorporated Subsidiaries:		
Asia	18 subsidiaries	Sumitomo Corporation (China) Holding Ltd., Sumitomo Corporation Asia Pte. Ltd. (Singapore), Sumitomo Corporation (Shanghai) Limited, etc.
Europe / CIS	9 subsidiaries	Sumitomo Corporation Europe Holding Limited (UK), Sumitomo Corporation Europe Limited (UK), Sumitomo Deutschland GmbH, etc.
North America	2 subsidiaries	Sumitomo Corporation of America, Sumitomo Canada Limited
Central and South America	8 subsidiaries	Sumitomo Corporation do Brasil S.A., Sumitomo Corporation de Mexico S.A. de C.V., Sumitomo Corporation Colombia S.A., etc.
Middle East and Africa	3 subsidiaries	Sumitomo Corporation Dis Ticaret A.S., Sumitomo Corporation Iran, Ltd., Sumitomo Corporation M.E., FZ-LLC (UAE)
Oceania	1 subsidiary	Sumitomo Australia Pty Ltd
Total	41 subsidiaries	

Note: There are 81 head, branch or other offices of these 41 overseas locally-incorporated subsidiaries of the Company.

## 5. Status of Consolidated Subsidiaries and Other Associated Companies

- **Number of Consolidated Subsidiaries** 558
- **Number of Associated Companies** 230
- **Major Consolidated Subsidiaries and Associated Companies, etc.**

Segment	Company Name		Major Lines of Business
Metal Products	Asian Steel Company Ltd.	(C)	Steel service center in Southeast Asia
	Sumisho Metalex Corporation	(C)	Sale of non-ferrous metal products
Transportation & Construction Systems	Sumitomo Mitsui Auto Service Company, Limited	(C)	Leasing of automobiles and automobile-related goods
	PT. Oto Multiartha	(C)	Automobile leasing and financing operations in Indonesia
Infrastructure	Perennial Power Holdings, Inc.	(C)	Development, ownership and management of power plants in the U.S.
Media, Network & Lifestyle Retail	Sumisho Computer Systems Corporation	(C)	System integration, sales of software and hardware and information processing services
	Jupiter Telecommunications Co., Ltd.	(-)	Integrated cable TV operation and management of TV programming and content providing business for multi-channel broadcasting
Mineral Resources, Energy, Chemical & Electronics	Sumisho Coal Australia Pty Ltd.	(C)	Investment in coal mines in Australia
	Nusa Tenggara Mining Corporation	(C)	Investment in and financing of the Batu Hijau copper/gold mine development project in Indonesia
General Products & Real Estate	Shinko Sugar Co., Ltd.	(C)	Manufacture and sales of refined, crystallized and liquid sugar
	TBC Corporation	(C)	Distribution and retailing of tires in the U.S.
Financial & Logistics	Sumitomo Mitsui Finance and Leasing Company, Limited	(A)	Leasing business
	Sumisho Global Logistics Co., Ltd.	(C)	Global logistics service provider
Overseas Subsidiaries and Branches	Sumitomo Corporation of America	(C)	Export, import and wholesale
	Sumitomo Corporation Europe Holding Limited	(C)	Holding company of European subsidiaries

Notes: (C) and (A) stand for “consolidated subsidiaries” and “associated companies”, respectively. Jupiter Telecommunications Co., Ltd. is a subsidiary of LGI/Sumisho Super Media, LLC which is an associated company of Sumitomo Corporation.

## 6. Directors and Corporate Auditors

<u>Name/Title</u>		<u>Name/Title</u>	
Motoyuki Oka	Chairman of the Board of Directors	Susumu Kato	President and CEO
Kazuo Ohmori	Director	Shunichi Arai	Director
Nobuo Kitagawa	Director	Toyosaku Hamada	Director
Takahiro Moriyama	Director	Takashi Kano	Director
Kuniharu Nakamura	Director	Takuro Kawahara	Director
Yoshio Osawa	Director	Yasuyuki Abe	Director
Kenzo Okubo	Standing Corporate Auditor (Full-Time)	Tetsuro Fukumoto	Corporate Auditor (Full-Time)
Akio Harada	Corporate Auditor*	Tsuguoki Fujinuma	Corporate Auditor*
Mutsuo Nitta	Corporate Auditor*		

Notes: 1. All Directors are Representative Directors.

2. Outside Corporate Auditors are indicated by an asterisk (\*).

## 7. Executive Officers

<u>Name/Title</u>		<u>Name/Title</u>	
Susumu Kato	President and CEO*	Michio Ogimura	Executive Vice President
Kazuo Ohmori	Executive Vice President*	Michihisa Shinagawa	Senior Managing Executive Officer
Shuichi Mori	Senior Managing Executive Officer	Shunichi Arai	Senior Managing Executive Officer*
Nobuo Kitagawa	Senior Managing Executive Officer*	Kenji Kajiwara	Senior Managing Executive Officer
Toyosaku Hamada	Senior Managing Executive Officer*	Takahiro Moriyama	Senior Managing Executive Officer*
Takashi Kano	Senior Managing Executive Officer*	Kuniharu Nakamura	Senior Managing Executive Officer*
Ichiro Miura	Managing Executive Officer	Shinichi Sasaki	Managing Executive Officer
Takuro Kawahara	Managing Executive Officer*	Yoshio Osawa	Managing Executive Officer*
Yasuyuki Abe	Managing Executive Officer*	Kazuhisa Togashi	Managing Executive Officer
Kazuhiro Takeuchi	Managing Executive Officer	Shinichi Ishida	Managing Executive Officer
Takafumi Sone	Managing Executive Officer	Naoki Hidaka	Managing Executive Officer
Shigeru Ohashi	Managing Executive Officer	Makoto Nakamura	Executive Officer
Yasuo Kumagai	Executive Officer	Masayuki Doi	Executive Officer
Toru Furihata	Executive Officer	Hiroyuki Inohara	Executive Officer
Masaru Nakamura	Executive Officer	Kohei Hirao	Executive Officer
Michihiko Kanegae	Executive Officer	Kiyomi Machida	Executive Officer
Hideki Iwasawa	Executive Officer		

Note: Directors (Representative Directors) are indicated by an asterisk (\*).

## 8. Accounting Auditor

KPMG AZSA & Co.

\* \* \*