

Highlights of consolidated quarterly results 2003 (Third quarter ended December 31, 2003)

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January 30, 2004

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

Sumitomo Corporation

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

Consolidated Income	Nine months ended Dec. 31, 2003		Nine months ended Dec. 31, 2002 ('02/4-12) (B)	increase/(decrease)		Summary of the results for the nine months (April 1, 2003-December 31, 2003) in comparison with the same period of the previous year	Annual targets ('03/4-'04/3) (C)	Results of the previous fiscal year ('02/4-'03/3) (D)	increase/(decrease) (C)-(D)
	('03/4-12) (A)	Third quarter ('03/10-12)		amount (A)-(B)	percentage				
Total trading transactions	64,771	21,436	65,429	(658)	(1.0%)	<u>Total trading transactions</u> • Decreased due to the appreciation of the yen	91,000	92,296	(1,296)
Gross trading profit	3,652	1,228	3,566	86	2.4%	<u>Gross trading profit</u> (Businesses which showed strong performances) • Acquisition of steel products business from Nichimen Corporation • Automobile lease & finance business in Japan and Asia • Automobile distributor business in Turkey	5,000	4,964	36
Selling, general and administrative expenses	(3,099)	(1,028)	(3,013)	(86)	(2.9%)	• Retail businesses including Summit (food supermarket chain) • Recommencement of the power plant project in Indonesia	(4,120)	(4,063)	(57)
(Provision for)/reversal of allowance for doubtful receivables	(12)	(2)	22	(34)	-		(30)	(8)	(22)
Operating income	541	198	575	(34)	(5.9%)	(Businesses which showed weak performances) • Decrease of condominium sales in Tokyo Metropolitan area compared with the same period of the previous year which showed strong performance. • PVC pipe business in the U.S. • Coal business in Australia	850	893	(43)
Interest expense, net of interest income	(38)	(15)	(49)	11	23.2%	<u>Selling, general and administrative expenses</u> • Increase in personnel expenses due to an increase of retirement benefit expenses and the expansion of business activities at subsidiaries	(50)	(60)	10
Dividends	59	18	48	11	22.4%	<u>Interest expense, net of interest income</u> • Improved due to lower U.S. dollar interest rates	70	64	6
Gain on sale of marketable securities and investments, net	194	58	56	138	246.5%	<u>Gain on sale of marketable securities and investments, net</u> • Sales of securities mainly of financial institutions		167	
Valuation loss on marketable securities and investments	(21)	0	(144)	123	85.4%	<u>Valuation loss on marketable securities and investments</u> • Losses on overseas information and telecommunication related investments were recorded during the same period of the previous year	(40)	(661)	668
Gain on sale of property and equipment, net	135	122	39	95	241.8%	<u>Gain on sale of property and equipment, net</u> • Sales of commercial rent premises		33	
Other, net	(68)	(5)	32	(101)	-	<u>Other, net</u> • Settlement paid on copper trading litigation • Settlement received on copper trading litigation during the same period of the previous year		(247)	
Income before income taxes, minority interests in earnings of subsidiaries, and equity in earnings of associated companies	802	375	558	244	43.7%	<u>Equity in earnings of associated companies</u> • Improvements in Jupiter Telecommunications, Batu Hijau Project • Strong performances in Sumisho Lease, Jupiter Programming, etc.	830	188	642
Income taxes	(352)	(170)	(222)	(129)	(58.1%)		(360)	60	(420)
Income before minority interests in earnings of subsidiaries and equity in earnings of associated companies	450	205	336	115	34.2%		470	249	221
Minority interests in earnings of subsidiaries	(47)	(13)	(43)	(4)	(9.2%)		(70)	(64)	(6)
Equity in earnings of associated companies	154	61	74	80	107.6%		200	98	102
Net income	557	253	366	190	52.0%		600	283	317
Calculation for reference*	487	179	394	93	23.5%		722	622	100

*Calculation: (Gross trading profit-Selling, general and administrative expenses-Interest expenses, net of interest income+Dividends)×58%+Equity in earnings of associated companies
Note: Operating income is presented in a manner customarily used in Japan solely for Japanese investors' purposes.

Caution Concerning Forward-Looking Statements

This report includes forward-looking statements relating to our future plans, 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 Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

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Segment Information	Gross trading profit			Operating income			Net income		
	Nine months ended Dec. 31, 2003	Nine months ended Dec. 31, 2002	increase/ (decrease)	Nine months ended Dec. 31, 2003	Nine months ended Dec. 31, 2002	increase/ (decrease)	Nine months ended Dec. 31, 2003	Nine months ended Dec. 31, 2002	increase/ (decrease)
Metal Products	320	277	43	101	81	20	63	67	(3)
Transportation & Construction Systems	736	638	98	168	127	41	95	64	31
Machinery & Electric	162	135	28	(10)	(39)	29	1	(21)	22
Media, Electronics & Network	284	273	11	26	6	20	48	(41)	89
Chemical	165	177	(12)	19	24	(5)	13	20	(7)
Mineral Resources & Energy	196	229	(33)	5	27	(22)	40	27	13
Consumer Goods & Service	669	643	26	67	77	(10)	36	36	0
Materials & Real Estate	357	374	(17)	81	149	(68)	107	59	48
Financial & Logistics	108	107	1	5	7	(1)	15	11	4
Domestic Regional Business Units and Offices	291	374	(83)	27	35	(8)	19	9	10
Overseas Subsidiaries and Branches	411	416	(5)	50	40	9	49	45	4
Segment Total	3,700	3,642	57	540	535	6	486	276	210
Corporate and Eliminations	(47)	(76)	29	1	41	(39)	71	90	(19)
Consolidated	3,652	3,566	86	541	575	(34)	557	366	190

Note: Operating income is presented in a manner customarily used in Japan solely for Japanese investors' purposes.

Assets and Liabilities	As of Dec.31, 2003	As of Mar.31, 2003	increase/ (decrease)	Summary
Total assets	48,793	48,637	156	<p>Shareholders' equity ratio Improved by 1.8 points, due to the increase of shareholders' equity affected by the increase of retained earnings and net unrealized holding gains on securities available-for-sale, while total assets also increased by the investments for the expansion of the earnings base.</p> <p>Working Capital Increased as a result of shifting partly from short-term funding to long-term funding and keeping the level of liquidity.</p> <p>Debt - equity ratio, net (times) Improved by 0.6 points, due to the decrease of interest-bearing liabilities and increase of shareholders' equity.</p>
Total shareholders' equity	7,165	6,263	903	
Shareholders' equity ratio	14.7%	12.9%	1.8pt	
Working Capital	4,357	3,469	889	
Interest - bearing liabilities, net	24,440	25,028	(588)	
Debt - equity ratio, net (times)	3.4	4.0	(0.6pt)	