

Highlights of consolidated quarterly results 2004 (Third quarter ended December 31, 2004)

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January 28, 2005

[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, 2004 ('04/4-12)		Nine months ended Dec.31, 2003 ('03/4-12) (B)	increase/(decrease)		Summary of the results for the nine months (April 1, 2004-December 31, 2004) in comparison with the same period of the previous year	Annual targets announced in Oct.2004 in Oct.2004 ('04/4-'05/3) (C)	Results of the previous fiscal year ('03/4-'04/3) (D)	increase/(decrease) (C)-(D)
	(A)	Third quarter ('04/10-12)		amount (A)-(B)	percentage				
Gross profit	4,129	1,414	3,652	477	13%	<p>Gross profit • Strong performances in steel products business including steel service centers operation in Asia and in specialty steel business</p> <p>• Strong performances in automobile lease and finance business such as Sumisho Auto Leasing and in ships business</p> <p>• Increase in plant business mainly in Asia</p> <p>• Strong performances in retail business such as supermarket Summit, and fertilizer business</p> <p>• Increase in Overseas subsidiaries such as Sumitomo Corporation of America</p> <p>• Recognized impairment losses on real estate for sale in Kobe area, and decrease in condominium sales in Tokyo metropolitan area compared with the same period of the previous year, which showed a strong performance</p> <p>Selling, general and administrative expenses • Increase in personnel expenses due to the expansion of business activities at subsidiaries</p> <p>• Increase in amortization of software</p> <p>Equity in earnings of associated companies, net • Strong performances in Batu Hijau copper and gold mine project, Jupiter Telecommunications, Sumisho Lease and Jupiter Programming, etc.</p> <p>Settlements on copper trading litigation • Settlement paid during the previous year</p> <p>• Settlement received in the third quarter</p> <p>Provision for doubtful receivables • Provision for receivables going through legal liquidation</p> <p>Gain on property and equipment, net • Sales of office buildings</p> <p>• Sales of commercial rent premises during the previous year</p> <p>Gain on marketable securities and investments, net • Capital gains generated mostly by the continuous unwinding of cross shareholdings</p>	5,600	5,013	587
Other income (expenses) :									
Selling, general and administrative expenses	(3,275)	(1,111)	(3,099)	(176)	(6%)		(4,400)	(4,224)	(176)
Personnel expenses	(1,687)	(577)	(1,607)	(80)	(5%)				
Facility related expenses	(571)	(200)	(574)	4	1%				
Other	(1,017)	(334)	(918)	(99)	(11%)				
Interest expense, net of interest income	(60)	(27)	(38)	(22)	(58%)		(70)	(64)	(6)
Dividends	47	11	59	(13)	(21%)		60	69	(9)
Equity in earnings of associated companies, net	289	100	154	135	88%		400	207	193
Settlements on copper trading litigation	28	38	(67)	94	-		(200)	89	(289)
Provision for doubtful receivables	(35)	(5)	(12)	(24)	(207%)				
Gain on property and equipment, net	132	131	135	(2)	(2%)				
Gain on marketable securities and investments, net	76	12	173	(97)	(56%)				
Other, net	(1)	(1)	(2)	1	69%				
Total other income (expenses)	(2,799)	(853)	(2,697)	(103)	(4%)		(4,210)	(3,923)	(287)
Income before income taxes and minority interests in earnings of subsidiaries	1,330	562	956	374	39%		1,390	1,090	300
Income taxes	(516)	(218)	(352)	(163)	(46%)	(530)	(357)	(173)	
Income before minority interests in earnings of subsidiaries	814	343	603	211	35%	860	733	127	
Minority interests in earnings of subsidiaries, net	(50)	(15)	(47)	(3)	(6%)	(80)	(67)	(13)	
Net income	764	328	556	208	37%	780	666	114	
Total trading transactions	71,370	23,506	64,771	6,599	10%	97,000	91,979	5,021	
Operating income	819	298	541	277	51%	1,150	710	440	
Basic profit (Calculation for reference)*	785	269	487	298	61%	1,102	668	434	

Note: Total trading transactions is presented in a manner customarily used in Japan solely for Japanese investors' purposes.

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

*Calculation: (Gross profit-Selling, general and administrative expenses-Interest expenses, net of interest income+Dividends)×59% (to take into account income taxes) + Equity in earnings of associated companies

For the nine months ended December 31, 2003, basic profit was calculated by using 58% as the multiplier.

Cautionary Statement Concerning Forward-Looking Statements

This report includes forward-looking statements relating to our future plans, targets, 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 targets included in this report are not projections, and do not represent management's current estimates of future performance. Rather, they represent targets that management strive 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 targets.

The Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statement:

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Segment Information	Gross profit			Net income			Assets		
	Nine months ended Dec. 31, 2004	Nine months ended Dec. 31, 2003	increase/ (decrease)	Nine months ended Dec. 31, 2004	Nine months ended Dec. 31, 2003	increase/ (decrease)	As of Dec. 31, 2004	As of Mar. 31, 2004	increase/ (decrease)
Metal Products	378	320	58	106	63	43	4,501	3,904	597
Transportation & Construction Systems	809	736	73	117	95	22	8,716	7,930	786
Machinery & Electric	228	162	66	39	1	38	4,343	4,357	(15)
Media, Electronics & Network	301	284	17	54	48	6	3,571	3,750	(179)
Chemical	215	165	50	40	13	28	2,170	1,749	422
Mineral Resources & Energy	246	196	50	113	40	74	4,462	3,457	1,005
Consumer Goods & Service	741	669	72	46	36	10	3,119	3,046	73
Materials & Real Estate	336	357	(21)	18	107	(89)	6,163	6,153	10
Financial & Logistics	107	108	0	10	15	(6)	2,133	1,935	197
Domestic Regional Business Units and Offices	296	291	5	32	19	13	3,771	3,793	(21)
Overseas Subsidiaries and Branches	552	411	141	190	49	140	6,014	4,933	1,081
Segment Total	4,211	3,700	512	765	486	279	48,962	45,005	3,957
Corporate and Eliminations	(82)	(47)	(35)	(1)	70	(71)	4,881	5,120	(239)
Consolidated	4,129	3,652	477	764	556	208	53,843	50,125	3,718

Assets and Liabilities	As of Dec. 31, 2004	As of Mar. 31, 2004	increase/ (decrease)
Total assets	53,843	50,125	3,718
Total shareholders' equity	9,173	7,308	1,864
Shareholders' equity ratio	17.0%	14.6%	2.4pt
Working Capital	7,948	6,940	1,008
Interest - bearing liabilities, gross	28,073	27,959	114
Interest - bearing liabilities, net	23,110	23,776	(666)
Debt - equity ratio, net (times)	2.5	3.3	(0.8pt)

Summary
<p><u>Total assets</u></p> <ul style="list-style-type: none"> · Increase of operating assets due to business expansion · Strategic investments to expand earnings base
<p><u>Total shareholders' equity, Shareholders' equity ratio, Debt - equity ratio, net (times)</u></p> <ul style="list-style-type: none"> · Improved due to the issuance of new shares and increase in retained earnings