

**Consolidated quarterly results FY2006 (Nine-month period ended December 31, 2006)**

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

**Sumitomo Corporation**

Stock Exchange code No. 8053

(Listed on Tokyo, Osaka, Nagoya and Fukuoka Stock Exchanges)

President &amp; CEO, Motoyuki Oka

For further information contact:

Mitsuru Iba, Corporate Communications Dept. Tel.+81-3-5166-3089

Kihachiro Kawaguchi, Accounting Controlling Dept. Tel.+81-3-5166-3279

(URL <http://www.sumitomocorp.co.jp/english>)**1. Consolidated results for the nine-month period ended December 31, 2006****(1) Summary**

(Remark) Amounts are rounded to the nearest million.

	Total trading transactions		Operating income		Income before income taxes and minority interests in earnings of subsidiaries		Net income	
Nine months ended	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
December 31, 2006	7,859,439	5.0	182,004	29.8	243,557	15.7	153,995	17.5
December 31, 2005	7,488,393	4.9	140,245	71.3	210,443	58.3	131,087	71.6
Year ended March 31, 2006	10,336,265	4.4	176,133	56.7	247,807	63.7	160,237	88.4

	Net income per share (basic)	Net income per share (diluted)
Nine months ended	(yen)	(yen)
December 31, 2006	123.81	123.79
December 31, 2005	106.89	106.88
Year ended March 31, 2006	130.18	130.17

**(2) Financial position**

	Total assets	Total shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	(millions of yen)	(millions of yen)	(%)	(yen)
As of December 31, 2006	8,336,595	1,423,838	17.1	1,152.47
As of December 31, 2005	6,469,977	1,247,230	19.3	1,002.27
As of March 31, 2006	6,711,894	1,303,975	19.4	1,047.88

- Notes
- 1) These consolidated results are prepared on the basis of accounting principles generally accepted in the United States of America.
  - 2) The results of the third quarter are not audited by independent public accountants.
  - 3) As of December 31, 2006 : Number of consolidated subsidiaries; 656 , Number of equity method applied associated companies; 252  
As of March 31, 2006 : Number of consolidated subsidiaries; 626 , Number of equity method applied associated companies; 249
  - 4) Percentage figures are changes from the same period of the previous fiscal year.
  - 5) Total trading transactions and operating income are presented in a manner customarily used in Japan solely for Japanese investors' purposes.  
Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which the Companies act as principal or as agent.
  - 6) The targets for fiscal year 2006 announced in October 2006 are remained unchanged.

**2. Outline of consolidated results for the nine-month period ended December 31, 2006**

Total trading transactions for the nine-month period ended December 31, 2006 was 7,859.4 billion yen, a 5.0% increase from the same period of the previous year. Gross profit increased by 129.2 billion yen to 635.4 billion yen. These were mainly due to strong performances in metal businesses (Metal Products), automobile finance business in Asia (Transportation & Construction Systems), and Sumitomo Corporation of America (Overseas Subsidiaries & Branches). Newly consolidated subsidiaries such as TBC Corporation, an automotive replacement tire marketer in the U.S. also contributed.

Although, selling, general and administrative expenses increased mainly due to the expansion of business activities at subsidiaries, operating income increased by 41.8 billion yen to 182.0 billion yen. Equity in earnings of associated companies, net increased by 16.5 billion yen to 51.8 billion yen resulting from strong performances in copper business in the Americas, tubular product business in the U.S., Sumisho Lease, and Jupiter Telecommunications. In addition, the Company received 10 billion yen through settlement on copper trading litigation.

As a result, net income amounted to 154.0 billion yen, an increase of 22.9 billion yen or representing 17.5% growth from the same period of the previous year.

**Caution Concerning Forward-looking Statement**

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 statements.

**Consolidated Statements of Income**

Nine-month periods ended December 31, 2006 and 2005

(Unaudited)

	Millions of yen				Millions of
	2006			2005	U.S. Dollars
	Six months ended September 30	Three months ended December 31	Nine months ended December 31	Nine months ended December 31	2006 Nine months ended December 31
<b>Revenues:</b>					
Sales of tangible products	¥ 1,256,220	¥ 666,059	¥ 1,922,279	¥ 1,474,499	\$ 16,154
Sales of services and others	279,101	149,359	428,460	366,344	3,600
<b>Total revenues</b>	<u>1,535,321</u>	<u>815,418</u>	<u>2,350,739</u>	<u>1,840,843</u>	<u>19,754</u>
<b>Cost:</b>					
Cost of tangible products sold	1,042,609	557,920	1,600,529	1,235,594	13,450
Cost of services and others	77,083	37,696	114,779	99,022	964
<b>Total cost</b>	<u>1,119,692</u>	<u>595,616</u>	<u>1,715,308</u>	<u>1,334,616</u>	<u>14,414</u>
<b>Gross profit</b>	415,629	219,802	635,431	506,227	5,340
<b>Other income (expenses):</b>					
Selling, general and administrative expenses	(294,687)	(156,347)	(451,034)	(360,203)	(3,790)
Settlements on copper trading litigation	9,612	(11)	9,601	(101)	81
Provision for doubtful receivables	(1,029)	(1,364)	(2,393)	(5,779)	(20)
Impairment losses on long-lived assets	(314)	(4)	(318)	(1,430)	(3)
Gain (loss) on sale of property and equipment, net	1,345	(62)	1,283	1,284	11
Interest income	16,027	9,732	25,759	13,685	216
Interest expense	(32,280)	(20,330)	(52,610)	(25,812)	(442)
Dividends	7,688	3,666	11,354	8,901	95
Other than temporary impairment losses on securities	(518)	-	(518)	(944)	(4)
Gain on sale of marketable securities and other investments, net	4,698	8,428	13,126	36,108	110
Gain on issuances of stock by subsidiaries and associated companies	-	-	-	1,534	-
Equity in earnings of associated companies, net	33,968	17,830	51,798	35,343	435
Other, net	(95)	2,173	2,078	1,630	18
Total other income (expenses)	<u>(255,585)</u>	<u>(136,289)</u>	<u>(391,874)</u>	<u>(295,784)</u>	<u>(3,293)</u>
<b>Income before income taxes and minority interests in earnings of subsidiaries</b>	160,044	83,513	243,557	210,443	2,047
<b>Income taxes</b>	55,406	29,990	85,396	74,450	718
<b>Income before minority interests in earnings of subsidiaries</b>	104,638	53,523	158,161	135,993	1,329
<b>Minority interests in earnings of subsidiaries, net</b>	(2,586)	(1,580)	(4,166)	(4,906)	(35)
<b>Net income</b>	<u>¥ 102,052</u>	<u>¥ 51,943</u>	<u>¥ 153,995</u>	<u>¥ 131,087</u>	<u>\$ 1,294</u>
<b>Disclosure of comprehensive income:</b>					
Net income for the period	¥ 102,052	¥ 51,943	¥ 153,995	¥ 131,087	\$ 1,294
Other comprehensive income (loss), net of tax:					
Net unrealized holding gains (losses) on securities available-for-sale	(24,002)	22,485	(1,517)	133,276	(13)
Foreign currency translation adjustments	2,866	16,602	19,468	35,226	164
Net unrealized gains (losses) on derivatives	(1,556)	3,307	1,751	(5,333)	15
<b>Comprehensive income for the period</b>	<u>79,360</u>	<u>94,337</u>	<u>¥ 173,697</u>	<u>¥ 294,256</u>	<u>\$ 1,460</u>
<b>Total trading transactions</b>	¥ 5,246,611	¥ 2,612,828	¥ 7,859,439	¥ 7,488,393	\$ 66,046

## Note:

1) The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥119=US\$1.

2) Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which we 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.

**Consolidated Balance Sheets**

As of December 31, 2006 (Unaudited) and March 31, 2006

	Millions of Yen		Millions of U.S. Dollars
	December 31, 2006	March 31, 2006	December 31, 2006
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	¥ 512,777	¥ 522,000	\$ 4,309
Time deposits	7,901	8,331	66
Marketable securities	15,153	22,087	127
Receivables-trade			
Notes and loans	300,444	265,022	2,525
Accounts	1,613,933	1,646,126	13,563
Associated companies	75,474	98,278	634
Allowance for doubtful receivables	(13,051)	(15,335)	(110)
Inventories	751,153	705,257	6,312
Deferred income taxes	26,060	31,998	219
Advance payments to suppliers	66,110	50,165	556
Assets held for sale	1,506,915	-	12,663
Other current assets	221,650	310,411	1,863
Total current assets	5,084,519	3,644,340	42,727
<b>Investments and long-term receivables:</b>			
Investments in and advances to associated companies	540,738	469,482	4,544
Other investments	819,439	783,015	6,886
Long-term receivables	684,672	662,075	5,754
Allowance for doubtful receivables	(34,379)	(40,703)	(289)
Total investments and long-term receivables	2,010,470	1,873,869	16,895
<b>Property and equipment, at cost less accumulated depreciation</b>	850,023	819,503	7,143
<b>Goodwill and other intangible assets</b>	259,543	259,264	2,181
<b>Prepaid expenses, non-current</b>	97,730	94,710	821
<b>Deferred income taxes, non-current</b>	18,681	13,511	157
<b>Other assets</b>	15,629	6,697	131
<b>Total</b>	<b>¥ 8,336,595</b>	<b>¥ 6,711,894</b>	<b>\$ 70,055</b>

Note: The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥119=US\$1.

**Consolidated Balance Sheets**

As of December 31, 2006 (Unaudited) and March 31, 2006

	Millions of Yen		Millions of U.S. Dollars
	December 31, 2006	March 31, 2006	December 31, 2006
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities:</b>			
Short-term debt	¥ 564,385	¥ 539,567	\$ 4,743
Current maturities of long-term debt	489,883	428,545	4,117
Payables-trade			
Notes and acceptances	116,881	93,278	982
Accounts	1,005,495	1,070,921	8,450
Associated companies	43,632	29,713	367
Income taxes	35,630	33,060	299
Accrued expenses	87,703	92,975	737
Advances from customers	87,853	90,483	738
Liabilities associated with assets held for sale	1,305,371	-	10,969
Other current liabilities	225,487	243,972	1,895
Total current liabilities	3,962,320	2,622,514	33,297
<b>Long-term debt, less current maturities</b>	2,598,640	2,447,170	21,837
<b>Accrued pension and retirement benefits</b>	11,150	13,180	93
<b>Deferred income taxes, non-current</b>	245,601	230,364	2,064
<b>Minority interests</b>	95,046	94,691	799
<b>Shareholders' equity:</b>			
Common stock	219,279	219,279	1,843
Additional paid-in capital	279,636	279,470	2,350
Retained earnings			
Appropriated for legal reserve	17,696	17,696	149
Unappropriated	698,150	579,217	5,867
	715,846	596,913	6,016
Accumulated other comprehensive income	230,099	213,767	1,933
Treasury stock, at cost	(21,022)	(5,454)	(177)
Total shareholders' equity	1,423,838	1,303,975	11,965
<b>Total</b>	<b>¥ 8,336,595</b>	<b>¥ 6,711,894</b>	<b>\$ 70,055</b>

Note: The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥119=US\$1.

**Segment Information (Condensed)**

Nine-month periods ended December 31, 2006 and 2005

(Unaudited)

Operating segments: 2006:	Millions of Yen			
	Segment	Gross profit	Net income	As of December 31
Segment assets				Total trading transactions
Metal Products	¥ 57,459	¥ 21,184	¥ 748,614	¥ 1,279,059
Transportation & Construction Systems	105,404	20,296	1,133,522	1,335,907
Machinery & Electric	24,420	10,609	461,249	215,553
Media, Electronics & Network	41,992	8,054	451,666	342,819
Chemical	26,199	3,596	268,318	556,703
Mineral Resources & Energy	36,994	16,878	655,279	1,501,734
Consumer Goods & Service	80,747	2,671	368,116	459,237
Materials & Real Estate	63,568	9,410	534,846	393,274
Financial & Logistics	22,546	5,501	438,486	171,201
Domestic Regional Business Units and Offices	29,714	4,784	447,596	786,027
Overseas Subsidiaries and Branches	168,423	34,446	1,128,899	1,546,662
Segment Total	657,466	137,429	6,636,591	8,588,176
Corporate and Eliminations	(22,035)	16,566	1,700,004	(728,737)
Consolidated	¥ 635,431	¥ 153,995	¥ 8,336,595	¥ 7,859,439

2005:	Millions of Yen			
	Segment	Gross profit	Net income	As of March 31
Segment assets				Total trading transactions
Metal Products	¥ 47,360	¥ 15,441	¥ 662,844	¥ 1,054,355
Transportation & Construction Systems	92,790	17,021	1,037,044	1,176,226
Machinery & Electric	21,522	4,758	475,384	823,764
Media, Electronics & Network	32,489	11,880	441,711	329,059
Chemical	26,642	5,641	243,216	449,437
Mineral Resources & Energy	34,794	16,632	618,169	1,153,615
Consumer Goods & Service	74,823	16,268	367,984	581,000
Materials & Real Estate	37,292	8,556	587,683	313,445
Financial & Logistics	18,734	5,413	470,771	118,920
Domestic Regional Business Units and Offices	29,682	3,660	424,773	805,568
Overseas Subsidiaries and Branches	90,589	24,164	1,054,635	1,241,284
Segment Total	506,717	129,434	6,384,214	8,046,673
Corporate and Eliminations	(490)	1,653	327,680	(58,280)
Consolidated	¥ 506,227	¥ 131,087	¥ 6,711,894	¥ 7,488,393

2006:	Millions of U.S.Dollars			
	Segment	Gross profit	Net income	As of December 31
Segment assets				Total trading transactions
Metal Products	\$ 483	\$ 178	\$ 6,291	\$ 10,749
Transportation & Construction Systems	886	171	9,525	11,226
Machinery & Electric	205	89	3,876	1,811
Media, Electronics & Network	353	68	3,796	2,881
Chemical	220	30	2,255	4,678
Mineral Resources & Energy	311	142	5,507	12,620
Consumer Goods & Service	679	22	3,093	3,859
Materials & Real Estate	534	79	4,494	3,305
Financial & Logistics	189	46	3,685	1,439
Domestic Regional Business Units and Offices	250	40	3,761	6,605
Overseas Subsidiaries and Branches	1,415	290	9,487	12,997
Segment Total	5,525	1,155	55,770	72,170
Corporate and Eliminations	(185)	139	14,285	(6,124)
Consolidated	\$ 5,340	\$ 1,294	\$ 70,055	\$ 66,046

Note:

1) The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥119=US\$1.

2) Total trading transactions represents the gross transaction volume of trading activities, or the nominal aggregate value of the transactions for which we 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.