

Highlights of consolidated quarterly results 2006 (Nine-month period ended December 31, 2006)

page1/3
January 30, 2007

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

1. Consolidated Income

Sumitomo Corporation

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

	Apr.1-Dec.31, 2006		Apr.1-Dec.31, 2005	increase/(decrease)		Summary	Annual Targets announced in Oct., 2006		Results Year ended Mar. 31, 2006																
	(A)	Oct. 1-Dec.31, 2006		(B)	amount (A)-(B)		percentage	amount		percentage															
Gross profit	6,354	2,198	5,062	1,292	26%	<u>Gross profit</u>	8,600	74%	7,066																
Other income (expenses) :						<Businesses which contributed to the increase>																			
Selling, general and administrative expenses	(4,510)	(1,563)	(3,602)	(908)	(25%)	- Tubular products, steel plates, and non-ferrous metal businesses																			
Personnel expenses	(2,309)	(773)	(1,885)	(424)	(23%)	- Automobile finance business in Asia																			
Facility related expenses	(749)	(273)	(590)	(160)	(27%)	- IPP* business in Asia																			
Other	(1,452)	(518)	(1,128)	(324)	(29%)	*Independent Power Producer																			
Interest expense, net of interest income	(269)	(106)	(121)	(147)	(121%)	- Sumitomo Corporation of America (Mainly in metal products business)	(6,150)	73%	(5,158)																
Dividends	114	37	89	25	28%	- Consolidated TBC Corporation (automotive replacement tire marketer in the U.S.)																			
Equity in earnings of associated companies, net	518	178	353	165	47%	<u>Selling, general and administrative expenses</u>																			
Settlements on copper trading litigation	96	0	(1)	97	-	- Effect of the newly consolidated subsidiaries																			
Provision for doubtful receivables	(24)	(14)	(58)	34	59%	- Increase in personnel expenses due to the expansion of business activities at existing subsidiaries	(360)	75%	(200)																
Gain on property and equipment, net	10	(1)	(1)	11	-	<u>Interest expense, net of interest income</u>																			
Gain on marketable securities and investments, net	126	84	367	(241)	(66%)	<table border="1"> <thead> <tr> <th></th> <th>Apr.1-Dec.31, 2006</th> <th>Apr.1-Dec.31, 2005</th> <th>increase/(decrease)</th> </tr> </thead> <tbody> <tr> <td>Interest income</td> <td>258</td> <td>137</td> <td>121</td> </tr> <tr> <td>Interest expense</td> <td>(526)</td> <td>(258)</td> <td>(268)</td> </tr> <tr> <td>Total</td> <td>(269)</td> <td>(121)</td> <td>(147)</td> </tr> </tbody> </table>		Apr.1-Dec.31, 2006	Apr.1-Dec.31, 2005	increase/(decrease)	Interest income	258	137	121	Interest expense	(526)	(258)	(268)	Total	(269)	(121)	(147)	130	87%	104
	Apr.1-Dec.31, 2006	Apr.1-Dec.31, 2005	increase/(decrease)																						
Interest income	258	137	121																						
Interest expense	(526)	(258)	(268)																						
Total	(269)	(121)	(147)																						
Other, net	21	22	16	4	27%	- Increase in interest-bearing liabilities in the U.S. dollar	680	76%	514																
Total other income (expenses)	(3,919)	(1,363)	(2,958)	(961)	(32%)	- Rise in interest rates of the U.S. dollar	100	229%	151																
Income before income taxes and minority interests in earnings of subsidiaries	2,436	835	2,104	331	16%	<u>Equity in earnings of associated companies, net</u>																			
Income taxes	(854)	(300)	(745)	(109)	(15%)	<Businesses which contributed to the increase>																			
Income before minority interests in earnings of subsidiaries	1,582	535	1,360	222	16%	- Copper business in the Americas																			
Minority interests in earnings of subsidiaries, net	(42)	(16)	(49)	7	15%	- Tubular products business in the U.S.																			
Net income	1,540	519	1,311	229	17%	- Sumisho Lease	(5,600)	70%	(4,588)																
Total trading transactions	78,594	26,128	74,884	3,710	5%	- Jupiter Telecommunications																			
Operating income	1,820	621	1,402	418	30%	<u>Settlements on copper trading litigation</u>																			
Basic profit (Calculation for reference)*	1,514	512	1,196	319	27%	- Receipt of 10 billion yen through settled litigation	(1,040)	82%	(807)																
						Reference																			
						Foreign exchange (Yen/US\$, ave.)	Apr.1-Dec.31, 2006	Apr.1-Dec.31, 2005																	
						(Jan.-Sep.)	115.94	108.65																	
						(Apr.-Dec.)	116.14	112.85																	
						Interest (%) (US\$ LIBOR 6M) (ave.)	(Jan.-Sep.)	5.2%	3.5%																
						(Apr.-Dec.)	5.4%	4.0%																	
						Crude oil (US\$/bbl) <North Sea Brent>	(Jan.-Sep.)	67	54																
							(60)	69%	(68)																
							1,900	81%	1,602																
							107,000	73%	103,363																
							2,400	76%	1,761																
							1,990	76%	1,583																

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, net

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 statements.

2. Segment Information

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

page2/3
January 30, 2007

Sumitomo Corporation

	Gross profit			Net income			Summary (Net income)
	Apr.1- Dec.31, 2006	Apr.1- Dec.31, 2005	increase/ (decrease)	Apr.1- Dec.31, 2006	Apr.1- Dec.31, 2005	increase/ (decrease)	
Metal Products	575	474	101	212	154	57	- Strong performances in tubular products, steel plates, and non-ferrous metal businesses
Transportation & Construction Systems	1,054	928	126	203	170	33	- Increased earnings from Sumisho Auto Leasing as a result of making it a wholly owned subsidiary - Automobile finance business in Asia
Machinery & Electric	244	215	29	106	48	59	- IPP/IWPP businesses in Asia and the Middle East
Media, Electronics & Network	420	325	95	81	119	(38)	- Improved earnings in Sumisho Computer Systems - Decrease in capital gain
Chemical	262	266	(4)	36	56	(20)	- Decrease in plastics and organic chemical businesses
Mineral Resources & Energy	370	348	22	169	166	2	- Strong performances in copper business in the Americas and Australia
Consumer Goods & Service	807	748	59	27	163	(136)	- Strong performance in Summit supermarket - Value realization of Coach Japan in the same period of the previous year
Materials & Real Estate	636	373	263	94	86	9	- Strong performance in condominium sales - Consolidated TBC Corporation
Financial & Logistics	225	187	38	55	54	1	- Strong performance in commodity business
Domestic Regional Business Units and Offices	297	297	0	48	37	11	- Strong performance in metal products businesses
Overseas Subsidiaries and Branches	1,684	906	778	344	242	103	- Strong performance in metal products businesses - Consolidated TBC Corporation
Segment Total	6,575	5,067	1,507	1,374	1,294	80	
Corporate and Eliminations	(220)	(5)	(215)	166	17	149	- Received settlement on copper trading litigation
Consolidated	6,354	5,062	1,292	1,540	1,311	229	

3. Financial Position

	As of Dec. 31, 2006	As of Mar. 31, 2006	increase/ (decrease)	Summary
Total assets	83,366	67,119	16,247	<u>Total assets</u> - Temporary increase due to the consolidation of Sumisho Lease (Assets held for sale: about +1,500 billion yen)
Total shareholders' equity	14,238	13,040	1,199	<u>Total shareholders' equity</u> - Increase in retained earnings
Shareholders' equity ratio	17.1%	19.4%	(2.3pt)	<u>Shareholders' equity ratio</u> - Temporary decrease due to the consolidation of Sumisho Lease
Interest-bearing liabilities, net	28,993	26,222	2,772	
Debt-equity ratio, net (times)	2.0	2.0	-	

<Reference information>page3/3
January 30, 2007**Sumitomo Corporation**

Number of subsidiaries and associated companies

Unit: Number of companies

	As of Dec. 31, 2006			increase/(decrease) from Dec. 31, 2005		
	Profit	Loss	Total	Profit	Loss	Total
Japan	230	36	266	13	(25)	(12)
Overseas	541	101	642	20	7	27
Total	771	137	908	33	(18)	15

(Profit-making company ratio)

85%

+2pt

Equity in earnings of subsidiaries and associated companies

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

	Apr.1-Dec.31, 2006			increase/(decrease) from the same period of the previous year		
	Profit	Loss	Total	Profit	Loss	Total
Japan	535	(19)	517	68	25	93
Overseas	848	(44)	804	166	(15)	151
Total	1,383	(63)	1,321	234	10	244