

For Immediate Release

Sumitomo Corporation Announces Quarterly Financial Results for the Fiscal Year 2009 (Nine-month period ended December 31, 2009)

On January 29, 2010, Sumitomo Corporation announced its consolidated results for the nine-month period ended December 31, 2009, prepared on the basis of accounting principles generally accepted in the United States of America.

“Net income attributable to Sumitomo Corporation” for the nine-month period ended December 31, 2009 was 118.2 billion yen, decreased by 97.6 billion yen from the same period of the previous year. Although the results decreased from the same period of the previous year, we have exceeded our initial annual target of 115 billion yen in nine months. This was mainly due to the strong performances in mineral resources businesses in addition to value realizations through strategic replacements of assets.

When reviewing the business situation of this third quarter (October-December), harsh business conditions continued mainly in tubular products business in the United States and automobile and construction equipment businesses mainly in Europe. On the other hand, commodity prices were rising in mineral resources businesses. In addition, some business has bottomed out and started to recover led by the strong demand in Asia and China.

*In this document, “net income” is equivalent to “Net income attributable to Sumitomo Corporation” after adopting ASC 810 “Consolidation” (formerly SFAS 160) and equivalent to “Net income” which had been used until fiscal year 2008.

1. Consolidated Income

- Gross profit was 564.6 billion yen, a decrease of 203.8 billion yen.
- Selling, general and administrative expenses decreased by 26.1 billion yen which was partly due to the yen appreciation.
- Therefore, operating income decreased by 174.0 billion yen to 82.6 billion yen.
- Gain on marketable securities and investments was 34.2 billion yen since there

were capital gains of listed stocks and value realizations through replacements of assets in this third quarter. As for Japan Airlines preferred stocks, we have recognized the impairment loss to zero value.

- Equity in earnings of associated companies decreased by 27.2 billion yen to 52.7 billion yen.

2. Segment Information

- Net income of all the 9 segments posted positive results.
- “Metal Products” and “Transportation & Construction Systems” “Overseas Subsidiaries and Branches” decreased substantially. However, some businesses started to recover slowly.

- Metal Products

Tubular products business in North America decreased due to the decline of demand. The operations in the steel service center decreased from the same period of the previous year due to the sluggish demand since the Lehman shock. Nevertheless, currently they are recovering mainly in China and Asia.

- Transportation & Construction Systems

Although automobile and construction equipment businesses in North America and Europe were still flagging, ship businesses and automobiles/motorcycles finance businesses in Asia were stable.

- “Mineral Resources, Energy, Chemical & Electronics” increased by 1.5 billion yen from the same period of the previous year. Coal mining operations in Australia declined substantially due to the fall in sales prices. On the other hand, San Cristobal silver-zinc-lead mining project in Bolivia contributed to the results due to the rise in commodity prices in addition to further cost reduction while sustaining stable operation. In addition, there were value realizations through replacements of assets.
- The following 3 segments decreased from the same period of the previous year due to the decline in capital expenditures such as infrastructure, IT and equipments in Japan and overseas. However, core businesses in each segment contributed to

the results.

- Infrastructure

IPP businesses, which we are expanding our business base, were stable.

*IPP: Independent Power Producer

- Media, Network & Lifestyle Retail

Jupiter Telecommunications Co., Ltd. increased its net income through increasing subscribers.

- General Products & Real Estate

Banana business in Japan and TBC (tire business in the United States) were stable.

3. Financial position

- Total assets as of December 31, 2009 amounted to 6,953.4 billion yen, a decrease of 64.8 billion yen from March 31, 2009 resulted mainly from company-wide efforts such as decreasing receivables and improving inventory turnover rates. Also, in order to strengthen financial stability, we are improving liquidity level by cash and deposits, partly generated from replacements of assets.
- Sumitomo Corporation shareholders' equity* improved by 136.2 billion yen, due to the increase of retained earnings in addition to the increase of unrealized holding gains on securities available-for-sale. As a result, Sumitomo Corporation shareholders' equity ratio* improved by 2.1 points to 21.4%. Interest-bearing liabilities were 2,878.5 billion yen, down 308.4 billion yen. As a result, net debt-equity ratio* improved by 0.5 points to 1.9 times from March 31, 2009.

*“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”.

4. Cash flows

- During the nine-month period ended December 31, 2009, net cash provided by operating activities was 395.8 billion yen as a result of stable business performances in our core businesses and substantial decrease in operating assets.
- Net cash used in investing activities was 62.8 billion yen. While making strategic investments such as acquisitions of new oilfield interests in the British North Sea and wind farm interests in the United States, we actively collected cash through replacement of assets.
- Accordingly, free cash flow was 333.0 billion yen inflow.

5. Outlook for the full fiscal year ending March 31, 2010

- Although the extent and pace of recovery is different in each region and business, the world economy passed its worst moment in the first half of fiscal year 2009 thanks to the various stimulus policy mainly by G20 and started to recover led by emerging countries in Asia.
- Looking at our each business, the pace of recovery in such businesses as tubular products in North America and automobile and construction equipment is slower than we expected.
- On the other hand, mineral resources businesses started contributing to the results led by the strong demand and high commodity prices, that are exceeding our initial assumptions. Also, we are actively replacing assets in our medium-term management plan, “FOCUS’10” with the aim of strengthening our business portfolio and there were value realizations of replacements of assets, which contributed to the results. Taking all these into account, we have changed our target of consolidated annual net income from 115 billion yen to 145 billion yen.

6. Dividend

- In accordance with the revision of our annual target, we have changed our plan for 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.

Based on our target of consolidated net income of 145 billion yen, the annual dividend is planned to be 23 yen per share (the annual dividends for fiscal year 2008 was 34 yen per share). Therefore, the year-end dividend is 14 yen per share, 5 yen increase from the initial plan.

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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 strives 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.