

Consolidated Financial Results FY2023 (Nine-month period ended December 31, 2023)

[Prepared on the basis of International Financial Reporting Standards]

Company Name: **Sumitomo Corporation** Stock Listing: Tokyo
 Stock Exchange Code No.: 8053 URL: <https://www.sumitomocorp.com/en/jp>
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Scheduled Quarterly Securities Report Submission Date: February 8, 2024

Scheduled Starting Date of Dividend Payment: —

Supplementary Documents on Financial Results: Yes

Financial Results Meeting: Yes (for Financial Analysts)

1. Consolidated results for the nine-month period ended December 31, 2023

(Remarks)

Amounts are rounded to the nearest million.

% : change from the same period of the previous year

(1) Consolidated operating results

	Revenues	increase/ (decrease)	Profit before tax	increase/ (decrease)	Profit for the period	increase/ (decrease)	Profit for the period attributable to owners of the parent	increase/ (decrease)	Comprehensive income for the period	increase/ (decrease)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
The period ended December 31, 2023	5,064,258	(0.1)	502,706	(16.4)	430,433	(11.8)	404,106	(13.0)	682,662	5.1
The period ended December 31, 2022	5,070,062	28.5	601,429	—	488,251	—	464,375	—	649,238	—
	Earnings per share attributable to owners of the parent (basic)		Earnings per share attributable to owners of the parent (diluted)							
			(yen)							
The period ended December 31, 2023			330.32							
The period ended December 31, 2022			371.28							
			(yen)							
The period ended December 31, 2023			330.09							
The period ended December 31, 2022			371.02							

[Note] Due to application of Amendments to IAS 12 Income Taxes (issued in May 2021), results for the nine months ended December 31, 2022, have been re-presented retrospectively. Percentages of change from the same period of the previous year for the nine months ended December 31, 2022 are not presented except for revenues.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio
	(millions of yen)	(millions of yen)	(millions of yen)	(%)
As of December 31, 2023	10,719,245	4,469,961	4,250,038	39.6
As of March 31, 2023	10,105,380	3,976,587	3,778,693	37.4

[Note] Due to application of Amendments to IAS 12 Income Taxes (issued in May 2021), figures as of March 31, 2023, have been re-presented retrospectively.

2. Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Year ended March 31, 2023	—	57.50	—	57.50	115.00
Year ending March 31, 2024	—	62.50	—		
Year ending March 31, 2024 (Forecasts)				62.50	125.00

[Note] Revision of the latest dividend forecasts: None

3. Forecasts for the year ending March 31, 2024

(Remarks)

% : change from the previous year

	Profit for the year attributable to owners of the parent	increase/ (decrease)	Earnings per share attributable to owners of the parent
	(millions of yen)	(%)	(yen)
Year ending March 31, 2024	500,000	(11.6)	408.92

[Notes] 1. Revision of the latest forecasts: None

2. Due to application of Amendments to IAS 12 Income Taxes (issued in May 2021), percentage of change from the previous year is calculated based on the figures that have been altered retrospectively.

Notes

(1) Change in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period: None

(2) Changes in accounting policies and accounting estimate

- | | |
|---|------|
| (i) Changes in accounting policies required by IFRS | Yes |
| (ii) Other changes | None |
| (iii) Changes in accounting estimate | None |

[Note] For further details please refer to page 12 "Changes in accounting policies."

(3) Outstanding stocks (Common stocks)

(shares)

(i) Outstanding stocks including treasury stock	(December 31, 2023)	1,223,082,867	(March 31, 2023)	1,251,571,867
(ii) Treasury stocks	(December 31, 2023)	1,217,010	(March 31, 2023)	17,478,130
(iii) Average stocks during the period	(December 31, 2023)	1,222,732,363	(December 31, 2022)	1,250,164,447

*** This report is not subject to quarterly reviews by certified public accountants or auditing firms.**

*** Cautionary Statement Concerning Forward-looking Statements**

This report includes forward-looking statements relating to our future plans, forecasts, 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 forecasts included in this report are not projections, and do not represent management's current estimates of future performance. Rather, they represent forecasts 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 forecasts. The Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

Management results

The Company has applied IAS 12 “Income Taxes” (amended in May 2021) from the three-month period ended June 30, 2023. This change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis. Details regarding changes in accounting policies are described in “Changes in accounting policies” .

1. Operating results

(Unit: billions of yen)	Nine-month period ended December 31, 2022	Nine-month period ended December 31, 2023	Increase/ (Decrease)	Remarks
Revenues	5,070.1	5,064.3	(5.8)	
Gross profit	928.8	974.4	+45.6	- Automotive sales & marketing: strong - Construction equipment-related business: strong mainly in North America - Domestic electricity retail business: strong due to contract renewal and stable electricity procurement prices - Decline in mineral resources & energy prices - Agribusiness: Market prices decline and absence of high demand in FY2022 Q1-3 - Impact of selling silver, zinc, and lead mine in Bolivia (Feb. 2023)
Selling, general and administrative expenses	(586.1)	(675.2)	(89.1)	- Impact of personnel cost increase
Gain (loss) on property, plant and equipment, net (*1)	24.0	(0.0)	(24.0)	- Delivery of major projects in real estate business in FY2022 Q1-3
Other, net	(3.4)	(10.9)	(7.5)	
Interest expense, net of interest income	(5.6)	(14.0)	(8.4)	
Dividends	19.5	12.1	(7.4)	
Gain (loss) on securities and other investments, net	21.5	3.0	(18.5)	- Profit from the sale of O&G business in the U.K. North Sea in FY2022 Q1-3
Share of profit (loss) of investments accounted for using the equity method	202.7	213.4	+10.7	- Receipt of insurance settlement in aircraft leasing business - Impact of decline in mineral resources prices
Profit before tax	601.4	502.7	(98.7)	
Income tax expense	(113.2)	(72.3)	+40.9	
Profit for the period	488.3	430.4	(57.8)	
Profit for the period attributable to: Owners of the parent	464.4	404.1	(60.3)	

(*1) Gain (loss) on property, plant and equipment, net =Sum of Impairment reversal (loss) on long-lived assets and Gain (loss) on sale of long-lived assets, net

<Profit for the period attributable to owners of the parent by segment>

Full amounts from retroactive application of IAS 12 “Income Taxes” (amended in May 2021) to figures for the prior fiscal year are included in Corporate and Eliminations.

(Unit: billions of yen)	Nine-month period ended December 31, 2022	Nine-month period ended December 31, 2023	Increase/ (Decrease)	Remarks
Metal Products	80.7	57.3	(23.4)	- Overseas steel service center: absence of strong performance in North America in FY2022 Q1-3 - Tubular products: absence of strong market in FY2022 Q1-3
Transportation & Construction Systems	76.5	129.5	+53.0	- Automotive sales & marketing: strong - Construction & mining systems: strong - Leasing: stable - Receipt of insurance settlement in aircraft leasing business - One-off profits from the divestment of retail portfolio in tire business
Infrastructure	16.3	28.5	+12.2	- Domestic electricity retail: strong due to contract renewal and stable electricity procurement prices - One-off losses in IWPP business in Bahrain and UK water business - One-off profits in power infrastructure business in FY2022 Q1-3
Media & Digital	21.1	27.4	+6.3	- Major domestic businesses: stable - Telecommunications in Ethiopia: increase in start-up cost - One-off gains in media sector
Living Related & Real Estate	46.6	39.1	(7.5)	- Real estate: delivery of major projects in FY2022 Q1-3 - Fresh produce business in Europe and the Americas: banana business was strong while melon business faced production difficulties
Mineral Resources, Energy, Chemical & Electronics	218.9	98.8	(120.1)	- Decline in mineral resources & energy prices - Mineral resources and Energy trade: absence of strong performance in FY2022 Q1-3 - Agribusiness: market prices decline and absence of high demand in FY2022 Q1-3 - Profit from the sale of O&G business in the U.K. North Sea in FY2022 Q1-3
Segment Total	460.0	380.5	(79.5)	
Corporate and Eliminations	4.4	23.6	+19.2	- Increase in internal interest income due to interest rate increase
Total	464.4	404.1	(60.3)	

2. Financial position

<Total assets, liabilities, and equity as of December 31, 2023>

(Unit: billions of yen)	As of March 31, 2023	As of December 31, 2023	Increase/ (Decrease)	Remarks
Total assets	10,105.4	10,719.2	+613.9	- Increase due to yen's depreciation
Shareholders' equity (*1)	3,778.7	4,250.0	+471.3	- Increase due to yen's depreciation - Profit for the period - Dividend paid, share repurchased
Interest-bearing liabilities (net) (*2)	2,484.4	2,633.2	+148.7	
D/E Ratio (net) (*3)	0.7	0.6	(0.1)pt	

(*1) Shareholders' equity = equivalent to equity attributable to owners of the parent in consolidated statements of financial position.

(*2) Interest-bearing liabilities (net)= Sum of bonds and borrowings (current and non-current) – (cash and cash equivalents + time deposits) (excluding lease liabilities)

(*3) D/E Ratio (net) = Interest-bearing liabilities (net) / Shareholders' equity

<Cash flows>

(Unit: billions of yen)	Nine-month period ended December 31, 2022	Nine-month period ended December 31, 2023	Remarks
Cash flows from operating activities	118.2	378.7	- Steady cash generation by core businesses
Basic profit cash flow (*4)	422.9	389.8	
Cash flows from investing activities	(88.2)	(191.6)	- Investment & loan: Acquisition of sulfuric acid business in the U.S. Acquisition of domestic and overseas real estate, etc. - Asset replacement: Cash in from divestment of retail portfolio in tire sales & marketing business in the U.S., etc.
Free Cash Flows	30.0	187.1	
Cash flows from financing activities	(107.2)	(227.9)	- Dividend paid, share repurchased

	As of March 31, 2023	As of December 31, 2023
Cash and cash equivalents at the end of period	656.9	635.0

(*4) Basic profit cash flow = (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + Dividends) × (1-Tax rate) + Dividend from investments accounted for using the equity method

3. Forecasts for fiscal year ending March 31, 2024

We did not further revise the forecasts for the fiscal year ending March 31, 2024 from the revised annual forecasts of 500.0 billion yen announced at the time of FY2023-Q2 earnings announcement (November 2, 2023), as overall progress of our earnings was generally in line with the above revised annual forecasts.

Cautionary Statement Concerning Forward-Looking Statements

This report includes forward-looking statements relating to our future plans, forecasts, 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 forecasts included in this report are not projections, and do not represent management's current estimates of future performance. Rather, they represent forecasts 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 forecasts. The Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

Condensed Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries

As of March 31, 2023 and December 31, 2023

	Millions of Yen		Millions of U.S. Dollars	
	March 31, 2023	December 31, 2023	December 31, 2023	
ASSETS				
Current assets:				
Cash and cash equivalents	¥ 656,859	¥ 634,988	\$	4,503
Time deposits	10,783	10,241		73
Marketable securities	1,741	12,082		86
Trade and other receivables	1,678,995	1,737,239		12,321
Contract assets	426,369	466,042		3,305
Other financial assets	123,827	191,309		1,357
Inventories	1,390,559	1,404,999		9,965
Advance payments to suppliers	135,177	122,698		870
Assets classified as held for sale	6,574	—		—
Other current assets	442,073	464,732		3,295
Total current assets	4,872,957	5,044,330		35,775
Non-current assets:				
Investments accounted for using the equity method	2,641,716	2,842,282		20,158
Other investments	388,767	446,367		3,166
Trade and other receivables	207,201	254,091		1,802
Other financial assets	190,736	199,793		1,417
Property, plant and equipment	1,046,316	1,101,829		7,814
Intangible assets	284,790	325,215		2,306
Investment property	346,355	357,682		2,537
Biological assets	36,891	39,140		278
Deferred tax assets	30,706	41,036		291
Other non-current assets	58,945	67,480		479
Total non-current assets	5,232,423	5,674,915		40,248
Total assets	¥ 10,105,380	¥ 10,719,245	\$	76,023

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥141=US\$1.

Condensed Consolidated Statements of Financial Position

Sumitomo Corporation and Subsidiaries

As of March 31, 2023 and December 31, 2023

	Millions of Yen		Millions of U.S. Dollars	
	March 31, 2023	December 31, 2023	December 31, 2023	
LIABILITIES AND EQUITY				
Current liabilities:				
Bonds and borrowings	¥ 685,356	¥ 825,519	\$ 5,855	
Trade and other payables	1,648,976	1,647,840	11,687	
Lease liabilities	76,058	76,543	543	
Other financial liabilities	119,170	140,438	996	
Income tax payables	48,060	37,145	263	
Accrued expenses	137,190	118,160	838	
Contract liabilities	119,603	127,910	907	
Provisions	12,152	12,614	89	
Liabilities associated with assets classified as held for sale	5,487	—	—	
Other current liabilities	113,103	104,691	743	
Total current liabilities	2,965,155	3,090,860	21,921	
Non-current liabilities:				
Bonds and borrowings	2,466,733	2,452,865	17,396	
Trade and other payables	57,575	53,236	378	
Lease liabilities	421,759	407,283	2,889	
Other financial liabilities	57,243	56,529	401	
Accrued pension and retirement benefits	21,841	22,766	161	
Provisions	39,996	41,920	297	
Deferred tax liabilities	98,491	123,825	878	
Total non-current liabilities	3,163,638	3,158,424	22,400	
Total liabilities	6,128,793	6,249,284	44,321	
Equity:				
Common stock	220,047	220,423	1,563	
Additional paid-in capital	254,114	252,172	1,788	
Treasury stock	(39,563)	(2,907)	(21)	
Other components of equity	637,538	875,197	6,207	
Retained earnings	2,706,557	2,905,153	20,605	
Equity attributable to owners of the parent	3,778,693	4,250,038	30,142	
Non-controlling interests	197,894	219,923	1,560	
Total equity	3,976,587	4,469,961	31,702	
Total liabilities and equity	¥ 10,105,380	¥ 10,719,245	\$ 76,023	

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥141=US\$1.

Condensed Consolidated Statements of Comprehensive Income

Sumitomo Corporation and Subsidiaries

For the nine-month periods ended December 31, 2022 and 2023

	Millions of Yen		Millions of
	2022	2023	U.S. Dollars
Revenues			
Sales of tangible products	¥ 4,635,328	¥ 4,579,800	\$ 32,481
Sales of services and others	434,734	484,458	3,436
Total revenues	5,070,062	5,064,258	35,917
Cost			
Cost of tangible products sold	(3,914,261)	(3,848,060)	(27,291)
Cost of services and others	(227,012)	(241,831)	(1,716)
Total cost	(4,141,273)	(4,089,891)	(29,007)
Gross profit	928,789	974,367	6,910
Other income (expenses)			
Selling, general and administrative expenses	(586,063)	(675,195)	(4,789)
Impairment reversal (loss) on long-lived assets	4,883	(5,306)	(38)
Gain (loss) on sale of long-lived assets, net	19,090	5,295	38
Other, net	(3,398)	(10,937)	(77)
Total other income (expenses)	(565,488)	(686,143)	(4,866)
Finance income (costs)			
Interest income	34,248	51,497	365
Interest expense	(39,848)	(65,531)	(465)
Dividends	19,519	12,104	86
Gain (loss) on securities and other investments, net	21,479	3,019	22
Finance income (costs), net	35,398	1,089	8
Share of profit (loss) of investments accounted for using the equity method	202,730	213,393	1,513
Profit before tax	601,429	502,706	3,565
Income tax expense	(113,178)	(72,273)	(512)
Profit for the period	488,251	430,433	3,053
Profit for the period attributable to:			
Owners of the parent	¥ 464,375	¥ 404,106	\$ 2,866
Non-controlling interests	23,876	26,327	187
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income	(13,982)	32,880	233
Remeasurements of defined benefit pension plans	(11,509)	6,180	44
Share of other comprehensive income of investments accounted for using the equity method	(2,516)	2,443	17
Total items that will not be reclassified to profit or loss	(28,007)	41,503	294
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	118,916	186,617	1,324
Cash-flow hedges	26,171	15,819	112
Hedging cost	(510)	489	3
Share of other comprehensive income of investments accounted for using the equity method	44,417	7,801	56
Total items that may be reclassified subsequently to profit or loss	188,994	210,726	1,495
Other comprehensive income, net of tax	160,987	252,229	1,789
Comprehensive income for the period	649,238	682,662	4,842
Comprehensive income for the period attributable to:			
Owners of the parent	¥ 625,178	¥ 652,257	\$ 4,626
Non-controlling interests	24,060	30,405	216

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥141=US\$1.

Condensed Consolidated Statements of Changes in Equity

Sumitomo Corporation and Subsidiaries

For the nine-month periods ended December 31, 2022 and 2023

For the nine-month period ended December 31, 2022

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity	Retained earnings	Total		
Balance, beginning of year	219,894	255,996	(1,871)	454,136	2,269,661	3,197,816	183,469	3,381,285
Impact of changes in accounting policies					(980)	(980)	(51)	(1,031)
Balance, beginning of year after changes in accounting policies	219,894	255,996	(1,871)	454,136	2,268,681	3,196,836	183,418	3,380,254
Profit for the period					464,375	464,375	23,876	488,251
Other comprehensive income for the period				160,803		160,803	184	160,987
Comprehensive income for the period				160,803	464,375	625,178	24,060	649,238
Transaction with owners:								
Acquisition of treasury stock			(5)			(5)		(5)
Sales of treasury stock			98			98		98
Share-based payment transactions	153	335				488		488
Equity transactions with non-controlling interests and others		(2,070)				(2,070)	307	(1,763)
Cash dividends to owners of the parent					(153,139)	(153,139)		(153,139)
Cash dividends to non-controlling interests							(16,370)	(16,370)
Transfer to retained earnings				2,446	(2,446)	—		—
Balance, end of period	220,047	254,261	(1,778)	617,385	2,577,471	3,667,386	191,415	3,858,801

For the nine-month period ended December 31, 2023

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity	Retained earnings	Total		
Balance, beginning of year	220,047	254,114	(39,563)	637,538	2,706,557	3,778,693	197,894	3,976,587
Profit for the period					404,106	404,106	26,327	430,433
Other comprehensive income for the period				248,151		248,151	4,078	252,229
Comprehensive income for the period				248,151	404,106	652,257	30,405	682,662
Transaction with owners:								
Acquisition of treasury stock			(32,061)			(32,061)		(32,061)
Sales of treasury stock		(40)	75		(34)	1		1
Cancellation of treasury stock			68,642		(68,642)	—		—
Share-based payment transactions	376	(564)				(188)		(188)
Equity transactions with non-controlling interests and others		(1,338)				(1,338)	5,496	4,158
Cash dividends to owners of the parent					(147,326)	(147,326)		(147,326)
Cash dividends to non-controlling interests							(13,872)	(13,872)
Transfer to retained earnings				(10,492)	10,492	—		—
Balance, end of period	220,423	252,172	(2,907)	875,197	2,905,153	4,250,038	219,923	4,469,961

For the nine-month period ended December 31, 2023

Millions of U.S. Dollars

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity	Retained earnings	Total		
Balance, beginning of year	1,561	1,801	(281)	4,522	19,196	26,799	1,404	28,203
Profit for the period					2,866	2,866	187	3,053
Other comprehensive income for the period				1,760		1,760	29	1,789
Comprehensive income for the period				1,760	2,866	4,626	216	4,842
Transaction with owners:								
Acquisition of treasury stock			(227)			(227)		(227)
Sales of treasury stock		(0)	0		(0)	0		0
Cancellation of treasury stock			487		(487)	—		—
Share-based payment transactions	2	(3)				(1)		(1)
Equity transactions with non-controlling interests and others		(10)				(10)	39	29
Cash dividends to owners of the parent					(1,045)	(1,045)		(1,045)
Cash dividends to non-controlling interests							(99)	(99)
Transfer to retained earnings				(75)	75	—		—
Balance, end of period	1,563	1,788	(21)	6,207	20,605	30,142	1,560	31,702

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥141=US\$1.

Condensed Consolidated Statements of Cash Flows

Sumitomo Corporation and Subsidiaries

For the nine-month periods ended December 31, 2022 and 2023

	Millions of Yen		Millions of U.S. Dollars
	2022	2023	2023
Operating activities:			
Profit for the period	¥ 488,251	¥ 430,433	\$ 3,053
Adjustments to reconcile profit for the period to cash flows from operating activities:			
Depreciation and amortization	137,501	145,685	1,033
Impairment (reversal) loss on long-lived assets	(4,883)	5,306	38
Finance (income) costs, net	(35,398)	(1,089)	(8)
Share of (profit) loss of investments accounted for using the equity method	(202,730)	(213,393)	(1,513)
(Gain) loss on sale of long-lived assets, net	(19,090)	(5,295)	(38)
Income tax expense	113,178	72,273	512
Changes in inventories	(179,772)	29,711	211
Changes in trade and other receivables	(118,574)	(1,591)	(11)
Changes in prepaid expenses	3,356	(13,975)	(99)
Changes in trade and other payables	(39,099)	(141,344)	(1,003)
Other, net	(124,333)	1,525	11
Interest received	13,425	24,051	171
Dividends received	178,192	182,021	1,291
Interest paid	(29,598)	(52,655)	(374)
Income taxes paid	(62,179)	(82,930)	(588)
Cash flows from operating activities	118,247	378,733	2,686
Investing activities:			
Proceeds from sale of property, plant and equipment	8,774	4,469	32
Purchases of property, plant and equipment	(52,395)	(55,409)	(393)
Proceeds from sale of investment property	32,119	13,123	93
Purchases of investment property	(35,345)	(20,162)	(143)
Proceeds from disposal of other investments	81,881	78,243	555
Acquisitions of other investments	(124,157)	(219,638)	(1,558)
Collection of loans receivable	14,986	26,996	192
Increase in loans receivable	(14,078)	(19,270)	(137)
Cash flows from investing activities	(88,215)	(191,648)	(1,359)
Free Cash Flows:	30,032	187,085	1,327
Financing activities:			
Net changes in short-term debts	296,234	33,096	235
Proceeds from issuance of long-term debts	180,441	250,010	1,773
Repayments of long-term debts	(358,742)	(263,725)	(1,870)
Repayments of lease liabilities	(52,795)	(56,328)	(399)
Cash dividends paid	(153,139)	(147,326)	(1,045)
Capital contribution from non-controlling interests	273	4,809	34
Payments for acquisitions of subsidiary's interests from non-controlling interests	(3,129)	(2,497)	(18)
Payments of dividends to non-controlling interests	(16,370)	(13,872)	(99)
Acquisitions and disposal of treasury stock, net	30	(32,061)	(227)
Cash flows from financing activities	(107,197)	(227,894)	(1,616)
Net changes in cash and cash equivalents	(77,165)	(40,809)	(289)
Cash and cash equivalents at the beginning of year	733,824	656,859	4,658
Effect of exchange rate changes on cash and cash equivalents	27,425	15,028	106
Net changes in cash and cash equivalents resulting from transfer to assets classified as held for sale	9,169	3,910	28
Cash and cash equivalents at the end of period	¥ 693,253	¥ 634,988	\$ 4,503

Note: The U.S. Dollar amounts represent translations of Japanese Yen amounts at the rate of ¥141=US\$1.

Assumptions for Going Concern

: None

Changes in accounting policies

Material accounting policies applied in the condensed consolidated financial statements for the nine-month period ended December 31, 2023, remain the same as those applied in the consolidated financial statements for the previous fiscal year, except for the items below.

IAS 12 “Income Taxes”

Sumitomo Corporation has applied IAS 12 “Income Taxes” (amended in May 2021) from the three-month period ended June 30, 2023. The amendments clarified the accounting treatment upon initial recognition for transactions that result in taxable temporary differences and deductible temporary differences of the same amount at the time of the transaction. As a result, taxable temporary differences and deductible temporary differences are recognized as deferred tax liabilities and deferred tax assets, respectively, in the Consolidated Statements of Financial Position.

This change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis.

As a result, in the Condensed Consolidated Statements of Financial Position at the end of the previous fiscal year, assets decreased by 872 million yen due to changes in “Investments accounted for using the equity method” and “Deferred tax assets” and equity decreased by 872 million yen due to changes in “Retained earnings” and “Non-controlling interests.” Also, in the Condensed Consolidated Statements of Comprehensive Income for the nine-month period ended December 31, 2022, profit for the period increased by 119 million yen due to changes in “Share of profit (loss) of investments accounted for using the equity method” and “Income tax expense.” In addition, “Earnings per share attributable to owners of the parent (basic)” and “Earnings per share attributable to owners of the parent (diluted)” for the nine-month period ended December 31, 2022, increased by 0.09 yen, respectively.

Furthermore, in the Condensed Consolidated Statements of Changes in Equity for the nine-month period ended December 31, 2022, the balances of “Retained earnings” and “Non-controlling interests” at the beginning of year decreased by 980 million yen and 51 million yen respectively due to the reflection of the cumulative effect of applying the above-mentioned standard.

Changes in Presentation

(Condensed Consolidated Statements of Change in Equity)

“Acquisition of treasury stock” and “Sales of treasury stock,” which were included in “Acquisition (disposal) of treasury stock, net” previously, are presented separately from the three-month period ended June 30, 2023, in order to ensure a clear presentation. In addition, “Equity transactions with non-controlling interests and others,” which was presented separately in “Acquisition (disposal) of non-controlling interests, net” and “Others” previously, are presented collectively from the three-month period ended June 30, 2023, because of considering the materiality.

Condensed Consolidated Statements of Change in Equity for the nine-month period ended December 31, 2022, is reclassified to conform to this change in presentation.

As a result, the amount of 93 million yen, which was presented in “Acquisition (disposal) of treasury stock, net” within “Transaction with owners” in the Condensed Consolidated Statements of Change in Equity for the nine-month period ended December 31, 2022, has been reclassified and presented as (5) million yen for “Acquisition of treasury stock” and as 98 million yen for “Sales of treasury stock.” In addition, the amount of (2,488) million yen and 418 million yen, which were presented in “Acquisition (disposal) of non-controlling interests, net” and “Others” within “Transaction with owners,” have been reclassified and presented as (2,070) million yen for “Equity transactions with non-controlling interests and others.”

Segment Information

Sumitomo Corporation and Subsidiaries

For the nine-month periods ended December 31, 2022 and 2023

Millions of Yen										
2022:		Metal Products	Transportation & Construction Systems	Infrastructure	Media & Digital	Living Related & Real Estate	Mineral Resources, Energy, Chemical & Electronics	Segment Total	Corporate and Eliminations	Consolidated
Total revenues	¥	1,290,014	776,050	420,856	328,377	777,579	1,459,417	5,052,293	17,769	5,070,062
Gross profit		164,761	190,034	41,717	88,623	176,075	269,080	930,290	(1,501)	928,789
Share of profit (loss) of investments accounted for using the equity method		9,555	45,930	9,697	21,886	8,183	104,544	199,795	2,935	202,730
Profit for the period (attributable to owners of the parent)		80,670	76,470	16,302	21,084	46,582	218,901	460,009	4,366	464,375
Total assets (As of March 31)		1,161,058	2,004,969	1,379,568	1,062,483	1,704,435	2,490,098	9,802,611	302,769	10,105,380

Millions of Yen										
2023:		Metal Products	Transportation & Construction Systems	Infrastructure	Media & Digital	Living Related & Real Estate	Mineral Resources, Energy, Chemical & Electronics	Segment Total	Corporate and Eliminations	Consolidated
Total revenues	¥	1,336,359	999,886	352,849	356,874	863,991	1,145,700	5,055,659	8,599	5,064,258
Gross profit		148,027	250,738	81,972	96,679	202,966	195,222	975,604	(1,237)	974,367
Share of profit (loss) of investments accounted for using the equity method		10,751	99,914	2,476	28,892	10,911	61,683	214,627	(1,234)	213,393
Profit for the period (attributable to owners of the parent)		57,299	129,501	28,543	27,383	39,054	98,769	380,549	23,557	404,106
Total assets (As of December 31)		1,107,457	2,282,081	1,426,385	1,087,755	1,846,042	2,567,599	10,317,319	401,926	10,719,245

Millions of U.S. Dollars										
2023:		Metal Products	Transportation & Construction Systems	Infrastructure	Media & Digital	Living Related & Real Estate	Mineral Resources, Energy, Chemical & Electronics	Segment Total	Corporate and Eliminations	Consolidated
Total revenues	\$	9,478	7,091	2,502	2,531	6,128	8,126	35,856	61	35,917
Gross profit		1,050	1,778	581	686	1,439	1,385	6,919	(9)	6,910
Share of profit (loss) of investments accounted for using the equity method		76	709	18	205	77	437	1,522	(9)	1,513
Profit for the period (attributable to owners of the parent)		406	919	202	194	277	701	2,699	167	2,866
Total assets (As of December 31)		7,854	16,185	10,116	7,715	13,092	18,210	73,172	2,851	76,023

Notes:

1) The U.S. Dollar amounts represent translations of Japanese yen amounts at the rate of ¥141=US\$1.

2) On April 1, 2023, DX promotion support organization was transferred from Media & Digital Business Unit to Corporate and Eliminations. Accordingly, the segment information of the same period of the previous year has been reclassified.