

SUMITOMO RUBBER GROUP



環境大臣認定
エコ・ファースト企業

Financial Report

(January 1 ~ September 30, 2015)

Sumitomo Rubber Industries, Ltd.

Key Subjects

- 2015 3rd Quarter
Financial Results Summary
 - Changes in Scope of Consolidation,
Major Affiliated Companies
 - Financial Results Summary
- 2015 Annual Financial Results Projection
 - Annual Financial Results Projection Summary
 - Capex/Depreciation,
Tire Production Capacity etc.

Changes in Consolidated Subsidiaries

Scope of Consolidation	Consolidated Subsidiaries 77 [2]		Equity-method affiliates 11	
			Unconsolidated Subs 3	Affiliated companies 8
# of changed Companies	Newly included 3	Excluded (1)	Newly included -	Excluded -
	3	(1)	-	-
Tire Business				
Sports Business	Srixon Sports (Thailand) Co., Ltd. (Thailand/ Sales company of golf products)	Dunlop Sports Plaza Co., Ltd. (Japan/ Merged with Dunlop Sports Wellness Co., Ltd.)		
Industrial & Other	Lonstroff Holding AG (Switzerland/ Holding company of Lonstroff AG) Lonstroff AG (Switzerland/ Manufacturing and sales company of medical rubber parts)			

Sumitomo Rubber Group Major Subsidiaries				SUMITOMO RUBBER GROUP
	Tire Business	Sports Business	Industrial & Other	
Overall Control	Goodyear Japan Dunlop Goodyear Tires	Dunlop Sports	77 Subsidiaries 11 Affiliates	
Sales	Domestic wholesale companies (11) Overseas wholesale companies (U.S./EU/Russia/Asia/Thailand/China/India/Middle East/Latin America/Australia)	Domestic wholesale company (1) Overseas wholesale companies (EU/Asia/Canada/Australia/China/Hong Kong/Korea/South Africa/Thailand)	Dunlop Home Products Sumigomu Sangyo Sumigomu Takasago Integrate Hong Kong Sumirubber	
Manufacture	Tire overseas factories: Indonesia, Thailand, China (Changshu), China (Hunan) Brazil, South Africa, Turkey Natural rubber-processing plant: Thailand	Domestic factory: Dunlop Golf Club Overseas factory: Roger Cleveland Golf Company Tennis ball factory: Thailand	Zhongshan Sumirubber Sumirubber Vietnam Lonstroff AG Sumirubber Malaysia	
Service	SRI Engineering, SRI Systems, SRI Logistics			
	SRI USA, SRITP, SRIE, Other	Dunlop Tennis School, Other	Lonstroff Holding AG	
Affiliates	JV:GDTE, GDTNA Naigai Rubber Tochigi SEI GSGPC, GSGTL	Golf Course		

Consolidated Financial Results									SUMITOMO RUBBER GROUP
Jan.-Sep.									Billions of Yen
	Jan.-Mar.		Apr.-Jun.		Jul.-Sep.		Jan.-Sep.		
		'15 vs '14		'15 vs '14		'15 vs '14		'15 vs '14	
Sales	185.2	97% (5.6)	203.7	108% +15.8	201.2	102% +4.0	590.1	102% +14.2	
Operating Income (%)	12.1 (6.5%)	66% (6.4)	17.1 (8.4%)	103% +0.5	13.2 (6.6%)	95% (0.7)	42.5 (7.2%)	87% (6.6)	
Ordinary Income (%)	12.0 (6.5%)	67% (5.9)	19.0 (9.3%)	111% +1.9	12.5 (6.2%)	76% (4.1)	43.6 (7.4%)	84% (8.1)	
Net Income	7.7	71% (3.2)	12.3	112% +1.3	18.7	189% +8.8	38.7	122% +7.0	
Equity Income	1.1	+0.6	0.9	(0.5)	3.1	(0.1)	5.1	0.0	

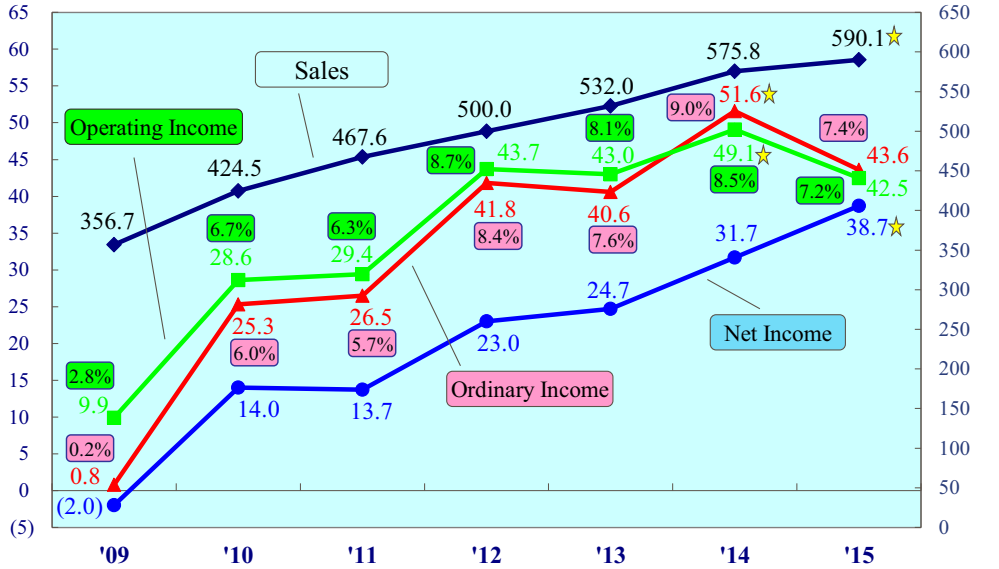
Consolidated Sales / Income

SUMITOMO RUBBER GROUP

Jan.-Sep.

% Profit %, ★ Record High

Billions of Yen



SUMITOMO RUBBER INDUSTRIES

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Net Sales / Operating Income by Industry Segment

SUMITOMO RUBBER GROUP

Jan.-Sep.

Billions of Yen

		Jan.-Mar.		Apr.-Jun.		Jul.-Sep.		Jan.-Sep.	
		'15 vs '14		'15 vs '14		'15 vs '14		'15 vs '14	
Sales	Tire	158.7	96%	173.4	106%	173.8	101%	505.9	101%
	Sports	17.0	109%	20.8	122%	18.3	108%	56.1	113%
	Industrial & Other	9.4	102%	9.5	124%	9.1	105%	28.0	110%
	Consolidated	185.2	97%	203.7	108%	201.2	102%	590.1	102%
Operating Income	Tire	11.9	72%	15.6	104%	13.4	107%	40.9	93%
	Sports	(0.2)	-	1.1	142%	(0.5)	-	0.4	24%
	Industrial & Other	0.5	34%	0.4	51%	0.3	32%	1.2	37%
	Consolidated	12.1	66%	17.1	103%	13.2	95%	42.5	87%

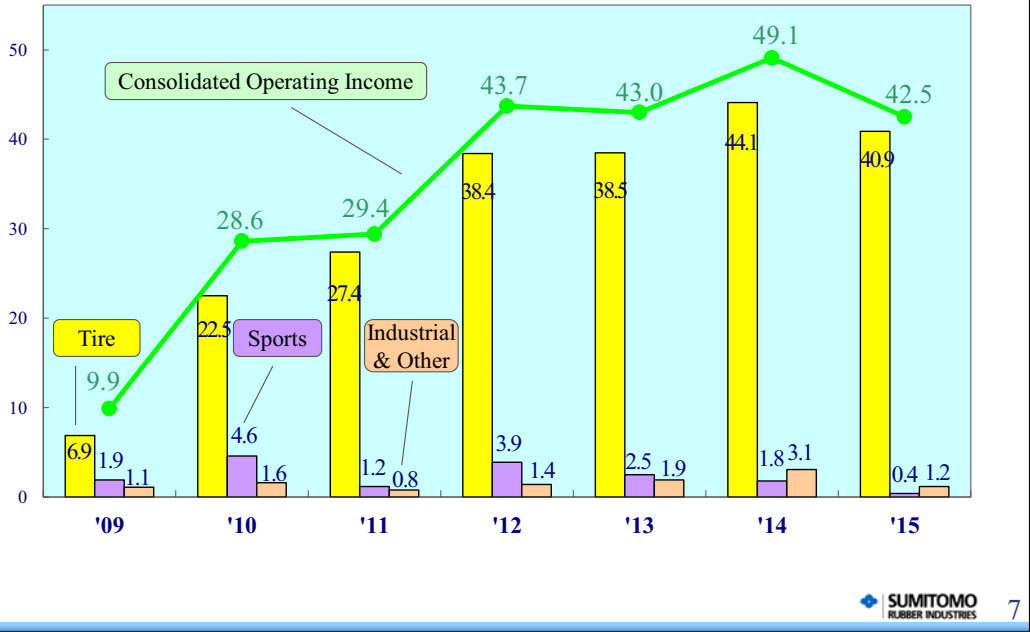
SUMITOMO RUBBER INDUSTRIES

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Consolidated Operating Income by Industry Segment

Jan.-Sep.

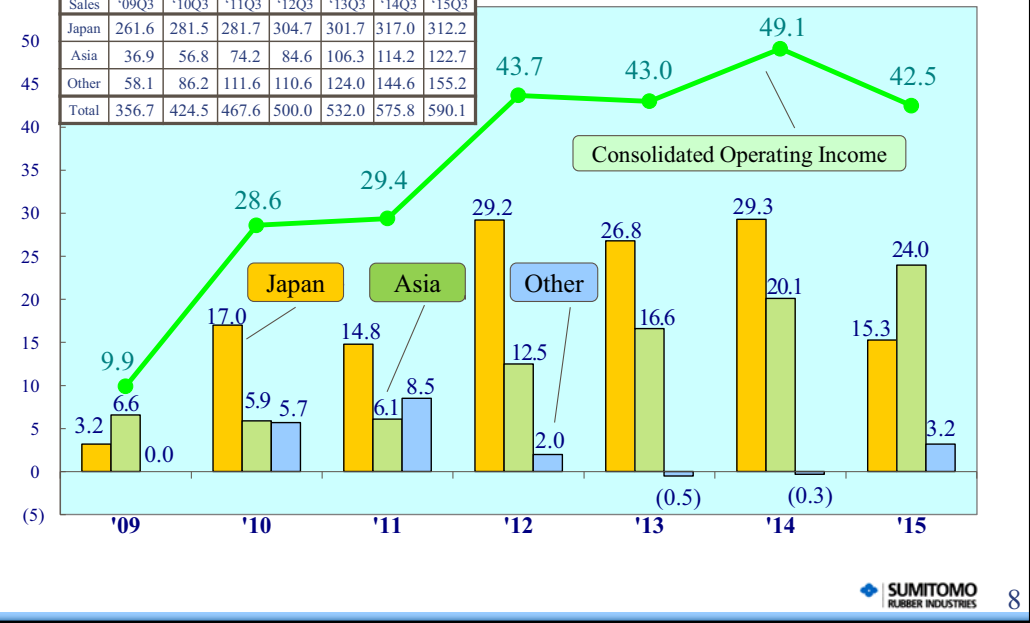
Billions of Yen

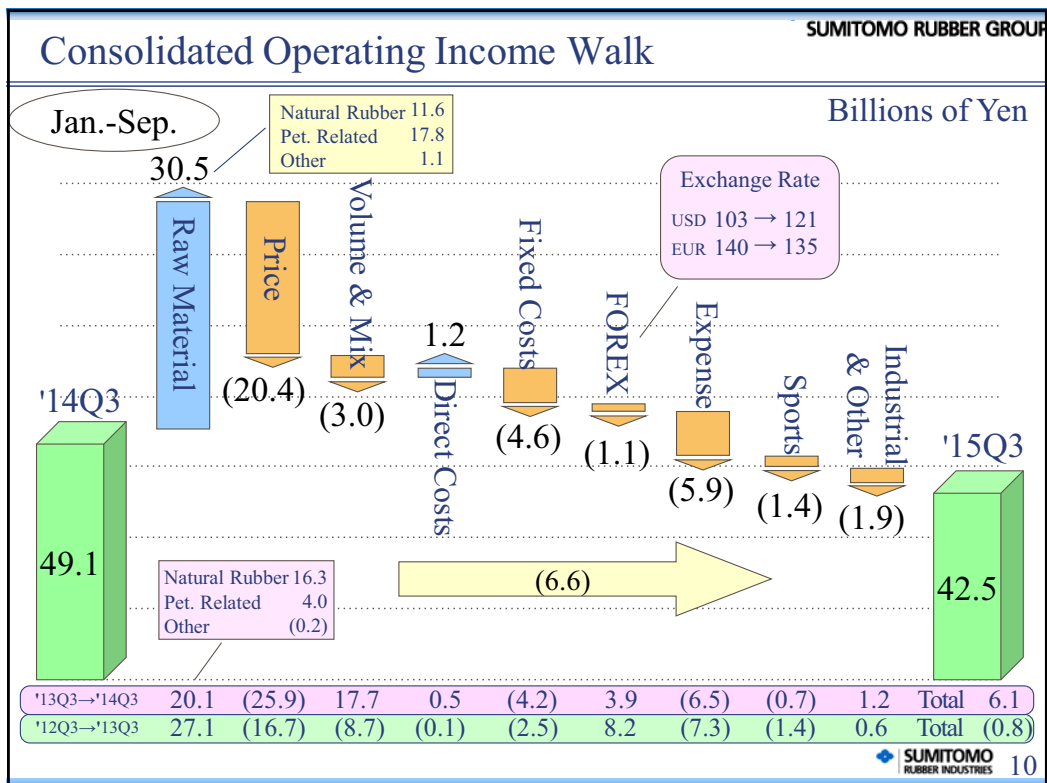
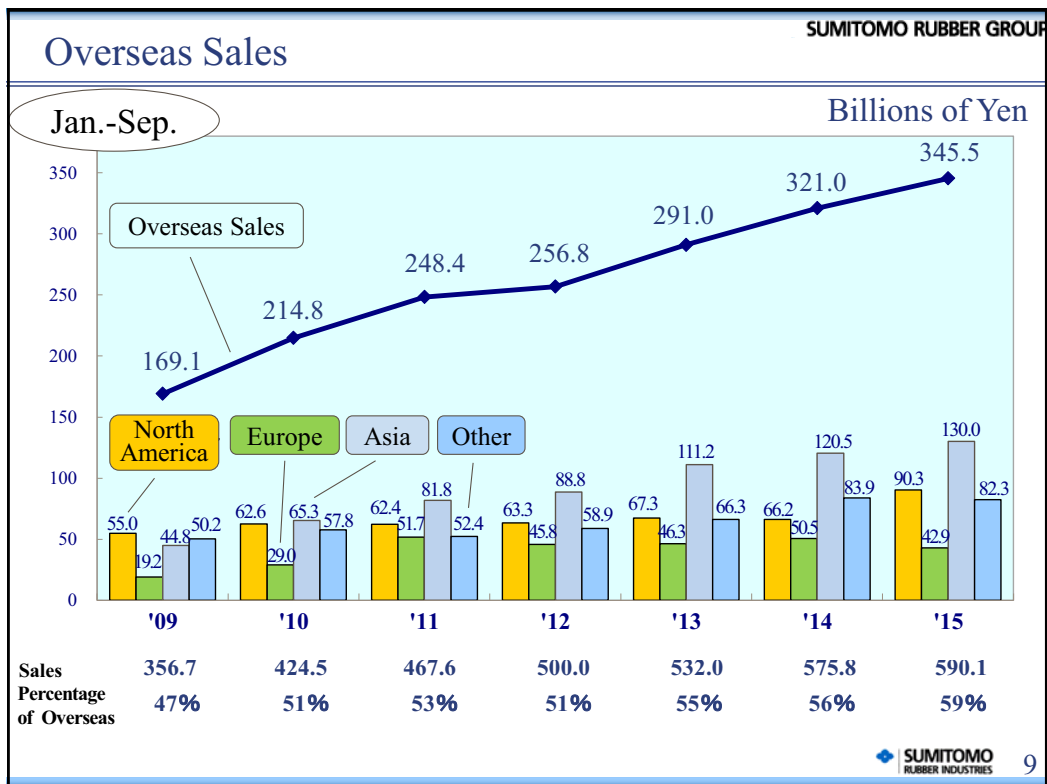


Consolidated Operating Income by Geographic Area

Jan.-Sep.

Billions of Yen





Consolidated Results Projection

Annual

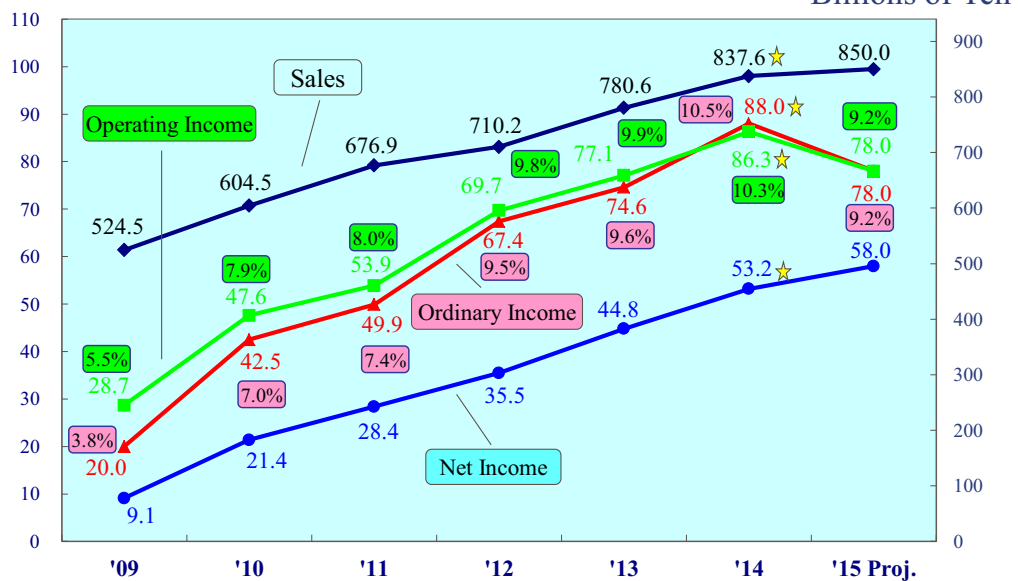
Billions of Yen

	Annual Proj. 2015	Aug. 5 th Proj.	Actual 2014	'15 vs '14
Sales	850.0	900.0	837.6	101%
Operating Income (%)	78.0 (9.2%)	90.0 (10.0%)	86.3 (10.3%)	90%
Ordinary Income (%)	78.0 (9.2%)	88.0 (9.8%)	88.0 (10.5%)	89%
Net Income	58.0	55.0	53.2	109%
Equity Income	5.1	2.0	4.7	0.5
ROE	14.0%	14.0%	14.3%	
D/E Ratio	0.6	0.7	0.7	

Consolidated Sales / Income

Annual

Billions of Yen



Net Sales / Operating Income by Industry Segment

Annual

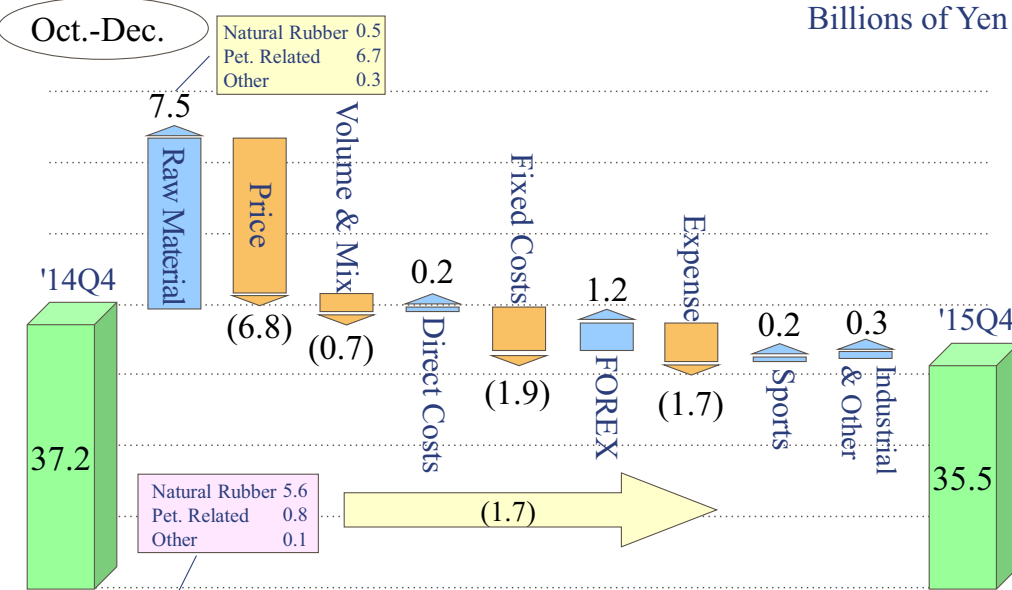
Billions of Yen

		Annual Proj. 2015	Aug. 5 th Proj.	Actual 2014	'15 vs '14
Sales	Tire	730.0	780.0	731.2	100%
	Sports	78.0	78.0	70.5	111%
	Industrial & Other	42.0	42.0	35.9	117%
	Consolidated	850.0	900.0	837.6	101%
Operating Income	Tire	73.0	85.0	78.4	93%
	Sports	2.0	2.0	3.2	63%
	Industrial & Other	3.0	3.0	4.7	64%
	Consolidated	78.0	90.0	86.3	90%

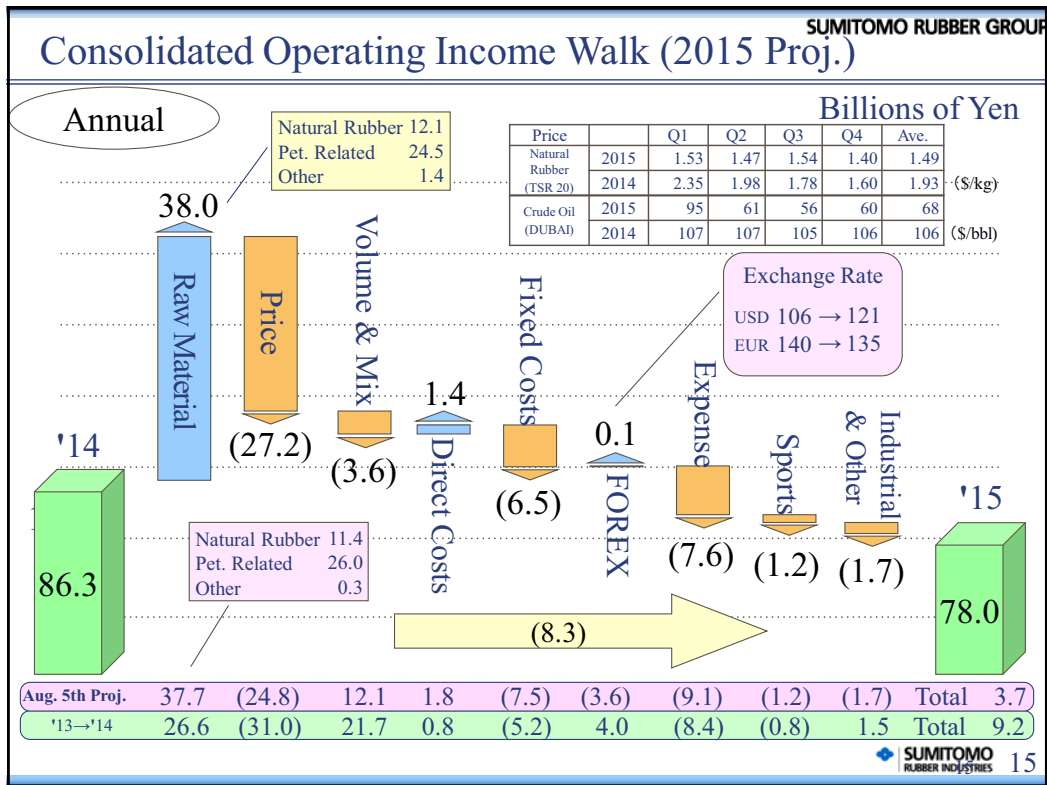
Consolidated Operating Income Walk (Oct.-Dec. Proj.)

Oct.-Dec.

Billions of Yen



'13Q4→'14Q4	6.5	(5.1)	4.0	0.3	(1.0)	0.1	(1.9)	(0.1)	0.3	Total	3.1
'12Q4→'13Q4	7.6	(9.3)	6.6	2.1	(1.8)	2.8	(1.3)	0.9	0.5	Total	8.1



SUMITOMO RUBBER GROUP

Consolidated Operating Income Analysis

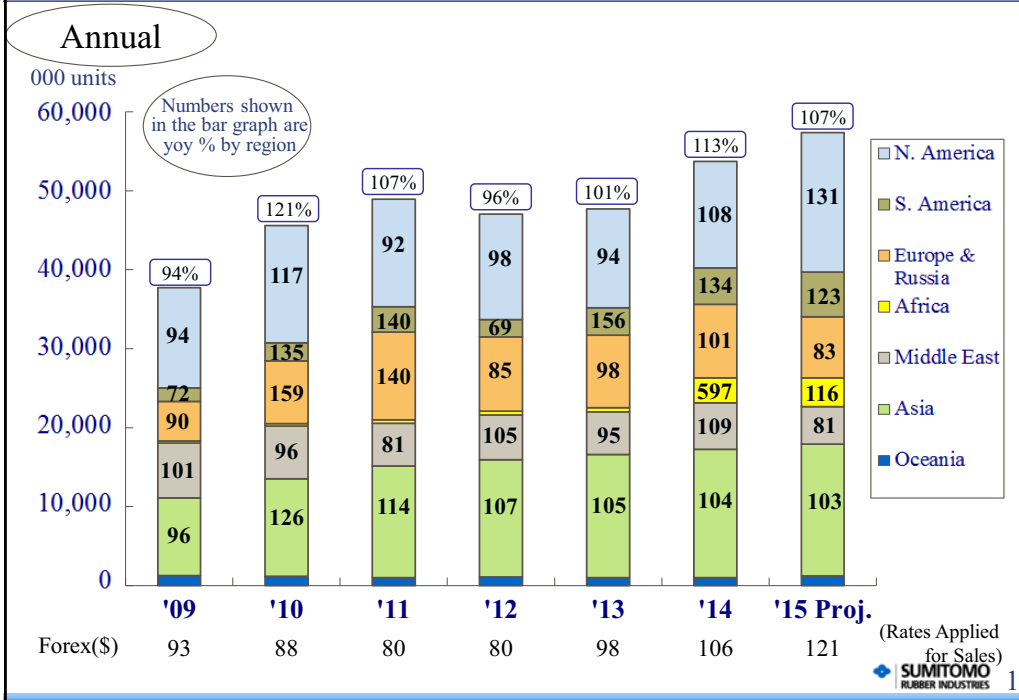
Period	Operating Income	vs Pre. Year	Factor									Billions of Yen	
			Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	FOREX	Expense	Sports	Industrial & Other		
'14	Q1	3.5	6.3	(8.7)	7.7	0.5	(1.3)	1.1	(2.9)	0.0	0.8		
	Q2	1.9	7.5	(9.0)	4.4	(0.6)	(1.6)	1.8	0.1	(0.9)	0.2		
	Q3	0.7	6.3	(8.2)	5.6	0.6	(1.3)	1.0	(3.7)	0.2	0.2		
	Q4	3.1	6.5	(5.1)	4.0	0.3	(1.0)	0.1	(1.9)	(0.1)	0.3		
	Annual	86.3	9.2	26.6	(31.0)	21.7	0.8	(5.2)	4.0	(8.4)	(0.8)	1.5	
'15	Q1	(6.4)	8.3	(6.0)	(3.1)	0.3	(0.9)	(2.0)	(1.2)	(0.9)	(0.9)		
	Q2	0.5	13.9	(7.4)	(0.5)	0.8	(1.6)	0.1	(4.7)	0.4	(0.4)		
	Q3	(0.7)	8.3	(7.0)	0.7	0.1	(2.1)	0.8	0.0	(0.9)	(0.7)		
	Q4	(1.7)	7.5	(6.8)	(0.7)	0.2	(1.9)	1.2	(1.7)	0.2	0.3		
	Annual	78.0	(8.3)	38.0	(27.2)	(3.6)	1.4	(6.5)	0.1	(7.6)	(1.2)	(1.7)	
(vs Aug. 5th Proj.)		(12.0)	0.3	(2.4)	(15.7)	(0.4)	1.0	3.7	1.5	0.0	0.0		

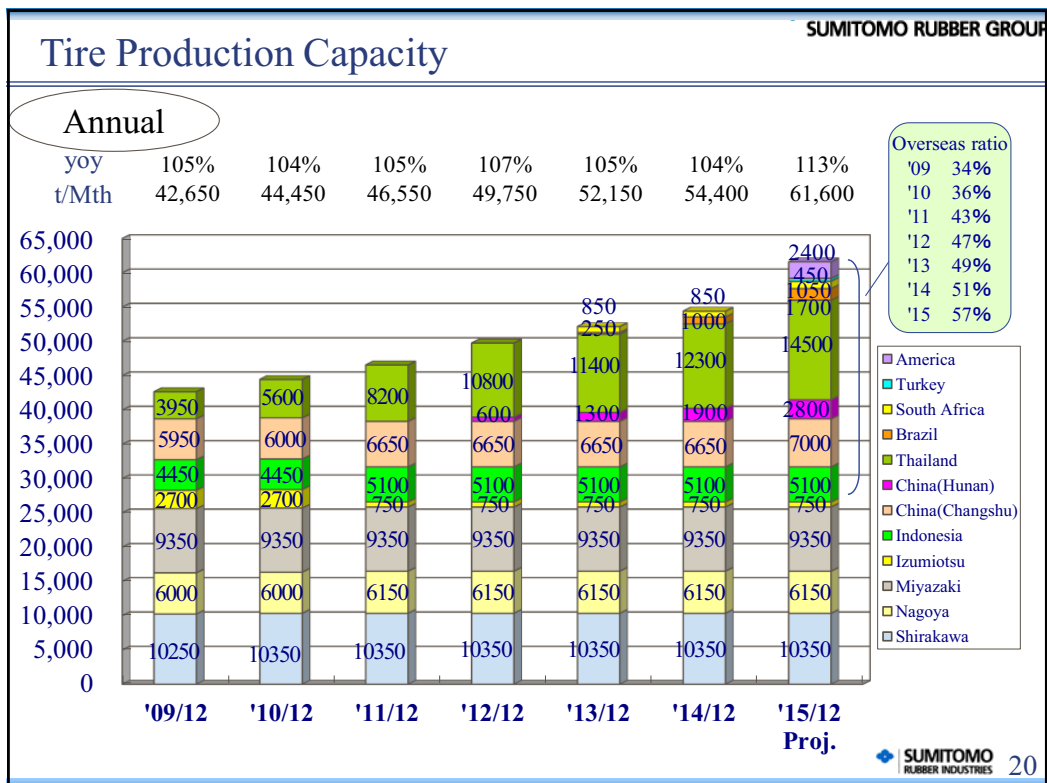
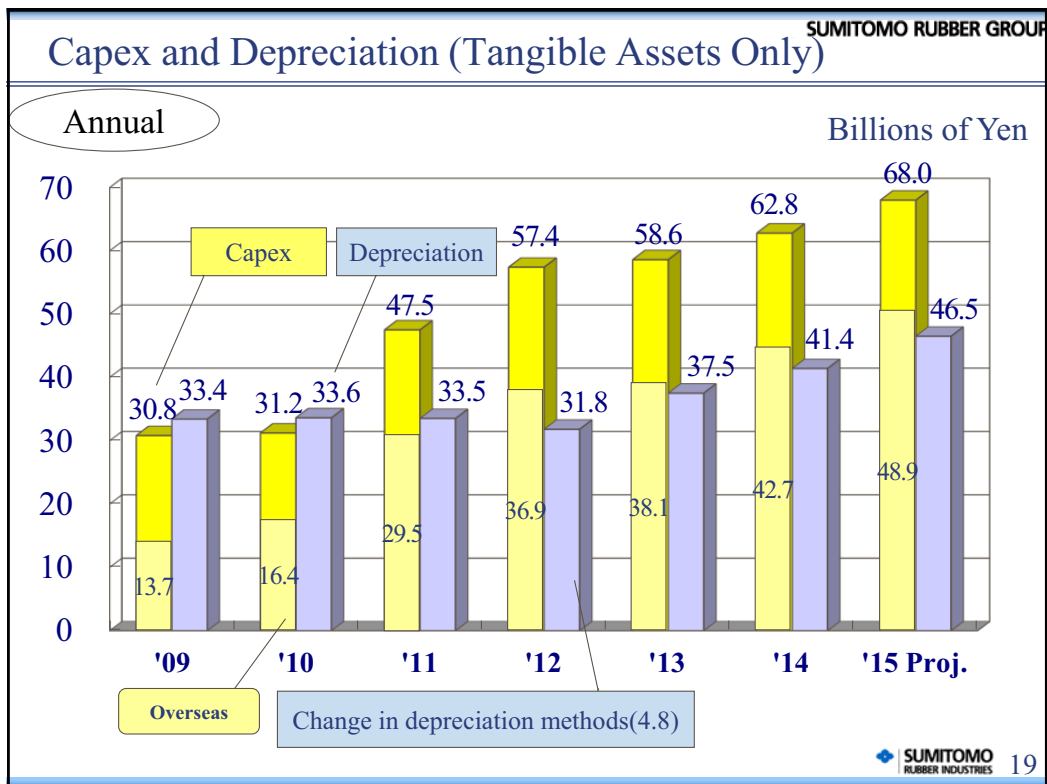
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Tire Sales Volume (Comparison %)

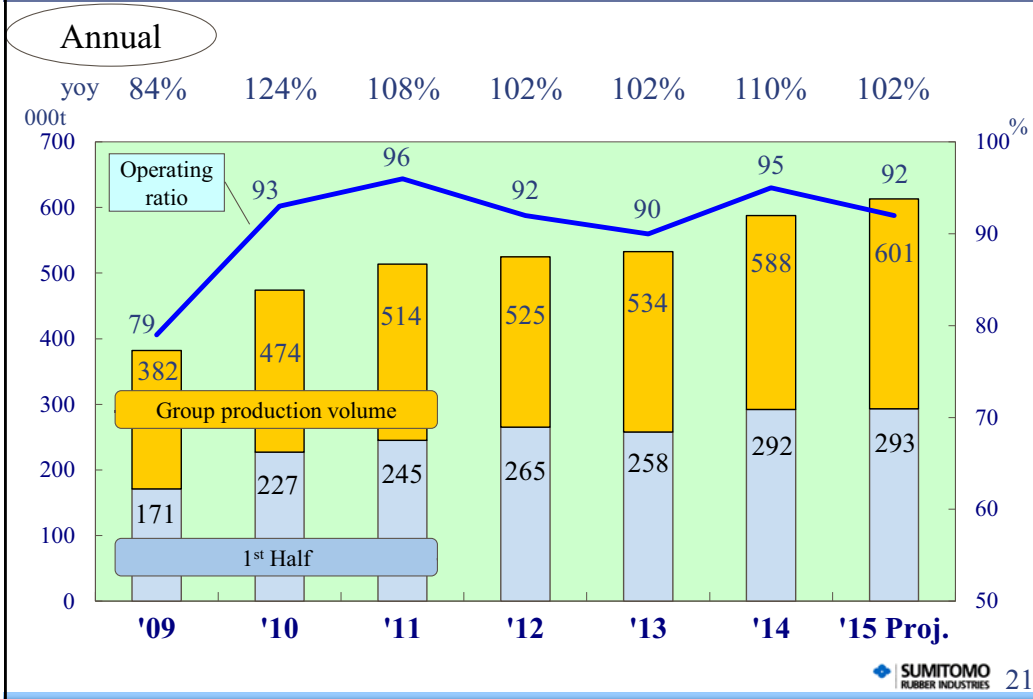
	2014 ACT					2015 Jan.-Sep.ACT, Oct.-Dec.Proj.					2015 Aug.5th Proj.			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Annual	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Annual	Jan-Jun	Jul-Dec	Annual	
Domestic O.E.	106%	106%	101%	100%	103%	98%	89%	89%	95%	93%	94%	94%	94%	
Overseas O.E.	117%	132%	109%	101%	113%	104%	99%	90%	109%	101%	101%	120%	111%	
Domestic Rep.	125%	88%	101%	97%	102%	81%	107%	101%	101%	97%	93%	104%	99%	
Overseas Rep.	113%	118%	111%	109%	113%	101%	105%	107%	113%	107%	103%	113%	109%	
Total	115%	111%	107%	103%	109%	97%	102%	101%	107%	102%	99%	109%	105%	
Total Tire Sales(000units)	25,520	25,630	27,040	30,950	109,140	24,640	26,150	27,250	33,080	111,110	50,780	63,410	114,190	
Overseas Rep	North America	110%	103%	113%	107%	108%	104%	127%	131%	161%	131%	116%	125%	120%
	Asia	100%	112%	102%	102%	104%	104%	98%	103%	105%	103%	101%	112%	106%
	Middle East	124%	126%	100%	95%	109%	85%	73%	76%	89%	81%	78%	76%	77%
	Europe & Russia	94%	118%	111%	90%	101%	98%	81%	74%	81%	83%	90%	109%	101%

Tire Overseas Rep. Volume by Regional Segment





Tire Production Volume and Operating Ratio



Sales in the Sports Business Results

Billions of Yen

	2015 Q3 Jan.-Sep.	2014 Q3 Jan.-Sep.	'15 vs '14	Annual Proj. 2015
Golf Clubs	24.9	24.7	101%	36.8
Golf Balls	11.5	10.5	109%	15.6
Golf Shoes, Accessories & Others	6.0	5.8	103%	7.7
Golf Goods	42.4	41.1	103%	60.1
Tennis Goods	5.0	4.6	110%	6.4
Licensing Income	0.3	0.3	106%	0.4
Sports Goods Business	47.8	46.0	104%	66.9
Other Business	8.3	3.6	231%	11.1
Total	56.1	49.6	113%	78.0

New Products / New Technology



エナセーブ RV504



EUROWINTER HS449



Concept Tire with Wear-Resistant Max Tread Rubber
(There are no current plans to make it available for sale.)



GYROBLADE
Airless Concept Tire



(Planned Release Date : December, 5th)

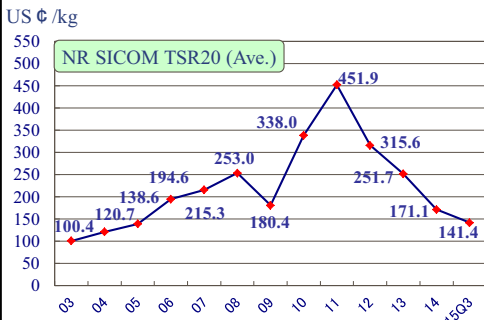
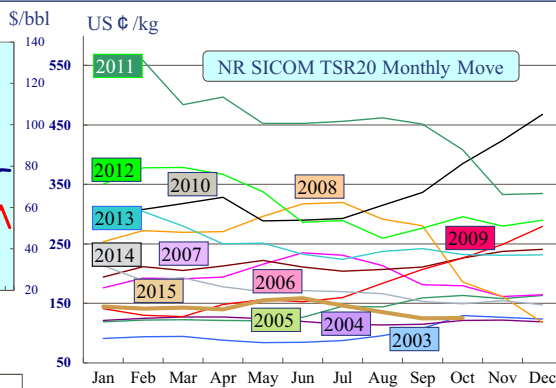
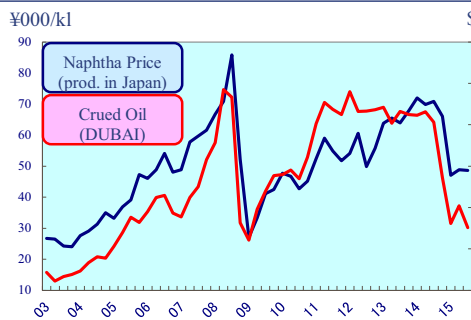


SRIXON Z Black Iron

SRIXON REVO CZ Series



Market Price: Natural Rubber • Naphtha



Trend of Raising of Tire Prices

Domestic REP:
Wholesale Price for Sales co.
May. '04 Ave. 5%
Sep. '05 4 ~ 4.5%
Apr. '06 4 ~ 4.5%
Feb. '07 5%
Apr. '08 5%
Sep. '08 5%
Mar. '11 7% (TB)
May. '11 7 ~ 10%
Sep. '11 8% (TB)

Overseas REP:
'04 3%
'05 3%
'06 3%
'07 3 ~ 6%
'08 5 ~ 10%
'09 5 ~ 10%
'11 5 ~ 10%

END

SUMITOMO RUBBER GROUP

for you, for the earth

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