



# Financial Report

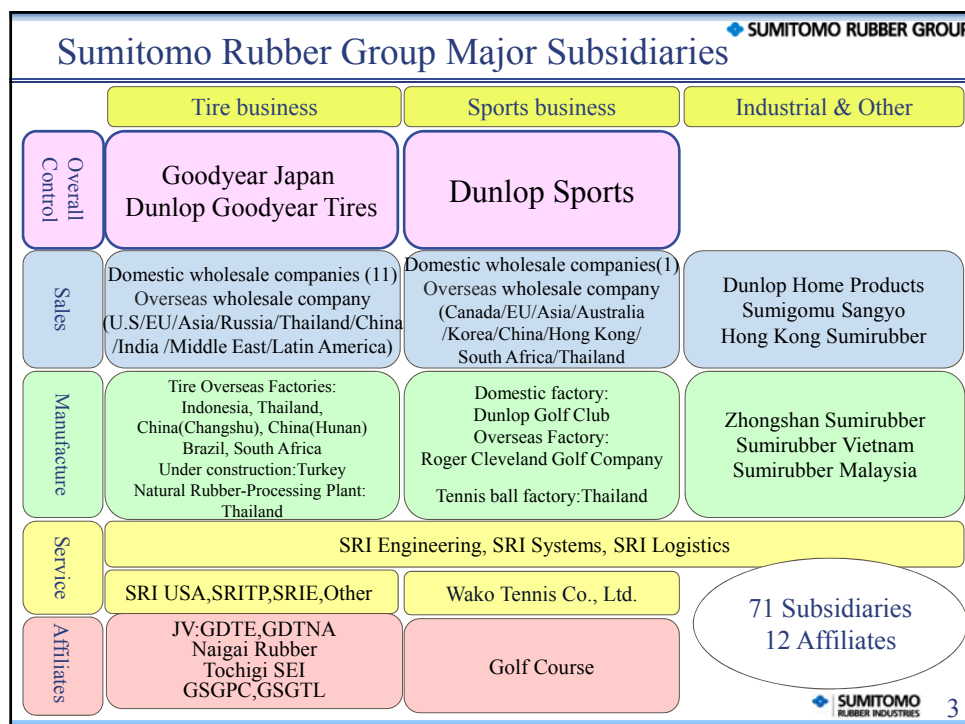
(January 1 ~ March 31, 2014)

Sumitomo Rubber Industries, Ltd.

- 2014 1<sup>st</sup> Quarter Financial Results Summary
  - Changes in Scope of Consolidation, Major Affiliated Companies
  - Financial Results Summary
- 2014 Annual Financial Results Projection
  - Annual Financial Results Projection Summary
  - Capex/Depreciation, Tire Production Capacity etc.

## Changes in Consolidated Subsidiaries

Scope of Consolidation	Consolidated Subsidiaries 71 (+2)		Equity-method affiliates 12 (-1) Unconsolidated Subs. 3 Affiliated companies 9	
# of changed Companies	Newly included 3	Excluded (1)	Newly included -	Excluded (1)
	3	(1)	-	(1)
	Wako Tennis Co., Ltd. SRI Europe GmbH Sumitomo Rubber AKO Lastik Sanayi ve Ticaret A.Ş.	(Merged with Dunlop Sports Marketing Co., Ltd.) Dunlop Sports Okinawa Co., Ltd.		Wako Tennis Co., Ltd.



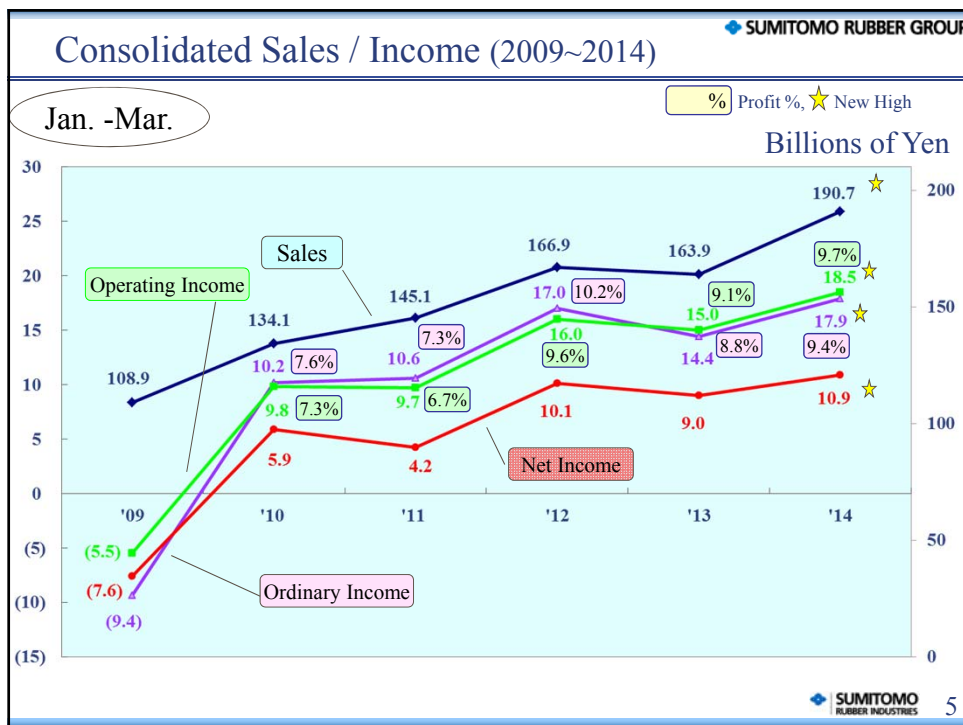
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## Consolidated Financial Results

Billions of Yen

Jan. -Mar.	2014 Q1 Jan.-Mar.	2013 Q1 Jan.-Mar.	'14 vs '13	2013 Annual
Sales	190.7	163.9	116%	780.6
Operating Income (%)	18.5 (9.7%)	15.0 (9.1%)	123%	77.1 (9.9%)
Ordinary Income (%)	17.9 (9.4%)	14.4 (8.8%)	124%	74.6 (9.6%)
Net Income	10.9	9.0	121%	44.8
Equity Income	0.6	(0.7)	1.3	(0.4)

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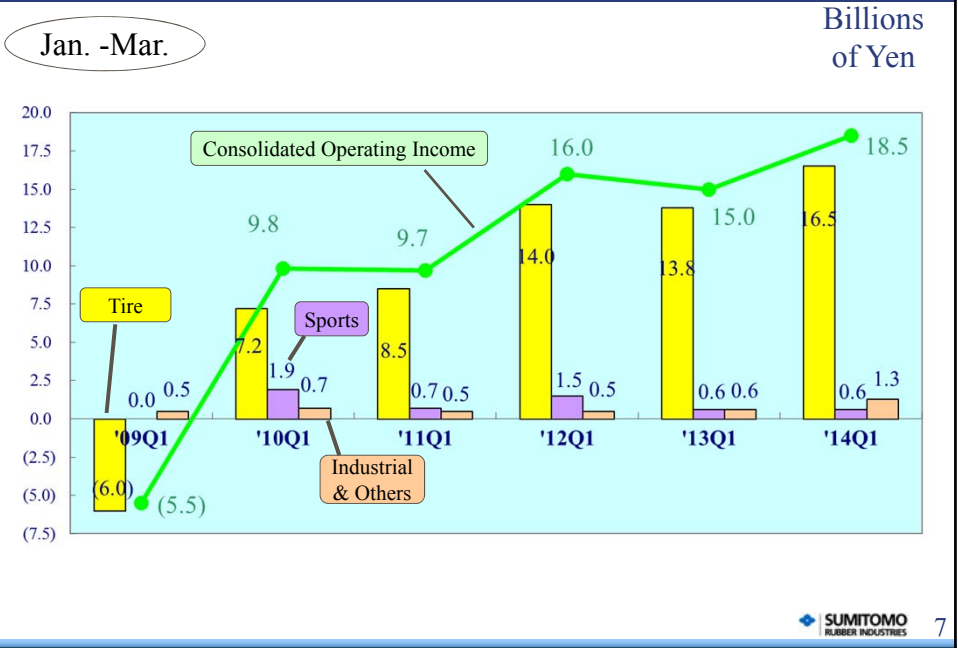
### Net Sales / Operating Income by Industry Segment

Jan. -Mar. Billions of Yen

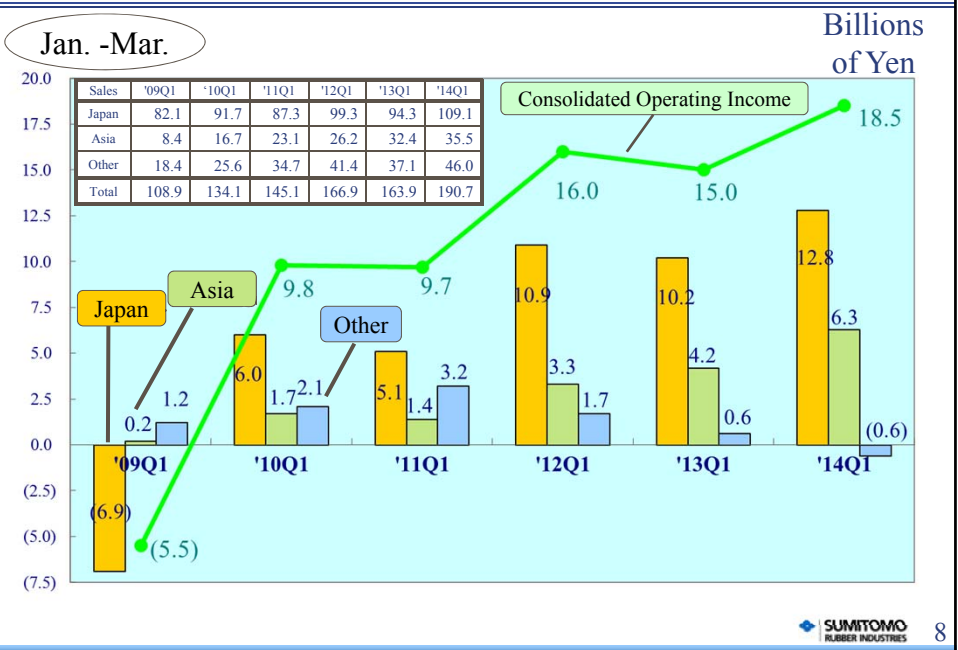
		2014 Q1 Jan.-Mar.	2013 Q1 Jan.-Mar.	'14 vs '13	2013 Annual
Sales	Tire	165.9	142.1	117%	681.1
	Sports	15.6	14.1	111%	66.3
	Industrial & Others	9.2	7.7	120%	33.2
	Consolidated	190.7	163.9	116%	780.6
Operating Income	Tire	16.5	13.8	120%	69.9
	Sports	0.6	0.6	100%	4.0
	Industrial & Others	1.3	0.6	231%	3.2
	Consolidated	18.5	15.0	123%	77.1

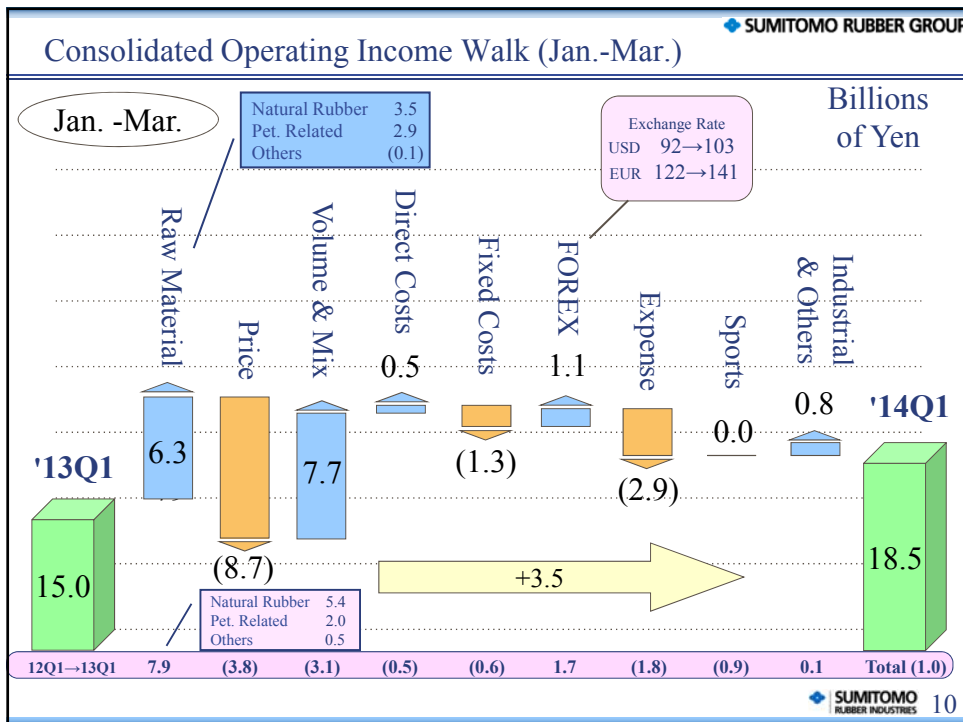
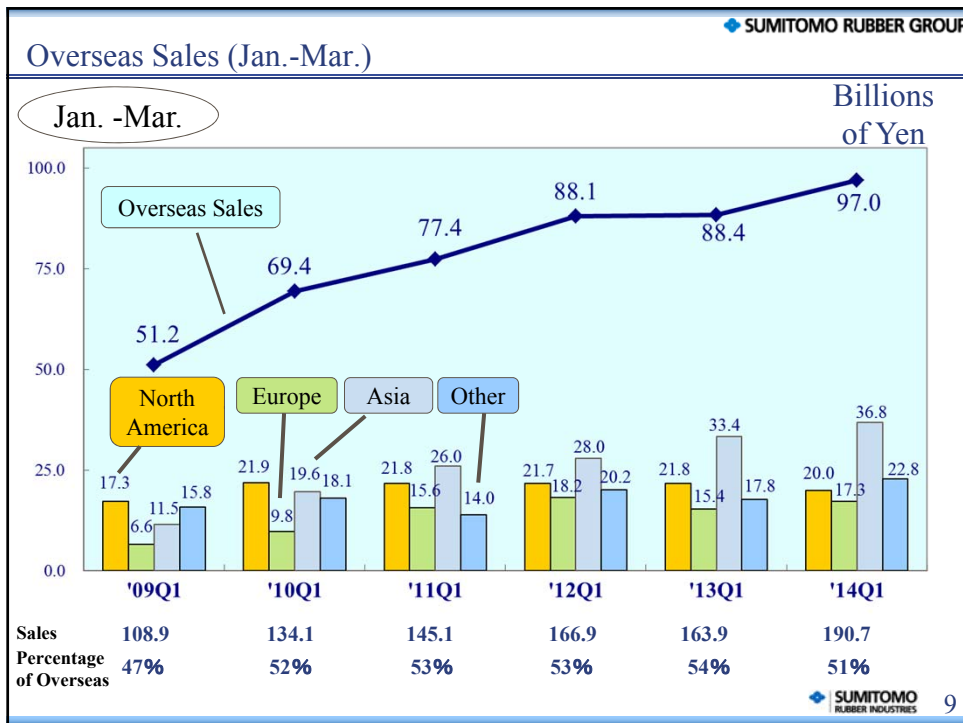
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Consolidated Operating Income by Industry segment (Jan.-Mar.)



Consolidated Operating Income by geographic area (Jan.-Mar.)



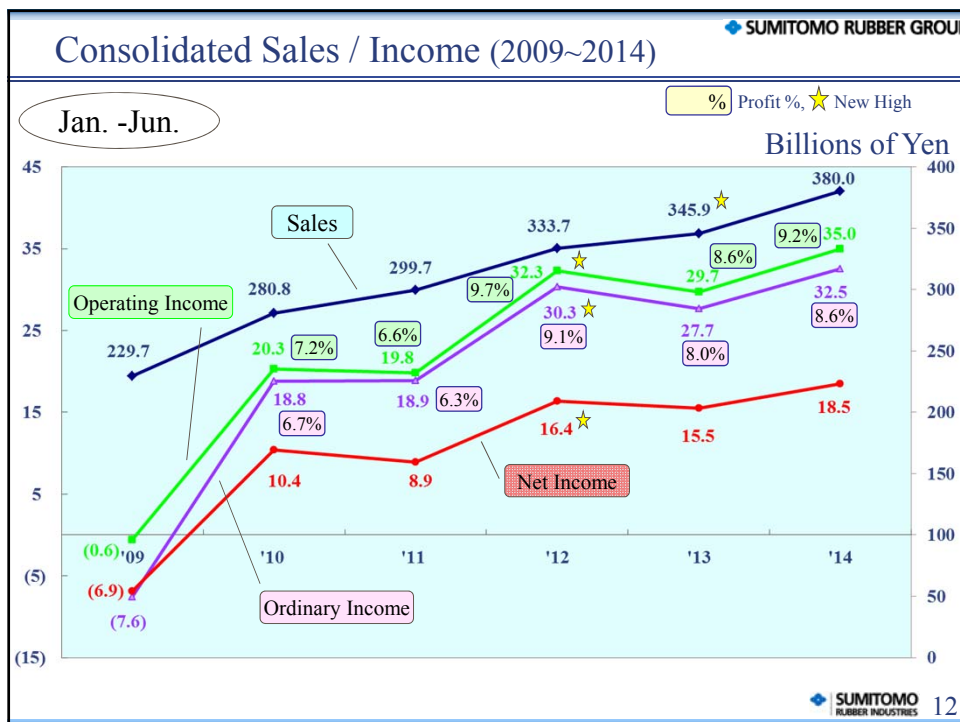


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### Consolidated Results Projection (Jan.-Jun.)

Jan. -Jun.	Billions of Yen					
	Interim Proj. '14 Jan.-Jun.	Proj. Feb. 13 <sup>th</sup>	'13 Jan.-Jun.	'14 vs '13	Proj. '14 Apr.-Jun.	'13 Apr.-Jun.
Sales	380.0	370.0	345.9	110%	189.3	182.0
Operating Income (%)	35.0 (9.2%)	32.0 (8.6%)	29.7 (8.6%)	118%	16.5 (8.7%)	14.8 (8.1%)
Ordinary Income (%)	32.5 (8.6%)	29.5 (8.0%)	27.7 (8.0%)	117%	14.6 (7.7%)	13.3 (7.3%)
Net Income	18.5	16.5	15.5	120%	7.6	6.5
Equity Income	0.6	0.0	(1.2)	1.8	0.0	(0.5)

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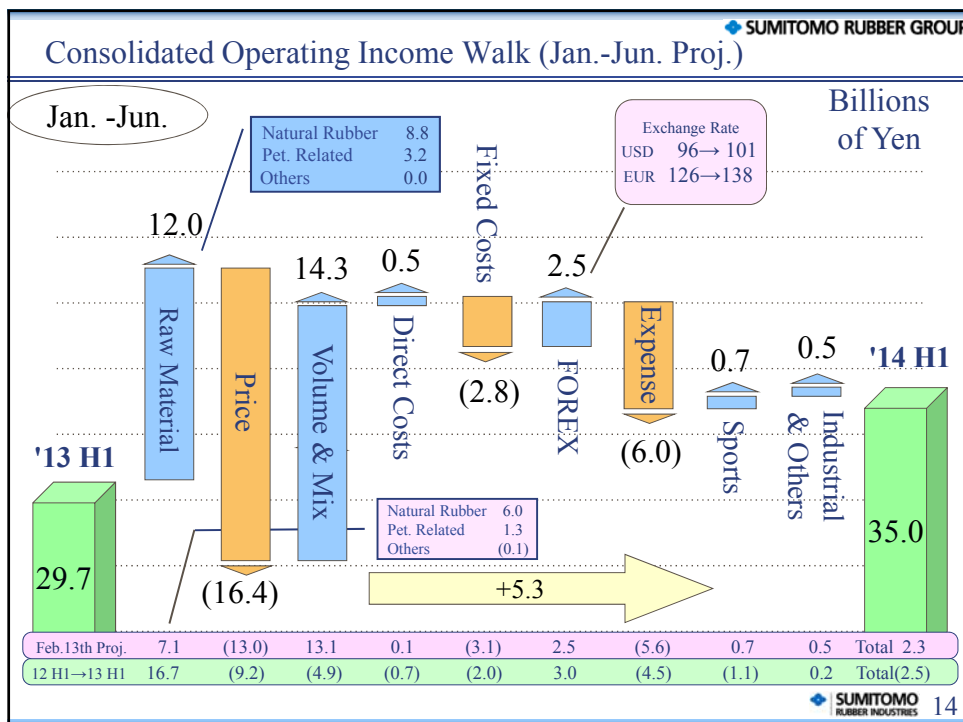
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### Net Sales / Operating Income by Industrial Segment (Jan.-Jun. Proj.)

Jan. -Jun. Billions of Yen

		Interim Proj. '14 Jan.-Jun.	Proj. Feb. 13 <sup>th</sup>	'13 Jan.-Jun.	'14 vs '13	Proj. '14 Apr.-Jun.	'13 Apr.-Jun.
Sales	Tire	329.0	319.0	297.8	110%	163.1	155.7
	Sports	34.0	34.0	32.7	104%	18.4	18.7
	Industrial & Others	17.0	17.0	15.4	111%	7.8	7.7
	Consolidated	380.0	370.0	345.9	110%	189.3	182.0
Operating Income	Tire	30.5	27.5	26.3	116%	14.0	12.6
	Sports	3.0	3.0	2.3	128%	2.4	1.7
	Industrial & Others	1.5	1.5	1.1	142%	0.2	0.5
	Consolidated	35.0	32.0	29.7	118%	16.5	14.8

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## Consolidated Results Projection (Annual)

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Annual

Billions of Yen

	Annual Proj. 2014	Proj. Feb. 13 <sup>th</sup>	Actual 2013	'14 vs '13
Sales	840.0	830.0	780.6	108%
Operating Income (%)	83.0 (9.9%)	80.0 (9.6%)	77.1 (9.9%)	108%
Ordinary Income (%)	78.0 (9.3%)	75.0 (9.0%)	74.6 (9.6%)	105%
Net Income	47.0	45.0	44.8	105%
Equity Income	0.6	0.0	(0.4)	0.9
ROE	13.5%	13.0%	15.6%	(2.1)P
d/e ratio	0.9	0.9	0.9	—

SUMITOMO RUBBER INDUSTRIES 15

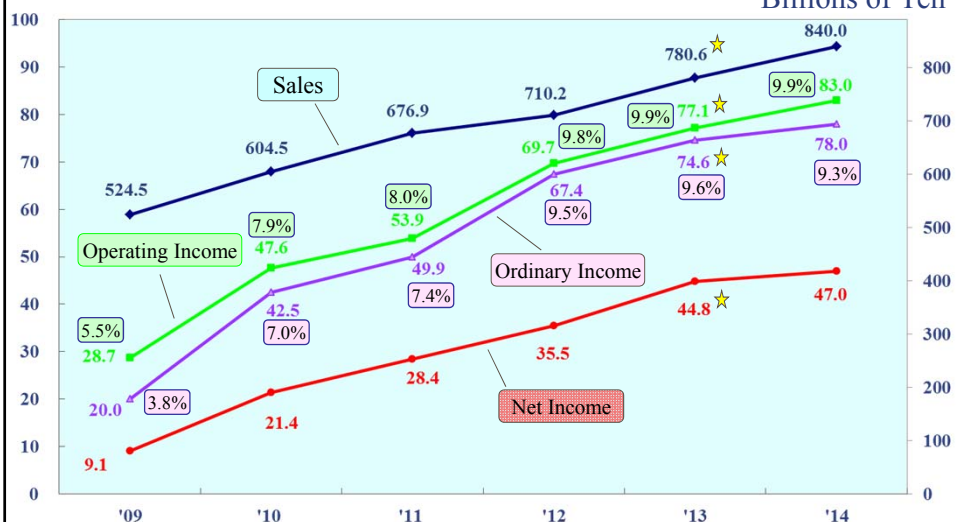
## Consolidated Sales / Income (2009~2014)

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Annual

% Profit %, ★ New High

Billions of Yen



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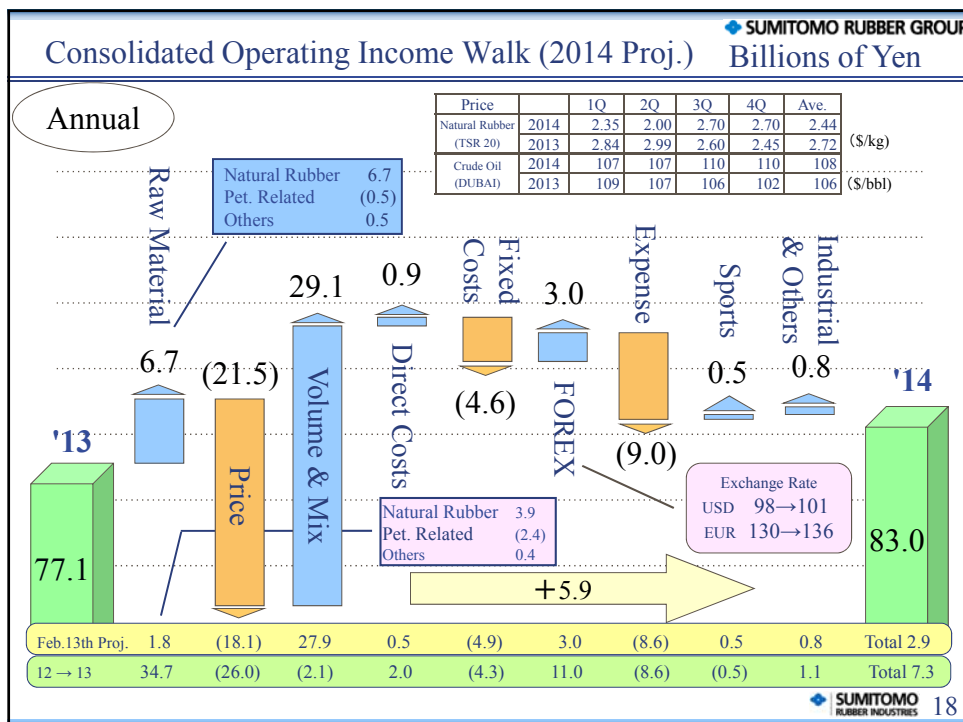
### Net Sales / Operating Income by Industrial Segment (Annual Proj.)

Billions of Yen

Annual

		Annual Proj. 2014	Proj. Feb. 13 <sup>th</sup>	Actual 2013	'14 vs '13
Sales	Tire	735.0	725.0	681.1	108%
	Sports	67.0	67.0	66.3	101%
	Industrial & Others	38.0	38.0	33.2	114%
	Consolidated	840.0	830.0	780.6	108%
Operating Income	Tire	74.5	71.5	69.9	107%
	Sports	4.5	4.5	4.0	113%
	Industrial & Others	4.0	4.0	3.2	124%
	Consolidated	83.0	80.0	77.1	108%

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## Consolidated Operating Income Analysis

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Period	Operating Income	Factor										Billions of Yen	
		vs Pre. Year	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	FOREX	Expense	Sports	Industrial & Others		
'13	Q1	15.0	(1.0)	7.9	(3.8)	(3.1)	(0.5)	(0.6)	1.7	(1.8)	(0.9)	0.1	
	Q2	14.8	(1.5)	8.8	(5.4)	(1.8)	(0.2)	(1.4)	1.3	(2.7)	(0.2)	0.1	
	H2	47.3	9.8	18.0	(16.8)	2.8	2.7	(2.3)	8.0	(4.1)	0.6	0.9	
	Annual	77.1	7.3	34.7	(26.0)	(2.1)	2.0	(4.3)	11.0	(8.6)	(0.5)	1.1	
'14	Q1	18.5	3.5	6.3	(8.7)	7.7	0.5	(1.3)	1.1	(2.9)	0.0	0.8	
	Q2	16.5	1.8	5.7	(7.7)	6.6	0.0	(1.5)	1.4	(3.1)	0.7	(0.3)	
	H2	48.0	0.6	(5.3)	(5.1)	14.8	0.4	(1.8)	0.5	(3.0)	(0.2)	0.3	
	Annual	83.0	5.9	6.7	(21.5)	29.1	0.9	(4.6)	3.0	(9.0)	0.5	0.8	
vs Feb. 13th Proj.	H1	—	3.0	4.9	(3.4)	1.2	0.4	0.3	0.0	(0.4)	0.0	0.0	
	H2	—	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	Annual	—	3.0	4.9	(3.4)	1.2	0.4	0.3	0.0	(0.4)	0.0	0.0	

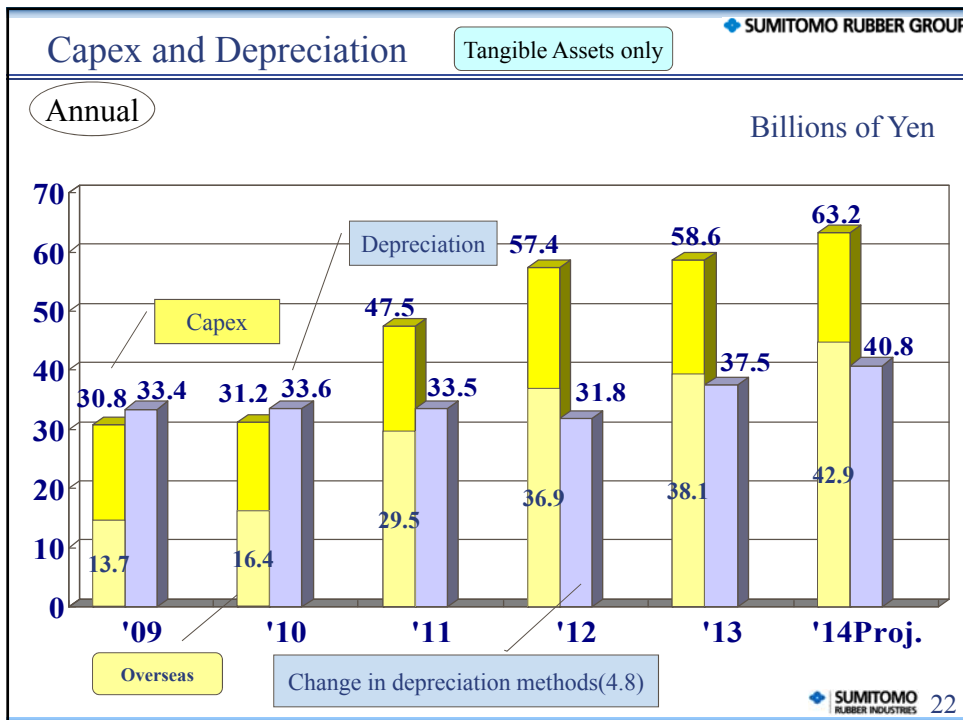
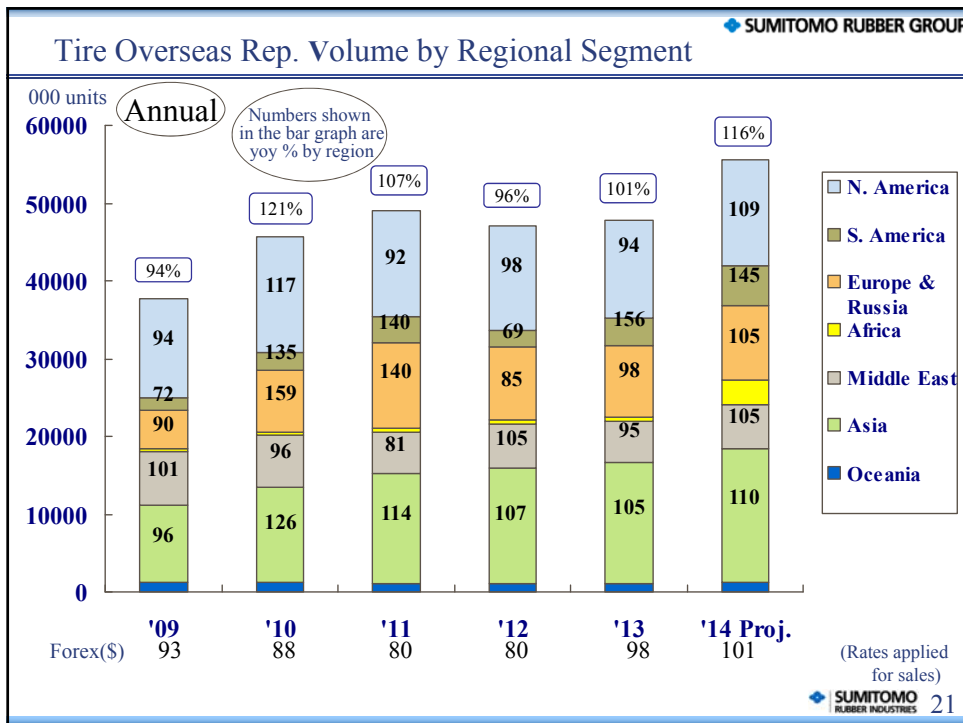
SUMITOMO RUBBER INDUSTRIES 19

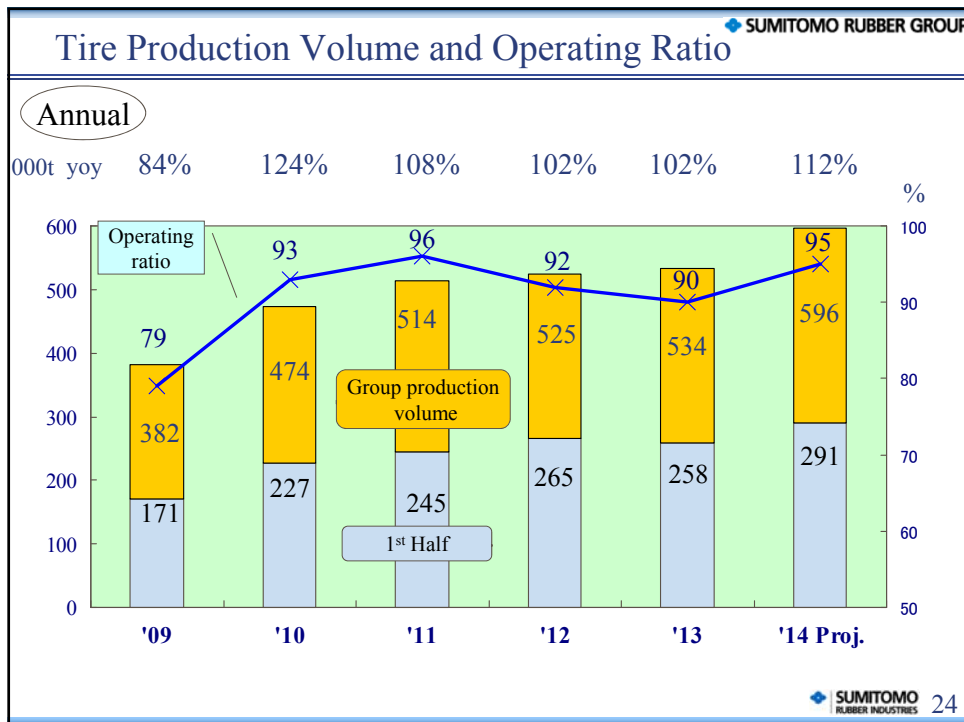
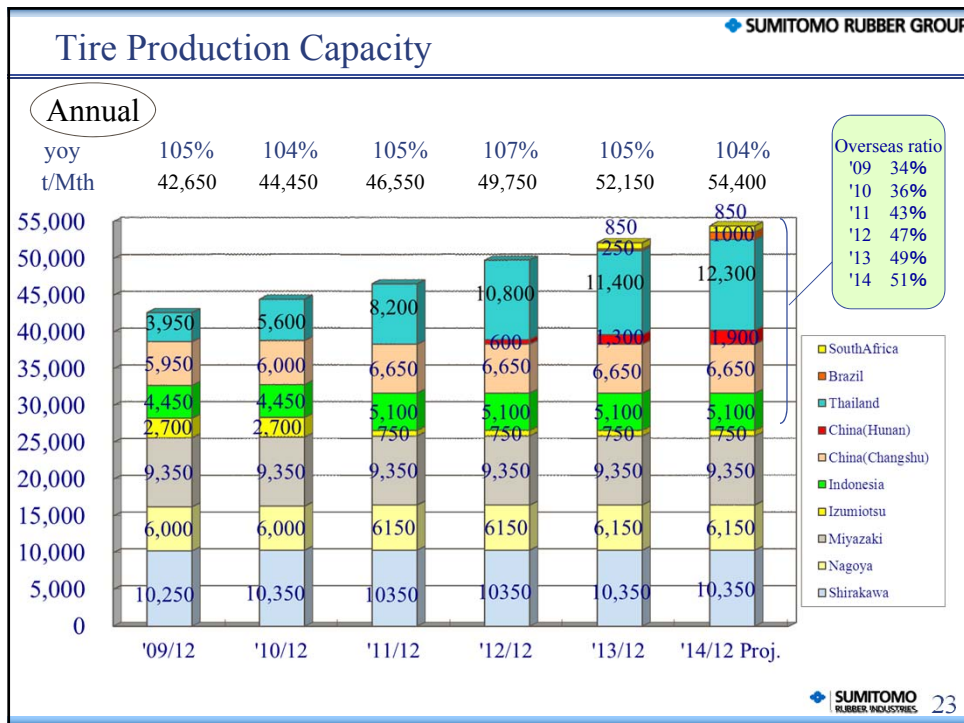
## Tire Sales Volume (Comparison %)

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	2013 ACT					2014 Jan.-Mar.ACT, Apr.-Dec.Proj.					2014 Feb.13th 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.	87%	92%	97%	105%	95%	<b>106%</b>	96%	93%	98%	98%	98%	97%	98%	
Overseas O.E.	120%	117%	122%	159%	129%	<b>117%</b>	132%	124%	121%	123%	126%	124%	125%	
Domestic Rep.	103%	101%	106%	106%	104%	<b>125%</b>	85%	101%	94%	99%	100%	95%	97%	
Overseas Rep.	90%	99%	101%	116%	101%	<b>113%</b>	120%	118%	113%	116%	119%	115%	117%	
Total	95%	100%	104%	116%	104%	<b>115%</b>	110%	111%	107%	110%	112%	109%	110%	
Total Tire Sales(000units)	22,200	23,020	25,280	29,930	100,420	<b>25,520</b>	25,350	28,180	31,890	110,940	50,700	60,000	110,700	
Overseas Rep	North America	85%	96%	90%	104%	94%	<b>110%</b>	106%	112%	109%	109%	105%	108%	107%
	Asia	102%	99%	104%	114%	105%	<b>100%</b>	114%	112%	112%	110%	113%	112%	113%
	Middle East	69%	95%	93%	128%	95%	<b>124%</b>	116%	102%	86%	105%	118%	93%	104%
	Europe & Russia	85%	95%	97%	116%	98%	<b>94%</b>	122%	110%	99%	105%	106%	103%	104%

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## Sales in the Sports Business Results

Billions of Yen

	2014 Q1 Jan.-Mar.	2013 Q1 Jan.-Mar.	'14 vs '13
Golf Clubs	8.5	7.4	115%
Golf Balls	3.2	3.1	102%
Golf Shoes, Accessories & Others	1.9	1.6	122%
Golf goods	13.6	12.1	113%
Tennis goods	1.4	1.4	96%
Licensing income	0.1	0.1	130%
Sports goods business	15.1	13.6	111%
Other business	0.5	0.5	120%
Total	15.6	14.1	111%

## New Products / New Technology

**エナセーブ 100**  
 エナセーブ EC203  
 長持ちする低燃費タイヤ。  
 スタンダー・ドライブ (5072) 競・コンパカカー専用/ハイラン (4972)

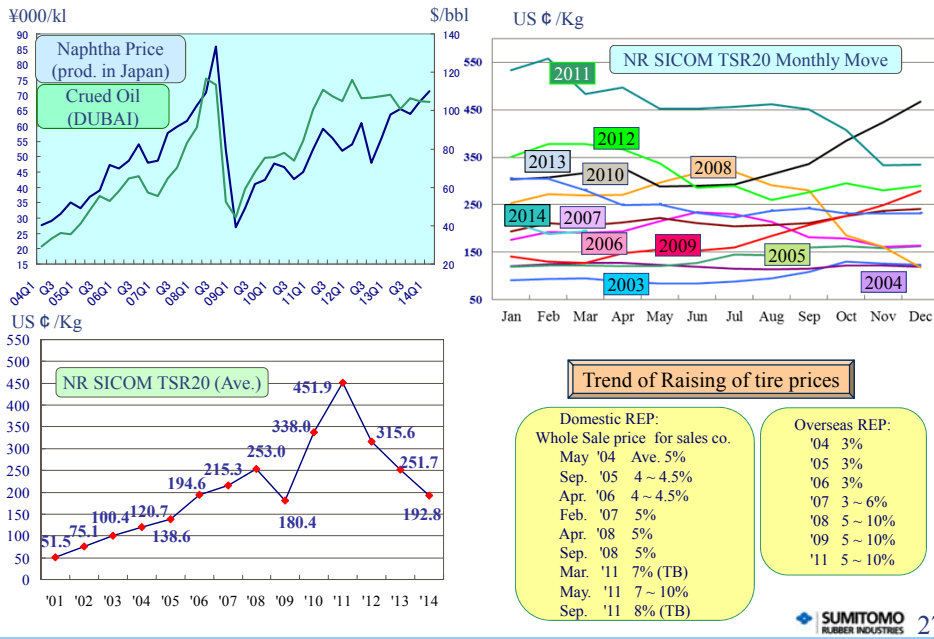
**エナセーブ 100**  
**エナセーブ EC203**  
**SPORTMAX GPR-300**

**XXIO**  
 NEW "XXIO PREMIUM" New model  
 争りない人。業。業。業。

**MIRAIE**  
 争りない人。業。業。業。

Housing Renovation  
 SUMITOMO RUBBER INDUSTRIES

# Market Price: Natural Rubber • Naphtha



END

*for you, for the earth*

**SUMITOMO RUBBER GROUP**