



Financial Report

(January 1 ~ December 31, 2014)

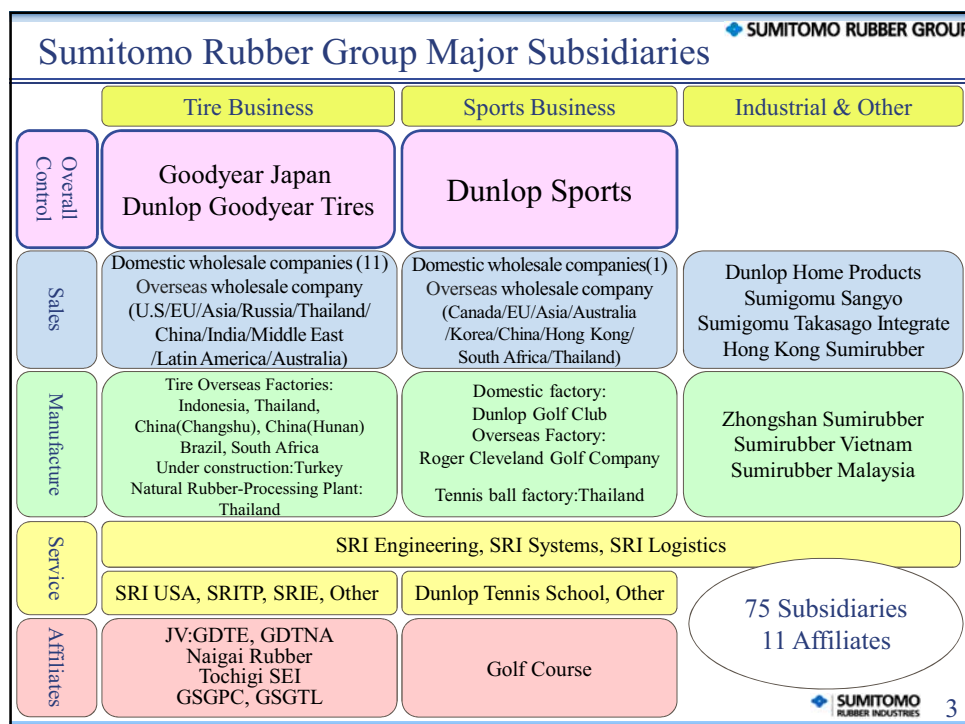
Sumitomo Rubber Industries, Ltd.

Key Subjects

- 2014 Annual 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 75 [6]		Equity-method affiliates 11 [(2)]	
			Unconsolidated Subs 3	Affiliated companies 8
# of changed Companies	Newly included 7	Excluded (1)	Newly included -	Excluded (2)
	7	(1)	-	(2)
Tire Business	SRI Europe GmbH (Overall Control company in Europe) Sumitomo Rubber AKO Lastik Sanayi ve Ticaret A.S. (Manufacturing and Sales company in Turkey) Sumitomo Rubber Australia Pty Ltd. (Sales company in Australia)			Tire Shop Aizu, Ltd.
Sports Business	Dunlop Tennis School Co., Ltd. (Former name ; Wako Tennis Co., Ltd.) Dunlop Sports Wellness Co., Ltd. Dunlop Sports Plaza Co., Ltd.	Dunlop Sports Okinawa Co., Ltd. (Merged with Dunlop Sports Marketing Co. Ltd.)		Wako Tennis Co., Ltd.
Industrial & Other	Sumigomu Takasago Integrate, Ltd. (Manufacturing and Sales company, Parts for medical test equipments)			



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Consolidated Financial Results

	Actual 2014	Actual 2013	'14 vs. '13	Nov. 6 th Proj.	Actual 2012	Billions of Yen
Sales	837.6	780.6	107%	840.0	710.2	
Operating Income (%)	86.3 (10.3%)	77.1 (9.9%)	112%	84.0 (10.0%)	69.7 (9.8%)	
Ordinary Income (%)	88.0 (10.5%)	74.6 (9.6%)	118%	81.0 (9.6%)	67.4 (9.5%)	
Net Income	53.2	44.8	119%	49.0	35.5	
Equity Income	4.7	(0.4)	+5.0	5.1	(1.1)	
ROE	14.3%	15.6%		14.0%	16.0%	
d/e Ratio	0.7	0.9		0.8	1.1	

	2013	2014 Proj.				2014
	ACT	Feb.13 th	May 8 th	Aug. 7 th	Nov.6 th	ACT
Sales	780.6	830.0	840.0	840.0	840.0	837.6
Operating Income	77.1	80.0	83.0	84.0	84.0	86.3
Ordinary Income	74.6	75.0	78.0	81.0	81.0	88.0
Net Income	44.8	45.0	47.0	49.0	49.0	53.2

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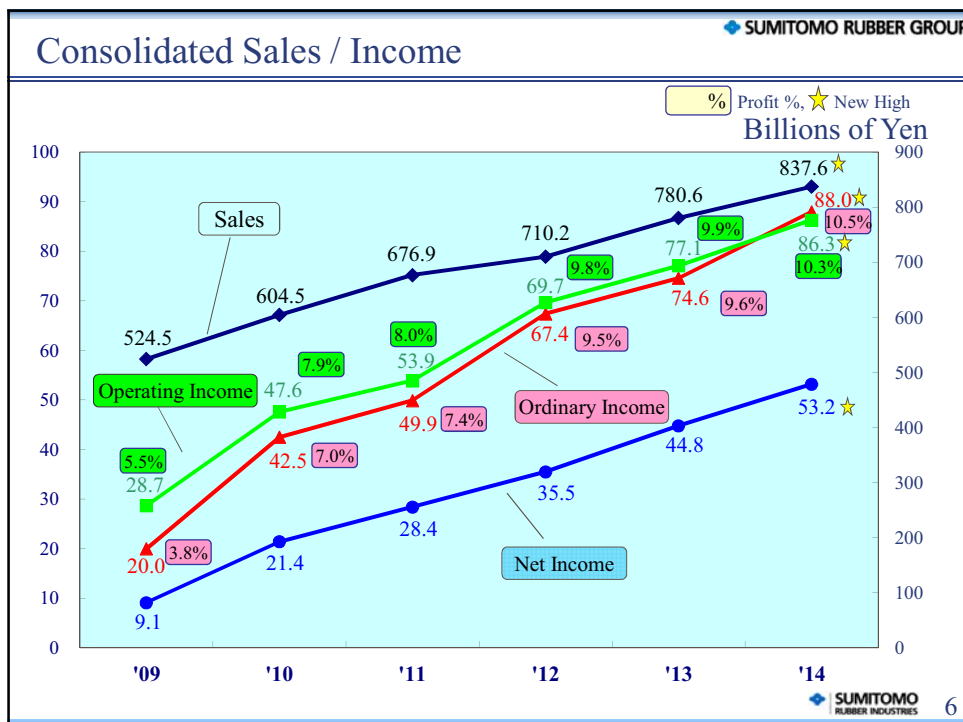
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Consolidated Financial Results

(Annual) Billions of Yen

	Jan.-Mar.		Apr.-Jun.		Jul.-Sep.		Oct.-Dec.		Actual 2014	
		'14 vs. '13		'14 vs. '13		'14 vs. '13		'14 vs. '13		'14 vs. '13
Sales	190.7	116% +26.8	187.9	103% +5.9	197.2	106% +11.1	261.8	105% +13.2	837.6	107% +57.0
Operating Income (%)	18.5 (9.7%)	123% +3.5	16.6 (8.8%)	113% +1.8	14.0 (7.1%)	106% +0.7	37.2 (14.2%)	109% +3.1	86.3 (10.3%)	112% +9.2
Ordinary Income (%)	17.9 (9.4%)	124% +3.5	17.2 (9.1%)	129% +3.8	16.6 (8.4%)	129% +3.7	36.3 (13.9%)	107% +2.3	88.0 (10.5%)	118% +13.4
Net Income	10.9	121% +1.9	11.0	169% +4.5	9.9	107% +0.6	21.5	107% +1.4	53.2	119% +8.4
Equity Income	0.6	+1.3	1.3	+1.8	3.2	+2.2	(0.4)	(0.3)	4.7	+5.0

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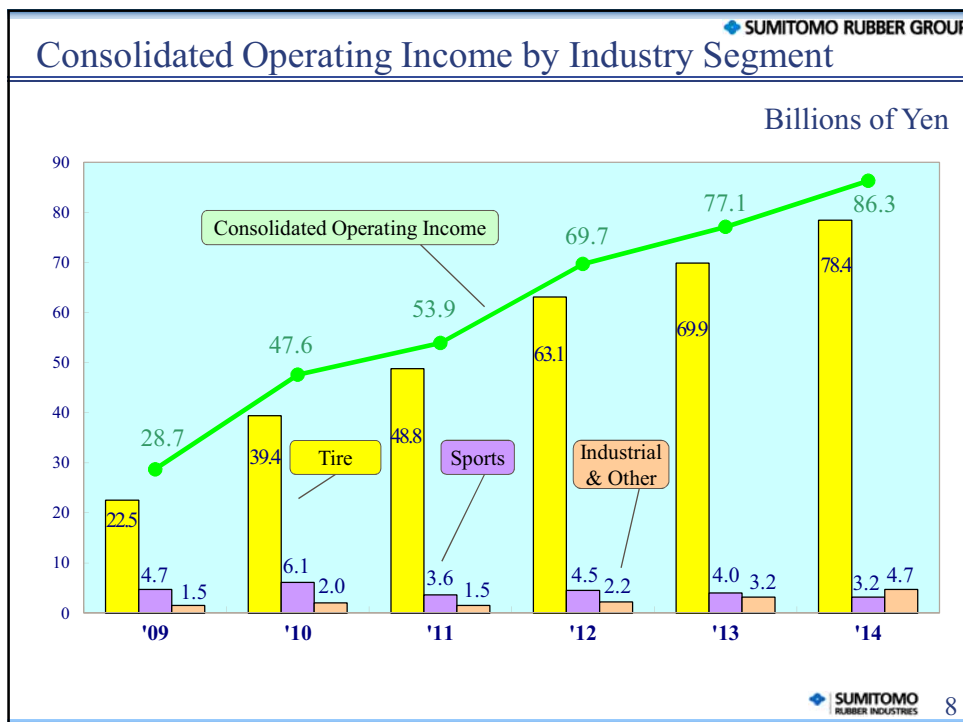
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Net Sales / Operating Income by Industry Segment

Billions of Yen

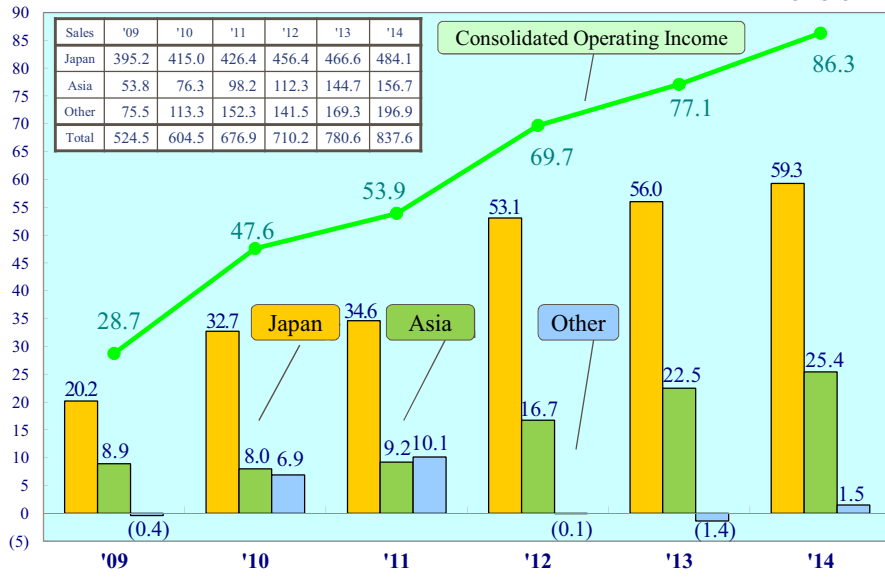
		Jan.-Sep.		Oct.-Dec.		Actual 2014	Actual 2013	'14 vs. '13
			'14 vs. '13		'14 vs. '13			
Sales	Tire	500.7	109%	230.5	105%	731.2	681.1	107%
	Sports	49.6	104%	20.9	112%	70.5	66.3	106%
	Industrial & Other	25.6	108%	10.4	107%	35.9	33.2	108%
	Consolidated	575.8	108%	261.8	105%	837.6	780.6	107%
Operating Income	Tire	44.1	115%	34.3	109%	78.4	69.9	112%
	Sports	1.8	73%	1.3	90%	3.2	4.0	79%
	Industrial & Other	3.1	160%	1.6	123%	4.7	3.2	145%
	Consolidated	49.1	114%	37.2	109%	86.3	77.1	112%

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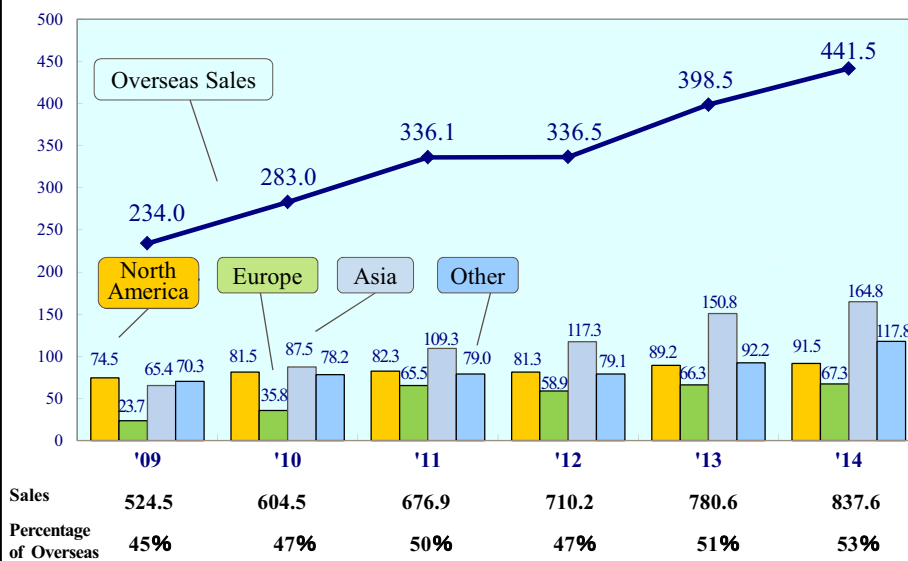
Consolidated Operating Income by Geographic Area

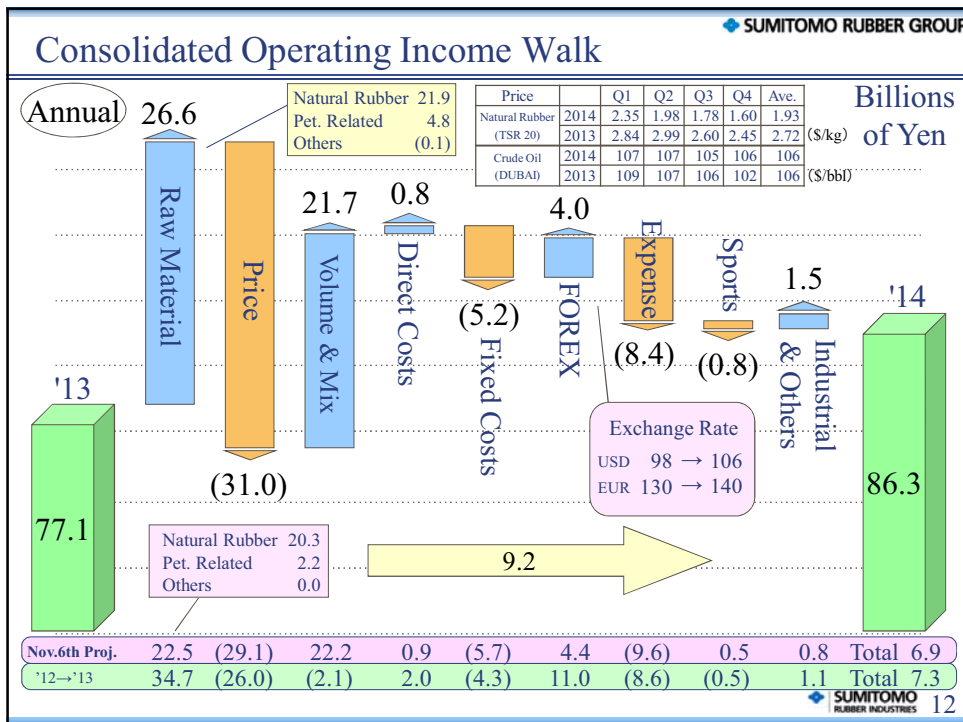
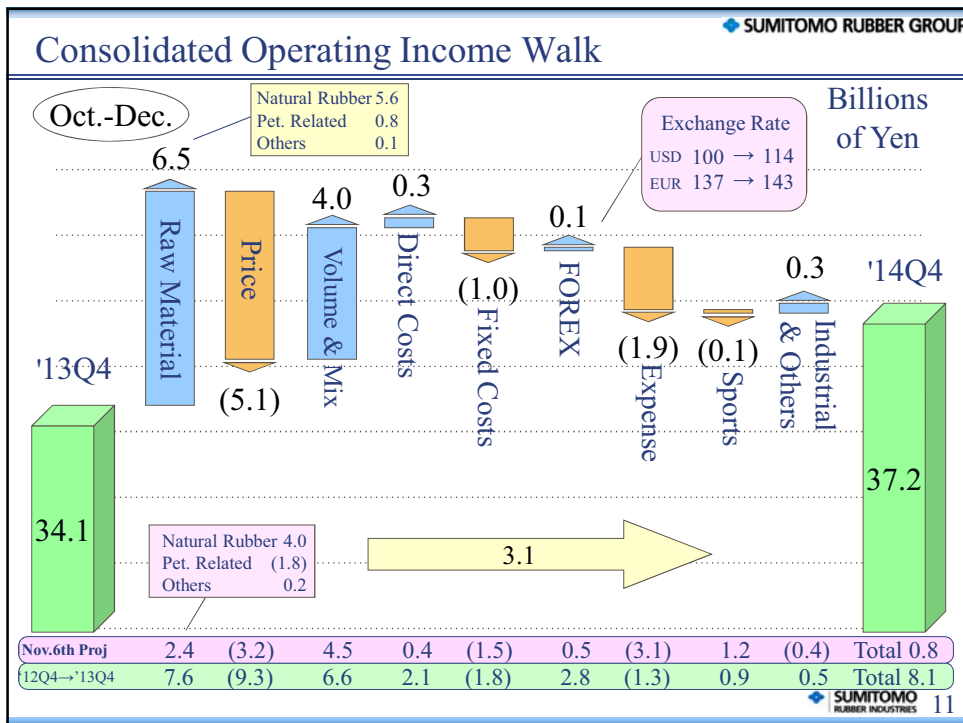
Billions of Yen



Overseas Sales

Billions of Yen





Consolidated Operating Income Analysis												
Billions of Yen												
Period	Operating Income		Factor									
		vs Pre. Year	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	FOREX	Expense	Sports	Industrial & Other	
'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
	Q3	13.2	1.7	10.4	(7.5)	(3.8)	0.6	(0.5)	5.2	(2.8)	(0.3)	0.4
	Q4	34.1	8.1	7.6	(9.3)	6.6	2.1	(1.8)	2.8	(1.3)	0.9	0.5
	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	16.6	1.9	7.5	(9.0)	4.4	(0.6)	(1.6)	1.8	0.1	(0.9)	0.2
	Q3	14.0	0.7	6.3	(8.2)	5.6	0.6	(1.3)	1.0	(3.7)	0.2	0.2
	Q4	37.2	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
(vs Nov. 6 th Proj.)		2.3	4.1	(1.9)	(0.5)	(0.1)	0.5	(0.4)	1.2	(1.3)	0.7	

Consolidated Balance Sheets			
Billions of Yen			
	2014	2013	'14 vs '13
Current assets	440.3	407.5	+32.8
Noncurrent assets	533.3	460.0	+73.3
Total Assets	973.6	867.5	+106.1
Current liabilities	292.3	313.2	(20.9)
Noncurrent liabilities	234.3	195.4	+38.9
Liabilities	526.6	508.6	+18.0
Shareholders' equity	346.8	305.4	+41.3
AOCI	66.6	24.4	+42.3
Minority interests	33.6	29.0	+4.6
Net Assets	447.0	358.8	+88.1
Total Liabilities and Net Assets	973.6	867.5	+106.1
Net Assets	413.4	329.8	+84
Equity ratio	42.5%	38.0%	+4.5P

Cash and deposits	+12.0
Accounts Receivable	+11.8
Inventory	+11.6
Tangible Fixed Assets	+43.0
Intangible Fixed Assets	+3.8
Investments in securities	+11.8
Prepaid pension cost	(21.1)
Net defined benefit asset	+30.1
Interest-bearing debt	(6.4)
(295.7 ← 302.1)	
Income tax payable	+2.3
Accounts Payable	+10.8
Deferred tax liabilities	+6.0
Net income	+53.2
Dividends paid	(11.8)
Foreign currency translation adjustments	+31.2
Pension liability adjustments in affiliated foreign companies	+19.0
Remeasurements of defined benefit plans	(11.0)

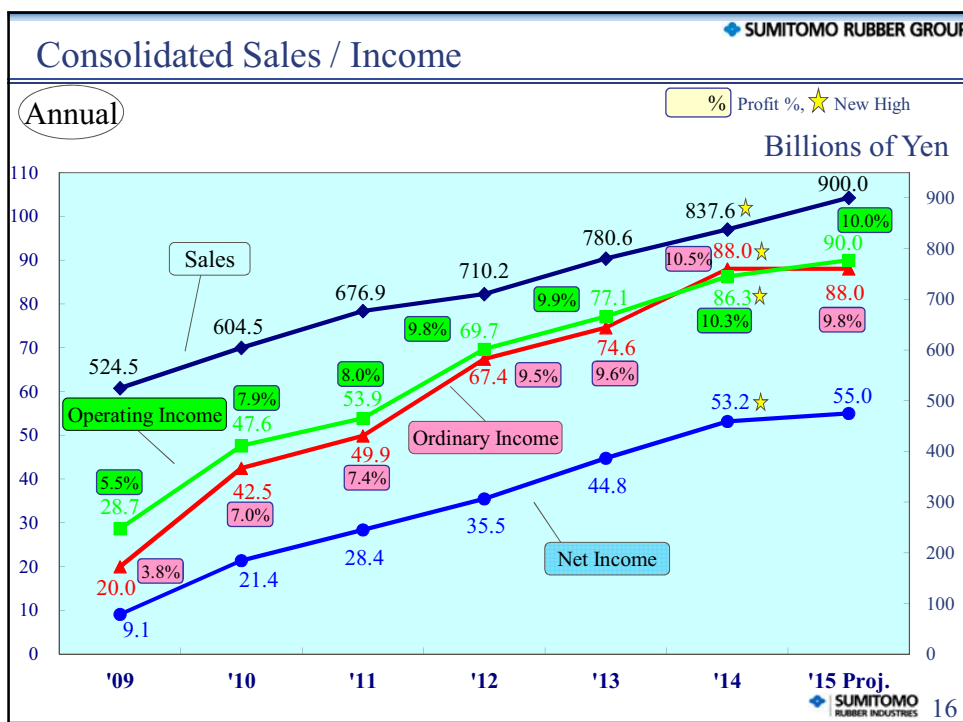
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Consolidated Results Projection (2015)

Billions of Yen

Annual					
	Annual Proj. 2015	Actual 2014	'15 vs. '14	Jan-Jun Proj.	'15 vs. '14
Sales	900.0	837.6	107%	400.0	106%
Operating Income (%)	90.0 (10.0%)	86.3 (10.3%)	104%	30.0 (7.5%)	85%
Ordinary Income (%)	88.0 (9.8%)	88.0 (10.5%)	100%	29.0 (7.3%)	83%
Net Income	55.0	53.2	103%	18.0	82%
Equity Income	0.0	4.7	(4.7)		
ROE	14.0%	14.3%			
d/e Ratio	0.7	0.7			

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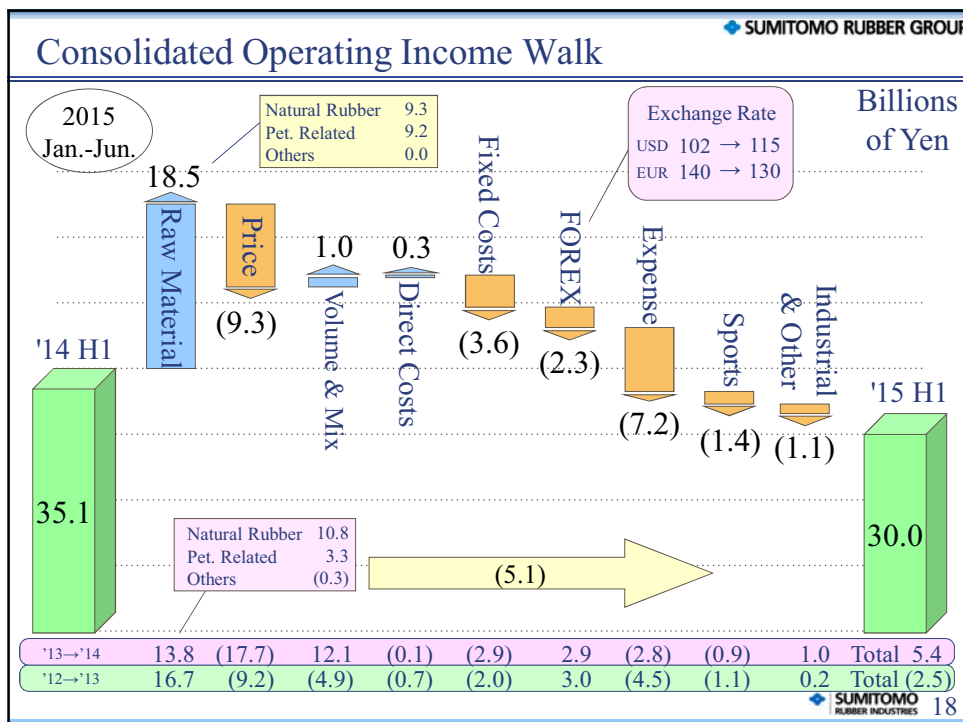
Net Sales / Operating Income by Industry Segment

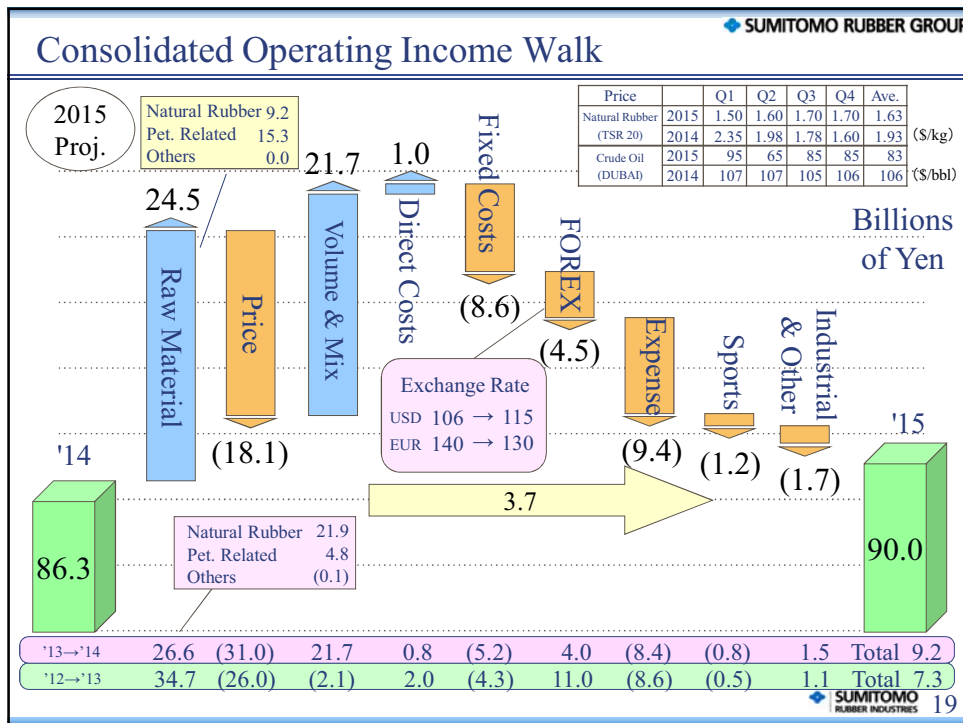
Billions of Yen

Annual

		Annual Proj. 2015	Actual 2014	'15 vs. '14	Jan-Jun Proj.	'15 vs. '14
Sales	Tire	780.0	731.2	107%	344.0	105%
	Sports	78.0	70.5	111%	38.0	116%
	Industrial & Other	42.0	35.9	117%	18.0	107%
	Consolidated	900.0	837.6	107%	400.0	106%
Operating Income	Tire	85.0	78.4	108%	29.0	92%
	Sports	2.0	3.2	63%	0.0	0%
	Industrial & Other	3.0	4.7	64%	1.0	48%
	Consolidated	90.0	86.3	104%	30.0	85%

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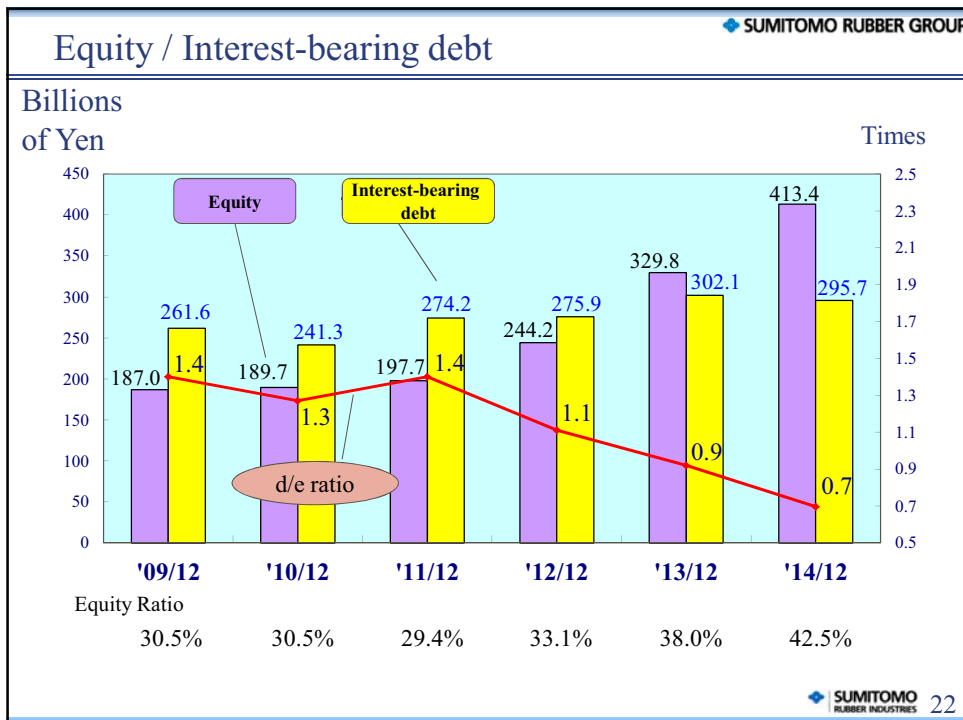
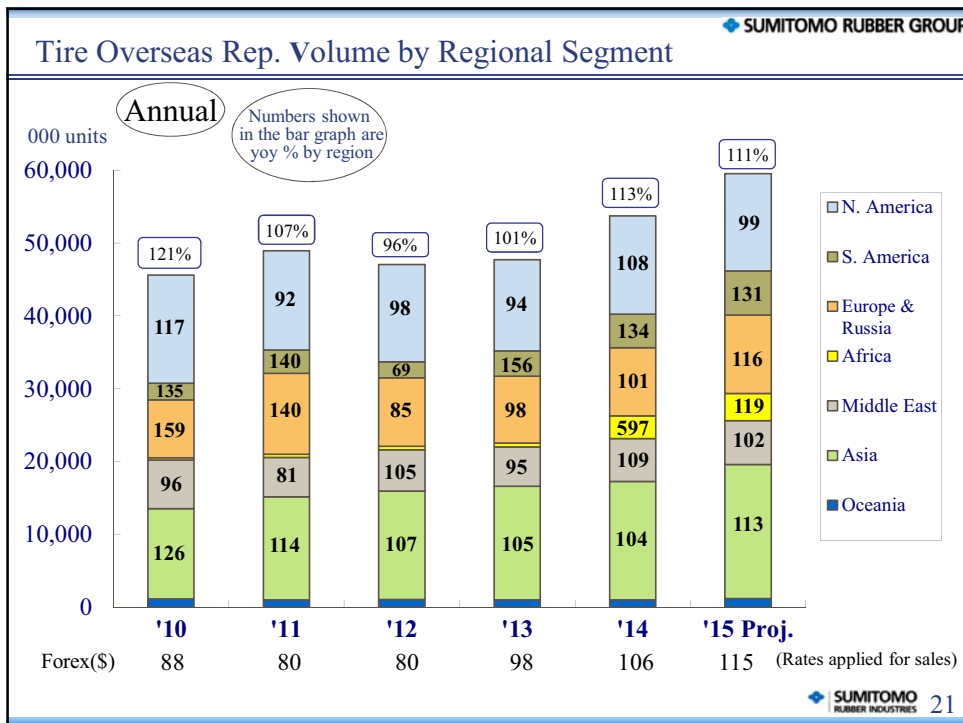


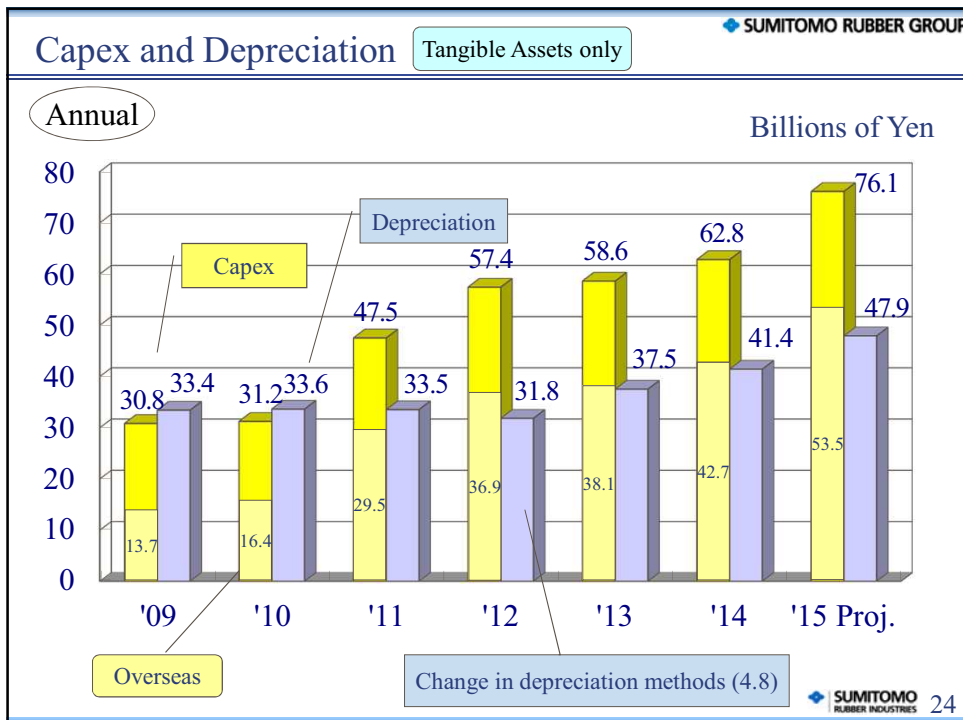
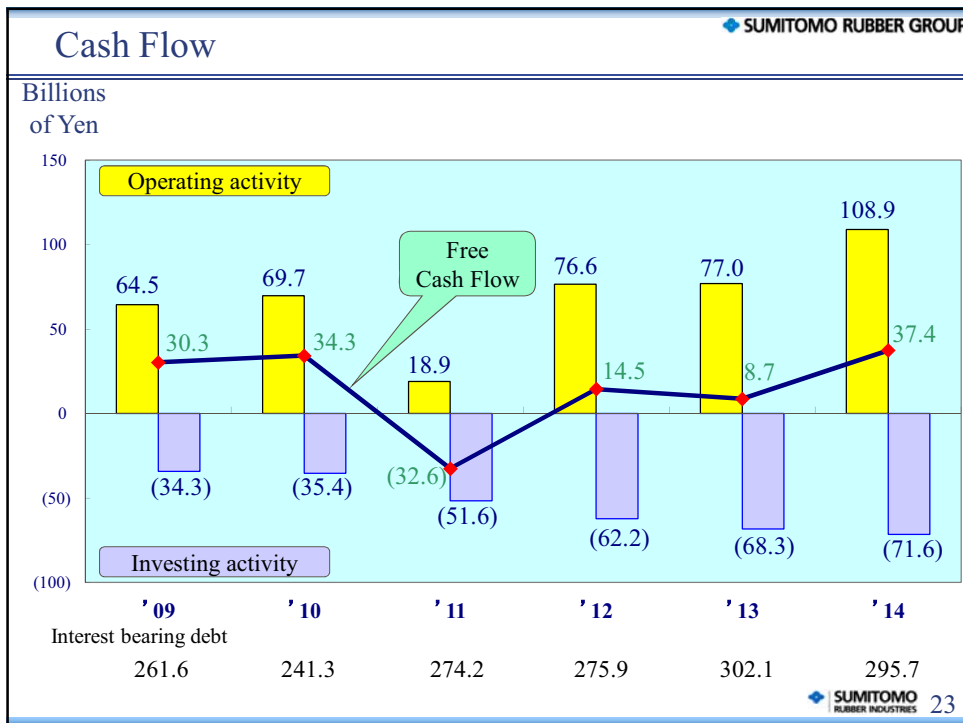
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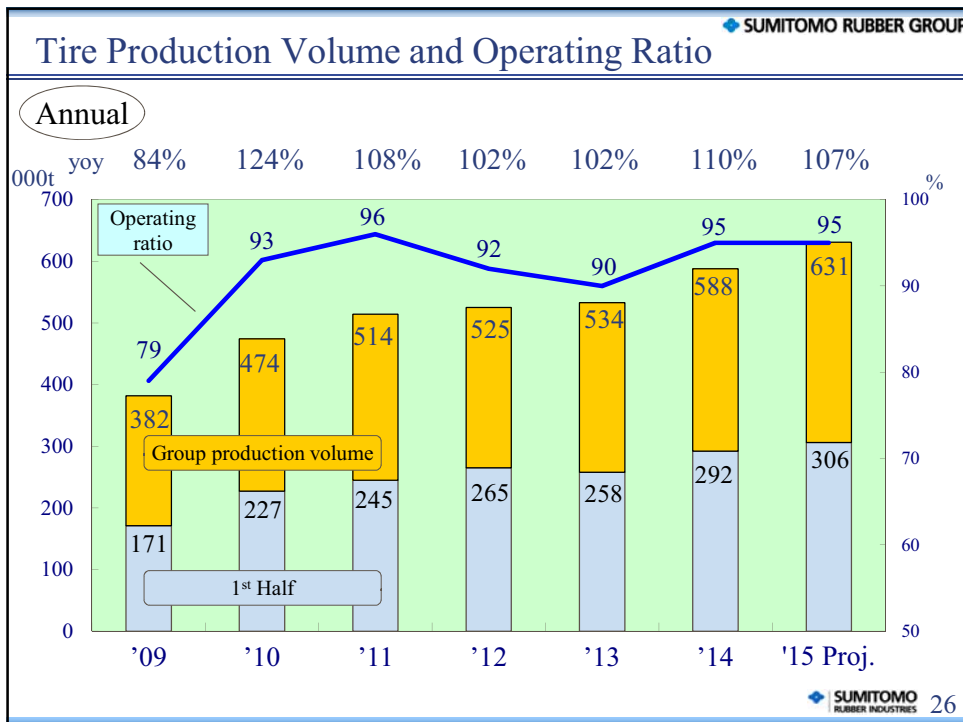
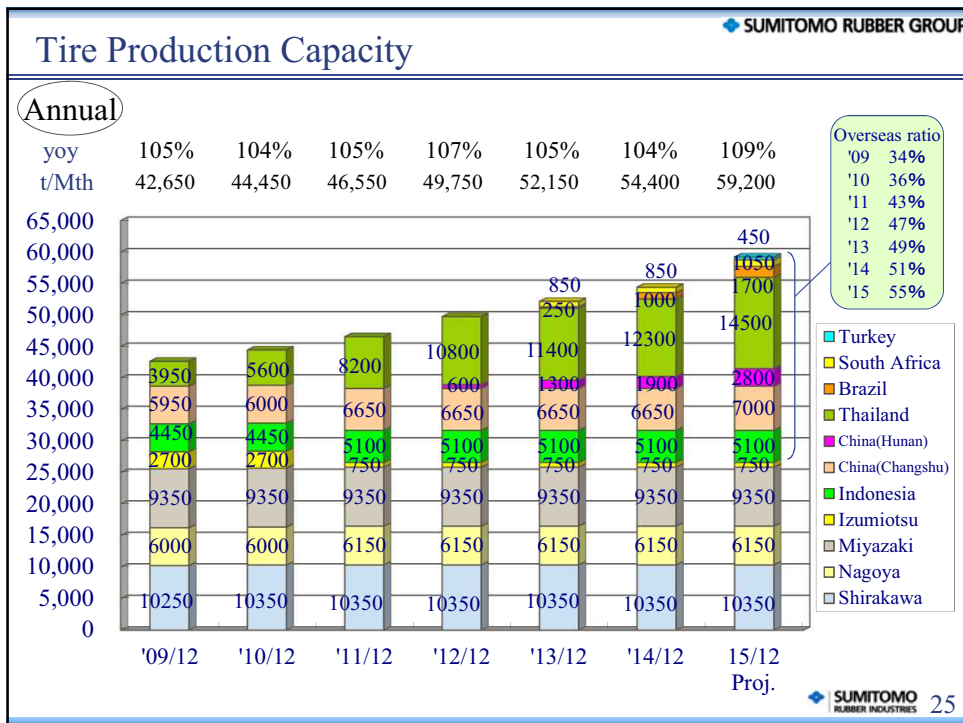
Tire Sales Volume (Comparison %)

	2013 ACT					2014 ACT					2015 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%	106%	106%	101%	100%	103%	96%	97%	96%	
Overseas O.E.	120%	117%	122%	159%	129%	117%	132%	109%	101%	113%	102%	129%	115%	
Domestic Rep.	103%	101%	106%	106%	104%	125%	88%	101%	97%	102%	97%	101%	99%	
Overseas Rep.	90%	99%	101%	116%	101%	113%	118%	111%	109%	113%	107%	114%	111%	
Total	95%	100%	104%	116%	104%	115%	111%	107%	103%	109%	103%	110%	107%	
Total Tire Sales(000units)	22,200	23,020	25,280	29,930	100,420	25,520	25,630	27,040	30,950	109,140	52,500	64,050	116,550	
Overseas Rep.	North America	85%	96%	90%	104%	94%	110%	103%	113%	107%	108%	98%	100%	99%
	Asia	102%	99%	104%	114%	105%	100%	112%	102%	102%	104%	113%	114%	113%
	Middle East	69%	95%	93%	128%	95%	124%	126%	100%	95%	109%	100%	104%	102%
	Europe & Russia	85%	95%	97%	116%	98%	94%	118%	111%	90%	101%	108%	121%	116%

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Sales in the Sports Business Results

Billions of Yen

	2014	2013	'14 vs '13	Annual Proj. 2015
Golf Clubs	34.5	33.2	104%	36.0
Golf Balls	14.5	14.4	101%	15.8
Golf Shoes, Accessories & Others	7.9	7.4	107%	8.1
Golf goods	56.9	55.0	104%	59.9
Tennis goods	6.3	6.3	101%	6.5
Licensing income	0.4	0.4	111%	0.5
Sports goods business	63.7	61.6	103%	66.9
Other business	6.8	4.7	145%	11.1
Total	70.5	66.3	106%	78.0

New Products / New Technology

DUNLOP



エナセーブ
RV504

エナセーブ
NEXT

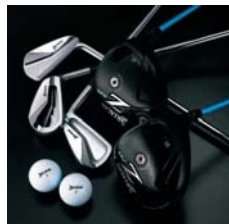
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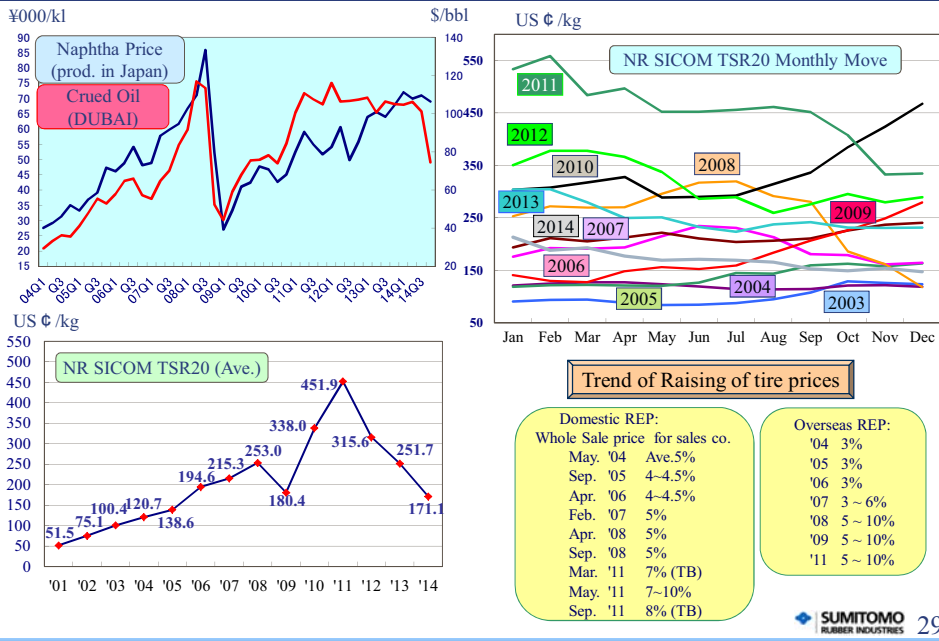
Hibrid-TurfEx



SRIXON



Market Price: Natural Rubber • Naphtha



END

for you, for the earth

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