



# Financial Report

(January 1 ~ December 31, 2012)

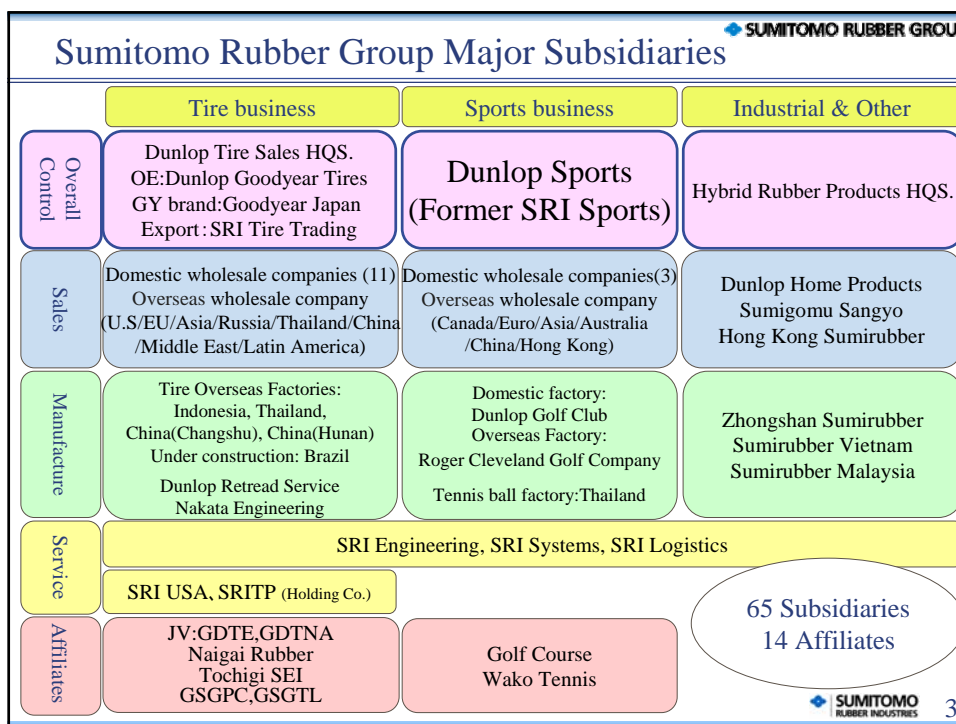
Sumitomo Rubber Industries, Ltd.

## Key Subjects

- 2012 Financial Results Summary
  - Changes in Scope of Consolidation, Major Affiliated Companies
  - Financial Results Summary
- 2013 Annual Financial Results Projection
  - Annual Financial Results Projection Summary
  - Capex/Depreciation, Tire Production Capacity etc.

## Changes in Consolidated Subsidiaries

Scope of Consolidation	Consolidated Subsidiaries 65 (0)		Equity-method affiliates 14 (-2)	
			Unconsolidated Subs. 5	Affiliated companies 9
# of changed Companies	Newly included 2	Excluded (2)	Newly included -	Excluded (2)
	2	(2)	-	(2)
	SUMITOMO RUBBER DO BRASIL LTDA.  Srixon Sports South Africa (PTY) Ltd.	The Oaklet Golf Club Co., Ltd.  Dunlop Sports Hokkaido Co., Ltd.  (Merged with Dunlop Sports Marketing Co., Ltd.)		Hiroshima Rubber, Ltd. Kyoshin, Ltd.  (Merged with Dunlop Tire Chugoku Ltd.)



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## Consolidated Financial Results

	Actual 2012	Actual 2011	'12 vs. '11	Nov. 8 <sup>th</sup> Proj.	Actual 2010	Billions of Yen
<b>Sales</b>	710.2	676.9	105%	705.0	604.5	
Operating Income (%)	69.7 (9.8%)	53.9 (8.0%)	129%	67.0 (9.5%)	47.6 (7.9%)	
Ordinary Income (%)	67.4 (9.5%)	49.9 (7.4%)	135%	61.0 (8.7%)	42.5 (7.0%)	
Net Income	35.5	28.4	125%	32.0	21.4	
Equity Income	△1.1	2.3	△3.4	0.8	1.3	
<b>ROE</b>	16.0%	14.7%	+1.3P	15.2%	11.4%	
Interest-bearing debt	275.9	274.2	+1.7	270.0	241.3	

	2011 ACT	2012 Proj.				2012 ACT
		Feb.14th	May 9th	Aug. 9th	Nov.8th	
Sales	676.9	705.0	710.0	715.0	705.0	710.2
Operating Income	53.9	62.0	63.0	67.0	67.0	69.7
Ordinary Income	49.9	56.0	58.0	61.0	61.0	67.4
Net Income	28.4	30.0	31.0	32.0	32.0	35.5

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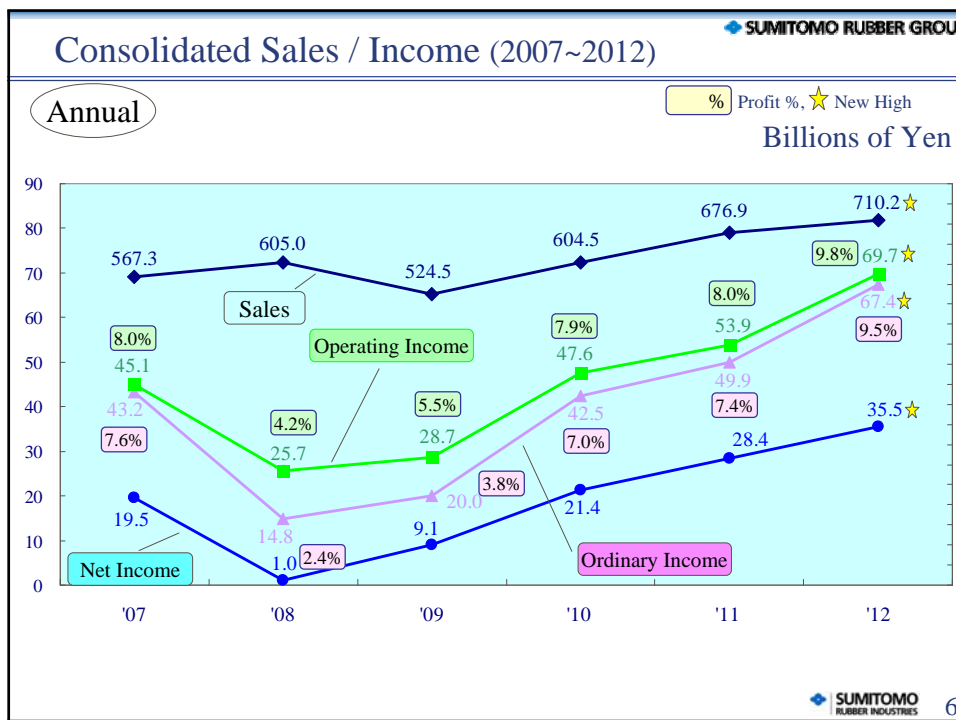
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## Consolidated Financial Results

Billions of Yen

	Jan.-Mar.		Apr.-Jun.		Jul.-Sep.		Oct.-Dec.		Actual 2012	
		'12 vs. '11		'12 vs. '11		'12 vs. '11		'12 vs. '11		'12 vs. '11
Sales	166.9	115% +21.9	166.8	108% +12.1	166.2	99% (1.6)	210.3	100% +1.0	710.2	105% +33.3
Operating Income (%)	16.0 (9.6%)	165% +6.3	16.3 (9.8%)	162% +6.2	11.4 (6.9%)	119% +1.9	26.0 (12.4%)	106% +1.5	69.7 (9.8%)	129% +15.8
Ordinary Income (%)	17.0 (10.2%)	161% +6.4	13.3 (8.0%)	161% +5.1	11.5 (6.9%)	151% +3.9	25.5 (12.1%)	109% +2.1	67.4 (9.5%)	135% +17.4
Net Income	10.1	238% +5.9	6.3	135% +1.6	6.6	138% +1.8	12.4	85% (2.2)	35.5	125% +7.1
Equity Income	0.2	(0.4)	0.0	0.1	0.6	(1.4)	(1.9)	(1.7)	(1.1)	(3.4)

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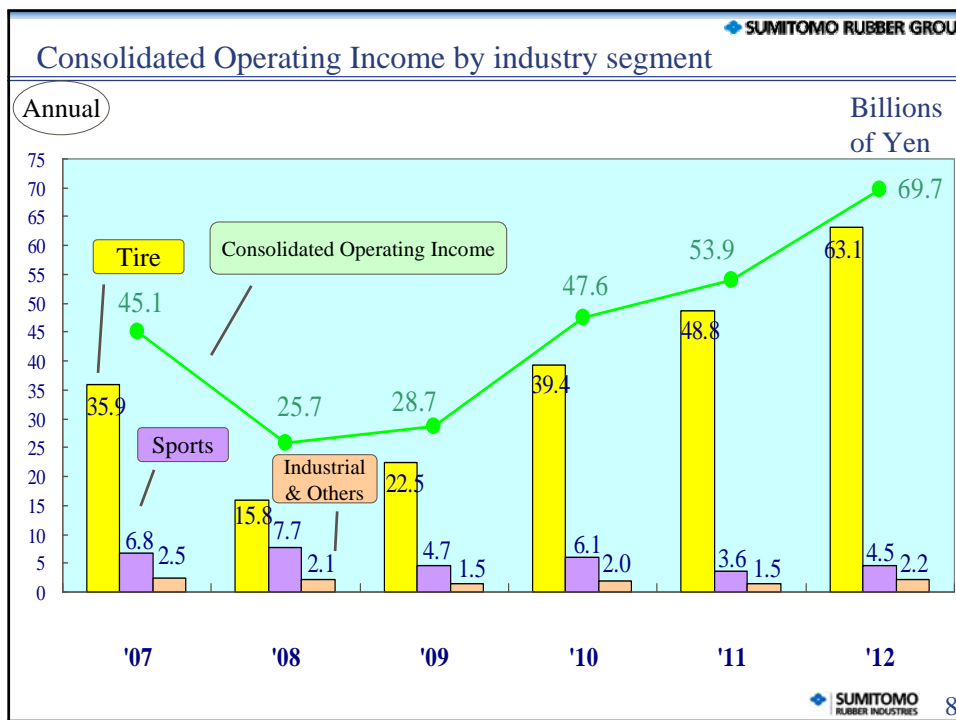
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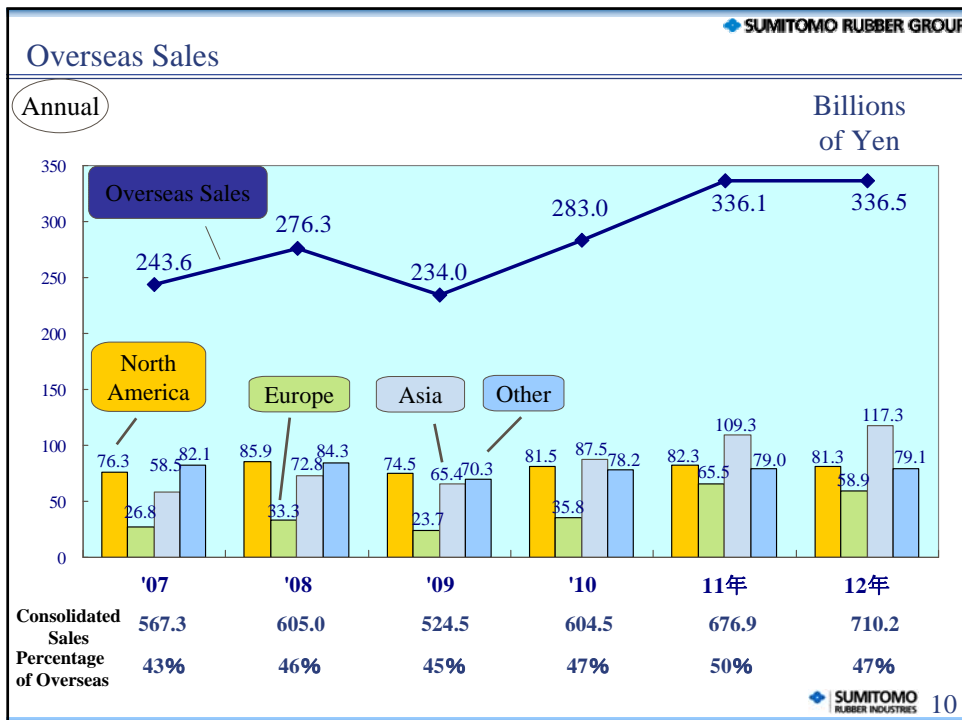
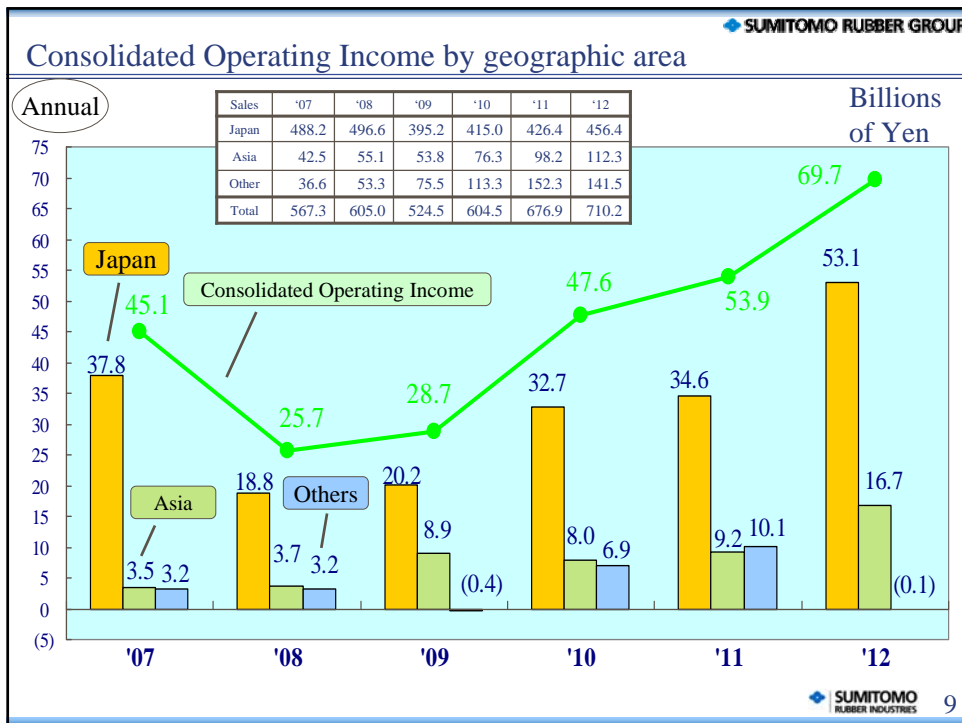
### Net Sales / Operating Income by Industry Segment

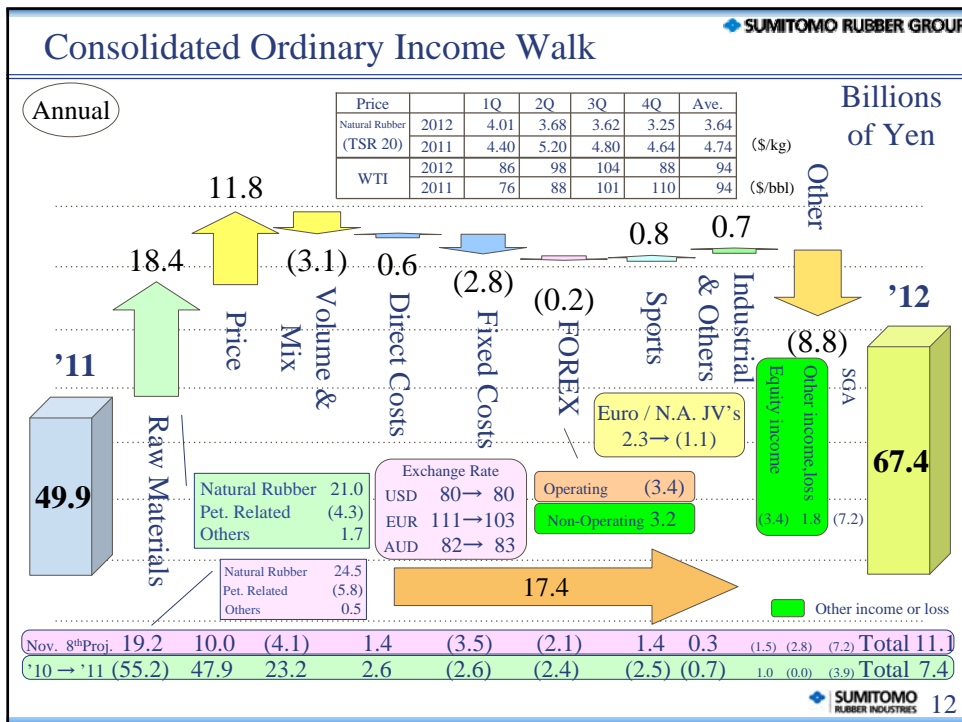
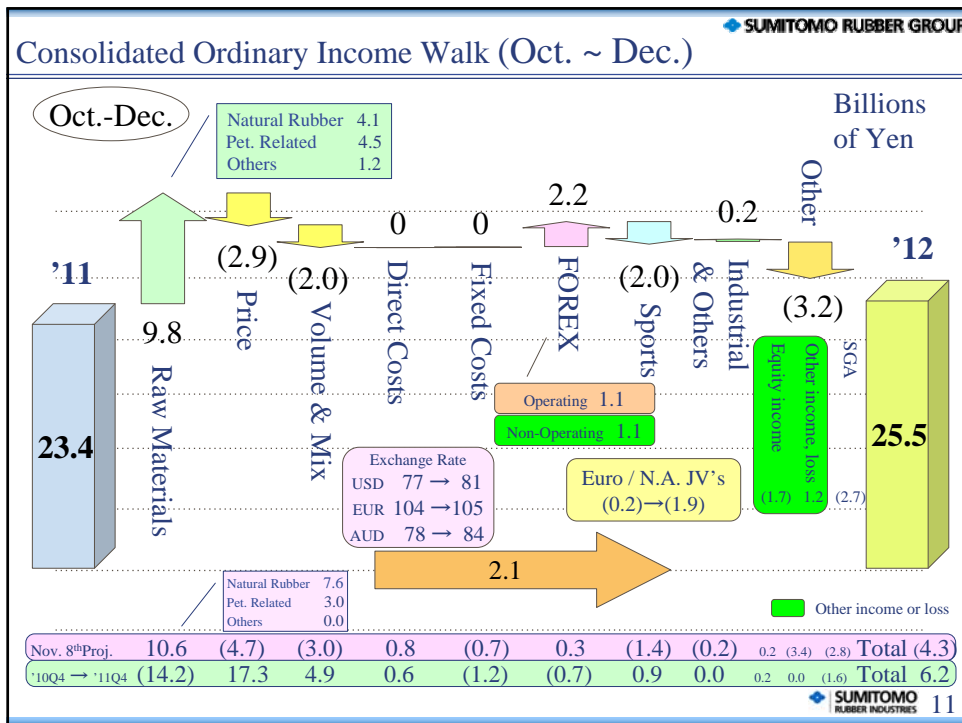
Annual Billions of Yen

	Jan.-Sep.		Oct.-Dec.		Actual 2012	Actual 2011	'12 vs. '11	
		'12 vs. '11		'12 vs. '11				
Sales	Tire	433.1	107%	186.3	101%	619.4	591.0	105%
	Sports	45.7	112%	15.6	89%	61.3	58.4	105%
	Industrial & Others	21.2	104%	8.4	118%	29.5	27.5	107%
	Consolidated	500.0	107%	210.3	100%	710.2	676.9	105%
Operating Income	Tire	38.4	140%	24.7	115%	63.1	48.8	129%
	Sports	3.9	332%	0.5	21%	4.5	3.6	123%
	Industrial & Others	1.4	164%	0.8	127%	2.2	1.5	148%
	Consolidated	43.7	149%	26.0	106%	69.7	53.9	129%

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Consolidated Ordinary Income Analysis													◆ SUMITOMO RUBBER GROUP	
													Billions of Yen	
Period	Ordinary Income		Factor											
		vs Pre. Year	Raw Materials	Price	Volume & Mix	Direct Costs	Fixed Costs	FOREX	Sports	Industrial & Others	Income	Equity	Other	SGA
11	1Q	10.6	0.4	(10.5)	6.3	8.2	0.0	0.3	(0.9)	(1.2)	(0.1)	(0.5)	0.0	(1.2)
	2Q	8.3	(0.3)	(14.8)	10.2	5.2	0.9	(0.9)	1.4	(1.7)	(0.2)	(0.6)	0.6	(0.4)
	3Q	7.6	1.1	(15.7)	14.1	4.9	1.1	(0.8)	(2.2)	(0.5)	(0.4)	1.9	(0.6)	(0.7)
	4Q	23.4	6.2	(14.2)	17.3	4.9	0.6	(1.2)	(0.7)	0.9	0.0	0.2	0.0	(1.6)
	Annual	49.9	7.4	(55.2)	47.9	23.2	2.6	(2.6)	(2.4)	(2.5)	(0.7)	1.0	(0.0)	(3.9)
12	1Q	17.0	6.4	(2.5)	10.8	1.2	0.5	(2.0)	(1.1)	0.8	(0.1)	(0.4)	0.7	(1.5)
	2Q	13.3	5.1	3.1	3.9	1.3	(0.2)	(0.4)	(2.3)	1.3	0.4	0.0	(0.2)	(1.8)
	3Q	11.5	3.9	8.0	0.0	(3.6)	0.3	(0.4)	1.0	0.7	0.2	(1.3)	0.1	(1.1)
	4Q	25.5	2.1	9.8	(2.9)	(2.0)	0.0	0.0	2.2	(2.0)	0.2	(1.7)	1.2	(2.7)
	Annual	67.4	17.4	18.4	11.8	(3.1)	0.6	(2.8)	(0.2)	0.8	0.7	(3.4)	1.8	(7.2)
		(vs Nov. 8 <sup>th</sup> Proj.)	6.3	(0.8)	1.8	1.0	(0.8)	0.7	1.9	(0.6)	0.4	(1.9)	4.6	0.0
													◆ SUMITOMO RUBBER INDUSTRIES 13	

Consolidated Balance Sheets				◆ SUMITOMO RUBBER GROUP	
				Billions of Yen	
	2012	2011	'12 vs. '11		
Total Assets	737.5	671.6	+65.9	Cash and deposit	+ 4.3
Current assets	356.2	325.4	+30.7	Accounts Receivable	+ 12.7
Fixed assets	381.4	346.2	+35.2	Inventory	+ 7.4
Liabilities	466.4	449.4	+17.0	Tangible Fixed Assets	+ 37.9
Current liabilities	252.7	242.1	+10.5	Intangible Fixed Assets	+ 0.9
Non-current liabilities	213.8	207.3	+ 6.5	Investments in securities	(3.8)
Net Assets	271.1	222.2	+48.9	Interest-bearing debt	+ 1.7
Shareholders' equity	269.5	240.6	+28.9	(275.9 ← 274.2)	
AOCI	(25.3)	(42.9)	+17.6	Accounts Payable	(4.6)
Minority interests	26.9	24.5	+ 2.4	Accrued tax expense	+ 10.3
Net worth	244.2	197.7	+ 46.5	Accrued expense	+ 4.8
Capital-adequacy ratio	33.1%	29.4%	+ 3.7P	Net income	+ 35.4
				Dividends paid	(6.6)
				Translation adjustments	+ 21.0
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## Consolidated Results Projection (2013)

SUMITOMO RUBBER GROUP

Annual

Billions of Yen

	Annual Proj. 2013	Actual 2012	'13 vs. '12	Jan-Jun Proj.	'13 vs. '12
<b>Sales</b>	760.0	710.2	107%	342.0	102%
<b>Operating Income (%)</b>	73.0 (9.6%)	69.7 (9.8%)	105%	27.0 (7.9%)	84%
<b>Ordinary Income (%)</b>	69.0 (9.1%)	67.4 (9.5%)	102%	26.0 (7.6%)	86%
<b>Net Income</b>	41.0	35.5	116%	17.0	104%
<b>Equity Income</b>	0.0	(1.1)	+1.1		
<b>ROE</b>	15.8%	16.0%	(0.2)P		
<b>Interest-bearing debt</b>	275.0	275.9	(0.9)		

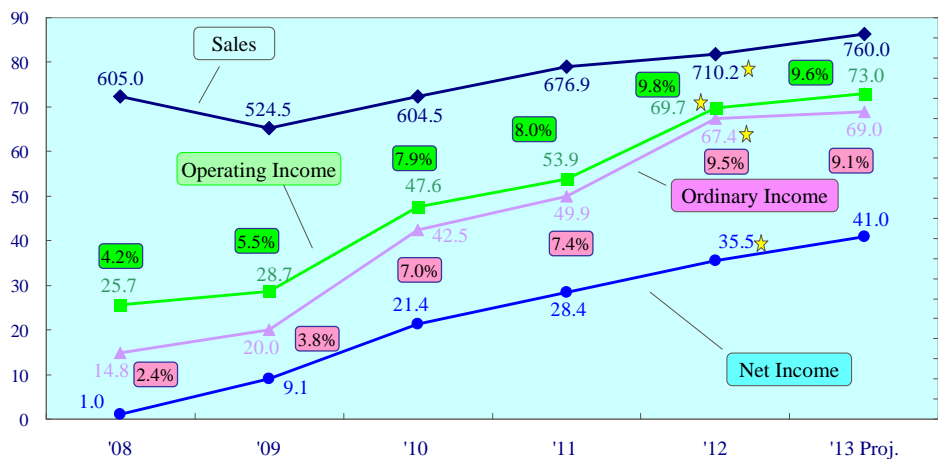
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## Consolidated Sales / Income (2008 ~ 2013 Proj.)

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Annual

Billions of Yen



SUMITOMO RUBBER INDUSTRIES 16

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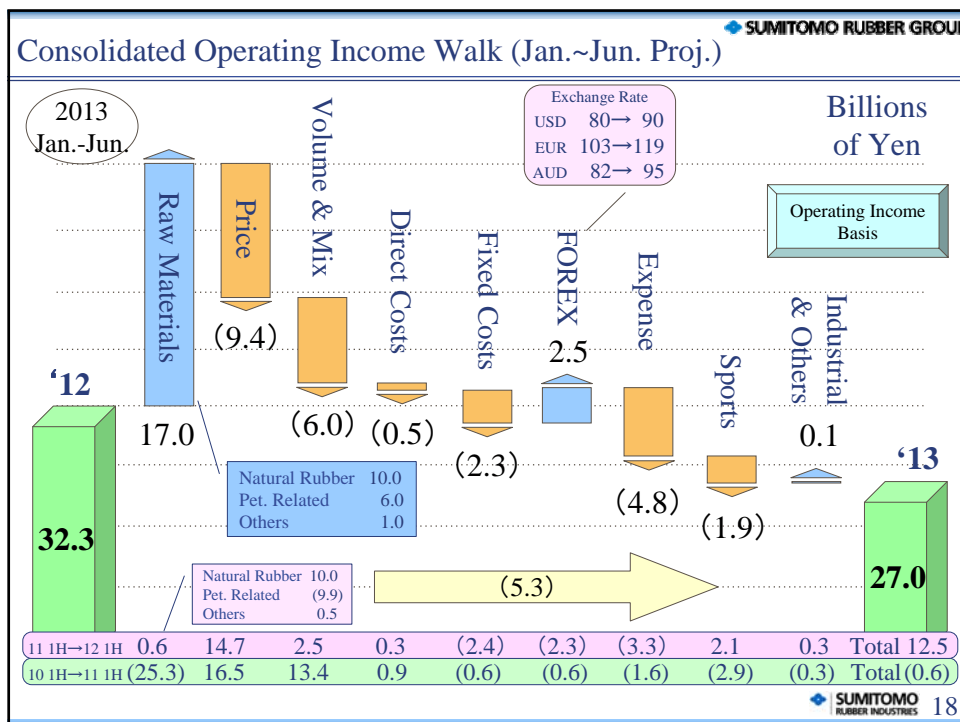
### Net Sales / Operating Income by Industry Segment Proj.

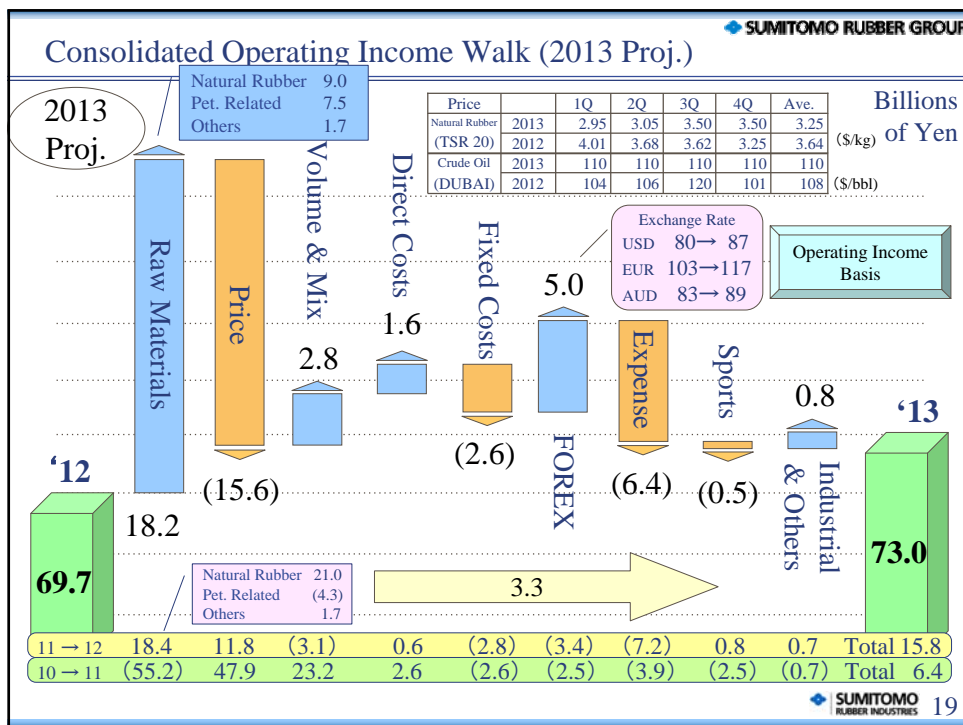
Annual

Billions of Yen

		Annual Proj. 2013	Actual 2012	'13 vs. '12	Jan-Jun Proj.	'13 vs. '12
Sales	Tire	662.0	619.4	107%	295.0	102%
	Sports	65.0	61.3	106%	32.0	101%
	Industrial & Others	33.0	29.5	112%	15.0	107%
	Consolidated	760.0	710.2	107%	342.0	102%
Operating Income	Tire	66.0	63.1	105%	24.5	88%
	Sports	4.0	4.5	90%	1.5	44%
	Industrial & Others	3.0	2.2	138%	1.0	117%
	Consolidated	73.0	69.7	105%	27.0	84%

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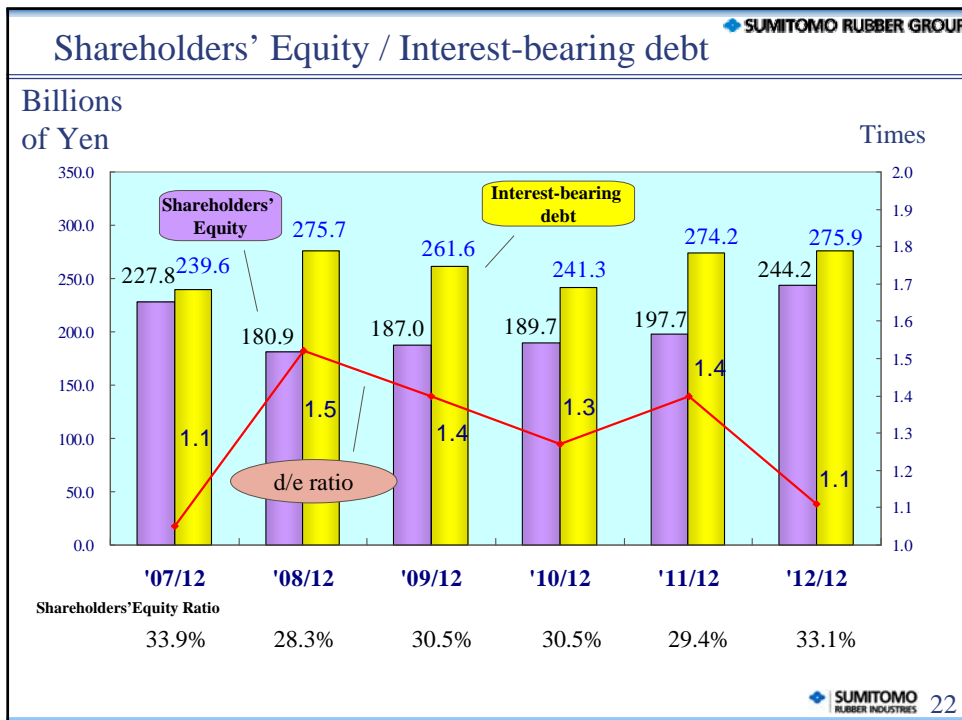
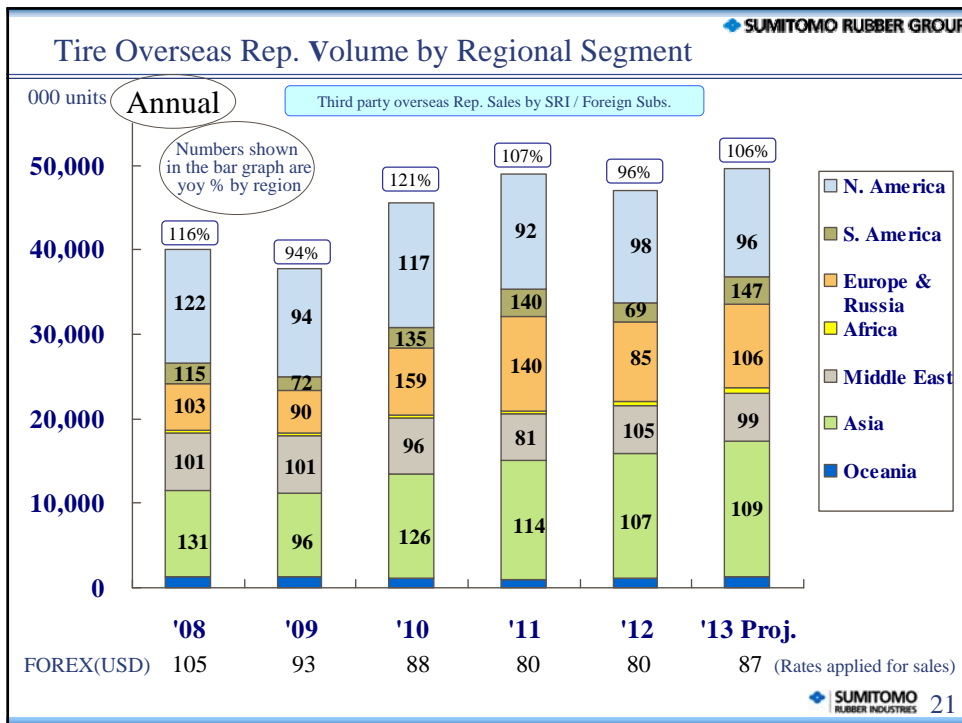


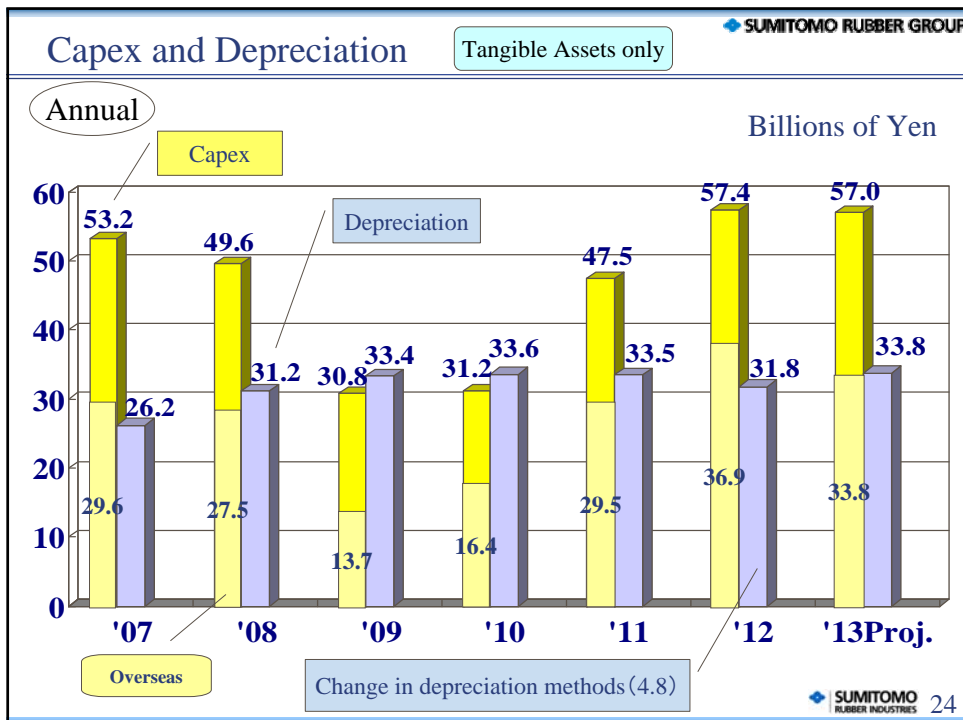
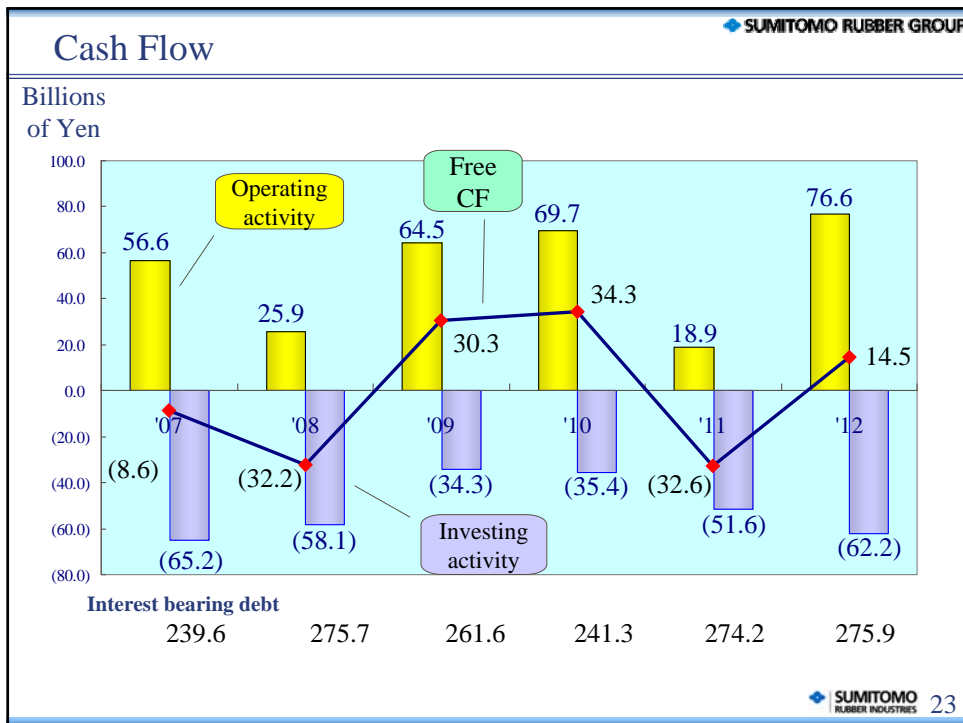
### Tire Sales Volume (Comparison %)

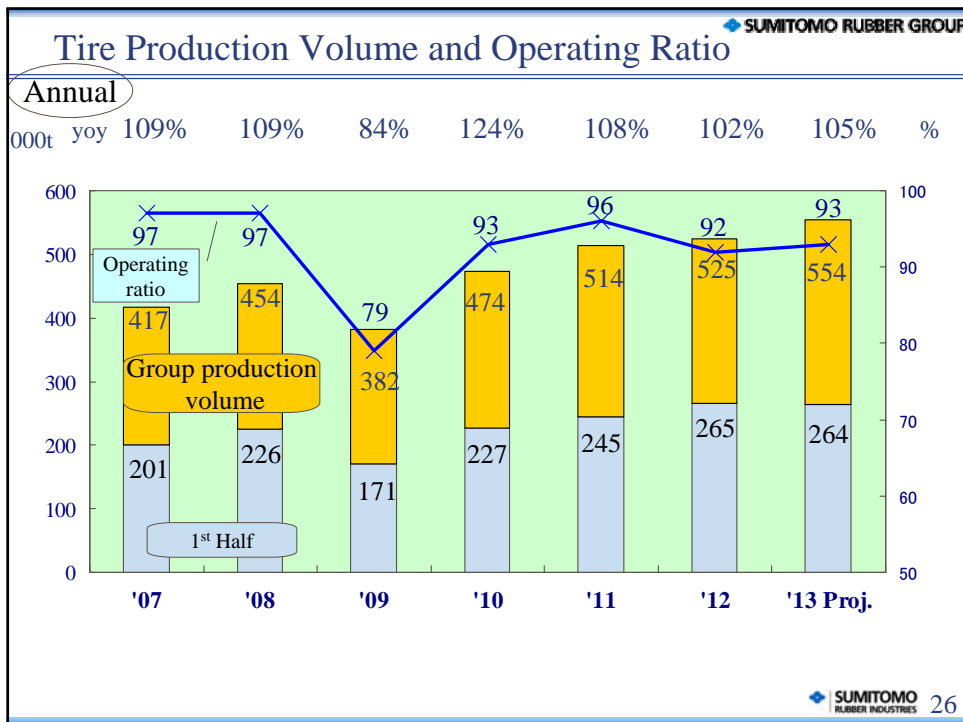
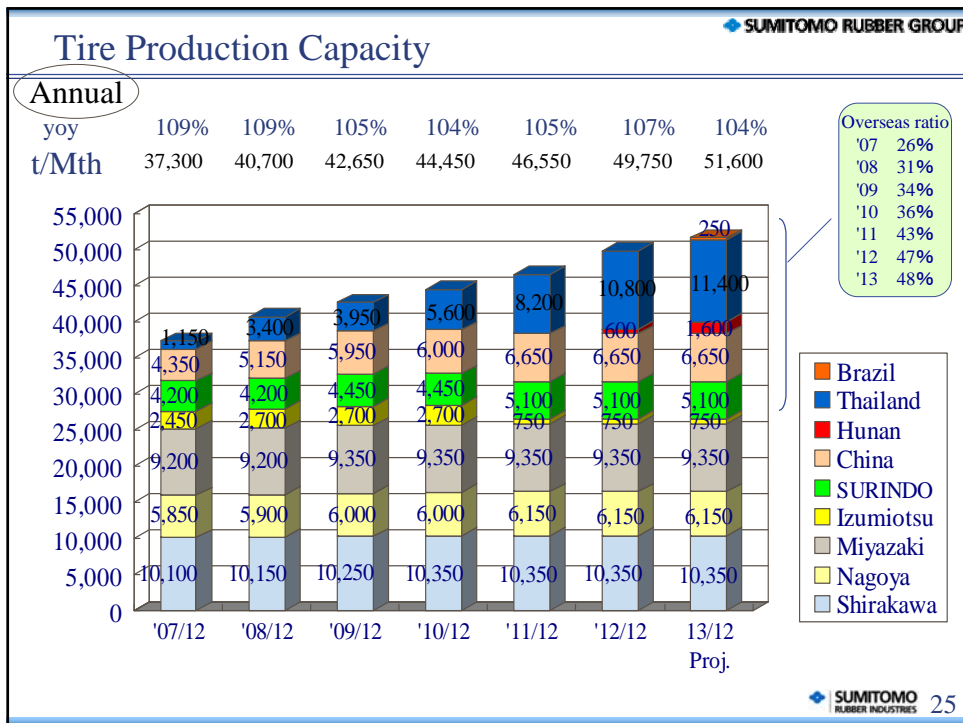
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	2011 ACT					2012 ACT					2013 Proj.			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Dec	Jan-Jun	Jul-Dec	Jan-Dec	
Domestic O.E.	78%	68%	99%	106%	88%	136%	151%	100%	90%	115%	90%	102%	96%	
Overseas O.E.	119%	97%	119%	97%	108%	103%	118%	104%	112%	109%	128%	152%	140%	
Domestic Rep.	112%	120%	109%	100%	109%	101%	93%	104%	110%	103%	100%	98%	99%	
Overseas Rep.	105%	99%	112%	113%	107%	103%	100%	94%	90%	96%	96%	115%	106%	
<b>Total</b>	103%	98%	110%	107%	104%	107%	106%	98%	98%	102%	99%	112%	106%	
Total Tire Sales(000units)														
	21,740	21,740	24,890	26,510	94,880	23,270	22,950	24,380	25,880	96,480	45,840	56,440	102,280	
Overseas Rep	North America	91%	89%	92%	95%	92%	100%	106%	99%	88%	98%	87%	105%	96%
	Asia	127%	107%	115%	110%	114%	95%	116%	107%	109%	107%	105%	113%	109%
	Middle East	46%	76%	94%	120%	81%	161%	105%	117%	68%	105%	87%	111%	99%
	Europe & Russia	146%	130%	151%	131%	140%	103%	67%	73%	99%	85%	94%	117%	106%

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## Sales in the Sports Business Results & Projection

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Billions of Yen

	2012	2011	'12 vs. '11	Annual Proj. 2013
Golf Clubs	29.9	27.3	110%	31.1
Golf Balls	12.3	11.9	103%	13.5
Golf Shoes, Accessories & Others	7.8	7.9	100%	8.2
Golf goods	50.0	47.0	106%	52.7
Tennis goods	6.5	6.1	107%	6.9
Licensing income	0.4	0.4	102%	0.4
Sports goods business	56.9	53.5	106%	60.0
Other business	4.5	4.9	93%	5.0
Total	61.3	58.4	105%	65.0

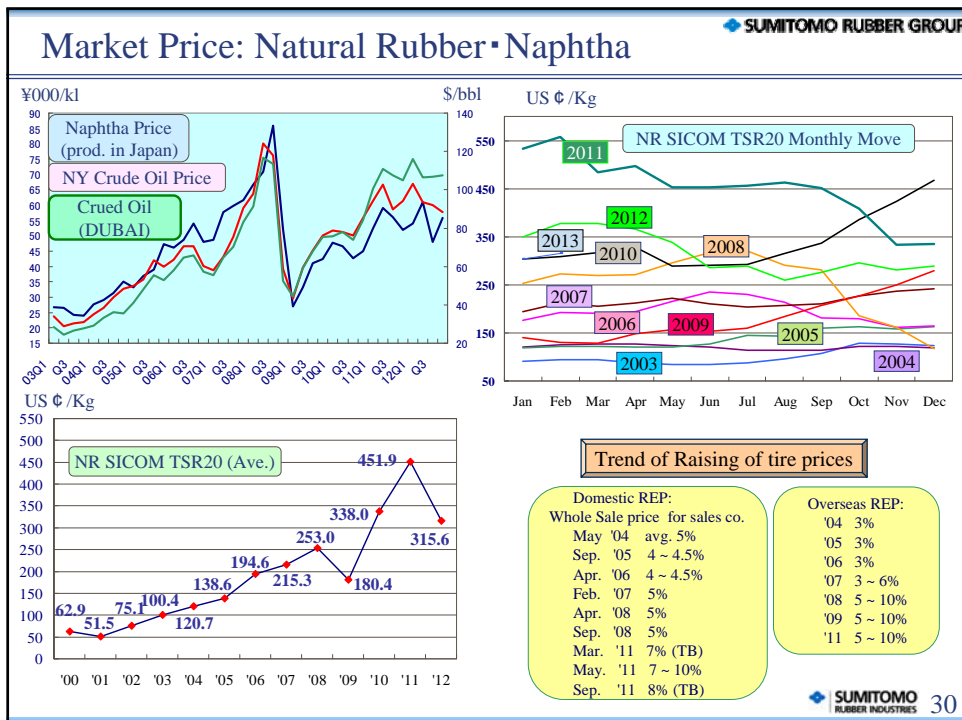
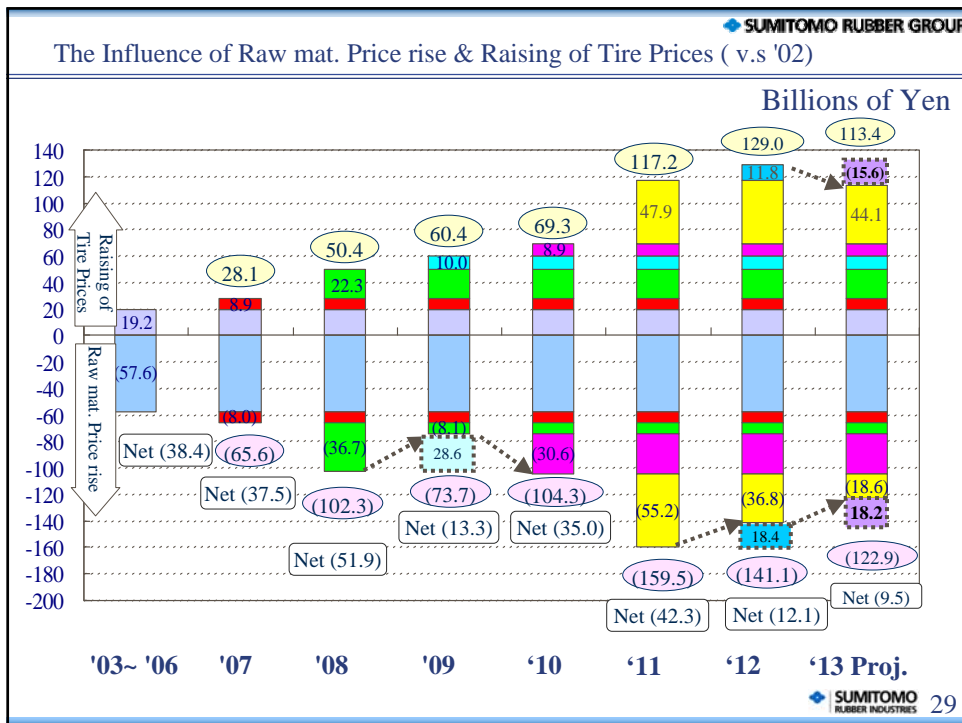
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## New Technology / New Products

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The image displays a variety of new products from Sumitomo Rubber Industries. On the left, there are several tire models: VEURO VE303 (marked 'NEW'), WINTER MAXX, エナセーブ PREMIUM (marked 'UPGRADE'), and LE MANS 4. On the right, there are golf products including XXIO golf clubs and SPERON golf balls. The SPERON balls are labeled '「マスターズスリクソン」-STAR」'. Logos for 'eco line up', 'GOOD DESIGN AWARD 2012', and 'Cleveland' are also visible.

SUMITOMO RUBBER INDUSTRIES 28





END

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*for you, for the earth*

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RUBBER INDUSTRIES 31