

# SHAPING THE RIGHT COURSE

In fiscal 2003, the SRI Group achieved a second consecutive year of record net income. Since the implementation of corrective measures based on a V-shaped recovery strategy, as well as "Urgent Structural Reforms," Sumitomo Rubber has actively pursued investment in growth markets and undertaken business reforms through integration and spin offs. As a result of these initiatives, we are experiencing high rates of income growth and are confident that the Group is *Shaping the Right Course* for sustained profitability.

In the fiscal year under review, the Group also achieved record operating income, surpassing the previous high reported in fiscal 1992, when our tire businesses in Europe and the U.S. contributed approximately ¥10.0 billion to consolidated operating income and formed a significant portion of our earnings base. With major contributions from Japan and Asia to the record results achieved in fiscal 2003, the SRI Group is now underpinned by a comprehensive global earnings platform and is well placed for the next stage of growth.

Supported by its efforts toward business reform, the SRI Group is striving to become a value creation group, to expand beyond the horizon and to establish a new trajectory for growth.

Operating Income  
 Net Income (Loss)  
 (Billions of yen)

