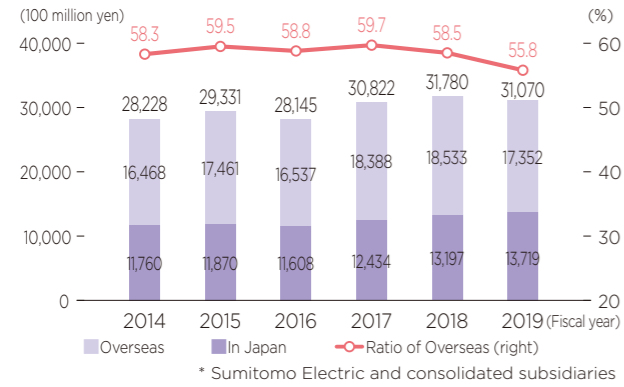


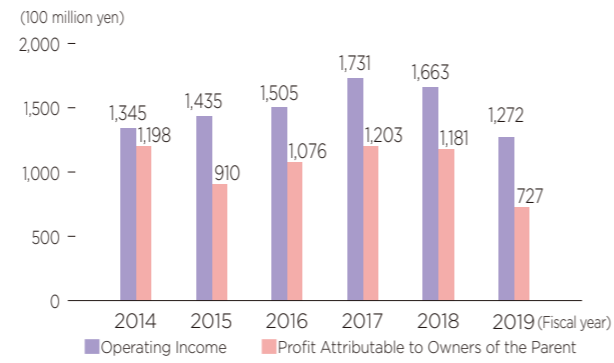
# Financial and Non-Financial Highlights

## Financial Highlights

**Sales in Japan and overseas and ratio of overseas sales by year**

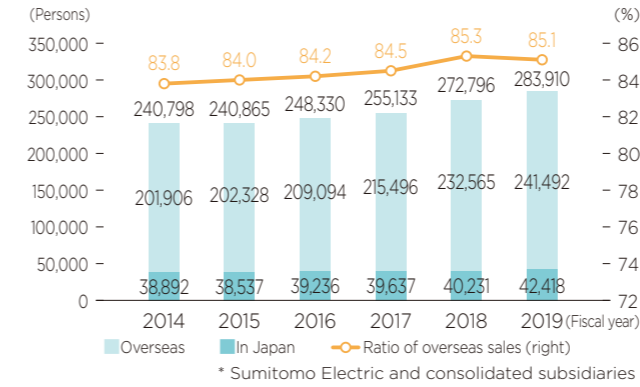


**Operating Income and Profit Attributable to Owners of the Parent (Consolidated)**

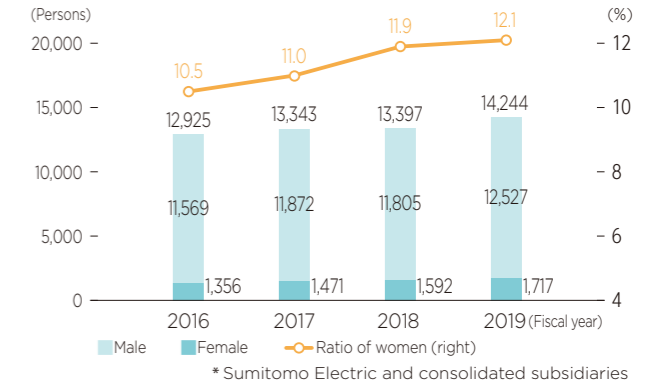


## Non-Financial Highlights

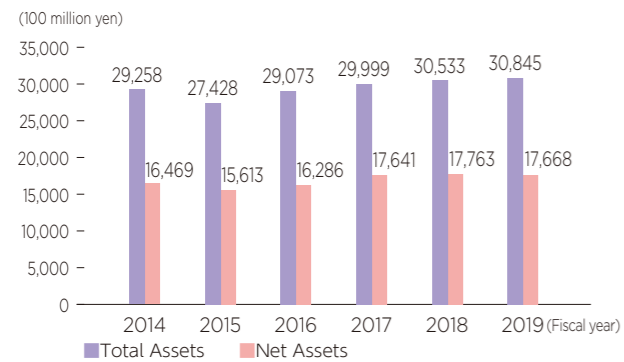
**Number of employees in Japan and overseas and ratio of overseas employees by year**



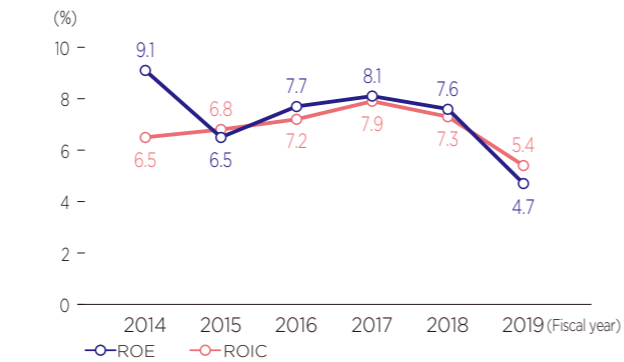
**Number of male and female managers and ratio of female managers**



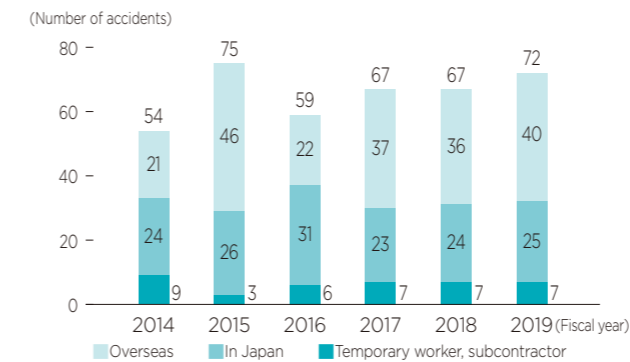
**Total Assets and Net Assets (Consolidated)**



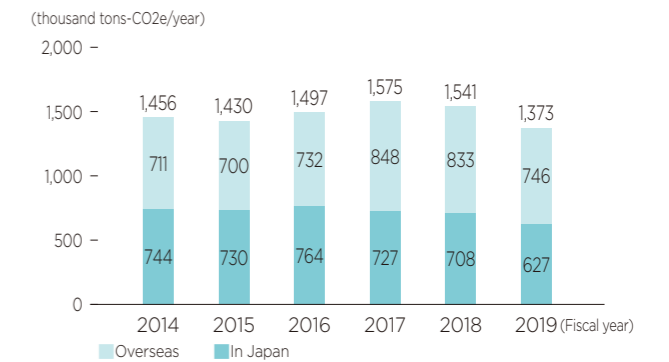
**Return on Equity (ROE) and Return on Invested Capital (ROIC)\***



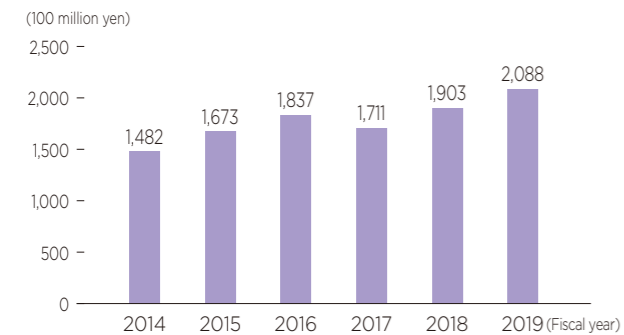
**Number of Industrial Accidents**



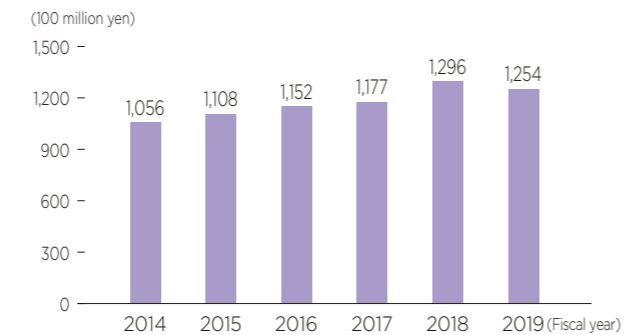
**Greenhouse Gas Emissions**



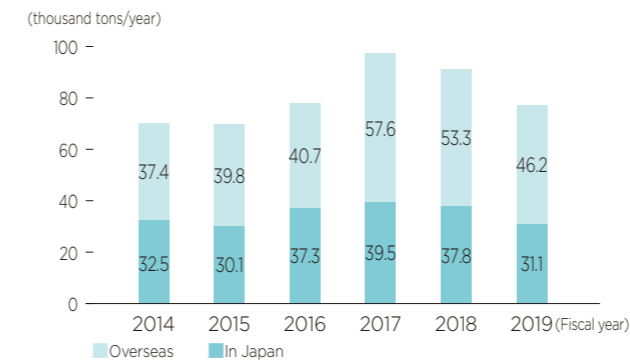
**Capital Investment**



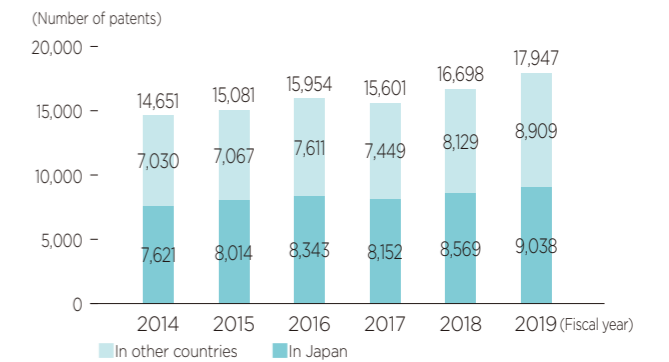
**R&D Expenditures**



**Amount of Waste**



**Number of Patents**



Note: Figures exclude valuable materials.

Note: Figures are for the final day of each calendar year (December 31). The figures in Japan are the total number of patents, utility models and designs. The figures in other countries are the sum of the total number of patents, utility models and designs in each country.

## Financial and Non-Financial Summary for the Last 10 Years

|   |           |           |           |           |           |           |           |           |           | (Million yen) | (Million dollars) |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|-------------------|
|   | FY2010    | FY2011    | FY2012    | FY2013    | FY2014    | FY2015    | FY2016    | FY2017    | FY2018    | FY2019        | FY2019            |
| <b>Financial Situation and Business Results</b> |           |           |           |           |           |           |           |           |           |               |                   |
| Net Sales                                       | 2,003,827 | 2,059,344 | 2,159,942 | 2,568,779 | 2,822,811 | 2,933,089 | 2,814,483 | 3,082,247 | 3,117,985 | 3,107,027     | 28,549            |
| Overseas Net Sales Ratio (%)                    | 43.8      | 45.6      | 48.6      | 55.2      | 58.3      | 59.5      | 58.8      | 59.7      | 58.5      | 55.8          |                   |
| Operating Income (loss)                         | 103,810   | 86,946    | 76,790    | 120,058   | 134,457   | 143,476   | 150,503   | 173,139   | 166,260   | 127,216       | 1,169             |
| Profit before Income Taxes                      | 113,781   | 99,941    | 84,084    | 123,833   | 167,067   | 154,859   | 167,792   | 193,337   | 181,388   | 133,198       | 1,224             |
| Profit Attributable to Owners of the Parent     | 70,614    | 58,861    | 37,955    | 66,748    | 119,771   | 91,001    | 107,562   | 120,328   | 118,063   | 72,720        | 668               |
| Total Net Assets                                | 1,092,610 | 1,138,931 | 1,244,695 | 1,379,912 | 1,646,913 | 1,561,289 | 1,628,615 | 1,764,086 | 1,776,313 | 1,766,830     | 16,235            |
| Total Assets                                    | 1,956,284 | 2,072,064 | 2,297,567 | 2,554,819 | 2,925,785 | 2,742,848 | 2,907,292 | 2,999,903 | 3,053,263 | 3,084,517     | 28,343            |
| Interest-bearing Debt                           | 341,923   | 363,995   | 485,569   | 534,641   | 550,839   | 457,145   | 510,989   | 492,567   | 540,745   | 618,960       | 5,687             |
| Capital Expenditure                             | 98,400    | 135,000   | 147,900   | 150,800   | 148,200   | 167,300   | 183,700   | 171,100   | 190,300   | 208,800       | 1,919             |
| Depreciation and Amortization                   | 96,800    | 78,000    | 90,600    | 113,300   | 126,700   | 134,400   | 134,500   | 146,100   | 148,900   | 163,600       | 1,503             |
| R&D Expenses                                    | 79,000    | 86,800    | 94,300    | 99,500    | 105,600   | 110,800   | 115,200   | 117,700   | 129,600   | 125,400       | 1,152             |
| <b>Per Share Information (yen, US dollars)</b>  |           |           |           |           |           |           |           |           |           |               |                   |
| Earnings per Share                              | 89.02     | 74.21     | 47.85     | 84.15     | 151.00    | 114.73    | 137.61    | 154.29    | 151.38    | 93.24         | 0.86              |
| Shareholders' Equity per Share                  | 1,196.46  | 1,245.57  | 1,352.09  | 1,499.46  | 1,804.34  | 1,715.28  | 1,815.32  | 1,973.95  | 1,988.58  | 1,947.16      | 17.89             |
| Dividends per Share                             | 19        | 19        | 20        | 22        | 30        | 35        | 40        | 46        | 48        | 40            | 0.37              |
| Dividend Payout Ratio (%)                       | 21.3      | 25.6      | 41.8      | 26.1      | 19.9      | 30.5      | 29.1      | 29.8      | 31.7      | 42.9          |                   |
| <b>Cash Flow</b>                                |           |           |           |           |           |           |           |           |           |               |                   |
| Cash Flows from Operating Activities            | 139,298   | 86,051    | 124,849   | 147,705   | 153,509   | 240,779   | 209,233   | 239,573   | 177,656   | 264,608       | 2,431             |
| Cash Flows from Investing Activities            | (86,551)  | (129,223) | (172,066) | (174,102) | (86,888)  | (117,387) | (194,829) | (174,265) | (184,601) | (178,020)     | (1,636)           |
| Cash Flows from Financing Activities            | (27,845)  | (2,391)   | 64,922    | 113       | (64,037)  | (115,912) | (4,763)   | (66,795)  | (4,324)   | (1,277)       | (12)              |
| Free Cash Flow                                  | 52,747    | (43,172)  | (47,217)  | (26,397)  | 66,621    | 123,392   | 14,404    | 65,308    | (6,945)   | 86,588        | 796               |
| Cash and Cash Equivalents                       | 192,092   | 142,359   | 176,543   | 160,129   | 177,107   | 174,055   | 180,002   | 180,108   | 168,873   | 249,011       | 2,288             |
| <b>Financial Indexes</b>                        |           |           |           |           |           |           |           |           |           |               |                   |
| Operating Income / Net Sales (%)                | 5.1       | 4.2       | 3.6       | 4.7       | 4.8       | 4.9       | 5.3       | 5.6       | 5.2       | 4.1           |                   |
| Shareholders' Equity Ratio (%)                  | 48.5      | 47.7      | 46.7      | 46.6      | 48.9      | 49.6      | 48.7      | 51.3      | 50.8      | 49.20         |                   |
| Return on Equity (%)                            | 7.6       | 6.1       | 3.7       | 5.9       | 9.1       | 6.5       | 7.7       | 8.1       | 7.6       | 4.70          |                   |
| Operating Income / Invested Assets (ROIC) (%)   | 7.3       | 5.9       | 4.8       | 6.6       | 6.5       | 6.8       | 7.2       | 7.9       | 7.3       | 5.40          |                   |
| Debt / Equity Ratio (%)                         | 36.0      | 36.8      | 45.3      | 44.9      | 38.5      | 33.6      | 36.1      | 32.0      | 34.9      | 40.80         |                   |
| <b>Non-Financial Data</b>                       |           |           |           |           |           |           |           |           |           |               |                   |
| Number of Employees                             | 182,773   | 194,734   | 206,323   | 225,484   | 240,798   | 240,865   | 248,330   | 255,133   | 272,796   | 283,910       |                   |
| In Japan  | 36,954    | 37,499    | 37,148    | 37,715    | 38,892    | 38,537    | 39,236    | 39,637    | 40,231    | 42,418        |                   |
| Overseas  | 145,819   | 157,235   | 169,175   | 187,769   | 201,906   | 202,328   | 209,094   | 215,496   | 232,565   | 241,492       |                   |

\*1 Values in US dollars are calculated at a rate of ¥108.83 to the US dollar in the Tokyo Foreign Exchange Market as of March 31, 2020.

\*2 Values in yen below ¥1 million are truncated; values in US dollars below \$1,000 are rounded to the nearest thousand.

## Financial Summary

## Consolidated Balance Sheet

(Million yen)

|  | Previous Consolidated<br>Fiscal Year<br>(March 31, 2019) | This Consolidated<br>Fiscal Year<br>(March 31, 2020) |
|--|--|--|
| <b>Assets</b>                          |  |  |
| Current Assets                         |  |  |
| Cash and Time Deposits                 | 167,225  | 250,600  |
| Trade Notes and Accounts Receivable    | 708,617  | 670,337  |
| Securities                             | 2,084  | 384  |
| Inventories                            | 528,789  | 553,586  |
| Other                                  | 108,534  | 103,885  |
| Allowance for Doubtful Receivables     | (1,609)  | (1,765)  |
| Total Current Assets                   | 1,513,640  | 1,577,027  |
| Non-current Assets                     |  |  |
| Property, Plant and Equipment          |  |  |
| Buildings and Structures               | 690,809  | 711,060  |
| Accumulated Depreciation               | (412,336)  | (428,162)  |
| Buildings and Structures (Net)         | 278,473  | 282,898  |
| Machinery and Equipment                | 1,427,685  | 1,471,304  |
| Accumulated Depreciation               | (1,022,419)  | (1,059,794)  |
| Machinery and Equipment (Net)          | 405,266  | 411,510  |
| Tools, furniture and fixtures          | 292,452  | 298,451  |
| Accumulated Depreciation               | (240,358)  | (245,551)  |
| Tools, Instruments and Equipment (Net) | 52,094   | 52,900   |
| Leased Assets                          | 11,080   | 51,397   |
| Accumulated Depreciation               | (3,066)  | (12,815)   |
| Leased Assets (Net)                    | 8,014  | 38,582   |
| Land                                   | 89,229   | 92,961   |
| Construction in Progress               | 52,747   | 63,603   |
| Total Property, Plant and Equipment    | 885,823  | 942,454  |
| Intangible Assets                      |  |  |
| Goodwill                               | 2,488  | 2,776  |
| Other                                  | 38,207   | 35,132   |
| Total Intangible Assets                | 40,695   | 37,908   |
| Investments and Other Assets           |  |  |
| Investment Securities                  | 446,559  | 381,963  |
| Net Defined Benefit Assets             | 87,569   | 66,234   |
| Deferred Tax Assets                    | 33,382   | 38,162   |
| Other                                  | 47,822   | 42,028   |
| Allowance for Doubtful Receivables     | (2,227)  | (1,259)  |
| Total Investments and Other Assets     | 613,105  | 527,128  |
| Total Non-current Assets               | 1,539,623  | 1,507,490  |
| Total Assets                           | 3,053,263  | 3,084,517  |

(Million yen)

|   | Previous Consolidated<br>Fiscal Year<br>(March 31, 2019) | This Consolidated<br>Fiscal Year<br>(March 31, 2020) |
|---|--|--|
| <b>Liabilities</b>  |  |  |
| Current Liabilities   |  |  |
| Trade Notes and Accounts Payable  | 379,844  | 361,155  |
| Short-term Debt   | 248,583  | 307,620  |
| Accrued Income Taxes  | 22,845   | 16,492   |
| Provision for directors' bonuses  | 874  | 763  |
| Provision for warranties for completed construction                     | 1,196  | 1,033  |
| Provision for loss on order received                                    | 2,614  | 2,249  |
| Other   | 224,795  | 223,525  |
| Total Current Liabilities   | 880,751  | 912,837  |
| Non-current Liabilities   |  |  |
| Bonds   | 74,828   | 104,851  |
| Long-term Debt  | 213,330  | 173,554  |
| Deferred Tax Liabilities  | 36,690   | 31,294   |
| Provision for directors' bonuses  | 715  | 771  |
| Net Defined Benefit Liabilities   | 55,867   | 57,976   |
| Other   | 14,769   | 36,404   |
| Total Non-current Liabilities   | 396,199  | 404,850  |
| Total Liabilities   | 1,276,950  | 1,317,687  |
| <b>Net Assets</b>   |  |  |
| Shareholders' Equity  |  |  |
| Common Stock  | 99,737   | 99,737   |
| Capital Surplus   | 170,868  | 170,881  |
| Retained Earnings   | 1,216,207  | 1,251,778  |
| Treasury Stock, at Cost   | (20,749)   | (20,759)   |
| Total Shareholders' Equity  | 1,466,063  | 1,501,637  |
| Accumulated Other Comprehensive Income                                  |  |  |
| Net Unrealized Holding Gains or Losses on Available-for-Sale Securities | 83,430   | 57,781   |
| Deferred Gains or Losses on Hedges                                      | (128)  | (493)  |
| Foreign Currency Translation Adjustments                                | (13,927)   | (42,327)   |
| Remeasurements of Defined Benefit Plans                                 | 15,445   | 1,986  |
| Total Accumulated Other Comprehensive Income                            | 84,820   | 16,947   |
| Non-controlling Interests   | 225,430  | 248,246  |
| Total Net Assets  | 1,776,313  | 1,766,830  |
| Total Liabilities and Net Assets  | 3,053,263  | 3,084,517  |

## Financial Summary

## Consolidated Statement of Income

(Million yen)

|  | Previous Consolidated<br>Fiscal Year<br>(April 1, 2018 to<br>March 31, 2019) | This Consolidated<br>Fiscal Year<br>(April 1, 2019 to<br>March 31, 2020) |
|--|--|--|
| Net Sales  | 3,177,985  | 3,107,027  |
| Cost of Sales  | 2,593,363  | 2,553,902  |
| Gross Profit   | 584,622  | 553,125  |
| Selling, General and Administrative Expenses                         | 418,362  | 425,909  |
| Operating Income   | 166,260  | 127,216  |
| Non-operating Income   |  |  |
| Interest Income  | 1,192  | 1,269  |
| Dividend Income  | 4,609  | 4,309  |
| Share of Profit of Investments Accounted for Using the Equity Method | 25,051   | 11,771   |
| Other  | 14,423   | 9,648  |
| Total Non-operating Income   | 45,275   | 26,997   |
| Non-operating Expenses   |  |  |
| Interest Expenses  | 6,897  | 7,434  |
| Loss on Claims   | 1,875  | 3,782  |
| Other  | 14,114   | 12,499   |
| Total Non-operating Expenses   | 22,886   | 23,715   |
| Ordinary Income  | 188,649  | 130,498  |
| Extraordinary Profits  |  |  |
| Gain on Sales of Investment Securities                               | —  | 9,844  |
| Gain on Return of Assets from Retirement Benefit Trust               | 8,905  | 2,627  |
| Gain on Bargain Purchase   | —  | 10,395   |
| Total Extraordinary Profits  | 8,905  | 22,866   |
| Extraordinary Losses   |  |  |
| Loss on Disposal of Property, Plant and Equipment                    | 3,094  | 2,867  |
| Impairment Loss on Fixed Assets                                      | 10,715   | 7,603  |
| Restructuring Expenses   | 2,357  | 3,124  |
| Loss on Step Acquisitions  | —  | 6,572  |
| Total Extraordinary Losses   | 16,166   | 20,166   |
| Profit before Income Taxes   | 181,388  | 133,198  |
| Income and Enterprise Taxes  | 51,118   | 37,578   |
| Income Taxes-Deferred  | 63   | 7,186  |
| Total Income Taxes   | 51,181   | 44,764   |
| Profit for the Year  | 130,207  | 88,434   |
| Profit Attributable to Non-controlling Interests                     | 12,144   | 15,714   |
| Profit Attributable to Owners of the Parent                          | 118,063  | 72,720   |

## Consolidated Statement of Cash Flows

(Million yen)

|   | Previous Consolidated<br>Fiscal Year<br>(April 1, 2018 to<br>March 31, 2019) | This Consolidated<br>Fiscal Year<br>(April 1, 2019 to<br>Tuesday, March 31, 2020) |
|---|--|---|
| Cash Flows from Operating Activities  |  |   |
| Profit before Income Taxes  | 181,388  | 133,198   |
| Depreciation and Amortization   | 148,916  | 163,581   |
| Impairment Loss on Fixed Assets   | 11,879   | 8,734   |
| Amortization of Goodwill  | 2,140  | 1,068   |
| Interest and Dividend Income  | (5,801)  | (5,578)   |
| Interest Expenses   | 6,897  | 7,434   |
| Share of Loss (Profit) of Investments Accounted for Using the Equity Method   | (25,051)   | (11,771)  |
| Net Loss (Gain) on Sales of Property, Plant and Equipment   | (1,777)  | (1,417)   |
| Net Loss (Gain) on Sales of Investment Securities   | (212)  | (9,810)   |
| Loss on disposal of Property, Plant and Equipment   | 3,094  | 2,867   |
| Loss (Gain) on Valuation of Investment Securities   | 28   | 931   |
| Gain on Return of Assets from Retirement Benefit Trust  | (8,905)  | (2,627)   |
| Gain on Bargain Purchase  | —  | (10,395)  |
| Loss (Gain) on Step Acquisitions  | —  | 6,572   |
| (Increase) Decrease in Trade Notes and Accounts Receivables   | (41,044)   | 50,879  |
| (Increase) Decrease in Inventories  | (60,006)   | (27,628)  |
| Increase (Decrease) in Trade Notes and Accounts Payable   | 12,824   | (24,780)  |
| Increase (Decrease) in Net Defined Benefit Assets and Liabilities   | 7,916  | 2,933   |
| Other   | (26,620)   | 6,121   |
| Subtotal  | 205,666  | 290,312   |
| Interest and Dividends Received   | 14,930   | 15,468  |
| Interest Paid   | (6,901)  | (7,557)   |
| Income Taxes Paid   | (36,039)   | (33,615)  |
| Net Cash Provided by Operating Activities   | 177,656  | 264,608   |
| Cash Flows from Investing Activities  |  |   |
| Purchase of Property, Plant and Equipment   | (178,046)  | (192,874)   |
| Proceeds from Sales of Property, Plant and Equipment  | 5,484  | 4,665   |
| Purchase of Investment Securities   | (2,411)  | (2,956)   |
| Proceeds from Sales of Investment Securities  | 7,445  | 11,569  |
| Proceeds from Redemption of Investment Securities   | —  | 10,000  |
| Proceeds from Purchase of Shares of Subsidiaries Resulting in Change in Scope of Consolidation                      | —  | 8,482   |
| Other   | (17,073)   | (16,906)  |
| Net Cash Used in Investing Activities   | (184,601)  | (178,020)   |
| Cash Flows from Financing Activities  |  |   |
| Net Increase (Decrease) in Short-term Debt  | 49,043   | 75,087  |
| Proceeds from Long-term Debt  | 48,464   | 14,492  |
| Redemption of Bonds and Repayments of Long-term Debt  | (51,221)   | (64,628)  |
| Proceeds from Insurance of Bonds  | —  | 30,000  |
| Payment for Purchase of Treasury Stock  | (3)  | (10)  |
| Cash Dividends Paid   | (38,224)   | (37,444)  |
| Dividends Paid to Non-controlling Interests   | (9,926)  | (8,637)   |
| Payments from Changes in Ownership Interests in Subsidiaries that do not result in Change in Scope of Consolidation | (1,698)  | (9)   |
| Other   | (759)  | (10,128)  |
| Net Cash Used in Financing Activities   | (4,324)  | (1,277)   |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents  | (639)  | (5,374)   |
| Net Increase (Decrease) in Cash and Cash Equivalents  | (11,908)   | 79,937  |
| Cash and Cash Equivalents at the Beginning of Year  | 180,108  | 168,873   |
| Increase in Cash and Cash Equivalents of Newly Consolidated Subsidiaries  | 673  | 201   |
| Cash and Cash Equivalents at the End of Year  | 168,873  | 249,011   |



## Company Overview (as of March 31, 2020)

**Trade Name** Sumitomo Electric Industries, Ltd.  
**Head Office** 4-5-33 Kitahama, Chuo-ku, Osaka, JAPAN (Sumitomo Bldg.)  
**Established** April 1897  
**Businesses** Automotive Business, Information & Communications Business, Electronics Business, Environment & Energy Business, Industrial Materials Business  
**Capital Stock** 99,737 million yen  
**Net Sales** Consolidated: 3,107,027 million yen (period ending March 2020)  
 Non-Consolidated: 1,149,030 million yen  
**Number of Employees** Consolidated: 283,910 (end of March 2020)  
 Non-Consolidated: 6,020

**Settlement Period** (fiscal year) April 1 to March 31 each year  
**Securities Code** 5802  
**Stock Exchanges** Tokyo, Nagoya, Fukuoka  
**Annual General Meeting of Shareholders** Every June  
**Shareholder Register Manager** Sumitomo Mitsui Trust Bank, Limited.  
 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan  
**Stock Unit** 100 shares  
**Accounting Auditors** KPMG AZSA LLC

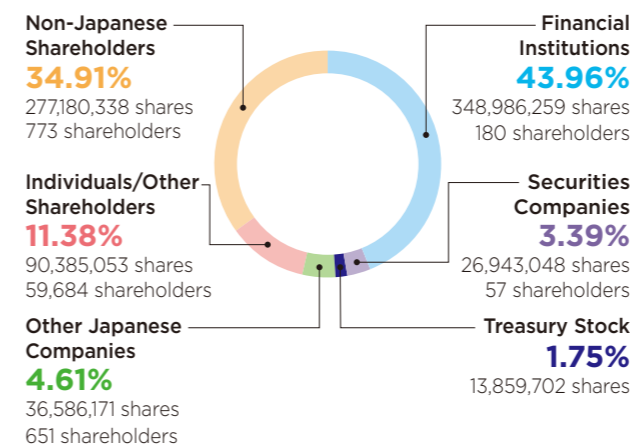


## Stock Information (as of March 31, 2020)

### Current Status of Stock

Total issuable shares: 3,000,000,000  
 Total shares issued: 793,940,571  
 Number of shareholders: 61,346

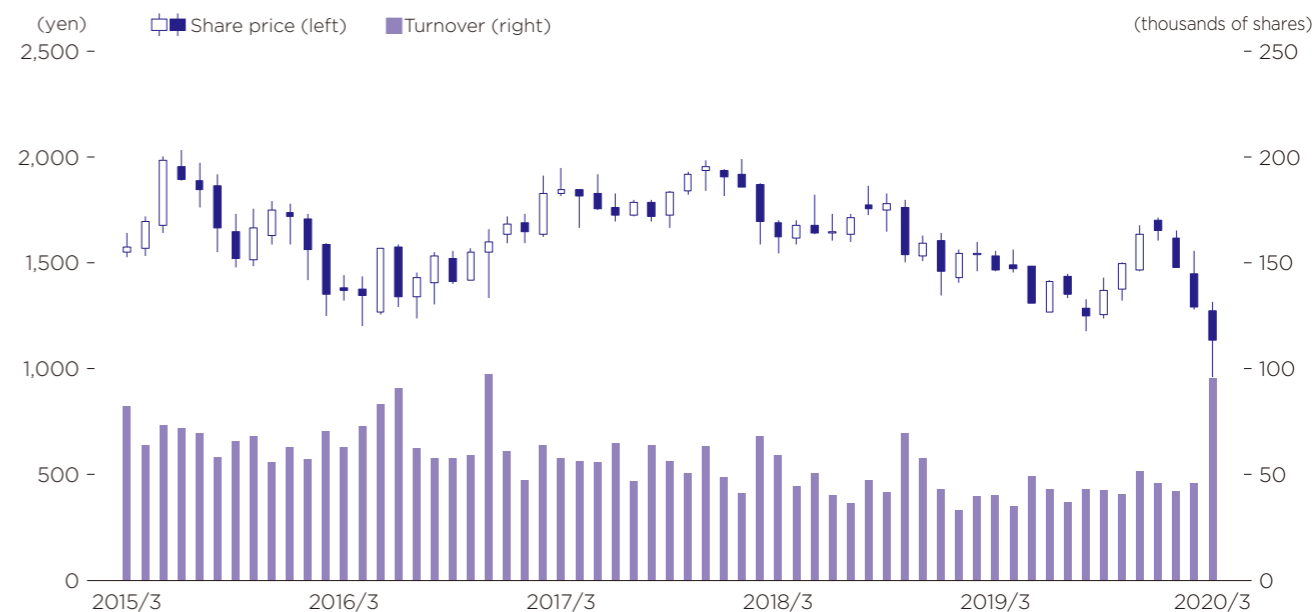
### Breakdown of Shareholders



### Largest Shareholders (Top 10)

| Shareholder   | Shares owned (thousands) | Percentage |
|---|--------------------------|------------|
| The Master Trust Bank of Japan, Ltd. (trust account)  | 70,619                   | 9.05       |
| Japan Trustee Services Bank, Ltd. (trust account)   | 56,455                   | 7.24       |
| Nippon Life Insurance Company   | 24,703                   | 3.17       |
| JP MORGAN CHASE BANK 385151   | 17,641                   | 2.26       |
| NORTHERN TRUST CO.(AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST | 16,891                   | 2.17       |
| SUMITOMO LIFE INSURANCE COMPANY   | 15,556                   | 1.99       |
| Japan Trustee Services Bank, Ltd. (trust account 5)   | 15,054                   | 1.93       |
| Japan Trustee Services Bank, Ltd. (trust account 7)   | 12,618                   | 1.62       |
| The Master Trust Bank of Japan, Ltd.  | 12,590                   | 1.16       |
| Japan Trustee Services Bank, Ltd. (trust account 4)   | 12,273                   | 1.57       |

### Share Prices (March 31, 2015 - March 31, 2020)



### Dividends per share and payout ratio

|                         | 2015/3 | 2016/3 | 2017/3 | 2018/3 | 2019/3 |
|-------------------------|--------|--------|--------|--------|--------|
| <b>Dividends (yen)</b>  | 35     | 40     | 46     | 48     | 40     |
| <b>Payout ratio (%)</b> | 30.5   | 29.1   | 29.8   | 31.7   | 42.9   |