

FLASH REPORT

Consolidated Quarterly Financial Results for the period from January 1 to September 30, 2011

Sumitomo Rubber Industries, Ltd. announced its consolidated quarterly financial results for the period from January 1 to September 30, 2011

(The following financial information is prepared in accordance with the accounting principles and practices generally accepted in Japan.)

CONSOLIDATED FIGURES (Quarter year ended September 30, 2011)
OPERATING RESULTS

	9 months ended		Year ended
	Sep. 30, 2011	Sep. 30, 2010	Dec. 31, 2010
Net sales (million yen)	467,583	424,514	604,548
Operating income (million yen)	29,370	28,640	47,571
Ordinary income* (million yen)	26,470	25,311	42,478
Net income (million yen)	13,733	14,036	21,427
Net income per share (yen)	52.35	53.50	81.67
Diluted net income per share (yen)	-	-	-

*Before extraordinary profit and loss and income taxes.

FINANCIAL POSITION

	Sep. 30, 2011	Sep. 30, 2010	Dec. 31, 2010
Total assets (million yen)	642,021	597,774	622,243
Owners' equity (million yen)	204,693	207,632	212,963
Owners' equity ratio	28.2%	31.0%	30.5%
Owners' equity per share (yen)	690.83	706.14	723.04

- Notes (1) Figures of less than 1 million yen are omitted.
 (2) The number of consolidated subsidiaries: 65
 (3) The number of non-consolidated subsidiaries: 16
 (4) The number of affiliates: 15

Balance Sheet

	(millions of yen)		
	<u>Sep. 30, 2011</u>	<u>Dec. 31, 2010</u>	<u>Sep. 30, 2010</u>
Assets			
Current assets:			
Cash and time deposits	27,557	35,391	26,727
Notes and accounts receivable - trade	123,202	130,398	109,499
Inventories	120,562	85,570	89,950
Other	33,016	31,664	26,750
Allowance for doubtful accounts	(1,400)	(1,540)	(1,650)
Total current assets	302,939	281,485	251,277
Fixed assets:			
Property, plant and equipment			
Buildings and structures	65,011	66,057	67,250
Machinery, equipment and vehicles	96,223	97,019	101,941
Other	65,045	62,452	57,005
Total property, plant and equipment	226,280	225,530	226,197
Intangible fixed assets			
Goodwill	7,539	8,163	8,399
Trademarks and other	10,772	8,115	7,898
Total intangible fixed assets	18,311	16,278	16,298
Investments and other assets			
Investments in securities	51,770	56,129	58,030
Other	43,868	44,019	47,320
Allowance for doubtful accounts	(1,150)	(1,200)	(1,350)
Total investments and other assets	94,489	98,949	104,001
Total assets	642,021	622,243	597,774

Balance Sheet

	(millions of yen)		
	<u>Sep. 30, 2011</u>	<u>Dec. 31, 2010</u>	<u>Sep. 30, 2010</u>
Liabilities and Shareholders' Equity			
Current liabilities:			
Notes and accounts payable - trade	69,202	72,813	58,855
Bonds	—	20,000	20,000
Commercial paper	4,000	—	7,000
Short-term borrowings	98,653	67,984	77,364
Accrued income taxes	2,595	8,338	4,000
Provision	8,590	6,858	7,919
Other	45,334	50,179	36,679
Total current liabilities	228,376	226,174	211,819
Long-term liabilities:			
Bonds	75,000	55,000	55,000
Long-term debt	99,337	94,137	91,765
Accrued retirement and severance benefits	11,841	11,955	11,962
Other provision	213	303	302
Asset retirement obligations	716	—	—
Other	21,842	21,708	19,291
Total long-term liabilities	208,951	183,105	178,322
Total liabilities	437,328	409,279	390,142
(millions of yen)			
	<u>Sep. 30, 2011</u>	<u>Dec. 31, 2010</u>	<u>Sep. 30, 2010</u>
Net Assets			
Shareholder's equity			
Common stock	42,658	42,658	42,658
Capital surplus	38,661	38,661	38,661
Retained earnings	128,574	127,595	119,187
Treasury stock, at cost	(539)	(537)	(535)
Total shareholder's equity	209,354	208,377	199,971
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	2,384	3,420	2,861
Deferred gains or losses on hedges	(120)	(137)	(229)
Foreign currency translation adjustment	(30,388)	(21,976)	(17,352)
Total valuation and translation adjustments	(28,123)	(18,693)	(14,720)
Minority interests in income	23,462	23,279	22,381
Total net assets	204,693	212,963	207,632
Total liabilities and net assets	642,021	622,243	597,774

Statement of Income

	(millions of yen)		
	<u>9 months ended</u>		<u>Year ended</u>
	<u>Sep. 30, 2011</u>	<u>Sep. 30, 2010</u>	<u>Dec. 31, 2010</u>
Net sales	467,583	424,514	604,548
Cost of sales	311,713	274,943	387,678
Gross profit	155,870	149,570	216,870
Selling, general and administrative expenses	126,499	120,929	169,299
Operating income	29,370	28,640	47,571
Non-operating income:			
Interest and dividends income	588	566	754
Other	3,922	3,388	4,112
	4,510	3,955	4,866
Non-operating expenses:			
Interest expenses	3,513	3,166	4,276
Other	3,897	4,118	5,682
	7,410	7,284	9,959
Ordinary income	26,470	25,311	42,478
Extraordinary loss	5,626	1,987	6,277
Income before income taxes	20,844	23,323	36,201
Income taxes	5,037	7,233	11,735
Income before minority interests	15,806	—	—
Minority interests in income	2,072	2,053	3,038
Net income	13,733	14,036	21,427

Segment Information

Information by industry segment

	(millions of yen)		
	<u>9 months ended</u>		<u>Year ended</u>
	<u>Sep. 30, 2011</u>	<u>Sep. 30, 2010</u>	<u>Dec. 31, 2010</u>
Net sales:			
Tires-			
Sales to unaffiliated customers	406,337	357,557	513,774
Intersegment sales and transfers	15	19	26
	<hr/> 406,353	<hr/> 357,577	<hr/> 513,801
Sports-			
Sales to unaffiliated customers	40,880	46,971	63,224
Intersegment sales and transfers	180	258	330
	<hr/> 41,061	<hr/> 47,230	<hr/> 63,555
Industrial and other products-			
Sales to unaffiliated customers	20,365	19,984	27,549
Intersegment sales and transfers	46	32	45
	<hr/> 20,411	<hr/> 20,016	<hr/> 27,594
Total	467,825	424,824	604,950
Adjustments and eliminations	(241)	(310)	(401)
	<hr/> 467,583	<hr/> 424,514	<hr/> 604,548
Operating income:			
Tires	27,360	22,462	39,412
Sports	1,187	4,626	6,114
Industrial and other products	819	1,542	2,122
	<hr/> 29,367	<hr/> 28,631	<hr/> 47,649
Adjustments and eliminations	3	9	(77)
	<hr/> 29,370	<hr/> 28,640	<hr/> 47,571