

Sumitomo Corporation Europe Holding Limited

Annual report and financial statements

Registered Number 3285604

31 March 2017

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SUMITOMO CORPORATION EUROPE HOLDING LIMITED

Report and financial statements 2017

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SUMITOMO CORPORATION EUROPE HOLDING LIMITED

STRATEGIC REPORT

The directors present the strategic report for the year ended 31 March 2017.

Sumitomo Corporation Europe Holding Limited is a wholly owned subsidiary of Summit Global Management II BV. The ultimate parent company is Sumitomo Corporation, whose head office is based in Tokyo, Japan. Sumitomo Corporation is a global trading house operating throughout the world.

PRINCIPAL ACTIVITIES

Sumitomo Corporation Europe Holding Limited operates as an intermediate holding company for the European subsidiaries of Sumitomo Corporation Japan and provides management services to Sumitomo Corporation Group companies.

BUSINESS REVIEW:

The company continues to act primarily as an investment holding company. There have not been any significant changes in the company's principal activities in the year under review.

Trading

The company's profit and loss account for the year ended 31 March 2017 is set out on page 7. The profit on ordinary activities before taxation for the year ended 31 March 2017 was \$24,316,000 (2016: \$103,000) comprised mainly of dividend income. Profit has increased due to the fact that the company received dividend from Sumitomo Corporation Europe LTD \$24,115,000 (2016:nil) and higher management fees income from other group companies during the year of \$4,500,000 (2016: \$3,350,000).

The balance sheet on page 9 shows net assets of \$278,239,000 (2016: \$278,020,000).

PRINCIPAL RISKS AND UNCERTAINTIES:

As the result of a referendum held In June 2016 the United Kingdom decided to leave the European Union. The directors immediately established a Brexit Taskforce to monitor developments and assess the potential impact on the Company. The Brexit process has been and remains subject to many uncertainties and therefore it is difficult to draw final conclusions, however, to date the Taskforce together with its external advisers have not identified any significant adverse impacts on the Company's business activities or that of its subsidiaries.

The current economic climate has created an uncertainty in the world's financial and commodity markets. This uncertainty is difficult to quantify in terms of its impact on the company's financial results. However the company has a balanced portfolio in its subsidiary undertakings to meet the uncertainties of the future.

Competitive pressures in the European operating environment provide a continuing risk to the company and its subsidiary undertakings, which could result in loss of business to their competitors.

The company's activities expose it to a number of financial risks which include currency risk, credit risk, counterparty risk and liquidity risk.

Investment risk

The key factor for the company and its subsidiary undertakings in managing this risk is to maintain and enhance the close relationships with its customers and suppliers. The subsidiary undertakings continue to develop and provide innovative value added services at every stage of the supply chain.

STRATEGIC REPORT (continued)

Currency risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company uses foreign exchange contracts to hedge these exposures where possible and considered appropriate.

Credit risk and counterparty risk

The company's principal financial assets other than investments are debtors comprising mainly amounts owed by group undertakings. Credit risk within the company is managed by using credit insurance where available.

Counterparty risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit ratings agencies.

Approved by the Board of Directors and signed on behalf of the Board



K Sumobe

Managing Director

Company Registration No: 3285604

16th June 2017

Vintners' Place
68 Upper Thames Street,
London
EC4V 3BJ

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

DIRECTORS REPORT

The directors present the audited financial statements for the year ended 31 March 2017.

DIVIDENDS

During the year the company paid a dividend of \$24,115,000 / \$0.157 per share (2016: nil) in respect of profits achieved up to and including the year ended 31 March 2017.

DIRECTORS

The directors who held office during the year and up to the date of signing are as follows:

K. Sunobe
K. Tamefusa (resigned 1st April 2016)
B. Haga (appointed 1st April 2016)

DIRECTORS' INDEMNITIES

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the U.K. Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

POLITICAL CONTRIBUTION

The Company made no political donations during the year (2016: nil).

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors and signed on behalf of the Board



K. Sunobe
Managing Director

Company Registration No: 3285604

16th June 2017

Vintners' Place
68 Upper Thames Street,
London
EC4V 3BJ

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUMITOMO CORPORATION EUROPE HOLDING LIMITED

We have audited the financial statements of Sumitomo Corporation Europe Holding Limited for the year ended 31 March 2017 set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of financial statements and from reading the Strategic report and the Directors report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Kevin Hall (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

16th June 2017

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

Profit and loss account and Other comprehensive income For the year ended 31 March 2017

	Note	2017	2016
		\$'000	\$'000
TURNOVER	2	28,615	3,350
Administrative expenses	6	(4,367)	(3,262)
OPERATING PROFIT		<u>24,248</u>	<u>88</u>
Interest receivable and similar income	5	68	15
Amounts written off investments	8	-	-
PROFIT BEFORE TAXATION		<u>24,316</u>	<u>103</u>
Tax on profit	7	<u>18</u>	<u>(11)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>24,334</u>	<u>92</u>
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>24,334</u></u>	<u><u>92</u></u>

The results shown above are derived from continuing operations.

The notes on pages 10 to 19 form part of the financial statements.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

Statement of changes in equity For the year ended 31 March 2017

	Called up share capital \$'000	Profit & loss \$'000	Total \$'000
Balance brought forward 1 April 2015	271,236	6,692	277,928
Profit retained for year	-	92	92
Dividend paid	-	-	-
	<hr/>	<hr/>	<hr/>
Balance carried forward 31 March 2016	271,236	6,784	278,020
	<hr/>	<hr/>	<hr/>
Balance brought forward 1 April 2016	271,236	6,784	278,020
Profit retained for year	-	24,334	24,334
Dividend paid	-	(24,115)	(24,115)
	<hr/>	<hr/>	<hr/>
Balance carried forward 31 March 2017	271,236	7,003	278,239
	<hr/>	<hr/>	<hr/>

The notes on pages 10 to 19 form part of these financial statements.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

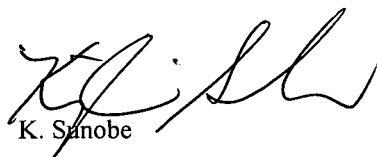
Balance Sheet As at 31 March 2017

	Note	2017 \$'000	2016 \$'000
Fixed assets			
Investments	8	260,398	260,398
		<u>260,398</u>	<u>260,398</u>
Current assets			
Debtors	9	18,951	18,340
		<u>18,951</u>	<u>18,340</u>
Creditors: amounts falling due within one year			
Trade creditors	10	14	4
Amounts owed to group undertakings	10	1,054	702
Other creditors	10	42	12
		<u>1,110</u>	<u>718</u>
Net current assets		<u>17,841</u>	<u>17,622</u>
Net assets		<u>278,239</u>	<u>278,020</u>
Capital and reserves			
Called up share capital	11	271,236	271,236
Profit and loss account		7,003	6,784
Shareholders' funds		<u>278,239</u>	<u>278,020</u>

The notes on pages 10 to 19 form part of these financial statements.

The Board of Directors approved these financial statements on 16th June 2017.

Signed on behalf of the Board of Directors



K. Sanobe

Managing Director

Company registration no.: 3285604

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

1. ACCOUNTING POLICIES

Sumitomo Corporation Europe Holding Limited (the “Company”) is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set up below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s ultimate parent undertaking, Sumitomo Corporation, includes the Company in its consolidated financial statements. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. The consolidated financial statements of Sumitomo Corporation are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 8-11 Harumi, 1-chome, Chuo-ku, Tokyo, Japan.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Sumitomo Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS101 available in respect of the following disclosures:

- Disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

Going Concern

The company and its subsidiaries (the “Group”) manages its cash position in conjunction with its ultimate parent company, Sumitomo Corporation, based in Tokyo, Japan, and has access to group finance via bank facilities and the Medium Term Note and Euro Commercial Paper programs operated by a wholly owned subsidiary entity of the Group. All these facilities or programs fall due for renewal or update within the next twelve months but the directors consider that the financial strength and stability of the overall Sumitomo Corporation group means sufficient funding will be available to enable the Group to meet its liabilities for the foreseeable future.

Investments

Investments in subsidiaries and associates are stated at cost less any provision for impairment.

All other investments including investments held as current assets are stated at fair value. Changes in fair value are recognised through other comprehensive income, until the security is disposed of or is determined to be impaired, at which time the gain or loss previously recognised in other comprehensive income is transferred to the profit and loss account.

Turnover

Turnover represents income received from Sumitomo Corporation Group companies in respect of management services provided and dividend income from investments.

Revenue is measured at the fair value of the consideration received and represents amounts receivable in the normal course of business net of discounts, VAT and other sales related taxes.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

1. ACCOUNTING POLICIES (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Financial Instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables, including balances held with group companies, are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the profit and loss account when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. All transactions are recognised on their transaction date.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank balances and cash comprise time deposits with an original term of three months or less and interest is calculated by reference to Libor. The carrying amounts represent their fair value. As such no disclosure of fair value is required. All transactions are recognised on their transaction date.

Financial instruments

Financial liabilities and equity

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

1. ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Trade payables

Trade payables, including balances held with group companies, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. All transactions are recognised on their transaction date.

Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2. TURNOVER

Turnover is made up of:	2017 \$'000	2016 \$'000
Income from shares in group undertaking	24,115	-
Management Fees	4,500	3,350
	<u>28,615</u>	<u>3,350</u>

3. REMUNERATION OF DIRECTORS

The company and its subsidiaries pay certain remuneration directly to directors of the company and also other group companies for the provision of various services including the secondment of executives, some of whom are directors of the company. Emoluments calculated for disclosure purposes are as follows:

	2017 \$'000	2016 \$'000
Directors' remuneration: Emoluments	<u>1,571</u>	<u>1,227</u>
Remuneration of the highest paid director (excluding pension contributions)	<u>939</u>	<u>789</u>

Directors do not have share options and did not receive awards during the year in the form of shares under long-term incentive schemes (2016: nil). Directors' pension payments are borne by the ultimate parent company.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

4. STAFF NUMBERS AND COSTS

	2017 No.	2016 No.
Average number of persons employed (including directors) analysed by category:		
Management and administration	<u>1</u>	<u>3</u>
Employee costs during the year (including directors) was:	2017 \$'000	2016 \$'000
Wages and salaries	<u>958</u>	<u>1,367</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 \$'000	2016 \$'000
Interest receivable from group companies	<u>68</u>	<u>15</u>
	<u>68</u>	<u>15</u>

6. EXPENSES AND AUDITOR'S REMUNERATION

	2017 \$'000	2016 \$'000
Included in profit/loss are the following:		
Amortisation	-	3
Loss on foreign exchange translation	110	9
Impairment of investment (see note 8)	-	-
Auditor's remuneration:		
Audit of these financial statements	6	6
Audit of financial statements of subsidiaries	1,845	1,973
Other services relating to taxation	83	170
All other services	<u>74</u>	<u>147</u>

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

7. TAX ON PROFIT

A. Recognised in the profit and loss account

	2017 \$'000	2016 \$'000
Current tax:		
UK corporation tax on profits of the year	41	21
Adjustments in respect of prior years	(60)	(10)
	<u>(19)</u>	<u>11</u>
Total current tax	(19)	11
Deferred tax:		
Origination and reversal of temporary differences	1	-
Tax on profit	<u>(18)</u>	<u>11</u>

B. Reconciliation of effective tax rate

	2017 \$'000	2016 \$'000
Profit for the financial year	24,334	92
Total tax expense/(credit)	(18)	11
	<u>24,316</u>	<u>103</u>
Profit excluding tax	24,316	103
Tax using the UK corporation tax rate of 20% (2016: 20%)	4,863	21
Effects of:		
Expenses not deductible for tax purposes	2	-
UK dividend income	(4,823)	-
Adjustments to tax charge in respect of previous periods	(60)	(10)
Total tax expense	<u>(18)</u>	<u>11</u>

C. Factors affecting the tax charge for future periods

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

8. INVESTMENTS HELD AS FIXED ASSETS

Subsidiaries

	Total \$'000
Details of movements in the year	
At 1 April 2016	260,398
Additions	-
Disposals	-
	<hr/>
At 31 March 2017	260,398
	<hr/>
Provisions for impairment:	
At 1 April 2016	-
Provision for the year	-
Disposals	-
	<hr/>
At 31 March 2017	-
	<hr/> <hr/>
Net book value:	
At 1 April 2016	260,398
	<hr/> <hr/>
At 31 March 2017	260,398
	<hr/> <hr/>

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

The company has the following investments, where the company owns more than 20%:

Name of interest	% of ordinary share capital directly held	Proportion of voting rights and shares held indirectly	Principal activity	Registered address
Subsidiary companies				
Sumitomo Corporation Europe Limited ¹	100	-	Trading company	Please look at the footnote.
Sumitomo Benelux S.A/N.V	1	99	Trading company	Avenue A. Fraiteur 15-23, 1050 Brussel 5, Belgium
Steel Center Europe s.r.o	-	40	Steel processing	Škrětova 490/12, 120 00 Pargue 2,
Sumitomo Corporation Capital Europe Plc ¹	-	100	Finance provider	Please look at the footnote.
Sumitomo Corporation Capital Netherlands B.V ¹	-	100	Finance provider	Please look at the footnote.
Sumitomo Corporation Espana S.A ²	-	100	Trading company	Please look at the footnote.
Sumitomo Deutschland GmbH ³	-	100	Trading company	Please look at the footnote.
Central Tubular Investment Company LLC	1	99	Intermediate holding company	4/7 (bld.2), Vozdvizhenka str., Moscow, Russia, 125009
SC Tubular Solutions Sakhalin LLC	-	99	Stock management	4/7 (bld.2), Vozdvizhenka str., Moscow, Russia, 125009
Northern Islands Pipe Supply Limited ¹	-	50	Trading company	Please look at the footnote.
Petroleum Services AS	-	80	Stock management	Botnaneset 4 , 6900 Floro, Norway
Sumitomo Corporation Middle East FZE	-	100	Trading company	Jafza One, Tower A, Level 17, Jebel Ali Free Zone, Dubai, P O Box 262517 Dubai, United Arab Emirates
Mezon Stainless Steel FZE	-	70	Trading company	Jafza One, Tower A, Level 17, Jebel Ali Free Zone, Dubai, P O Box 262517 Dubai, United Arab Emirates
Sumitomo Corporation Tubular Solutions Oman LLC	-	70	Stock management	Quram Plaza, Building No. 108, Al Wallaj Street, Street 651, Quram, Muscat, Sultanate of Oman
Summit Management France SAS ⁴	-	70	Holding company	Please look at the footnote.
Sumitomo France SAS ⁴	-	70	Trading company	Please look at the footnote.
Sumisho Global Logistics Europe GmbH ³	-	60	Logistics	Please look at the footnote.
Summit Leasing Slovenia D.O.O ⁵ .	-	60	Car leasing	Please look at the footnote.
Summit Motors Ljubljana D.O.O. ⁵	-	60	Car dealership	Please look at the footnote.
Summit Avto d.o.o ⁵	-	60	Car dealership	Please look at the footnote.

¹ Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ, UK

² Avda. Madrid, Num. 23, 28.802 Alcalá de Henares, Madrid, Spain

³ Georg-Glock-Strasse 8, 40474 Duesseldorf, Germany

⁴ 125, Avenue des Champs Elysées, 75008 Paris, France

⁵ Flajšmanova ul. 3, 1000 Ljubljana, Slovenia

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

Summit Motors Slovakia s.r.o. ⁶	-	60	Car dealership	Please look at the footnote.
Summit Motors Bratislava s.r.o. ⁶	-	60	Car dealership	Please look at the footnote.
Summit Motors Poland Sp. Z.o.o.	-	60	Car dealership	ul. Popularna 70, 02-473 Warszawa, Poland
Summit Auto Poland Sp. Z.o.o.	-	60	Car dealership	ul. Popularna 70, 02-473 Warszawa, Poland
SC Motors Sweden AB ⁷	-	60	Car dealership	Please look at the footnote.
FSC Bilar AB ⁷	-	60	Car dealership	Please look at the footnote.
Hyundai Bilar ⁷	-	60	Car dealership	Please look at the footnote.
MMC Bilar Sverige AB ⁷	-	60	Car dealership	Please look at the footnote.
Summit D&V Kft	-	60	Trading company	2500 Esztergrom, Dobogókői út. 3, Hungary
Tecnologia para La Construcción y Minería S.L. ²	-	60	Construction machinery distributor	Please look at the footnote.
Komatsu Espana S.A. ²	-	54	Construction machinery distributor	Please look at the footnote.
Komatsu Poland SP z.o.o	-	54	Construction machinery distributor	ul. Popularna 70, 02-473 Warszawa, Poland
Suomen Rakennuskone OY	-	60	Construction machinery distributor	Metallitie 6, 33960 Pirkkala, Finland
AS Baltem	-	60	Construction machinery distributor	Tuleviku tee 2, Peetri alevik, 75312 Rae vald, Estonia
<i>Associate companies</i>				
K + S GmbH ³	-	40	Holding company	Please look at the footnote.
Danrun Windservice	-	40	Wind turbine services	Jupitervej 26-30, 7620 Lemvig, Denmark
Summit Pharmaceuticals Europe Ltd ¹	-	30	Distribution of chemicals	Please look at the footnote.
Summit Water Ltd ¹	-	30	Holding company	Please look at the footnote.
Interacid Trading SA	-	30	Distribution of chemicals	En Budron H14, 1052 Le Mont-sur- Lausanne, Switzerland
Triton Navigation B.V.	-	30	Ship charter hire	Strawinskylaan 901, 1077 XX Amsterdam, Netherlands
Summit Renewable Energy Europe ¹	-	30	Holding company	Please look at the footnote.
Sumitomo Corporation Global Commodities Ltd ¹	-	23	Commodities trading	Please look at the footnote.
SCMI Ltd ¹	-	23	Commodities trading	Please look at the footnote.
Sumisho Aero Engine Lease B.V.*	-	23	Aeroplane engine leasing	Strawinskylaan 901, 1077 XX Amsterdam, Netherlands
Eryngium plc	-	20	Component suppliers to the oil industry	Fountain House 2nd Floor, 1-3 Woodside Crescent, Glasgow, G3 7UL, UK
Sumi Agro Europe Ltd ¹	-	20	Distribution of chemicals	Please look at the footnote.

*Companies marked * = December year end*

⁶ Tuhovská 9, Bratislava 831 07, Slovakia

⁷ Box 2004, SE-194 02 Upplands Väsby, Sweden

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

9. DEBTORS

	2017 \$'000	2016 \$'000
Amounts owed by group undertakings	18,645	18,034
Deferred tax asset	-	1
Other debtors	306	305
	<u>18,951</u>	<u>18,340</u>
Total debtors:		
Due within one year	<u>18,951</u>	<u>18,340</u>
	<u>18,951</u>	<u>18,340</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 \$'000	2016 \$'000
Other creditors (Accruals & Deferred Income)	14	4
Parent company and fellow subsidiaries	1,054	702
Corporation tax	42	12
	<u>1,110</u>	<u>718</u>

Trade creditors and amounts owed to group undertakings principally comprise amounts outstanding for on-going costs.

11. CAPITAL AND RESERVES

	2017 \$'000	2016 \$'000
Allotted, called up and fully paid:		
153,504,341 (2016: 153,504,341) ordinary shares of £1 each	<u>271,236</u>	<u>271,236</u>

The nominal value of the company's £1 shares translated at the closing rate at 31 March 2017 is \$191,823,630 (2016: \$220,788,364).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

SUMITOMO CORPORATION EUROPE HOLDING LIMITED

NOTES TO THE ACCOUNTS

(forming part of the financial statements)

12. ULTIMATE PARENT COMPANY

The company's ultimate parent company and controlling party is Sumitomo Corporation, a company incorporated in Japan.

Sumitomo Corporation Europe Holding Limited is a wholly owned subsidiary of Summit Global Management II BV, which in turn is a wholly owned subsidiary of Sumitomo Corporation. Sumitomo Corporation heads the largest and smallest groups in which Sumitomo Corporation Europe Holding Limited is a member for which group accounts are prepared.

The group accounts for Sumitomo Corporation are available at 8-11 Harumi, 1-chome, Chuo-ku, Tokyo, Japan.