



FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2009

October 30, 2009

Company Name	SUMIDA CORPORATION	Listed	Tokyo Stock Exchange in Japan
Code No	6 8 1 7	U R L	http://www.sumida.com
Representative	CEO Shigeyuki Yawata		
Contact Person	CFO Saburo Matsuda	T E L	81-3-3272-7100
Scheduled date of filing Shihanki Hokokusho			November 10, 2009
Scheduled date of payment of cash dividend			November 20, 2009

1. Consolidated Operating Results for Third Quarter ended September 30, 2009 (January 1, 2009 through September 30, 2009)

(Round off amount less than million yen)

(1) Results of operations

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2009 3rd quarter	30,969	—	(1,102)	—	(1,560)	—	(2,174)	—
FY2008 3rd quarter	45,015	(15.3)	2,912	(14.3)	2,194	(34.2)	1,016	(46.7)

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
FY2009 3rd quarter	(113.21)	—
FY2008 3rd quarter	52.91	45.35

(2) Results of consolidated financial condition

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2009 3rd quarter	52,905	10,544	18.9	520.51
FY2008	60,814	14,700	22.7	718.04

(Reference) Shareholders' equity at September 30, 2009 ¥10,001 millions
 Shareholders' equity at December 31, 2008 ¥13,795 millions

2. Dividends

• Cash-dividend

	Annual cash dividends per share				
	at 1 st quarter end	at 2 nd quarter end	at 3 rd quarter end	at 4 th quarter end	Total
	Yen	Yen	Yen	Yen	Yen
FY2008	10.00	10.00	10.00	10.00	40.00
FY2009	5.00	5.00	5.00		
FY2009 (Forecast)				5.00	20.00

3. Forecast of consolidated operating results

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2009 (Jan.1, 2009 through December 31, 2009)	43,100	(22.7)	(550)	—	(1,180)	—	(2,000)	—	(104.10)

4. Others

<1>Significant changes in scope of consolidation

None

<2>Changes in accounting policies

1. Changes due to changes in accounting standard : Yes

2. Other changes : Yes

<3>

1. Number of shares issued at the fiscal year ended (including treasury shares) FY2009 3rd Quarter :19,944,317shares FY2008: 19,944,317 shares

2. Number of treasury shares at the fiscal year end FY2009 3rd Quarter : 731,615 shares FY2008: 731,545shares

3. Average number of shares issued during the period FY2009 3rd Quarter : 19,212,808 shares FY2008: 19,213,031shares

*Explanation regarding the appropriate use of forecast of business results

The financial forecast of business results are based on judgment and estimates that have been made using of currently available information. By nature, such financial forecasts are subject to uncertainty and risk. Therefore, you are advised that final results might be significantly different from the aforementioned forecast due to changes in economic environment related to our business, market trend and exchange rate, etc.

Business Results for the Third Quarter of 2009

The record downturn in the global production and trade since the World War II seem to be overcome and to slightly recover as an effect of the large-scale economic stimulus packages initiated by governments in several countries to ease the financial market through capital injections to financial institutions and to major companies that suffered the consequences of the financial crisis. The sentiment of fear against the recession seems to fade as slight improvements of the financial conditions could be achieved.

The worldwide demand for electronic equipments like PCs, cellular phones and digital cameras recovered slowly since the 2nd quarter after a drastic decline in the 1st quarter. Shipments of personal computers decreased 7.1% year-on-year to 63 million sets in the 1st quarter and 3.1% to 66 million sets in the 2nd quarter, but increased 2.3% to 78 million sets in the 3rd quarter 2009. Sales volume of cellular phones lost 15.8% year-on-year to 245 million pieces in the 1st quarter and 10.8% to 270 million pieces in the 2nd quarter but the rate of decline is expected to shrink in the 3rd quarter. Shipments of digital cameras fell 29.0% year-on-year to 17 million pieces in the 1st quarter and dropped 22.8% to 24 million pieces in the 2nd quarter. In July (-3.9%) and August (-0.7%) however, they recovered almost to the same level of the precedent year. Further, the slump in demand for electronic parts and peripherals for automotive due to the production adjustments by major auto manufacturers in Japan, US and Europe could be stimulated through active business act in pursuit of safety and fuel-economy cars.

Under these circumstances, Sumida Group carried out measures to decrease labor costs by improving productivity and to lower raw material costs. Further, Sumida brought down production costs through a more efficient operation in the production sites and the reduction of R&D, sales and administration costs. Overall sales of the 3rd quarter 2009 increased 22.4% to ¥12,324 million compared to the precedent quarter. Sales of Asia Pacific Business rose 18.8% to ¥6,798 million and EU Business grew 16.4% to ¥3,996 million compared to the 2nd quarter. The turnover of Environmental Energy Business was 67.8% (¥1,530 million) above the precedent quarter, owing to the inclusion of Concord Electronics Industries.

An operating income of ¥620 million was achieved in the 3rd quarter 2009 which was based on the enhanced profitability in the Asia Pacific Business, the significant cost reduction for raw materials and improved productivity at the factories as well as the restriction of labor wages and other indirect manufacturing expenses. Another contributing factor was the stable profit share of the Environmental Energy Business as well as the recovering EU Business back in the black. Considering interest payables, exchange losses and other restructuring costs, an ordinary income of ¥137 million was obtained, but on the other hand the total net loss was amounting to ¥109 million.

The Future Business Environment and Management Strategy

The outline on the future management environment and our business development policy in the following explains the future prospects of Sumida group. It should be taken into account that actual results may deviate, owing to the changing economic environment in each country of the world, the occurrence of unforeseen events, etc. The business environment surrounding Sumida Group is gradually on the mend in spite of the uncertainty.

The monthly volume of orders received for coils (orders received during the current month and scheduled to sell during the current month exclude VOGT, STELCO, PANTA, EIWA, MOSTEC and CONCORD), plunged significantly after the record high of 178 million pieces on average per month in the 4th quarter of 2007 to only 72 million pieces on average per month in the 1st quarter of 2009. But it recovered quickly to 107 million pieces on average per month in the 2nd and further to 128 million pieces in the 3rd quarter. The monthly order volume was 124 million in July, 123 million in August and increased considerably up to 136 million pieces in September. Orders as at October 19, 2009 achieved 136 million pieces which were above the same month in the precedent year.

In the electronic equipment market, the overall shipment of PCs is expected to further increase in 2009 and to achieve the same level of the preceding year. A higher demand for Notebook PCs is expected due to low prices and the breakthrough of netbooks. Additional demand for low-price products from emerging countries and the replacement demand of consumers in advanced countries are expected to increase. Companies which kept new purchases on hold since the second half of the precedent year may consider buying. The overall shipment of PCs is expected to achieve a double-digit growth from 2010. Shipments of cellular phones declined from the

sluggish sales bound in North America and South America in 2009. As in both markets hints of recovery can be noted as well as a sustainable growth in the Asia Pacific regions, it is anticipated to proceed on the assumption of a single-digit in 2010 and a double-digit growth ratio in 2011. The demand for digital cameras which suffered from a significant decline after a drop in the preceding year is expected to return to a double-digit growth ratio in 2010 after a double-digit plunge in 2009.

Sumida Group has developed a management resource that focuses resources on each growing field. With efforts taken for the production and sales of leading products of each respective field, we will intensify the development of new products in preparation for the next expanding-market period. Further, production sites have taken sustainable efforts to reduce raw material costs, to control labor costs as well as to improve productivity.

I. ASIA PACIFIC BUSINESS

We will aim at higher sales in the magnetics segment in a wide span of applications used for phones, flat TVs, HDDs, notebook PCs, portable music players, set-top boxes (STB), digital cameras, HIDs, factory automation (FA) machines, keyless antennas, animal tags (RFID), toner sensors and for AV equipments, tire pressure monitoring system (TPMS), immobilizer, dispensers and recreational-related devices.

ABS coils are the mainstay of the automotive segment, which were designed for a safety system which prevents wheels on a motor vehicle from locking up while braking, and can also be used for stability control of tires. The number of coils to be deployed in each car has steadily improved. In addition to strengthen the production and sales for present clients, the team is also given the challenge to extend business to other potential customers. For keyless antenna coils, it is intended to target new customers, as well as to enhance business with existing customers with the aim of nurturing the second largest project after ABS Coil. Injection coils which are used for the direct-injection engine rank as the third-pillar product following after ABS and keyless antennas in the automotive segment. We are committed to increasing the market share for our principal customers. In the meantime, various activities have started to achieve sales of coils for car air conditioner, suspension and transmission.

II. EU BUSINESS

EU Business engages in sales of coils, transformers, various modules, sensors etc. for a wide variety of applications such as automotive devices, industrial & medical equipment, home and illumination appliances focusing in Europe, America and China. Automotive-related sales that used to account for about 60% of the total sales, dropped to 50% in the 1st quarter, recovered to 58% in the 2nd and grew to more than 60% in the 3rd quarter. A moderate increase is estimated for the upcoming Christmas season. By further improving productivity and further shifting low-end product types to manufacturing sites in China, it is aimed at strengthening the profitability of the business in Europe.

III. ENVIRONMENTAL ENERGY BUSINESS

As fixed costs were reduced the breakeven point for Environmental Energy Business lowered. An increase of the contribution profit is therefore expected. The business is committed not only to expanding the existing market shares but also to active development of coils for solar and wind power generators, transformers for hybrid automobile and electric automobile, coils for heavy-current appliances and transformers and coils for primary power source used for industrial and communication equipments. Concord which was acquired by Sumida in July engages in the development, manufacturing and sales of various coil types for high frequency transformers and reactors etc. used for home appliances, industrial equipments and medical equipments. Medical equipments account for about 30% of the total sales of Concord and form a base for a new business segment of the group. The group utilizes the production base in Vietnam with the aim of strengthening the low-cost production system.

Consolidated quarterly balance sheets

(Millions of yen)

	As of September 30, 2009	As of December 31, 2008 (Summary)
Assets		
Current assets		
Cash and deposits	7,539	10,855
Notes and accounts receivable-trade	10,165	8,305
Merchandise and finished goods	2,776	4,344
Work in process	775	671
Raw materials and supplies	2,551	2,798
Income taxes receivable	438	719
Other	2,638	3,553
Allowance for doubtful accounts	(133)	(19)
Total current assets	26,749	31,226
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	12,001	11,157
Machinery, equipment and vehicles	25,747	22,512
Tools, furniture and fixtures	4,178	6,817
Land	1,763	1,744
Construction in progress	375	460
Accumulated depreciation	(28,478)	(26,035)
Total property, plant and equipment	15,586	16,655
Intangible assets		
Goodwill	3,898	5,275
Other	1,158	1,370
Total intangible assets	5,056	6,645
Investments and other assets	5,412	6,244
Total noncurrent assets	26,054	29,544
Deferred assets	102	44
Total assets	52,905	60,814
Liabilities		
Current liabilities		
Notes and accounts payable-trade	3,741	2,684
Short-term loans payable	17,519	18,174
Income taxes payable	248	129
Other	6,869	16,319
Total current liabilities	28,377	37,306
Noncurrent liabilities		
Bonds payable	4,110	1,815
Long-term loans payable	5,868	3,923
Provision for retirement benefits	987	779
Provision for directors' retirement benefits	51	32
Other	2,968	2,259
Total noncurrent liabilities	13,984	8,808
Reserves under the special laws		
Reserves under the special laws		
Total liabilities	42,361	46,114
Net assets		
Shareholders' equity		
Capital stock	7,217	7,217
Capital surplus	7,030	7,030
Retained earnings	5,055	9,423
Treasury stock	(1,524)	(1,524)
Total shareholders' equity	17,778	22,146
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	29	21
Deferred gains or losses on hedges	—	(198)
Foreign currency translation adjustment	(7,806)	(8,174)
Total valuation and translation adjustments	(7,777)	(8,351)
Minority interests	543	905
Total net assets	10,544	14,700
Total liabilities and net assets	52,905	60,814

Consolidated quarterly statements of income

(Millions of yen)

First Nine Months of FY2009

(Jan.1, 2009 - Sep. 30, 2009)

Net sales	30,969
Cost of sales	25,543
Gross profit	5,426
Selling, general and administrative expenses	
Freightage and packing expenses	396
Employees' salaries and allowances	2,292
Depreciation	419
Research and development expenses	880
Other	2,541
Total selling, general and administrative expenses	6,528
Operating loss	(1,102)
Non-operating income	
Interest and dividends income	32
Gain on valuation of derivatives	53
Other	170
Total non-operating income	255
Non-operating expenses	
Interest expenses	487
Foreign exchange losses	134
Other	92
Total non-operating expenses	713
Ordinary loss	(1,560)
Extraordinary income	
Gain on sales of noncurrent assets	4
Gain on sales of investment securities	189
Total extraordinary income	193
Extraordinary loss	
Loss on sales and retirement of noncurrent assets	17
Business structure improvement expenses	469
Revised loss on sales of affiliated companies	400
Other	139
Total extraordinary losses	1,025
Loss before income taxes and minority interests	(2,392)
Income taxes	(230)
Minority interests in income	12
Net loss	(2,174)

Consolidated quarterly statements of income

(Millions of yen)

	Third Quarter of FY2009 (July.1, 2009 - Sep. 30, 2009)
<hr/>	
Consolidated quarterly statements of income	
Net sales	12,324
Cost of sales	9,552
Gross profit	2,772
Selling, general and administrative expenses	
Freightage and packing expenses	156
Employees' salaries and allowances	764
Depreciation	135
Research and development expenses	278
Other	819
Total selling, general and administrative expenses	2,152
Operating income	620
Non-operating income	
Interest and dividends income	9
Other	30
Total non-operating income	39
Non-operating expenses	
Interest expenses	169
Foreign exchange losses	205
Loss on valuation of derivatives	127
Other	21
Total non-operating expenses	522
Ordinary income	137
Extraordinary income	
Gain on sales of noncurrent assets	1
Total extraordinary income	1
Extraordinary loss	
Loss on sales and retirement of noncurrent assets	12
Business structure improvement expenses	46
Other	53
Total extraordinary losses	111
Income before income taxes and minority interests	27
Income taxes	111
Minority interests in income	25
Net loss	(109)

Consolidated quarterly statements of cash flows

(Millions of yen)

First Nine Months of FY2009

(Jan.1, 2009 - Sep. 30, 2009)

Net cash provided by (used in) operating activities	
Loss before income taxes and minority interests	(2,392)
Depreciation and amortization	2,285
Amortization of goodwill	231
Interest expenses	487
Foreign exchange losses (gains)	(41)
Loss (gain) on sales of investment securities	(189)
Business structure improvement expenses	469
Revised loss on sales of affiliated companies	400
Loss (gain) on valuation of derivatives	(53)
Decrease (increase) in notes and accounts receivable-trade	(1,183)
Decrease (increase) in inventories	1,984
Increase (decrease) in notes and accounts payable-trade	741
Other, net	(1,989)
Subtotal	750
Interest and dividends income received	32
Interest expenses paid	(440)
Income taxes (paid) refund	447
Net cash provided by (used in) operating activities	789
Net cash provided by (used in) investment activities	
Proceeds from withdrawal of time deposits	411
Payments into time deposits	(258)
Purchase of property, plant and equipment	(678)
Proceeds from sales of investment securities	781
Purchase of stocks of subsidiaries and affiliates	(547)
Proceeds from purchase of investments in subsidiaries	355
Collection of loans receivable	166
Other, net	(159)
Net cash provided by (used in) investment activities	71
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	(993)
Proceeds from long-term loans payable	3,900
Repayment of long-term loans payable	(1,890)
Proceeds from issuance of bonds	3,421
Redemption of bonds	(8,425)
Cash dividends paid	(385)
Other, net	(22)
Net cash provided by (used in) financing activities	(4,394)
Effect of exchange rate change on cash and cash equivalents	261
Net increase (decrease) in cash and cash equivalents	(3,273)
Cash and cash equivalents at beginning of period	10,502
Cash and cash equivalents at end of period	7,229

SEGMENT INFORMATION

(1) Business segment

Current third quarter of FY2009 (from July 1, 2009 to September 30, 2009)

	Asia Pacific Business	EU Business	Environmental Energy	Total	Elimination	Consolidated
	<i>(millions of yen)</i>					
Sales and operating income (loss)						
(1)Sales to third parties	¥6,798	¥3,996	¥1,530	¥12,324	—	¥12,324
(2)Inter-segment sales or transfers	158	217	1	376	¥(376)	—
Total sales	6,956	4,213	1,531	12,700	(376)	12,324
Operating income (loss)	¥1,073	¥29	¥99	¥1,201	¥(581)	¥620

For the first nine months quarter (from January 1, 2009 to September 30, 2009)

	Asia Pacific Business	EU Business	Environmental Energy	Total	Elimination	Consolidated
	<i>(millions of yen)</i>					
Sales and operating income (loss)						
(1)Sales to third parties	¥17,163	¥10,676	¥3,130	¥30,969	—	¥30,969
(2)Inter-segment sales or transfers	432	454	1	887	¥(887)	—
Total sales	17,595	11,130	3,131	31,856	(887)	30,969
Operating income (loss)	¥1,325	¥(771)	¥187	¥741	¥(1,843)	¥(1,102)

(2) Geographical area

Current third quarter of FY2009 (from July 1, 2009 to September 30, 2009)									
Japan	Hong Kong /China	Taiwan /Korea	ASEAN	NAFTA	Europe	Total	Elimination	Consolidated	
<i>(millions of yen)</i>									
Sales and operating income (loss)									
(1)Sales to third parties	¥2,439	¥3,548	¥204	¥1,444	¥970	¥3,719	¥12,324	—	¥12,324
(2)Inter-segment sales or transfers	346	3,135	1	47	149	26	3,704	¥(3,704)	—
Total sales	2,785	6,683	205	1,491	1,119	3,745	16,028	(3,704)	12,324
Operating income (loss)	¥37	¥1,046	¥(3)	¥117	¥120	¥(48)	¥1,269	¥(649)	¥620

For the first nine months of FY2009 (from January 1, 2009 to September 30, 2009)									
Japan	Hong Kong /China	Taiwan /Korea	ASEAN	NAFTA	Europe	Total	Elimination	Consolidated	
<i>(millions of yen)</i>									
Sales and operating income (loss)									
(1)Sales to third parties	¥5,441	¥9,499	¥458	¥3,471	¥2,163	¥9,937	¥30,969	—	¥30,969
(2)Inter-segment sales or transfers	1,007	7,008	1	111	258	139	8,524	¥(8,524)	—
Total sales	6,448	16,507	459	3,582	2,421	10,076	39,493	(8,524)	30,969
Operating income (loss)	¥(55)	¥1,640	¥(22)	¥152	¥(12)	¥(826)	¥877	¥(1,979)	¥(1,102)

(3) Overseas sales

Current third quarter of FY2009 (from July 1, 2009 to September 30, 2009)							
Hong Kong /China	ASEAN	Taiwan /Korea	NAFTA	Europe	Other	Total	
<i>(millions of yen)</i>							
Overseas sales	¥1,797	¥1,460	¥309	¥1,245	¥5,006	¥61	¥9,878
Consolidated net sales							12,324
Overseas sales as a percentage of consolidated	14.6%	11.9%	2.5%	10.1%	40.6%	0.5%	80.2%

For the first nine months of FY2009 (from January 1, 2009 to September 30, 2009)							
Hong Kong /China	ASEAN	Taiwan /Korea	NAFTA	Europe	Other	Total	
<i>(millions of yen)</i>							
Overseas sales	¥4,675	¥3,511	¥798	¥2,757	¥13,608	¥158	¥25,507
Consolidated net sales							30,969
Overseas sales as a percentage of consolidated	15.1%	11.3%	2.6%	8.9%	44.0%	0.5%	82.4%