

SUMIDA REPORT

DIGITAL CONVERGENCE

2010

4Q



2010 4Q Performance

Net sales in the 4Q consolidated accounting period dropped slightly year on year to 12,615 million yen. Operating income was 404 million yen, compared to 868 million yen a year ago.

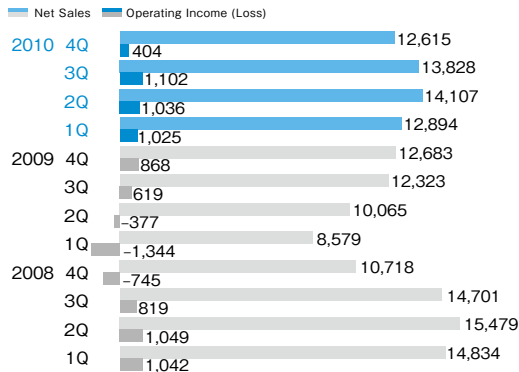
■ Fiscal 2010 4th Quarter Highlights (Millions of yen)

	2009 / 4Q	2010 / 4Q
Net Sales	12,683	12,615
Operating Income	868	404
Ordinary Income	786	45
Net Income	165	415
	Dec. 31, 2009	Dec. 31, 2010
Total Assets	54,504	49,410
Net Assets	11,068	8,848

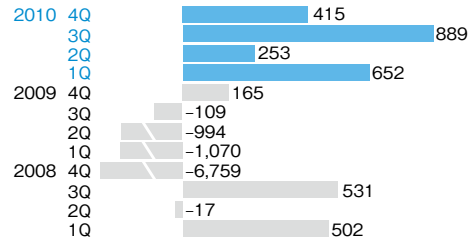
■ Annual Net Sales (Millions of yen)

2010	53,445
2009	43,652
2008	55,733

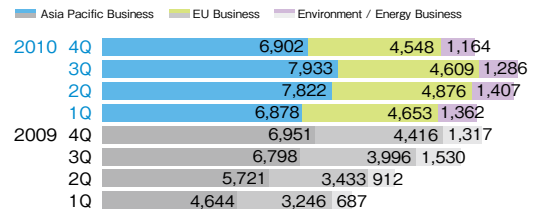
■ Net Sales and Operating Income (Loss) Quarterly Results (Millions of yen)



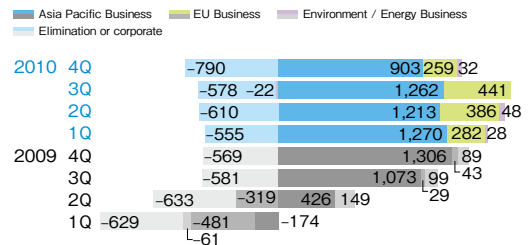
■ Net Income (Loss) Quarterly Results (Millions of yen)



■ Business segments Net Sales Quarterly Results (Millions of yen)



■ Business segments Operating Income (Loss) Quarterly Results (Millions of yen)



Sumida's Product Lineup

Sumida products are largely characterized by extensive, highly varied lineups for electronic and electrical applications. They include antennas and other electronic system components as well as components for electrical systems like anti-lock braking systems for vehicles. Applications also cover a wide range to meet a variety of needs, from electronics industries to high power industries.



CEO Message

2010
4Q

Back on the growth path

Back in the black with both operating and net income

The last year 2010 was marked by many events: the earthquake in Haiti at the beginning of the year, the unusual summer heat in Russia and other countries including Japan, the BP oil disaster in the Gulf of Mexico, and the volcanic eruption in Iceland. It was a year in which a new class of products led by the iPad grabbed the attention of the world.

And although various countries had to cope with debt crises, particularly in the EU, 2010 was a year in which the world emerged from one of its most serious economic crisis in decades. There is still much uncertainty ahead, and many remain cautious about the future.

A year ago I declared that Sumida would get back on the growth path, and I am pleased to tell you that we have fulfilled our commitment to you. In 2010, we achieved a 22.4% increase in sales compared with 2009. With the higher turnover, we have once again become profitable both in terms of operating income and net income.

Resolute approach towards market growth

In the consumer electronics market, we have done well by continuing to release new inductor components (e.g. CDRHxxDxxR series, CDEIR85ME...). This allows us to cater to the greater variety of products resulting from the shorter product life cycles and the fast paced developments in the consumer electronics market more competitively.

In the automotive-related markets, our efforts in developing our products and deepening our

CEO, SUMIDA Corporation
Shigeyuki Yawata



relationships with key customers have led to renewed interest in our automotive-related products. In line with the general recovery in the automotive markets, demand for our ABS/ESC coils (Anti-Lock Braking System/Electronic Stability Control) as well as Xenon ignitors have rebounded and are contributing substantially to our improved performance - we are leading global suppliers of these products.

What is more important for the future is that we have made steady progress in early stage collaborations and joint projects with key players in the future electromobility market (i.e. hybrid/electric vehicles) - these efforts allow us to position ourselves as a key supplier of components and modules to a very promising segment within the automotive market.

In the industrial markets, which are where we see longer-term growth markets, we are establishing good relations with key players in the European solar energy industry. Particularly in Germany, which is experiencing a robust export-driven recovery, our presence and efforts with key German suppliers allow our products to enter different global markets.

In terms of our ability to deliver, we continue to push our Silk Road initiative. In 2010, we have opened further satellite production sites in Changde and Jiangxi in China, and in Haiphong in Vietnam. This allows us to diversify and maintain our cost-effective manufacturing infrastructure despite the increases in the minimum labour wages in Guangdong.

Aiming for enhanced earning power

But I am also looking towards preparing Sumida for the future. In September 2010, the management structure of the Sumida group was streamlined and optimized. The operations were placed under a single President to accelerate decision-making and improve operational efficiency yet further. I also appointed key personnel to group functional roles so that Sumida can achieve excellence in functional areas like sales, production, R&D, purchasing and so on - furthermore, we now have a specific group of functional specialists who will work with and support the Executives of the Sumida Group to plan and prepare the Group for the opportunities in a turbulent future.

Nonetheless, the performance in 2010 was a rebound from the very poor 2009, which was to a certain extent an over-reaction to the Lehman shock in 2008. We expect growth in the coming years to be more modest, as the world economy has not yet fully recovered, and as there are still risks and uncertainties.

For 2011, we are forecasting sales of 55 billion JPY, operating income of approximately 4 billion JPY, and a net income of 2.6 billion JPY. This represents increases over 2010 of 3%, 13% and 18% respectively. So, although sales growth is modest for this year, we are improving the quality of our sales by raising our profitability.

I am proud of Sumida's achievements in 2010, but I have the firm belief that we can do better in the coming years. We will put in our best efforts.

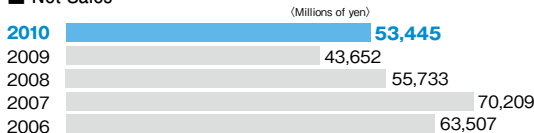
2010 Full Year Results

Operating Results

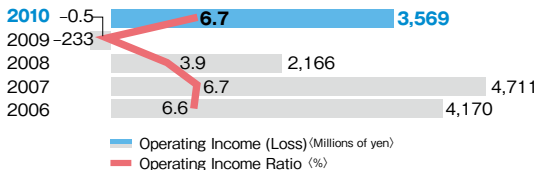
	2006	2007	2008	2009	2010
Net Sales	63,507	70,209	55,733	43,652	53,445
Operating Income (Loss)	4,170	4,711	2,166	-233	3,569
Operating Income Ratio	6.6	6.7	3.9	-0.5	6.7
Ordinary Income (Loss)	4,505	4,367	-146	-773	2,241
Ordinary Income Ratio	7.1	6.2	-0.3	-1.8	4.2
Net Income (Loss)	2,181	2,855	-5,742	-2,009	2,210
Net Income Ratio	3.4	4.1	-10.3	-4.6	4.1
Net Assets	27,150	29,918	14,700	11,068	8,848
Total Assets	70,161	71,509	60,813	54,504	49,410

(Unit: Millions of yen, %)

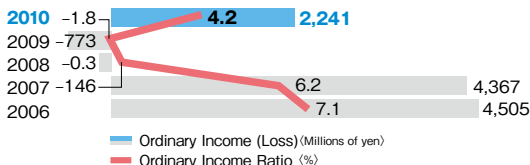
Net Sales



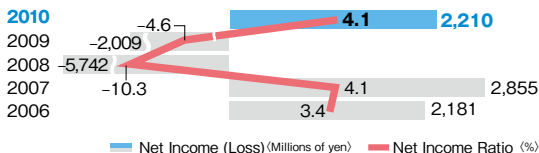
Operating Income (Loss)/ Operating Income Ratio



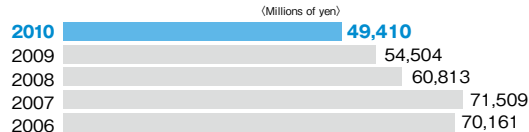
Ordinary Income (Loss)/ Ordinary Income Ratio



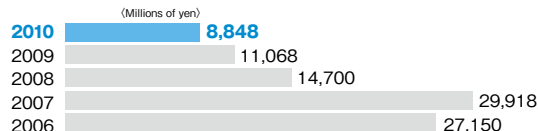
Net Income (Loss)/ Net Income Ratio



Total Assets

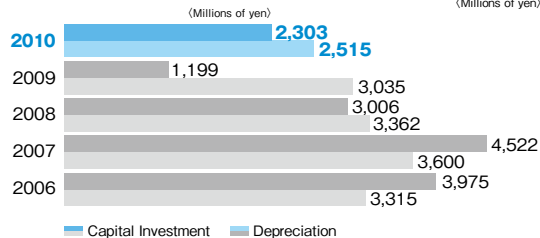


Net Assets



Capital Investment and Depreciation

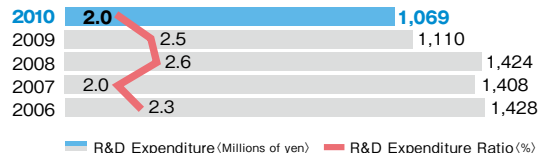
	2006	2007	2008	2009	2010
Capital Investment	3,975	4,522	3,006	1,199	2,303
Depreciation	3,315	3,600	3,362	3,035	2,515



R&D Expenditure

	2006	2007	2008	2009	2010
R&D Expenditure	1,428	1,408	1,424	1,110	1,069
R&D Expenditure Ratio	2.3	2.0	2.6	2.5	2.0

(Millions of yen, %)



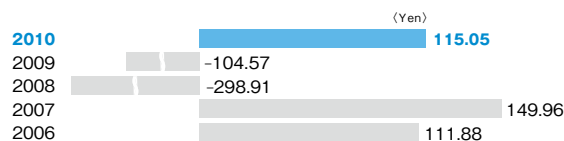
2010 Full Year Results

Information per Share

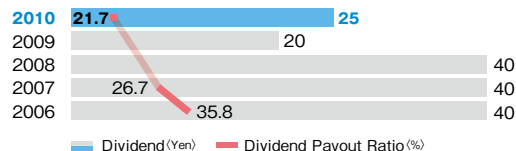
	2006	2007	2008	2009	2010
Net Income (Loss)	111.88	149.96	-298.91	-104.57	115.05
Dividend	40	40	40	20	25
Dividend Payout Ratio (%)	35.8	26.7	-	-	21.7
Net Assets	1,383.75	1,486.13	718.04	545.55	433.22
Cash Flows from Operating Activities	167.41	219.53	104.90	98.29	161.13

(Unit: Yen, %)

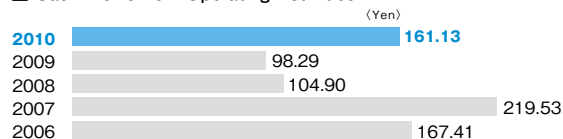
Net Income (Loss)



Dividend and Dividend Payout Ratio



Cash Flows from Operating Activities

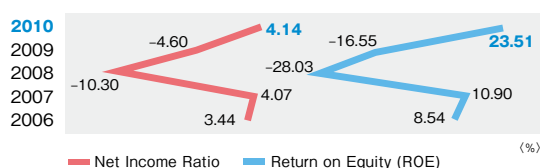


Profitability Indicators

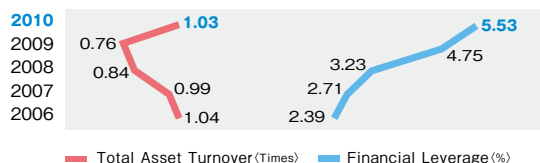
	2006	2007	2008	2009	2010
Net Income Ratio	3.44	4.07	-10.30	-4.60	4.14
Total Asset Turnover	1.04	0.99	0.84	0.76	1.03
Financial Leverage	2.39	2.71	3.23	4.75	5.53
Return on Equity (ROE)	8.54	10.90	-28.03	-16.55	23.51
Return on Assets (ROA)	3.58	4.03	-8.68	-3.48	4.25
Ordinary Income to Total Assets Ratio	7.39	6.17	-0.22	-1.34	4.31

(%, Times)

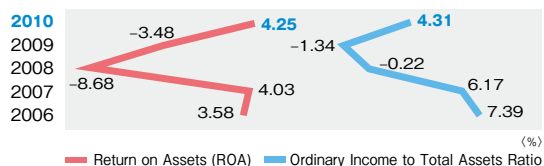
Net Income Ratio / Return on Equity



Total Asset Turnover/ Financial Leverage



Return on Assets (ROA)/ Ordinary Income to Total Assets Ratio



2010 Full Year Results

■ Consolidated Balance Sheets

Assets	FY2009 (As of December 31, 2009)	FY2010 (As of December 31, 2010)
Cash and Deposits	9,317	7,399
Notes and Accounts Receivable-Trade	10,422	10,086
Inventories	6,491	7,706
Other Current Assets	2,385	1,975
Total Current Assets	28,619	27,168
Property, Plant and Equipment	15,288	13,112
Intangible Assets	5,000	3,854
Investment Securities	480	443
Other Noncurrent Assets	5,021	4,737
Total Noncurrent Assets	25,790	22,145
Deferred Assets	95	97
Total Assets	54,504	49,410
Liabilities		
Notes and Accounts Payable-Trade	3,831	3,995
Short-Term Loans Payable	21,368	21,796
Other Current Liabilities	4,950	5,527
Total Current Liabilities	30,149	31,318
Long-Term Loans Payable	5,550	4,376
Other Noncurrent Liabilities	7,737	4,867
Total Noncurrent Liabilities	13,287	9,243
Total Liabilities	43,436	40,561
Net Assets		
Shareholders' Equity	17,847	19,673
Valuation and Translation Adjustments	-7,366	-11,350
Minority Interests	586	525
Total Net Assets	11,068	8,848
Total Liabilities and Net Assets	54,504	49,410

(Millions of yen)

■ Consolidated Statements of Income

	FY2009 (January 1, 2009 to December 31, 2009)	FY2010 (January 1, 2010 to December 31, 2010)
Net Sales	43,652	53,445
Cost of Sales	35,074	41,191
Gross Profit	8,577	12,253
Selling, General and Administrative Expenses	8,811	8,683
Operating Income (Loss)	-233	3,569
Non-Operating Income and Expenses		
Interest and Dividends Income	41	30
Other Non-Operating Income	323	92
Interest Expenses	650	599
Other Non-Operating Expenses	256	850
Total	-540	-1,328
Ordinary Income (Loss)	-773	2,241
Extraordinary Income	283	8
Extraordinary Loss	1,874	193
Income (Loss) before Income Taxes	-2,365	2,056
Income Taxes	-413	-242
Minority Interests in Income	57	88
Net Income (Loss)	-2,009	2,210

(Millions of yen)

■ Consolidated Statements of Cash Flows

	FY2009 (January 1, 2009 to December 31, 2009)	FY2010 (January 1, 2010 to December 31, 2010)
Cash Flows from Operating Activities	1,888	3,095
Cash Flows from Investing Activities	-128	-1,794
Cash Flows from Financing Activities	-3,529	-2,191
Cash and Cash Equivalents at End of Year	9,064	7,275

(Millions of yen)

■ Corporate Information

Holding Company	SUMIDA CORPORATION
Headquarters	Asahi Building, 3-12-2, Nihonbashi, Chuo-ku, Tokyo
Date of Incorporation	January 16, 1956
Capital	7,216 million yen (as of December 31, 2010)
Consolidated Net Sales	53,445 million yen (for FY2010 ended December 31, 2010)
Stock Exchange Listings	Tokyo Stock Exchange, First Section
Fiscal Year End	December 31
Main Financing Bank	Sumitomo Mitsui Banking Corporation, Resona Bank Limited, Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Corporate Bank, Ltd.
Representative (Chief Executive Officer)	Shigeyuki Yawata
Employees	20,003 (as of December 31, 2010)
R&D Centers	Tokyo, Sendai, Nagano, China and Germany
Sales Offices in Japan	Tokyo, Sendai, Nagano, Kumagaya, Kanazawa, Nagoya and Osaka
Sales Offices other than in Japan	Hong Kong, Singapore, China, Taiwan, Thailand, South Korea, USA and Germany
Manufacturing	Japan, China (Taiping, Panyu, Nanning, Changde, Ji'an), Vietnam, Thailand, Mexico, Germany, Romania and Slovenia
Business Description	Research, development, design, manufacturing and distribution of electronic components for audio-visual devices, OA equipments, automotive-related equipments, industrial equipments, RF coils and other electronic components.

■ Stock Information

Securities Identification Code	6817
Annual General Shareholders' Meeting	March
Record Date	December 31st
Trading Unit	100 shares
	1st Quarter Dividend : March 31st
	2nd Quarter Dividend : June 30th
	3rd Quarter Dividend : September 30th
	4th Quarter Dividend : December 31st

SUMIDA CORPORATION

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