

CONSOLIDATED FINANCIAL STATEMENTS (IFRS) (Non-Audited)
(For the first quarter of fiscal year 2018)

May 7, 2018

Name of Company: **SUMIDA CORPORATION**
 Stock Listing: Tokyo
 Security Code No: 6817
 (URL <http://www.sumida.com>)
 Representative: Shigeyuki Yawata, CEO
 Contact: Yoshiyuki Honda, CFO
 Phone: +81-(0)3-6758-2743
 Date of submission of Quarterly Marketable Securities Filings : May 11, 2018
 Date on which Dividend Payments to Commence: May 31, 2018
 Supplementary Materials Prepared for the Financial Statements: Yes
 Presentation Held to Explain the Quarterly Financial Statements: Yes (for institutional investors and analysts)

(Amount of less than one million yen are omitted)

1. Consolidated Operating Results for the first three months of FY2018 (January 1, 2018-March 31, 2018)

(1) Consolidated Operating Results (cumulative)

(Percentage represents changes compared with the same period of the previous fiscal year)

	Revenue		Operating income		Income before taxes	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three months of FY2018	22,701	5.1	456	(70.8)	441	(68.4)
First three months of FY2017	21,599	4.8	1,566	28.0	1,398	42.1

	Net income		Net income attributable to Sumida shareholders		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three months of FY2018	314	(68.0)	287	(69.4)	(828)	-
First three months of FY2017	981	54.9	939	57.6	(125)	-

	Net income per share (Basic)	Net income per share (Diluted)
	yen	yen
First three months of FY2018	10.76	10.57
First three months of FY2017	40.48	40.48

(2) Consolidated Financial Condition

	Total assets	Total equity	Equity attributable to Sumida shareholders	Ratio of Equity attributable to SUMIDA shareholders	Equity attributable to SUMIDA shareholders per
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of Mar.31, 2018	82,057	28,960	27,430	33.4	1,025.44
As of Mar.31, 2017	84,366	30,122	28,570	33.9	1,069.67

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended Dec 31, 2017	6.0	6.0	6.0	27.0	45.0
FY ended Dec 31, 2018	6.0				
FY ended Dec 31, 2018 (forecast)		6.0	6.0	18.0	36.0

Note : Whether the dividend forecast under review has been revised : No

3. Forecast of consolidated Results for FY2018 (January 1, 2018-December 31,2018)

(% change figures is presented in comparison with the same period of the previous fiscal year)

	Revenue		Operating income		Income before taxes		Net income attributable to SUMIDA shareholders		Net income per share (Basic)
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY ended Dec 2018	98,000	8.7	6,200	(0.3)	5,400	(5.2)	3,800	(15.6)	142.27

4. Others

(1) Changes in the state of material subsidiaries during the period (Changes in the state of specific subsidiaries with change in scope of consolidation) : No

(2) Changes in accounting policies and changes in accounting estimates

(a) Changes in accounting policies requested by IFRS: Yes

(b) Changes in accounting policies other than those in (a) above : None

(c) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

(a) Number of shares issued at the end of the period (including treasury stock)

as of Mar. 31, 2018	27,444,317	as of Dec. 31, 2017	27,444,317
---------------------	------------	---------------------	------------

(b) Number of treasury stock at the end of the period

as of Mar. 31, 2018	694,699	as of Dec. 31, 2017	734,541
---------------------	---------	---------------------	---------

(c) Average number of shares issued during the period

first three months of 2018	26,711,938	first three months of 2017	23,210,536
----------------------------	------------	----------------------------	------------

Note:

The consolidated financial statements on this report are not subject to audit.

Note:

Explanation of the appropriate use of performance forecasts or other related items.

Portions of this report that refer to performance forecasts or any other future events are believed to be reasonable under information available at the time of the forecasts. Actual financial results may materially differ from these forecasts due to potential risks and uncertainties.

Consolidated Statements of Financial Position

(Unit: Millions of yen)

	as of Dec 31,2017	as of Mar. 31,2018
Current assets		
Cash and cash equivalents	5,375	5,329
Trade and other receivables	19,469	17,761
Inventories	17,011	15,804
Income tax receivables	362	289
Other assets	2,766	3,681
Total current assets	44,986	42,866
Non-Current assets		
Property, plant and equipment	30,388	30,314
Goodwill	2,006	1,960
Intangibles	2,228	2,343
Financial assets	1,158	1,141
Deferred tax assets	3,309	2,991
Other assets	289	438
Total non-current assets	39,379	39,190
Total assets	84,366	82,057

(Unit: Millions of yen)

	as of Dec 31,2017	as of Mar. 31,2018
Current liabilities		
Trade and other payables	10,721	10,014
Short-term interest bearing debts	8,547	12,040
Long-term interest bearing debts due within one year	11,410	6,771
Provisions	105	58
Income tax payables	356	197
Accrued expenses	2,526	2,144
Other Liabilities	1,449	1,577
Total current liabilities	35,117	32,805
Non-Current liabilities		
Long term interest bearing debts	15,879	17,439
Retirement benefit liabilities	1,574	1,547
Other provisions	55	55
Deferred tax liabilities	491	337
Other liabilities	1,126	911
Total non-current liabilities	19,126	20,291
Total Liabilities	54,243	53,097
Equity		
Capital stock	10,150	10,150
Capital surplus	9,898	9,898
Retained earnings	11,376	11,231
Stock acquisition right	270	270
Treasury stock	(1,526)	(1,443)
Other components of equity	(1,598)	(2,676)
Total equity attributable to owners of the parent	28,570	27,430
Non-controlling interests	1,551	1,529
Total equity	30,122	28,960
Total liabilities and equity	84,366	82,057

Consolidated Statements of Profit and Loss

(Unit: Millions of yen)

	First three months of FY2017 (Jan.1, 2017 - Mar. 31, 2017)	First three months of FY2018 (Jan.1, 2018 - Mar. 31, 2018)
Sales revenue	21,599	22,701
Cost of sales	(17,901)	(19,787)
Gross profit	3,698	2,913
Selling, general and administrative expenses	(2,119)	(2,437)
Other income	4	25
Other expense	(17)	(44)
Operating profit	1,566	456
Financial income	3	171
Financial expense	(171)	(186)
Income before taxes	1,398	441
Income taxes	(417)	(127)
Net income	981	314
Attributable to:		
Owners of the company	939	287
Non-controlling interests	41	26

	First three months of FY2017 (Jan.1, 2017 - Mar. 31, 2017)	First three months of FY2018 (Jan.1, 2018 - Mar. 31, 2018)
Earnings per share (EPS)		
Basic	40.48	10.76
Diluted	40.48	10.57

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	First three months of FY2017 (Jan. 1, 2017 - Mar. 31, 2017)	First three months of FY2018 (Jan. 1, 2018 - Mar. 31, 2018)
Net profits for the year	981	314
Other Comprehensive income		
Items that will not be classified to profit or loss		
Financial assets measured at FV through OCI	-	(27)
Reassessment of defined benefit pension plans (net of tax)	7	13
Total items that will not be classified to profit or loss	7	(14)
Items that may be classified to profit or loss		
Available-for-sale investments	6	-
Net gain(loss) on derivatives designated as cash flow hedge (net of tax)	2	18
Exchange differences on translation of foreign operations (net of tax)	(1,124)	(1,145)
Total items that may be classified to profit or loss	(1,114)	(1,127)
Total other comprehensive income	(1,106)	(1,142)
Total comprehensive incomes for the year	(125)	(828)
Attributable to:		
Owners of the company	(114)	(790)
Non-controlling interests	(11)	(37)

Consolidated Statement of Changes in Equity

(Unit: Millions of yen)

	Capital stock	Capital Surplus	Retained Earnings	Stock acquisition rights	Treasury stock
Balance as of January 1, 2017	8,143	7,919	7,703	172	(1,525)
Net income			939		
Other comprehensive income					
Total comprehensive income			939		
Purchase of shares of consolidated shareholders		(0)			
Dividends			(371)		
Acquisition of treasury shares					(0)
share-based payments				24	
Total transactions with owners		(0)	(371)	24	(0)
Balance as at Mar 31, 2017	8,143	7,919	8,271	196	(1,525)

	Equity attributable to owners of parent						Total Shareholders' equity	Non-controlling interest	Total equity
	Accumulated other comprehensive					Accumulated other comprehensive incomes/(loss)			
	Re-measurement of defined benefit plans	Gains or losses on available-for-sale financial assets	Cash flow hedges	translation differences of foreign operation					
Balance as of January 1, 2017	(402)	19	(1)	(1,400)	(1,783)		20,629	1,392	22,022
Net income						939		41	981
Other comprehensive income	7	6	2	(1,071)	(1,054)	(1,054)	(1,054)	(52)	(1,106)
Total comprehensive income	7	6	2	(1,071)	(1,054)	(114)	(114)	(11)	(125)
Purchase of shares of consolidated shareholders					(0)			(0)	(0)
Dividends						(371)			(371)
Acquisition of treasury shares						(0)			(0)
share-based payments						24			24
Total transactions with owners						(347)			(347)
Balance as at Mar 31, 2017	(394)	26	1	(2,471)	(2,838)		20,167	1,381	21,549

(Unit: Millions of yen)

	Capital stock	Capital Surplus	Retained Earnings	Stock acquisition right	Treasury stock
Balance as of January 1, 2018	10,150	9,898	11,376	270	(1,526)
Impact of change in accounting policy			347		
Restated balance at January 1, 2018	10,150	9,898	11,723	270	(1,526)
Net income			287		
Other comprehensive income					
Total comprehensive income			287		
Dividends			(721)		
Acquisition of treasury shares					(0)
Disposal of treasury shares		(58)		(24)	83
Reclassification of loss on disposal of treasury shares		58	(58)		
share-based payments				24	
Total transactions with owners			(779)	0	82
Balance as at March 31, 2018	10,150	9,898	11,231	270	(1,443)

	Equity attributable to owners of parent						Total Shareholders' equity	Non-controlling interest
	Accumulated other comprehensive					Accumulated other comprehensive incomes/(loss)		
	Re-measurement of defined benefit plans	Gains or losses on available-for-sale financial assets	Gain or losses on financial assets measured at fair value through	Cash flow hedges	translation differences of foreign operation			
Balance as of January 1, 2018	(497)	64	-	(21)	(1,143)	(1,598)	28,570	1,551
Impact of change in accounting policy		(64)	64			347		15
Restated balance at January 1, 2018	(497)	-	64	(21)	(1,143)	(1,598)	28,917	1,567
Net income						287		26
Other comprehensive income	13		(27)	18	(1,081)	(1,078)	(1,078)	(64)
Total comprehensive income	13		(27)	18	(1,081)	(1,078)	(790)	(37)
Dividends							(721)	
Acquisition of treasury shares							(0)	
Disposal of treasury shares							0	
Reclassification of loss on disposal of treasury shares								
share-based payments							24	
Total transactions with owners							(696)	
Balance as at March 31, 2018	(484)	-	36	(3)	(2,225)	(2,676)	27,430	1,529

Consolidated Statements of Cash flows

(Unit: Millions of yen)

	First three months of FY2017 (Jan.1, 2017 - Mar. 31, 2017)	First three months of FY2018 (Jan.1, 2018 - Mar. 31, 2018)
Cash flow from operating activities		
Income before tax	1,398	441
Depreciation and amortization	778	913
Interest income	(3)	(5)
Interest expense	113	158
Losses(gains) on sales on non-current assets	4	(16)
Decrease(increase) in trade and other receivables	597	1,119
Decrease(increase) in inventories	(623)	109
Decrease(increase) in trade and other payables	163	(237)
Others	287	(801)
Sub-total	2,716	1,681
Interest and dividend received	3	5
Interest paid	(119)	(143)
Income tax paid	(346)	(62)
Net cash flow from operating activities	2,253	1,480
Cash flow from investing activities		
Capital expenditure on property, plant and equipment	(1,100)	(2,056)
Cash from the disposal of property, plant and equipment	1	73
Cash expenditure on intangibles	(123)	(215)
Others	(5)	(0)
Net cash flow from investing activities	(1,228)	(2,198)
Cash flow from financing activities		
Net increase (decrease) in short-term loans payable	989	3,901
Proceeds from long-term loans payable	1,681	4,045
Repayments of long-term loans payable	(2,755)	(6,280)
Redemption of bonds	(210)	(60)
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(371)	(721)
Others	(21)	(24)
Net cash provided by (used in) financing activities	(687)	861
Effect of exchange rates on cash and cash equivalents	(133)	(190)
Change in cash and cash equivalents	204	(46)
Cash and cash equivalents as at Jan. 1	3,546	5,375
Cash and cash equivalents as at Mar. 31	3,750	5,329

Business segment information

First three months of FY 2017

(Unit: Millions of yen)

	Asia Pacific Business	EU Business	Total	Elimination or corporate	Consolidated
Revenue					
Revenue to thrid parties	12,379	9,220	21,599	-	21,599
Inter-segment sales or transfers	1,169	514	1,683	(1,683)	-
Total revenue	13,549	9,734	23,283	(1,683)	21,599
Segment income	884	903	1,787	(208)	1,579
Other income	-	-	-	-	4
Other expense	-	-	-	-	(17)
Financial income	-	-	-	-	3
Financial cost	-	-	-	-	(171)
Earning before taxes	-	-	-	-	1,398

First three months of FY 2018

(Unit: Millions of yen)

	Asia Pacific Business	EU Business	Total	Elimination or corporate	Consolidated
Revenue					
Revenue to thrid parties	13,124	9,577	22,701	-	22,701
Inter-segment sales or transfers	1,102	492	1,595	(1,595)	-
Total revenue	14,227	10,069	24,296	(1,595)	22,701
Segment income	244	395	640	(163)	476
Other income					25
Other expense					(44)
Financial income					171
Financial cost					(186)
Earning before taxes					441