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# **SUMIDA CORPORATION**

## **3<sup>rd</sup> Quarter Results - 2005**

27<sup>th</sup> October 2005

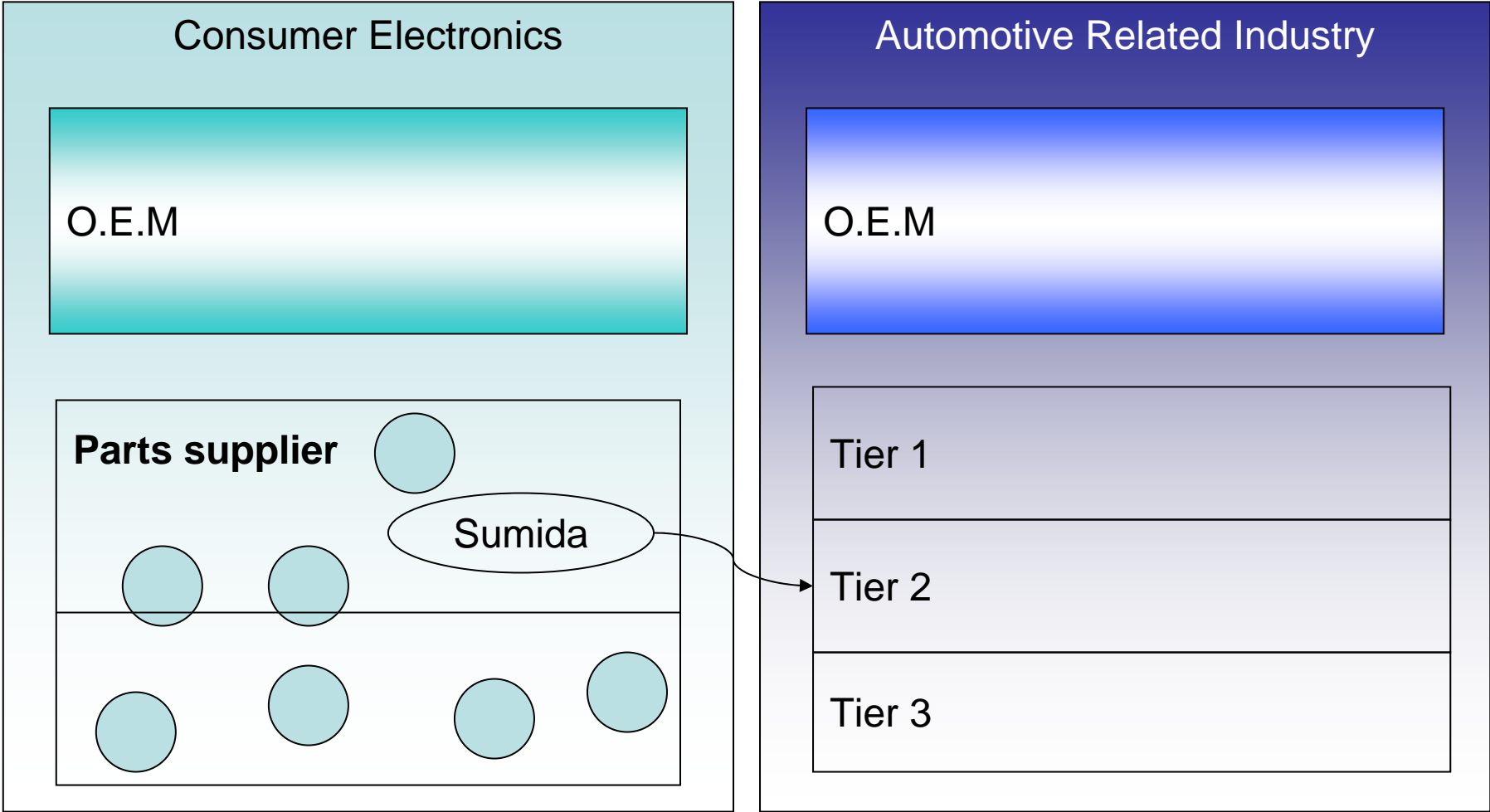
**CEO**

**YAWATA SHIGEYUKI**

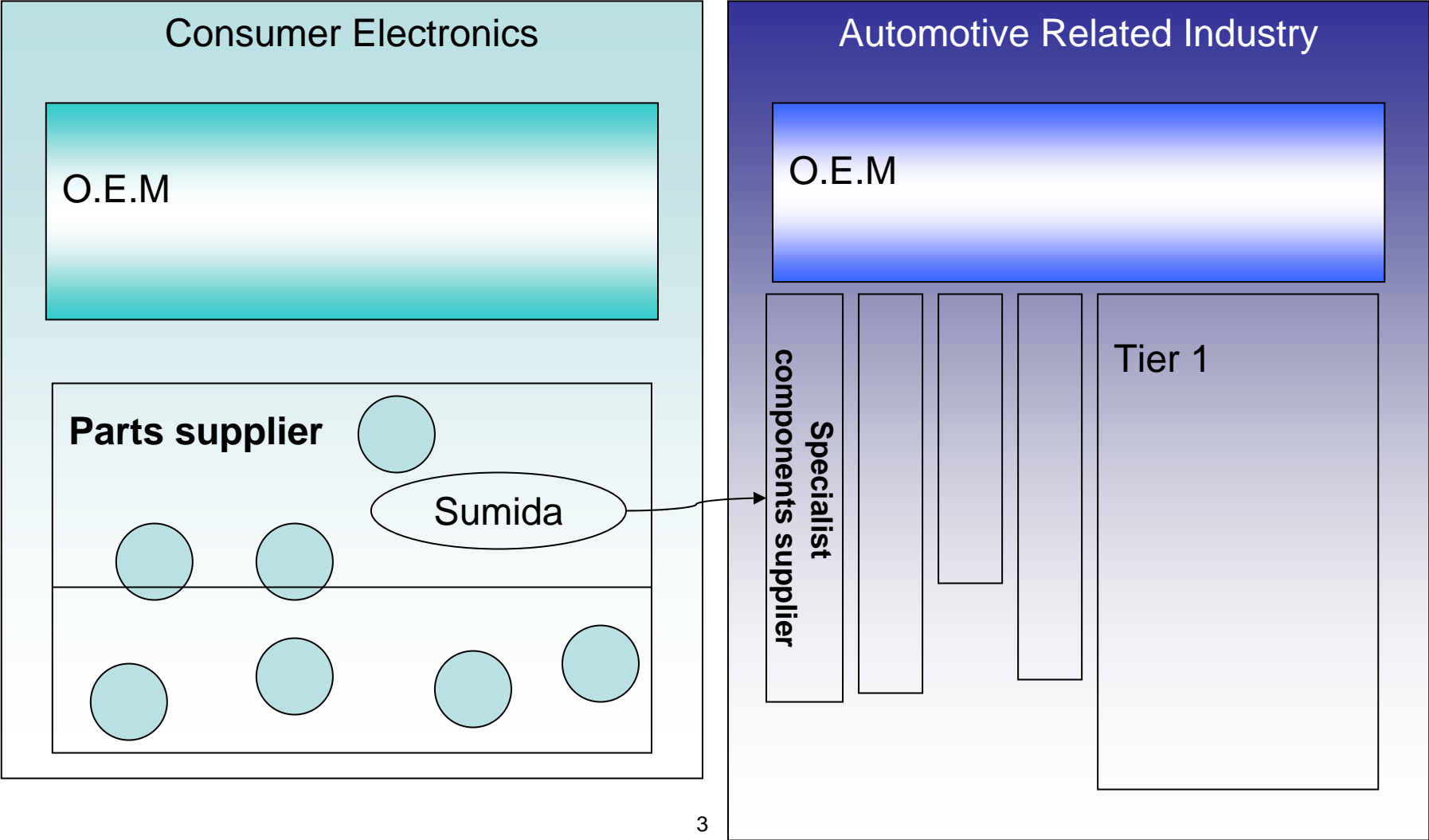
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# SUMIDA's Strategy



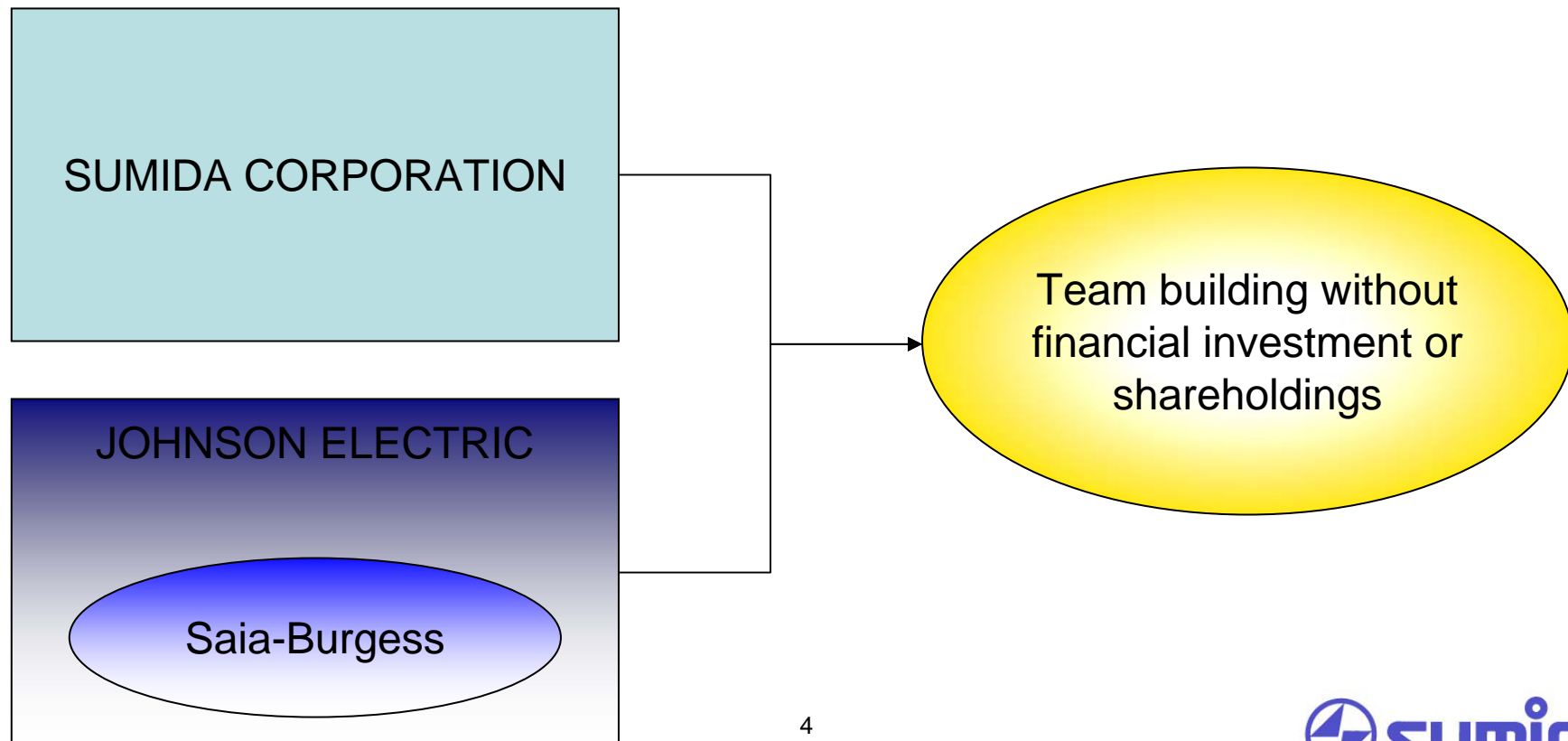
# SUMIDA's Strategy



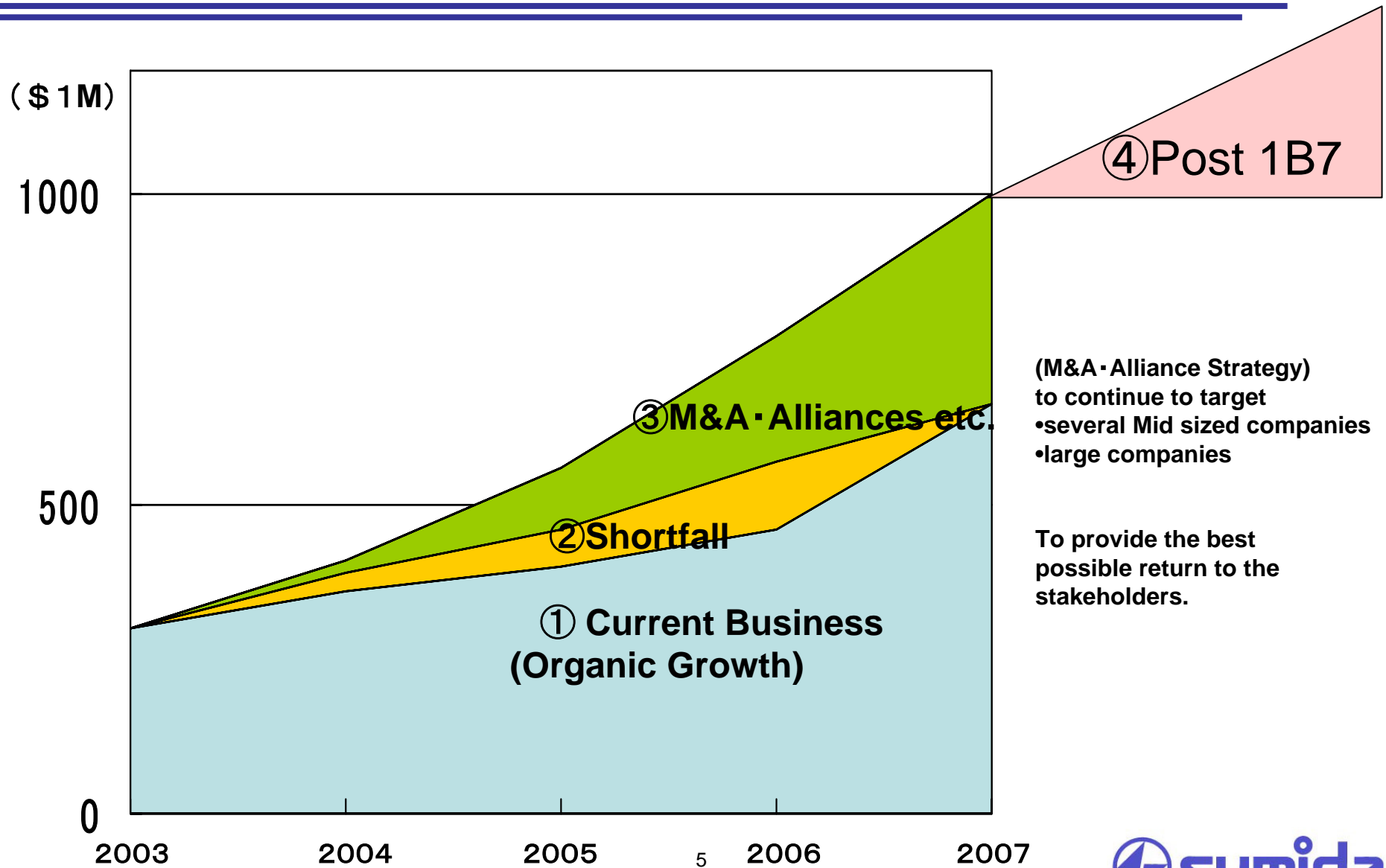
# TOB for Saia Burgess

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- Friendly working relationship without “shareholding”
- To form a team to become a solution provider



# The road to 1B7



(M&A - Alliance Strategy)  
to continue to target  
• several Mid sized companies  
• large companies

To provide the best  
possible return to the  
stakeholders.

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# **SUMIDA CORPORATION**

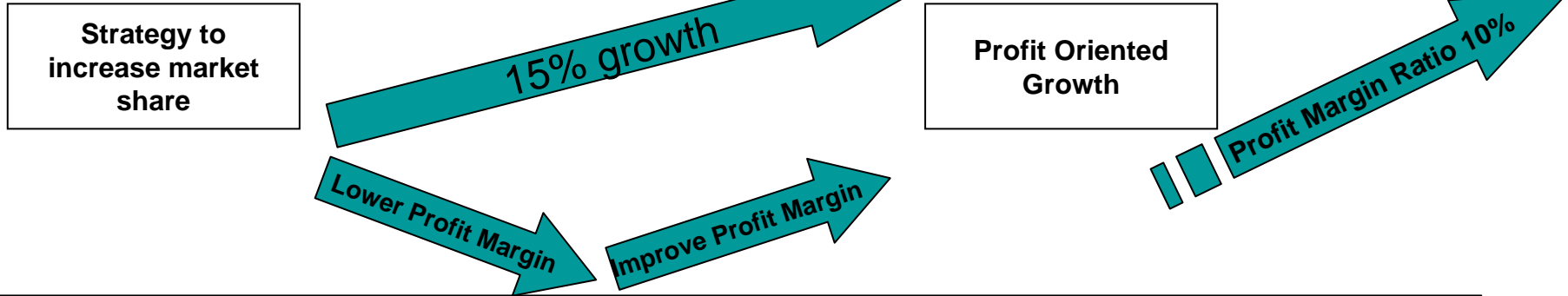
## **3<sup>rd</sup> Quarter Results - 2005**

27<sup>th</sup> October 2005

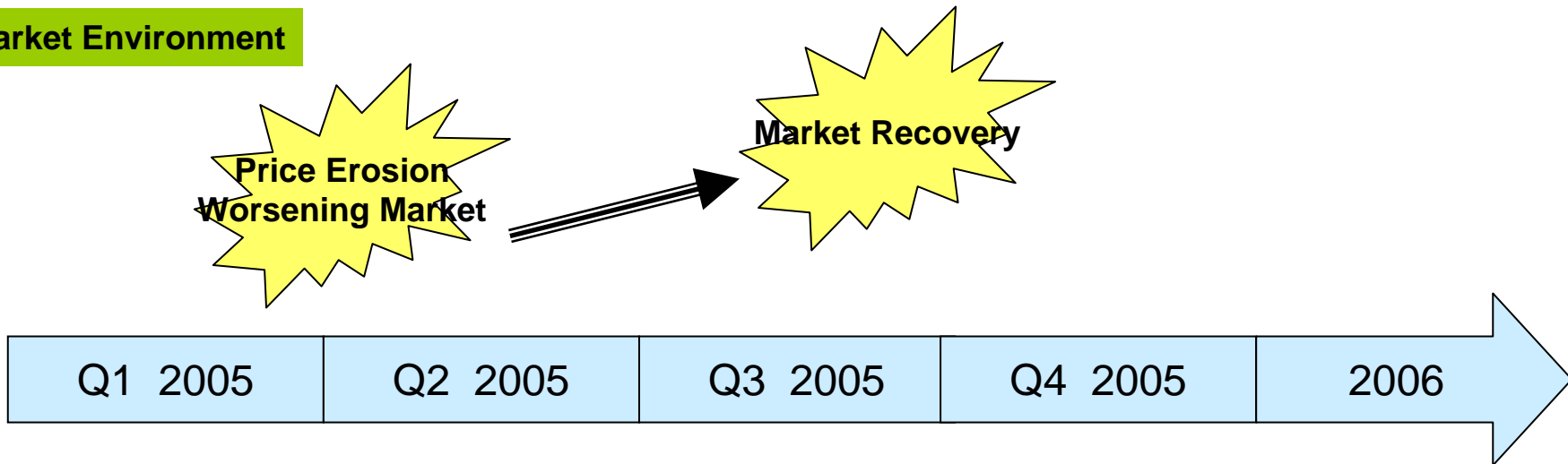
**GROUP PRESIDENT  
CHIU KA SHEUNG**

# 2005 – Business Climate

## Sumida's Strategy



## Market Environment



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# **SUMIDA CORPORATION**

## **3<sup>rd</sup> Quarter Results - 2005**

27<sup>th</sup> October 2005

**CFO**

**MATSUDA SABURO**

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# 1. Consolidated Results of Operations for Q3

(million yen, %)

	<u>05 Q2</u>	<u>05 Q3</u>	<u>Change</u>	<u>% Change</u>
<b>Net Sales</b>	9,519	10,225	706	7.4%
<b>Operating Profit</b>	1,036	845	△191	△18.4%
<b>Operating Profit Ratio</b>	10.9%	8.3%		
<b>Ordinary Income</b>	934	733	△202	△21.5%
<b>Net Income</b>	631	590	△41	△6.5%

## 2. Net Sales

	(million yen, %)			
	<u>04 Q3</u>	<u>05 Q3</u>	<u>Change</u>	<u>% Change</u>
<b>5 Companies</b>	8,855	9,741	886	10.0%
<b>PMC</b>	<u>663</u>	<u>484</u>	<u>△179</u>	<u>△ 27.0%</u>
<b>Total</b>	<u><u>9,519</u></u>	<u><u>10,225</u></u>	<u><u>706</u></u>	<u><u>7.4%</u></u>
<b>Legacy</b>	4,746	4,945	199	△4.2%
<b>Inverter</b>	2,551	2,784	233	9.1%
<b>Automotive</b>	<u>1,558</u>	<u>2,012</u>	<u>454</u>	<u>29.1%</u>
<b>5 Companies</b>	<u><u>8,855</u></u>	<u><u>9,741</u></u>	<u><u>886</u></u>	<u><u>10.0%</u></u>

### 3. Operating Income

	(million yen, %)			
	<u>04 Q3</u>	<u>05 Q3</u>	<u>Change</u>	<u>% Change</u>
Legacy	2,334	2,217	△117	△5.0%
Inverter	350	551	201	57.4%
Automotive	480	395	△85	△17.7%
Subtotal	3,164	3,163	△1	0%
PMC	103	78	△25	△24.3%
Elimination	△2,231	△2,396	△165	
Operating Profit	<u>1,036</u>	<u>845</u>	<u>△191</u>	<u>△18.4%</u>

## 4. Operating Profit Comparison

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(Unit : %)

	<u>04 Q3</u>	<u>05 Q3</u>	<u>% Change</u>
<b>Legacy</b>	49.2	44.8	△4.6%
<b>Inverter</b>	13.7	19.8	6.1%
<b>Automotive</b>	30.8	19.7	△11.1%

## 5. Profit Structure Analysis

(million yen,%)

	<b>Sales</b>	<b>Margin</b> (Actual - Forecast)	<b>Margin</b> (Theoretical)	<b>Fixed Costs</b>	<b>Operating profit</b>	<b>Operating profit ratio</b>
<b>05 Q1</b>	<b>9,424</b>	<b>30.9%</b>	<b>30.9%</b>	<b>2,200</b>	<b>712</b>	<b>7.6%</b>
<b>05 Q2</b>	<b>9,700</b>	<b>31.9%</b>	<b>31.4%</b>	<b>2,393</b>	<b>701</b>	<b>7.2%</b>
<b>05 Q3(E)</b>	<b>10,200</b>	<b>31.5%</b>	<b>32.3%</b>	<b>2,385</b>	<b>828</b>	<b>8.1%</b>
<b>05 Q3(A)</b>	<b>10,225</b>	<b>31.7%</b>	<b>32.3%</b>	<b>2,396</b>	<b>845</b>	<b>8.3%</b>
<b>05 Q4(E)</b>	<b>10,300</b>	<b>31.7%</b>	<b>32.3%</b>	<b>2,385</b>	<b>880</b>	<b>8.5%</b>
<b>05 Target</b>	<b>11,000</b>	<b>31.7%</b>	<b>33.6%</b>	<b>2,385</b>	<b>1,102</b>	<b>10.0%</b>

## 6. 2005 Q3 Consolidated Results of Operations (against commitment)

	<u>Commitment</u>	<u>Actual</u>	<u>Favor (UF)</u>	(million yen, %) <u>Achievement</u>
<b>Sales</b>	10,200	10,225	25	100.2%
<b>Margin</b>	3,248	3,241	△7	99.8%
<b>Margin Ratio</b>	31.8%	31.7%		
<b>SGA</b>	2,428	2,396	△ 32	
<b>Operating Profit</b>	820	845	25	103.0%

## 7. 2005 Q3 Consolidated Results of Operations (against commitment)

	<u>Commitment</u>	<u>Actual</u>	<u>Favor (UF)</u>	(million yen, %) <u>Achievement</u>
Operating Profit	820	845	25	103.0%
Equity Method	(75)	(75)		
Others	(25)	(37)	△12	
Recurring Profit	720	733	13	101.8%

## 9. Consolidated Forecast for Q4

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(million yen, %)

	<b>2005 (Q4)</b>	<b>2004 (Q4)</b>	<b>2005 (Q3)</b>
<b>Sales</b>	<b>10,300</b>	<b>10.0%up</b>	<b>0.7%up</b>
<b>Operating Profit</b>	<b>880</b>	<b>5.8%up</b>	<b>4.1%up</b>
<b>Recurring Profit</b>	<b>750</b>	<b>15.0%up</b>	<b>2.3%up</b>
<b>Net Income</b>	<b>850</b>	<b>1,417.9%up</b>	<b>44.1%up</b>



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## **Disclaimer**

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*27th Oct.,2005*