
Press Release

May 16, 2006

Company Name **SUMIDA CORPORATION**
Representative Shigeyuki Yawata,
Representative Executive Officer(CEO)
(Code 6817, 1st Section, Tokyo Stock
Exchange)
For Inquiries Hitoshi Aizawa,
Corporate Office Officer
(Phone: 81-3-3667-3382)

NOTICE OF DIVIDEND POLICY **(Introducing Quarterly Dividend Payment System)**

SUMIDA CORPORATION hereby gives notice regarding the dividend policy which was approved at the meeting of the Board of Directors held today, details of which are as follows:

1. Basic Policy

SUMIDA has been positioning the return of profit to shareholders linked to consolidated results as an important theme for management. Whilst improving internal reserves aimed at operational expansion, SUMIDA adopts a mid- to long-term policy for distribution of retained earnings that sustains a standard dividend payout ratio in a stable fashion. Specifically, the Company regards 25-30% of consolidated net income as its standard dividend payout ratio.

2. Introducing Quarterly Dividend Payment

Quarterly dividend payment was made possible by Japan's new Corporate Law which came into effect on May 1, 2006, and abolished the current limits on the frequency of dividend payments. SUMIDA has already amended its Articles of Incorporation to reflect this new regulation, and has hereby made a resolution to introduce the quarterly dividend policy.

Record Date

- 1st Quarter : March 31, 2006 (The new Corporate Law hasn't taken effect yet, so we haven't distributed a dividend at this time).
- 2nd Quarter : June 30, 2006
- 3rd Quarter : September 30, 2006
- 4th Quarter : December 31, 2006

Object Person

Shareholders or registered pledges whose names are registered or recorded in the final shareholders registry as of each record date

Decision of Dividend

The decision to issue a dividend and the corresponding amount, if so, will be determined based on the consolidated results of each quarter, and the basic policy. The amount will be determined by the Board of Directors in the meeting held after each record date.

3. 2nd Quarter dividend

In the 1st Quarter, since the new Corporate Law hadn't taken effect, we didn't distribute a dividend at that time. For the 2nd Quarter, we shall distribute the retained earnings which will also be considered as a dividend of the 1st Quarter as this is the first dividend payment under the new dividend policy.

(For Reference)

Today, we announced our business forecast for the 2nd Quarter. If the expected business results are achieved, we shall pay JPY 20 per share as the 2nd quarter dividend.

Fiscal year 2006	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total
	—	JPY 20	—	—	—
Fiscal year 2005 (Actual)	Interim Dividend		End-term Dividend		Total
	JPY 15		JPY 25		JPY 40

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