
Press Release

11 July 2006

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

Sumida Acquires German Company, Panta GmbH

We, SUMIDA CORPORATION, hereby give notice that today (10 July in Germany time) we have made a decision to acquire a German company, Panta GmbH (hereafter as "Panta"), with the mutual agreement between Sumida and shareholders of Panta. Details are as follow:

1. Summary of Acquisition

An agreement of Sumida purchasing 61% of outstanding shares of Panta at a cost of 5.49 million Euro (about 796 million yen) through its Germany subsidiary Sumida Holding Germany GmbH was reached. The closing date is scheduled on 31 August 2006, and there will not be changes in the company name and the representative of Panta.

2. Purpose of Acquisition

Panta has the operating base at Germany that its main business is the manufacture and sales of flat connecting cables used in cars and industrial flat cables. The main customers include German Automotive Tier 1 companies, manufacturers of measuring equipment, and electromechanical components manufacturers, etc. Since its establishment in 1993, Panta has been steadily growing with obvious achievement that the sales revenue for FY2005 showed a 13% year to year increase to 8.597 million Euro (about 1,247 million yen), meanwhile, EBITDA also showed a 15.5% year to year increase to 1.335 million Euro (about 194 million yen).

In 2001, Sumida, through its America subsidiary, had set up a joint venture with Panta which aimed at engaging business of flat cables in America. However, there was not much growth and prospect in the U.S. market at that time, so the joint venture was dissolved in December 2003. Thereafter, the business of Panta

grew smoothly in Europe that it then started to consider expanding sales in Asia by leveraging Sumida's marketing & sales resources. Also, the U.S. market has been recovering. For these reasons, a conclusion of making this acquisition has been come out.

In February this year, Sumida has added a subsidiary that is VOGT electronic AG (listed on Frankfurt and Munich) which having its strength in automotive parts in Germany. While along with STELCO that we purchased in December 2004, this acquisition of Panta enables us to expand the product lineup in the Group's automotive business, and at the same time to further strengthen our customer base including Tier 1 manufacturers in Germany.

3. Summary of Panta

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| ① | Company Name | Panta GmbH |
| ② | Major Business | Production and sales of flexible interconnection systems |
| ③ | Year of Establishment | 1993 |
| ④ | Head Office | Radeberg, Germany |
| ⑤ | No. of Employees | 60 |
| ⑥ | Representative | Mr. Gerhard-Dietmar Zeibig (CEO) |
| ⑦ | Shareholders Equity | 269,565 Euro (about 39 million yen) |
| ⑧ | Business Achievement | |

(Unit: Thousand Euro)

	2003 ended December	2004 ended December	2005 ended December
Sales	5,836	7,585	8,597
Operating Profit	186	82	446
EBITDA	608	876	1,335

* EBITDA : Earnings Before Tax + Depreciation & Amortization + Interest Expense

4. Impact on Sumida's Financial Results

As a result of this acquisition, Panta has become one of the subsidiaries of Sumida Holding Germany GmbH. Also, it will be subject to the financial consolidation of Sumida from 1st September 2006, however, is expected to have little impact on the consolidated results of fiscal year 2006 ended December.