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## Press Release

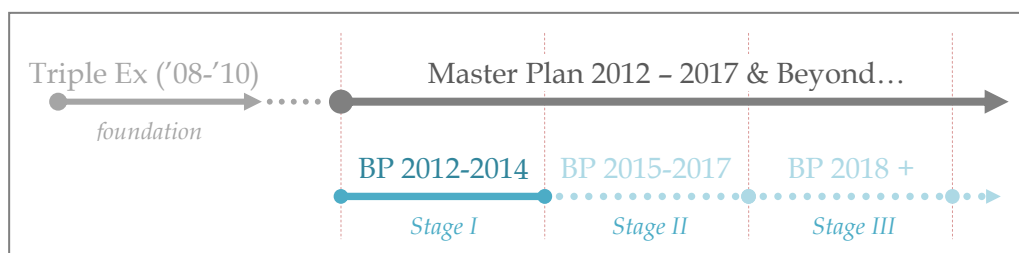
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Company Name	<b>SUMIDA CORPORATION</b>
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### **Mid-Term Business Plan (2012-2014)**

The current Sumida mid-term business plan - MTBP 2010 to 2012, formulated to get us back on a growth path has been overtaken by events. Unexpected events such as the Tohoku earthquake and the Fukushima catastrophe, the flooding in Thailand and the worldwide economic instability have forced us to reassess our long term vision and how we can adapt to a volatile and uncertain environment.

We have concluded that a revised planning approach would be needed which takes into account the various key internal and external forces which affect our business. The result of this new approach are two plans: an overarching Master Plan setting the framework for a series of Business Plans, the first of which is the Business Plan 2012 - 2014 (see figure 1).



The Master Plan uses the previous Triple Ex plan as a starting point on which to build on. It covers a longer time horizon and provides the structure of our mid- and long-term business planning. It acts as a guide for both short and mid-term business plan development.

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Within the Master Plan sit our Business Plans. These plans are to be viewed as stages of development (or staged actions) for the company, differing from our previous approach of introducing individual business plans. The key areas of focus for each stage are:

- Stage 1: Realignment and Foundation Building (2012-2014)
- Stage 2: Market Development and Growth (2015-2017)
- Stage 3: Growth and Diversification (2018 and Beyond)

In Stage 1 - Realignment and Foundation Building, we aim to achieve a profitable global organization, institutionalize key processes, and adopt a zero-based approach to pursue profitability. Key initiatives are:

- Profitability: Focus on productivity, strict expense control and inventory management to speed up reduction of debt.
- Cash Management: Repayment of debts and improvements to multi-currency cash flow management to revive our balance sheet.
- Product Management: Introduction of new products to increase the number of markets we are present in & further development of existing successful product lines to increase market share.
- Organizational resilience and adaptability: Geographical, market & currency diversification for hedging risks.

Sumida believes that in order to realign itself and adjust to a new and difficult environment, it has to take a number of measured steps, in order to achieve sustainable success.

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