

CONSOLIDATED FINANCIAL STATEMENTS

(for the first quarter of fiscal year 2013)

April 30, 2013

Name of Company: **SUMIDA CORPORATION**

Stock Listing: Tokyo

Security Code No.: 6817

(URL <http://www.sumida.com>)

Representative: Shigeyuki Yawata, CEO

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Date of Submission of Quarterly Marketable Securities Filings: May 13, 2013

Date on which Dividend Payments to Commence: May 28, 2013

Supplementary Materials Prepared for the Financial Statements: Yes

Presentation Held to Explain the Quarterly Financial Statements : Yes (for institutional investors and analysts)

(Amounts of less than one million yen are omitted.)

1. Consolidated Operating Results for the First Quarter of FY 2013 (January 1, 2013–March 31, 2013)

(1) Consolidated Operating Results (cumulative)

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1st Quarter of FY2013	14,228	15.0	240	14.7	160	(8.8)	26	(73.1)
1st Quarter of FY2012	12,375	(6.7)	209	(65.9)	176	(73.4)	98	(76.3)

	Net income per share (Basic)		Net income per share (Fully diluted)	
	Yen		Yen	
1st Quarter of FY2013	1.38		-	
1st Quarter of FY2012	5.14		-	

Note: Comprehensive income for the year ended March 31, 2013 : 1,867 million yen 55.5%
 Comprehensive income for the year ended March 31, 2012 : 1,209 million yen (25.5%)

(2) Consolidated Financial Condition

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of Mar. 31, 2013	49,925		11,689		21.9		569.73	
As of Dec. 31, 2012	46,790		9,866		19.7		479.38	

Reference: Shareholders' equity at March 31, 2013: 10,945 millions of yen
 Shareholders' equity at December 31, 2012: 9,209 millions of yen

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Annual
	Yen				
FY ended Dec.2012	5.00	5.00	5.00	5.00	20.00
FY ended Dec.2013	5.00	-	-	-	-
FY ended Dec.2013 (forecast)	-	5.00	5.00	5.00	20.00

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

3. Forecast of Consolidated Results for FY 2013 (January 1, 2013–December 31, 2013)

(% change figures for revenues, operating income, recurring profit, and net income is presented in comparison with the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Millions of yen	%change	Millions of yen	%change	Millions of yen	%change	Millions of yen	%change	yen	
Fully year of FY2013	62,300	21.4	2,300	34.7	1,770	60.8	500	(27.7)	21.54	

Note: Whether the forecasts for consolidated figures under review have been revised: No

4. Others

- (1) Changes in the state of material subsidiaries during the period (changes regarding specific subsidiaries attendant with change in scope of consolidation): None
Newly added: — Excluded: —
- (2) Application of simplified accounting methods and/or special accounting method for preparation of the quarterly consolidated financial statements: Yes
- (3) Changes in accounting principles and changes in accounting estimates
- (a) Changes in accounting principles: Yes
 - (b) Changes other than those in (a) above: None
 - (c) Changes in accounting estimates : None
 - (d) Restatement : Yes
- (4) Number of shares issued (common shares)
- (a) Number of shares issued at the end of the period (including treasury stock)

First quarter of FY 2013	19,944,317 shares
FY 2012	19,944,317 shares
 - (b) Number of treasury stock at the end of the period

First quarter of FY 2013	732,448 shares
FY 2012	732,361 shares
 - (c) Average number of shares issued during the period (three months)

First quarter of FY 2013	19,211,940 shares
First quarter of FY 2012	19,212,359 shares

Note:

Items related to the status of the implementation of quarterly reviews

At the time of disclosure of these quarterly consolidated financial statements, review procedures were in progress for the quarterly financial statements based on the Financial Instruments and Exchange Act.

Note:

Explanation of the appropriate use of performance forecasts and 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 Financial Statements

(1) Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31, 2013	As of December 31, 2012
Assets		
Current assets		
Cash and deposits	2,608	2,648
Notes and accounts receivable-trade	10,384	11,188
Merchandise and finished goods	4,230	4,017
Work in process	1,055	1,233
Raw materials and supplies	2,850	3,217
Income taxes receivable	226	297
Other	1,979	2,107
Allowance for doubtful accounts	(58)	(60)
Total current assets	<u>23,277</u>	<u>24,651</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	10,211	10,915
Machinery, equipment and vehicles	26,664	29,493
Tools, furniture and fixtures	4,108	4,425
Land	1,292	1,324
Lease assets	958	972
Construction in progress	1,046	1,115
Accumulated depreciation	(29,508)	(32,324)
Total property, plant and equipment	<u>14,773</u>	<u>15,921</u>
Intangible assets		
Goodwill	2,402	2,464
Other	762	793
Total intangible assets	<u>3,164</u>	<u>3,257</u>
Investments and other assets	<u>5,459</u>	<u>5,980</u>
Total noncurrent assets	<u>23,397</u>	<u>25,159</u>
Deferred assets	<u>114</u>	<u>114</u>
Total assets	<u>46,790</u>	<u>49,925</u>
Liabilities		
Current liabilities		
Notes and accounts payable-trade	3,474	3,867
Short-term loans payable	10,163	10,393
Current portion of bonds	1,000	1,120
Current portion of long-term loans payable	2,395	3,226
Income taxes payable	260	301
Other	2,973	3,138
Total current liabilities	<u>20,267</u>	<u>22,047</u>
Noncurrent liabilities		
Bonds payable	5,650	5,630
Long-term loans payable	9,011	8,187
Provision for retirement benefits	805	913
Other	1,189	1,456
Total noncurrent liabilities	<u>16,655</u>	<u>16,188</u>
Total liabilities	<u>36,923</u>	<u>38,235</u>
Net assets		
Shareholders' equity		
Capital stock	7,216	7,216
Capital surplus	7,029	7,029
Retained earnings	7,269	7,200
Treasury stock	(1,524)	(1,524)
Total shareholders' equity	<u>19,991</u>	<u>19,922</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25	34
Foreign currency translation adjustment	(10,806)	(9,011)
Total accumulated other comprehensive income	<u>(10,781)</u>	<u>(8,976)</u>
Minority interests	<u>656</u>	<u>744</u>
Total net assets	<u>9,866</u>	<u>11,689</u>
Total liabilities and net assets	<u>46,790</u>	<u>49,925</u>

(2) Consolidated quarterly statements of

(Millions of yen)

	First three month of FY2012 (Jan.1, 2012 - Mar.31, 2012)	First three month of FY2013 (Jan.1, 2013 - Mar.31, 2013)
Net sales	12,375	14,228
Cost of sales	10,208	11,904
Gross profit	2,167	2,324
Selling, general and administrative expenses		
Freightage and packing expenses	132	193
Employees' salaries and allowances	744	739
Depreciation	62	57
Research and development expenses	284	266
Other	733	827
Total selling, general and administrative expenses	1,957	2,084
Operating income	209	240
Non-operating income		
Interest and dividends income	6	3
Foreign exchange gains	98	—
Gain on valuation of derivatives	48	106
Other	9	7
Total non-operating income	161	117
Non-operating expenses		
Interest expenses	166	108
Foreign exchange losses	—	49
Other	28	38
Total non-operating expenses	195	197
Ordinary income	176	160
Extraordinary income		
Gain on sales of noncurrent assets	77	2
Insurance income	127	—
Other	3	—
Total extraordinary income	208	2
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	4	8
Business structure improvement expenses	50	—
Loss on disaster	76	—
Directors' severance pay	315	—
Total extraordinary losses	447	8
Income (loss) before income taxes and minority interests	(62)	155
Income taxes	(186)	93
Income before minority interests	123	61
Minority interests in income	25	35
Net income	98	26

(3) Consolidated statements of comprehensive income

	(units: Millions of yen)	
	First three month of FY2012 (Jan.1, 2012 - Mar.31, 2012)	First three month of FY2013 (Jan.1, 2013 - Mar.31, 2013)
Income before minority interests	123	61
Other comprehensive income		
Valuation difference on available-for-sale	10	9
Foreign currency translation adjustment	1,075	1,796
Total other comprehensive income	1,085	1,805
Comprehensive income	1,209	1,867
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,184	1,831
Comprehensive income attributable to minority	25	35

(4) Consolidated quarterly statements of cash flows

	(Millions of yen)	
	First three month of FY2012 (Jan.1, 2012 - Mar.31, 2012)	First three month of FY2013 (Jan.1, 2013 - Mar.31, 2013)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(62)	155
Depreciation and amortization	549	659
Amortization of goodwill	67	78
Interest and dividends income	(6)	(3)
Interest expenses	166	108
Foreign exchange losses (gains)	0	(0)
Business structure improvement expenses	50	—
Loss (gain) on valuation of derivatives	(48)	(106)
Decrease (increase) in notes and accounts receivable-trade	(419)	(242)
Decrease (increase) in inventories	646	233
Increase (decrease) in notes and accounts payable-trade	(199)	106
Other, net	(484)	247
Subtotal	260	1,236
Interest and dividends income received	6	3
Interest expenses paid	(156)	(126)
Income taxes paid	(68)	(157)
Net cash provided by (used in) operating activities	41	955
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	28	—
Payments into time deposits	(3)	0
Purchase of property, plant and equipment	(781)	(738)
Collection of loans receivable	0	—
Purchase of stocks of subsidiaries and affiliates	(0)	(0)
Other, net	182	(24)
Net cash provided by (used in) investing activities	(573)	(764)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(2,556)	(389)
Proceeds from long-term loans payable	2,100	580
Repayment of long-term loans payable	(1,188)	(571)
Proceeds from issuance of bonds	2,000	600
Redemption of bonds	(715)	(500)
Cash dividends paid	(0)	(96)
Other, net	(14)	(12)
Net cash provided by (used in) financing activities	(374)	(390)
Effect of exchange rate change on cash and cash equivalents	446	235
Net increase (decrease) in cash and cash equivalents	(460)	36
Cash and cash equivalents at beginning of period	6,851	2,557
Cash and cash equivalents at end of period	6,390	2,594

Segment information

For the first quarter ended March 31, 2012 (Jan. 1, 2012 - Mar. 31, 2012)

	Asia Pacific	EU	Total
	<i>(Millions of yen)</i>	<i>Millions of yen</i>	<i>Millions of yen</i>
Sales			
(1)Sales to third parties	8,017	4,358	12,375
(2) Inter-segment sales or transfers	148	263	411
Total	8,165	4,621	12,786
Segment profit	458	333	792

Operating income	Amount
	<i>(Millions of yen)</i>
Segment profit	792
Eliminations	(582)
Operating income	209

For the first quarter ended March 31, 2013 (Jan. 1, 2013 - Mar. 31, 2013)

	Asia Pacific	EU	Total
	<i>(Millions of yen)</i>	<i>Millions of yen</i>	<i>Millions of yen</i>
Sales			
(1)Sales to third parties	9,055	5,173	14,228
(2) Inter-segment sales or transfers	227	391	619
Total	9,283	5,564	14,848
Segment profit	388	302	690

Operating income	Amount
	<i>(Millions of yen)</i>
Segment profit	690
Eliminations	(449)
Operating income	240