



# Results for First Half of Fiscal Year 2010 (ending January 31, 2011)

September 3, 2010

## SUMCO Corporation

### Notes Regarding the Forecasts

Business results forecast as well as the future outlook provided in this material were prepared SUMCO based on the presently available information, and thus contain potential risks and uncertainties. Therefore, please note that the actual results may differ from these forecasts due to change in various factors.

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## Part1. Consolidated Results for 1st Half of FY 2010

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### 1. Summary of Results

(Billion Yen)

	FY2009	FY2010			Change ④-①
	1st Half ①	Q1 ②	Q2 ③	1st Half ④=②+③	
Sales	95.7	67.1	75.1	142.3	46.6
Operating Profit	△ 48.8	△ 2.5	1.3	△ 1.1	47.7
Nonoperating Gains and Loss (Depreciation)	△ 12.3 (△ 11.2)	△ 3.9 (△ 3.3)	△ 4.8 (△ 2.9)	△ 8.7 (△ 6.2)	3.6 (5.0)
Ordinary Profit	△ 61.2	△ 6.4	△ 3.4	△ 9.9	51.3
Extraordinary Loss	△ 2.6	△ 0.1	△ 0.4	△ 0.5	2.1
Net Income	△ 52.9	△ 4.8	△ 3.5	△ 8.3	44.6
Capital Expenditure(Acceptance basis)	22.1	3.6	3.1	6.7	△ 15.4
Depreciation charges	59.0	19.8	19.6	39.4	△ 19.6
EBITDA	0.5	14.7	18.9	33.6	33.1
Exchange Rate Yen/US\$	96.0	90.9	91.3	91.1	△ 4.9

(Note) EBITDA=Operating profit+Depreciation+Amortization of Goodwill

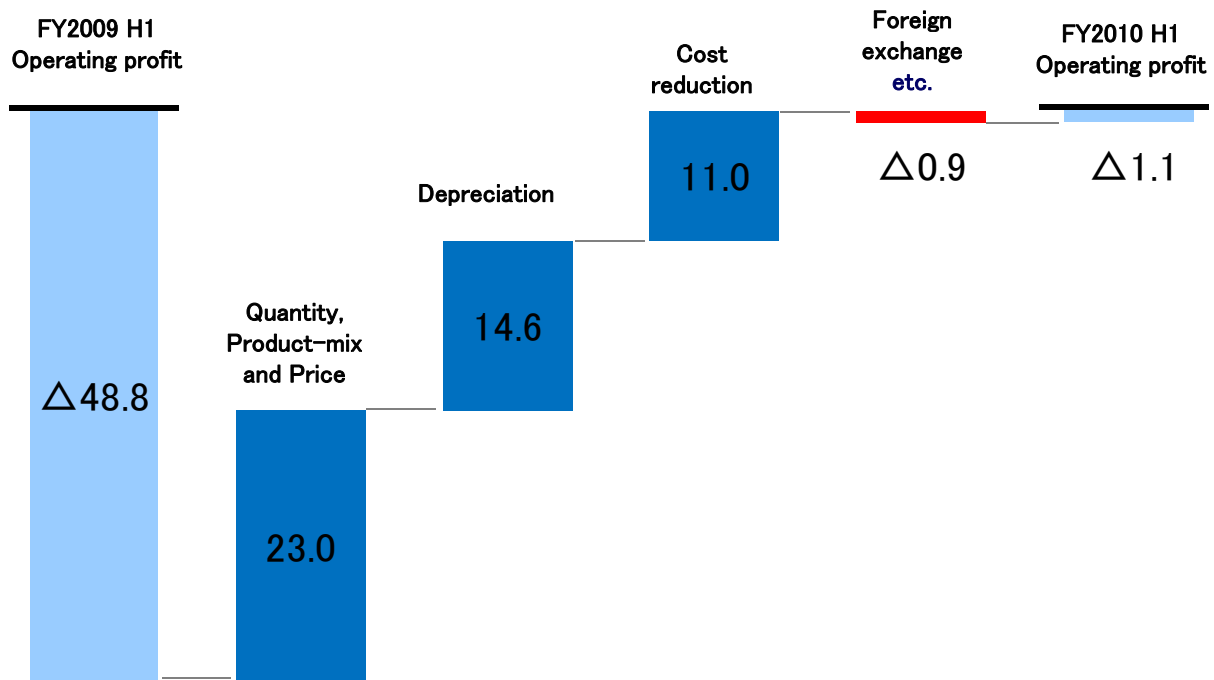
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## 2. Analysis of Changes in Operating Profit (FY2009H1→FY2010H1)



Changes of Operating Profit +47.7 Billion Yen

(Billion Yen)

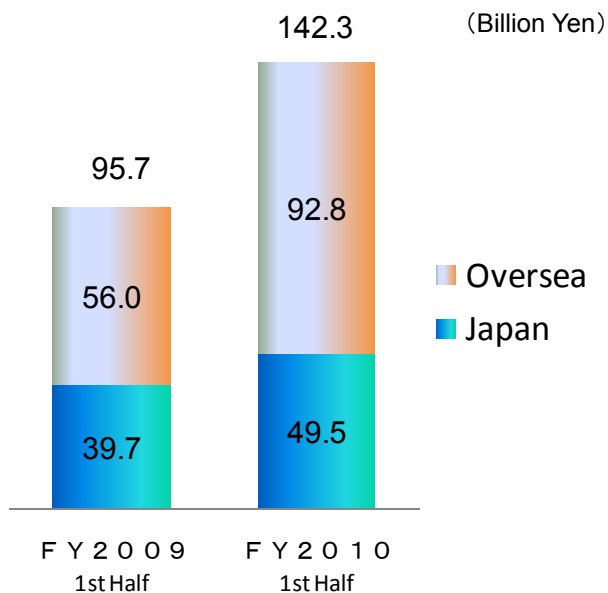


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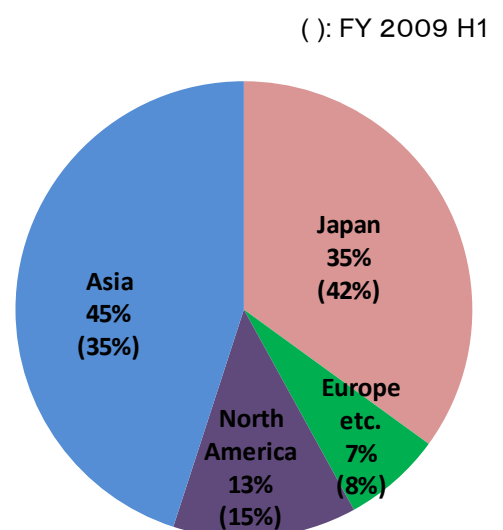
## 3. Sales results



### (1) Changes of Sales



### (2) Total Sales by Region (FY2010 1st HALF)



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## 4. Balance Sheet



(Billion Yen)

	End of January 2010 ①	End of July 2010 ②	Change ②-①
Cash and time deposit	71.7	58.9	△12.8
Tangible and intangible fixed assets	377.5	341.7	△35.8
Other assets	213.6	235.3	21.7
<b>Total Assets</b>	<b>662.8</b>	<b>635.9</b>	<b>△26.9</b>
Liabilities with interest	299.6	284.1	△15.5
Facilities debt	4.3	2.1	△2.2
Other liabilities	74.0	75.5	1.5
<b>Liabilities</b>	<b>377.9</b>	<b>361.7</b>	<b>△16.2</b>
Capital stock* Capital surplus	203.3	203.3	0.0
Retained earnings	67.4	59.0	△8.4
Others	14.2	11.9	△2.3
<b>Net assets</b>	<b>284.9</b>	<b>274.2</b>	<b>△10.7</b>
Shareholder's equity ratio	39.9%	40.0%	0.1%
D/E ratio(gross)	1.1	1.1	0.0
D/E ratio(net)	0.9	0.9	0.0

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## 5. Cash Flow



(Billion Yen)

	FY2010 1st Half	FY2009 2nd Half
Net income before income taxes and interest	△10.4	△65.9
Depreciation	39.4	63.8
Change in working capital, etc	△18.4	12.4
<b>Net cash provided by operating activities</b>	<b>10.6</b>	<b>10.3</b>
Capital Expenditure(Acceptance basis)	△6.7	△7.7
Increase and decrease of investment debt, etc.	△1.1	△11.3
<b>Net cash provided by investing activities</b>	<b>△7.8</b>	<b>△19.0</b>
<b>Free cash-flow</b>	<b>2.8</b>	<b>△8.7</b>
<b>Net cash provided by financing activities</b>	<b>△15.2</b>	<b>△5.7</b>
Cash and time deposit	58.9	71.7
Liabilities with interest	284.1	299.6

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## Part2. Forecast Consolidated Results for FY 2010 (ending Jan31, 2011)

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### 1-1. Forecast Consolidated Results

(Billion Yen)

	FY2009 Actual ①	FY 2010			Change ②-①
		1st Half Actual	2nd Half Forecast	Year Forecast ②	
Sales	218.2	142.3	154.7	297.0	78.8
Operating Profit	△ 86.5	△ 1.1	7.6	6.5	93.0
Nonoperating Gains and Loss (Depreciation)	△ 28.2 (△ 23.9)	△ 8.7 (△ 6.2)	△ 8.8 (△ 5.9)	△ 17.5 (△ 12.1)	10.7 (11.8)
Ordinary Profit	△ 114.7	△ 9.9	△ 1.1	△ 11.0	103.7
Extraordinary Loss	△ 15.0	△ 0.5	△ 2.0	△ 2.5	12.5
Net Income	△ 100.4	△ 8.3	△ 3.7	△ 12.0	88.4
Capital Expenditure(Acceptance basis)	29.9	6.7	5.4	12.1	△ 17.8
Depreciation	122.8	39.4	40.1	79.5	△ 43.3
EBITDA	15.4	33.6	43.3	76.9	61.5
Exchange Rate Yen/US\$	93.7	91.1	85.0	88.1	△ 5.6

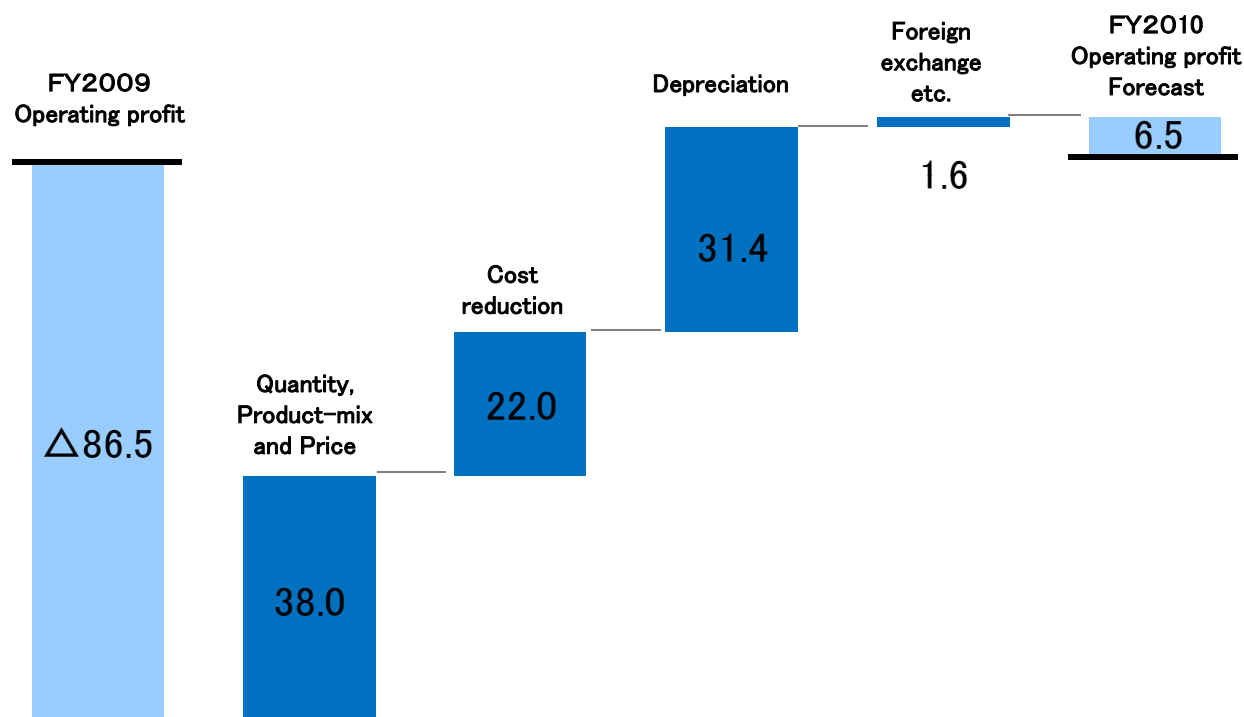
(Note) EBITDA=Operating profit+Depreciation+Amortization of Goodwill

## 1—2. Analysis of Changes in Operating Profit (FY2009 Actual→FY2010 Forecast)



Changes of Operating Profit +93.0 Billion Yen

(Billion Yen)



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## 2—1. Revised Forecast of Consolidated Results for 2<sup>nd</sup> Half of FY2010



(Billion Yen)

	FY2010 2nd Half		Change ②-①
	Previous Forecast ①	Revised Forecast ②	
Sales	155.0	154.7	Δ 0.3
Operating Profit	14.0	7.6	Δ 6.4
Nonoperating Gains and Loss	Δ 10.0	Δ 8.8	1.2
(Depreciation)	(Δ 6.0)	(Δ 5.9)	(0.1)
Ordinary Profit	4.0	Δ 1.1	Δ 5.1
Extraordinary Loss	Δ 2.0	Δ 2.0	0.0
Net Income	0.0	Δ 3.7	Δ 3.7
Capital Expenditure(Acceptance basis)	9.0	5.4	Δ 3.6
Depreciation	40.0	40.1	0.1
EBITDA	49.6	43.3	Δ 6.3
Exchange Rate Yen/US\$	90.0	85.0	Δ5.0

(Note) EBITDA=Operating profit+Depreciation+Amortization of Goodwill

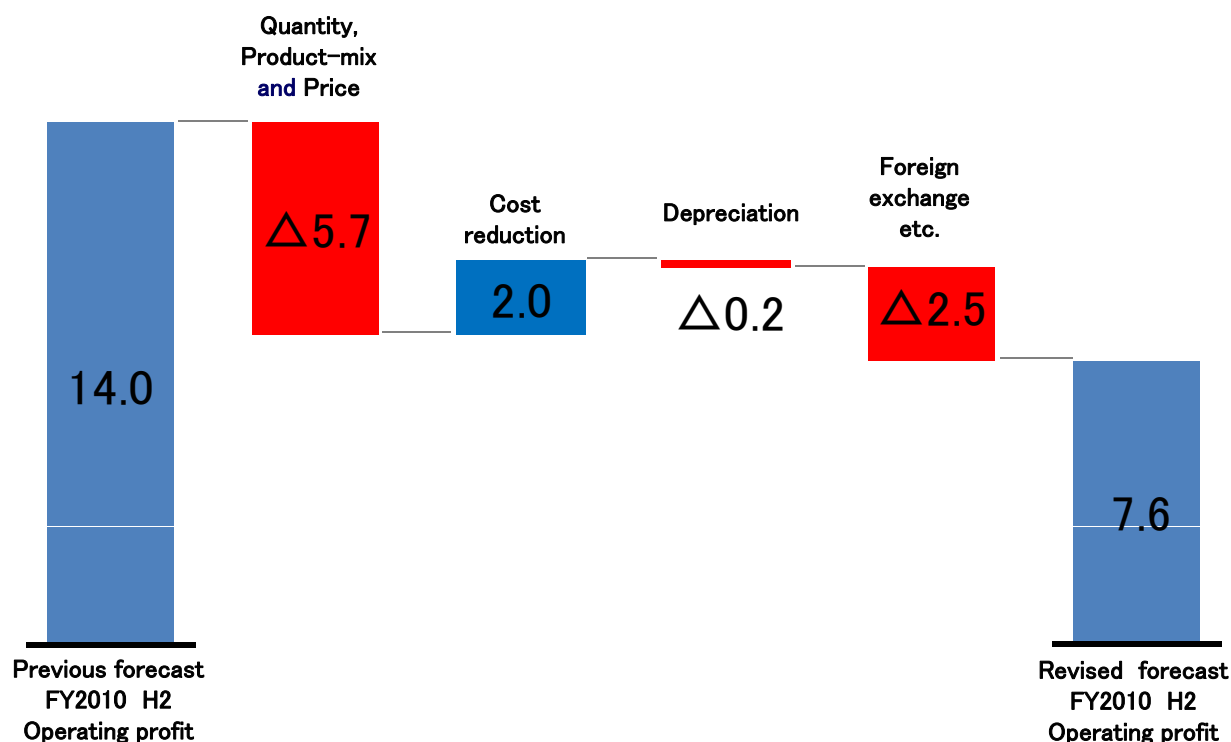
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## 2-2. Analysis of Changes in Operating Profit (FY2010H2 Forecast : previous →revision)



Changes of Operating Profit  $\Delta 6.4$  Billion Yen

(Billion Yen)



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## 3. Cash Flow



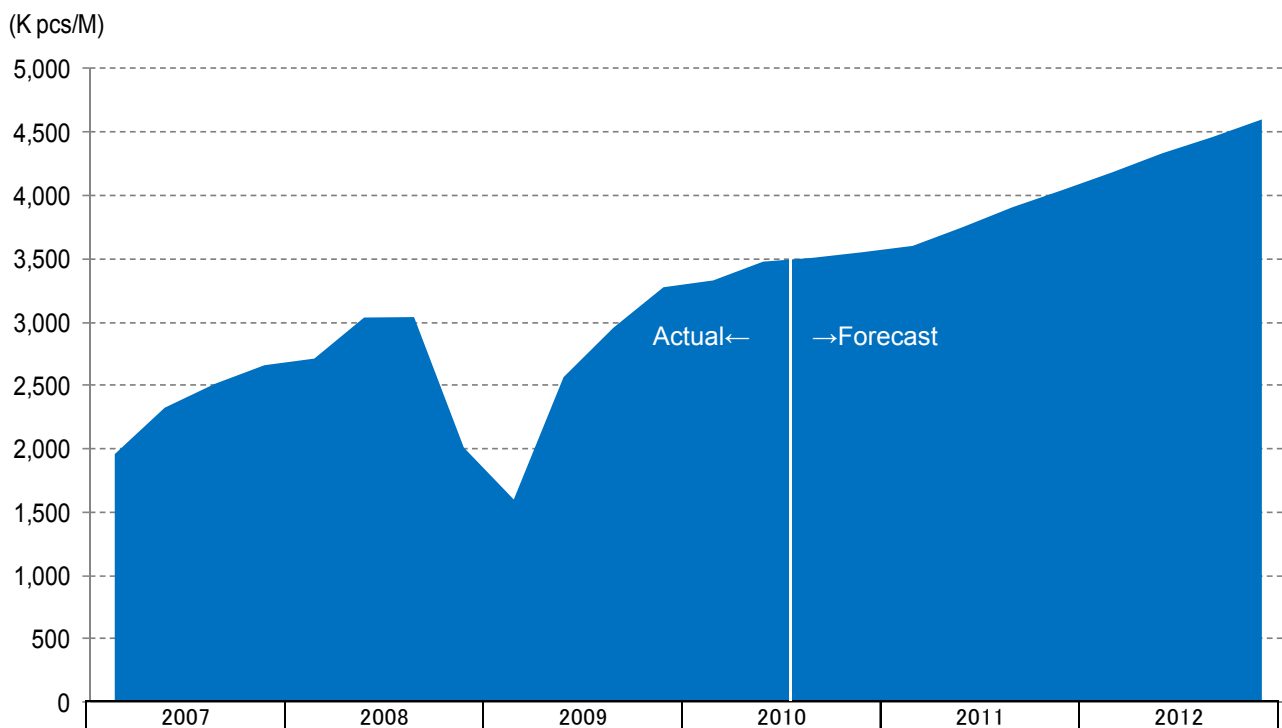
(Billion Yen)

	FY2010 H1 actual	FY2010 H2 forecast
Net income before income taxes and interests	$\Delta 10.4$	$\Delta 3.1$
Depreciation	39.4	40.1
Changes in working capital, etc	$\Delta 18.4$	$\Delta 14.6$
Net cash provided by operating activities	10.6	22.4
Capital Expenditure(Acceptance basis)	$\Delta 6.7$	$\Delta 5.4$
Others	$\Delta 1.1$	0.3
Net cash provided by investing activities	$\Delta 7.8$	$\Delta 5.1$
Free cash-flow	2.8	17.3
Net cash provided by financing activities	$\Delta 15.2$	$\Delta 19.9$
Cash and time deposit	58.9	56.3
Liabilities with interest	284.1	264.2

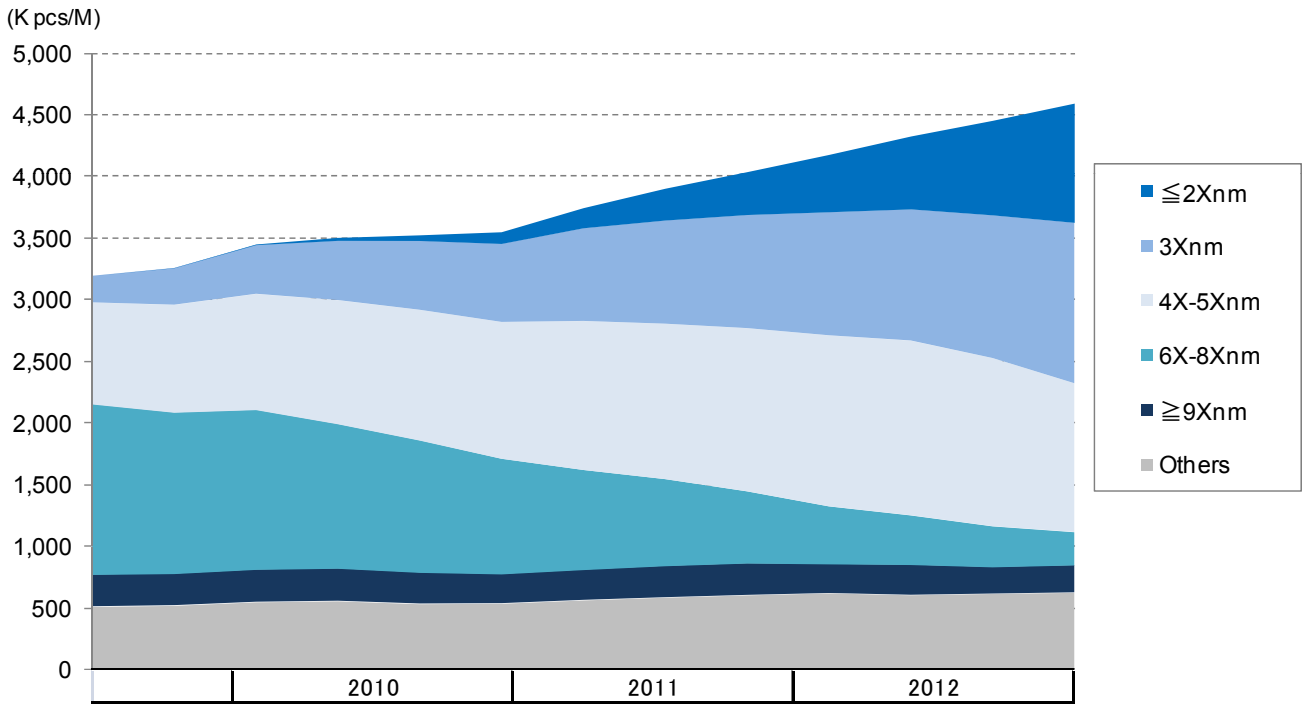
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### Part3: Silicon Wafer Forecast for Semiconductor Industry

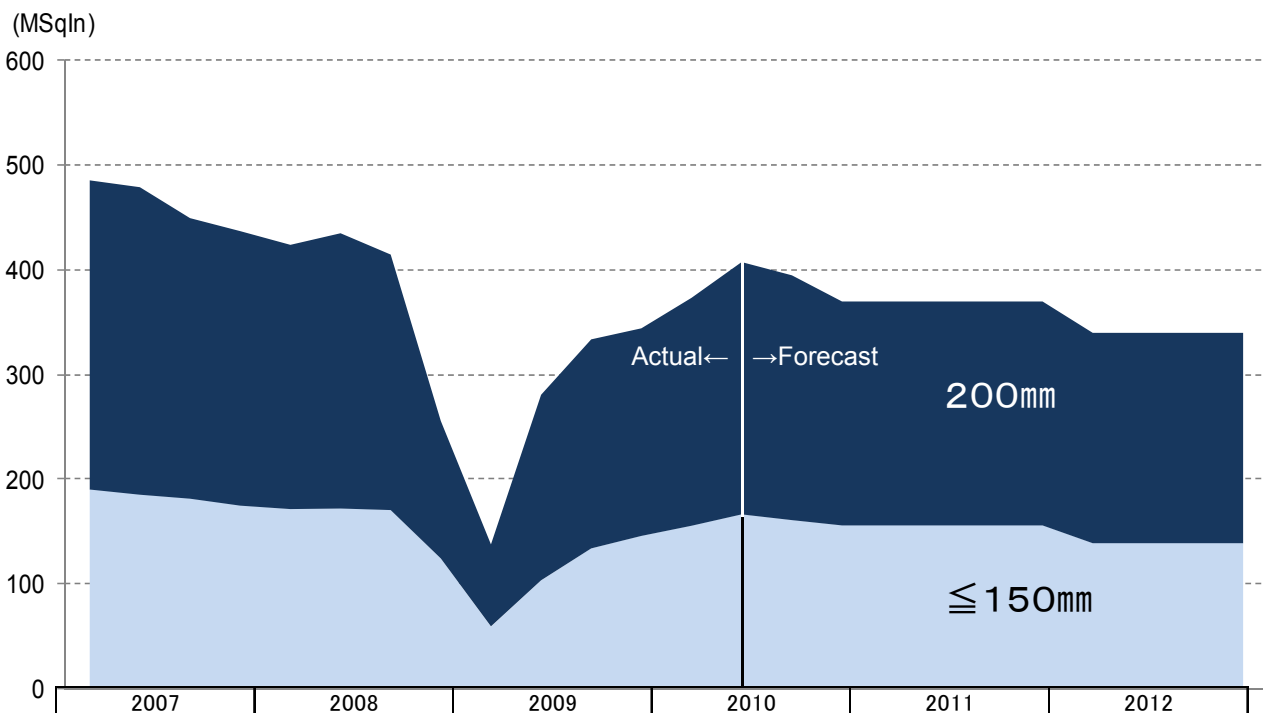
#### 1-1. Demand Projection for 300 mm Silicon Wafer



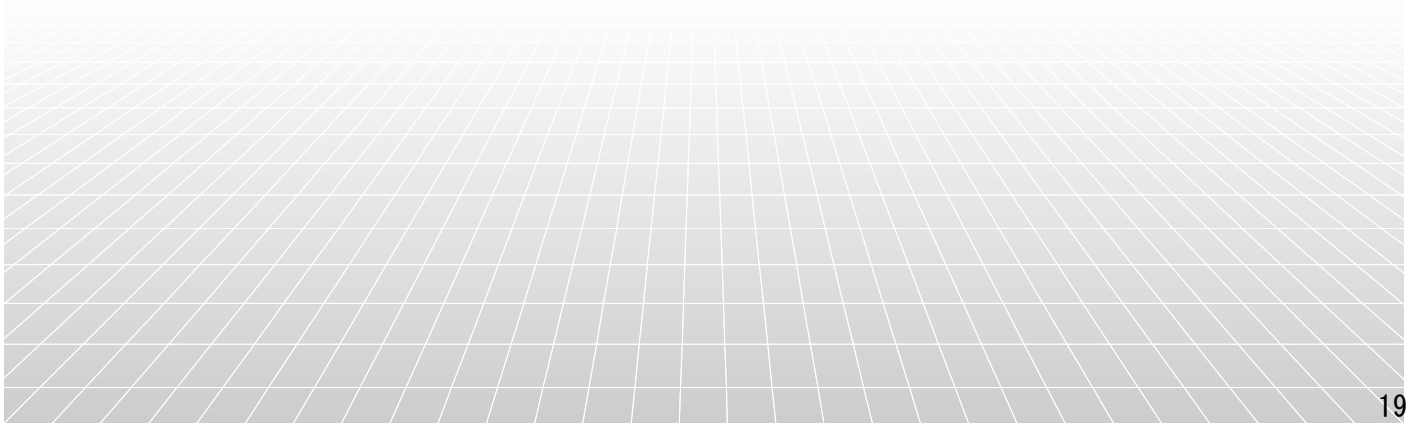
# 1-2. Demand Projection for 300 mm Wafer (By Technology Node)



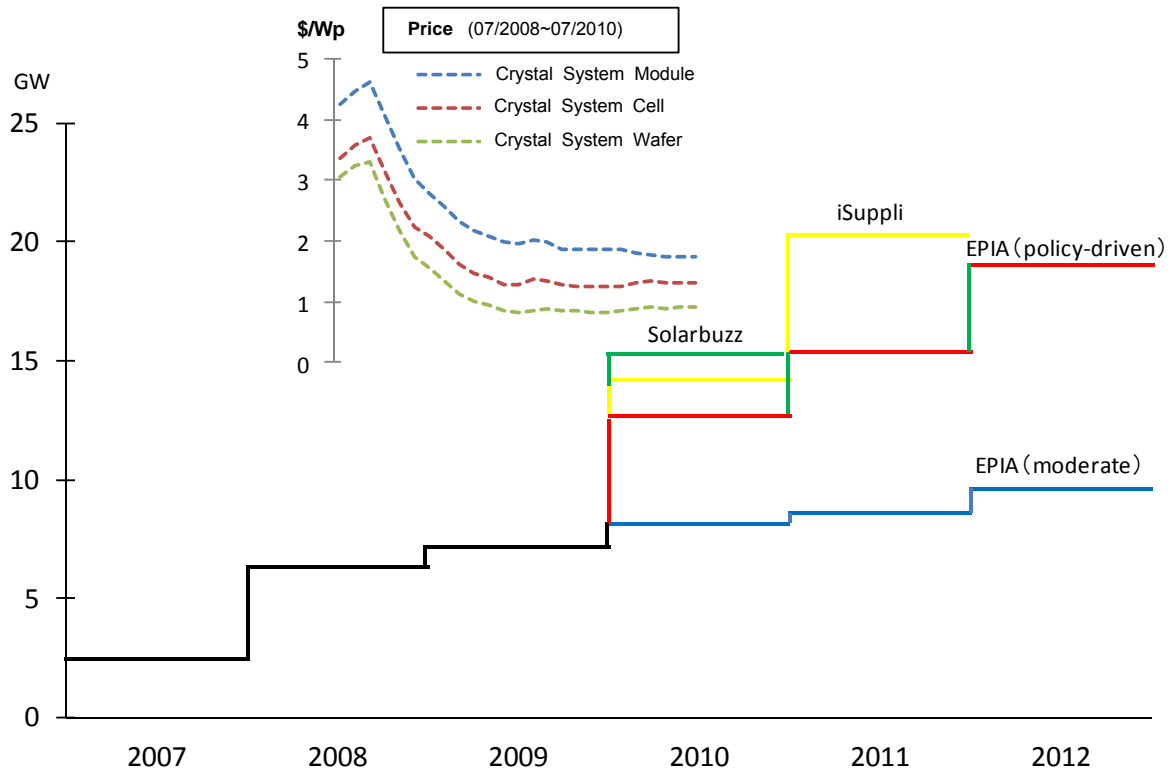
# 1-3. Demand Projections for ≤200 mm Wafers



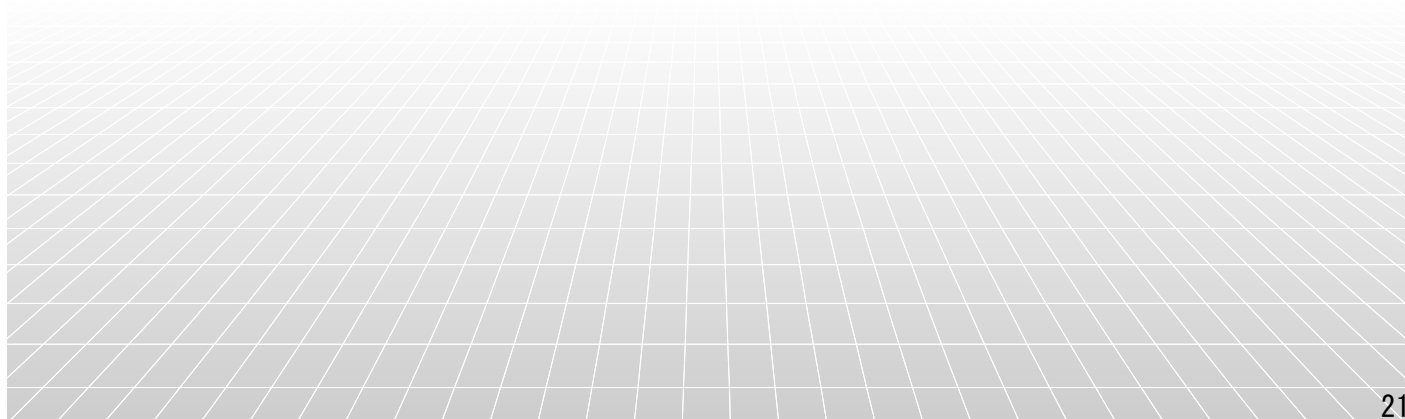
## Part4. Solar Wafer



## Demand Projection for Solar wafer



## Part5: Progress of Reorganization of Small-Diameter Wafer Production Plan



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### Progress of Reorganization of Small-Diameter Wafer Production Plan

#### < Reorganization of Small-Diameter Wafer Production Plan >

- The small-diameter wafer reorganization plan remains unchanged.
- Recent demand is favorable, but the capacity will be reduced as planned.

#### <Progress and Schedule>

- The Cincinnati plant in the U.S.A. was closed in June of this year as planned.
- Consolidate and reorganize plants in Japan
  - Production of 200 mm wafers from Miyazaki plant will be consolidated into Imari and Ikuno plants.
  - Production of 150 mm wafers from Saga and Yonezawa plants will be consolidated into the Miyazaki plant. (The Miyazaki plant will become a specialized plant for 150 mm wafer production).
- For the cost of the above-stated plan, 15.1 billion yen was already allocated as extraordinary loss in the previous fiscal year, and the plan is to allocate 2.5 billion yen this fiscal year.

#### <Effect of the Reorganization>

- Even if demand for small-diameter wafers may decrease in the future, an ongoing rate of earnings can be secured.

(Billion Yen)

