



## Results for the Third Quarter of Fiscal Year 2011 (ending January 31, 2012)

December 7, 2011

SUMCO Corporation

### Notes Regarding the Forecasts



Business results forecast as well as the future outlook provided in this material were prepared by 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 changes in various factors.



## ■ Consolidated Results for the 3rd Quarter of FY 2011

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(changes from FY2010 average)
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## ■ Revision of Forecast Consolidated Results for FY 2011

1. Changes in the Business Climate
2. Revision of Forecast Consolidated Results
3. Analysis of Changes in Operating Profit

## ■ Reference Materials

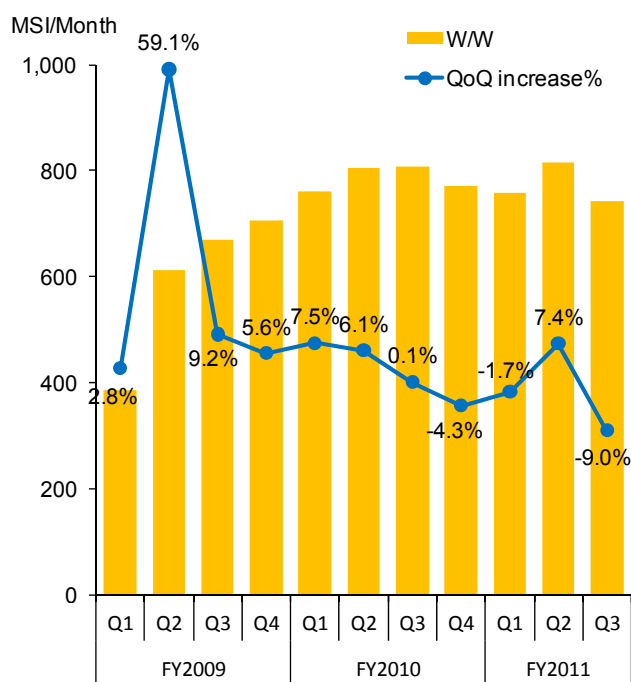


# Consolidated Results for the 3rd Quarter of FY2011

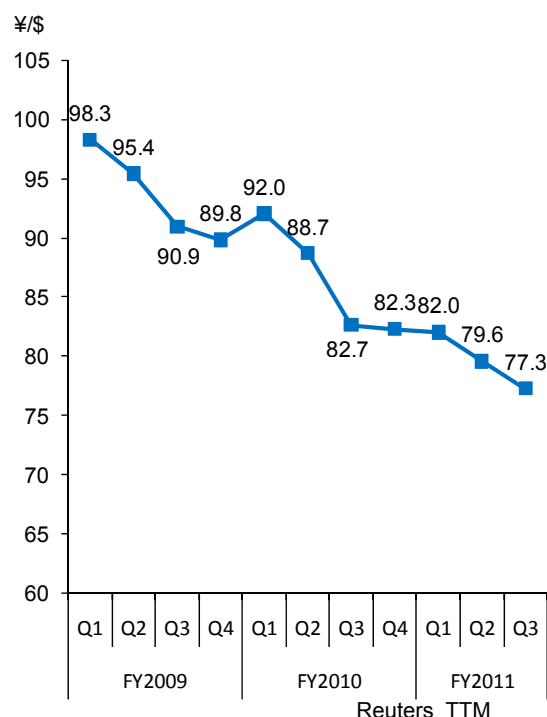


# 1. Business Environment

## Trends in Global Shipments of Silicon Wafers for Semiconductors by Surface Area



## Trends in Exchange Rate



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# 2. Summary of Consolidated Business Results

Sales: ¥62.3 B, Operating profit: ¥1.0 B, Ordinary loss: ¥0.3 B

(billion yen)

	FY2010		FY2011			Change ②-①	
	Q3 (9Month) ①	Q3 (9Month) ②	Q3	inQ3	Change ④-③		
			③	④			
Sales	213.0	197.2	69.2	62.3	-6.9	-15.8	
Operating Profit	-2.5	6.4	3.5	1.0	-2.5	8.9	
Non operating Gains and Loss	Depreciation	-9.0	-2.4	-0.6	-0.6	0.0	6.6
	Others	-5.2	-2.8	-1.6	-0.7	0.9	2.4
Ordinary Profit	-16.7	1.2	1.3	-0.3	-1.6	17.9	
Extraordinary Loss (Note1)	-0.6	-1.8	0.0	0.0	0.0	-1.2	
Tax and Minority interests	-16.5	-1.5	-0.7	-0.5	0.2	15.0	
Net Income	-33.8	-2.1	0.6	-0.8	-1.4	31.7	
Capital Expenditure (Acceptance basis)	8.5	14.8	4.0	7.6	3.6	6.3	
Depreciation charges	58.8	38.8	12.8	13.2	0.4	-20.0	
EBITDA (Note2)	49.5	44.8	16.5	14.2	-2.3	-4.7	
Exchange Rate Yen/US\$	89.1	80.4	81.2	77.2	-4.1	-8.7	

(Note1) Extraordinary loss includes 1.2 billion yen in loss on disaster due to the Great East Japan Earthquake

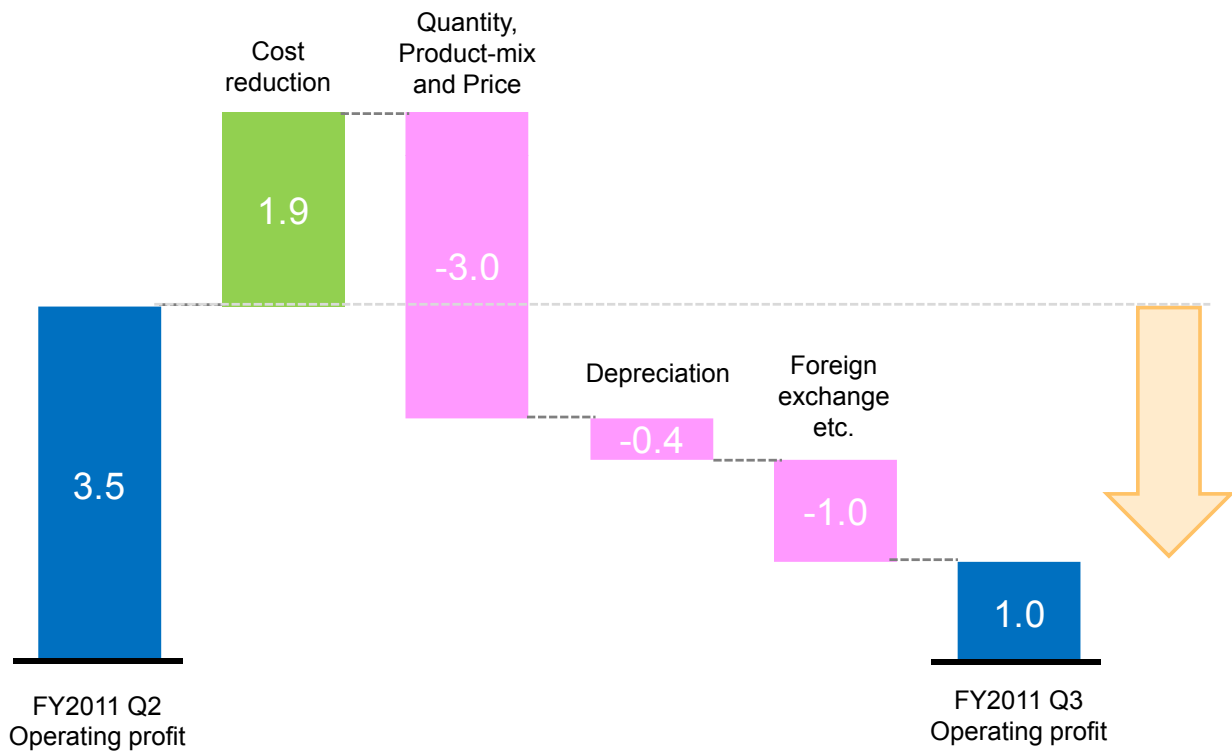
(Note2) EBITDA = Operating profit + Depreciation + Amortization of Goodwill

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### 3. Analysis of Changes in Operating Profit FY2011 Q2 → FY2011 Q3

#### Changes of Operating Profit -¥2.5 B

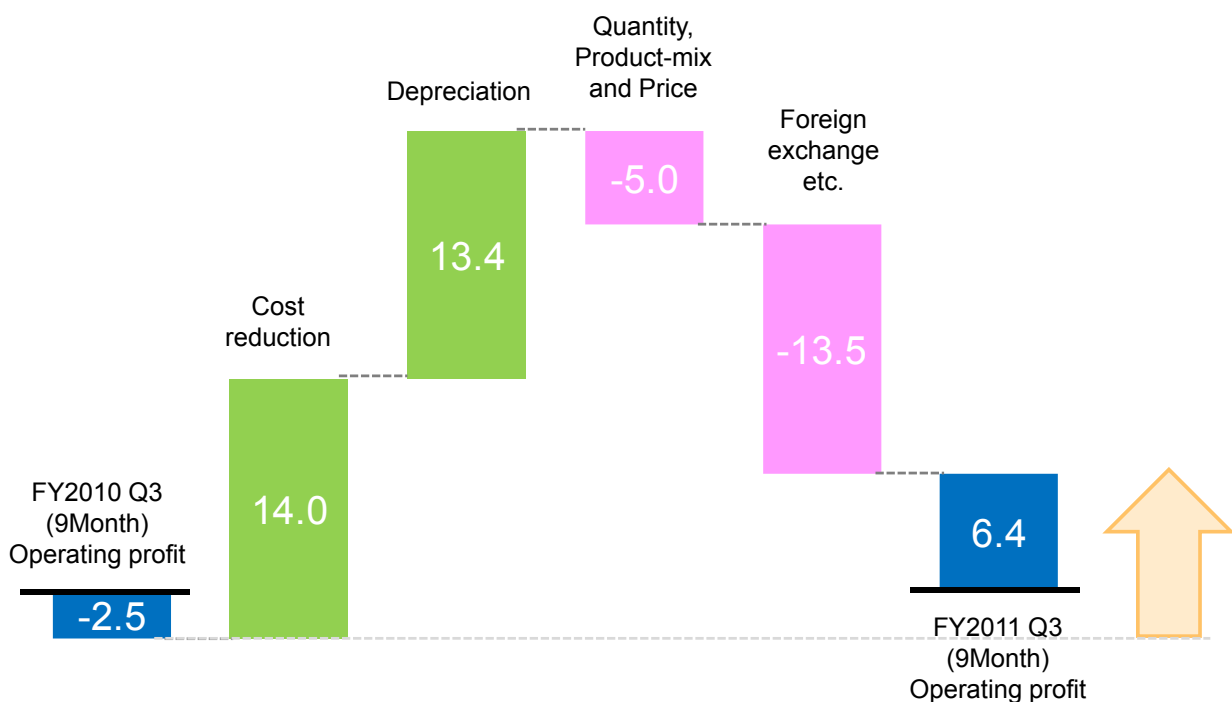
(billion yen)



### 3. Analysis of Changes in Operating Profit FY2010 Q3 (9Months) → FY2011 Q3 (9Months)

#### Changes of Operating Profit + ¥ 8.9 B

(billion yen)



## 4. Effects of the Profit Enhancement Measures (changes from FY2010 average)

- Cost reduction ¥ 16.1 B  
Reduction in depreciation charges ¥ 18.6 B

(billion yen)

	FY2011		FY2013 Forecast
	Q3(9Month) Actual	Full Year Plan	
Reduction in fixed costs	5.3	7.0	10.0
Improved productivity	10.8	11.6	29.0
<b>Total</b>	<b>16.1</b>	<b>18.6</b>	<b>39.0</b>

	FY2011		FY2013 Forecast
	Q3(9Month) Actual	Full Year Plan	
Reduction in depreciation charges	18.6	19.5	30.0

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## 5. Balance Sheet

- Total Asset -¥ 38.2 B, Liabilities -¥ 30.3 B

(billion yen)

	End of Jan 2011 ①	End of July 2011	End of Oct 2011 ②	Change ②-①
Cash and time deposit	53.8	38.6	28.5	-25.3
Tangible and intangible fixed assets	291.8	272.0	262.2	-29.6
Deferred tax asset	31.9	31.6	31.3	-0.6
Other assets	184.2	199.8	201.5	17.3
<b>Total Assets</b>	<b>561.7</b>	<b>542.0</b>	<b>523.5</b>	<b>-38.2</b>
Liabilities with interest	264.8	245.4	232.0	-32.8
Other liabilities	80.8	83.3	83.3	2.5
<b>Liabilities</b>	<b>345.6</b>	<b>328.7</b>	<b>315.3</b>	<b>-30.3</b>
Capital stock, Capital surplus	203.3	203.3	203.3	0.0
Retained earnings	1.8	0.5	-0.2	-2.1
Others	11.0	9.5	5.1	-5.8
<b>Net Assets</b>	<b>216.1</b>	<b>213.3</b>	<b>208.2</b>	<b>-7.9</b>
Shareholder's equity ratio	35.0%	35.9%	36.5%	
D/E ratio (gross)	1.3	1.3	1.2	
D/E ratio (net)	1.1	1.1	1.1	

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## 6. Cash-Flow

- Net cash provided by operating activities +¥ 16.3 B
- Net cash provided by investing activities -¥ 8.6 B
- Free cash-flow +¥ 7.7 B (FY2011 Q1-Q3)

(billion yen)

	FY2011 Q3(9Month)
Net income before income tax and interest	-0.5
Depreciation	38.8
Loss incurred from business restructuring	-5.1
Subtotal	33.2
Change in working capital, etc.	-16.9
Net cash provided by operating activities	16.3
Capital Expenditure (Acceptance basis)	-14.8
Increase and decrease of investment debt, etc.	6.2
Net cash provided by investing activities	-8.6
Free cash-flow	7.7
Net cash provided by financing activities	-32.7
Cash and time deposit	28.5
Liabilities with interest	232.0

Revision of Forecast Consolidated Results  
for FY 2011



## 1. Silicon wafers for semiconductors

- The market for Smartphones and Tablets continues to expand, but there are some concerns that the growth rate may be slowing.
- Personal computer growth is slow, hard drive procurement risk has occurred due to flood damage in Thailand, and DRAM production cutbacks are likely to continue.
- With the end of stimulus programs in various countries and fears of economic downturn, demand for digital appliances and other consumer products is beginning to stall. The resulting production cuts in chips including microcontrollers and power semiconductors have caused demand for wafers of 200 mm and smaller to fall sharply.

## 2. Silicon wafers for solar cells

- The market has not yet turned around, with price drops continuing.
- We are carrying out technology development and implementing cost-cutting strategies.

# 2. Revision of Forecast Consolidated Results

## ■ The decrease in sales, Sharp decline in demand for 200 mm and smaller diameter silicon wafers

(billion yen)

	Previous Forecast 2nd Half ①	Revised Forecast		2nd Half ②	Change ②-①
		Q3 Actual	Q4 Forecast		
Sales	137.1	62.3	49.8	112.1	-25.0
Operating Profit	6.6	1.0	-5.4	-4.4	-11.0
Non operating Gains and Loss	Depreciation Others	-0.7	-0.6	-1.0	-0.9
		-2.4	-0.7	-0.8	-1.5
Ordinary Profit	3.5	-0.3	-7.2	-7.5	-11.0
Extraordinary Loss	0.0	0.0	0.0	0.0	0.0
Tax and Minority interests	0.3	-0.5	-0.3	-0.2	-0.5
Net Income	3.8	-0.8	-6.9	-7.7	-11.5
Capital Expenditure (Acceptance basis)	14.8	7.6	7.2	14.8	0.0
Depreciation charges	26.8	13.2	13.2	26.4	-0.4
EBITDA (Note1)	33.9	14.2	7.4	21.6	-12.3
Exchange Rate Yen/US\$	80.0	77.2	77.0	77.1	-2.9

(Note2)

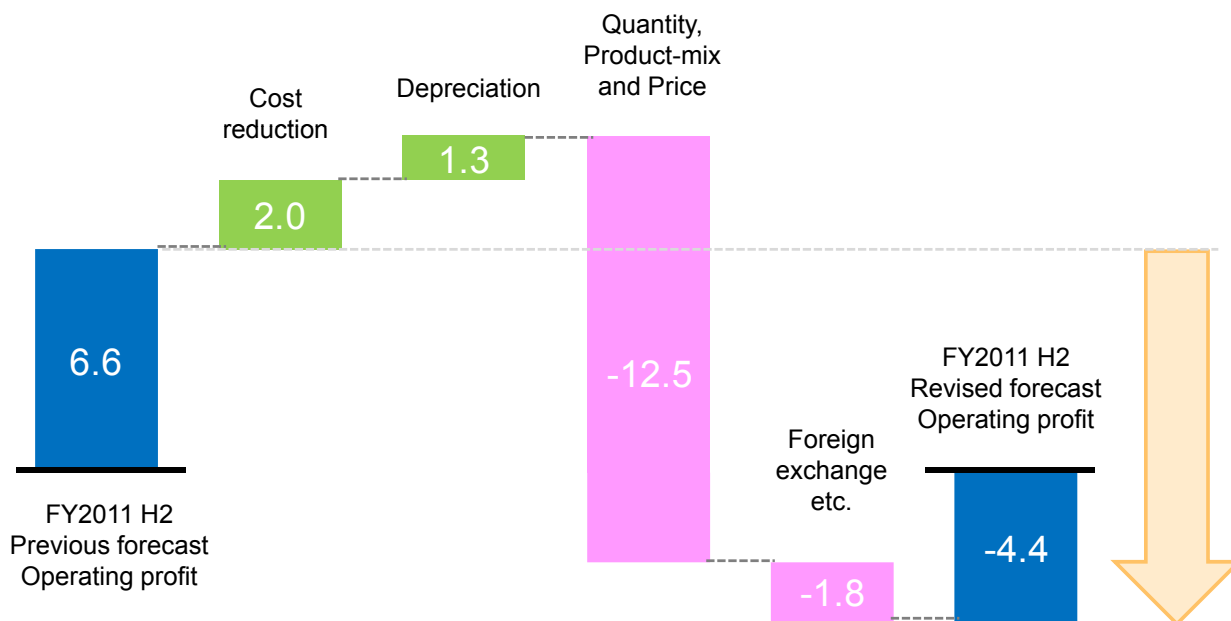
(Note1) EBITDA=Operating profit+Depreciation+Amortization of Goodwill

(Note2) Exchange rate during the 4th quarter of FY2011 is based on 77.0Yen / 1US\$

### 3. Analysis of Changes in Operating Profit (FY2011 H2 Forecast: Previous → Revised)

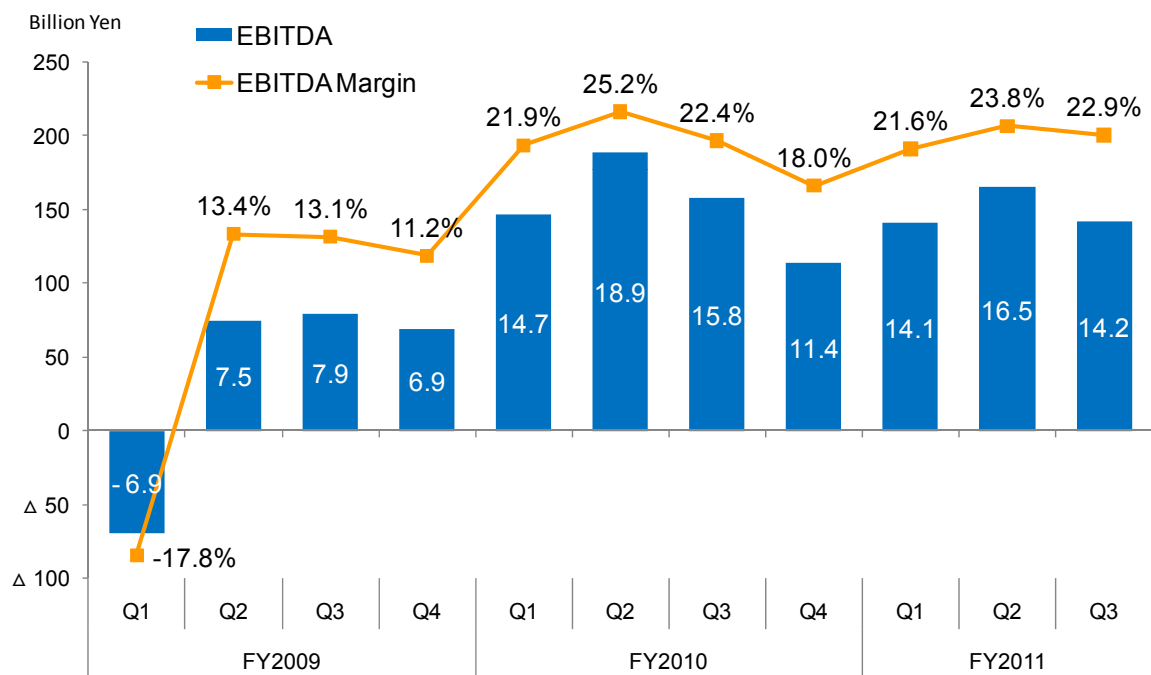
■ Changes of Operating Profit -¥ 11.0 B

(billion yen)



## Reference Materials

# Reference Materials : EBITDA

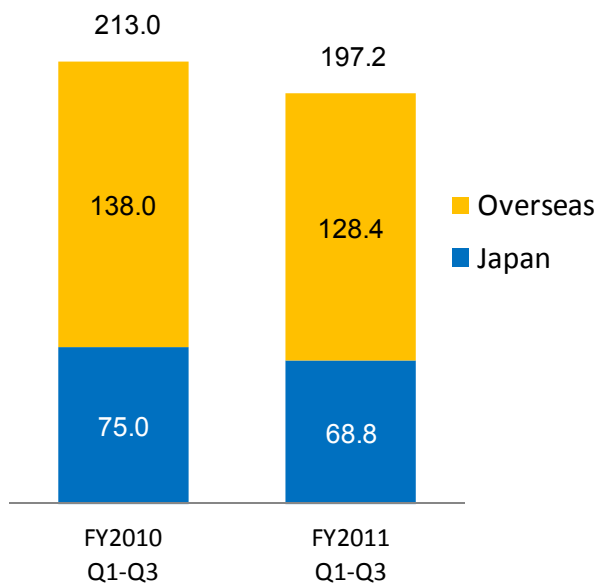


(Note) EBITDA=Operating profit+Depreciation+Amortization of Goodwill

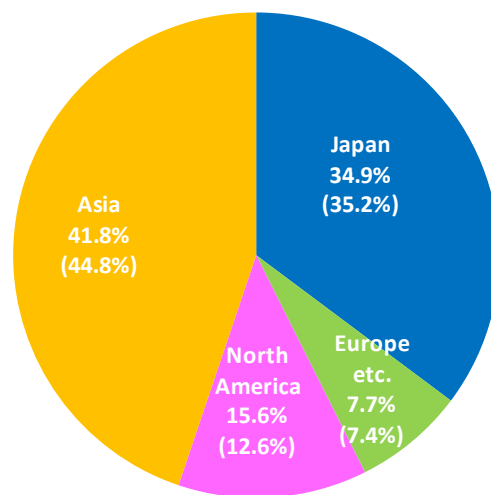
# Reference Materials : Sales results

## Changes of Sales

(billion yen)



## Total Sales by Regions FY2011 Q1-Q3



( ):FY2010 Q1-Q3



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