

(TRANSLATION)

This brief statement on FY2010 (ending January 31, 2011) is released pursuant to the requirements under the listing rules of, and reported to, the Tokyo Stock Exchange.

**Brief Statement on Consolidated Financial Results for the Second Quarter
(ended July 31, 2010) of Fiscal Year 2010 (ending January 31, 2011)
[Japanese Accounting Standards]**

September 3, 2010
TSE First Section

Company name: SUMCO Corporation

Code: 3436 URL: <http://www.sumcosi.com/>

Representative: Yoichi Taguchi, President

Contact person: Hiroshi Shibuya, General Manager, Public Relations & IR Department (Tel: +81-3-5444-3915)

Scheduled date of filing of quarterly security report: September 14, 2010

Scheduled date of commencement of dividend payment: —

Supplementary materials for quarterly financial results: Yes

Quarterly results briefing: Yes

(Amounts smaller than one million yen are rounded down)

1. Consolidated Business Results for the Second Quarter (February 1, 2010–July 31, 2010) of Fiscal Year 2010 (ending January 31, 2011)

(1) Consolidated Financial and Operating Results (fiscal year-to-date)

(Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Q2 of FY2010	142,337	48.6	(1,124)	—	(9,909)	—	(8,394)	—
Q2 of FY2009	95,777	—	(48,832)	—	(61,201)	—	(52,921)	—

	Net income per share for quarter (yen)	Diluted net income per share for quarter (yen)
Q2 of FY2010	(32.57)	—
Q2 of FY2009	(205.32)	—

(2) Consolidated Financial Position

	Total assets (million yen)	Net assets (million yen)	Shareholders' equity ratio (%)	Net assets per share (yen)
Q2 of FY2010	635,947	274,233	40.0	987.76
FY2009	662,882	284,923	39.9	1,025.35

(Reference) Shareholders' equity: Q2 of FY2010: 254,592 million yen; FY2009: 264,280 million yen

2. Dividend Payments

	Yearly dividend per share				
	First quarter (yen)	Second quarter (yen)	Third quarter (yen)	Year-end (yen)	Full year (yen)
FY2009	—	0.00	—	0.00	0.00
FY2010	—	0.00			
FY2010 (Forecast)			—	—	—

Notes:

(1) Revisions to dividend forecasts made during the quarter under review: No

(2) Year-end dividend per share for fiscal year 2010 is yet to be determined.

3. Consolidated Business Results Forecast for Fiscal Year 2010 (ending January 31, 2011)

(Percentage figures represent changes from previous year)

	Net sales		Operating profit		Ordinary profit		Net income		Net income
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	per share (yen)
Full year	297,000	36.1	6,500	—	(11,000)	—	(12,000)	—	(46.56)

Note: Revisions to consolidated business results forecast made during the quarter under review: Yes

4. Others (For details, see “Other Information” on page 2 of Supplementary Materials)

- (1) Changes in important subsidiaries during the quarter under review: No
 Subsidiaries added to consolidation: — companies (Company names:)
 Subsidiaries removed from consolidation: — companies (Company names:)
 Note: Changes in specified subsidiary companies resulting in changes in the scope of consolidation during the quarter under review.
- (2) Application of simplified or special accounting methods: No
 Note: Adoption of simplified accounting methods or special accounting methods in preparation of quarterly consolidated financial statements.
- (3) Changes in accounting principles, procedures, and presentation methods
 [1] Changes associated with revision of accounting standards, etc.: No
 [2] Changes other than [1]: No
 Note: Changes in accounting principles, procedures, and presentation methods included in “Modifications to Important Matters Forming the Basis of Preparation of Quarterly Consolidated Financial Statements.”
- (4) Number of issued shares (common stock)
 [1] Issued shares as of end of period (including treasury stock):
 257,751,739 shares as of end of second quarter of FY2010; 257,751,739 shares as of end of FY2009
 [2] Treasury stock as of end of period:
 4,266 shares as of end of second quarter of FY2010; 3,911 shares as of end of FY2009
 [3] Average number of shares during period (Fiscal year-to-date):
 257,747,648 shares during second quarter of FY2010; 257,748,400 shares during second quarter of FY2009

*** Note on implementation of quarterly review procedures:**

This Brief Statement on Consolidated Financial Results is not subject to quarterly review procedures pursuant to the Financial Instruments and Exchange Act. Review procedures for quarterly financial statements pursuant to the Financial Instruments and Exchange Act had not been completed at the time of the disclosure of this Brief Statement on Consolidated Financial Results.

*** Explanations regarding appropriate use of forecasts of business results and other special instructions:**

Forecasts of business results and other forward-looking statements contained in this Brief Statement on Consolidated Financial Results are based on information currently available to the Company and on certain assumptions that the Company considers to be reasonable. Actual results may differ significantly from those projected in the forward-looking statements as a result of various factors. Regarding the assumptions underlying forecasts of business results, see “Qualitative Information on Consolidated Business Results Forecast” on page 2 of the Brief Statement on Consolidated Financial Results (Supplementary Materials).

Table of Contents of Supplementary Materials

1. Qualitative Information for the Second Quarter of Fiscal Year 2010	
(1) Qualitative Information on Consolidated Financial and Operating Results	p. 2
(2) Qualitative Information on Consolidated Business Results Forecast	p. 2
2. Other Information	
(1) Overview of Changes in Important Subsidiaries	p. 2
(2) Overview of Application of Simplified or Special Accounting Methods	p. 2
(3) Overview of Changes in Accounting Principles, Procedures, and Presentation Methods	p. 2
3. Consolidated Financial Statements	
(1) Consolidated Balance Sheet	p. 3
(2) Consolidated Income Statement	p. 5
(3) Notes regarding Going Concern Assumption	p. 6
(4) Notes regarding Significant Changes in Shareholders' Equity	p. 6
* The Company is scheduled to hold a briefing on the second quarter results on September 3, 2010 (Friday). Materials distributed at this briefing will be released through the Company's official website immediately after the briefing.	

1. Qualitative Information for the Second Quarter of Fiscal Year 2010

(1) Qualitative Information on Consolidated Financial and Operating Results

During the period under review (February 1, 2010–July 31, 2010), the global semiconductors market experienced an increase in demand coming from such products as personal computers, mobile phones, digital home electronics, automobiles, and power devices for regulating electric power consumption. As a result, record highs were registered in both volume and value of shipments.

The market for silicon wafers for semiconductors was similarly buoyant with strong demand for 300 mm wafers, our main product, as well as for smaller wafers with diameters of 200 mm and less. As a result, a record high was registered for the total surface area of silicon wafers shipped.

In this business environment, the SUMCO Group increased its net sales as demand recovered at a faster pace than anticipated. To achieve a full recovery in profitability, the SUMCO Group continued to push for price improvement and implement various measures aimed at cutting costs and creating a supply structure that corresponds to trends in demand. In the areas of technology and product quality, the SUMCO Group focused its energies on developing Leading edge wafer products that are suited to further microfabrication and on responding to Shrinking technology node customer requirements.

As a result, for the period under review (February 1, 2010–July 31, 2010), the SUMCO Group registered consolidated net sales of 142,337 million yen, up 48.6 percent from the previous year. Consolidated operating profit turned positive in the three-month period ended July 31, 2010. However, the SUMCO Group continued to register a consolidated operating loss of 1,124 million yen for the period under review. Consolidated ordinary loss for the period under review came to 9,909 million yen (down from a loss of 61,201 million yen in the previous year), while consolidated net loss amounted to 8,394 million yen (down from a loss of 52,921 million yen in the previous year), registering a significant improvement over the previous year.

(2) Qualitative Information on Consolidated Business Results Forecast

Due to expanding demand, the SUMCO Group's business results for the period under review improved at a faster pace than anticipated. Consequently, sales and profits for the period under review exceeded earlier forecasts. For the second half of fiscal year 2010 (August 1, 2010–January 31, 2011), the silicon wafer market is expected to grow. However, the outlook is becoming increasingly uncertain due to concerns of a slowdown in the world economy, implying that the situation must be monitored very carefully. With regard to prices, they are expected to improve at a more sluggish pace than anticipated at the beginning of the fiscal year.

Based on the foregoing assumptions, the consolidated business results forecast for the full year of fiscal 2010 has been revised from the forecast disclosed on March 12, 2010. The revised forecast appears under "3. Consolidated Business Results Forecast for Fiscal Year 2010" of this Brief Statement on Consolidated Financial Results.

For details of the revision of the consolidated business results forecast, see "Announcement of Revision of Business Results Forecast for Fiscal Year 2010," which was separately disclosed today.

2. Other information

(1) Overview of Changes in Important Subsidiaries

Not applicable

(2) Overview of Application of Simplified or Special Accounting Methods

Not applicable

(3) Overview of Changes in Accounting Principles, Procedures, and Presentation Methods

Not applicable

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(million yen)

	End of Q2 of FY2010 (July 31, 2010)	End of FY2009 (January 31, 2010)
Assets		
Current assets		
Cash and time deposits	58,988	71,776
Notes and accounts receivable	53,911	40,218
Merchandise and finished goods	16,988	16,841
Work in process	18,900	17,263
Raw materials and supplies	38,418	40,015
Others	12,939	16,298
Allowance for doubtful accounts	(2,065)	(2,032)
Total current assets	198,080	200,381
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	124,062	128,426
Machinery and transportation equipment (net)	133,331	164,508
Land	21,730	20,587
Construction in progress	19,206	17,938
Others (net)	1,730	2,089
Total tangible fixed assets	300,061	333,550
Intangible fixed assets		
Goodwill	35,760	37,278
Others	5,932	6,696
Total intangible fixed assets	41,692	43,975
Investments and other assets		
Investment securities	1,954	1,927
Deferred tax assets	46,009	42,011
Long-term advance payments	41,804	34,081
Others	7,318	8,554
Allowance for doubtful accounts	(974)	(1,599)
Total investments and other assets	96,112	84,975
Total fixed assets	437,866	462,501
Total assets	635,947	662,882

(million yen)

	End of Q2 of FY2010 (July 31, 2010)	End of FY2009 (January 31, 2010)
Liabilities		
Current liabilities		
Notes and accounts payable	24,055	23,898
Short-term loans payable	90,653	87,139
Lease obligations	9,084	10,210
Income taxes, etc. payable	724	467
Allowances	2,623	3,277
Others	17,248	18,259
Total current liabilities	144,388	143,252
Fixed liabilities		
Long-term loans payable	159,129	173,251
Lease obligations	25,285	29,018
Allowance for employee retirement benefits	18,530	17,979
Others	14,379	14,456
Total fixed liabilities	217,325	234,706
Total liabilities	361,714	377,959
Net assets		
Shareholders' equity		
Capital	114,107	114,107
Capital surplus	89,291	89,291
Retained earnings	59,076	67,492
Treasury stock	(8)	(7)
Total shareholders' equity	262,467	270,883
Valuation and translation adjustments		
Net unrealized gain on available-for-sale securities	1,009	1,079
Deferred gains and losses on hedges	(39)	—
Revaluation reserves for land	2,252	2,252
Foreign currency translation adjustments	(11,097)	(9,934)
Total valuation and translation adjustments	(7,874)	(6,602)
Minority interests	19,640	20,642
Total net assets	274,233	284,923
Total liabilities and net assets	635,947	662,882

(2) Consolidated Income Statement

(million yen)

	Q2 of FY2009 (February 1, 2009– July 31, 2009)	Q2 of FY2010 (February 1, 2010– July 31, 2010)
Net sales	95,777	142,337
Cost of sales	129,117	127,950
Gross profit (loss)	(33,340)	14,386
Selling, general and administrative expenses	15,492	15,510
Operating profit (loss)	(48,832)	(1,124)
Non-operating income		
Interest received	60	37
Dividends received	21	21
Foreign exchange gains	335	—
Subsidies received	425	—
Reversal of allowance for doubtful accounts	—	241
Others	442	191
Total non-operating income	1,284	491
Non-operating expenses		
Interest paid	1,957	2,493
Depreciation charges	11,213	6,219
Foreign exchange losses	—	45
Others	483	518
Total non-operating expenses	13,653	9,277
Ordinary profit (loss)	(61,201)	(9,909)
Extraordinary loss		
Business restructuring expenses	2,697	543
Total extraordinary loss	2,697	543
Net income (loss) before income taxes and minority interests	(63,898)	(10,453)
Income taxes, etc.	(9,291)	(1,736)
Minority interests in income (loss)	(1,685)	(322)
Net income (loss)	(52,921)	(8,394)

(3) Notes regarding Going Concern Assumption

Not applicable

(4) Notes regarding Significant Changes in Shareholders' Equity

Not applicable