

October 12, 2006

To whom it may concern,

Company Name:	SUMCO CORPORATION
Position of Representative:	Kenjiro Shigematsu, Representative Director
Company Code:	3436
	The 1st Section of the Tokyo Stock Exchange
Location of Principal Office:	1-2-1 Shibaura, Minato-ku, Tokyo
Contact Information:	
Position of Person in Charge:	General Manager of Public Relations & IR Dept.
Name:	Soichi Ishitoya
Tel:	03-5444-3915

Announcement of Result of Tender Offer and Notice of Change in Subsidiary

It was resolved at the meeting of our Board of Directors held on September 12, 2006 that we would obtain shares in Komatsu Electronic Metals Co., Ltd. (Code No. 5977, The 2nd Section of the Tokyo Stock Exchange; hereinafter the "Target Company") by means of tender offer (hereinafter the "Tender Offer"), and the Tender Offer was commenced as of September 13, 2006 and completed as of October 11, 2006. We hereby announce the results of the Tender Offer as follows. In addition, we would like to announce that the Target Company and Formosa Komatsu Silicon Corporation (hereinafter the "Target Company's Subsidiary") which is a consolidated subsidiary of the Target Company will become our new consolidated subsidiaries (designated subsidiaries) as a result of the Tender Offer.

Description

I. Result of the Tender Offer

- Description of Tender Offer (Announced on September 12, 2006)
 - Name and address of Tender Offerer: SUMCO CORPORATION
1-2-1 Shibaura, Minato-ku, Tokyo
 - Name of Target Company: Komatsu Electronic Metals Co., Ltd.
 - Kind of share certificates for the Common Shares

Tender Offer:

- (4) Tender Offer Period (TOB Period):
From September 13, 2006 (Wednesday) until October 11, 2006 (Wednesday)
(both inclusive; a total of 29 days)
- (5) Price of Tender Offer: 2,400 yen per share

2. Results of Tender Offer

(1) Description of Offer

Number of shares intended to have 15,402,000 shares
been bought in the Tender Offer:

Number of shares offered: 18,702,900 shares

Number of shares bought: 15,402,000 shares

(2) Success and failure of Tender Offer

Total number of shareholders who offered (shareholder offerors)	Number of shares offered	Number of shares bought	Number of shares to be returned
1	18,702,900 shares	15,402,000 shares	3,300,900 shares

(3) Calculation method utilized when the Tender Offer is conducted through proportional distribution:

Since the total number of share certificates offered for sale in the Tender Offer exceeded the number of shares intended to be bought in the Tender Offer (i.e. 15,402,000 shares), we will not buy any part of such exceeding amount, and we will conduct delivery or other settlement of the buyout of the share certificates through proportional distribution as set forth in Article 27-13, Paragraph 5 of the Securities and Exchange Law and Article 32 of the Cabinet Office Regulations Concerning Disclosure of a Tender Offer of Shares by Persons Other Than the Issuer, as specified in the Announcement of Commencement of Tender Offer and in the Tender Offer Registration Statement.

(4) Change in the number and ratio of shares held after the Tender Offer

Number of shares held prior to the 0 share

Tender Offer: (Ratio of Shareholding: 0%)

Number of shares held after the 15,402,000 shares

Tender Offer: (Ratio of Shareholding: 51.00%)

The number of the ratio above is a ratio to the number of issued shares by the Target Company on March 31, 2006.

(5) Funds required for the Tender Offer: 36,988 million yen

3. Manner and commencement date of settlement

(1) Name and location of the main office of the securities company/bank, etc. which will perform the settlement services for the Tender Offer:

Mitsubishi UFJ Securities Co., Ltd.
4-1 Marunouchi 2-chome, Tokyo

(2) Commencement date of settlement: October 18, 2006 (Wednesday)

(3) Manner of settlement:

After completion of the Tender Offer Period, a notice of purchase of the offered shares or other relevant documents will be sent to the addresses of the shareholder offerors (in the case of a foreign shareholder, these documents will be sent to their standing proxy) without delay. The purchase will be made in cash. The proceeds of the sale of the shares will be remitted by the tender offer agent to the place designated by the shareholder offerors after the commencement of settlement without delay in accordance with the instructions of the shareholder offerors.

4. Places where copies of the Tender Offer Registration Statement will be made available for public inspection

SUMCO CORPORATION 2-1, Shibaura 1-chome, Minato-ku, Tokyo
Tokyo Stock Exchange, Inc. 2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo

II. Description of new subsidiary (Komatsu Electronic Metals Co., Ltd.)

1. Cause of Change

As a result of the Tender Offer, the ratio of the voting rights that we hold in the Target Company is 51.05%, and the Target Company will become our consolidated subsidiary as of October 18, 2006.

2. Description of new subsidiary

- (1) Firm name: Komatsu Electronic Metals Co., Ltd.
- (2) Representative: Takashi Abe, Representative Director
- (3) Location of principal office: 1324-2, Masuragahara-machi, Omura-shi, Nagasaki
- (4) Date of Incorporation: April 18, 1960
- (5) Main business: Production and distribution of semiconductor silicon wafers, as well as research, development and services incidental thereto
- (6) Fiscal end: March 31
- (7) Number of employees: 2,023 employees (as of March 31, 2006)
- (8) Amount of capital: 11,636 million yen (as of March 31, 2006)
- (9) Number of issued shares: 30,200,000 shares (as of March 31, 2006)

(10) Large Shareholders and Ratio of Shareholding (as of March 31, 2006):

Komatsu Ltd.	61.93%
The Master Trust Bank of Japan, Ltd. (Trust Account)	2.07%
The Chase Manhattan Bank NA London SL Omnibus Account (Standing agent: Mizuho Corporate Bank, Ltd. Kabuto-cho Securities Clearance Office)	1.57%
Komatsu Electronic Metals Co., Ltd. Employee Stock Ownership Plan	1.52%
Millennium (Standing agent: The Bank of Tokyo-Mitsubishi UFJ, Ltd. Custody Service Division)	1.42%
JP Morgan Chase Bank 385067 (Standing agent: Mizuho Corporate Bank, Ltd. Kabuto-cho Securities Clearance Office)	1.41%
Credit Suisse Luxembourg SA Depositary Bank (Standing agent: The Bank of Tokyo-Mitsubishi UFJ, Ltd. Custody Service Division)	1.16%
Goldman Sachs International (Standing agent: The Goldman Sachs Group, Inc. Tokyo Branch)	0.94%
Komatsu Electronic Metals Co., Ltd. Cooperative Stock Ownership Plan	0.91%
Sumitomo Mitsui Banking Corporation	0.90%

(11) Trends of business results of recent fiscal years (consolidated)

	Fiscal year ending in March 2005	Fiscal year ending in March 2006
Turnover	74,908 million yen	86,667 million yen
Gross margin	15,325 million yen	18,981 million yen
Operating profit	6,032 million yen	8,970 million yen
Current profit	5,964 million yen	9,945 million yen
Net profit	3,194 million yen	5,598 million yen
Total asset	95,161 million yen	108,282 million yen
Net asset	25,134 million yen	30,771 million yen

3. Expected Date of Change: October 18, 2006 (Wednesday)

III. Description of new subsidiary (FKS) as a result of that the Target Company become our new consolidated subsidiary

1. Description of new subsidiary

- (1) Firm name: Formosa Komatsu Silicon Corporation
- (2) Representative: Tadashi Watabe, Representative Director
- (3) Location of principal office: No. 10, San-Sheng Village, Formosa Plastic Industry Park, Mailiao, Yunlin County.
- (4) Date of Incorporation: November 21, 1995
- (5) Main business: Production, sales, exports, and imports of silicon wafers and silicon wafer materials
- (6) Fiscal end: December 31
- (7) Number of employees: 626 employees (as of March 31, 2006)
- (8) Amount of capital: 4,960 million new Taiwan dollar (as of March 31, 2006) (Note)
- (9) Number of issued shares: 496,075,000 shares (as of March 31, 2006)
- (10) Large Shareholders and Ratio of Shareholding (as of March 31, 2006):
Komatsu Electronic Metals Co., Ltd. 50.69%

(11) Trends of business results of recent fiscal years (unconsolidated)

	Fiscal year ending in March 2005	Fiscal year ending in March 2006
Turnover	4,399 million NT	5,170 million NT
Gross margin	1,008 million NT	1,334 million NT
Operating profit	706 million NT	938 million NT
Current profit	721 million NT	1,220 million NT
Net profit	553 million NT	1,174 million NT
Total asset	6,524 million NT	7,813 million NT
Net asset	2,473 million NT	4,822 million NT

(Note) As a result of the issuance of new shares on August 18, 2006, amount of capital becomes 6,000 million new Taiwan dollars as of September 30, 2006.

2. Expected Date of Change: October 18, 2006 (Wednesday)

IV. Future prospects

The influence of the Tender Offer on our business results for the fiscal year ending in January, 2007 will be timely disclosed, when calculated.

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