

SUMIDA CORPORATION (TYO: 6817)

A global leader in coil products. Pursuing the Niche-Top Strategy, aiming for growth and improved capital efficiency

Summary

◇ **Company profile:** SUMIDA CORPORATION (securities code: 6817) is a global leader that leads the industry in the design and manufacture of coil-related components and modules. The Company has built technological capabilities, application development capabilities, and a global production structure, and is developing a custom-made contract manufacturing business for leading customers worldwide. FY12/2025 results were revenue of 147.19 billion yen and operating profit of 7.44 billion yen.

◇ **Coil business that continues to expand its applications:** Although coils have a relatively simple structure in which electric wire is wound in a spiral or coil shape, they have an extremely wide range of electrical and magnetic characteristics. For this reason, in electronic circuits they perform diverse roles, including precise current control, removal of unwanted noise, selection and processing of specific signals, efficient power conversion, and conversion of electrical energy into mechanical motion.

The market size is estimated at approximately US\$15.0 billion, and growth at a compound annual growth rate of around 6% is expected. The shift of automobiles to xEVs, the evolution of ADAS, the spread of 5G, AI-related areas, renewable energy, automation, and other factors will drive this growth.

◇ **Updating the Mid-Term Business Plan and promoting the Niche-Top Strategy:** The Company updated its previous Mid-Term Business Plan and presented the Mid-Term Business Plan 2026-2028. It has set its Vision to 2035 as “Top Position in Multiple Niches” and will promote the Niche-Top Strategy. Specifically, the Company will promote measures comprising three layers — High Capital Efficiency, Megatrends, and New Business — and aims to achieve revenue of 165.0 billion yen, operating profit of 10.0 billion yen, EPS of 174 yen, and ROE of 8.4% in FY12/2028. The keys to growth for the time being will be megatrend-related areas such as xEV- and data center-related areas, as well as Schmidbauer-related areas following the acquisition in FY2025. The Company aims to raise and stabilize ROE through these multiple drivers and intends to achieve PBR exceeding 1x. Although the numerical targets are more conservative than in the previous Mid-Term Business Plan, it is a noteworthy plan that gives sufficient consideration to the share price.

◇ **Earnings trends:** FY12/2025 results came in above the Company's forecast and featured solid project wins. Revenue was 147.19 billion yen (up 2.2% YoY), operating profit was 7.44 billion yen (up 64.8% YoY), profit before income taxes was 4.83 billion yen (up 272.9% YoY), profit attributable to owners of the parent was 3.62 billion yen, EPS was 109.47 yen, and DPS was 53 yen.

The FY12/2026 forecast calls for higher revenue and profit. Revenue is forecast at 156.00 billion yen (up 6.0% YoY), operating profit at 7.50 billion yen (up 0.8% YoY), profit before income taxes at 4.85 billion yen (up 0.4% YoY), profit attributable to owners of the parent at 3.65 billion yen, EPS at 110.40 yen, and DPS at 53 yen. The profit growth rate appears low, but excluding temporary factors in the previous fiscal year, the forecast is for an underlying profit increase of 1.1 billion yen. The first quarter marked a strong start, with revenue up 8.6% and operating profit up 22.2%. However, the full-year forecast has been left unchanged.

◇ **Stock price trends and catalysts:** Over the past 10 years, the share price has moved within a symmetrical triangle pattern, but since March 2026, it has recovered to the level of the resistance line. This is likely because the market has recognized the Company's agile ability to respond to the business environment and its new Mid-Term Business Plan, which is conscious of the share price. It can also be said that tailwinds in the business environment, such as a recovery in xEV-related areas and expansion in data center investment, are strengthening. If the share price breaks out of the symmetrical triangle pattern to the upside, market evaluation is highly likely to rise further. For this to happen, the key will be whether the measures in the Mid-Term Business Plan progress and expectations increase that ROE will steadily exceed 8%. In that case, PBR of 1x, or approximately 1,900 yen, is likely to become the next target. In the short term, the question will be whether the earnings forecast for the current fiscal year is revised upward. Attention should also be paid to exchange rate trends, raw material price trends, the impact of tariffs, and the direction of investment enthusiasm toward decarbonization.

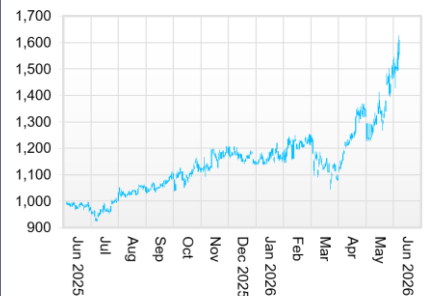
Basic report

Electrical equipment

As of June 19, 2026

Share price (6/18)	1,426 Yen
52weeks high/low	¥1,626/925
Avg Vol (3 month)	287 ^{thou} shrs
Market Cap	¥47.27 bn
Enterprise Value	¥108.12 bn
PER (12/26 CE)	12.9 X
PBR (12/25 act)	0.75 X
Dividend Yield (12/26 CE)	3.7 %
ROE (12/25)	6.0 %
Operating margin (12/25)	5.1 %
Beta (5Y Monthly)	0.92
Shares Outstanding	33.1 mn shrs
Listed market	TSE Prime section

Share price performance



%	1M%	3M%	12M%
Share price	30.05	44.39	61.97
TSE TOPIX	5.91	8.68	41.79

Points of interest

A global leader in coil products. It supplies a wide range of custom products to leading customers worldwide. Since 2026, the Company has been promoting its growth strategy under the “Mid-Term Business Plan 2026-2028”, and earnings are off to a strong start. Using its favorable cost structure as a foundation, the Company plans to both capture megatrend projects such as xEV and data centers from multiple sources and lay the groundwork for product development to become a niche-top player. The share price is at a level testing the resistance line of its long-term symmetrical triangle pattern, and if ROE in the 8% range becomes a reality, PBR exceeding 1x can first be expected.

This report (Basic report) has been prepared at the request of SUMIDA CORPORATION. For details, please refer to the Disclaimer on the last page.



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Key financial data

Unit: million yen	2021	2022	2023	2024	2025	2026 CE
Sales	104,920	138,600	147,672	143,978	147,194	156,000
EBIT (Operating Income)	5,669	7,983	8,829	5,633	7,951	
Pretax Income	3,898	6,534	5,856	1,295	4,830	4,850
Net Profit Attributable to Owner of Parent	2,629	5,099	5,064	590	3,618	3,650
Cash & Short-Term Investments	4,237	2,944	3,107	4,286	6,129	
Total assets	117,725	134,846	142,786	147,766	163,656	
Total Debt	54,763	58,546	57,198	57,975	64,023	
Net Debt	50,526	55,602	54,091	53,689	57,894	
Total liabilities	77,622	85,966	85,471	86,849	98,298	
Total Shareholders' Equity	38,338	46,829	55,056	58,648	62,008	
Net Operating Cash Flow	600	10,566	18,343	14,928	16,457	
Capital Expenditure	6,737	9,174	10,914	9,005	7,347	
Net Investing Cash Flow	-6,712	-8,174	-10,702	-8,834	-12,886	
Net Financing Cash Flow	4,751	-4,130	-7,782	-5,268	-1,958	
Free Cash Flow	-5,212	2,362	8,539	7,068	10,224	
ROA (%)	2.44	4.04	3.65	0.41	2.32	
ROE (%)	7.37	11.98	9.94	1.04	6.00	
EPS (Yen)	96.7	187.5	167.4	17.9	109.4	110.4
BPS (Yen)	1,409.8	1,722.1	1,687.4	1,774.6	1,875.5	
Dividend per Share (Yen)	28.00	47.00	51.00	53.00	53.00	53.00
Shares Outstanding (Million shares)	27.44	27.44	32.88	33.10	33.11	

Source: Calculated by Omega Investment based on FactSet's standard criteria, rounded to the nearest whole number.



Company overview

SUMIDA CORPORATION: A global leader opening the future through coil technology

SUMIDA CORPORATION (Securities Code: 6817) has been a global leader in the design and manufacturing of coil-related components and modules for over 75 years since its founding in 1950. The Company leverages its advanced technical design capabilities, cultivated through many years of experience, proprietary manufacturing know-how, extensive versatility in applications, and a robust global production structure, as strengths to develop primarily custom-made contract manufacturing businesses for major customers around the world.

Extensive business portfolio and solid earnings base

The Company's business is characterized by a well-balanced and diversified portfolio both geographically and by market segment.

- Revenue composition by region (FY2025 estimate):
 - Europe: 39%
 - Greater China: 24%
 - North America: 21%
 - Other Asia: 16%
- Revenue composition by market (FY2025 estimate):
 - Automotive: 58%
 - Industrial: 27%
 - Consumer electronics: 15%

This extensive business deployment supports a stable earnings base.

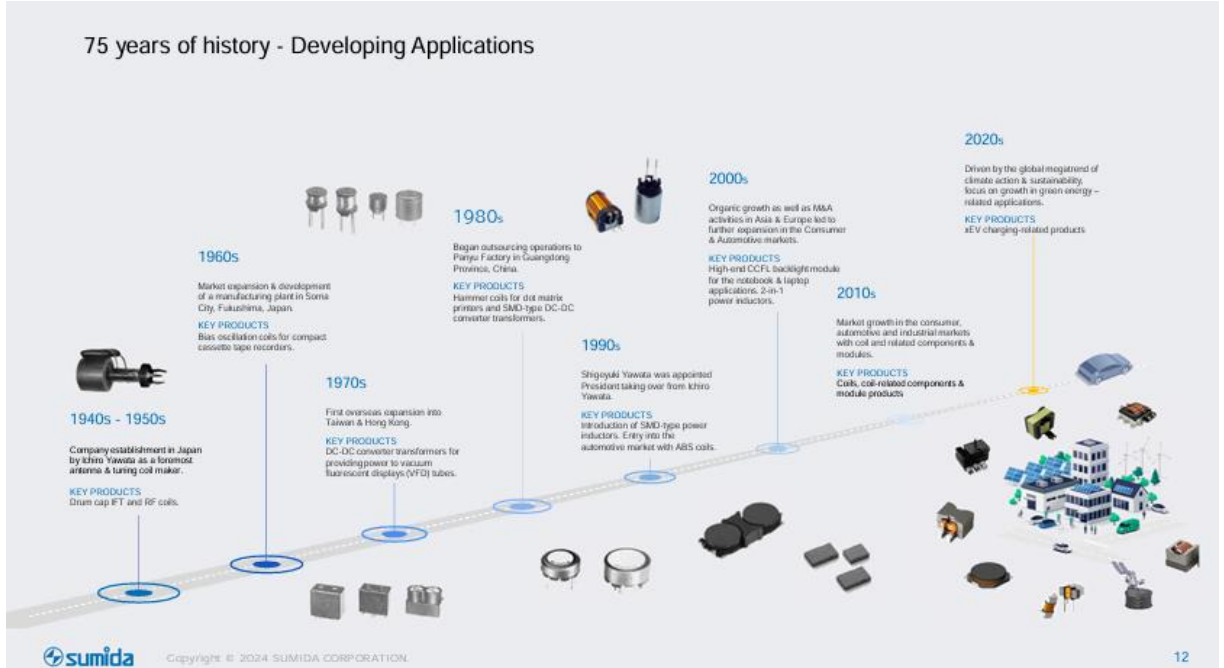
Corporate history

SUMIDA's journey: A 75-year history and global expansion

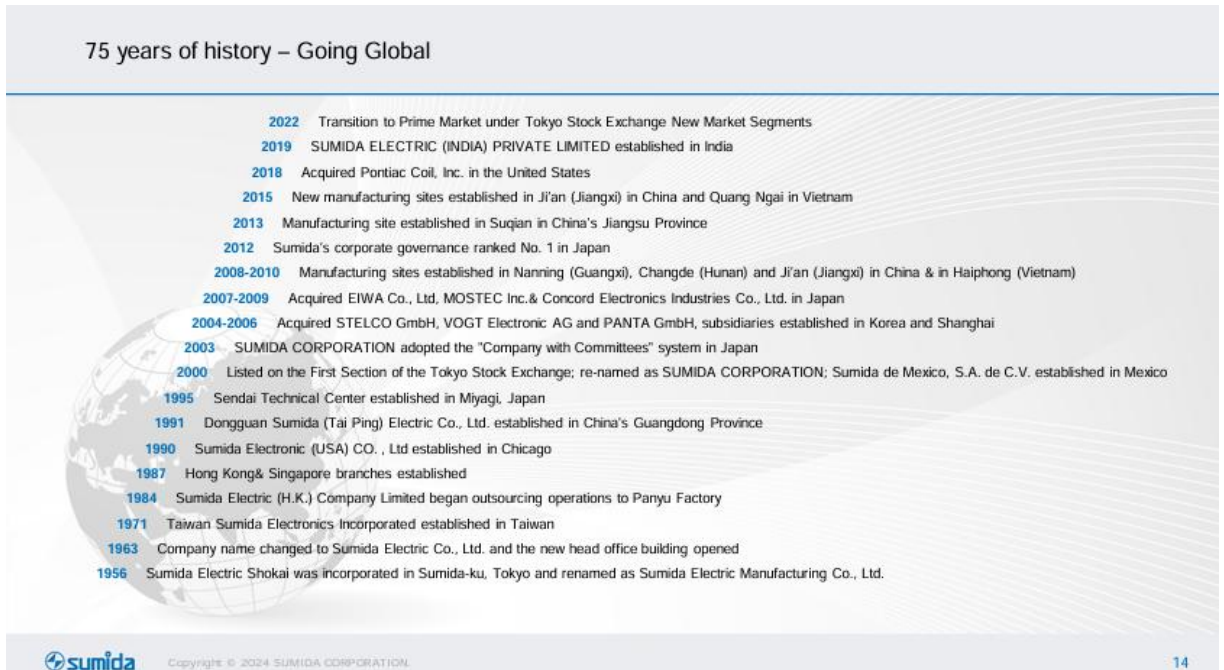
SUMIDA CORPORATION originated in 1950, when Ichiro Yawata began manufacturing coils, and was incorporated as a company in 1956. Throughout its long 75-year history, the Company has consistently promoted technological development and application development while actively pursuing global expansion. In particular, the establishment of bases in Hong Kong in 1974 and Singapore in 1987 symbolizes its early international strategy.

In the stock market, the Company was registered as an OTC stock of the Japan Securities Dealers Association in 1988, and listed on the Second Section of the Tokyo Stock Exchange in 1998. It was transferred to the First Section in 2000. It is currently listed on the Prime Market of the Tokyo Stock Exchange. This history is proof that the Company has consistently grown while responding to the trust of the market and society.

Corporate history



Source: Company materials



Source: Company materials



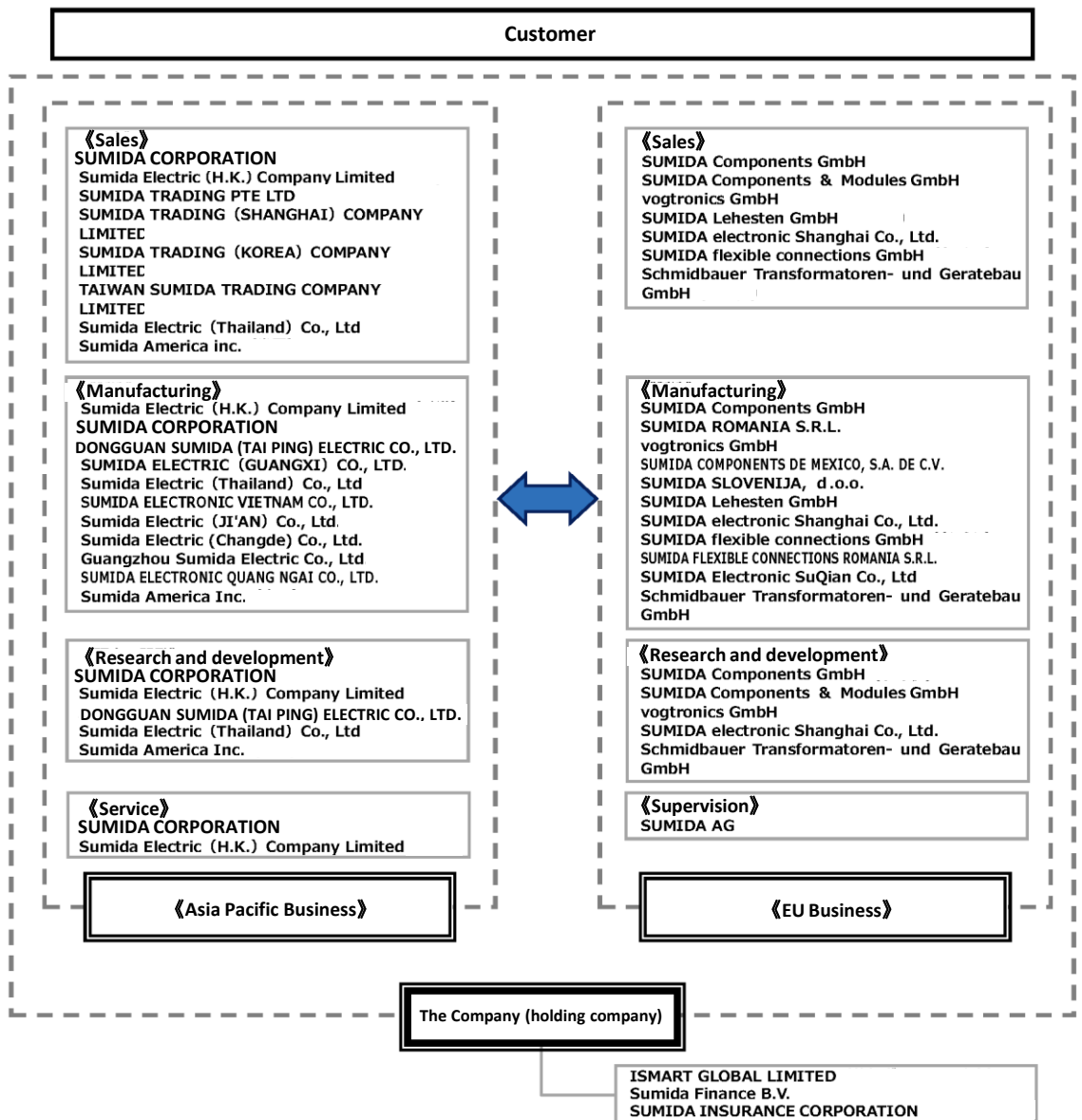
SUMIDA CORPORATION: A group structure supporting global expansion

SUMIDA CORPORATION (the Company), as a pure holding company, oversees the entire group and conducts business together with its consolidated subsidiaries in Japan and overseas. The group is based on a production, sales, and R&D structure, and has established two business segments based on geographic divisions: the “Asia Pacific Business” and the “EU Business”. The Company formulates and determines comprehensive strategies for products and services in each region. Under the control and management of the Company’s business activities, each business segment engages in research, development, design, manufacturing, and sales of coil-related components and modules incorporated into electronic equipment for various applications, including automotive, industrial, and consumer electronics.

Business operation based on “Made in Market”

One of the essential principles in the Group’s business operations is the concept of “Made in Market”. This refers to the placement of primary production and development bases in each region, as well as the development, production, and supply of products locally, tailored to meet customer needs in those regions.

Business structure diagram



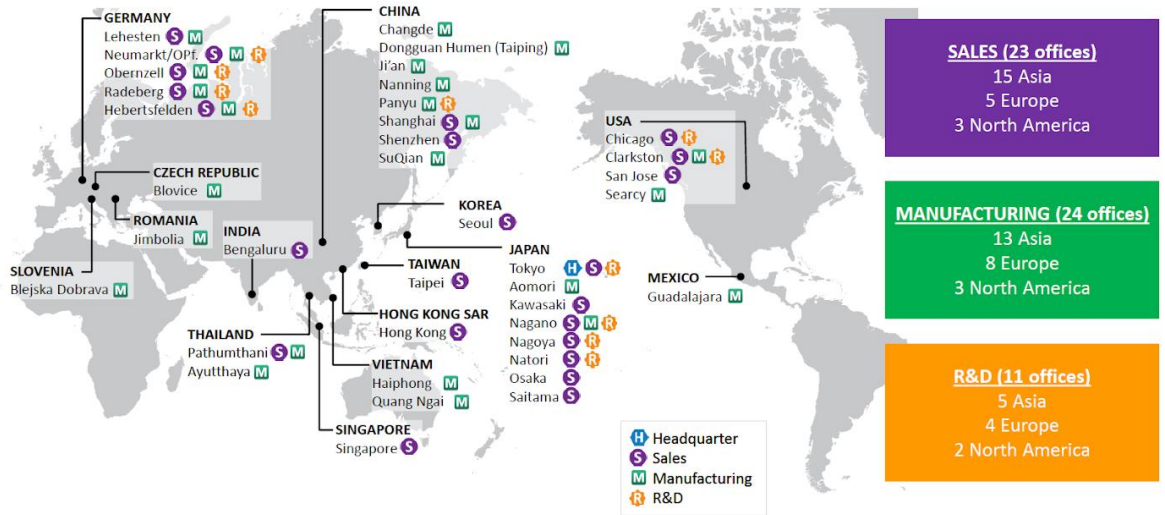
Source: Company materials



The following overview of global bases also indicates that the Made in Market strategy is being promoted.

Global footprint

Global Footprint



Source: Company materials

Business overview

Coils: Multi-functional components supporting electronics

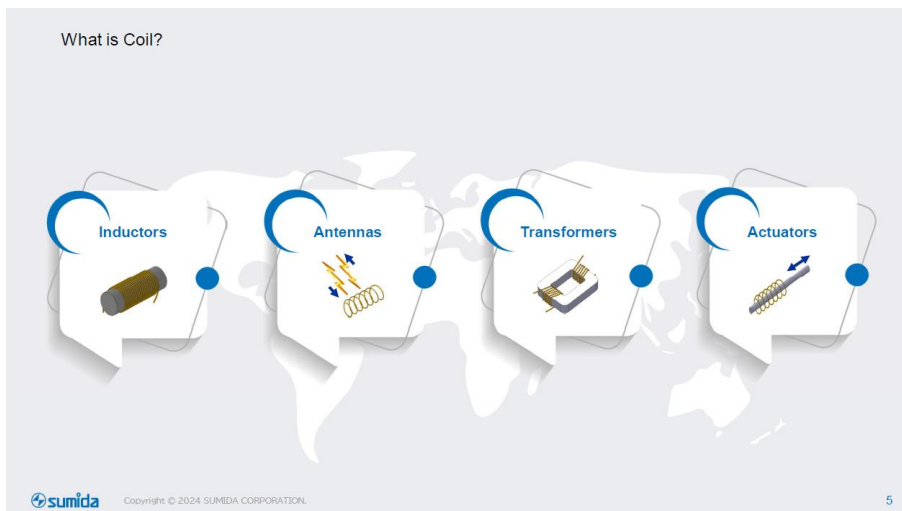
Coils are fundamental components indispensable to electronics. While they have a relatively simple structure consisting of wires wound into helical or spiral shapes, they possess extremely diverse electrical and magnetic properties.

Their main characteristics are as follows:

- **Suppression of current variation (self-inductance effect):** Coils generate a voltage (induced electromotive force) in the direction that counteracts changes in the current flowing through them. This self-inductance effect enables the smoothing of rapid current changes.
- **Frequency dependence (inductive reactance):** In alternating current, the higher the frequency, the greater the extent to which the coil impedes the flow of current (inductive reactance, or the apparent resistance component). This enables selective handling of signals of specific frequencies.
- **Magnetic field generation capability:** When current flows through a coil, it can generate a strong magnetic field efficiently.
- **Energy conversion capability:** Coils can temporarily store electric energy as magnetic energy and convert it back into electric energy as needed.

By utilizing these properties in combination, coils in all areas of electronic circuits, coils play a fundamental and broad role in all areas of electronic circuits, such as precise control of current, removal of unwanted noise, selection and processing of specific signals, efficient power conversion, and conversion of electrical energy into mechanical motion.

Product examples



Source: Company materials



Coil market: Market driven by automotive, 5G, AI-related, renewable energy, and automation

Steady market expansion expected

The global market size is estimated at approximately US\$15.0 billion, and steady market expansion is expected (a compound annual growth rate of around 6%).

Growth drivers

The following are the main drivers of this growth:

- **Advancement in means of transportation, such as automobiles:**

Spread of xEVs (electric vehicles): Demand is increasing for highly efficient and reliable coils in onboard chargers (OBC), battery management systems (BMS), and motor drive units.

Advancement of ADAS (Advanced Driver-Assistance Systems): As more electronic components, such as sensors and ECUs (Electronic Control Units advanced driver-assistance systems): As more electronic components, such as sensors and ECUs (electronic control units), are incorporated, demand increases for noise reduction and power stabilization.

Electrification of motorcycles, defense-specialized vehicles, ships, etc.: Demand is increasing due to the electrification of transportation means, including those other than automobiles. Especially in large cars and ships, the Company's ability to provide customized solutions demonstrates value in terms of handling large-capacity power, durability, stability, and reliability.

- **Renewable energy-related:** In addition to solar and wind power generators, demand is increasing for infrastructure that stably and efficiently supplies large-capacity electricity.
- **Increased demand for AI servers and data centers:** Demand is rising for efficient power management and noise control in AI servers and data centers, as well as for highly reliable energy storage installed alongside data centers.
- **Spread of 5G technology and increased related devices:** Demand is growing due to the spread of 5G-compatible smartphones, installation of 5G base stations, and numerous IoT devices connecting to networks.
- **Industrial automation and robotics:** As factory automation and the introduction of industrial robots progress, demand is increasing for control and motor drive circuits embedded in these devices. This market tends to grow in conjunction with business sentiment in Chinese manufacturing, as well as the supply-demand trends of major NC machine tool manufacturers.

The Company is also expanding into the medical field, and results are anticipated. In addition, the EU's recent expansionary fiscal policy aimed at strengthening social infrastructure is also expected to expand the Company's business opportunities.

Competitive environment and the Company's position

Many major players are present in the coil market. Among Japanese manufacturers, large corporations such as Murata Manufacturing Co., Ltd., TDK Corporation, TAIYO YUDEN CO., LTD., and KYOCERA Corporation have entered the market, and there are also strong competitors in North America and Greater China.

Even in such a highly competitive environment, the Company's business scale continues to grow steadily. This is a testament to the strong support and trust the Company receives from customers for its custom responsiveness and supply capabilities.



Recognition of the business environment and response policy

Mid- to Long-term Business Environment Recognition

We recognize that, by 2035, trends in the environment, technology, geopolitics, and demographics will affect our business. These trends present both opportunities and risks for our operations.

Recognition of the Business Environment

Global Warming

- Decarbonization applications

AI

- Diversification of energy sources
- Increase in energy consumption

Nationalism

- Economic decoupling
- Deterrent for national security

Demographic Changes

- Labor saving and automation

Opportunities and Risks for Our Business

- "Made in Market" – Demand for local production and supply chain
- Higher efficiency and renewal of solar power, wind power, and power grids
- Electrification of all means of transportation (including automobiles, motorcycles, special-purpose vehicles, and ships)
- Increased investment in data centers, medical, robotics, drones, and defense-related fields
- Intensifying price competition with market expansion, leading to lower profitability

Source: Company materials



SUMIDA CORPORATION's competitive advantage: A triune strategy of "Technological Capability," "Versatility in Application," and "Global Scalability"

SUMIDA CORPORATION, a global leader in the coil industry, has an unwavering strength in the integrated pursuit of the three elements of "Technological Capability," "Versatility in Application," and "Global Scalability," through mutual coordination.

SUMIDA CORPORATION's strengths

SUMIDA's strengths

Coil is a part with unlimited applications, which is essential for electronic parts of all kinds.

With our extensive expertise in winding technology at the core, we can customize solutions to meet any requirements

A "Made in Market" system that enables design, manufacturing, and sales to be completed within each region in Asia, Europe, and North America.

Technological Capability

Global Scalability

Performance

The success of our past proj leverages a virtuous cycle, resulting in ongoing inquiries for future projects.

Versatility in Application

The backbone supporting all electronic devices. Opportunities in power supply infrastructure, transportations, quick chargers, energy storage, medical care, defense, space development, AI-related, data centers, wind power, and special-purpose vehicles.

Source: Company materials

Since "Versatility in Application" and "Global Scalability" have already been confirmed, let us now examine the Company's outstanding "Technological Capability," which serves as the foundation for realizing these advantages.

Technological capability: Eight elemental technologies centered on winding technology

The foundation supporting the aforementioned "Versatility in Application" and "Global Scalability" is the Company's outstanding "Technological Capability," which consists of the following eight elemental technologies centered on winding:

- Winding
- Material
- Design & Application
- Production Engineering
- Precise Processing
- Connection
- Molding technologies
- Evaluation & Testing

The Company's strength lies in the "Combined Technologies" that arise from the integration of this wide range of elemental technologies. By fully utilizing this "Combined Technology," the Company promotes technologically driven, innovative design and manufacturing, serving as the driving force behind the continuous supply of custom products that meet the complex demands of a diverse range of customers.

Eight elemental technologies



Source: Company materials

MATERIAL	Magnetic Metal, Capacitor Ceramic, MnZn Ferrite, NiZn Ferrite, Metal Powder Cores, Soft Magnetic Composites, Flexible Metal, Piezo Ceramics
DESIGN & APPLICATION	Product design, Magnetic Simulation, Circuit Simulation, Stress Simulation, Circuit Design, PCB Layout
MACHINE & PROCESS	Machine/ Equipment development, Laser sealing, Laser Blasting, Laser Peeling
TOOLING	Tooling design, Tooling processing, Mold Flow Simulation
WINDING (core)	Alfa Winding, Edgewise Winding, Litz Wire Winding, Orthocyclic Winding, Toroid Winding, Air Coils
PRECISE PROCESSING	Injection Molding, Insert Molding, Low-P Overmolding, Overmolding, Pin draw Molding, Metal Injection Molding, Vacuum Potting, Plasma treatment, Ferrite Injection Molding, Coating, Stamping, Electro-Plating
CONNECTION	Soldering, Arc Welding, Laser Welding, Pulse Heat Welding, Resistance Welding, Ultra Sonic Welding, Pressfit Pin (pin to PCB), Crimping, Pinning, Board to Board Connection
EVALUATION & TESTING	Reliability Test, Transmission X-ray & CT Scan, SEM/EDX, Ion Chromatography, Thermal Analysis, Differential Thermographic / DTA, Full Automatic Scanning Microscope, Inductive Coupled Plasma, Permeability Measurement over Temp, Laser Diffraction Meter

Source: Company materials



SUMIDA CORPORATION's key products: High-value-added solutions covering a wide range of applications

By fully leveraging its outstanding versatility in application, the Company handles a wide variety of products. The Company's key products include the following high-performance electronic components and modules:

- Electronic components and module products:
 - Power inductors: Core components that contribute to power circuit stabilization and efficiency improvement.
 - Transformers: Various types of transformers are used for voltage conversion and insulation.
- Automobile-related products :
 - Keyless entry antennas for automobiles: Antennas used in innovative entry systems.
 - Xenon igniters: Components that control the lighting of HID lamps.
- Telecommunications and IoT-related products:
 - Components for mobile communication devices: Various components are incorporated into smartphones and other devices.
 - RFID tags: Tags supporting contactless communication technology.
- Energy and industrial-related products:
 - Components for power inverters for solar power generation: Support efficient power conversion.
- Components for industrial lighting equipment:
 - Components embedded in lighting systems for industrial sectors.

In addition to these key products, the Company also provides electronic materials and components, including magnetic materials, ceramics, and flexible connectors, as well as EMS (electronics manufacturing services), fulfilling its role as a comprehensive solution provider that meets the diverse needs of its customers.

Key products

▶ Power Inductors & RF Inductors Surface-Mount, Pin Type, LPF Coil for Class-D AMP, RF Chip Inductors	▶ Sensors / Actuators Rotor Position Sensors, ABS Coils, Solenoid Coils
▶ Power Transformers Surface-Mount Type, Pin Type, PoE Transformers, Switching Power Supplies, Reactors, Wireless Power Transfer Coils	▶ Automotive Modules Choke Modules for Inverters, Power Conversion, Filter Modules
▶ Signal RF/Communications, RFID, Antenna Coils, etc.	▶ Magnetic materials, Ceramic Components, EMS, Flexible Connections Ceramic Passive Components, Electronics Manufacturing Services (EMS), Flexible Flat Cables
▶ EMC AC Power Line, DC Power Line, Normal Mode Choke, Common Mode Coils	▶ Components for Medical Equipment Communication Isolation Transformers, Isolation Transformers

Source: Company materials

We next confirm the breadth of product offerings by strategic focus area.

Key product groups by strategic focus area

Key Applications: Automotive Electronics

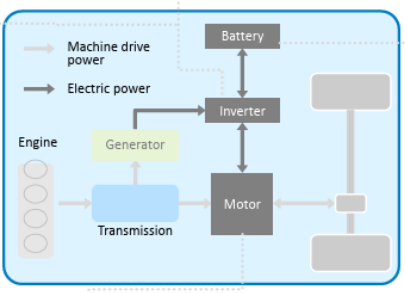


ANTENNA Immobilizer Passive entry passive start LF TX Antennas LF RX Antennas Panta SMD	LED Common mode choke for electric source of head light driving circuit Panta SMD, FIX Jumpers Common Mode Chokes Power Inductors Transformers	AIR-CONDITIONING High withstand voltage transformers Panta Flexible Modules HV input inductor Actuator mold coil for variable compressor to drive valves EMC chokes
INJECTION Direct-injection engine coil Diesel stators	SHIFTER INHIBITORS BTSI Panta FFC Jumper	AIRBAG Panta FFC Jumper
TRANSMISSION Actuator mold coils for CVT transmission's oil-pressure control	VISCIOUS CLUTCH AWD Engine Fan	ECU Power Inductors RF Chip Inductors Panta ZIF Jumper, Panta SMD Battery Choke Rod Core Chokes
ABS/ESC Step-up transformer for driving a Back Sonar's ultrasonic-waves	BACK SONAR Step-up transformer for driving a Back Sonar's ultrasonic-waves	INFOTAINMENT Haptic Actuator Power Inductors LPF coil for Class-D AMP
CAN BUS Common Mode Chokes		

Source: Company materials

Key Applications: Automotive Electronics xEV



FILTER MODULES Customized designs Voltage up to 800 V Amperage up to 300 A Comply with safety standards Boost Inductors	GATE DRIVE TRANSFORMER FOR INVERTER IGBT & SiC driver power supply transformers HV input Inductors	SMPS FOR INTERNAL POWER SUPPLY High withstand voltage transformers	ADAS & BMS Isolation transformers For Li-battery monitors Power Inductors SW solenoid as rush current protection for Li-battery
DC-DC converter for HVDC Coupled Inductors Power Transformers			ON BOARD CHARGER (OBC) Power Transformers Power Inductors Panta FIX Crimp Current Transformers PFC Module
EV QUICK CHARGERS Gate Drive Transformers Choke Modules Power Transformers			WIRELESS CHARGING FOR EV Wireless Power Charging Impedance matching coils

Source: Company materials

Key Applications: Industrial Electronics




- SOLAR POWER**: PFC Inductors, DMC Filter, AC Chokes, Choke Modules, Reactor, Choke Modules, AC Chokes, Power & Pulse Transformers
- WIND POWER GENERATION**: DC Link Chokes, Edgewise Coils, Panta FIX Jumper
- POWER LINE COMMUNICATION**: Isolation Transformers, Rod Core Chokes, Common Mode Chokes
- SIGNAL**: RF Chip Inductors, Transformers
- FORKLIFTS & HYBRID CONSTRUCTION MACHINERY**: Transformers & Reactors, Panta FIX Jumpers, Panta FIX Crimp
- INVERTERS FOR ELECTRICITY GENERATION**: DCL/ACL Reactors, Transformers
- SECURITY, RFID**: Antenna, RF Chip Inductors, Common Mode Chokes, AC Common Mode Chokes, Normal Mode Chokes
- MRI**: Isolation & Network Isolation Transformers
- CATALOGUE SOLENOIDS**: Solenoids
- HYDRAULIC VALVE COILS**: Valve coils
- INDUSTRIAL SOLENOIDS**: Solenoids
- CONTROL SYSTEMS FOR INDUSTRIAL ROBOTS**: Reactors, Transformers, Power Inductors, Panta FIX Jumpers
- 5G MOBILE COMMUNICATION BASE STATION**: PoE Transformers, Common Mode Chokes, Power Inductors

Source: Company materials

Key Applications: Consumer Electronics




- SMART PHONES · TABLET PCS · MOBILE PHONES · WIRELESS CHARGING SYSTEMS**: Power Inductors, Transformers, Wireless Power Transfer Coil, RF Chip Inductor
- LED LIGHTING**: Transformers, Power Inductors, Common Mode Chokes
- GAME CONSOLES**: DC Common Mode Chokes, AC Common Mode Chokes, LAN Transformers, Modem Transformers, Power Inductors
- LCD TVS**: AC Common Mode Chokes, Normal Mode Chokes, Common Mode Chokes, LPF coil for Class-D AMP, Switching Transformers, Power Inductors, LAN Transformers, Modem Transformers
- DIGITAL STILL CAMERAS**: Common Mode Chokes, Panta FLL, Panta SMD, Power Inductors, Low Leakage Flux type Inductors for lens
- SERVER**: Power Inductors
- AIR-CONDITIONERS**: AC Line Filter, Normal Mode Chokes, Small-sized reactors, Common Mode Chokes, Transformers
- PRINTERS**: Power Inductors, Common Mode Chokes, Switching Transformers, Normal Mode Chokes
- HOME APPLIANCES**: Power Inductors, AC Common Mode Chokes, Transformers
- LAPTOPS**: Power Inductors, PANTA FIX, ZIF Jumpers

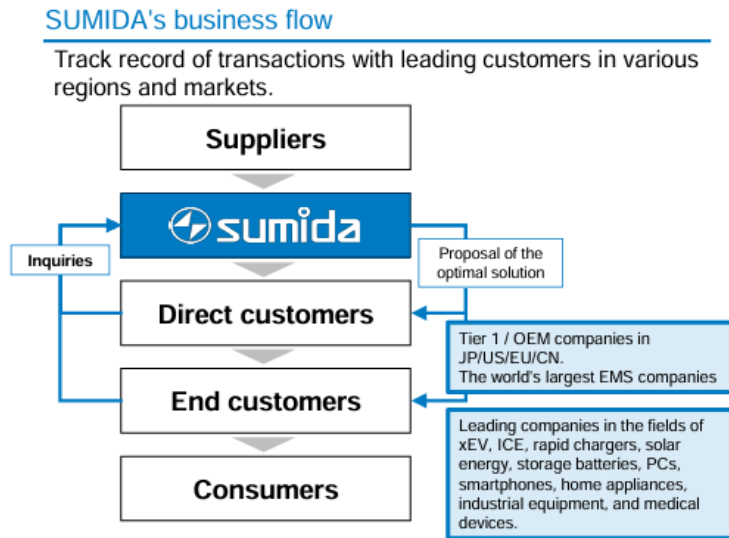
Source: Company materials



SUMIDA CORPORATION's business model: Custom product proposals and project acquisition as a leading indicator

A characteristic of the Company's business model is that it actively proposes high-value-added custom products and connects them to orders. The flow of acquiring custom product projects is as follows:

Flow of the custom product project acquisition



Source: Company materials

Time axis of business development and the importance of leading indicators

A crucial aspect of understanding the Company's business development is that, from project acquisition to actual revenue recognition, each product market has its own unique lead time. In addition, once production has started. Furthermore, even after production has begun, there is a unique time frame for sales revenue trends depending on the product market.

Trends in custom product orders from acquisition to revenue recognition by product market

SUMIDA's Business Model (2)



In the custom projects we handle, revenue is generally recorded on the following time axis, by market.

	Automotive	Industrial	CE
The time axis from project acquisition to revenue recognition	2~3 years	2~3 years	1~2 years
Chart of revenue trends after production begins (Image)			
Product Life Cycle (Image)	Over 5 years	Over 7 years	Over 3 years

Source: Company materials

Viewed differently, **this characteristic means that the trend in current project acquisition value serves as a strong leading indicator of the Company's revenue trends several years ahead.**

Therefore, in forecasting the Company's performance, particular attention is paid to the trend of newly acquired projects. This also reflects the fact that the Company is not simply supplying parts, but is deeply involved in the customer's product development cycle from an early stage, building long-term partnerships.

Segment structure

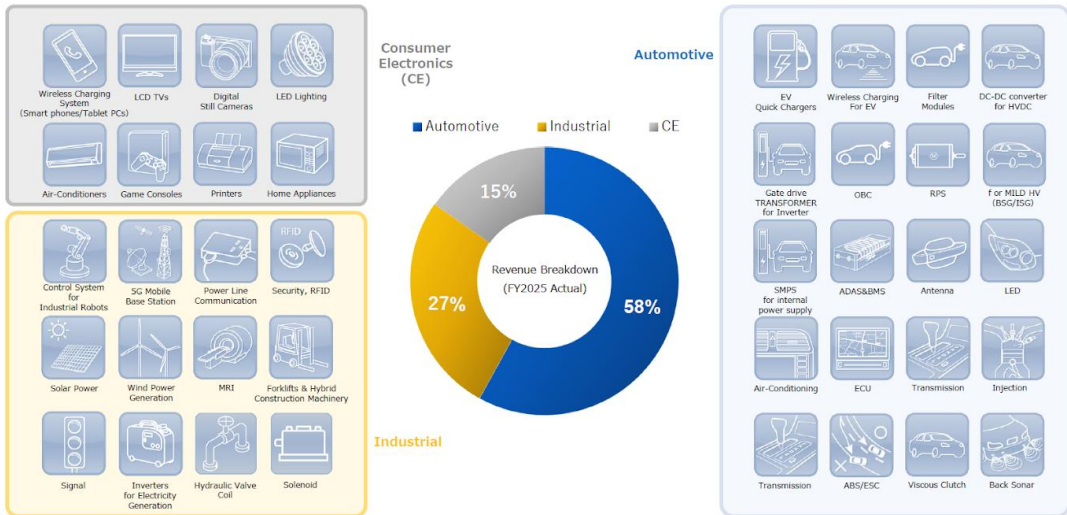
The Company's reportable segments by region are as follows (FY12/2025; revenue refers to revenue from external customers).

- Asia Pacific Business
Revenue of 92.36 billion yen and segment profit of 4.75 billion yen
- EU business
Revenue of 54.83 billion yen and segment profit of 3.40 billion yen

In IR materials, details by region and application market are disclosed. The composition by application market is classified into the Automotive, Industrial, and Consumer Electronics markets, and the revenue composition of these markets is as follows.

Revenue composition by market (FY2025)

Business Portfolio



Source: Company materials



Long-term performance trends

To analyze the mid-term business plan currently being promoted, a review of the Company’s long-term performance trends is provided. Below are the performance trend data from FY1997 through FY2025 (fiscal year ending December 2025), with amounts in millions of yen. Although the accounting standard transitioned from Japanese GAAP to IFRS in FY2017, the figures are presented as-is for the sake of analytical continuity.

From this long-term data, the following key points can be observed:

Positive aspects: Sustainable growth orientation and establishment of a profit base

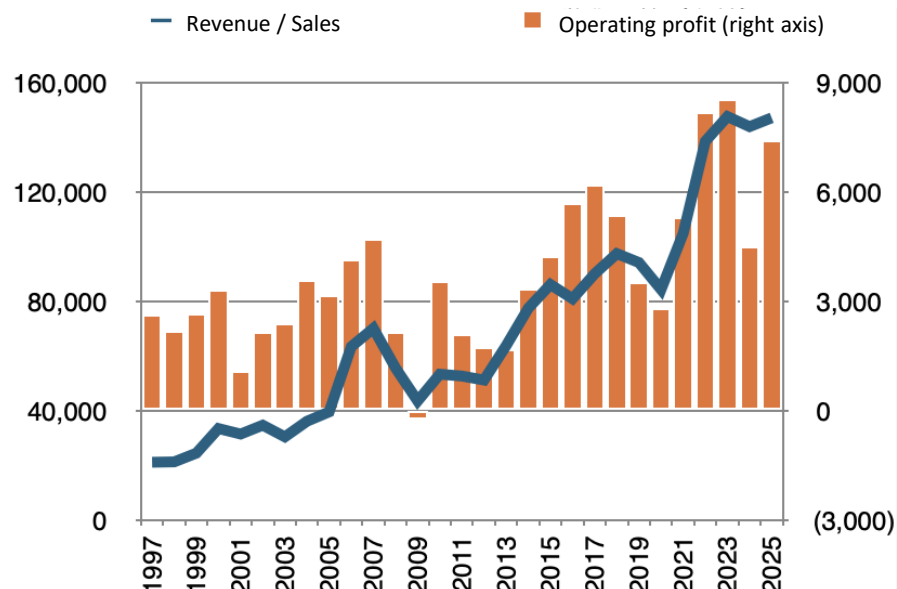
- **Strong growth orientation and revenue expansion:** Over time, the Company has expanded its assets through aggressive capital investments and M&A and has continued to grow revenue (net sales) accordingly. This indicates the Company’s clear growth strategy and ability to respond to the market.

Long-term performance trends



Source: Company materials, Factset

- **Cyclical growth in operating profit:** Except for FY2009, the Company has consistently remained profitable. Although there are fluctuations from year to year, overall, the Company has maintained a steady growth trajectory and established a “Cyclical Growth” model, continuing to grow despite being affected by economic fluctuations.

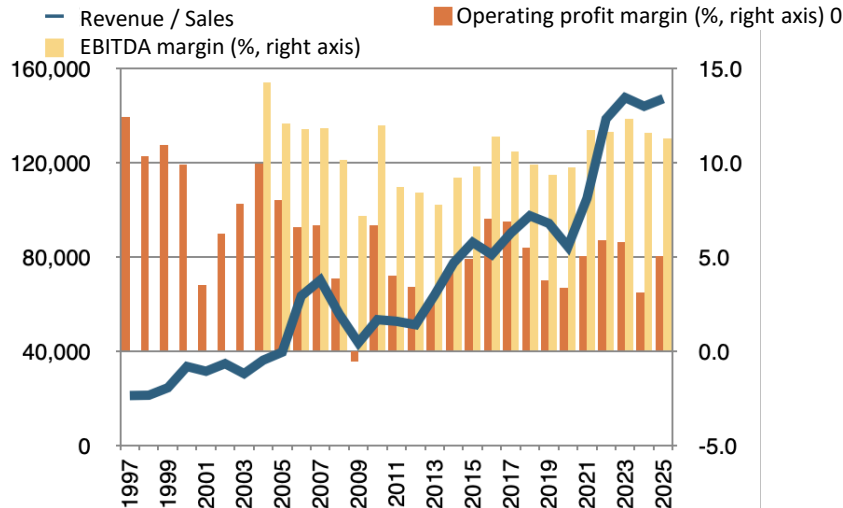


Source: Company materials, Factset

Challenges: Focus on improving profitability and capital efficiency

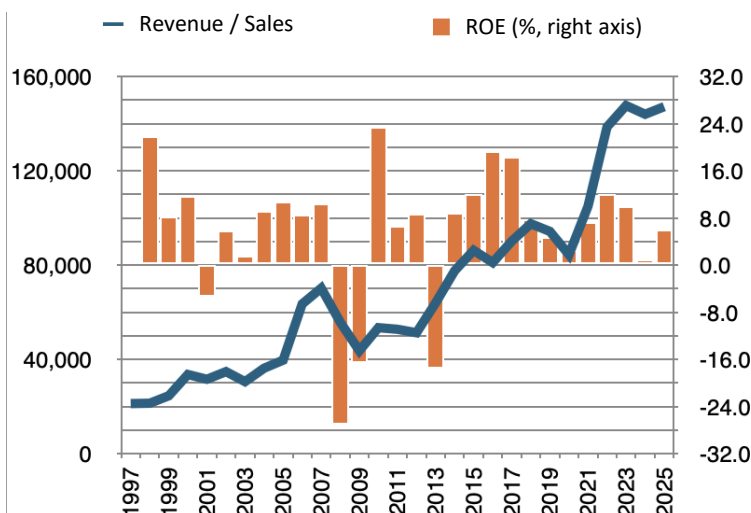
EBITDA margin has remained stable, but there is room for improvement in the operating profit margin:

The EBITDA margin has generally been maintained in the 10% range, which is a favorable sign of the stability of cash flow generated by the business. However, the operating profit margin has remained around 5% over the past 10 years, lower than in earlier periods. One factor is that an increase in depreciation and amortization associated with aggressive growth investments has negatively impacted the operating profit margin. Going forward, if the Company can maintain the operating profit margin in the 5-10% range through optimized pricing policies and rigorous cost control, its earnings structure would become even more desirable.



Source: Company materials, Factset

Large volatility in ROE: While the cost of equity recognized by the Company is 9%, ROE (return on equity) through FY2025 is 8.9% on a 10-year average and 7.3% on a most recent five-year average. Therefore, based on this long-term average, the Company is meeting shareholders' expectations, but on the most recent five-year average, it does not meet the required level. Moreover, the range of fluctuation is large (for example, from 12% in FY2022 to 1.0% in FY2024), and investors have no choice but to consider this high volatility as a risk factor. The Company has diversified its sales destinations across the Automotive, Industrial, and Consumer Electronics markets, but it cannot avoid the impact of demand fluctuations for each end product, making it difficult to eliminate volatility in ROE. However, if, as noted above, the Company can raise its operating profit margin, the average ROE should also rise, and, as a result, the degree of risk attributable to ROE volatility should decline. Therefore, when looking at the Company's Mid-Term Business Plan, how effectively it is taking measures to address these profitability and capital efficiency issues is an important evaluation point.



Source: Company materials, Factset

SUMIDA CORPORATION Vision to 2035 Mid-Term Business Plan 2026-2028

SUMIDA CORPORATION Vision to 2035 Mid-Term Business Plan 2026-2028

On February 7, 2024, the Company announced its “New Mid-Term Business Plan (2024-2026)”. Subsequently, although prospects for achieving the ESG targets became clear, changes in the business environment caused the FY2026 financial targets set out in the Mid-Term Business Plan to diverge from actual conditions. For this reason, on February 9, 2026, the Company announced “**Vision to 2035**”, which outlines the Vision it aims to achieve in 2035, as well as the “**Mid-Term Business Plan 2026-2028**”. Rather than viewing this as indicating that its recognition of the business environment was optimistic, we would like to take it positively as evidence of the Company's resilience in swiftly revising management's direction in response to environmental changes.

Review of the previous Mid-Term Business Plan

In the previous Mid-Term Business Plan, the Company positioned green energy-related fields as a pillar of growth and expected substantial increases in revenue and profit. However, from the beginning of 2024, the first year of the plan, the market environment changed rapidly due to factors such as the end of EV subsidies in Europe and changes in U.S. environmental policy. Because this occurred at a stage when the break-even point had risen due to increases in production facilities and personnel for expansion, project delays and a slowdown in demand ultimately put pressure on earnings.

In response to these environmental changes, the Company has taken countermeasures by improving the break-even point and diversifying revenue sources, proceeding with headcount reductions in Europe and China, focusing on acquiring Industrial-related projects, and, in October 2025, further acquiring Schmidbauer, which complements the Industrial domain.

Trends in the financial targets and results of the Mid-Term Business Plan

		FY2023 Actual	MTBP 2024-2026			
			FY2024 Actual	FY2025 Actual	FY2026 Forecast	FY2026 Target
Revenue	B.JPY	147.6	143.9	147.1	156.0	190.0
Green energy-related revenue	B.JPY	36.7	38.9	39.4	42.0	67.0
Operating Profit	B.JPY	8.5	4.5	7.4	7.5	13.5
EPS	JPY	167.46	17.96	109.47	110.40	272.00

Source: Company materials

Vision to 2035

The Company has set its Vision to 2035 as **"Top Position in Multiple Niches"**.

This is not only an attempt to grow with megatrends as tailwinds, but also to build footholds in higher-value areas and raise earning power over the long term. The growth strategy has become clearer than in the previous Mid-Term Business Plan.

2035 outlook for product applications



Source: Company materials

Overview of the Niche-Top Strategy

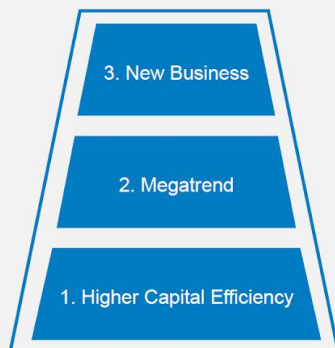
To realize its Vision, the Company plans to promote the **"Niche-Top Strategy"**, which consists of three layers, and its key points are as follows. Put simply, it is a well-balanced strategy comprising defensive reinforcement focused on capital efficiency and cash-generation capability, offensive initiatives that leverage megatrends as tailwinds, and initiatives in new businesses that represent seed planting for long-term positioning improvement.

From the perspective of share price formation, the key points of each strategy are linked to the effect of supporting earnings (reduction in earnings volatility and an effect of reducing the cost of capital), expectations for medium-term earnings expansion (expectations for EPS growth), and raising long-term growth potential (an effect of expanding PER).

Niche-Top Strategy

Niche-Top Strategy

Towards achieving our Vision to 2035, **"Top Position in Multiple Niches,"** we are promoting our Niche-Top Strategy. We aim to strengthen our earnings base, pursue growth driven by megatrends, and secure the No.1 position in multiple niche markets.



- **Commercialize proprietary technologies developed in-house.**
Create new markets by offering unique, hard-to-imitate value.
- **Acquire projects in application markets aligned with megatrends.**
In addition to previous green-energy-related areas (xEV and renewable energy), expand into power grids, transportations, data centers, medical, robotics, and more.
- **Enhance cash-generation capability in existing business domains.**
Pursue faster response to customer needs.

Source: Company materials

Regarding New Business, two initiatives are currently being presented. Although both are expected to require lead time, if successful, expectations are high that they will lead to greater earnings stability and a higher earnings level.

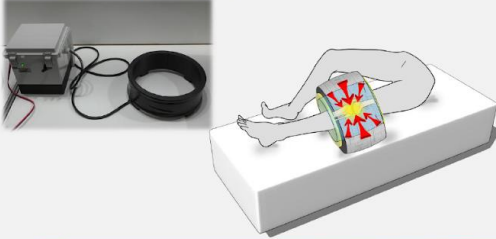
New Business: Application of VP Coil technology in medical care

New Business: Application of Vector Potential Coil Technology in Medical Care

Iwate University's Vector Potential Coil technology makes it possible to use an electric field to reach deep into living tissue non-invasively. Our goal is to use this technology to treat knee osteoarthritis. Clinical studies using animals are under way. We will explore the feasibility of conducting human clinical research.

Prototype equipment for treating knee osteoarthritis

- A Vector Potential Coil device that has an electric field that can reach deep into living tissue.



Knee osteoarthritis market

- There are 300 million knee osteoarthritis patients around the world and 15 million in Japan.
- The standard treatments covered by insurance are no more than painkillers and compresses. The treatment for advanced symptoms is joint replacement.
- => We aim to reduce aching pain and progression using the Vector Potential Coil technology.
- => We plan to commercialize it jointly with a Japanese medical equipment company with a track record in this area.
- => We will explore the feasibility of conducting human clinical research, after we acquire a POC via clinical trial using animals.

Long-term prospects

- Last year, our joint research partner Tohoku University announced at an academic conference that VP coils increase mitochondrial membrane potential ($\Delta\Psi_m$).
- => We will explore the potential applications for increasing $\Delta\Psi_m$ in the treatment of medical issues in the areas of neurodegeneration, immunological disease and cardiovascular disease, where there have been academic indications of therapeutic benefits.
- => We will make it a foundational technology that will use physics to achieve patients' hopes.

Our strengths

- We hold basic patents in the U.S.
- Patents for a bone-growing device have been obtained in Japan, Europe, and China.
- A paper on the implications of the proliferation of chondrocytes was published by a Nature-affiliated journal.*

* Scientific Reports 13, 16845 (2023) <https://www.nature.com/articles/s41598-023-43949-3>

Source: Company materials


New Business: Application of quantum sensing technology in advanced measurement

New Business: Application of a Quantum Sensing Technology in Advanced Measurement




- Through collaborative industry-academia research, we are developing a high-sensitivity quantum magnetic sensor with a diamond NV center together with Kyoto University.
- It will have applications as a signal receiver in the field of advanced measurement field, making it possible to reduce the time necessary for measurement by 90%.

R&D achievements

- In 2018, we began participating in a Ministry of Education, Culture, Sports, Science and Technology joint industry-academia research promotion program. In 2023, our project was selected for JST A-STEP (full-scale).*
- This brings together our knowledge of magnetic technologies and Kyoto University's quantum magnetic field sensing knowledge.



Target applications

Applications	Effects of introduction
NMR (nuclear magnetic resonance) 	<ul style="list-style-type: none"> ✓ Shortening of the development periods of chemical products, pharmaceuticals, etc. ✓ Reduction of economic and environmental burdens
Secondary battery quality inspections 	<ul style="list-style-type: none"> ✓ Improvement of battery safety ✓ Reduction of battery production cost ✓ Increased use of recycled batteries
MRI (nuclear magnetic resonance imaging) 	<ul style="list-style-type: none"> ✓ Provision of high quality diagnostic images ✓ Reduction of burdens on patients made possible by reducing examination time

Our strengths

- World-leading signal detection sensitivity
- Strategic building of a patent portfolio
- Proprietary coil design technologies and expertise in coil manufacturing

* The Japan Science and Technology Agency's Adaptable & Seamless Technology Transfer Program through Target-driven R&D

Source: Company materials



SUMIDA CORPORATION Vision to 2035 Mid-Term Business Plan 2026-2028

Mid-Term Business Plan 2026-2028

Next, we look at the “Mid-Term Business Plan 2026-2028”.

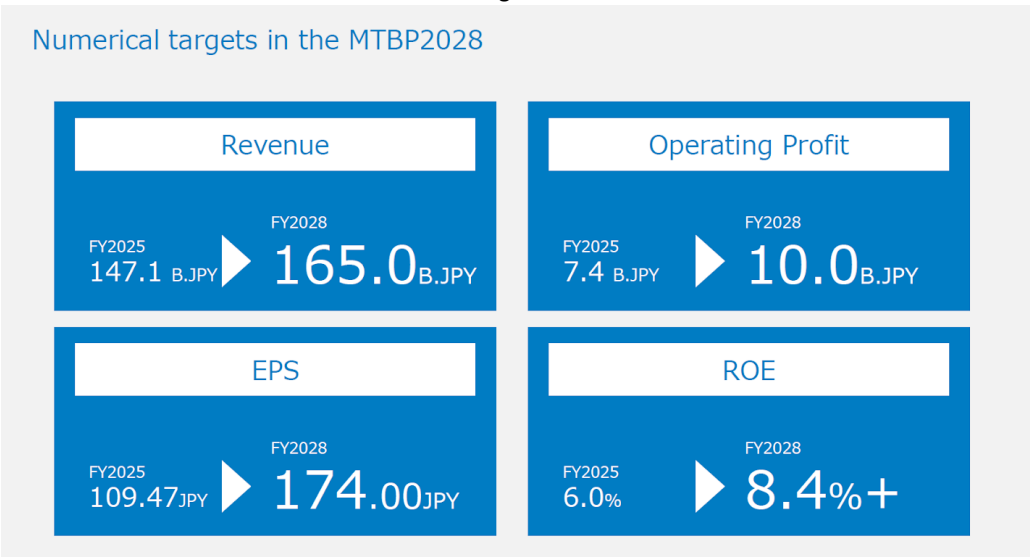
The numerical targets are as follows: over three years, the Company aims to increase revenue by 12%, operating profit by 35%, EPS by 59%, and ROE by at least 2.4 percentage points.

The points are likely to be

- a plan for higher revenue and profit that is conscious of profit margins
- aiming for ROE exceeding 8%

In the initial announcement of the Mid-Term Business Plan, the Company set ROIC as the KPI for capital efficiency and set a target to raise it from 5.4% in FY2025 to 6.7% in FY2028. However, in the announcement of the FY2026 first-quarter results, the KPI was changed from ROIC to ROE. This is the Company's response to investors' expectations for PBR improvement and shows the Company's strong commitment to its share price.

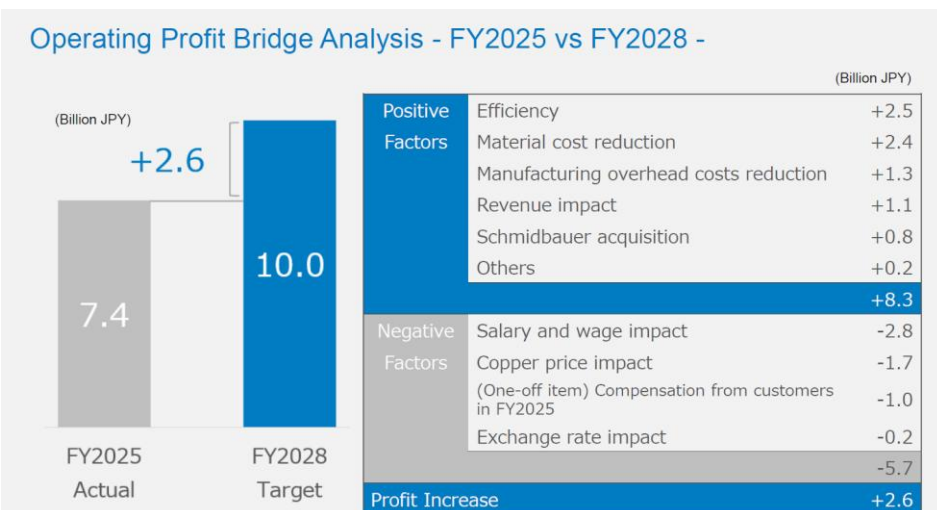
Mid-Term Business Plan 2026-2028 Numerical targets in the MTBP2028



Source: Company materials

The factors behind changes in operating profit are as follows. This is an ambitious plan that aims to achieve profit growth after covering wage increases and the risk of rising copper prices through cost control, revenue growth, M&A, and other factors.

Mid-Term Business Plan 2026-2028 Operating profit bridge analysis



Source: Company materials



The business measures in the new Mid-Term Business Plan are as follows.

The specific measures of the Niche-Top Strategy described above are listed. The first, High Capital Efficiency, is an extension of the Company's previous initiatives, and the second, Megatrends, can generally be understood as a revision of the thinking in the previous Mid-Term Business Plan, in line with current conditions.

The points to watch are the following two.

First, in Megatrends, xEV-related, data center-related, and Schmidbauer-related areas are important growth drivers. In xEV-related areas, signs of recovery are emerging amid heightened geopolitical risks, surging energy prices, and lower production costs. In data center-related areas, infrastructure demand is increasing as AI is implemented in society. In this way, the fact that multiple different megatrends will act as tailwinds is considered to increase the likelihood of the Company's growth story.

Second, in New Business, the focus is on maximizing synergies with Schmidbauer, which the Company acquired last year. Schmidbauer specializes in the development, manufacture, and sale of products focused on large coils for high-power applications, including drive technology, renewable energy, railways, and defense, and there is little overlap with the Company in terms of products and customers. As a result, after the acquisition, the Company has become able to make a wide range of proposals to the customer bases of both companies. Furthermore, when Schmidbauer's European customers expand their business in China and the U.S., they can leverage the Company's global Made in Market production and sales structure, making it easier to achieve profitability for new projects. In this way, synergies appear easy to generate, and expectations are high for this to become a driver of earnings.

Niche-Top Strategy: High Capital Efficiency



Source: Company materials

Niche Top Strategy – 2. Megatrend Centric –

Strategic Mission

Secure projects in application markets that directly align with megatrends.

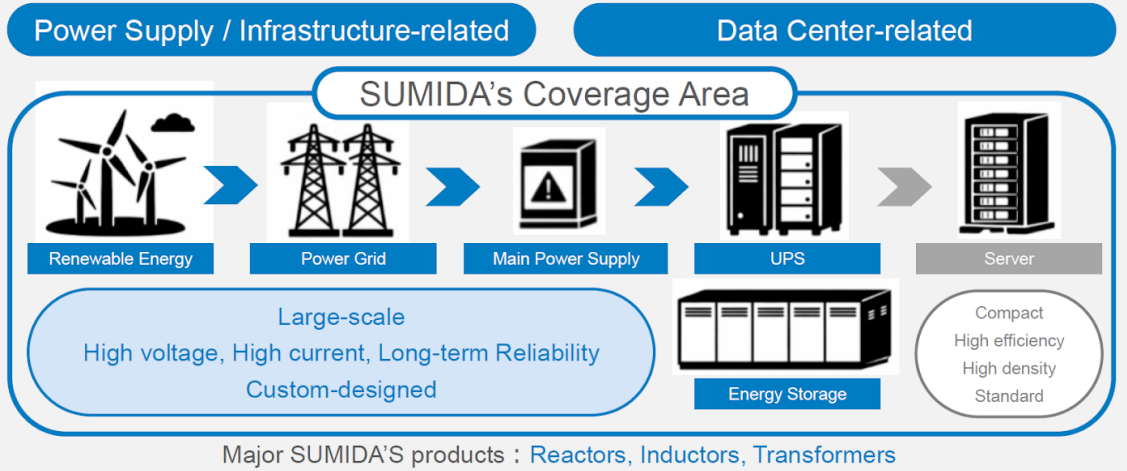
Focused Strategy on Key Markets

- Green energy-related fields, power grids, mobility solutions, data centers, healthcare, robotics, etc.
- Although growth in the green energy-related area is currently temporarily stagnant, we expect this segment to expand over the medium to long term.
- xEV-related, Data Center-related, and Schmidbauer-related businesses are key growth drivers.

Revenue		FY2025 Actual	FY2028 Target	CAGR	Revenue		FY2025 Actual	FY2028 Target	CAGR
Automotive	B.JPY	85.4	95.0	+3.6%	xEV	B.JPY	19.2	30.0	+15.9%
Industry	B.JPY	39.3	48.0	+6.9%	Data Center-related	B.JPY	5.0	7.0	+11.3%
CE	B.JPY	22.4	22.0	-0.6%	Schmidbauer-related	B.JPY	1.2	6.0	+69.4%
Total	B.JPY	147.1	165.0	+3.9%	Megatrend-related Total	B.JPY	25.5	43.0	+18.9%

Opportunities for SUMIDA in Power/Infrastructure-related and Data Center-related Applications

We will provide large custom products in the power supply/infrastructure domain, where high-voltage, high-current products that are reliable over the long term are required.



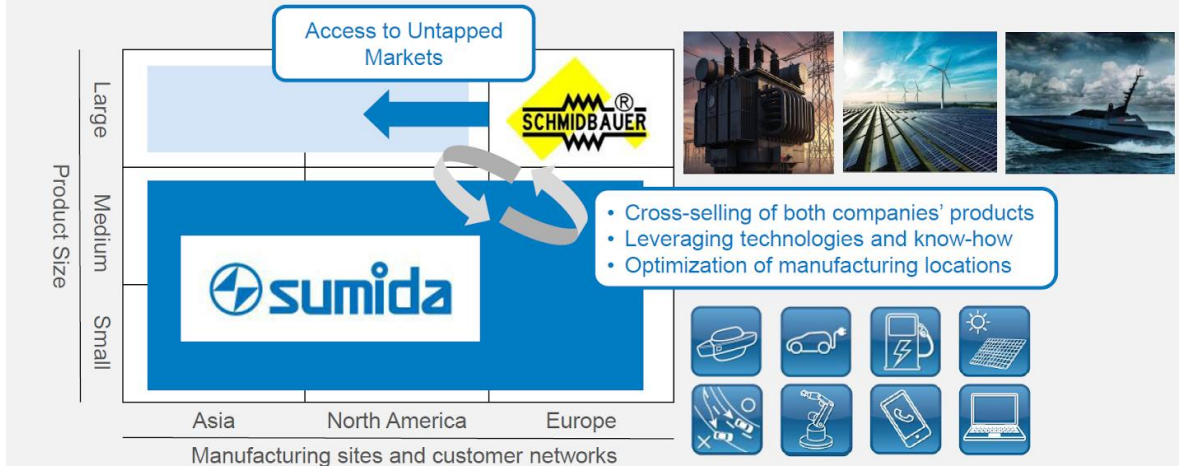
Source: Company materials



Niche-Top Strategy: New business

Creating Synergies with Schmidbauer

Schmidbauer products will be manufactured and sold in Sumida's production and sales regions in Eastern Europe, Asia, and North America. In addition, we will promote cross-selling of both companies' products, leverage our combined technologies and know-how, and optimize manufacturing locations.

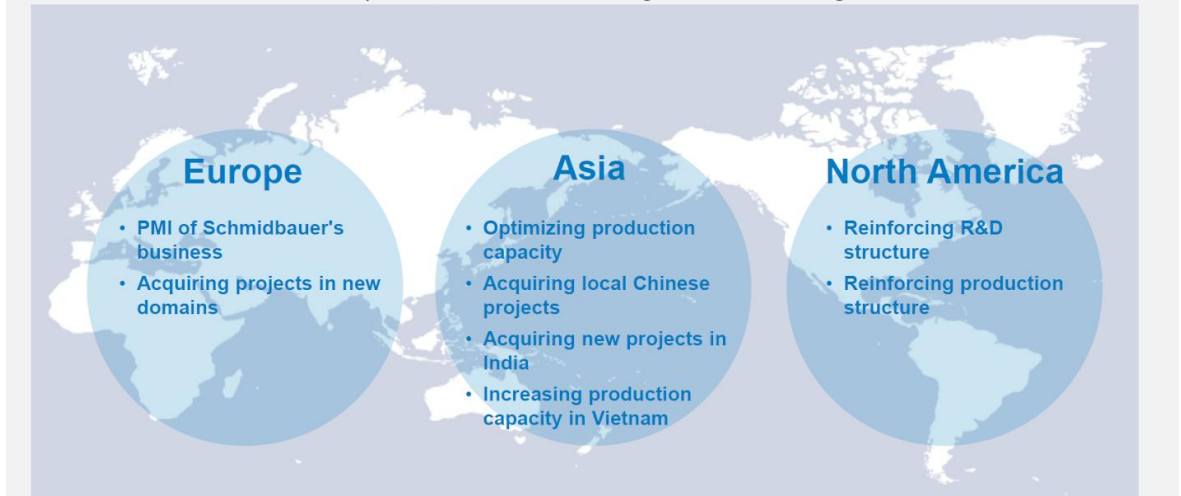


Source: Company materials

Niche-Top Strategy: Regional strategy

Regional Strategy

To establish a “Made in Market” structure that can swiftly respond to local needs by completing the three functions—sales, development, and manufacturing—within each region



Source: Company materials



The financial measures in the new Mid-Term Business Plan are as follows.

Capital allocation, dividends, and a roadmap for enhancing corporate value are presented, with an emphasis on "growth orientation," "cash-consciousness," and "achieving PBR of 1x or more."

Capital allocation

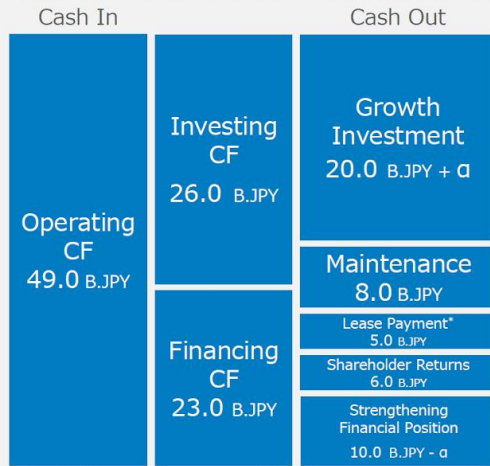
The plan is to generate cumulative operating cash flow of 49.0 billion yen over three years (the same level as the cumulative total over the past three years), allocate more than 20.0 billion yen first to growth investment, then implement investment in existing facilities and other areas up to around 8.0 billion yen, and generate free cash flow of 23.0 billion yen (compared with 17.3 billion yen cumulatively over the past three years).

This free cash flow is scheduled to be allocated to shareholder returns and strengthening the financial position. In line with the dividend policy revised in 2025, the Company plans to pay dividends of 6.0 billion yen and, at the same time, proceed with debt reduction of around 10.0 billion yen, thereby securing financial strength for the next large-scale growth strategy, such as M&A.

Capital allocation

Capital Allocation

Top priority is "Growth Investment," followed by "Shareholder Returns." We will work to improve our financial position with a target Net D/E ratio of 0.6x.



Priority is "Growth Investment."

We will enhance capital efficiency in existing businesses to generate funds and allocate them to megatrends and new business opportunities.

Next comes "Shareholder Returns."

In line with the dividend policy revised in 2025, we will implement stable dividend payments.

Financial improvement targeting a Net D/E ratio of 0.6x.

However, temporary increases up to 1.0x are acceptable if favorable opportunities for M&A or growth investments arise.

We view cumulative Free Cash Flow of JPY 23.0 billion over three years.

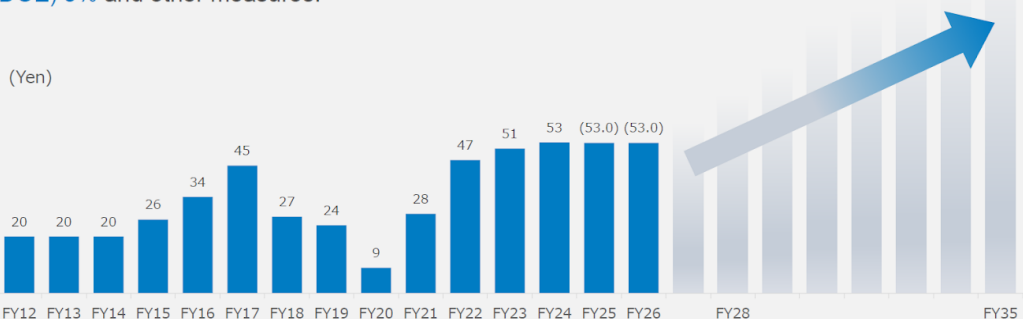
* The principal portion of lease payments included in Maintenance Investment is classified as cash flows from financing activities, while the interest portion is classified in cash flows from operating activities.

Source: Company materials

Shareholder returns policy

Shareholder Returns Policy

The Company's basic policy for the return of profits to shareholders is to deliver dividends in consideration of a consolidated dividend payout ratio (30% or more) with top priority on the profit distribution through dividends. When it is inappropriate to deliver dividends in accordance with the basic policy based on actual consolidated business results, the Company will work to enhance shareholder returns up to the amount of distributable surplus after considering Dividend on Equity (DOE) 3% and other measures.



* The dividend for FY2025 Year-end is scheduled to be submitted for approval to the Board of Directors at a meeting planned on February 20, 2026.
* Figures in parentheses are estimates.

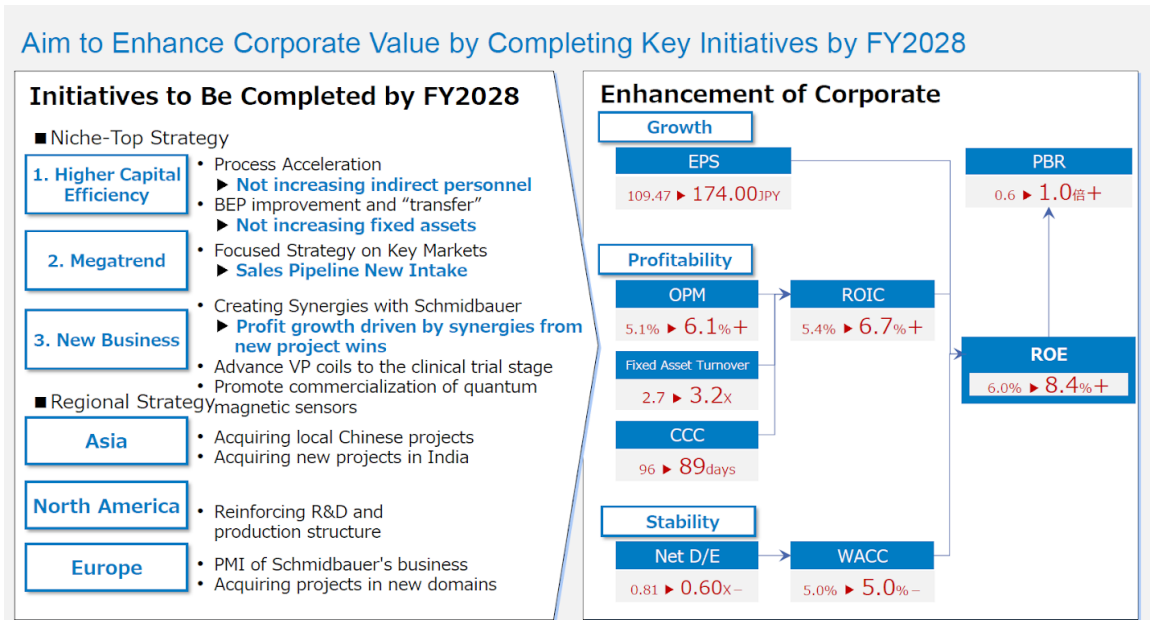
Source: Company materials



Roadmap for enhancing corporate value

The roadmap showing the impact of the above measures on the share price is as follows. Simply put, the aim is to steadily improve ROE to 8% or higher and establish a PBR of 1x or higher.

Roadmap for enhancing corporate value



Source: Company materials

Earnings trends

FY12/2025 results: outperformance versus company forecast and solid project wins

The FY12/2025 full-year results the Company announced on February 6, 2026, exceeded the Company's forecast and showed increases in both revenue and profit. Full-year revenue was 147.19 billion yen (up 2.2% YoY), operating profit was 7.44 billion yen (up 64.8% YoY), profit before income taxes was 4.83 billion yen (up 272.9% YoY), profit attributable to owners of the parent was 3.62 billion yen (up 512.4% YoY), basic earnings per share were 109.47 yen, and the annual dividend was 53 yen.

The key points of these results are as follows.

First, even in a business environment with a high degree of uncertainty, full-year revenue increased through both internal and external growth, and the effects of cost-structure reforms became evident.

On the revenue side, although demand softened in some areas such as automotive-related products, xEV rapid-charging infrastructure-related products, and solar power generation, the Company's wide-ranging customer base and "Made in Market" global supply network underpinned revenue. Furthermore, the Company promptly acquired Schmidbauer, which is highly complementary to the Company in terms of products and supply structure, and achieved full-year revenue growth.

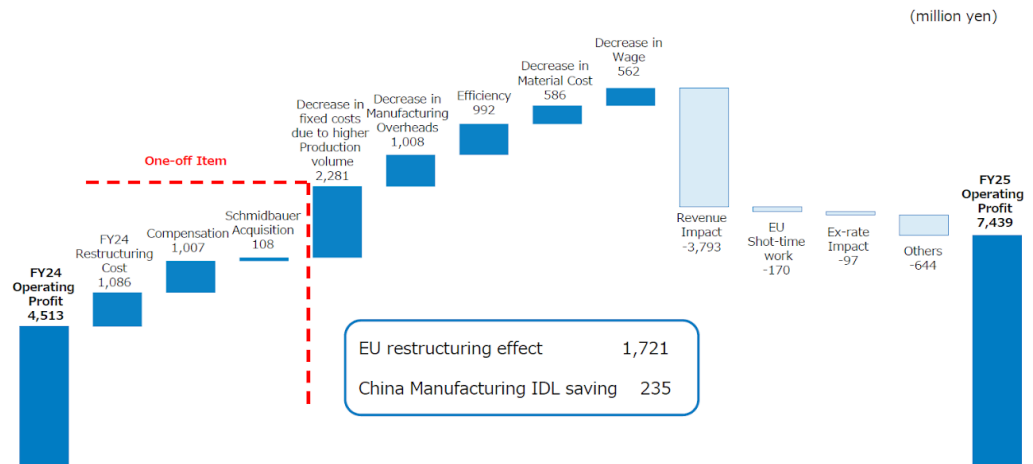
(Unit: Million yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Change (%)
Automotive	87,893	85,415	(2.8)
Industry	36,314	39,312	8.3
Consumer Electronics	19,770	22,466	13.6

Source: Company materials

Operating profit, excluding temporary factors, increased by 720 million yen for the full year, reflecting the results of cost structure reforms. The effects of business structure reform in Europe, the optimization of production capacity in China, and the reduction in manufacturing overhead costs in China exceeded the negative impact of revenue-decreasing factors, thereby improving profitability. It can be said that the earnings structure has become more muscular. The impact of foreign exchange gains and losses was limited.

Operating Profit Bridge Analysis - FY2024 vs FY2025 -



Source: Company materials



Second, the balance sheet and cash flow can be regarded as sound. The Net D/E ratio is 0.81x, and the cash conversion cycle of 96 days is almost flat YoY in both cases. Inventory turnover days are 87, up 2 days YoY, warranting attention. Free cash flow was positive at 3.57 billion yen despite the large-scale acquisition.

Third, the trend in the amount of acquired projects, a leading indicator of the Company's medium- to long-term earnings performance, is favorable. In FY12/2025, the Company acquired new projects totaling approximately 88.0 billion yen. Although this is below the 97.0 billion yen in FY12/2024, it is larger than the 82.0 billion yen in FY12/2023. Looking at the breakdown, the pause in automotive-related areas has been successfully covered by increases in Industrial and Consumer Electronics.

Trends in Acquired Projects

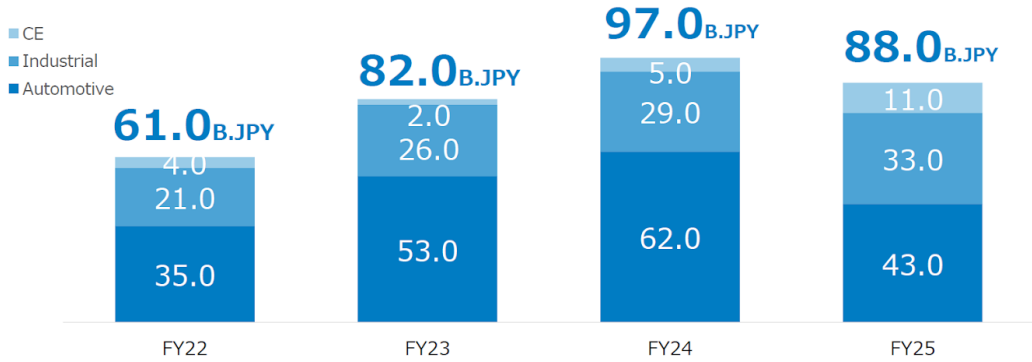
FY2025 Overview of Sales Pipeline: New Intake

Sales pipeline New intake of Life Time turnover* is approx. 88.0 billion yen in FY2025.

* Total amount of revenue in the period between the start and end of each project (at the time of project acquisition)

* For the product lifecycle in each product market and the image of revenue recognition, see "SUMIDA's Business Model (2)" on page 24

* Figures below are based on the exchange rate at the time of the estimation.



Source: Company materials



FY12/2026 company forecast and first-quarter results:

We look at the FY12/2026 consolidated earnings forecast presented at the time of the FY12/2025 results announcement. There was no revision to the full-year forecast in the announcement of FY12/2026 first-quarter results.

Although it is a plan for revenue growth, it forecasts a slight increase in profit because uncertainty remains in the business environment, and the temporary positive profit factors that arose in FY12/2025 will disappear.

FY12/2026 consolidated company earnings forecast

- Revenue: 156.00 billion yen (up 6.0% YoY)
- Operating profit: 7.50 billion yen (up 0.9% YoY)
- Profit before income taxes: 4.85 billion yen (up 0.4% YoY)
- Profit attributable to owners of the parent: 3.65 billion yen (up 0.9% YoY)
- EPS: 110.40 yen (up 0.9% YoY)
- Dividend per share: 53 yen (flat YoY)
- Operating profit margin: 4.8% (down 0.3 percentage points YoY)
- Capital expenditures: 6.8 billion yen (up 9.1% YoY)

FY12/2026 company forecast

FY2026 Performance Forecast



The business environment is expected to remain challenging.

We will steadily implement the initiatives set forth in the Mid-term Business Plan 2026–2028 and strive to enhance our profitability and improve capital efficiency.

		FY25 Actual	FY26 Forecast	YoY
Revenue	M.JPY	147,194	156,000	+6.0%
Operating Profit	M.JPY	7,439	7,500	+0.8%
Profit before income taxes	M.JPY	4,830	4,850	+0.4%
Net profit ^{*1}	M.JPY	3,618	3,650	+0.9%
Earnings per share (EPS) ^{*2}	JPY	109.47	110.40	+0.9%
OP margin		5.1%	4.8%	-0.3pt
Net profit margin		2.5%	2.3%	-0.2pt

Exchange Rate ^{*3}	USD / JPY	JPY	149.85	150.00	+0.1%
	EUR / JPY	JPY	168.03	180.00	+7.1%
	CNY / JPY	JPY	20.81	21.43	+3.0%
	HKD / JPY	JPY	19.23	19.23	+0.0%
Copper Price ^{*4}	USD/ton		9,939	13,000	+30.8%

* This performance forecast was created based on customers' product purchase plans

^{*1} Profit Attributable to Owners of Parent

^{*2} Basic earnings per share

^{*3} The actual values are based on the average exchange rate for the period

^{*4} The actual values are based on the LME prices (simple average of monthly averages for the target period)
LME: London Metal Exchange

Source: Company materials

The recognition of the business environment is as follows (the latest recognition in the first quarter is presented). While uncertainty regarding energy, logistics costs, and material prices has increased due to the situation in the Middle East, positive factors such as the recovery of the xEV shift, alternative energy investment, and AI investment are also emerging. However, the recognition that the business environment cannot be viewed optimistically is reasonable.

Business environment outlook

Business Environment Outlook

The situation in the Middle East has emerged as a new source of uncertainty for the business environment. The Group is closely monitoring fluctuations in energy prices, logistics costs, and material prices.

Global Economic Outlook:

Global: Moderate recovery track despite regional differences

U.S: Remained on a trend of expansion with steady employment and consumer spending.

Europe: Manufacturing remains weak as central banks gradually cut interest rates in stages, but some signs of recovery are starting to appear.

China: The rate of recovery slowed down reflecting adjustments in the real estate market and weak overall domestic demand.

Expected Macroeconomic Impact from the Middle East Situation:

- Increase in crude oil and energy prices
- Increase in logistics costs
- Increase in material prices and tighter raw material availability
- + Acceleration of the shift to xEVs
- + Increase in investments in alternative energy

Expected Impact of the Middle East Situation on Our Business and Our Response

As of the end of the first quarter under review, the direct impacts on the SUMIDA's supply chain and production activities are limited, and there has been no major interference in its business operations. The Group will continue to monitor the situation closely.

According to the revenue forecast by market, growth is assumed in automotive-related areas, especially xEV-related areas that have begun to recover in Europe, as well as in data center-related and Schmidbauer-related areas in the Industrial market.

Revenue forecast by market

FY2026 Performance Forecast (By Market)

It is expected that the industrial and automotive markets will recover.

The Group will expand its businesses by positioning xEV-related, Schmidbauer-related, and data center-related businesses as growth drivers.

Revenue		FY25	FY26	YoY
		Actual	Forecast	
By Market				
Automotive	M.JPY	85,415	91,300	+6.9%
- xEV	M.JPY	19,248	22,600	+17.4%
Industry	M.JPY	39,312	42,300	+7.6%
- Data Center Energy Storage	M.JPY	5,081	5,700	+12.2%
- Schmidbauer Synergies	M.JPY	1,233	4,900	+297.3%
CE	M.JPY	22,466	22,400	-0.3%
Total	M.JPY	147,194	156,000	+6.0%

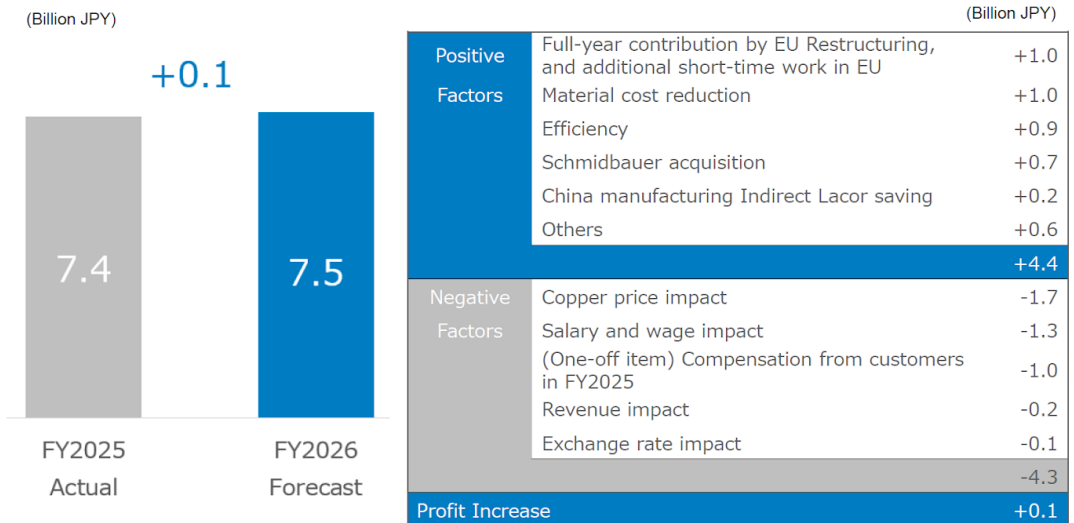
Source: Company materials

Full-year operating profit is forecast to increase by 0.1 billion yen YoY; however, after accounting for 1.0 billion yen in compensation received from customers in the previous fiscal year, the underlying increase is 1.1 billion yen.

This is based on the assumption that positive factors such as the effects of business structural reform in Europe, raw material costs, improvements in production efficiency, M&A effects related to Schmidbauer, and optimization of manufacturing overhead costs in China will exceed cost increases such as rising copper prices and higher wages.

Factors affecting operating profit

Operating Profit Bridge Analysis - FY2025 vs FY2026 -



Source: Company materials

Capital expenditures are planned at 6.8 billion yen and are expected to be directed toward new products, capacity expansion, and productivity improvement.

FY12/2026 first-quarter results: a solid start

The first-quarter consolidated results announced on April 30, 2026, were strong results with higher revenue and profit. Schmidbauer's inclusion in the Group and strength in xEV-related areas in Europe contributed to revenue growth, and data center-related areas also trended higher. On the profit and loss side, profitability continued to improve, partly due to fixed cost reductions resulting from business structural reform. There were no significant changes in the balance sheet.

FY12/2026 first quarter:

- Revenue: 38.43 billion yen (up 3.03 billion yen YoY, up 8.6% YoY)
- Operating profit: 1.51 billion yen (up 0.28 billion yen YoY, up 22.2% YoY)
- Profit before income taxes for the quarter: 0.90 billion yen (up 12.2% YoY)
- Profit attributable to owners of the parent for the quarter: 0.73 billion yen (up 24.0% YoY)
- Impact on earnings from Schmidbauer: an increase of approximately 1.0 billion yen in revenue and approximately 0.15 billion yen in operating profit.

Revenue Trends

Financial Results (Revenue by Market / Region / Megatrend-related Revenue)

(billion yen)								
By region			By market			Megatrend-related Revenue		
	FY26.1Q YoY			FY26.1Q YoY			FY26.1Q YoY	
Asia	14.5	+3.4%	Automotive	22.6	+2.9%	xEV	5.7	+8.4%
North America	7.2	-1.9%	Industrial	10.8	+19.2%	Data Center-related	1.6	+9.5%
Europe	16.5	+19.5%	CE*	4.8	+15.1%	Schmidbauer-related	1.0	N/A
Total	38.4	+8.6%	Total	38.4	+8.6%	Total	8.4	+23.5%

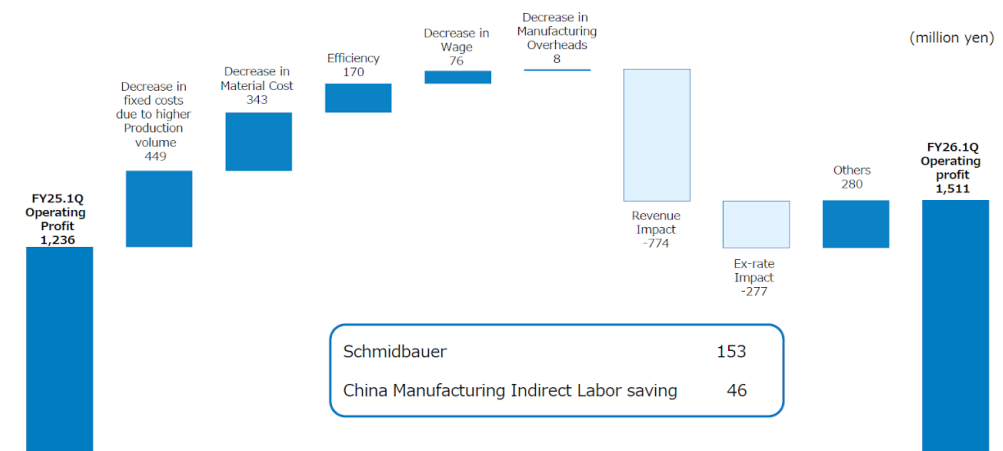
Asia	↗	<ul style="list-style-type: none"> Revenue in the automotive market increased to 9.1 billion yen (YoY +6.0%) because of the growth in ICE-related demand and despite the sluggish growth in xEV-related demand. Demand related to medical services contributed in the industrial market. As a result, revenue increased to 2.7 billion yen (YoY +12.1%). Revenue in the CE market decreased to 2.6 billion yen (YoY -11.1%) due to a slowdown in demand related to mobile phones and AI-equipped PCs.
North America	↘	<ul style="list-style-type: none"> Revenue in the automotive market decreased to 2.5 billion yen (YoY -18.2%) as a result of stagnant xEV-related demand. Revenue in the industrial market dropped to 3.2 billion yen (YoY -9.7%), despite strong demand related to data centers, partly reflecting a decrease in demand for xEV quick chargers following a surge in demand in the previous fiscal year. Revenue in the CE market increased significantly, to 1.5 billion yen (YoY +100.8%), as a result of strong demand related to mobile phones.
Europe	↗	<ul style="list-style-type: none"> Revenue in the automotive market increased to 11.0 billion yen (YoY +6.7%) as a result of the recovery of xEV-related demand. Revenue in the industrial market increased significantly, to 4.8 billion yen (YoY +59.1%), reflecting the acquisition of Schmidbauer and a recovery of the industrial application market. Revenue in the CE market increased to 0.6 billion yen (YoY +44.4%).
Megatrend-related	↗	<ul style="list-style-type: none"> The megatrend-related revenue remained steady in all application markets. Overall revenue increased to 8.4 billion yen (YoY +23.5%). The megatrend-related revenue ratio was 22.0% (YoY +2.7pt).

* CE: Consumer Electronics * ICE: Internal Combustion Engine * The above quantitative data are management accounting values. * Revenue by Location of Group Sales Companies.

Source: Company materials

Operating profit bridge analysis

Operating Profit Bridge Analysis - FY2025.1Q vs FY2026.1Q -



Source: Company materials



Stock price trends and catalysts

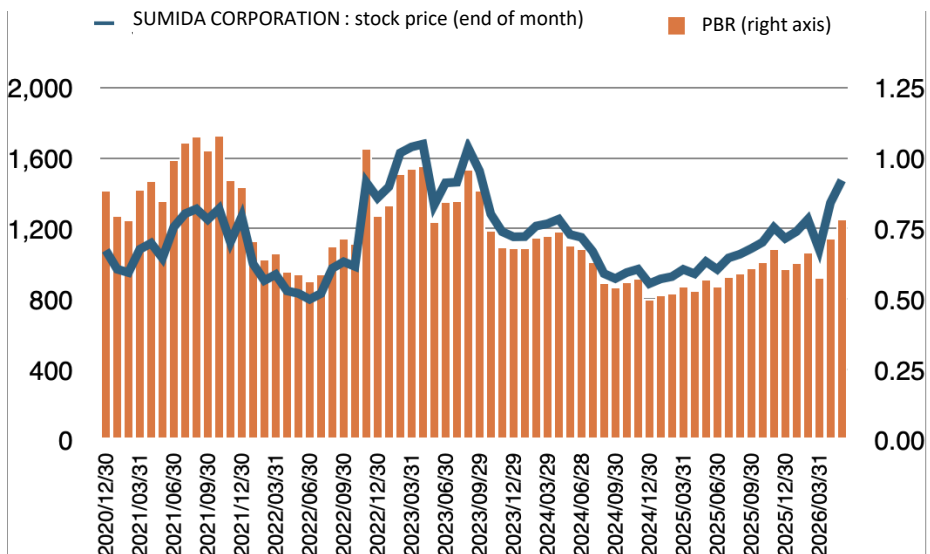
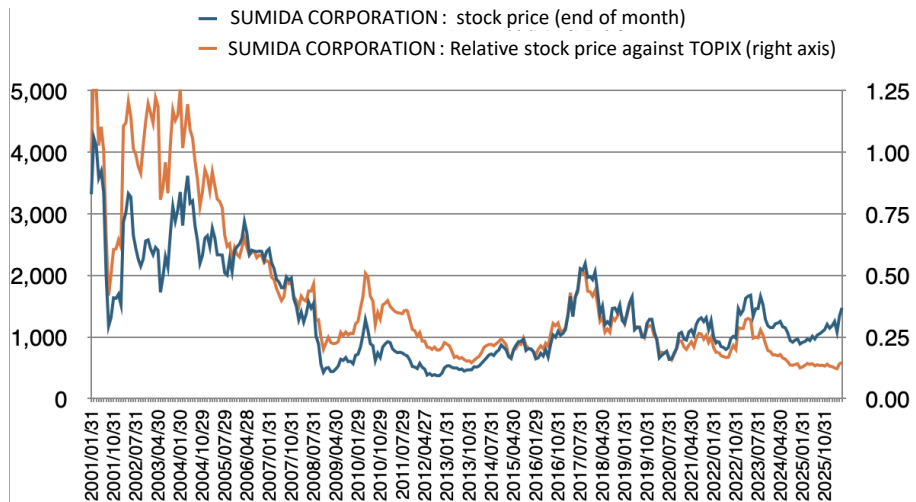
Stock price trends: the share price has recovered to the resistance line of the long-term symmetrical triangle pattern

The Company's share price was relatively high in the 2000s, but over the past 10 years, it has formed a so-called symmetrical triangle pattern within a range, with a lower bound around 700 yen and an upper bound above 2,000 yen. Since March 2026, the share price has risen, and it is now approaching the resistance line of the symmetrical triangle pattern in place since 2017.

In line with this, PBR has also recovered to the 0.8x range.

Expectations for sustained improvement in ROE are increasing.

At present, the share price is at an important stage, poised either to remain within the long-term symmetrical triangle pattern or to break out to the upside. The recovery in the share price to date is thought to reflect a combination of internal factors, namely the Company's swift implementation of cost structure reforms, productivity reforms, and M&A, and external factors, namely the bottoming out of demand in green energy-related fields and the benefits of investment in AI data centers, as well as the presentation of a new Mid-Term Business Plan that is conscious of raising the level of ROE and reducing ROE volatility, which had been issues for the Company's share price.





Stock price catalysts:

Based on the above, the key point to watch going forward is whether the Company can consistently achieve the targets of the renewed Mid-Term Business Plan. As this likelihood increases, the share price can be expected to break out of the long-term symmetrical triangle pattern since 2017 and target a PBR of 1x, or approximately 1,900 yen. As expectations for the Company in the stock market increase, even greater attention than before is expected to be paid to the Company's capabilities for sustainable growth.

The catalysts to watch are as follows.

- **Further improvement in the earnings structure and profit margins:** The question is whether the Company can fully control fixed costs, improve the contribution margin, and build a robust earnings structure that exceeds the final target of the Mid-Term Business Plan, an operating profit margin of 6.1%. The results of cost control have already emerged in FY12/2025, and we would also like to see pricing that reflects added value take hold.
- **Continuous accumulation of acquired projects:** Another point is whether the Company can steadily accumulate newly acquired projects, which is a leading indicator of its earnings, and monetize them while minimizing missed opportunities. We would like to see the Company accumulate multiple layers of projects in xEV, data center-related, and Schmidbauer-related areas, which are cited as megatrend-related areas. The need to maximize M&A synergies is self-evident.
- **Achievement and stabilization of the ROE target of 8.4%:** If cost control normalizes and multilayered megatrend projects accumulate, the operating profit margin will stabilize at a high level, leading to ROE stabilizing at a high level. The point is whether the Company can reach and stabilize at the near-term target of 8.4%, and we look forward to the results of the various measures.
- **Completion of the Made in Market structure and strengthening of risk resilience:** Whether the Company can fully establish a "Made in Market" structure that is completed within each region, and establish a resilient supply chain and production structure in response to uncertain factors such as U.S. tariff risk and geopolitical risks around the world, will be the key to enhancing corporate stability and credibility.
- **Updates on new businesses and business potential:** If progress in commercializing in-house proprietary technologies and their business potential is shown sequentially, growth expectations will rise, and the shape of "Top Position in Multiple Niches" will come into view. Along with this, it is fully conceivable that multiples such as PER will expand and the share price will rise. We would like to receive regular updates.
- **Whether the FY12/2026 earnings forecast will be revised upward:** If both the full-year revenue and profit forecasts are revised upward, expectations in the stock market will rise further.

Points to note regarding risk factors

Fluctuations in exchange rates, prices of key raw materials such as copper, and shifts in global investment appetite for green energy-related investments may affect the Company's earnings and therefore require attention.



Financial data (full-year basis)

Unit: million yen	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
(Income Statement)										
Sales	81,052	90,153	97,538	94,283	84,417	104,920	138,600	147,672	143,978	147,194
Year-on-year	-6.0%	11.2%	8.2%	-3.3%	-10.5%	24.3%	32.1%	6.5%	-2.5%	2.2%
Cost of Goods Sold	66,191	75,019	82,192	81,414	73,319	89,563	119,298	126,561	125,970	126,270
Gross Income	14,861	15,134	15,346	12,869	11,098	15,357	19,302	21,111	18,008	20,924
Gross Income Margin	18.3%	16.8%	15.7%	13.6%	13.1%	14.6%	13.9%	14.3%	12.5%	14.2%
SG&A Expense	8,507	8,837	9,694	9,330	8,798	9,688	11,319	12,282	12,375	12,840
EBIT (Operating Income)	6,354	6,297	5,652	3,539	2,300	5,669	7,983	8,829	5,633	7,951
Year-on-year	50.0%	-0.9%	-10.2%	-37.4%	-35.0%	146.5%	40.8%	10.6%	-36.2%	41.2%
Operating Income Margin	7.8%	7.0%	5.8%	3.8%	2.7%	5.4%	5.8%	6.0%	3.9%	5.4%
EBITDA	9,251	9,574	9,660	8,848	8,247	12,337	16,103	18,190	16,655	19,832
Pretax Income	5,469	5,697	4,061	2,184	1,470	3,898	6,534	5,856	1,295	4,830
Consolidated Net Income	3,844	4,628	2,531	1,596	839	2,695	5,168	5,102	434	3,582
Minority Interest	178	123	110	13	11	66	68	37	-156	-35
Net Income ATOP	3,666	4,504	2,420	1,582	828	2,629	5,099	5,064	590	3,618
Year-on-year	80.4%	22.9%	-46.3%	-34.6%	-47.7%	217.5%	94.0%	-0.7%	-88.3%	513.2%
Net Income Margin	4.5%	5.0%	2.5%	1.7%	1.0%	2.5%	3.7%	3.4%	0.4%	2.5%
(Balance Sheet)										
Cash & Short-Term Investments	3,546	5,375	4,098	3,286	5,237	4,237	2,944	3,107	4,286	6,129
Total assets	69,007	84,366	94,277	96,561	98,063	117,725	134,846	142,786	147,766	163,656
Total Debt	30,611	35,836	40,206	43,646	44,586	54,763	58,546	57,198	57,975	64,023
Net Debt	27,065	30,461	36,108	40,360	39,349	50,526	55,602	54,091	53,689	57,894
Total liabilities	46,982	54,242	58,835	61,963	63,503	77,622	85,966	85,471	86,849	98,298
Total Shareholders' Equity	20,629	28,570	33,829	33,013	32,990	38,338	46,829	55,056	58,648	62,008
(Cash Flow)										
Net Operating Cash Flow	8,291	3,658	4,672	8,732	9,107	600	10,566	18,343	14,928	16,457
Capital Expenditure	5,024	9,511	9,610	8,302	6,765	6,737	9,174	10,914	9,005	7,347
Net Investing Cash Flow	-4,961	-9,254	-15,153	-8,133	-6,669	-6,712	-8,174	-10,702	-8,834	-12,886
Net Financing Cash Flow	-3,016	7,389	9,477	-1,261	-447	4,751	-4,130	-7,782	-5,268	-1,958
Free Cash Flow	3,941	-5,173	-3,769	1,379	3,118	-5,212	2,362	8,539	7,068	10,224
(Profitability)										
ROA (%)	5.36	5.87	2.71	1.66	0.85	2.44	4.04	3.65	0.41	2.32
ROE (%)	19.27	18.31	7.76	4.74	2.51	7.37	11.98	9.94	1.04	6.00
Net Margin (%)	4.52	5.00	2.48	1.68	0.98	2.51	3.68	3.43	0.41	2.46
Asset Turn	1.18	1.18	1.09	0.99	0.87	0.97	1.10	1.06	0.99	0.95
Assets/Equity	3.60	3.12	2.86	2.86	2.95	3.03	2.97	2.72	2.56	2.58
(Per-share) Unit: JPY										
EPS	157.9	176.4	90.2	58.3	30.5	96.7	187.5	167.4	17.9	109.4
BPS	888.8	1,069.6	1,250.0	1,216.1	1,213.7	1,409.8	1,722.1	1,687.4	1,774.6	1,875.5
Dividend per Share	34.00	45.00	27.00	24.00	9.00	28.00	47.00	51.00	53.00	53.00
Shares Outstanding (million shares)	23.94	27.44	27.44	27.44	27.44	27.44	27.44	32.88	33.10	33.11

Source: Calculated by Omega Investment based on FactSet's standard criteria, rounded to the nearest whole number.

Corporate data

Corporate profile/history

SUMIDA CORPORATION

【Head Office】

KDX Ginza Building 7F, 3-7-2, Irifune, Chuo-ku, Tokyo

<https://www.sumida.com/>

【R&D Centers】

Japan (Sendai, Nagano), China, Thailand, Germany, USA

【Sales offices in Japan】

Sendai, Nagano, Nagoya, Osaka, Saitama, Kawasaki

【Sales offices outside of Japan】

Hong Kong, Singapore, China, Taiwan, Thailand, South Korea, USA, Germany, India

【Manufacturing】

Japan (Aomori, Nagano), China (Taiping, Panyu, Nanning, Shanghai, Changde, Ji'an, SuQian), Mexico, Vietnam (Haiphong, Quang Ngai), Thailand, Germany (Oberzell, Neumarkt, Lehesten, Radeberg, Heubelsfelde), Romania, Slovenia, the Czech Republic, and the U.S.

【Business Description】

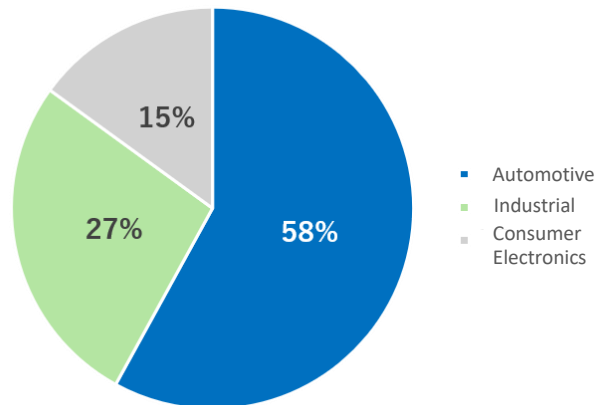
Electronic components & modules for use in Automotive, Consumer Electronic and Industrial applications

【No. of Employees】 14,964 (Consolidated ; As of Dec. 31, 2025)

Sales by product category (fiscal year ended Dec. 2025)

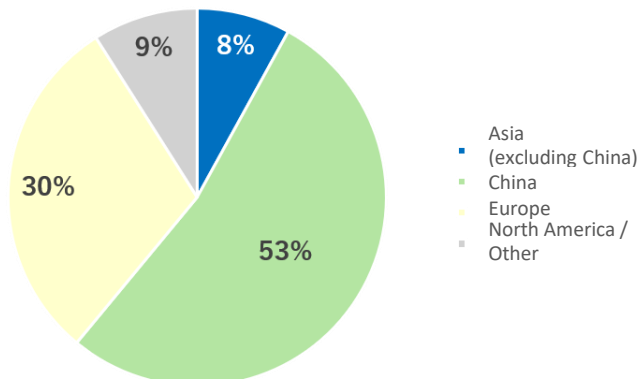
By Market

Sales ratio



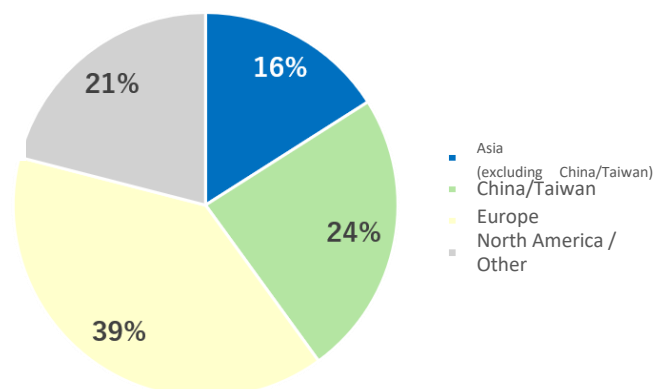
By Production Area

Sales ratio



By Sales Region

Sales ratio



Source: Company materials

Corporate data

History

Date	Changes in the main business activities
Jan. 1956	Established Sumida Electric Industry Co., Ltd. in Sumida-ku, Tokyo, for the manufacture and sale of coils.
Dec. 1961	Relocated headquarters to Katsushika Ward, Tokyo
Jun. 1963	Changed trade name to Sumida Electric Co., Ltd.
Oct. 1966	New factory established in Soma, Fukushima
Jul. 1974	Established Sumida Electric (H.K.) Company Limited in Hong Kong
May 1987	Established Singapore branch (currently SUMIDA TRADING PTE LTD)
Aug. 1988	Registered as an over-the-counter stock with the Japan Securities Dealers Association
Jan. 1990	Established SUMIDA ELECTRIC (USA) COMPANY LIMITED (coil sales) in the United States (later renamed SUMIDA AMERICA COMPONENTS INC., and integrated into the current SUMIDA AMERICA INC. in December 2021).
Dec. 1992	Established Dongguan Shengmeida (Taiping) Electric Co., Ltd. in Guangdong Province, China.
Oct. 1995	Established Sendai Technical Center (currently Sumida Electric Co., Ltd. M.Laboratory)
Dec. 1998	Listed shares on the Second Section of the Tokyo Stock Exchange
Aug. 1999	Established SUMIDA AMERICA HOLDINGS INC. in the United States
Aug. 1999	Acquired the electromagnetic business division of C.P. Clare Corporation and established REMtech Corporation (manufacturing and sales base in NAFTA), which was later absorbed into SUMIDA AMERICA COMPONENTS INC. and integrated into the current SUMIDA AMERICA INC. in December 2021.
Jun. 2000	Changed the company name to Sumida Corporation and transitioned from a business holding company to a pure holding company.
Jun. 2000	Listed on the First Section of the Tokyo Stock Exchange
Apr. 2003	Transition to a committee-based company
Dec. 2004	Acquired STELCO GmbH in Germany (currently SUMIDA Components GmbH)
Dec. 2004	Established Sumida Holding Germany GmbH as a business management company in Germany (currently SUMIDA Europe GmbH)
Aug. 2005	SUMIDA TRADING (SHANGHAI) COMPANY LIMITED established in Shanghai, China
Feb. 2006	Acquired VOGT electronic AG in Germany (currently SUMIDA AG)
Sep. 2006	Acquired Panta GmbH in Germany (now SUMIDA flexible connections GmbH)
Sep. 2006	Established SUMIDA TRADING (KOREA) COMPANY LIMITED in South Korea
Aug. 2007	Established TAIWAN SUMIDA TRADING COMPANY LIMITED in Taiwan
Feb. 2008	Established PANTA ROMANIA S.R.L. in Romania (currently SUMIDA FLEXIBLE CONNECTIONS ROMANIA S.R.L.)
Aug. 2008	Established SUMIDA ELECTRIC (GUANGXI) CO., LTD. in Nanning, China.
Oct. 2008	Acquired shares of Eiwa Co., Ltd. and Mostec Co., Ltd.
Jan. 2009	Established Sumida Finance B.V. in the Netherlands
Jul. 2009	Acquired shares of Concord Electronics Co., Ltd.
Jan. 2010	Sumida Electric Co., Ltd. has merged with Eiwa Co., Ltd., Eiwa Aomori Co., Ltd., and Mostec Co., Ltd.
Jan. 2010	SUMIDA ELECTRONIC VIETNAM CO., LTD. established in Hai Phong, Vietnam
Mar. 2010	Established Sumida Electric (Changde) Co., Ltd. in Hunan Province, China
Apr. 2010	Sumida Electric Co., Ltd. merges with Concord Electronics Co., Ltd.
Sep. 2010	Established Sumida Electric (JI'AN) Co., Ltd. in Jiangxi Province, China.
Nov. 2011	Established Guangzhou Sumida Electric Co., Ltd. in Guangdong Province, China.
Jun. 2013	Established SUMIDA Electronic SuQian Co., Ltd. in Jiangsu Province, China.
Apr. 2015	Established SUMIDA ELECTRONIC QUANG NGAI CO., LTD. as the second factory in Vietnam.
Oct. 2015	Established SUMIDA INSURANCE CORPORATION in Micronesia
Jun. 2018	Acquired shares of Pontiac Coil, Inc. (U.S.)
Jan. 2019	Established Sumida Electric (India) Private Limited in India
Jan. 2021	SUMIDA EMS GmbH has absorbed SUMIDA Lehesten GmbH (company name changed to SUMIDA Lehesten GmbH).
Dec. 2021	SUMIDA AMERICA INC. (formerly Pontiac Coil Inc.) and SUMIDA AMERICA COMPONENTS INC. have merged. The company name will be SUMIDA AMERICA INC.
Apr. 2022	Due to a revision of the market classification of the Tokyo Stock Exchange, the company's shares will be transferred from the First Section of the Tokyo Stock Exchange to the Prime Market.
Aug. 2024	Sumida Electric (Thailand) Co., Ltd. establishes a new factory in Ayutthaya Province, Thailand.
Oct. 2025	Acquired shares of Schmidbauer Transformatoren und Gerätebau GmbH in Germany.

The top management

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
1 Re-election	Shigeyuki Yawata (October 28, 1951)	(Brief personal profile) Nov. 1977 Joined the Company Mar. 1988 Director Mar. 1990 Representative Director and Senior Managing Director Apr. 1991 Representative Director and Vice President Mar. 1992 Representative Director and President Apr. 2003 Representative Executive Officer and CEO Apr. 2003 Director (To date) Dec. 2005 Managing Director, Sumida Holding Germany GmbH (Currently SUMIDA Europe GmbH) (Positions and duties at the Company) Director (Chairman of the Board of Directors), member of the Nomination Committee and Compensation Committee, and Chairman of the Risk Management Committee	0 (Note 1) (Note 2)

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
2 Re-election Outside Independent	Tatsuo Umemoto (September 14, 1956)	(Brief personal profile) Apr. 1979 Joined Nippon Telegraph and Telephone Public Corporation (Currently NIPPON TELEGRAPH AND TELEPHONE CORPORATION) Aug. 1985 Joined Ben & Jerry's Japan, Inc. Sep. 1991 Joined Schwabe PVT Partners Co., Ltd. Apr. 1995 Joined SAZABY Inc. (Currently SAZABY LEAGUE, Ltd.) as Director of Corporate Planning Office Project Leader for start-up of Starbucks Coffee Japan Co., Ltd. Corporate Leader for the "second startup" (business re-establishment activities) project Chief Planning Officer (From 2000) Jan. 2005 Established GRAM Inc., Representative Director (To date) Aug. 2011 Established LEAGUE MILLION INC., Representative Director Apr. 2015 Specially Appointed Professor at Graduate School of Social Design Studies, Rikkyo University Jan. 2015 Conductor, THE KIYOSHI HAYAKAWA FOUNDATION Apr. 2017 Outside Director, Forum Engineering Inc. Mar. 2019 Outside Director of the Company (To date) Apr. 2020 Specially Appointed Professor at Graduate School of Media and Governance, Kyo University Apr. 2020 Visiting Professor at Graduate School of Social Design Studies, Rikkyo University (To date) (Positions and duties at the Company) Director (Vice Chairman of the Board of Directors) and Chairman of the Nomination Committee and Compensation Committee, member of the Risk Management Committee (Important concurrent occupations or positions at other organizations) Visiting Professor at Graduate School of Social Design Studies, Rikkyo University Representative Director, GRAM Inc.	0

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
3 Re-election Outside Independent	Yui Hok Fui (September 5, 1949)	(Brief personal profile) Oct. 1976 Joined Nigerian Spanish Engineering LTD (Nigeria) Nov. 1979 Managing Director, Meyer Engineering Ltd (Nigeria) Sep. 1984 Joined Pinar MSP IKK, Minerals Engineering Department (Hong Kong) Jan. 1994 Representative Director, CITIC Pacific Limited (Hong Kong) Nov. 1997 Representative Director and General Manager, China Everbright International Limited (Currently China Everbright Environment Group Limited) (Hong Kong) Jan. 2010 Independent Non-executive Director, Hysan Development Company Limited (Hong Kong) Dec. 2012 Independent Non-executive Director, China Everbright Environment Group Limited (Hong Kong) (To date) Dec. 2012 Independent Non-executive Director, First Pacific Company Limited (Hong Kong) (To date) Sep. 2013 Independent Non-executive Director, China Airports Leasing Group Holdings Limited (Hong Kong) Sep. 2016 Independent Non-executive Director, PFC Device Inc. (Hong Kong) Mar. 2022 Outside Director of the Company (To date) (Positions and duties at the Company) Director and member of the Nomination Committee and Compensation Committee (Important concurrent occupations or positions at other organizations) Independent Non-executive Director, China Everbright Environment Group Limited (Hong Kong) Independent Non-executive Director, First Pacific Company Limited (Hong Kong)	0

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
4 Re-election Outside Independent	Ryo Hayakawa (December 17, 1962)	(Brief personal profile) May 1985 Joined Daiichi Industrial Consultants, Ltd. (Auckland, New Zealand) Apr. 1989 Joined Investment Banking Division, Tokyo Branch, Goldman Sachs Japan Co., Ltd. Nov. 1992 Vice President, Corporate Finance Department, Investment Banking Division, Goldman Sachs Japan Co., Ltd. (promoted in June 1996) Dec. 1997 Vice President, Advisory Group, Investment Banking Division, Goldman Sachs Japan Co., Ltd. Feb. 2000 Vice President, Equity Capital Markets, Investment Banking Division, Goldman Sachs Japan Co., Ltd. Apr. 2002 Director, Equity Capital Markets, Investment Banking Division, Deutsche Securities Inc. Mar. 2007 Representative Director, AI Consulting Ltd. (To date) Oct. 2007 Investment Banking Lecturer, Institute for Business and Finance, Waseda University (Currently Financial Professional Course, Nilbas Business School) (To date) Mar. 2008 Managing Director and General Manager, Equity Capital Markets, Investment Banking Division, Macquarie Capital Securities (Japan) Limited Apr. 2008 Executive Council, Australian and New Zealand Chamber of Commerce Sep. 2014 Representative Director and Managing Partner, AICUS Advisors Inc. (To date) Sep. 2020 Outside Director, UDC Finance Limited (Auckland, New Zealand) Mar. 2022 Outside Director of the Company (To date) (Positions and duties at the Company) Director, Chairman of the Audit Committee, and member of the Risk Management Committee (Important concurrent occupations or positions at other organizations) Representative Director, AI Consulting Ltd. Representative Director and Managing Partner, AICUS Advisors Inc. Investment Banking Lecturer, Financial Professional Course, Nilbas Business School	0

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
5 Re-election Outside Independent	Albert Kirchmann (December 16, 1956)	(Brief personal profile) Aug. 1994 Joined Daimler-Benz AG (Currently Mercedes-Benz Group AG and Daimler Truck Holding AG) Jul. 2004 Executive Vice President, Finance & Controlling, Business and Product Planning, Daimler Trucks & Buses, Daimler AG (Currently Daimler Truck Holding AG) and Director, Mitsubishi Fuso Truck and Bus Corporation Jan. 2009 President and Chief Executive Officer, Mitsubishi Fuso Truck and Bus Corporation Jul. 2010 Chief Representative, Representative Office in Japan, Daimler AG Apr. 2013 Executive Director, Japan Automobile Manufacturers Association Jan. 2013 Board Member, German Chamber of Commerce and Industry in Japan, and Member of the Executive Board, the European Business Council Aug. 2013 Head of Daimler Trucks Asia, Daimler AG and President and Chief Executive Officer, Mitsubishi Fuso Truck and Bus Corporation Jul. 2014 Vice President, German Chamber of Commerce and Industry in Japan Apr. 2015 Chairman of the Board, Mitsubishi Fuso Truck and Bus Corporation and Chairman, Daimler Trucks Asia Jan. 2017 Retired from Daimler AG Jan. 2019 Outside Director, TRATON SE (To date) Mar. 2024 Outside Director of the Company (To date) (Positions and duties at the Company) Director and member of the Nomination Committee and Compensation Committee (Important concurrent occupations or positions at other organizations) Outside Director, TRATON SE	0

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
6 Re-election Outside Independent	Sawako Uno (August 12, 1964)	(Brief personal profile) Apr. 1988 Joined The Dai-ichi Kangyo Bank, Limited (Currently Mizuho Bank, Ltd.) Oct. 1996 Joined Shiro Ono & Co. (Currently Ernst & Young Shin&Noo LLC) Oct. 2008 Partner, Ernst & Young Shin&Noo LLC Sep. 2017 Partner, Deloitte Touche Tohmatsu LLC Sep. 2019 Director, Deloitte Touche Tohmatsu LLC Jan. 2021 Joined Financial Services Agency, Securities Transaction Special Inspector, Executive Bureau, Securities and Exchange Surveillance Commission Apr. 2023 Representative, Sawako Uno CPA Office Jan. 2023 Outside Auditor, Moriage & Co., Ltd. (To date) Jul. 2023 Outside Auditor, Airport Facilities Co., Ltd. (To date) Mar. 2024 Outside Director of the Company (To date) Nov. 2025 Established Japan Integrity Co., Ltd., Representative Director (To date) (Positions and duties at the Company) Director and member of the Audit Committee (Important concurrent occupations or positions at other organizations) Outside Auditor, Moriage & Co., Ltd. Outside Auditor, Airport Facilities Co., Ltd. Representative Director, Japan Integrity Co., Ltd.	0

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
7 Re-election	Yoshiaki Honda (January 8, 1956)	(Brief personal profile) Nov. 1980 Joined Tokyo Office, Cooper & Lybrand LLP (Currently PricewaterhouseCoopers) Sep. 1985 Chicago Office, Cooper & Lybrand LLP Apr. 1992 Partner, Chicago Office, Cooper & Lybrand LLP Jul. 1992 Joined PepsiCo, Inc. in New York Nov. 1993 Joined Pepsi Cola Japan Co., Ltd., General Manager of Corporate Planning Jul. 1995 General Manager of Finance, Pepsi Cola Japan Co., Ltd. Feb. 1998 Joined Cico Systems G. K. in Japan; General Manager of Finance Sep. 1999 Director and General Manager, Administrative Headquarters, Cico Systems G. K. in Japan Aug. 2002 Joined D & M Holdings Inc.; CFO Jan. 2003 Executive Officer, D & M Holdings Inc. Feb. 2005 Joined RFI International Japan Inc.; CFO Jan. 2005 Representative Director, RFI International Japan Inc. Oct. 2007 Representative Director and Vice President, D & M Holdings Inc. Jan. 2009 Representative Director and Vice President, D & M Holdings Inc. Nov. 2009 Retired from D & M Holdings Inc. Mar. 2011 Joined S.U.M.A. Inc. Aug. 2011 Executive Officer of the Company Mar. 2012 Representative Executive Officer and CFO of the Company Mar. 2016 Outside Auditor, McDonald's Holdings Company (Japan), Ltd. (To date) Mar. 2024 Outside Director of the Company (To date) (Positions and duties at the Company) Director and member of the Audit Committee, Nomination Committee and Compensation Committee (Important concurrent occupations or positions at other organizations) Outside Auditor, McDonald's Holdings Company (Japan), Ltd. Certified Public Accountant in Japan and US	22,300

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
8 Re-election Outside Independent	Junko Dextra (August 31, 1965)	(Brief personal profile) Apr. 1996 Joined NEC Corporation Nov. 1998 Joined Japan Branch of Virgin Atlantic Airways Ltd. Aug. 1995 Joined Apple Japan, Inc. May 1996 Joined AT&T Japan Ltd. Oct. 2002 Registered as Attorney (Dai-ichi Tokyo Bar Association) Joined Tokyo Emsa Attorneys at Law (Currently, T&E Associates) Oct. 2007 Joined Josei Day Foreign Law Joint Enterprise Jan. 2008 Registered as Attorney in the State of California Apr. 2013 Representative Attorney, DOCHI Law Office (formerly Hills Law Office) (To date) Jan. 2019 Outside Director, COMETURE CORPORATION Jan. 2020 Outside Director, ABEON Bank, Ltd. (To date) Mar. 2025 Outside Director of the Company (To date) (Positions and duties at the Company) Director, member of the Audit Committee, and member of the Risk Management Committee (Important concurrent occupations or positions at other organizations) Representative Attorney, DOCHI Law Office Outside Director, ABEON Bank, Ltd. Outside Director, ABEON Credit Service (Asia) Co., Ltd.	0

Source: Company materials

Skills matrix of the Board of Directors' members

Major fields of experience and expertise of Directors

Name	Position	Corporate management	Related industries and businesses	Global businesses	Finance and accounting	Legal and compliance	Governance and risk management	New businesses and M&A
Shigeyuki Yawata	Director	●	●	●			●	●
Tatsuo Umemoto	Outside Director	●		●			●	●
Yan Hok Fan	Outside Director	●	●	●			●	●
Ryo Hayakawa	Outside Director	●	●	●	●		●	●
Albert Kirchmann	Outside Director	●	●	●	●		●	●
Sawako Ueno	Outside Director			●	●	●	●	
Yoshiyuki Honda	Director	●	●	●	●		●	●
Junko Dochi	Outside Director			●		●	●	

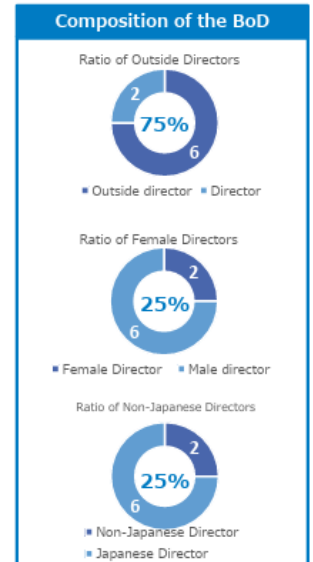
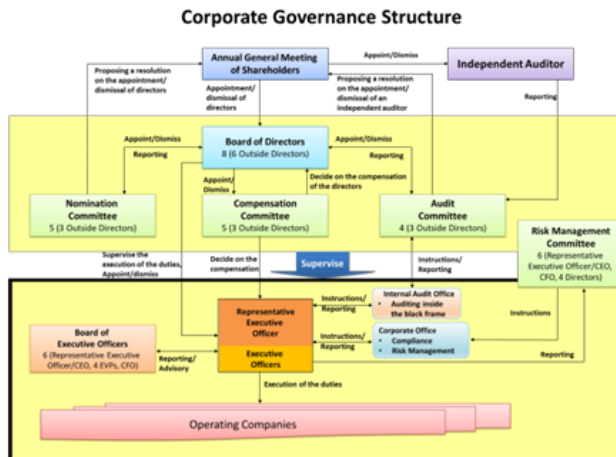
Source: Company materials

Corporate governance structure

ESG (Governance)



- ✓ SUMIDA was the first among listed companies in Japan to adopt the institutional design of a company with nomination committee, etc.
- ✓ The three statutory committees (Nomination, Audit, and Compensation Committees) are chaired by independent outside directors, and the majority of members of each are independent outside directors.
- ✓ Meetings of the Board of Directors (hereinafter called "BoD"), Nomination Committee, and Compensation Committee are all held in English.



Source: Company materials

Initiatives toward ESG

<p>ENVIRONMENT</p>	<ul style="list-style-type: none"> • Energy Efficiency • Waste Reduction & Recycling • Adoption of Sustainable Energy • Sustainable Resource Use • Prevention of Pollution 	    
<p>SOCIETY</p>	<ul style="list-style-type: none"> • Labour & Human Rights • Develop New Technologies & Solutions for a sustainable future • Recruitment and retention of talented personnel • Responsible Supply Chain • Social Contribution 	   
<p>GOVERNANCE</p>	<ul style="list-style-type: none"> • Compliance & Risk Management • Product Quality & Security • IT Security • Transparency • CSR Training & Promotion 	  

Source: Company materials

Major shareholders (As of December 31, 2025)

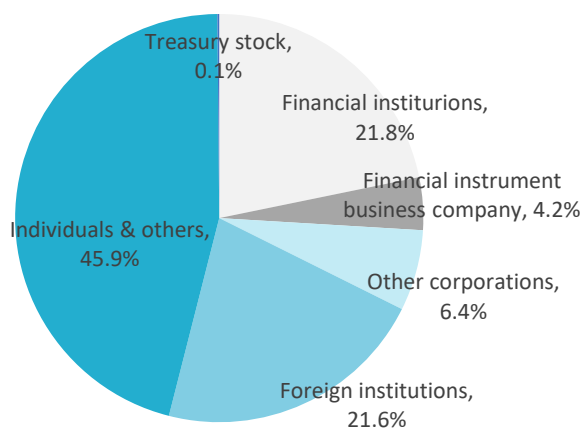
Name	Address	Number of shares held (thousands)	Percentage of shares owned relative to total number of shares issued (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	4,951	14.97
Custodian Bank, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	1,739	5.26
STATE STREET BANK AND TRUST COMPANY 505223 (Stand-by Agent: Mizuho Bank, Ltd.)	P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A. (Shinagawa Intercity Building A, 2-15-1 Minato, Minato-ku, Tokyo)	1,310	3.96
Yawata Building Co., Ltd. (Note 1)	1-19-10 Ueno, Taito-ku, Tokyo	1,112	3.36
Yawata Zaidan Limited (Note 1) (Permanent Representative: Miki Kojjmaru)	FLAT / RM 2201-3 BERKSHIRE HOUSE 25 WESTLANDS ROAD QUARRY BAY HONG KONG (Chuo-ku, Tokyo)	759	2.29
Tetsuo Sato	Nagakute City, Aichi Prefecture	720	2.17
JP MORGAN CHASE BANK 385781(Stand-by Agent: Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP UNITED KINGDOM (Shinagawa Intercity Building A, 2-15-1 Minato Minato-ku, Tokyo)	422	1.27
JPMorgan Securities Japan Co., Ltd.	Tokyo Building, 2-7-3 Marunouchi, Chiyoda-ku, Tokyo	370	1.12
JP JPMSE LUX RE BARCLAYS CAPITAL SEC LTD EQ CO(Stand-by Agent: MUFG Bank, Ltd.)	1 CHURCHILL PLACE LONDON – NORTH OF THE THAMES UNITED KINGDOM E14 5HP (1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	341	1.03
THE BANK OF NEW YORK MELLON 140040 (Stand-by Agent: Mizuho Bank, Ltd.)	240 GREENWICH STREET, NEW YORK, NY 10286, U.S.A (Shinagawa Intercity Building A, 2-15-1 Minato Minato-ku, Tokyo)	319	0.96
Total	-	12,046	36.43

(Note) 1. Shigeyuki Yawata, Chairman of the Board of Directors of the Company, also serves as a director of Yawata Building Co., Ltd. and Yawata Zaidan Limited. There are no special interests between the Company and these companies.

2. Of the above number of shares held, the number of shares related to trust business is as follows.
- | | |
|--|-----------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 4,951 thousand shares |
| The Custodian Bank, Ltd. (Trust Account) | 1,739 thousand shares |

Source: Company materials

Shareholding by ownership (As of December 31, 2025)



Number of shareholders : 19,039

Source: Omega Investment from company materials



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