

# **SMK Consolidated Performance Highlights**

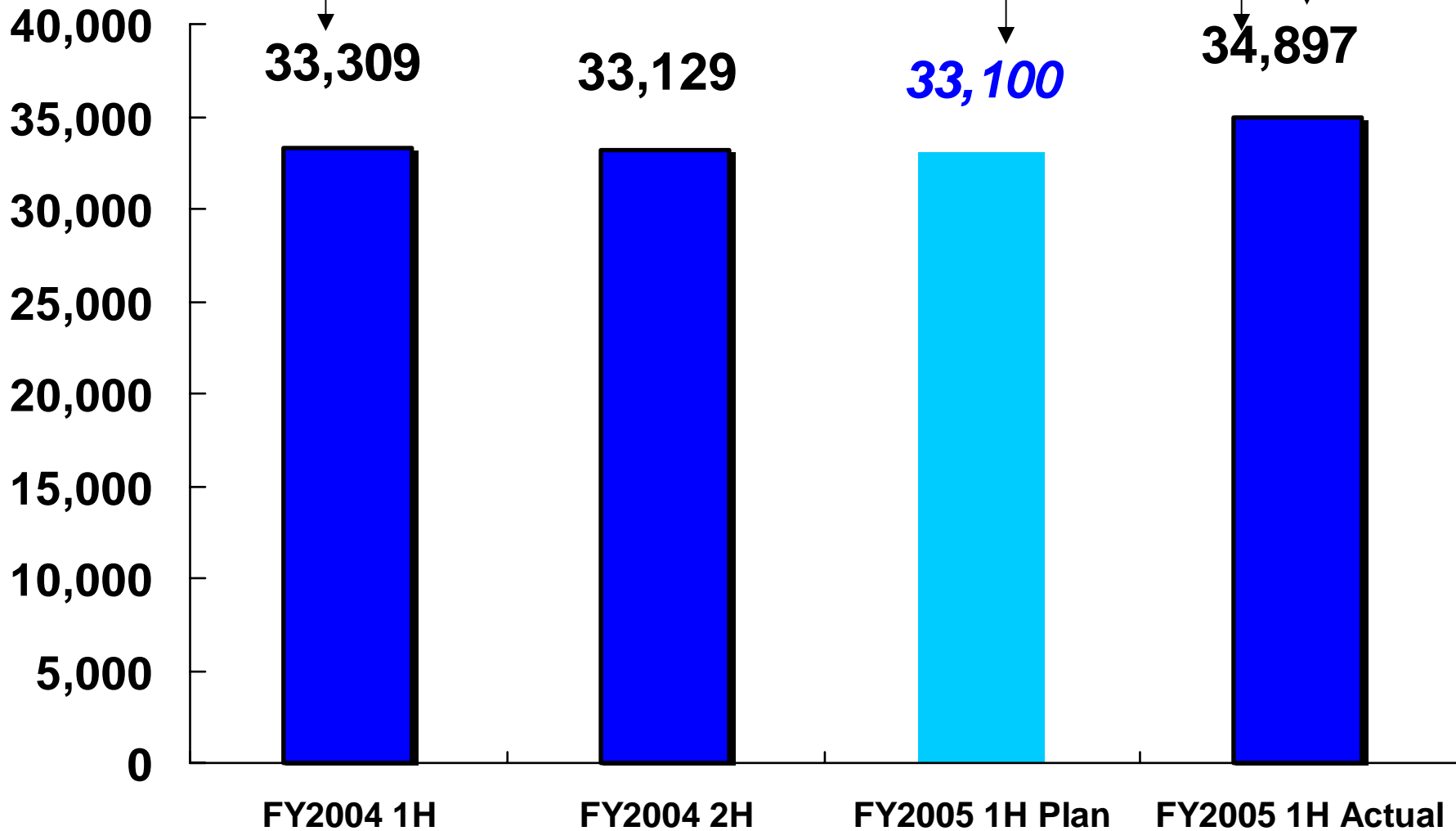
**<From 2005/4 Through 2005/9>**

**27 Oct.'05**

**At Tokyo Stock Exchange Hall, Japan**

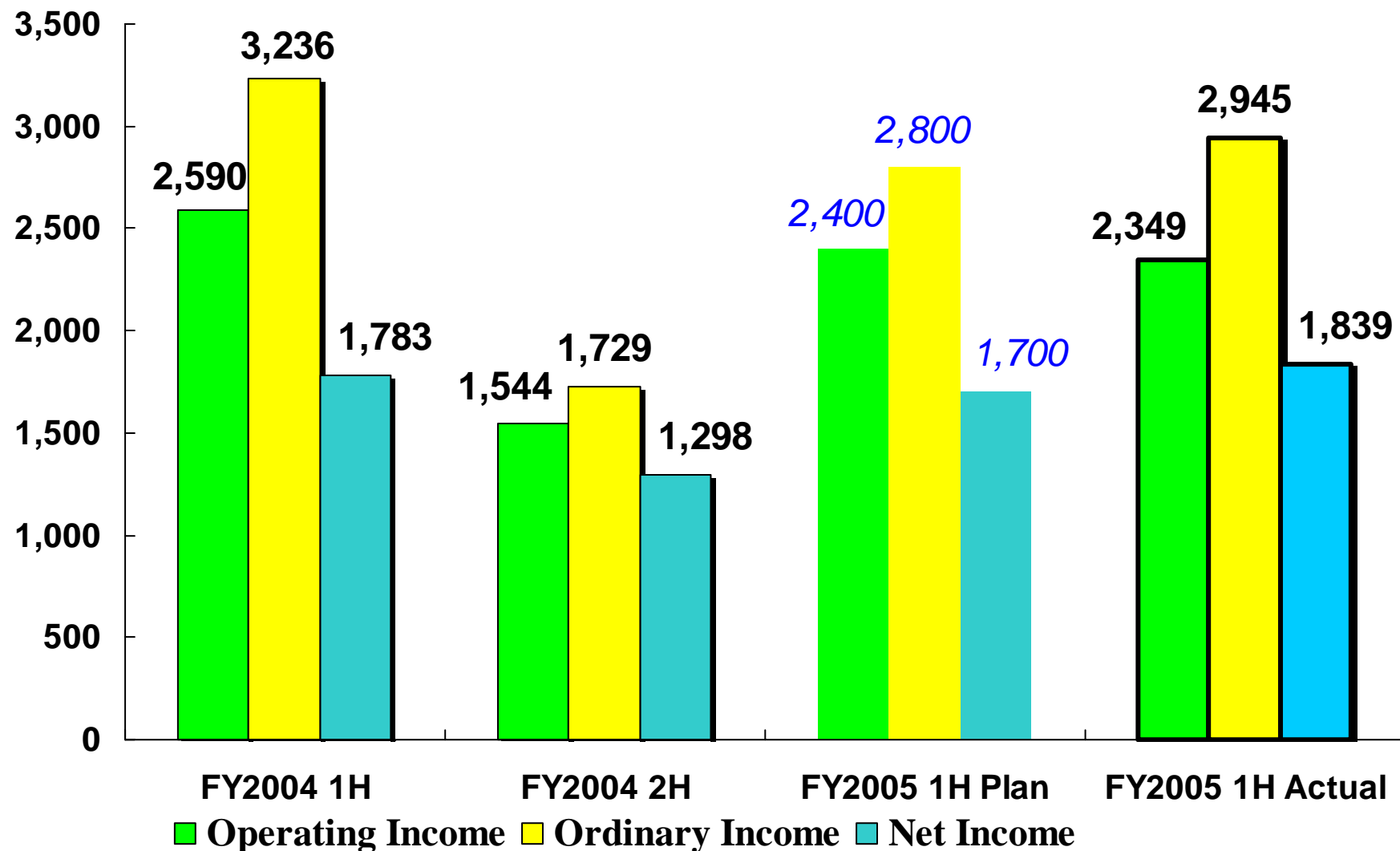
# Net Sales (Consolidated)

Unit: Million Yen

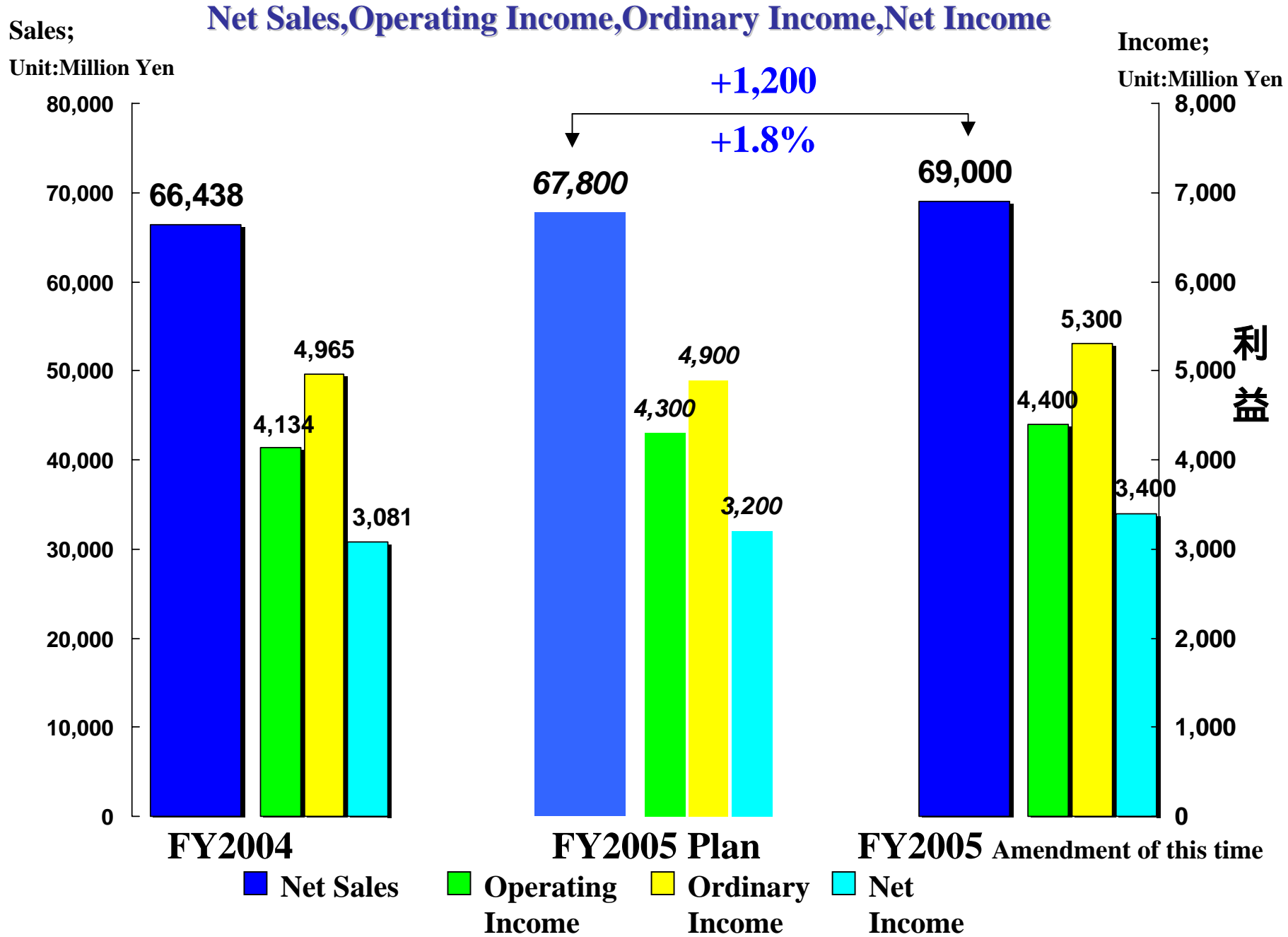


# Operating Income, Ordinary Income, Net Income (Consolidated)

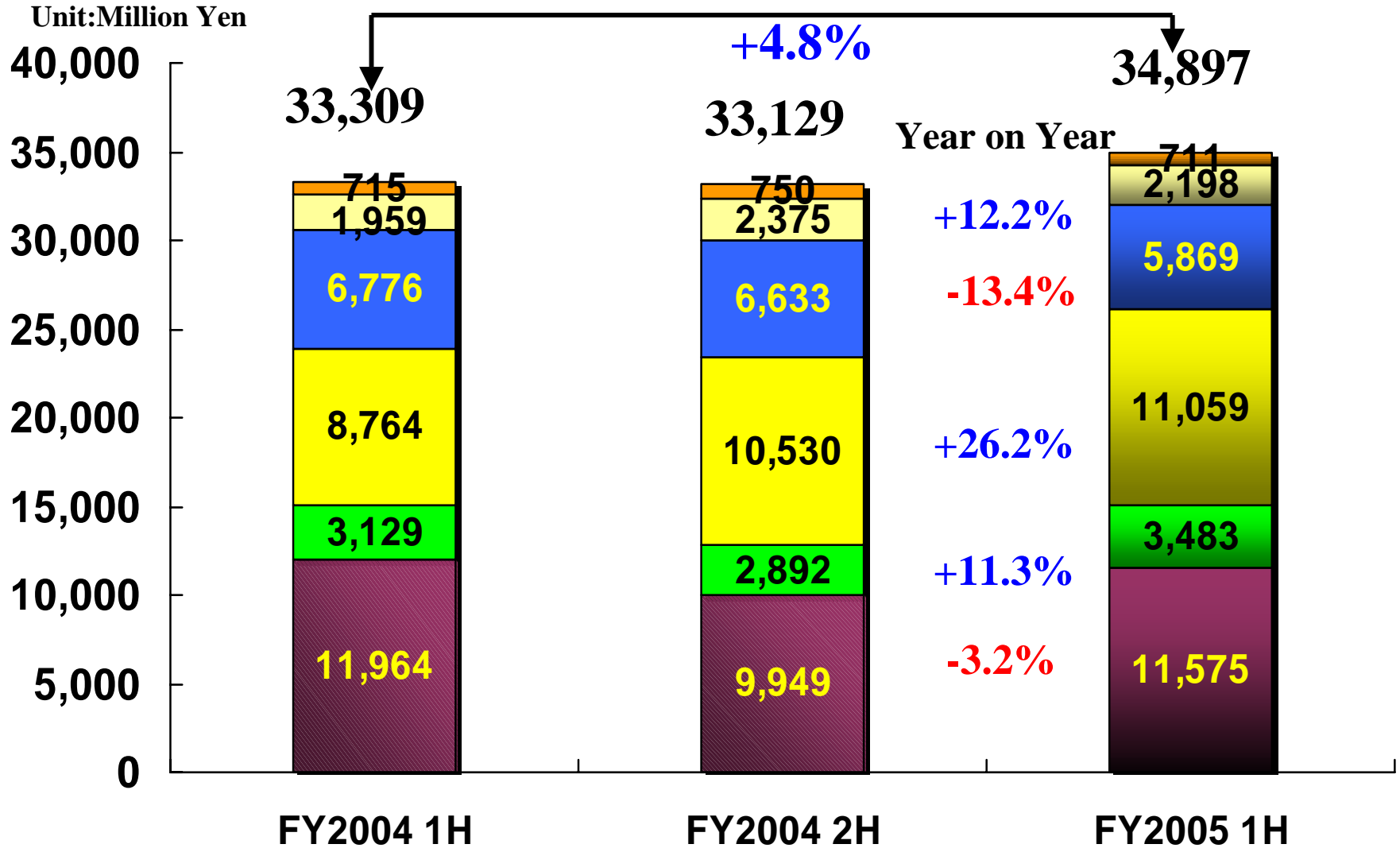
Unit: Million Yen



# Projection for Full Year Term(consolidated)



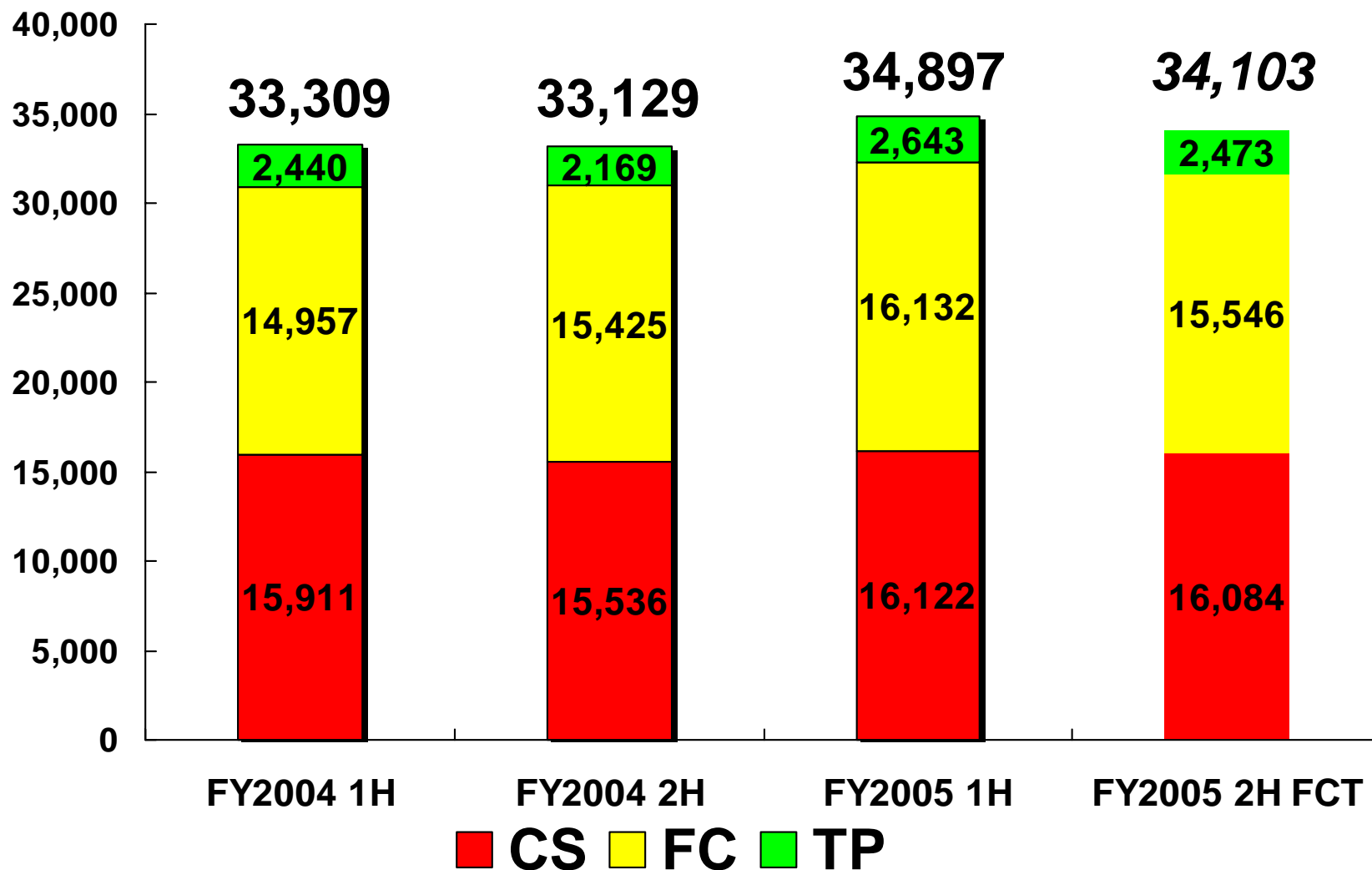
# Net Sales by Market



- Audio-Visual parts
- Car Electric parts
- Telecommunication parts
- Information-device parts
- Electronic toys & Home Appliance parts
- Other parts

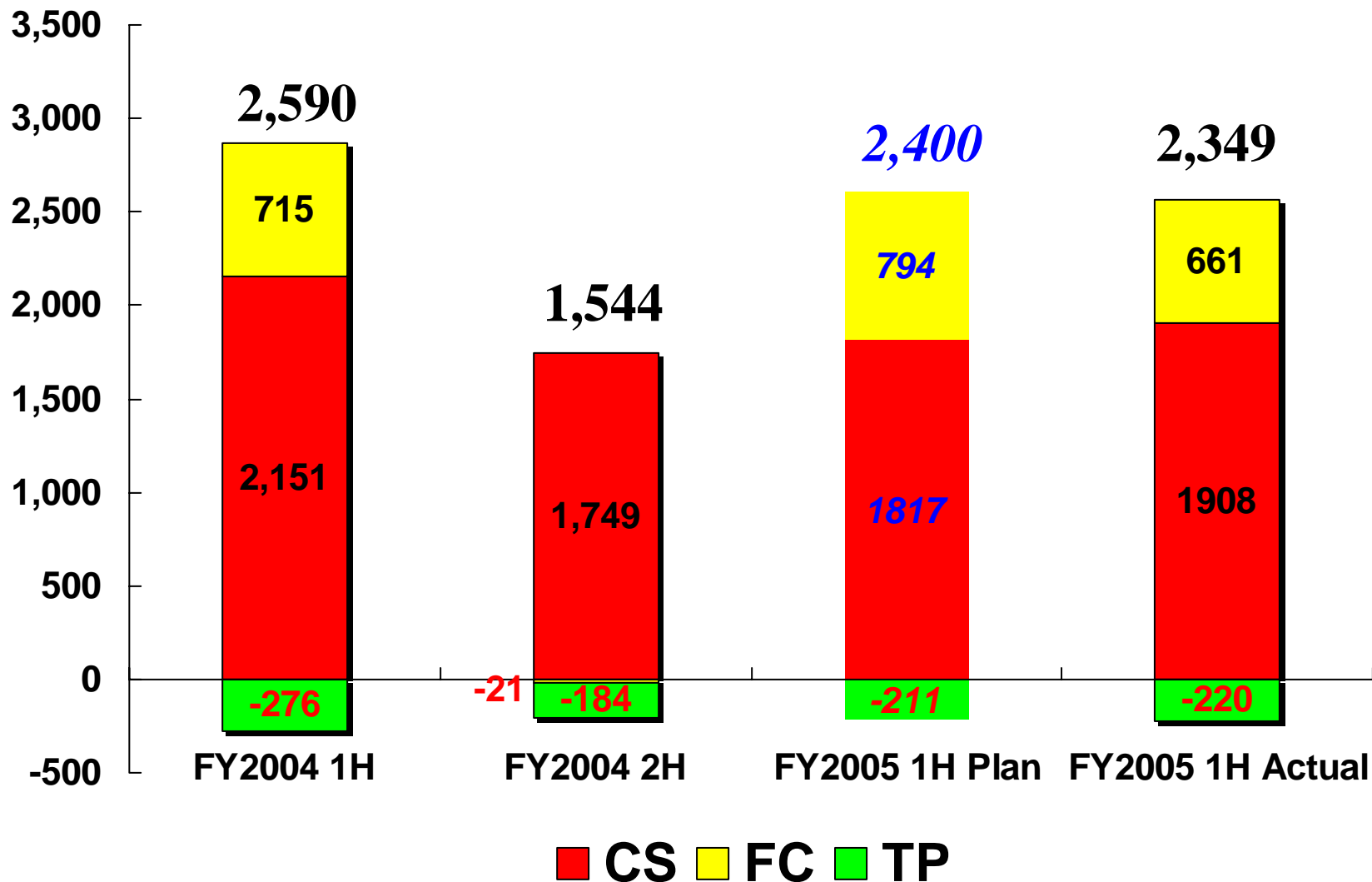
# Net Sales by Product Division (Consolidated)

Unit: Million Yen

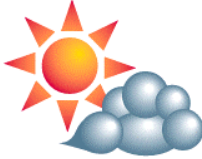
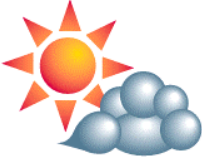
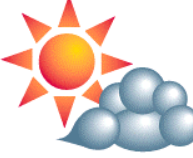

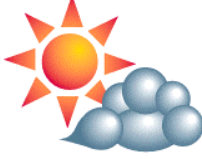

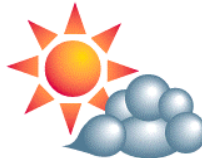
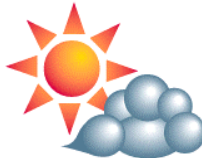
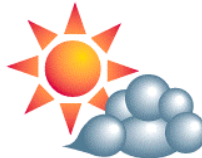



# Operating Income by Product Division(Consolidated)

Unit:Million Yen



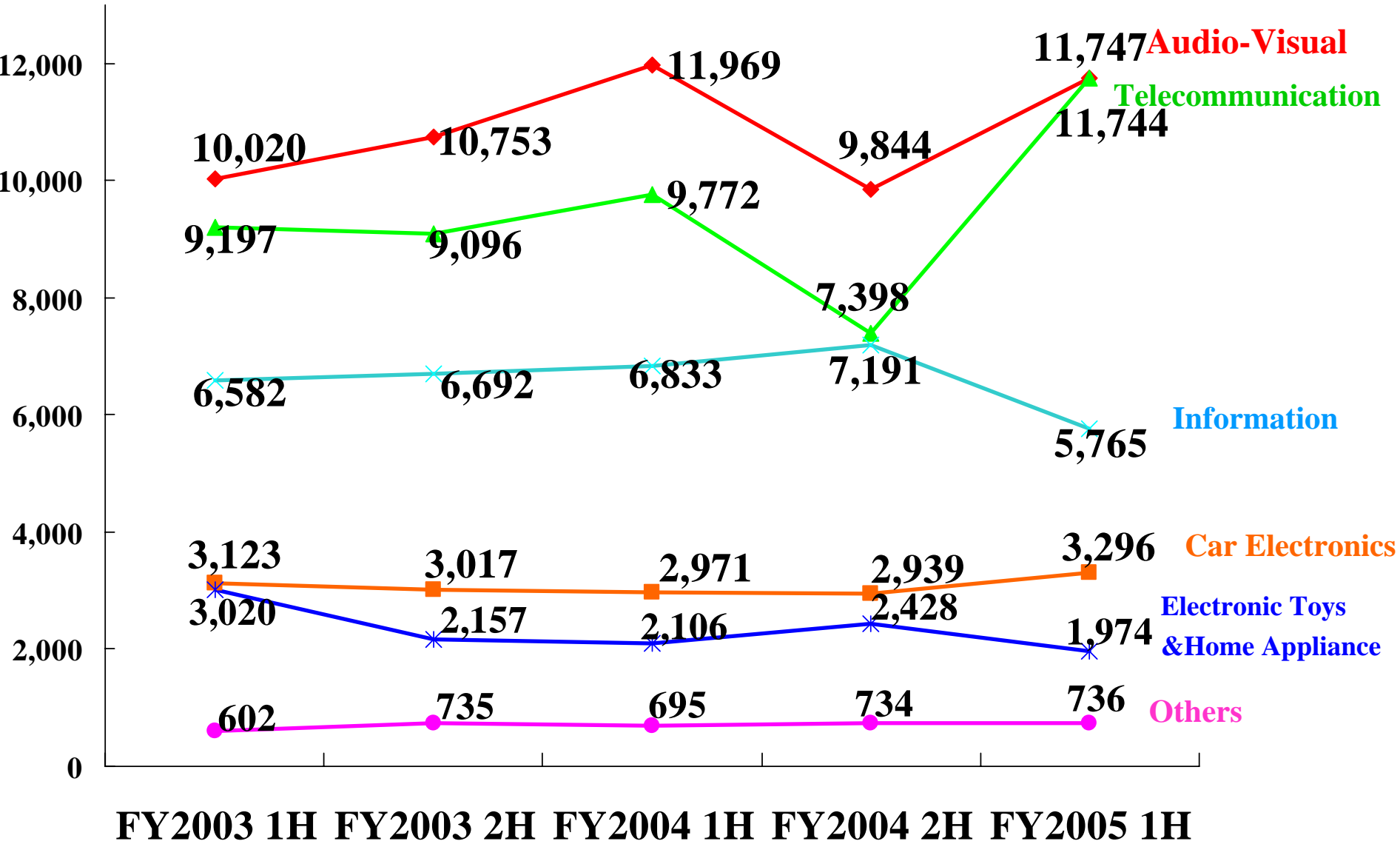
## Distribution Ratio of Sales by Market

Market	FY2004	FY2005 FCT
Audio-Visual		
Car Electronics		
Telecommunication		
PC•Office Equipment		
Home Appliance		



# Booking by Market(Consolidated)

Unit:Million Yen



## **1.Three major challenges**

- \* Enhancement of SMK Brand Power**
- \* Promotion of TN(Trans National)wide activities  
in order to achieve ZD(Zero Defect)**
- \* Another challenge in product creation**

## **2.Moving non-profitable sections into the black**

## **3.Approaches to mid-Term business goals**

- \* ROE 10% or More (11.4% in FY2004)**
- \* Stock Dividend 10yen/Stock**

## **4.Enhancement of Environmental Management**

## **1.ISO14001 Certification**

**Sept.'05 Acquired at Head Quarter,Japan.**

**SMK has acquired at all of its manufacturing works in Japan and other countries.**

## **2.CSR Related matters**

**\*Environmental compliance**

**(RoHS Directive:Enforcement scheduled for July 2006)**

**\*Response to norm for “suppliers’ Code of Conduct “by major customers**

**\*Support to major disasters**

**Hurricanes in USA,Earthquake in Pakistan**

**FY2005 1st. Half Consolidated-Statements Outline**  
***(April 2005 ~ September 2005)***

***1.1st Half Summary***

***2-1.Operating Cost***

***-2.Analysis of Operating Cost***

***3.Non-Operating Income & Expenses***

***4.Other Income & Expenses***

***5.Financial Position***

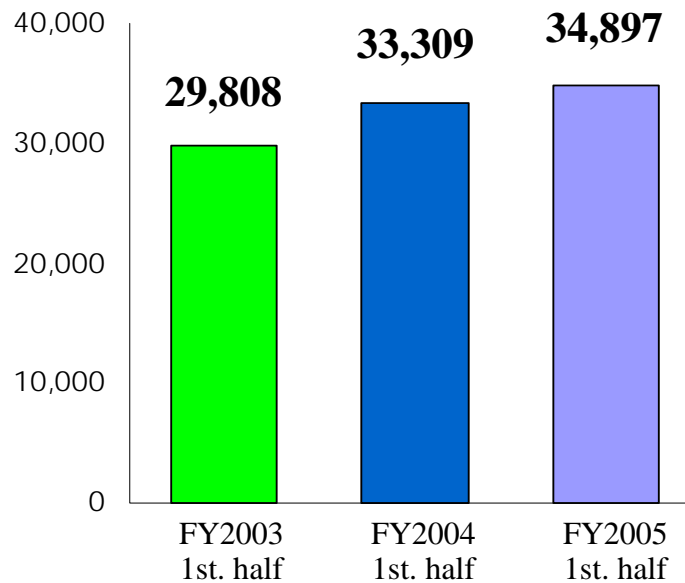
***6.Cash Flow Position***

# 1. 1st. Half Summary

## Net Sales

AC-2/8

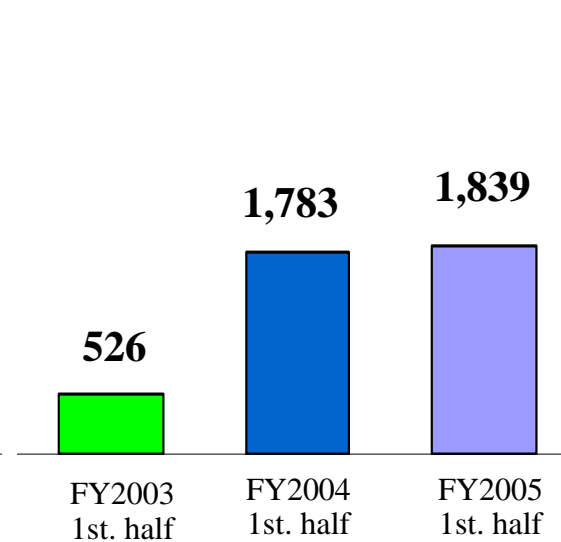
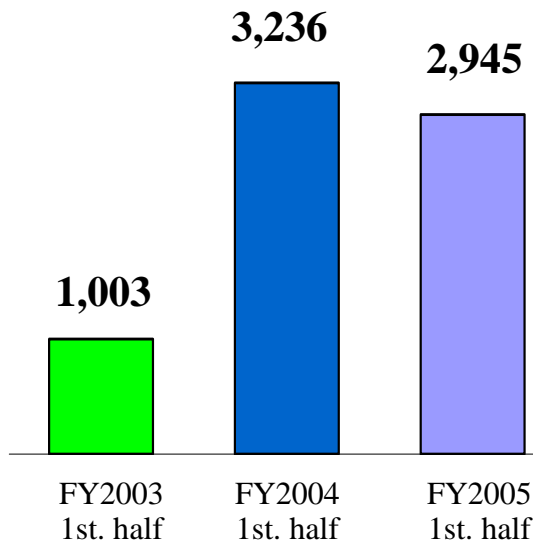
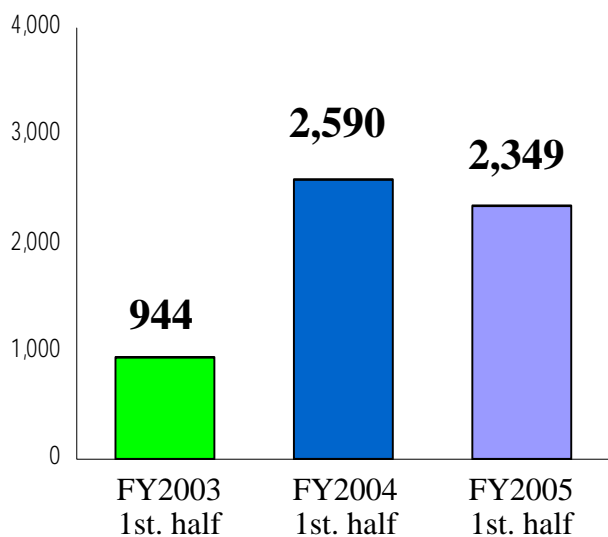
(Unit:Millions of yen)



## Operating Income

## Ordinary Income

## Net Income



**2-1. Operating Cost**

**<FY2004 >**

*1st. half*

**30,719**

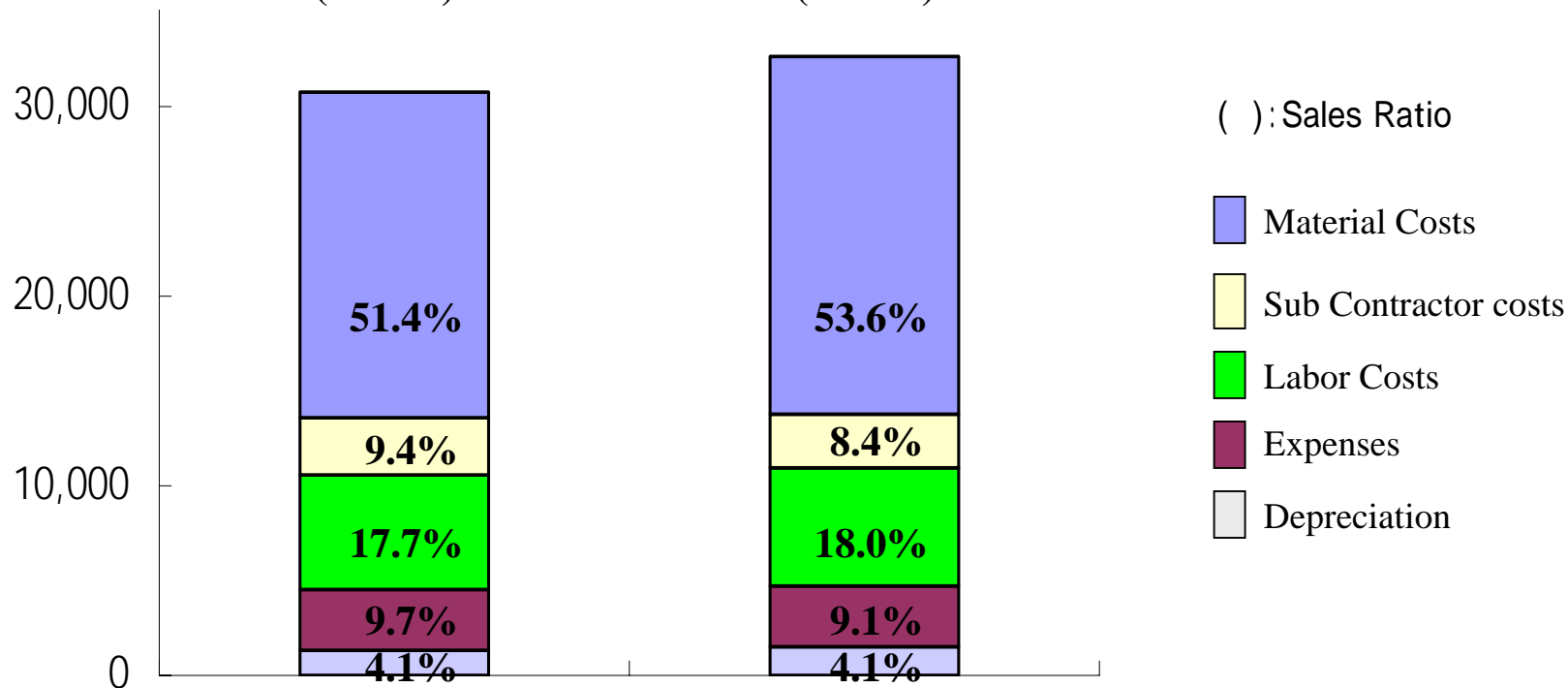
**(92.2%)**

**<FY2005 >**

*1st. half*

**32,548**

**(93.3%)**



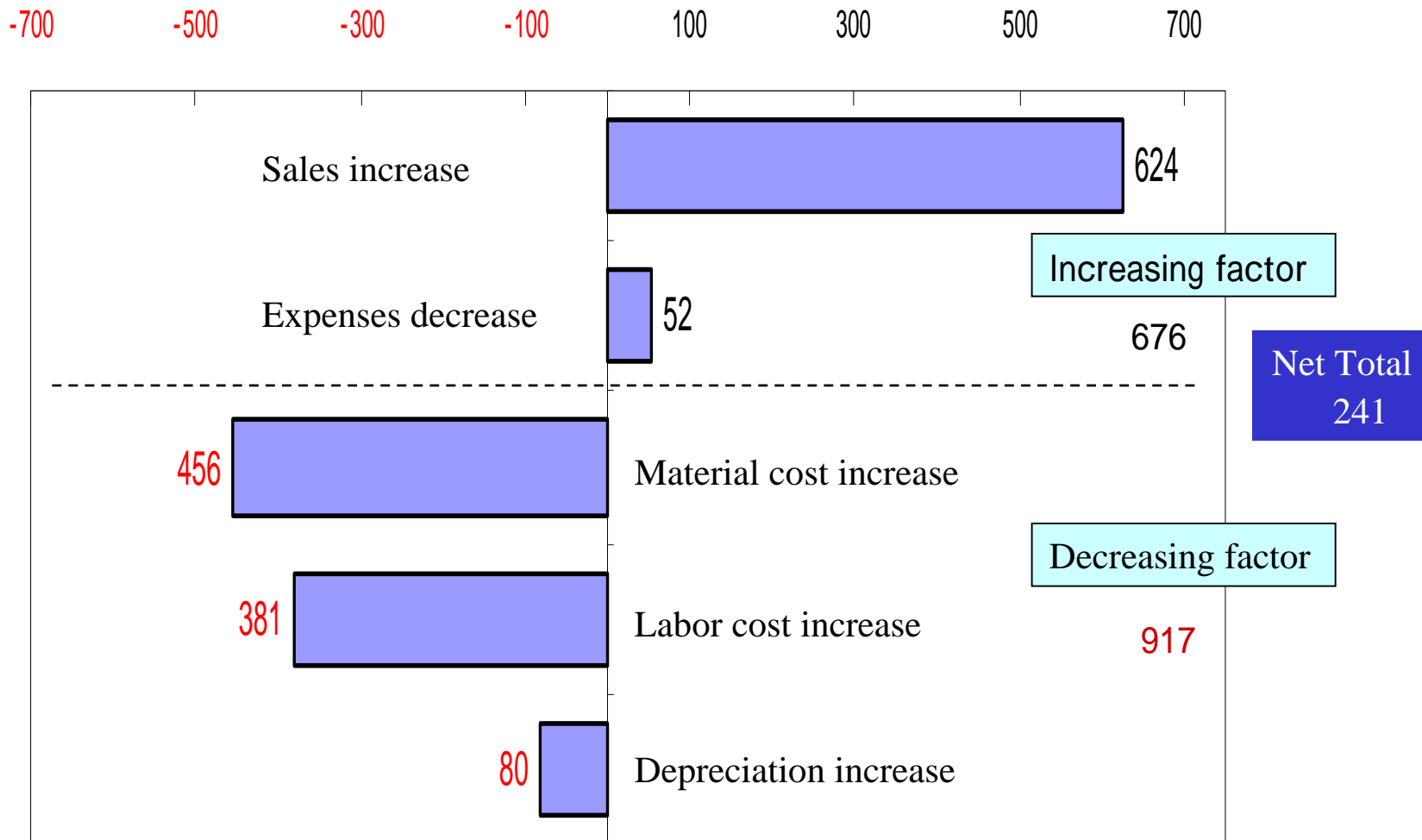
**Operating Income**

**2,590**

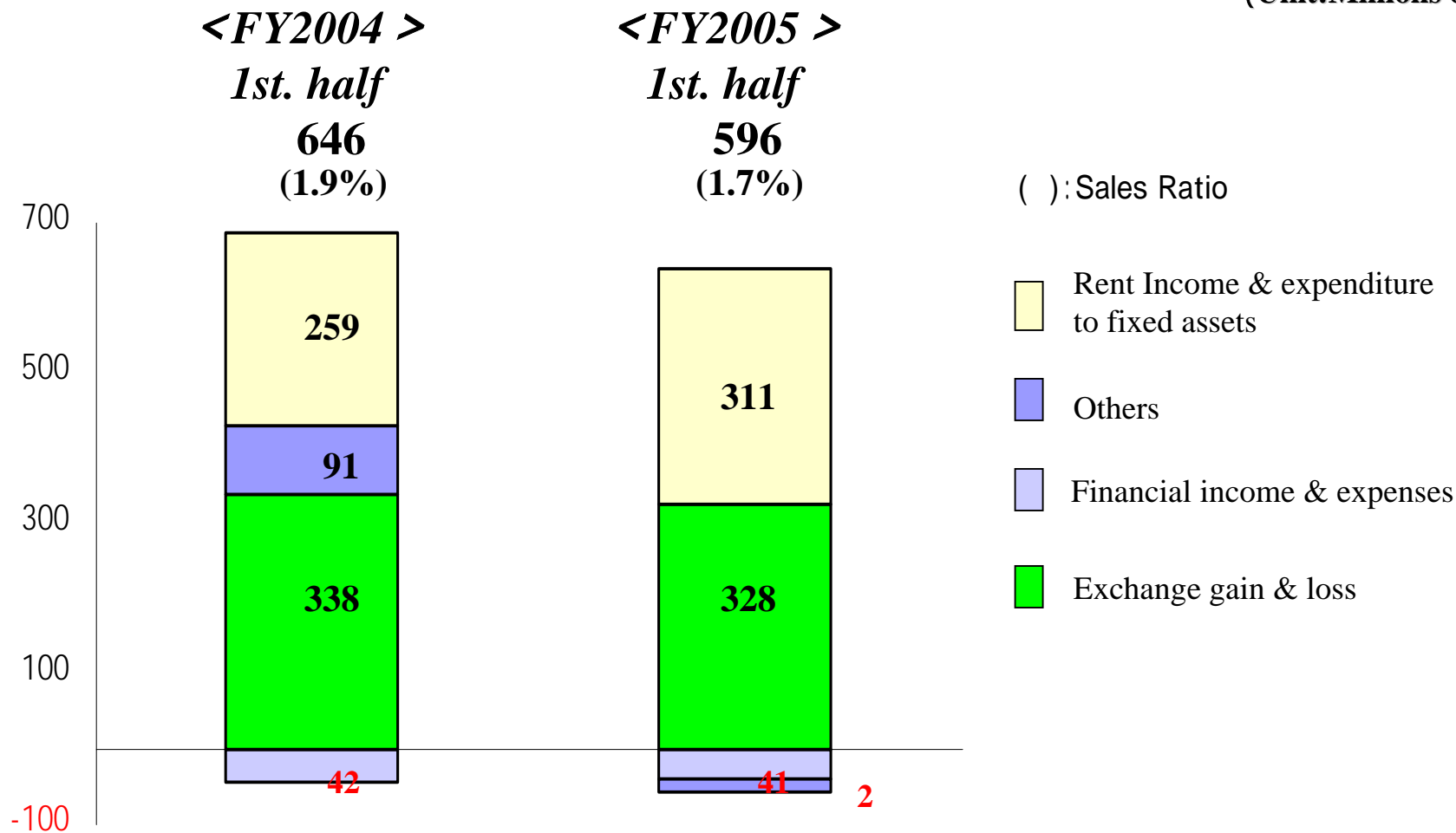
**2,349**

FY2005 1st half Increase/decrease in profit analysis

Comparison of consolidated Operating cost  
in 2 fiscal term;FY04/FY05



3. Non-Operating Income & Expenses



Ordinary Income

3,236

2,945



**4. Other Income & Expenses**

<FY2004 >

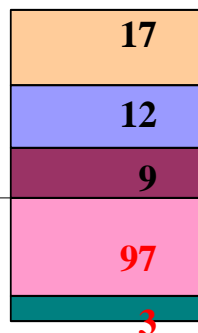
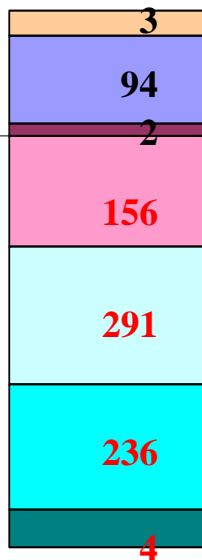
*1st. half*

**588**

<FY2005 >

*1st. half*

**62**



- Gain on sales of fixed assets
- Bad debt deduction
- Other income
- Loss on disposal of fixed assets
- Provision for directors' retirement benefits
- Amortization of the new standard for retirement benefits
- Other expenses

**Income before  
income taxes**

**2,648**

**2,883**

income taxes

**865**

**1,044**

**Net Income**

**1,783**

**1,839**

5.Financial Position

	<i>2005/3</i>	<i>2005/9</i>	<i>Inc/Dec</i>
	(A)	(B)	(B - A)
<b>Assets</b>	57,955	59,371	1,416
Cash and Cash equivalents	7,492	7,524	32
Accounts Receivable	19,945	20,523	578
Inventories	5,318	5,674	355
Fixed Assets	23,707	24,339	632
<b>Liabilities</b>	30,386	30,314	71
Accounts Payable	12,907	13,328	421
Interest-bearing debts	12,788	12,424	363
<b>Stockholders' Equity</b>	27,568	29,056	1,488
Common Stock	7,996	7,996	-
<b>Return on Equity</b>	47.6%	48.9%	1.3%

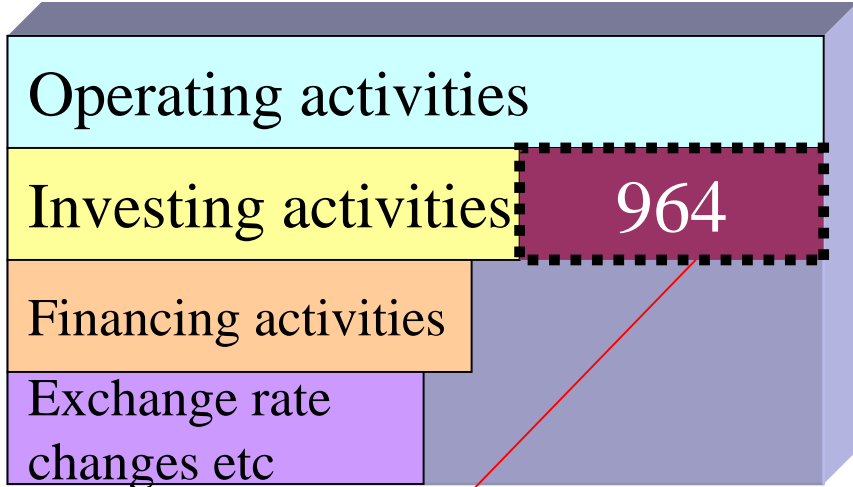
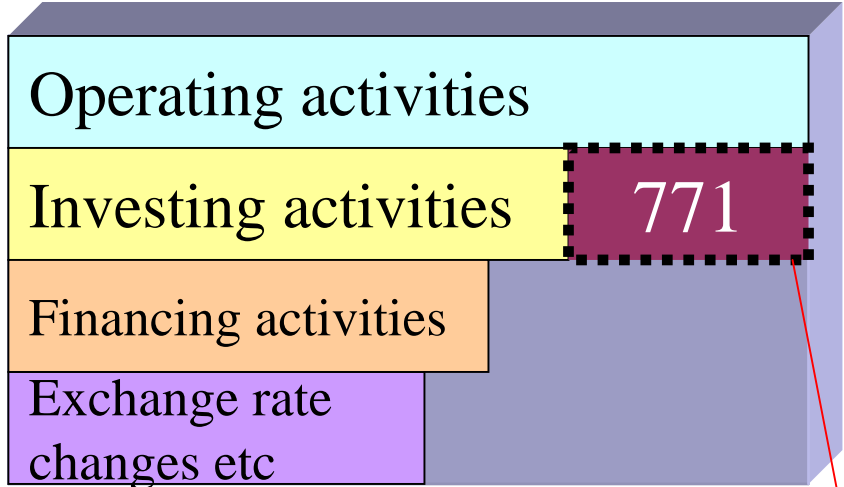
**6.Cash Flow Position**

**<FY2004 >**  
*1st. half*

**<FY2005 >**  
*1st. half*

Cash balance (04/3) **7,791**

Cash balance (05/3) **7,314**



Cash balance (04/9) **7,719**

Cash balance (05/9) **7,243**

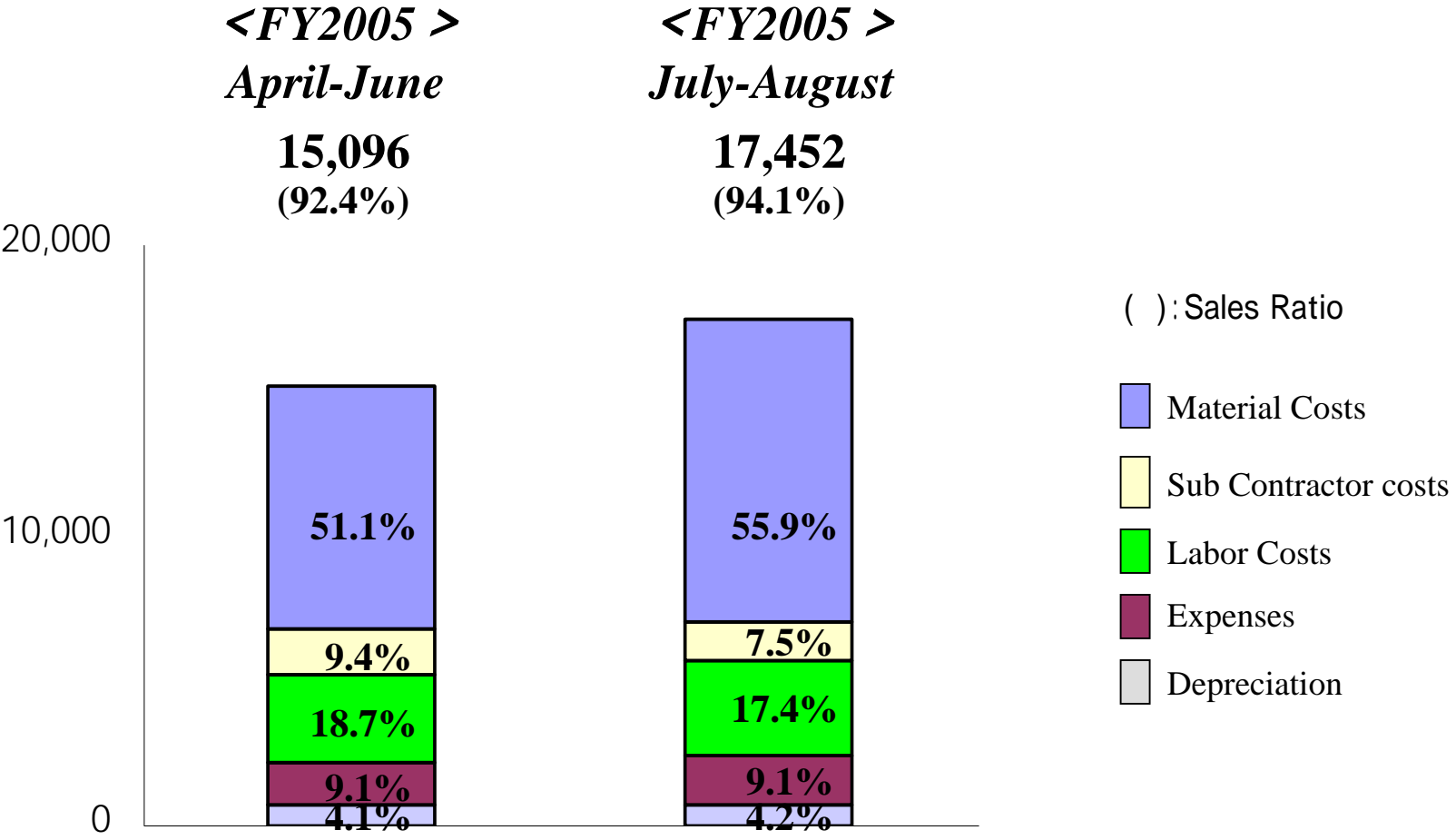
**72**

**71**

**Free Cash Flows**

Operating Cost(Supplementary Document)I

(Unit:Millions of yen)



Operating Income

**1,246**

**1,103**

# Operating Cost(Supplementary Document)II

(Unit:Millions of yen)

FY2005 1st half Increase/decrease in profit analysis

Comparison of consolidated Operating cost  
in 2 fiscal term;FY05 1Q/FY05 2Q

