

First Half of FY 2011

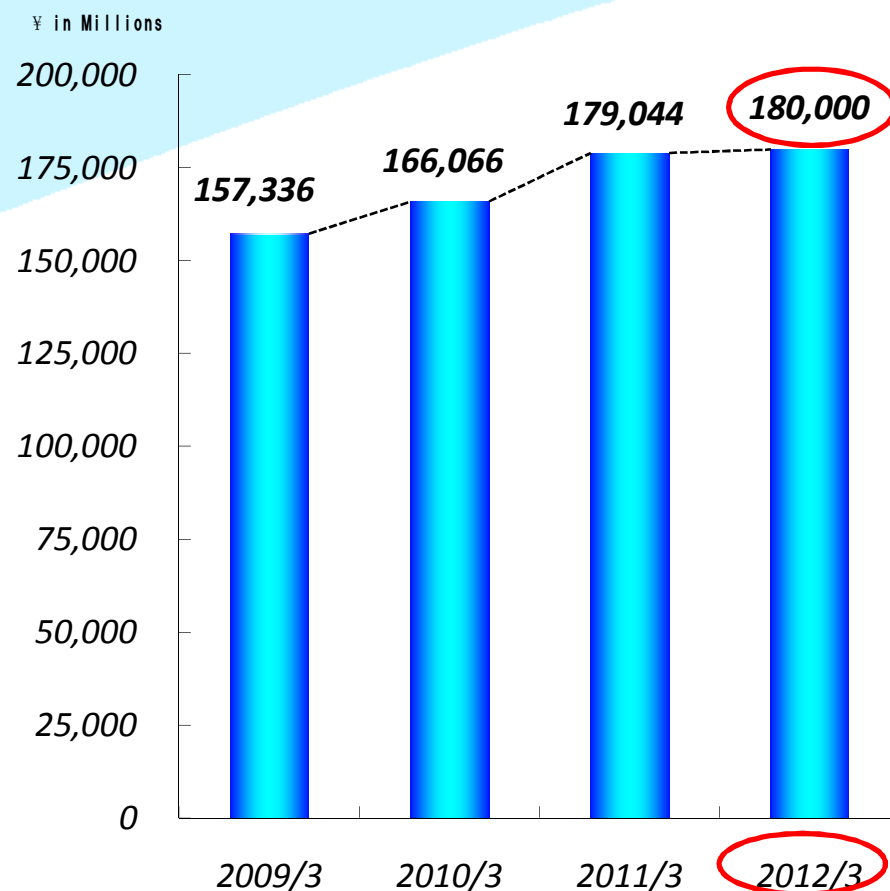
# Financial Results

FY2011: Year ended March 31,2012

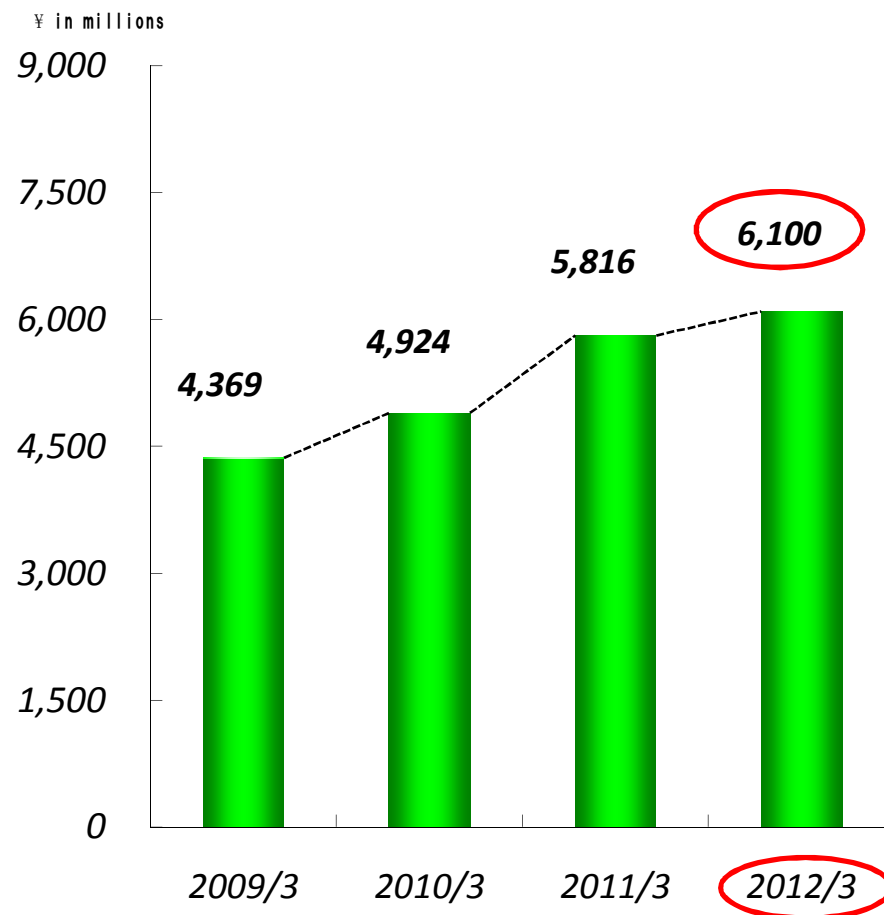


***KURODA ELECTRIC Co., Ltd.***

## Total Sales (consolidated)



## Operating Profit (consolidated)



※ Comparison of the last three years' results and previous forecast.

# Outline of First Half of FY2011

	Consolidated Results (¥ in millions)	Topics
Sales	74,600 (YOY: Δ24%)	<ul style="list-style-type: none"> <li>■ &lt; FPD &gt; Decrease in Large Panel business. Small and mid-sized panel business were steady.</li> <li>■ &lt;Automobiles&gt; Continuously recovery trend.</li> </ul>
SG&A	6,829 (YOY: Δ21.3%)	<ul style="list-style-type: none"> <li>■ Logistics cost's share of the sales : &lt;FY2010&gt; 2.6% → &lt;FY2011&gt; 1.5%</li> <li>■ Increase in depreciation due to head quarter move to own bldg. in May.</li> </ul>
Operating Profit	1,966 (YOY: Δ39.8%)	<ul style="list-style-type: none"> <li>■ Operating profit margin (YOY : Δ0.7% QOQ : 0.33%)</li> </ul>
Ordinary Profit	2,018 (YOY: Δ38.7%)	<ul style="list-style-type: none"> <li>■ Non-operating income 212</li> <li>■ Non-operating expenses 160</li> </ul>
Net Earnings	1,075 (YOY: Δ45.6%)	<ul style="list-style-type: none"> <li>■ Net earnings before taxes 1,949</li> <li>■ Taxes 809</li> </ul>
Forecast For FY2011	Sales: 180,000      Operating Profit: 6,100      ¥ in millions Ordinary Profit: 6,100      Net Earnings : 3,700 (Annual Dividend per share ¥29 (Plan))	
	<ul style="list-style-type: none"> <li>■ Despite the confidence in overall recovery from The Tohoku Earthquake, we're still facing the hard business situation with the prolonged strong Yen, the flood disaster in Thailand, and the prospect of global economic slump.</li> <li>■ In keeping with those facts, we're planning the following projects.</li> <li>① Focus on growing markets, such as Smart-Phone, &amp; Tablet PC markets.</li> <li>② Launch a business of specially customized sheets for FPD's.</li> <li>③ Increase in realistic business with our new product menu.</li> <li>④ Continuous cost reduction.</li> </ul>	

## Next Project

## Cost-reduction plan

We will implement full year cost reduction program, “Aiming to Lower BEP”.

To make its program successful, we set up “Productivity improvements office”



# Our main business

## Summary of 1<sup>st</sup>-half of the year

- Production adjustment caused by Tohoku-earthquake
- Less demands for LCD TV-related business, such as large LCD panels.
- Increased demands for middle & small LCD panels for smart-phones.
- Slowdown in major economies.

## Projects for 2<sup>nd</sup>-half of the year

- Supplying new products (Overseas products)
- Resolving the issues to rebuild its business.
- Turn-key operation with fabrication.
- Strengthening the business expansion in which we have invested strategically.

## Automobile

### Summary of 1<sup>st</sup>-half of the year

- Production adjustment caused by Tohoku-Earthquake.
- Critical high yen trend.

### Projects for 2<sup>nd</sup>-half of the year

- Keeping flexible supply systems to meet our customers' requirement due to their manufacturing recovery.
- Focusing on the potential market, such as EV & HV market.
- Supplying high-value added products which will generate profit.
- Strengthening the business expansion in which we have invested strategically.

# Photovoltaic

## Summary of 1<sup>st</sup>–half of the year

- Supplying backside element printing machine.
- Supplying products for Thin-film solar cells.
- Kuroda-Techno entered in both domestic & oversea PV EXPO.

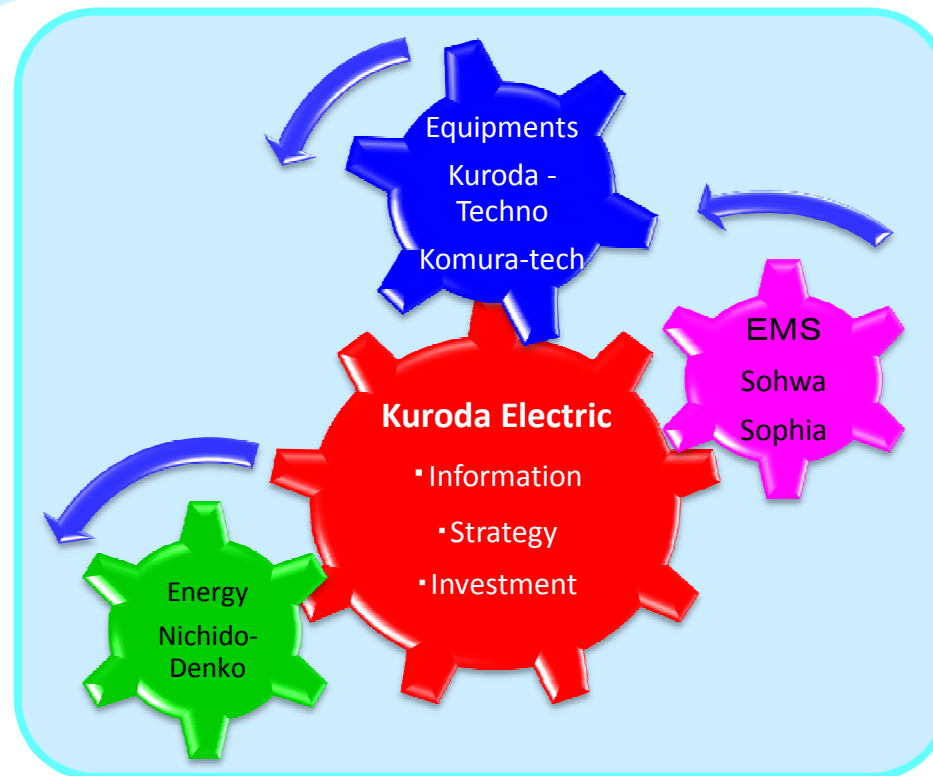
## Projects for 2<sup>nd</sup>–half of the year

- Leading generation on a global scale.
- Create & develop advanced materials.
- Seeking new local materials & new local products.



## Domestic Business

Enhancement of company value by  
group management



Domestic business making steady progress

## Business expansion on a global scale

Targeting at the growing market, Kuroda will  
Rebuild its business strategy and aggressively  
Enter new areas

**Especially in China, India, AB&C**

### Japan

① LCD business

◆ Specially customized sheets for FPD

### China

① LCD business

② EMS business

③ Information & communication business

◆ Rainbow Metal : Metal stamping , Die

### Brazil

① Automotive business

② LCD business

( Under Consideration)

### India

① Home appliance business

② Automotive business

◆ EKI : Plastic mold

◆ Establishment of an office  
in Delhi

### ASEAN

① Automotive business

② Electrical appliance business

◆ Boramtek (Aluminum die cast)

◆ Establishment of Kuroda  
Indonesia

# Strategic Investment on a global scale

On a global scale

Unexplored business  
Growing markets  
New business

Expansion in  
Source of profits

Continuous growth

Expansion of areas &  
Business fields

Strategic investment on a global scale

★ Strategy of FPD business (Japan)

★ Strategy of Automotive business (Boramtek Vietnam)

★ Strategy of Automotive business (Rainbow Metal 中国)

★ Business alliance in India (EKI インド)

Energy (Nichido-Denko)

Photovoltaic (Kuroda-Tech)

Design Section (Sohwa & Sophia)

FPD (Komura-Tech)

Trading Expansion of business fields

Kuroda Electric Group

# CSR/Activities for environmental protection

## ISO9001-14001

World wide Integrated ISO Certification as Kuroda Electric Group

( September 2011)

The group-wide governance of its quality and environmental activities on a global scale.



## Company-sponsored Forest Preservation Activities

Kuroda's Forest (Oume) for those who work in Kanto area.

Kuroda's Forest (Kurokawa) for those who work in Kansai area

To encourage employee's voluntary participation in the activities contributing to the community & global environment.



## Educational support

We had founded a school with 2 stories in Ban Parai.

(Opened on May 31th, 2011)

We will continuously proceed with educational support activities for children of the next generation, mainly, in areas where Kuroda has its own branches.

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