Annual Report 2013

IWASAKI ELECTRIC CO., LTD.

Profile

Living up to our corporate philosophy of "Employing light technology to create a comfortable society and sustainable environment," we at Iwasaki Electric Co., Ltd. have always aimed high and steadily striven to achieve our business objectives by fully exerting our foresight and creativity. The past several years have seen highly significant R&D advances in the field of new light sources, lighting equipment and control devices that cater to newly arising needs for "eco-friendly" and "visual impact enhancement" lighting. Furthermore, our advanced technology allows us to diversify into a variety of light application fields such as information display systems, UV applications, electronics, and solar simulation systems. These endeavors represent our quest to realize light's ultimate potential and enable us to advance continually forward. We are shifting from our former identity as a general manufacturer of lighting equipment to re-emerge as a "Light and Environment-focused Company" armed with leading-edge light technologies centering around HID (High Intensity Discharge) lamps and LEDs.

Contents

Message from the President

The Japanese economy is showing signs of recovery as company earnings trend toward recovery on the back of factors such as demand from restoration activities after the Great East Japan Earthquake, the weaker yen, and the rise in stock prices resulting from higher expectations about the economy and finance following the change in government at the end of last year. On the other hand, this outlook remains uncertain due to concerns about a slowdown in the global economy, which is being affected by the European sovereign debt issue and the slowdown of the Chinese economy. Under such circumstances, the overall performance of the Iwasaki Electric Co., Ltd. for the consolidated fiscal year ended March 31, 2013 was below last fiscal year’s level, with the Applied Optics Sector posting results that were worse than expected, while the Lighting Sector achieved a year-on-year growth in net sales.

In the Lighting Sector, sales of LED products have been robust, with more than the targeted 500 new LED product items launched in the last fiscal year. We intend to aggressively expand sales of LED products by targeting the launch of 500 items in Japan and 200 abroad during this fiscal year to further expand the product range. In particular, orders in LED street and tunnel lights, which are one of the Company’s strengths, are expected to grow in association with the supplementary budget. We will continue to strive to increase our market share by launching new large LED floodlights for sports events, among others. We expect sales of LED products to exceed those of HID products and others by the fiscal year ending March 31, 2016. As for HID products, we intend to reconstruct our production system to suit the production volume and further intensify our energy-saving proposals.

In the Applied Optics Sector, the business activities that we have been promoting since the previous fiscal year, such as winning orders for photo-alignment devices that improve the visibility of liquid crystal panels and overseas production and sales of environmental test equipment, are starting to bear fruit, and we intend to continue to seek a recovery in earnings.

The Company will set forth the following three points as the Group’s key policies for the future: “strengthening and expanding the SSL (solid state lighting) business such as LED and organic EL,” “creating business by deepening the applied optics technology” and “expanding overseas business.” Based on these policies, we will operate business strategically in an effort to improve our corporate value and business performance.

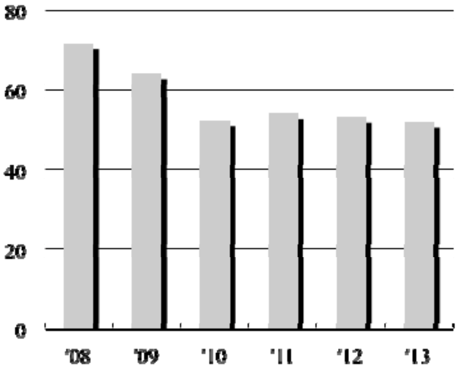
We would be grateful for the continued support of all our stakeholders.

Bunya Watanabe, President and Representative Director

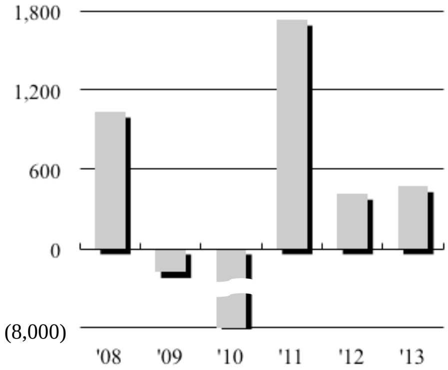
Consolidated Six-Year Summary

	Millions of yen					
	Year ended March 31					
	2013	2012	2011	2010	2009	2008
For the year:						
Net sales	**¥52,062**	¥53,269	¥54,158	¥52,432	¥64,203	¥71,746
Net (loss) income	**471**	414	1,731	(8,031)	(2,397)	1,035
At year-end:						
Total assets	**¥60,959**	¥61,486	¥62,620	¥61,183	¥69,190	¥76,823
Total shareholders' equity[2]	**20,799**	19,489	18,930	17,568	25,257	29,526
Working capital	**23,512**	18,487	21,112	20,066	17,033	21,721
Long-term bank loans, less current portion	**4,415**	3,075	6,095	8,030	3,275	903
Amounts per share:[3]						
Net (loss) income	**¥6.34**	¥5.58	¥23.34	(¥108.24)	(¥32.30)	¥13.61
Cash dividends	–	–	–	–	–	5.00

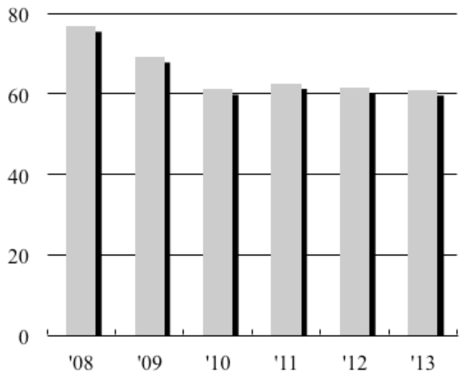
1. As permitted by accounting standards generally accepted in Japan, amounts of less than one million yen have been omitted.
2. Total shareholders' equity = Total net assets – Minority interests.
3. Per share figures are in exact yen amounts.



Net Sales
(Billions of yen)



Net Income(Loss)
(Millions of yen)



Total Assets
(Billions of yen)

Status of the Business

Outline of the Operating Results

1. Operating Results

During the fiscal year ended March 31, 2013, the Japanese economy showed signs of recovery as company earnings trended toward recovery on the back of factors such as demand from restoration activities after the Great East Japan Earthquake and a weaker yen and higher stock price arising from positive expectations regarding the economy and finances following the change in government at the end of last year. However, the outlook remains uncertain due to concerns over a slowdown in the global economy triggered by the European sovereign debt issue and the slowdown of the Chinese economy. As a result, the Japanese economy continued to face harsh conditions.

Under these circumstances, the Iwasaki Electric Group implemented measures to expand overseas businesses, restructure its corporate earnings structure, strengthen and expand its LED business, and further evolve HID light sources, among others. In the Lighting Sector in particular, the Company focused on expanding business by intensively injecting managerial resources into the LED business, which has seen rapid growth since 2009. On the other hand, the Applied Optics Sector, for which the Company had expected exceedingly poor performance from the beginning of the term, was affected by the sluggish semiconductor and liquid crystal markets in particular, resulting in a severe outcome that was worse than expected.

As a result, net sales amounted to ¥52,062 million (a 2.3% decrease from ¥53,269 million in the previous fiscal year), operating income totaled ¥905 million (a 37.6% drop from ¥1,451 million in the previous fiscal year), ordinary income reached ¥548 million (a 54.2% decrease from ¥1,197 million in the previous fiscal year), and net income amounted to ¥471 million (a 13.9% increase from ¥414 million in the previous fiscal year).

Operating results by business segment are described below:

Lighting Sector

Although net sales and operating income continued to decline in the Lighting Sector as the domestic market for LED illumination evolved from the introduction phase to the growth phase, the LED illumination business remained robust. The Group faced a number of issues such as global environment protection and the electricity situation following the Great East Japan Earthquake, and promoted the development of LED illumination products that can more easily achieve greater energy saving effects. In terms of products, the Company sought thorough energy saving proposals by launching around 500 new products mainly for roads and tunnels, for streets, squares, landscapes, lights for high ceilings and facilities and flood lights, as well as aggressively promoted increased sales of new products through “visible sales” and by holding product presentations at major locations nationwide.

As a result, sales and operating income for this sector amounted to ¥36,253 million (a 2.3% increase from ¥35,442 million in the previous fiscal year) and ¥2,619 million (a 32.5% increase from ¥1,977 million in the previous fiscal year), respectively.

Applied Optics Sector

The Company had forecasted a severe market environment for the Applied Optics Sector from the beginning of the fiscal year. The sector remained weak, significantly affected by factors such as the slowdown in the global economy, particularly in Europe, the long-standing strength of the yen, and related manufacturers refraining from capital investment, as well as intensified price competition. In addition, both sales and operating income from liquid crystal projector light source products were significantly below those of the previous fiscal year, reflecting a significant drop in shipment volume.

As a result, sales for this sector totaled ¥15,869 million (an 11.4% drop from ¥17,914 million in the previous fiscal year) with an operating loss of ¥17 million (a decrease of ¥1,134 million from an operating income of ¥1,116 million in the previous fiscal year).

2. Cash Flows

Cash and cash equivalents decreased by ¥154 million from the previous fiscal year to ¥11,865 million as of the end of the current fiscal year.

(1) Cash flows from operating activities

Operating activities in the current fiscal year resulted in a net inflow of ¥2,385 million.
The main component consisted of ¥1,558 million in depreciation and a ¥1,031 million decrease in trade notes and accounts receivable, which was offset by a ¥508 million decrease in trade notes and accounts payable.

(2) Cash flows from investing activities

Investment activities in the current fiscal year resulted in a net outflow of ¥1,166 million.
This reflected proceeds of the sale of plants, property, and equipment totaling ¥539 million, which was offset by ¥1,069 million for the purchase of plants, property, and equipment.

(3) Cash flows from financing activities

Financing activities in the current fiscal year resulted in a net outflow of ¥1,551 million.
This was primarily due to an increase of ¥2,314 million in corporate bond issues, which was offset by a net decrease of ¥3,870 million in long-term loans payable.

3. Challenges Facing the Company

Over the past several years up to the current fiscal year, the operating environment surrounding the Company has remained severe in general, reflecting the impact of the financial crisis, the outbreak of a natural disaster, and the rapid rise of the yen. On the other hand, the Japanese economy is expected to continue on a growth track due to improvement in earnings from export-related companies and the effects of the government’s economic and financial policies, despite concerns over the rise in electricity costs and raw material prices due to yen weakening.

Furthermore, a gradual recovery in the global economy is forecast in the coming years, leading to an expected turnaround in the business environment. Although we believe that the severely competitive environment in the global market and the LED illumination business will continue, the Company intends to capture this turnaround in the business environment and continue to make efforts toward measures such as cost reduction and productivity improvement, as well as promoting new products with high quality and reliability and developing new markets, with the aim of seeking further growth of the Group. Specific issues that the Company intends to address are described below:

The Company intends to promote the three key business strategies of the Group consisting of: “strengthening and expanding the SSL (solid state lighting [LED and organic EL]) business,” “creating business by deepening applied optics technology” and “expanding overseas businesses.”

In the Lighting Business, the Company intends to shift its focus from the conventional lighting business to the LED lighting business, which it will position as a future pillar of its operations, and seek expansion of the overall business by promoting globalization of production and sales, in addition to strengthening domestic competitiveness. The Company will seek to secure profits by shifting to LEDs for its illumination products while effectively using technology that it has long developed, secure significant sales volume by responding to demand from the maintenance market amid the continued expected decline in conventional light sources such as HID, and implement cost reduction measures.

In the Applied Optics Business, the Company intends to promote the following four priority strategies in order to realize medium- to long-term growth: “expanding the sterilization and disinfection business,” “expanding the liquid crystal (photo-alignment, organic EL) business,” “launching business in the environmental improvement field,” and “narrowing down and new development of products and markets.”

In order to address these issues of the two businesses, we will take a global perspective as we continue to strengthen our intellectual property and procurement strategies and focus on distributing our management resources on research and development as well as marketing with the aim of actively seeking future pillars of business.

Moreover, we aim to optimize personnel so as to quickly respond to changes in the market and develop personnel for global expansion, as well as strengthen our management platform by maintaining and improving the

Company’s solid financial status in order to increase our corporate value.

4. Important Business Agreements

Not applicable.

Financial Review

Analyses of the Financial Position and Operating Results

1. Financial Position

(Current Assets)
Current assets as of March 31, 2013 totaled ¥39,832 million, a decrease of ¥711 million from a year earlier. This was mainly due to an increase of ¥342 million in cash and time deposits and securities (negotiable deposit) combined, and a decrease of ¥948 million in trade notes and accounts receivable and ¥108 million in inventory.

(Noncurrent Assets)
Noncurrent assets as of March 31, 2013 stood at ¥21,126 million, an increase of ¥184 million compared to the previous fiscal year-end. This was principally attributable to an increase of ¥688 million in investment securities at market value and a decrease of ¥573 million in plants, property, and equipment.

(Current Liabilities)
Current liabilities as of March 31, 2013 were ¥16,320 million, a decrease of ¥5,736 million compared to the previous fiscal year-end. This was mainly due to a decrease of ¥5,210 million in the current portion of long-term loans payable within a year.

(Noncurrent Liabilities)
Noncurrent liabilities as of March 31, 2013 were ¥22,557 million, an increase of ¥3,917 million compared to the previous fiscal year-end. This was mainly attributable to an increase of ¥2,350 million in corporate bonds and ¥1,340 million in long-term bank loans.

(Net Assets)
Net assets as of March 31, 2013 totaled ¥22,081 million, an increase of ¥1,292 million compared to the previous fiscal year-end. This was mainly due to an increase of ¥724 million in retained earnings corresponding to net income for the year ended March 31, 2013, and ¥585 million in other comprehensive income including valuation difference on available-for-sale securities and foreign currency translation adjustment.

2. Analysis of Operating Results

(Gross Profit)
Gross profit for the current fiscal year decreased by ¥219 million from the previous fiscal year to ¥14,817 million. This was mainly attributable to a significant drop in sales from the Applied Optics Sector due to factors including sluggish semiconductor and liquid crystal markets, intensified price competition, and a large drop in shipments of liquid crystal projector light source products, despite robust sales of the LED illumination business in the Lighting Sector.

(Operating Income)
Operating income for the current fiscal year totaled ¥905 million, a decrease of ¥546 million compared to the previous fiscal year, due to the same primary factors as those described above for gross profit.

(Ordinary Income)
The current fiscal year resulted in ordinary income of ¥548 million, a decrease of ¥649 million from the previous fiscal year, again, due to the same primary factors as those described above regarding gross profit.

(Net Income)
The current fiscal year resulted in a net income of ¥471 million, an increase of ¥57 million compared to the previous fiscal year. This was mainly attributable to proceeds from the sale of land by the submitting company, as

well as crediting deferred income taxes due to tax effect accounting, although the incomes described above posted decreases.

Consolidated Balance Sheets

March 31, 2013 and 2012

ASSETS

	Millions of yen	
	March 31, 2013	March 31, 2012
Current assets		
Cash and deposits (Notes 19 and 23)	¥ 12,666	¥ 12,824
Notes and accounts receivable - trade (Notes 12 and 23)	14,421	15,369
Securities (Notes 3 and 23)	500	–
Merchandise and finished goods	5,904	5,753
Work in process	1,690	1,551
Raw materials and supplies	3,156	3,554
Deferred tax assets (Note 6)	931	782
Other	601	776
Allowance for doubtful accounts	(39)	(68)
Total current assets	39,832	40,544
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (Note 10)	13,437	13,275
Machinery, equipment and vehicles (Note 10)	16,601	16,483
Tools, furniture and fixtures	7,505	7,912
Land (Notes 10 and 11)	10,172	10,605
Leased assets (Note 20)	224	202
Construction in progress	119	122
	48,061	48,602
Accumulated depreciation	(31,836)	(31,804)
Property, plant and equipment, net	16,224	16,798
Intangible assets		
Software	283	370
Other	225	135
Intangible assets, net	509	506
Investments and other assets		
Investment securities (Notes 3 ,9 and 23)	3,694	3,006
Long-term loans receivable	8	139
Deferred tax assets (Note 6)	370	296
Other	511	507
Allowance for doubtful accounts	(193)	(313)
Total investments and other assets	4,393	3,636
Total noncurrent assets	21,126	20,941
Total assets	¥ 60,959	¥ 61,486

See accompanying notes to consolidated financial statements.

Consolidated Balance Sheets

March 31, 2013 and 2012

LIABILITIES AND NET ASSETS

	Millions of yen	
	March 31, 2013	March 31, 2012
Liabilities		
Current liabilities		
Notes and accounts payable – trade (Note 23)	¥ 9,559	¥ 11,316
Electronically recorded obligations-operating (Notes 23)	1,311	–
Short-term loans payable (Notes 4 and 23)	2,034	7,096
Income taxes payable	213	233
Accrued consumption taxes	149	171
Provision for employees' bonuses	565	574
Other	2,486	2,665
Total current liabilities	16,320	22,057
Noncurrent liabilities		
Bonds payable (Notes 4 and 23)	2,350	–
Long-term loans payable (Notes 4, 10 and 23)	4,415	3,075
Deferred tax liabilities (Note 6)	570	384
Deferred tax liabilities for land revaluation (Note 11)	1,518	1,672
Provision for employees' retirement benefits (Note 21)	10,636	10,367
Provision for directors' retirement benefits	223	237
Asset retirement obligations (Note 5)	125	114
Other	2,719	2,788
Total noncurrent liabilities	22,557	18,640
Total liabilities	38,878	40,697
Commitments and contingent liabilities (Note 22)		
Net assets		
Shareholders' equity (Note 8)		
Common stock:		
Authorized: 239,000,000 shares in 2013 and 2012		
Issued and outstanding: 78,219,507 shares in 2013 and 2012	8,640	8,640
Capital surplus	6,189	6,189
Retained earnings	4,739	4,014
Treasury stock	(908)	(908)
Total shareholders' equity	18,660	17,936
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	716	382
Revaluation reserve for land	2,536	2,789
Foreign currency translation adjustment	(1,115)	(1,619)
Total accumulated other comprehensive income	2,137	1,552
Minority interests	1,282	1,299
Total net assets	22,081	20,788
Total liabilities and net assets	¥ 60,959	¥ 61,486

See accompanying notes to consolidated financial statements.

Consolidated Statements of Income

Years ended March 31, 2013 and 2012

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Net sales	¥ 52,062	¥ 53,269
Cost of sales (Note 13)	37,244	38,232
Gross profit	14,817	15,036
Selling, general and administrative expenses (Note 14)	13,912	13,585
Operating income	905	1,451
Other income (Note 15)		
Interest and dividend income	79	80
Equity in earnings of affiliates	1	32
Foreign exchange gains	38	–
Amortization of negative goodwill	39	115
Gain on sale of noncurrent assets	71	11
Gain on sale of investment securities	0	57
Gain on bargain purchase	29	57
Other	107	263
Total other income	370	619
Other expenses (Note 16)		
Interest expenses	244	293
Amortization of net retirement benefit obligation at transition	311	312
Foreign exchange losses	–	36
Loss on sale and retirement of noncurrent assets	26	35
Contribution for withdrawal from employees' pension fund	39	–
Other	74	105
Total other expenses	696	783
Income before income taxes and minority interests	579	1,287
Income taxes (Note 5)		
Income taxes-current	436	382
Income taxes-deferred	(364)	420
Total income taxes	71	803
Income before minority interests	508	483
Minority interests in income	36	69
Net income	¥ 471	¥ 414

See accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

Years ended March 31, 2013 and 2012

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Income before minority interests	508	483
Other comprehensive income (Note 17)		
Valuation difference on available-for-sale securities	336	37
Revaluation reserve for land	–	195
Foreign currency translation adjustment	406	(100)
Share of other comprehensive income of affiliates accounted for by the equity method	98	(33)
Total other comprehensive income	840	98
Comprehensive income	1,349	582
Comprehensive income attributable to:		
Shareholders of Iwasaki Electric Co.,Ltd.	1,310	513
Minority interests	39	69

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Years ended March 31, 2013 and 2012

	Number of shares of common stock issued	Millions of yen				
		Shareholders' equity				
		Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2012	78,219,507	¥8,640	¥6,189	¥4,014	(¥908)	¥17,936
Net income	–	–	–	471	–	471
Purchase of treasury stock	–	–	–	–	(0)	(0)
Reversal of revaluation reserve for land	–	–	–	252	–	252
Net changes of items other than shareholders' equity	–	–	–	–	–	–
Balance at March 31, 2013	78,219,507	¥8,640	¥6,189	¥4,739	(¥908)	¥18,660

	Millions of yen					
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total valuation and translation adjustments	Minority interests	Total net assets
Balance at April 1, 2012	¥382	¥2,789	(¥1,619)	¥1,552	¥1,299	¥20,788
Net income	–	–	–	–	–	471
Purchase of treasury stock	–	–	–	–	–	(0)
Reversal of revaluation reserve for land	–	–	–	–	–	252
Net changes of items other than shareholders' equity	333	(252)	504	585	(17)	568
Balance at March 31, 2013	¥716	¥2,536	(¥1,115)	¥2,137	¥1,282	¥22,081

	Number of shares of common stock issued	Millions of yen				
		Shareholders' equity				
		Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2011	78,219,507	¥8,640	¥6,174	¥3,600	(¥939)	¥17,476
Net income	–	–	–	414	–	414
Purchase of treasury stock	–	–	–	–	(0)	(0)
Disposal of treasury stock	–	–	14	–	31	46
Net changes of items other than shareholders' equity	–	–	–	–	–	–
Balance at March 31, 2012	78,219,507	¥8,640	¥6,189	¥4,014	(¥908)	¥17,936

	Millions of yen					
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total valuation and translation adjustments	Minority interests	Total net assets
Balance at April 1, 2011	¥344	¥2,593	(¥1,484)	¥1,453	¥1,372	¥20,302
Net income	–	–	–	–	–	414
Purchase of treasury stock	–	–	–	–	–	(0)
Disposal of treasury stock	–	–	–	–	–	46
Net changes of items other than shareholders' equity	38	195	(134)	99	(73)	25
Balance at March 31, 2012	¥382	¥2,789	(¥1,619)	¥1,552	¥1,299	¥20,788

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Years ended March 31, 2013 and 2012

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Cash flows from operating activities:		
Income before income taxes and minority interests	¥ 579	¥ 1,287
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	1,558	1,655
Amortization of negative goodwill	(39)	(115)
Increase (decrease) in provision for employee's retirement benefits	269	(380)
Increase (decrease) in provision for directors' retirement benefits	(14)	–
Increase (decrease) in provision for employee's bonuses	(8)	205
Increase (decrease) in allowance for doubtful accounts	(44)	(1)
Increase (decrease) in provision for loss on disaster	–	(288)
Interest and dividend income	(80)	(80)
Interest expenses	244	297
Foreign exchange losses (gains)	(15)	4
Loss (gain) on sales and retirement of property, plant and equipment	(44)	23
Equity in (earnings) losses of affiliates	(1)	(32)
Loss (gain) on sales of investment securities	(0)	(57)
Change in assets and liabilities:		
Decrease (increase) in notes and accounts receivable-trade	1,031	(881)
Decrease (increase) in inventories	263	(180)
Increase (decrease) in notes and accounts payable-trade	(508)	(428)
Other	(150)	(207)
Subtotal	3,037	818
Interest and dividends income received	92	86
Interest expenses paid	(286)	(297)
Income taxes paid	(457)	(565)
Net cash provided by operating activities	2,385	42
Cash flows from investing activities:		
Payments into time deposits	(53)	(53)
Proceeds from withdrawal of time deposits	56	50
Purchase of securities	(800)	–
Proceeds from sales of securities	300	–
Purchases of property, plant and equipment	(1,069)	(889)
Proceeds from sales of property, plant and equipment	539	13
Purchase of intangible assets	(74)	(142)
Purchase of investment securities	(107)	(7)
Proceeds from sales of investment securities	35	73
Payments of loans receivable	(3)	(10)
Collection of loans receivable	24	35
Other	(14)	(10)
Net cash used in investing activities	(1,166)	(940)
Cash flows from financing activities:		
Increase in short-term loans payable	5,574	5,926
Decrease in short-term loans payable	(5,444)	(5,465)
Proceeds from long-term loans payable	1,650	2,500
Repayment of long-term loans payable	(5,520)	(2,855)
Proceeds from issuance of bonds	2,314	–
Disposal of treasury stock	–	49
Purchase of treasury stock	(0)	(0)
Purchase of treasury stock of subsidiaries in consolidation	(19)	(45)
Cash dividends paid to minority shareholders	(27)	(40)
Other	(79)	(60)
Net cash provided by (used in) financing activities	(1,551)	9
Effect of exchange rate change on cash and cash equivalents	178	(21)
Net decrease in cash and cash equivalents	(154)	(910)
Cash and cash equivalents at beginning of year	12,019	12,929
Cash and cash equivalents of the end of year (Note 19)	¥ 11,865	¥ 12,019

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

March 31, 2013 and 2012

1. Summary of Significant Accounting Policies

(a) Basis of presentation

The accompanying consolidated financial statements of IWASAKI ELECTRIC Co., Ltd. (the “Company”) and consolidated subsidiaries are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan.

In preparing the accompanying consolidated financial statements, certain reclassifications have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications of previously reported amounts have been made to conform the consolidated financial statements for the year ended March 31, 2012 to the 2013 presentation.

As permitted, amounts of less than one million yen have been omitted. As a result, the totals shown in the accompanying consolidated financial statements do not necessarily agree with the sums of the individual amounts.

(b) Principles of consolidation and accounting for investments in affiliates

The accompanying consolidated financial statements include the accounts of the Company and all significant subsidiaries.

The investments in significant affiliates are accounted for by the equity method.

At March 31, 2013, the numbers of consolidated subsidiaries and affiliates accounted for by the equity method were 26 and 8, respectively. In the elimination of investments in subsidiaries, the assets and liabilities of the subsidiaries, including the portion attributable to minority shareholders, are recorded based on the fair value at the time the Company acquired control of the respective subsidiaries.

All significant intercompany balances and transactions have been eliminated in consolidation.

Energy Sciences, Inc. is included in the scope of consolidation as it established a subsidiary, Polarization Solutions LLC during the fiscal year ended March 31, 2013. LCA Holdings PTY Ltd. is included in the scope of equity method as it established affiliate Performance In Lighting Australasia PTY Ltd. and one other company during the fiscal year ended March 31, 2013.

(c) Accounting period

The accounting period of the Company and its domestic subsidiaries begins April 1 and ends March 31 of the following year.

The accounting period of foreign consolidated subsidiaries is a fiscal year ending on December 31. The necessary adjustments for significant transactions between the fiscal year end of the Company and the fiscal year end of consolidated foreign subsidiaries, if any, are made in the preparation of the consolidated financial statements.

(d) Translation of foreign currency transactions and financial statements

Monetary assets and liabilities, including noncurrent receivables and payables denominated in foreign currencies are translated into yen at the rates in effect at the balance sheet date. The assets, liabilities, revenue and expense of foreign consolidated subsidiaries are translated into yen at the rate of exchange in effect at the balance sheet date, except for the components of net assets excluding minority interests which are translated at their historical exchange rates. Foreign exchange gains and losses resulting from foreign currency transactions are credited or charged to income. Translation differences resulting from the translation of the financial statements are included in net assets and minority interests.

(e) Securities and Investment securities

Trading securities are carried at fair market value and held-to-maturity securities are carried at amortized cost.

Available-for-sale securities with a fair market value are carried at fair market value. The difference between the acquisition cost and the carrying value of available-for-sale securities is recognized in valuation difference on available-for-sale securities, net of related deferred income taxes, in net assets. Available-for-sale securities without a fair market value are stated at cost determined by the moving average method. The cost of available-for-sale securities sold is calculated based by the moving average method.

During the years ended March 31, 2013 and 2012, the Company and consolidated subsidiaries had neither trading securities nor held-to-maturity securities.

(f) Derivatives and hedging activities

The Company uses derivative financial instruments to manage the risks arising from fluctuations in foreign currency exchange rates and their exposures to fluctuations in interest rates. The Company does not enter into derivative transactions for trading or speculative purposes. Interest rate swaps are utilized by the Company to reduce interest rate risks. Gains or losses arising from changes in the fair value of financial instruments designated as hedging instruments are deferred as assets or liabilities and charged to gains or losses during the same period in which the gains or losses on the hedged items are recognized. If interest rate swap agreements meet certain hedging criteria, the net amount to be paid or received under the agreement is added to or deducted from the interest on the hedged items.

Trade receivables, payable and forecasted transactions hedged by qualified forward foreign exchange contracts are translated at the corresponding foreign exchange contract rates.

(g) Cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents include cash on hand, demand deposits and short-term investments that are easily convertible into cash and exposed to little price fluctuation risk.

(h) Inventories

Inventories are stated at cost as determined by the weighted-average method. Balance sheet value is stated by writing down the carrying value to reflect any decline in profitability.

(i) Property, plant and equipment, and depreciation (excluding leased assets)

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment of the Company and its domestic subsidiaries except for buildings, but including structures attached to buildings, is principally calculated by the declining-balance method in conformity with the Corporation Tax Law of Japan. Depreciation of buildings of the Company and its domestic subsidiaries is calculated by the straight-line method. Depreciation of property, plant and equipment of foreign subsidiaries is calculated by the straight-line method.

(j) Intangible assets and long-term prepaid expenses (excluding leased assets)

Amortization of intangible assets of the Company and its subsidiaries are principally calculated by the straight-line method in conformity with the Corporation Tax Law of Japan.

Amortization of software for internal use is calculated by the straight-line method over a useful life of 5 years.

(k) Leases

Noncancelable lease transactions that transfer substantially all risks and rewards associated with the ownership of assets are accounted for as finance leases. All other lease transactions are accounted for as operating leases and relating payments are charged to income as incurred.

Depreciation of leased assets under finance lease transactions, except for those that transfer ownership of the leased assets to the lessee, are calculated using the straight-line method over the lease term assuming no residual value.

Finance leases that commenced on or before March 31, 2008, except for those that transfer ownership of the leased assets to the lessee, are accounted for under the method applicable to operating lease transactions.

(l) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on the past experience for receivables, other than doubtful receivables, and the uncollectible amounts estimated separately for specific doubtful receivables.

(m) Provision for employees' bonuses

The Company and domestic subsidiaries provide for payments of bonuses to employees at estimated amounts calculated based on their payment regulations. However, at foreign subsidiaries, a provision for employees' bonuses has not been recorded.

(n) Provision for employees' retirement benefits

Provision for employees' retirement benefits are provided based on the actuarially calculated value of retirement and severance benefits obligation and the pension assets.

A transitional obligation of ¥4,684 million is being amortized using the straight-line method over 15 years from the year ended March 31, 2001. Prior service liabilities are recognized by the straight-line method over a period not exceeding the expected average remaining working life of employees (14 years) from the fiscal year when such liabilities are identified. Actuarial gain or loss is amortized using the straight-line method over 14 years, which is within the estimated average remaining service years of employees.

(o) Provision for directors' retirement benefits

Provision for retirement benefits for directors and corporate auditors are provided for at an amount based upon internal rules at the balance sheet date.

(p) Accounting for significant revenues and expenses

Accounting for revenues and costs of completed construction work

a) Construction contracts in which the outcome of the part completed by the year end can be estimated reliably.
   Percentage-of-completion method (The percentage of completion is estimated based on the cost incurred as a percentage of the estimated total contract cost.)
b) Other construction contracts
   Completed contract method

(q) Consumption taxes

Consumption taxes are calculated by the tax exclusion method.

(r) Standards issued but not yet effective

-"Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012)
-"Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, May 17, 2012)

1. Outline

(1) Treatment in the consolidated balance sheet
   Actuarial gains and losses and prior service cost that have yet to be recognized in profit or loss shall be recognized within net assets (accumulated other comprehensive income), after adjusting for tax effects, and the deficit or surplus shall be recognized as a liability (or asset).

(2) Treatment in the statement of income and the statement of comprehensive income
   Actuarial gains and losses and prior service cost that arose in the current period and have yet to be recognized in profit or loss shall be included in other comprehensive income, and actuarial gains and losses and prior service cost that were recognized in other comprehensive income in prior periods and then recorded in profit or loss in the current period shall be treated as reclassification adjustments.

2. Effective date

This standard and related guidance are effective at the end of fiscal years beginning on or after April 1, 2013.

3. Effect of application of the accounting standards, etc.

The Company is currently evaluating the effect these modifications will have on its consolidated results of operations and financial position.

2. Accounting Changes

(Change in the depreciation method)

In accordance with an amendment to the Corporation Tax Law effective April 1, 2012, the Company and its domestic consolidated subsidiaries have changed their depreciation method for property, plant and equipment acquired on or after April 1, 2012 to reflect the methods prescribed in the amended Corporation Tax Law. The effect of this change on operating income and income before income taxes and minority interests was immaterial.

3. Securities and Investment Securities

Information regarding securities and investment securities classified as available-for-sale securities with fair market value at March 31, 2013 and 2012 is summarized as follows:

	Millions of yen					
	March 31, 2013			March 31, 2012		
	Acquisition cost	Carrying amount (Fair market value)	Unrealized gain (loss)	Acquisition cost	Carrying amount (Fair market value)	Unrealized gain (loss)
Securities whose carrying amount (fair market value) exceeds their acquisition cost:						
Equity securities	¥1,194	¥2,340	¥1,145	¥1,104	¥1,756	¥652
Debt securities						
Government bonds	–	–	–	–	–	–
Corporate bonds	–	–	–	–	–	–
Other	–	–	–	–	–	–
Other	–	–	–	–	–	–
Subtotal	1,194	2,340	1,145	1,104	1,756	652
Securities whose acquisition cost exceeds their carrying amount (fair market value):						
Equity securities	230	213	(17)	314	271	(42)
Debt securities						
Government bonds	–	–	–	–	–	–
Corporate bonds	–	–	–	–	–	–
Other	–	–	–	–	–	–
Other	500	500	–	–	–	–
Subtotal	730	713	(17)	314	271	(42)
Total	¥1,925	¥3,053	¥1,127	¥1,418	¥2,028	¥609

Notes: 1. Unlisted equity securities and investments in limited liability partnership are not included in available-for-sale securities listed above as they do not have market prices and their fair values are not readily determinable.

2. Securities for which impairment losses were recognized
For the years ended March 31, 2013 and March 31, 2012, no impairment losses were recognized.

In cases where the fair market value of a security at the end of the fiscal year has declined 50% or more from its acquisition cost, an impairment loss is recognized for the full amount. In cases where the fair market value of a security at the end of the fiscal year has declined 30% or more but less than 50% from its acquisition cost, an impairment loss is recognized for the amount deemed necessary in consideration of the possibility of restoration, etc., on a case-by-case basis.

The sales of investment securities classified as available-for-sale securities with fair market value are summarized as follows:

	Millions of yen					
	March 31, 2013			March 31, 2012		
	Proceeds from sales	Gross realized gain	Gross realized loss	Proceeds from sales	Gross realized gain	Gross realized loss
Equity securities	¥1	¥0	–	¥73	¥56	¥(0)
Debt securities						
Government bonds	–	–	–	–	–	–
Corporation bonds	–	–	–	–	–	–
Other	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total	¥1	¥0	–	¥73	¥56	¥(0)

4. Short-Term Loans, Long-Term Loans and Other Long-Term Liabilities with Interest
Short-term loans from banks at an average interest rate of 0.93% amounted to ¥1,714 million and ¥1,566 million at March 31, 2013 and 2012, respectively.

Long-term loans, lease obligations and deposits received classified as other long-term liabilities with interest at March 31, 2013 and 2012 consisted of the following:

	Millions of yen	
	March 31, 2013	March 31, 2012
Loans, principally from banks, maturing in installments through 2016 with an average interest rate of 2.31%	¥ 4,735	¥8,605
Less current portion of loans	(320)	(5,530)
Net	4,415	3,075
Lease obligations	186	148
Less current portion of lease obligations	(79)	(62)
Net	107	85
Deposits received with an average interest rate of 2.58%	2,458	2,590
Total	¥6,980	¥5,750

The annual maturities of long-term loans and lease obligations subsequent to March 31, 2013 are summarized as follows:

	Long-term loans	Lease obligations
	Millions of yen	Millions of yen
Year ending March 31,		
2015	¥2,725	¥43
2016	1,690	27
2017	–	22
2018 and thereafter	–	9

Bonds payable at March 31, 2013 and 2012 consisted of the following:

Name of company	Issue	Date of issue	Millions of yen		Interest rate (%)	Collateral	Maturity date
			March 31, 2013	March 31, 2012			
Iwasaki Electric Co., Ltd.	17th Unsecured straight bond	October 5, 2012	¥1,200	¥–	1.15	N.A.	October 5, 2015
Iwasaki Electric Co., Ltd.	18th Unsecured straight bond	October 9, 2012	900	–	0.45	N.A.	October 9, 2015
Iwasaki Electric Co., Ltd.	19th Unsecured straight bond	October 31, 2012	250	–	0.89	N.A.	October 30, 2015
Total	–	–	¥2,350	¥–	–	–	–

(Note) Scheduled redemption amounts over 5 years subsequent to March 31, 2013 are summarized as follows:

Due in 1 year or less (Millions of yen)	Due after 1 year and in 2 years or less (Millions of yen)	Due after 2 years and in 3 years or less (Millions of yen)	Due after 3 years and in 4 years or less (Millions of yen)	Due after 4 years and in 5 years or less (Millions of yen)
¥–	¥–	¥2,350	¥–	¥–

5. Asset Retirement Obligations

No description is provided pursuant to the provisions of Article 92-2 of the Regulations for Consolidated Financial Statements because the amount of asset retirement obligations at April 1, 2012 and March 31, 2013 accounted for less than 1% of total liabilities and net assets at the beginning and end of the fiscal year.

6. Income Taxes

The tax effects of temporary differences that give rise to a significant portion of the deferred tax assets and deferred tax liabilities at March 31, 2013 and 2012 were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Deferred tax assets:		
Loss carryforward for tax purposes	¥2,281	¥2,358
Provision for retirement benefits	3,818	3,617
Unrealized loss on available-for-sale securities	–	1
Other	987	991
Gross deferred tax assets	7,086	6,968
Valuation allowance	(5,773)	(5,884)
Total deferred tax assets	1,312	1,083
Deferred tax liabilities:		
Land revaluation	(102)	(102)
Unrealized gain on available-for-sale securities	(404)	(224)
Other	(74)	(61)
Gross deferred tax liabilities	(581)	(387)
Net deferred tax assets	¥731	¥695

Note: Net deferred tax assets for the years ended March 31, 2013 and 2012 were included in the following items on the consolidated balance sheets.

	Millions of yen	
	March 31, 2013	March 31, 2012
Current assets - Deferred tax assets	¥931	¥782
Investments and other assets - Deferred tax assets	370	296
Noncurrent liabilities - Deferred tax liabilities	(570)	(384)

The reconciliation of the Japanese statutory tax rate and the effective tax rate applicable to the Company for the years ended March 31, 2013 and 2012 was as follows:

	March 31, 2013	March 31, 2012
Japanese statutory tax rate	38.0%	40.0%
(Adjustments)		
Permanent differences, including entertainment, etc.	6.0	3.0
Permanent differences, including dividend income	(0.8)	(0.6)
Inhabitants taxes per capita, etc.	10.9	5.1
Increase (decrease) in valuation allowance	(37.8)	24.7
Amortization of negative goodwill	(2.7)	(3.6)
Gain on bargain purchase	(0.6)	(1.8)
Effect of change in the tax rate	–	4.1
Other	(0.7)	(8.5)
Effective tax rate	12.3	62.4

7. Rental Properties

For the year ended March 31, 2013 and 2012

No description is provided because the total amount of rental properties is immaterial.

8. Shareholders' Equity

The Corporation Law of Japan (hereafter, the "Law") provides that an amount equal to at least 10% of the amount to be disbursed as distributions of earnings be appropriated to the legal reserve until the sum of the reserve and the additional paid-in capital account, which is included in capital surplus in consolidated balance sheet, equals 25% of the common stock account. The Law provides that neither additional paid-in capital nor the legal reserve is available for dividends, but both may be used to reduce or eliminate a deficit by resolution of the shareholders or may be transferred to common stock upon approval by the board of directors. Accordingly, the Law provides that if the total amount of additional paid-in capital and the legal reserve exceeds 25% of the amount of common stock, the excess may be distributed to the shareholders either as a return of capital or as dividends subject to the approval of the shareholders.

9. Investments in Affiliates

Investments in affiliates at March 31, 2013 and 2012 amounted to ¥811 million and ¥714 million, respectively, and are accounted for principally by the equity method.

10. Pledged Assets

A summary of assets pledged as collateral for long-term loans at March 31, 2013 and 2012, in the amount of ¥1,000 million and ¥1,300 million, respectively, is presented below:

	Millions of yen	
	March 31, 2013	March 31, 2012
Buildings and structures	¥632	¥622
Machinery, equipment and vehicles	574	730
Land	2,579	3,012
Total	¥3,786	¥4,365

11. Land Revaluation

Based on the Law Concerning Land Revaluation, promulgated on March 31, 1998, the Company revalued its land used for business purposes at March 31, 2000, in accordance with the revaluation method as stated in Article 3-3.

The value of land is based on the official notice prices calculated as directed by public notification of the Commissioner of the National Tax Administration and as provided for in the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-4 of the Ordinance Implementing the Law Concerning Land Revaluation (Government Ordinance No. 119, promulgated March 31, 1998), after making reasonable adjustments.

The differences between the revalued carrying amount and the fair value at March 31, 2013 and 2012 of land revalued pursuant to Article 10 of the law were ¥2,270 million and ¥2,297 million, respectively.

The amount of tax effect on the revaluation differences is reported as deferred tax liabilities for land revaluation. The revaluation difference less this tax liability is reported as revaluation reserve for land in valuation and translation adjustments.

12. Notes Receivable

Notes receivable are settled at the date of clearance. Since March 31, 2013 and March 31, 2012 were bank holidays, notes receivable of ¥470 million and ¥283 million, maturing on those dates, were included in the balance at March 31, 2013 and March 31, 2012, respectively, and were settled on the next business day.

13. Cost of Sales

Gain (loss) on valuation of inventories of ¥(7) million and ¥ 24 million was included in cost of sales for the years ended March 31, 2013 and 2012, respectively after writing down the carrying values to reflect declines in profitability.

14. Selling, General and Administrative Expenses

Major components of selling, general and administrative expenses for the years ended March 31, 2013 and 2012 were as follows. The figures in the following table have been offset against reversals.

	Millions of yen	
	March 31, 2013	March 31, 2012
Salaries	¥5,054	¥5,053
Packing and transportation costs	1,632	1,604
Provision for employees’ retirement benefits	647	690
Provision for employees’ bonuses	307	311
Provision of allowance for doubtful accounts	3	22

Research and development expenses included in selling, general and administrative expenses for the years ended March 31, 2013 and 2012 amounted to ¥567 million and ¥575 million, respectively.

15. Other Income

Gain on sales of noncurrent assets at March 31, 2013 and 2012 were summarized as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Land	¥71	¥–
Machinery, equipment and vehicles	0	8
Tools, furniture and fixtures	–	2
Total	¥71	¥11

16. Other Expenses

Loss on sales and retirement of noncurrent assets at March 31, 2013 and 2012 were summarized as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Buildings and structures	¥14	¥4
Machinery, equipment and vehicles	9	28
Tools, furniture and fixtures	2	1
Other	0	1
Total	¥26	¥35

17. Statement of Comprehensive Income

Reclassification adjustments relating to other comprehensive income for the year ended March 31, 2013 and 2012 were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Valuation difference on available-for-sale securities:		
Amount arising during the year	¥519	¥85
Reclassification adjustments for gain (loss) included in net income	(0)	(56)
Total	518	28
Foreign currency translation adjustment:		
Amount arising during the year	406	(105)
Reclassification adjustments for gain (loss) included in net income	–	4
Total	406	(100)
Share of other comprehensive income of affiliates accounted for using the equity method:		
Amount arising during the year	98	(33)
Total	98	(33)
Total amount before income taxes	1,022	(105)
Income taxes	(181)	204
Total other comprehensive income	¥840	¥98

Income taxes relating to other comprehensive income for the year ended were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Valuation difference on available-for-sale securities		
Before income taxes	¥518	¥28
Income taxes	(181)	9
After income taxes	336	37
Revaluation reserve for land		
Before income taxes	–	–
Income taxes	–	195
After income taxes	–	195
Foreign currency translation adjustment		
Before income taxes	406	(100)
Income taxes	–	–
After income taxes	406	(100)
Share of other comprehensive income of affiliates accounted for using the equity method		
Before income taxes	98	(33)
Income taxes	–	–
After income taxes	98	(33)
Total other comprehensive income		
Before income taxes	1,022	(105)
Income taxes	(181)	204
After income taxes	¥840	¥98

18. Supplemental Information of Consolidated Statements of Changes in Net Assets
(a) Type and number of issued shares and treasury stock

For the year ended March 31, 2013

	Number of shares (thousand)			
	April 1, 2012	Increase	Decrease	March 31, 2013
Type of issued shares				
Common stock	78,219	–	–	78,219
Total	78,219	–	–	78,219
Type of treasury stock				
Common stock	3,833	2	–	3,835
Total	3,833	2	–	3,835

Note: The increase of 2,000 shares of common stock in treasury was due to the repurchase of fractional shares.

For the year ended March 31, 2012

	Number of shares (thousand)			
	April 1, 2011	Increase	Decrease	March 31, 2012
Type of issued shares				
Common stock	78,219	–	–	78,219
Total	78,219	–	–	78,219
Type of treasury stock				
Common stock	4,027	4	198	3,833
Total	4,027	4	198	3,833

Notes: 1. The increase of 4,000 shares of common stock in treasury was due to the repurchase of fractional shares.
2. The decrease of 198,000 shares of common stock in treasury was due to sale to the market.

(b) Matters related to dividends
Not applicable.

19. Supplemental Cash Flow Information

A reconciliation of cash and cash equivalents at March 31, 2013 and 2012 to cash and deposits in the accompanying consolidated balance sheets was as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Cash and deposits	¥12,666	¥12,824
Time deposits with maturity in excess of three months	(801)	(804)
Cash and cash equivalents	¥11,865	¥12,019

20. Leases

Finance lease transactions, except for those that transfer ownership of leased assets to the lessee, are accounted for as explained in Note 1 (k).

Leased assets include production equipment (machinery and equipment) and dies and molds (tools, furniture and fixtures) as property, plant and equipment, and software as intangible assets.

Finance lease transactions that commenced on or before March 31, 2008, except for those that transfer ownership of leased assets to the lessee, are accounted for under the method applicable to operating lease transactions. Details are as follows:

(1) A summary of pro forma amounts (inclusive of the imputed interest expense portion) of acquisition cost, accumulated depreciation, accumulated impairment loss and net book value at March 31, 2013 and 2012, of mainly leased tools, furniture and fixtures on an "as if capitalized" basis is as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Acquisition cost	¥330	¥399
Accumulated depreciation	328	377
Net book value	¥2	¥22

(2) A summary of future minimum lease payments (inclusive of imputed interest expense portion), required under non-cancelable operating leases at March 31, 2013 and 2012 was as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Due in one year or less	¥1	¥20
Due after one year	0	2
Total	¥2	¥22

(3) Lease payments, reversal of accumulated impairment loss on leased assets, pro forma depreciation and impairment loss for the years ended March 31, 2013 and 2012 were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Lease payments	¥20	¥66
Depreciation expense	20	66

(4) Depreciation charges are calculated using the straight-line method over the lease term assuming no residual value.

(5) There was no impairment loss on leased assets.

21. Employees' Retirement Benefits

The Company and certain of its domestic subsidiaries have a defined benefit plan covering substantially all of their employees. The plan includes the lump sum payment plan and the defined-benefit pension plan. In addition, the Company has a multi-employer welfare pension fund plan, established by participating companies. Certain of its domestic subsidiaries participate in the Cooperative for Retirement Benefits for Medium-Sized and Small Companies and a defined contribution pension plan.
The Company and some consolidated subsidiaries in Japan terminated their tax-qualified pension plan and introduced a defined-benefit pension plan on November 1, 2009. The plans' funded status and amount recognized in the accompanying consolidated balance sheets at March 31, 2013 and 2012 were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Projected benefit obligation	¥ (15,390)	¥ (14,160)
Plan assets at fair value	2,340	2,038
Projected benefit obligation in excess of plan assets	(13,049)	(12,121)
Unrecognized transitional obligation	624	936
Unrecognized actuarial loss	1,761	789
Unrecognized past service liabilities	26	28
Accrued employees' retirement benefits	¥ (10,636)	¥ (10,367)

Note: Certain consolidated subsidiaries adopted a simplified method in the calculation of their projected benefit obligation.

The components of net periodic benefit costs of employees' retirement benefits for the years ended March 31, 2013 and 2012 were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Service cost	691	748
Interest cost	243	264
Expected return on plan assets	(45)	(49)
Amortization of actuarial loss	200	209
Amortization of transitional obligation	311	312
Past service liabilities recognized as expense	2	2
Net periodic benefit costs	¥1,404	¥1,487
Total	¥1,404	¥1,487

Note: Service cost contains benefit costs of certain consolidated subsidiaries of which projected benefit obligations are calculated by a simplified method.

In addition, the Company paid ¥517 million and ¥505 million for the years ended March 31, 2013 and 2012, respectively, for the multi-employer welfare pension fund plan. The actuarial assumptions used in accounting for the pension plans for the years ended March 31, 2013 and 2012 were as follows:

	March 31, 2013	March 31, 2012
Periodic allocation method for projected benefits	Straight-line method	Straight-line method
Discount rate	1.0%	1.9%
Expected return on plan assets	2.4%	2.4%
Amortization period of past service liability	14 years	14 years
Amortization period of actuarial gain/loss	14 years	14 years
Amortization period of transitional obligation	15 years	15 years

The total funded status of the multi-employer welfare pension fund plan for the years ended March 31, 2013 and 2012 was as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Projected benefit obligations under pension funding computation	¥299,366	¥300,200
Plan assets at fair value	254,797	258,978
Projected benefit obligation in excess of plan assets	¥44,568	¥41,221

Notes: The ratio of the group’s contribution to total contributions of the plan above was 3.19% for the year ended March 31, 2013 and 3.14% for the year ended March 31, 2012.
The main component of projected benefit obligation in excess of plan assets was prior service cost of ¥13,193 million for the year ended March 31, 2013 and ¥15,221 million for the year ended March 31, 2012. Prior service cost is amortized by the straight-line method over a period of 20 years.

22. Commitment and Contingent Liabilities

The Company has entered into commitment line contracts with 5 banks in order to ensure the timeliness of financing.

Relevant figures at March 31, 2013 and 2012 were as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Commitment lines extended	¥2,000	¥4,000
Loans payable	–	–
Unused balance	¥2,000	¥4,000

This commitment line contract includes the following restrictive financial covenants for the year ended March 31, 2013:
To maintain net assets of at least ¥15.1 billion on the consolidated balance sheet at the end of each fiscal year and second quarter.

23. Financial Instruments

1. Matters relating to the status of financial instruments

(1) Policy toward financial instruments

In light of its capital investment plans, the Group procures necessary funds for business operations related to manufacturing and sales of lighting fixtures mainly through bank loans. Temporary surplus funds are kept in highly liquid, secure financial assets and short-term operating funds are procured by bank loans. The Company uses derivative transactions to manage foreign exchange risks and interest rate risks. It is the policy of the Company not to enter into derivative transactions for speculative purposes.

(2) Details of financial instruments, associated risks and risk control measures

Trade notes and accounts receivable carry customer credit risks. These risks are addressed in accordance with the Group's credit management rules by controlling the due dates and balances for each customer and investigating the credit status of major customers every three months.

Stocks carry market risks. Most stocks are those of companies which have business relationships with the Company and their market prices are regularly reported to the officer in charge of finance.

Most trade notes, electronically recorded obligations-operating, and accounts payable are due in one year or less.

Short-term loans payable are borrowed mainly as operating funds, bonds payable and long-term loans payable (in principle, due in five years or less) are borrowed mainly as funds for capital investments. Floating-rate loans carry interest rate fluctuation risk and each contract is hedged by using a derivative contract (interest rate swap) to mitigate its interest risk and stabilize interest expense. Examination of hedging effectiveness is omitted as hedging contracts have been judged to satisfy the requirements for special treatment of interest rate swaps.

Derivative transactions are executed and managed by the Company's financing department with the approval of the responsible officer, in accordance with the internal rules that stipulate the authorized individuals and trading limits. In order to mitigate credit risks, all derivative transactions are undertaken with highly creditworthy financial institutions.

(3) Supplemental explanation regarding fair value, etc., of financial instruments

The fair value of financial instruments includes values based on market prices and, with respect to financial instruments without a market price, value determined by reasonable calculation. Such calculation can include factors with variable parameters and different fair values are possible if different assumptions are employed.

2. Matters relating to fair value, etc. of financial instruments

The carrying amounts and fair values at March 31, 2013 and 2012 and differences are as follows. Financial instruments whose fair value is not readily determinable are not included in the following table (See Note 2).

At March 31, 2013

	Carrying amount (Millions of yen)	Fair value (Millions of yen)	Difference (Millions of yen)
(1) Cash and deposits	¥12,666	¥12,666	¥–
(2) Notes and accounts receivable - trade	14,421	14,421	–
(3) Securities	500	500	–
(4) Investment securities	2,553	2,553	–
Total assets	¥30,141	¥30,141	¥–
(5) Notes and accounts payable – trade	¥9,559	¥9,559	¥–
(6) Electronically recorded obligations-opretating	1,311	1,311	–
(7) Short-term loans payable	1,714	1,714	–
(8) Bonds payable	2,350	2,352	2
(9) Long-term loans payable	4,735	4,792	57
Total liabilities	¥19,670	¥19,730	¥59
Derivatives	¥–	¥–	¥–

At March 31, 2012

	Carrying amount (Millions of yen)	Fair value (Millions of yen)	Difference (Millions of yen)
(1) Cash and deposits	¥12,824	¥12,824	¥–
(2) Notes and accounts receivable - trade	15,369	15,369	–
(4) Investment securities	2,028	2,028	–
Total assets	¥30,222	¥30,222	¥–
(5) Notes and accounts payable - trade	¥11,316	¥11,316	¥–
(7) Short-term loans payable	1,566	1,566	–
(9) Long-term loans payable	8,605	8,693	88
Total liabilities	¥21,488	¥21,577	¥88
Derivatives	¥–	¥–	¥–

(Notes)

1) Calculation method for fair value of financial instruments and matters relating to securities and derivatives

Assets

“(1) Cash and deposits,” “(2) Notes and accounts receivable – trade,” and “(3) Securities (negotiable certificates of deposit)”

Book value is used as fair value because these items are to be settled in a short period of time and fair value is almost equal to book value.

“(4) Investment securities”

For stocks, the exchange price is used as fair value. Notes relating to securities held for different purposes are described in notes under “3. Securities and Investment Securities”

Liabilities

“(5) Notes and accounts payable – trade,” “(6) Electronically recorded obligations-operating,” and “(7) Short-term loans payable”

Book value is used as fair value because these items are to be settled in a short period of time and fair value is almost equal to book value.

“(8) Bonds payable”

The fair value of fixed-rate corporate bonds is determined by the current value that is derived by discounting the total amount of principal and interest of a bond by the interest rate applicable for a similar new issue.

“(9) Long-term loans payable”

The fair value of long-term loans payable is determined by discounting the total amount of principal and interest of a loan by the interest rate applicable for a similar new loan. Floating-rate long-term loans are subject to the special treatment of interest rate swaps, in which the fair value is determined by discounting the amount of principal and interest, which factors in the relevant interest rate swap, by the interest rate reasonably estimated for a similar loan.

Derivatives

See note “24. Derivatives”

2) Financial instruments whose fair values are not readily determinable at March 31, 2013 and 2012 are as follows:

Category	Millions of yen	
	March 31, 2013	March 31, 2012
Unlisted equity securities	¥1,040	¥977
Investments in limited liability partnership	¥100	¥–

These financial instruments do not have a market price and excessive costs would be incurred in estimating their future cash flows. Therefore, they are not included in "(4) Investment securities" as the fair value is not readily determinable.

3) Monetary claims and securities with maturity dates subsequent to March 31, 2013 and 2012 are summarized as follows:

At March 31, 2013

	Due in one year or less (Millions of yen)	Due after one year (Millions of yen)
(1) Cash and deposits	¥12,660	¥–
(2) Notes and accounts receivable - trade	14,421	–
(3) Securities		
Available-for-sale securities with maturity dates		
Negotiable certificates of deposit	500	–
Total	¥27,581	¥–

At March 31, 2012

	Due in one year or less (Millions of yen)	Due after one year (Millions of yen)
(1) Cash and deposits	¥12,817	¥–
(2) Notes and accounts receivable - trade	15,369	–
Total	¥28,187	¥–

4) Bonds payable and long-term loans payable with repayment dates subsequent to March 31, 2013 and 2012 are summarized as follows:

At March 31, 2013

	Due in 1 year or less (Millions of yen)	Due after 1 year and in 2 years or less (Millions of yen)	Due after 2 years and in 3 years or less (Millions of yen)	Due after 3 years and in 4 years or less (Millions of yen)	Due after 4 years and in 5 years or less (Millions of yen)	Due after 5 years (Millions of yen)
Bonds payable	¥–	¥–	¥2,350	¥–	¥–	¥–
Long-term loans payable	320	2,725	1,690	–	–	–
Total	¥320	¥2,725	¥4,040	¥–	¥–	¥–

At March 31, 2012

	Due in 1 year or less (Millions of yen)	Due after 1 year and in 2 years or less (Millions of yen)	Due after 2 years and in 3 years or less (Millions of yen)	Due after 3 years and in 4 years or less (Millions of yen)	Due after 4 years and in 5 years or less (Millions of yen)	Due after 5 years (Millions of yen)
Long-term loans payable	¥5,530	¥310	¥2,725	¥40	¥–	¥–
Total	¥5,530	¥310	¥2,725	¥40	¥–	¥–

24. Derivatives

At March 31, 2013 and 2012, there were no derivative transactions outstanding for which hedge accounting has not been applied.

The notional amounts and the fair value of the derivative instruments outstanding at March 31, 2013, for which hedge accounting has been applied are summarized as follows:

At March 31, 2013

	Notional Amount (Millions of yen)		Fair value (Millions of yen)
	Maturing within one year	Maturing after one year	
Interest rate swap hedging long-term loans payable, accounted for by short-cut method:			
Receive/floating and pay/fixed	¥3,605	¥3,425	*1

*1 The fair value is included in the fair value of long-term loans payable, since the shortcut method is applied.

At March 31, 2012

	Notional Amount (Millions of yen)		Fair value (Millions of yen)
	Maturing within one year	Maturing after one year	
Interest rate swap hedging long-term loans payable, accounted for by short-cut method:			
Receive/floating and pay/fixed	¥6,435	¥2,855	*1

*1 The fair value is included in the fair value of long-term loans payable, since the shortcut method is applied.

25. Segment Information

Segment Information (For the years ended March 31, 2013 and 2012)

1. General Information about Reportable Segments
   The reportable segments of the Company are business sectors of the Iwasaki Electric Group for which the Company is able to obtain separate individual financial information allowing the board of directors to conduct periodic analysis to evaluate their business performance and determine the optimum distribution of management resources.
   The Iwasaki Electric Group has two reportable business segments, the “Lighting Sector,” which includes the manufacture and sales of a wide range of light sources such as lamps and luminaires, and the “Applied Optics Sector,” which includes the manufacture and sales of applied optics products.

2. Method for Calculating Net Sales, Income or Loss, Assets, Liabilities, and Other Items in Each Reportable Segment
   In general, the method for the accounting of reportable business segments is the same as that described in the “Basis of presentation of the consolidated financial statements.” Income in the reportable segments is operating income. Inter-group net sales or transfers are based on actual market prices.

3. Information on Net Sales, Income or Loss, Assets, and Other Items in Each Reportable Segment

	Millions of yen	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Sales:		
Lighting Sector	¥ 36,197	¥ 35,364
Applied Optics Sector	15,864	17,904
	52,062	53,269
Corporate and eliminations:		
Lighting Sector	56	77
Applied Optics Sector	4	9
	60	87
Adjustments	(60)	(87)
	¥ 52,062	¥ 53,269
Segment Income (Loss):		
Lighting Sector	¥ 2,619	¥ 1,977
Applied Optics Sector	(17)	1,116
	2,602	3,094
Adjustments	(1,697)	(1,642)
	¥ 905	¥ 1,451
Segment Assets:		
Lighting Sector	¥ 32,895	¥ 32,490
Applied Optics Sector	18,855	20,488
	51,750	52,978
Adjustments	9,208	8,507
	¥ 60,959	¥ 61,486
Depreciation and Amortization:		
Lighting Sector	¥ 1,142	¥ 1,201
Applied Optics Sector	415	453
	1,558	1,655
Adjustments	–	–
	¥ 1,558	¥ 1,655
Increase in Property, Plant and Equipment and Intangible Assets:		
Lighting Sector	¥ 947	¥ 678
Applied Optics Sector	423	366
	1,371	1,045
Adjustments	–	–
	¥ 1,371	¥ 1,045

1. The adjustments for segment income (loss) of ¥ (1,697) million and ¥ (1,642) million include corporate costs, etc., which have not been allocated to the reportable segments.
2. The adjustments for segment assets of ¥9,208 million and ¥8,507 million at March 31, 2013 and 2012, respectively, include financial assets, etc., of the Company, which have not been allocated to the reportable segments.

Related Information

For the years ended March 31, 2013 and 2012

1. Information by Product and Service

No description is provided because information on segments by product and service is the same as that of the reportable segments.

2. Information by Country or Region

(1) Net Sales

	Millions of yen	
	March 31, 2013	March 31, 2012
Japan	¥43,326	¥44,242
North America	4,144	3,619
Asia	3,903	4,471
Europe	330	416
Other	356	520
Total	¥52,062	¥53,269

(2) Property, Plant and Equipment

No description is provided because property, plant and equipment in Japan at March 31, 2013 and 2012 account for more than 90% of property, plant and equipment in the consolidated balance sheets.

3. Information on Each Major Customer

No description is provided because no individual external customer accounts for 10% or more of net sales for the years ended March 31, 2013 and 2012 in the consolidated statements of income.

Information on Amortization of Goodwill and Balance by Reportable Segment

At and for the year ended March 31, 2013

	Millions of yen			
	Lighting Sector	Applied Optics Sector	Corporate and eliminations	Total
(Negative goodwill)				
Amortization for the year ended March 31, 2013	¥32	¥6	¥–	¥39
Balance at March 31, 2013	–	–	–	–

At and for the year ended March 31, 2012

	Millions of yen			
	Lighting Sector	Applied Optics Sector	Corporate and eliminations	Total
(Negative goodwill)				
Amortization for the year ended March 31, 2012	¥33	¥81	¥–	¥115
Balance at March 31, 2012	32	6	–	39

Information on Gain on Bargain Purchase by Reportable Segment

For the year ended March 31, 2013

A gain on bargain purchase of ¥29 million (¥1 million for the Lighting Sector, ¥28 million for the Applied Optics Sector) was posted for the current fiscal year. ¥20 million of the amount for the Applied Optics Sector is due to the transfer of business at the Company’s subsidiary, Energy Sciences, Inc., and the rest is due to the purchase of treasury stock by a consolidated subsidiary from minority shareholders.

For the year ended March 31, 2012

A gain on bargain purchase of ¥57 million (¥33 million for the Lighting Sector, ¥24 million for the Applied Optics Sector) was posted for the current fiscal year. This is due to the purchase of treasury stock by a consolidated subsidiary from minority shareholders.

26. Amounts per Share

Per share information at and for the years ended March 31, 2013 and 2012 was as follows:

	Yen	
	March 31, 2013	March 31, 2012
Net income	¥6.34	¥5.58
Net assets	279.61	262.00

The basis of the computation of net income per share for the years ended March 31, 2013 and 2012 is as follows:

	Millions of yen	
	March 31, 2013	March 31, 2012
Net income per share		
Net income	¥471	¥414
Amount not attributable to normal shareholders	–	–
Net income allocable to common shares	¥471	¥414
Average number of common shares for the period (shares)	74,385,123	74,289,143

27. Business Combinations

For the year ended March 31, 2013
Not Applicable.

28. Related Party Transactions

For the year ended March 31, 2013
Not applicable.

For the year ended March 31, 2012
Not Applicable.

29. Stock Options

For the year ended March 31, 2013
Not applicable.

For the year ended March 31, 2012
Not Applicable.

30. Significant Subsequent Events

The Company resolved at its Board of Directors' Meeting held on May 20, 2013 to submit a resolution at the Company's 98th Ordinary General Meeting of Shareholders on June 27, 2013 related to reducing its legal capital reserve and disposing surplus. This resolution was duly approved and adopted.

1. Purpose of reduction in the legal capital reserve and the disposition of surplus

    The legal capital reserve will be utilized to eliminate the retained earnings deficit brought forward in order to ensure that the Company can undertake flexible and responsive financial strategies in the future.

2. Outline of reduction in the legal capital reserve and the disposition of surplus

    (1) Reduction in the legal capital reserve

    In accordance with the provisions of Article 448 (i) of the Law, the legal capital reserve will be reduced by ¥4,176,499,539. The same amount will be transferred to other capital surplus.
    As a result, the legal capital reserve will be ¥1,909,370,049.

(2) Disposition of surplus

Pursuant to Article 452 of the Law, other capital surplus of ¥4,176,499,539 following the transfer stated in item (1) above will be fully transferred to retained earnings deficit brought forward in order to eliminate the deficit. Because the reserve for the reduction entry of land of ¥184,828,000 will also be transferred to retained earnings deficit brought forward, the amount of retained earning brought forward will be zero after the transfer.

3. Schedule of the reduction in the legal capital reserve and disposition of surplus

(1) Resolution at the Board of Directors' Meeting: May 20, 2013

(2) Resolution at the Ordinary General Meeting of Shareholders: June 27, 2013

(3) Effective date: June 28, 2013

This transaction will be conducted pursuant to Article 449 (i) of the Law. Consequently, there will be no corresponding procedures involving any statements of objection of creditors.

Independent Auditor's Report

The Board of Directors
IWASAKI ELECTRIC Co., Ltd.

We have audited the accompanying consolidated financial statements of IWASAKI ELECTRIC Co., Ltd. and its consolidated subsidiaries, which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of IWASAKI ELECTRIC Co., Ltd. and its consolidated subsidiaries as at March 31, 2013, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Emphasis of Matter

We draw attention to Note 30 to the consolidated financial statements, which states that the Company resolved at its Board of Directors' Meeting held on May 20, 2013 to submit a resolution to the Company's 98th Ordinary General Meeting of Shareholders on June 27, 2013 related to reducing its legal capital reserve and disposing surplus. This resolution was duly approved and adopted. Our opinion is not qualified in respect of this matter.

Ernst & Young ShinNihon LLC

June 27, 2013
Tokyo, Japan

Board of Directors and Corporate Data

President and Representative Director
Bunya Watanabe

Director
Masanobu Inoue

Director
Hideya Fujii

Director and Executive Officer
Yoshimasa Kida

Director and Executive Officer
Kazuo Saotome

Director
Masanori Katou

Director
Toshiharu Takasu

Audit & Supervisory Board Member
Noriaki Yamauchi

Audit & Supervisory Board Member
Kazuei Aima

Audit & Supervisory Board Member
Kouei Yamashiro

Audit & Supervisory Board Member
Masayuki Yamazaki

Executive Officer
Yoshitake Itou

Executive Officer
Makoto Inamori

Executive Officer
Masayuki Arimatsu

Executive Officer
Haruhiko Hoshino

(As of July 1, 2013)

IWASAKI ELECTRIC Co., Ltd.

Date of Establishment: August 18, 1944

Bakurocho-daiichi Bldg. 1-4-16,
Nihonbashi-bakurocho, Chuo-ku,
Tokyo 103-0002, Japan
Phone: +81-3-5847-8611

http://www.eye.co.jp/

Capital: ¥8,640 million

Common Stock
Authorized: 239,000,000 shares
Issued: 78,219,507 Shares
Number of Shareholders: 8,746

Major Shareholders	% of Total
Mizuho Bank, Ltd.	3.62
The Sumitomo Mitsui Banking Corp.	3.43
The Meiji Yasuda Life Insurance Company	2.55
Sompo Japan Insurance Inc.	2.53
Iwasaki Electric Cooperative Association Stock Ownership Plan	2.06
EYE LAMP employee stock ownership plan	1.83
The Master Trust Bank of Japan ,Ltd.	1.56
Sekisui Jushi Corporation	1.55
Nippon Tochi-Tatemono Co.,Ltd	1.55
Japan Trustee Services Bank, Ltd.(Trust Account)	1.47

Stock Exchange Listings
Tokyo Stock Exchange 1st Section

Correspondent Bank
Mizuho Bank, Ltd.
Sumitomo Mitsui Banking Corp.
The Bank of Yokohama, Ltd.
Resona Bank, Ltd.
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Development Bank of Japan Inc.

Independent Certified Public Accountants
Ernst & Young ShinNihon LLC

Directory

Domestic Plants and Offices

Head Office
Bakurocho-daiichi Bldg. 1-4-16,
Nihonbashi-bakurocho, Chuo-ku,
Tokyo 103-0002, Japan
Phone: +81-3-5847-8611

International Business Division
Bakurocho-daiichi Bldg. 1-4-16,
Nihonbashi-bakurocho, Chuo-ku,
Tokyo 103-0002, Japan
Phone: +81-3-5847-8630
Facsimile: +81-3-5847-8647

Domestic Sales
& Marketing Division
Bakurocho-daiichi Bldg. 1-4-16,
Nihonbashi-bakurocho, Chuo-ku,
Tokyo 103-0002, Japan
Phone: +81-3-5847-8623
Local Offices: 40 locations

Private Sector Sales Department
Bakurocho-daiichi Bldg. 1-4-16,
Nihonbashi-bakurocho, Chuo-ku,
Tokyo 103-0002, Japan
Phone: +81-3-5847-8632

Applied Optics Sales Department
Bakurocho-daiichi Bldg. 1-4-16,
Nihonbashi-bakurocho, Chuo-ku,
Tokyo 103-0002, Japan
Phone: +81-3-5847-8637

Research and Development
Research & Development
Department

Development and Production
Saitama Plant
Honjo Factory
Kawasato Factory

Domestic Affiliates
●Manufacture
EYE LIGHTING SYSTEMS
CORPORATION
A joint venture with GE,
established in 1973
Manufacture of lighting luminaires,
power sources, ballasts and circuits

TSUKUBA IWASAKI CO., LTD.
Established in 1961
Manufacture and sales of luminaires
and electrical appliances

CHICHIBU IWASAKI CO., LTD.
Established in 1985
Manufacture of Halogen lamps,
Thin film products, etc.

KAN-ETSU IWASAKI CO., LTD.
Established in 1985
Manufacture of high-pressure sodium lamp
arc tubes and quartz tubes (cutting)

EYE ELECTRON BEAM CO., LTD.
Established in 1986
Manufacture and sales of EB products,
EB equipment maintenance and
EB irradiation services

EYE THREE MFG. CO., LTD.
Established in 1988
Manufacture and sales of light poles,
stands and customized lighting luminaires

ITO DENKI CO., LTD.
Acquired in 1997
Manufacture of explosion proof luminaires

●Sales and Administration
EYE GRAPHICS CO., LTD.
Established in 1977
Sales of UV applied equipment and printing
platemakers

LIGHT CUBE CO., LTD.
Established in 1978
Design, manufacture, sales and application
of luminaires and allied products

KINKI LIGHT CUBE CO., LTD.
Established in 1995
Design. manufacture and sales of luminaries
including for emergency exit sign and of
components

ITO DENKI HANBAI CO., LTD.
Established in 1999
Sales of explosion proof luminaries

IWASAKI ELECTRIC
ENGINEERING SERVICE CO., LTD.
Established in 1994
Maintenance & inspection, troubleshooting
and remedy proposal of electric equipment

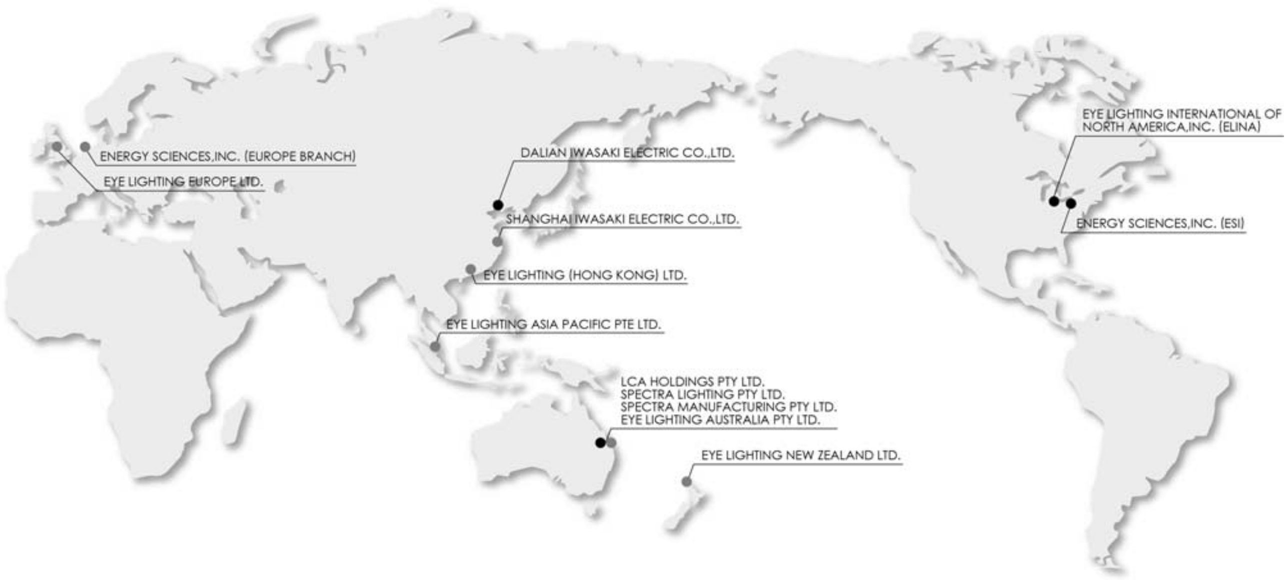
EYE ONE CO., LTD.
Established in 1987
Service trade for the Iwasaki Group, such as
insurance agency operations

EYE TRADING CO., LTD.
Established in 1988
Import of raw materials and materials, and
export of products other than luminaries

EYE LOGISTICS CO., LTD.
Established in 1996
Autotruck carrier business and Joint delivery

(As of July 1, 2013)

Global Network



●Manufacture

ENERGY SCIENCES, INC. (ESI)
Acquired in 1988
42 Industrial Way, Wilmington,
MA 01887, U.S.A.
Phone: +1-978-694-9000
Facsimile: +1-978-694-9046
Manufacture and sales of EB & UV irradiation equipment and electric equipment

EYE LIGHTING INTERNATIONAL OF NORTH AMERICA, INC. (ELINA)
Established in 1989
9150 Hendricks Road, Mentor,
OHIO44060, U.S.A.
Phone: +1-440-350-7000
Facsimile: +1-440-350-7001
Manufacture and sales of HID lamp, arc tubes and outer bulbs

DALIAN IWASAKI ELECTRIC CO., LTD.
Established in 1995
Zhenpeng Industrial Area I-8-3, Dalian Development Zone, Dalian, 116600, P.R. China
Phone: +86-411-8751-4186
Facsimile: +86-411-8751-4189
Manufacture of HID lamps, stems and UV lamps

SPECTRA LIGHTING PTY LTD.
Acquired in 1999
15 Industrial Avenue Wacol QLD 4076, Australia
Phone: +61-7-3335-3500
Facsimile: +61-7-3335-3550
Manufacture and sales of luminaries

SPECTRA MANUFACTURING PTY LTD.
Acquired in 1999
15 Industrial Avenue Wacol QLD 4076, Australia
Phone: +61-7-3335-3502
Facsimile: +61-7-3355-3533
Manufacture and sales of streetscape luminaries

●Sales and Administration

ENERGY SCIENCES, INC. (EUROPE BRANCH)
Established in 2000
Nijver heidsweg Noord 131
NL-3812 PL Amersfoort The NetherLands
Phone: +31-33-422-7288
Facsimile: +31-33-422-7280
Import and distributor of electron-beam processors

EYE LIGHTING ASIA PACIFIC PTE LTD.
Established in 1988
21 Kaki Bukit Place, Eunos Techpark
Singapore 416199, Singapore
Phone: +65-6742-3611
Facsimile: +65-6743-5202
Sales of lamps, luminaires and electric equipment

EYE LIGHTING (HONG KONG) LTD.
A joint venture with Hosoda Trading Company, established in 1992
Room 609, Silvercord Tower 2, 30 Canton Road, Tsimshatsui, Kowloon ,Hong Kong
Phone: +852-2368-8782
Facsimile: +852-2481-2661
Sales of lamps, luminaires and electric equipment

LCA HOLDINGS PTY LTD.
A joint venture with Marubeni Corporation, established in 2000
15 Industrial Avenue Wacol QLD 4076, Australia
Phone: +61-7-3335-3555
Facsimile: +61-7-3335-3522
Holding company

EYE LIGHTING AUSTRALIA PTY LTD.
Established in 1974
15 Industrial Avenue Wacol QLD 4076, Australia
Phone: +61-7-3335-3588
Facsimile: +61-7-3335-3533
Sales of lamps, luminaires and electric equipment

EYE LIGHTING NEW ZEALAND LTD.
Established in 1989
18 Levene Place, Mt.Wellington. Auckland, NEW ZEALAND
Phone: +64-9-276-8099
Facsimile: +64-9-276-3474
Sales of lamps, luminaires and electric equipment

EYE LIGHTING EUROPE LTD.
Established in 2007
Unit 2, Chartridge Development, Eskdale Road, Uxbridge, Middlesex UB8 2RT, U.K.
Phone: +44-1895-814418
Facsimile: +44-1895-814666
Sales of lamps, luminaires and electric equipment

SHANGHAI IWASAKI ELECTRIC CO.,LTD.
Established in 2007
Room2512 Bldg."B"Far East International Plaza No.317 Xianxia Road,Shanghai, 200051, P.R. China
Phone: +86-21-6235-1352
Facsimile: +86-21-6235-1353
Materials procurement in China, inspection and exports
Sales in China of lamps, luminaries and electric equipment

(As of July 1, 2013)

【MEMO】

【MEMO】

IWASAKI ELECTRIC CO., LTD.

Bakurocho-daiichi Bldg. 1-4-16, Nihonbashi-bakurocho,
Chuo-ku, Tokyo 103-0002, Japan
http://www.eye.co.jp/

Printed in Japan