

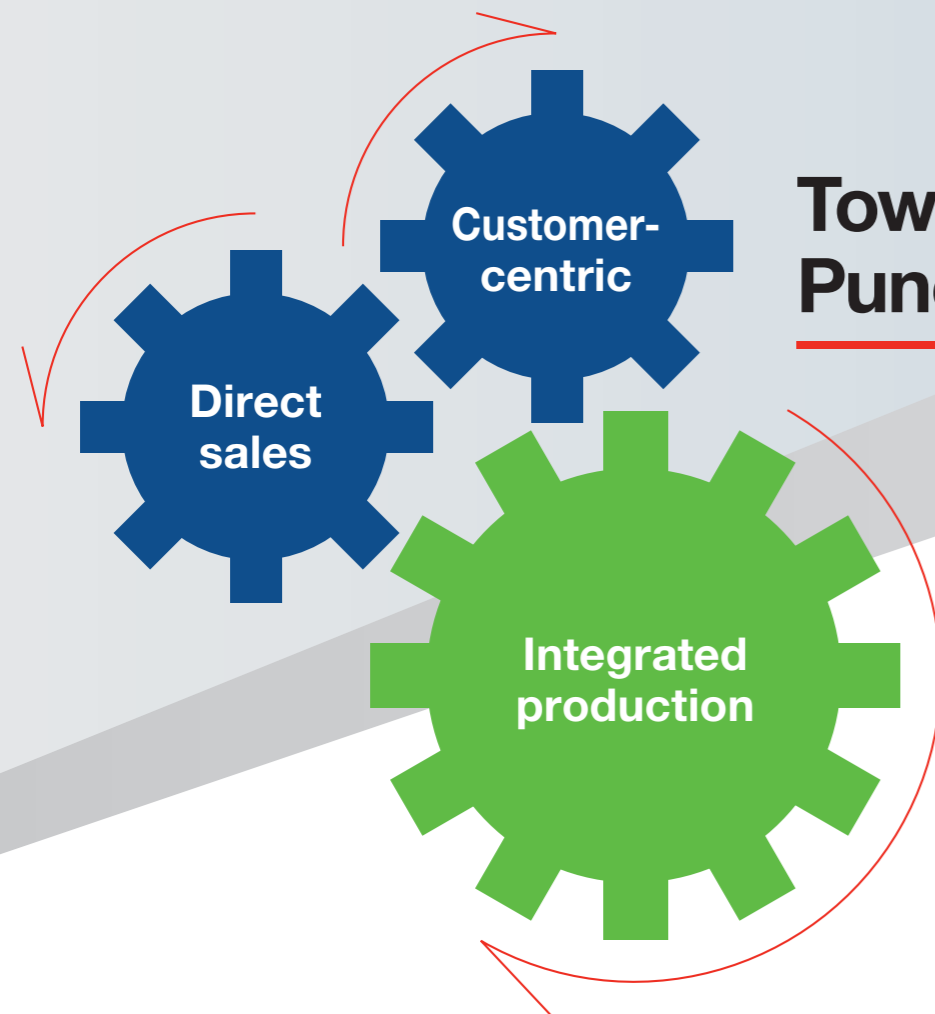
PUNCH INDUSTRY CO., LTD.

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2015 ANNUAL REPORT

Supporting product manufacturing around the world



Toward a global Punch Industry

We aim to become the leading brand in the mold and die components industry and achieve high profitability by leveraging our competitive advantage as a comprehensive manufacturing and sales company.

Management Principles

Driven by the spirit of innovation, we will continue to develop and propose advanced technologies in response to customer needs, for the benefit of society.

We will create a vibrant corporate culture that fulfills people's dreams, by placing high value on vigorous energy and flexible ideas.

We will contribute to social development by embracing the spirit of environmental consideration and compliance and promoting sound corporate activities that are appreciated by society.

Corporate Vision

We aim to become the leading brand in the mold and die components industry and achieve high profitability by leveraging our competitive advantage as a comprehensive manufacturing and sales company.

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Honorary Chairman
Yuji Morikubo



Since its founding in 1975, Punch Industry Co., Ltd. has developed its business based on a commitment to consistent quality as a manufacturer and seller of mold and die components. Guided by our corporate vision, we aim to become the leading brand in the mold and die components industry and achieve high profitability by leveraging our competitive advantage as a comprehensive manufacturing and sales company. Thus far, we have achieved steady growth by building an integrated manufacturing system from material procurement to final product delivery.

Today, the global socioeconomic environment is undergoing major changes at a frenetic pace. These structural changes to the global economy, especially in emerging markets, are also significantly impacting the business activities of the Punch Group.

“Value Creation 15,” our mid-term business plan, covers a three-year period beginning in April 2013. Under the plan, we are embracing both offensive measures (growth strategies) and defensive measures (system reforms) to implement

our three priority initiatives: globalization, expansion of new markets, and conversion to a high profitability business model. Specifically, the Group is devoting full effort to expanding sales in Southeast Asia, India, Europe, and the Americas, stepping up cultivation of new businesses in Japan, China, and elsewhere, and reducing costs by reevaluating its manufacturing processes. In the fiscal year ending March 2016, the final year of the plan, we are targeting consolidated operating income of ¥2.0 billion. We will work steadily to achieve this target and establish a foundation for next-generation growth.

Targeting our next stage of dramatic progress, we will strive as a united Group to support the manufacturing activities of our customers.

Also, we announce that Yuji Morikubo, who has guided Punch Industry since its establishment and built a strong foundation for business growth, has resigned as representative director and will support the Group in his new role as honorary chairman.

We look forward to your continued guidance and support in the future.

President
Masaaki Takeda

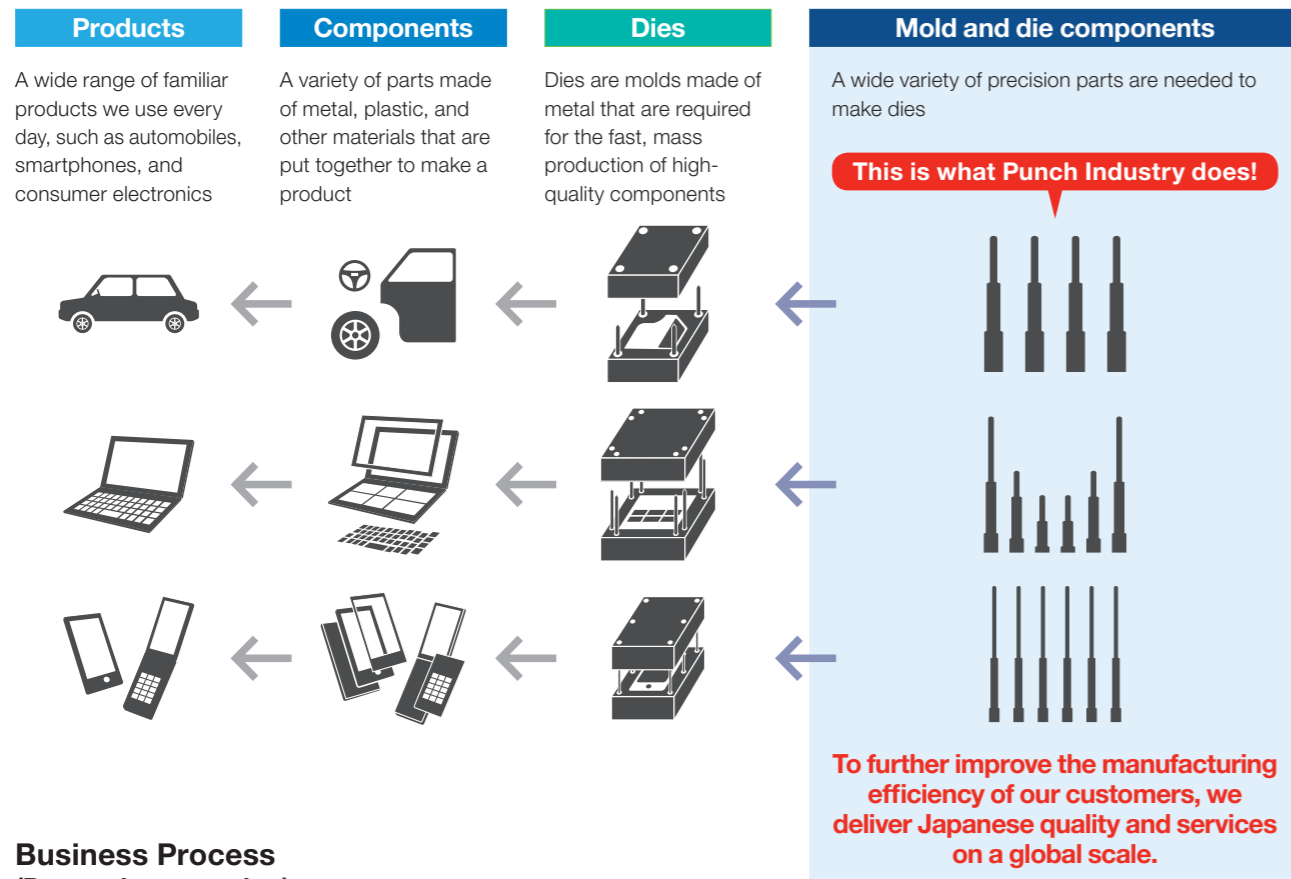
**Toward a global Punch Industry:
Seeking to be the top brand in the
mold and die components industry**

The Punch Group's Businesses

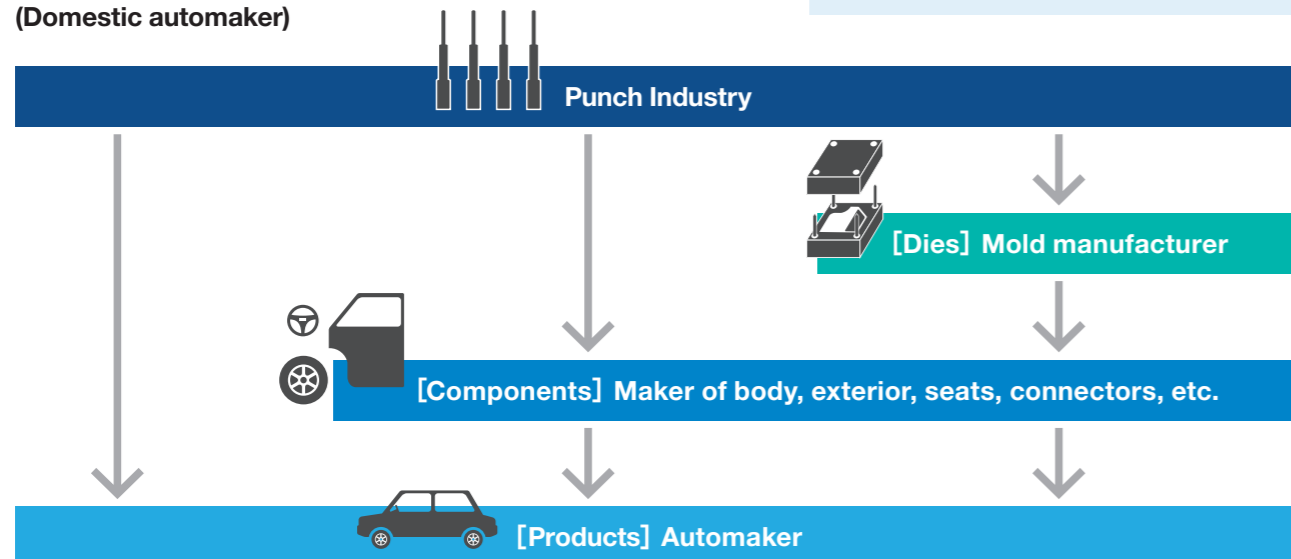
Automobiles, electronic devices (such as smartphones and tablets), and consumer electronics (such as refrigerators and washing machines) fulfill indispensable functions in our daily lives. Dies are tools that are essential in the manufacture of these items. A die is a metal mold that enables the fast, uniform, and high-volume manufacture of products.

Punch Industry makes high-quality components that are needed to make molds and dies, which play an important supporting role in the activities of manufacturers worldwide.

Leveraging our technological capabilities, quality, and high level of services built up in Japan, we have continued providing mold and die components to manufacturing sites around the world. Thanks to these strengths, we work behind the scenes to support not only manufacturing, but also the comfortable lifestyles that people enjoy today.



Business Process (Domestic automaker)



Our Products

Components for Plastic Molds



Plastic molds are used in the manufacture of many plastic products, such as the outer casings of mobile phones and digital cameras. Each product is made by heating resin until it melts, injecting the melted resin into a die mounted on an injection molding machine, and then allowing it to cool and solidify. The Punch Group manufactures and sells components used in these molds.

[Key product] Ejector pins
Ejector pins are used to eject and release the molded body from a mold

Components for Press Dies



Upper and lower press dies are fitted to a press machine, which moves up and down. Sheet metal is inserted between the two dies, which are then pressed together to form a product that takes the same shape as the upper and lower dies. The Punch Group manufactures and sells components used in these press dies.

[Key product] Punches
As components used in press dies, punches are used to make holes in sheet metal

Standard Products



Note: Both catalogs are Japanese-language editions, published in 2012.

Punch Industry's catalogs feature products with standardized specifications, including such dimensions as length and depth. "Components for Plastic Molds" features approximately 26,000 items, and "Components for Press Dies" features around 24,000 items—a total of some 50,000 products listed.

Special-Order Products



Punch Industry also makes components customized to individual orders, not listed in the product catalogs, on the basis of its technological capabilities, through fully leveraging an integrated production system and customer-focused sales system to make parts that meet customers' particular specifications.

History

Since its founding in 1975 as a company that manufactures and sells mold and die components, the Punch Group has consistently supported manufacturing activities both in Japan and overseas.



Celebrated the 40th anniversary of our founding in March 2015

1982

Succeeded in mass production of high-speed steel ejector pins for plastic molds

1983

Established Kitakami Plant in Kitakami City, Iwate Prefecture, and began nationwide sales of mold components



1989

Established subsidiary MIYAKO PUNCH INDUSTRY CO., LTD. (now Miyako Plant) in Miyako City, Iwate Prefecture, and commenced production of press die components



2001

Established sales office in China

2002

Commenced sales of mold components in China

2003

- Spun off plant in Dalian Wafangdian, Liaoning Province, and established PUNCH INDUSTRY (Wafangdian) CO., LTD.
- Established PUNCH INDUSTRY (Wuxi) CO., LTD. in Wuxi, Jiangsu Province, China



2004

Established PUNCH INDUSTRY (Dongguan) CO., LTD. in Dongguan, Guangdong Province, China

2006

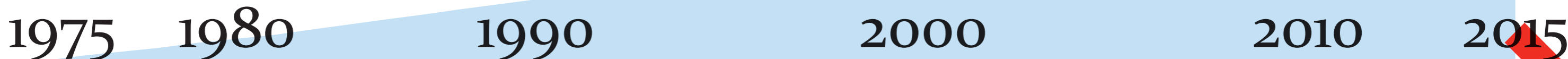
- Made Pintec Corporation a Group company
- Established PUNCH INDUSTRY DALIAN TAMA SPRING CO., LTD. in Dalian, Liaoning Province, China (now PUNCH SPRING (Dalian) CO., LTD.)



Overseas Sales

Net Sales Since Fiscal 1975

Domestic Sales



Foundation to Business Expansion

Business Operations Established in China

TSE Listings and Global Expansion

1975

Commenced operations as KAMBA SHOKAI CO., LTD. in Shinagawa Ward, Tokyo, by founder Yuji Morikubo (currently honorary chairman) to manufacture punching pins for printed boards

1977

Changed company name to PUNCH INDUSTRY CO., LTD.



1990

Established PUNCH INDUSTRY (Dalian) CO., LTD. in Dalian, Liaoning Province, China

1991

Published comprehensive catalog of components for plastic molds and press dies



1995

Established a plant in Dalian Wafangdian, Liaoning Province, China



2010

Established PUNCH INDUSTRY INDIA PVT. LTD. in Chennai, India

2011

- Established Hyogo Plant in Kasai City, Hyogo Prefecture
- Commenced sales of mold components in India

2012

- Formed capital and business alliance with PANTHER PRECISION TOOLS SDN. BHD. in Malaysia
- Listed stocks on the Second Section of Tokyo Stock Exchange (TSE)

2013

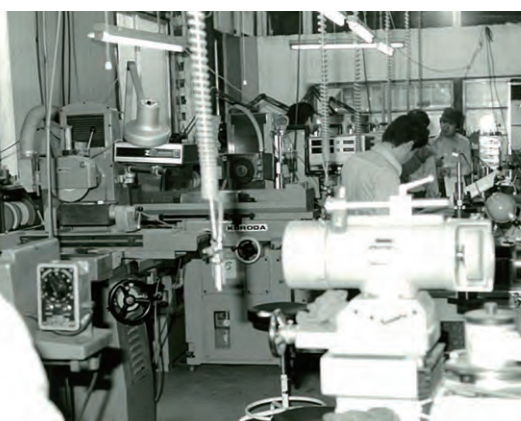
- Established Chongqing Plant in Chongqing, China for production and logistics
- PANTHER PRECISION TOOLS SDN. BHD. (now PUNCH INDUSTRY MALAYSIA SDN. BHD.) became a Group company
- Established PT. PUNCH INDUSTRY INDONESIA in Jakarta, Indonesia

2014

Assigned to the First Section of TSE

2015

PUNCH INDUSTRY (Dalian) CO., LTD. acquired AS9100 certification



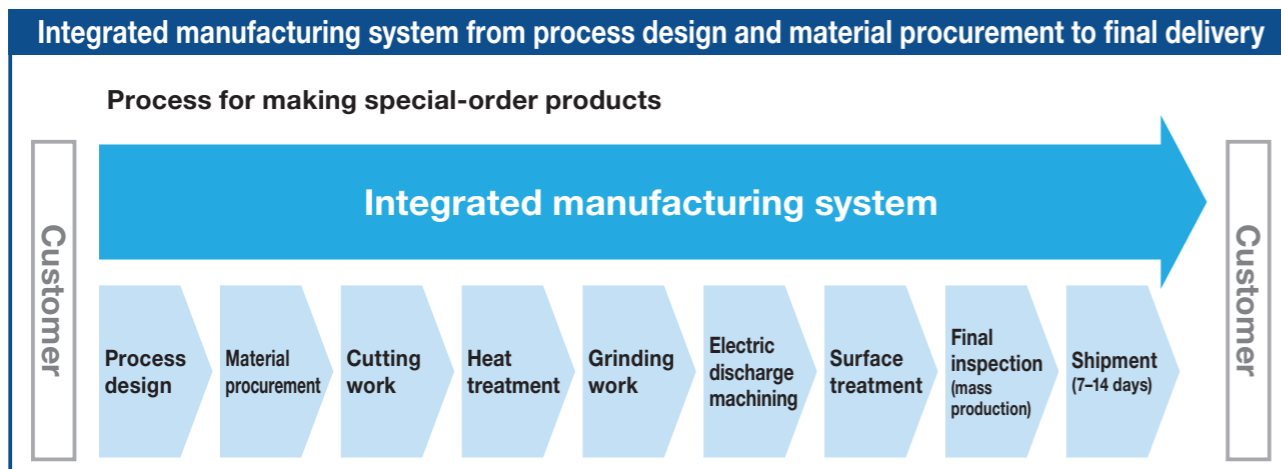
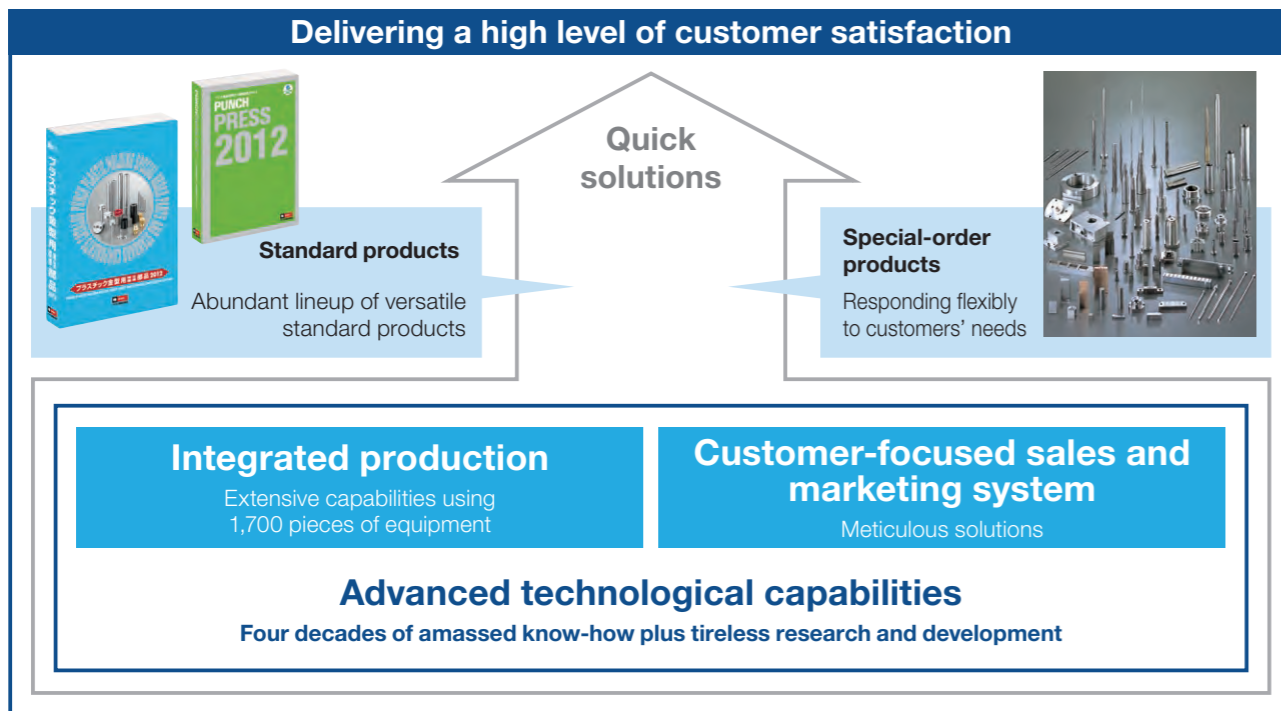
Our Strengths

The Punch Group has an integrated manufacturing and sales system, which reflects its basic style of handling both production and sales. This system is underpinned by three key strengths, described below.

Strength I

Advanced technological capabilities

We constantly strive to reinforce the manufacturing skills and know-how we have amassed over the 40 years since our founding. We are also advancing the Punch Group's technological capabilities through collaboration between Japan and China, spearheaded by the R&D Headquarters. These capabilities form the cornerstone of our integrated production system and customer-focused sales and marketing system. Handling a wide array of both standard and special-order products, our greatest strength is our ability to respond meticulously to the diverse needs of customers.



Strength II

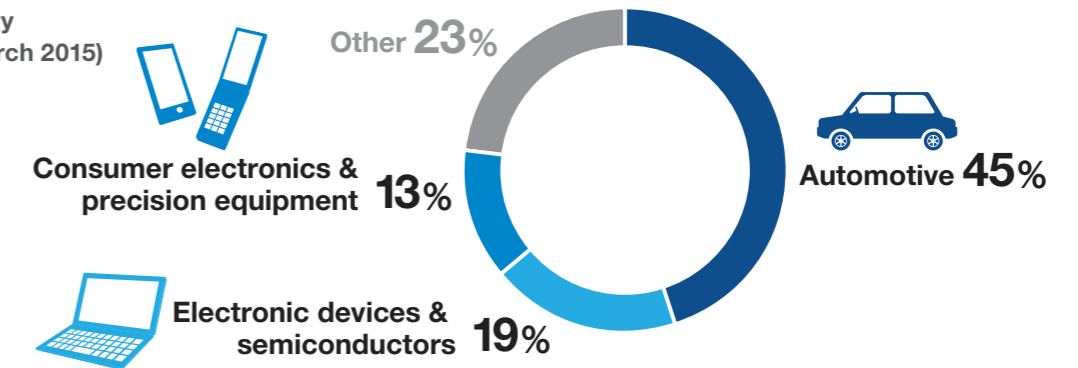
Diversified portfolio

resilient to economic impacts on specific industries

We have around 6,000 customers in Japan and approximately 8,000 in China, covering a wide spectrum of sectors. In addition to our two main markets—the automotive and electrical/electronics industries—in recent years we have worked to expand and entrench sales in new fields, such as the food and beverage and medical sectors.

Sales by Industry

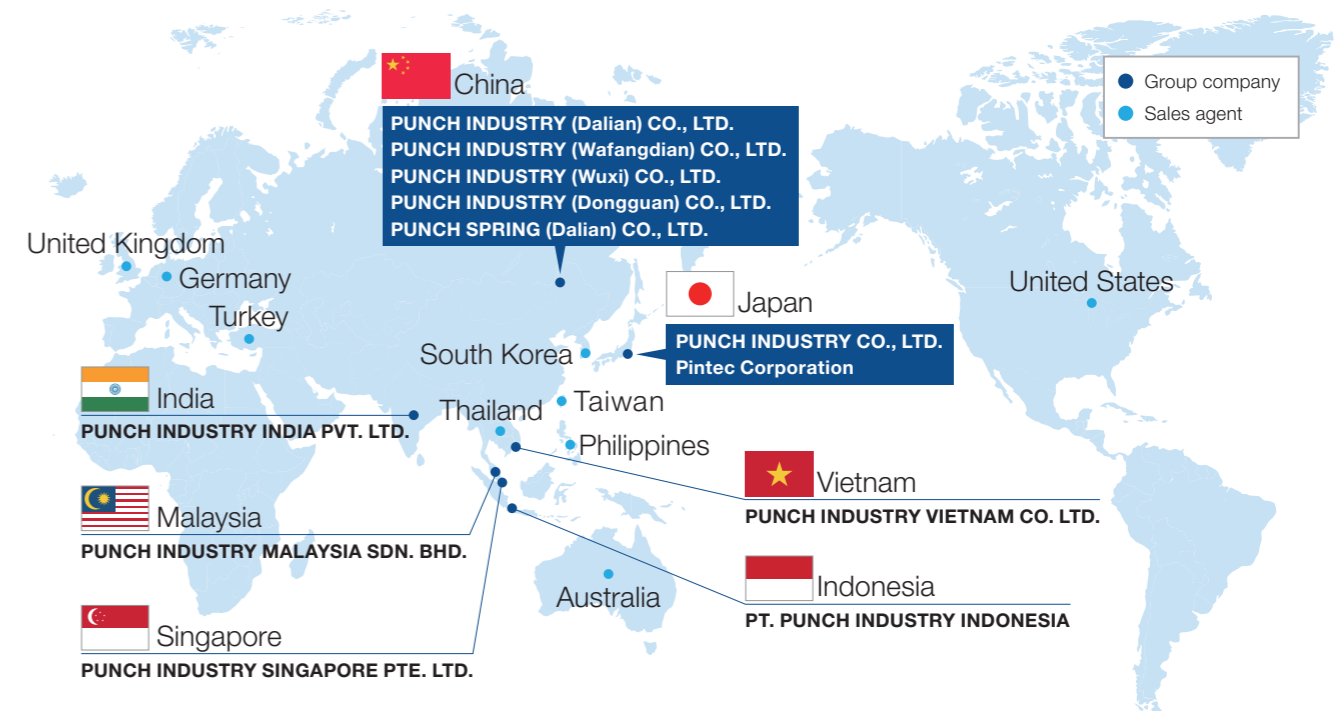
(Year ended March 2015)



Strength III

Global network

We consider business from a global perspective by linking our activities in Japan, China, Southeast Asia, India, Europe, and the Americas. Under this model, we are actively expanding into Southeast Asia and India from key bases in Japan and China, while opening up sales channels in Europe and the Americas.

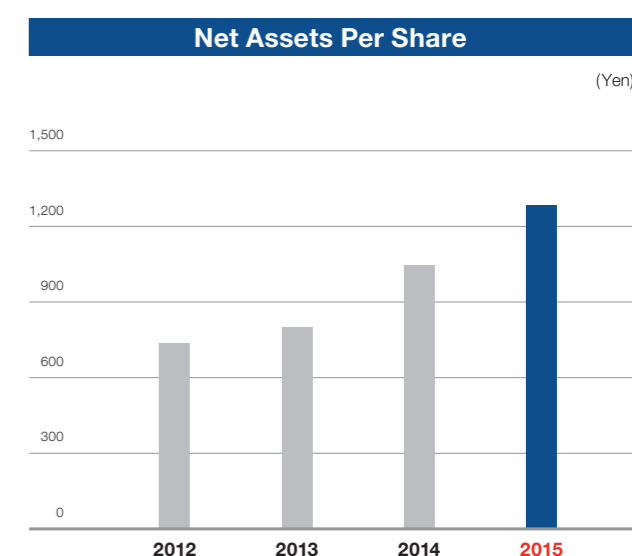
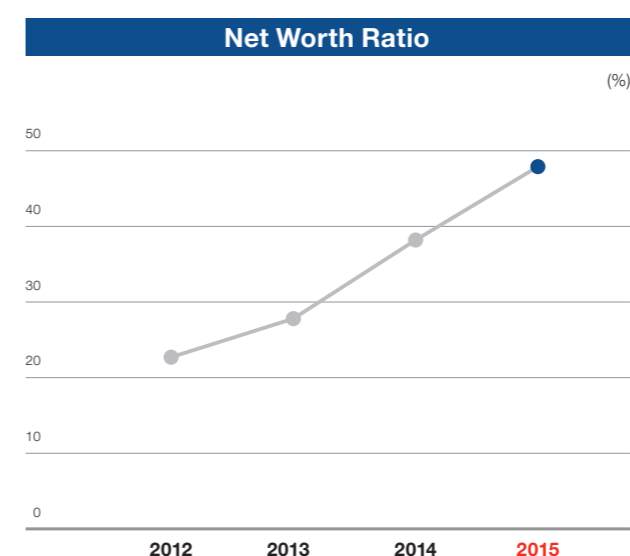
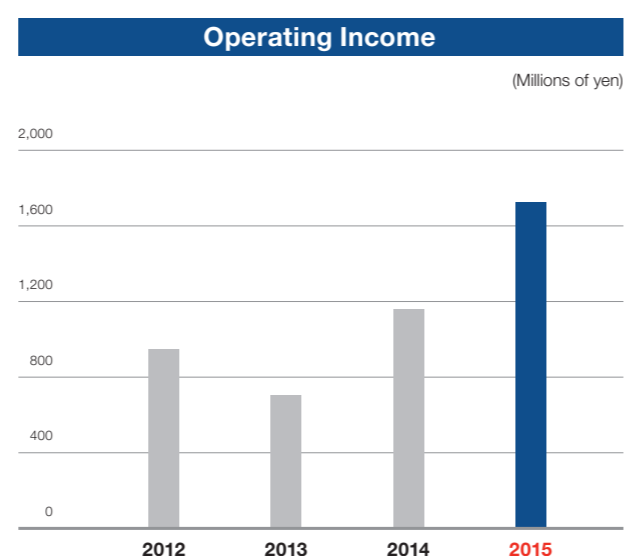
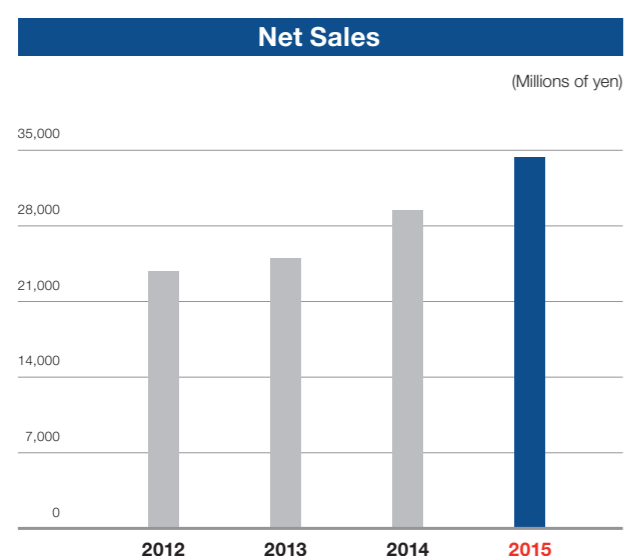
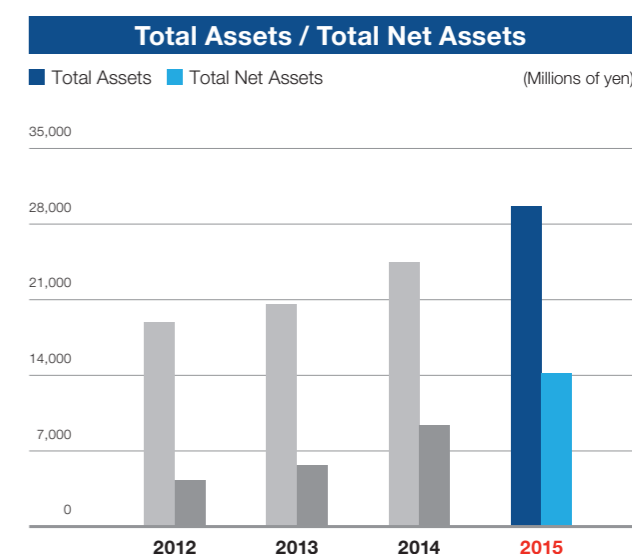
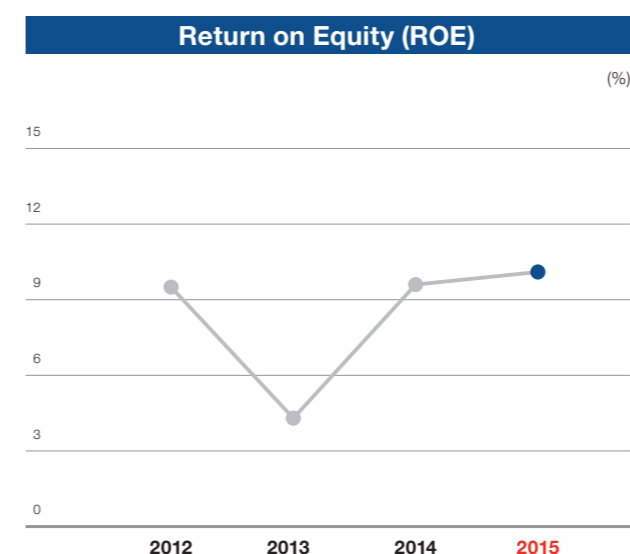
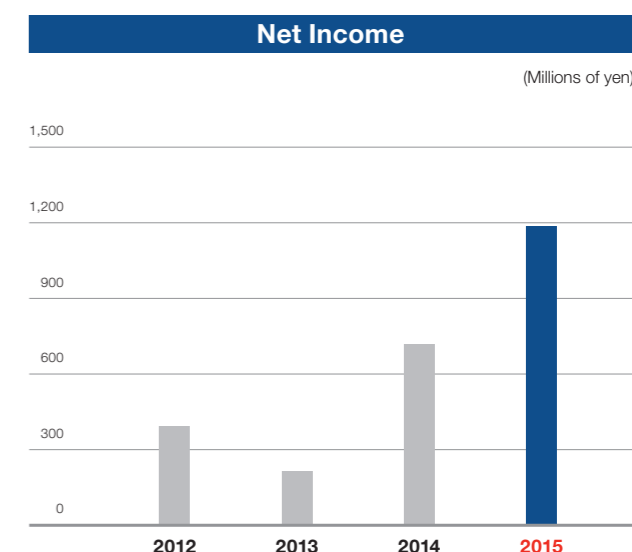
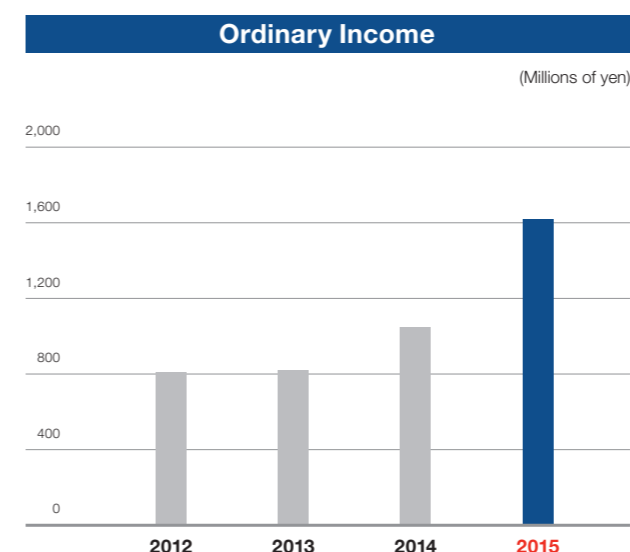


Performance Highlights

We posted significant increases in revenue and earnings, thanks to strong growth overseas and a solid performance in Japan.

Years ended March 31	2012	2013	2014	2015
Net sales	23,801	25,041	29,436	34,392
Operating income	946	707	1,161	1,724
Ordinary income	805	822	1,047	1,617
Net income	394	213	720	1,188
Earnings per share (yen)	67.36	34.30	99.58	130.91
Total assets	18,895	20,573	24,471	29,623
Total net assets	4,296	5,726	9,362	14,205
Net assets per share (yen)	734.40	800.87	1,043.83	1,283.75
Return on equity (ROE) (%)	9.5	4.3	9.6	10.1
Net worth ratio (%)	22.7	27.8	38.2	47.9

Note: We conducted a 10-for-1 stock split in the fiscal year ended March 2013; however, the above figures are based on the assumption that the split occurred at the beginning of the fiscal year ended March 2012, and net income per share and net assets per share have been calculated accordingly for each period.





President Masaaki Takeda

PUNCH INDUSTRY

The Punch Group's business centers on mold and die components, which form the foundation of manufacturing. We take pride in the knowledge that all of our products, which reflect an uncompromising commitment to quality, are supporting the efforts of manufacturers worldwide. As the global market for mold and die components continues to surge, we will aggressively develop new fields and markets and expedite global business development through the manufacture and sale of mold and die components, in our quest to be a company with a worldwide presence.

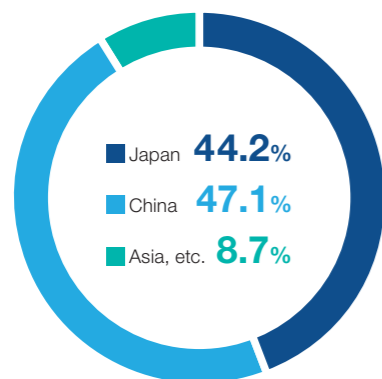
Fiscal Year in Review

In the fiscal year ended March 31, 2015, the world economy continued showing moderate growth. In Japan, the economy followed a recovery tone, buoyed by increased capital expenditures and other factors, and the business environment was generally healthy, indicating steady growth across all regions and sectors.

Domestic demand for industrial machinery recovered significantly amid robust capital spending, and conditions were good for a broad range of sectors, including automobiles, digital electronic components for smartphones, and the like, as well as precision equipment. In the past several years, we have targeted our sales activities in the automotive sector and increased the number of business partners. By broadening the variation of products delivered to each company, we maintained a solid performance, even though domestic unit sales of automobiles declined in 2014 for the first time in four years. We regard this as a major success. Meanwhile, we improved capacity utilization at our factories and pursued day-to-day cost-cutting activities, which delivered good results. Moreover, the volume of our high-value-added products targeting the food and beverage sector—a focus of new market development in recent years—is now significant and helped underpin our profits.

In China as well, we posted double-digit sales growth year on year on the back of healthy expansion in the automobile, electronic device, and semiconductor industries. In particular, our range of high-value-added offerings, positioned as strategic products, entered a growth trajectory and made a contribution to profits.

Sales by Region (Year ended March 2015)



PUNCH INDUSTRY MALAYSIA, which became a Group company in 2013, posted solid export sales not only to Southeast Asia but to Europe as well. The company's full-year contribution helped boost total overseas sales for the year. In Vietnam, where Japanese companies are increasing in number, we established a sales company in Ho Chi Minh City and a sales office in Hanoi. Our business there has exceeded our expectations, growing significantly in scale from the previous year.

The year in review was the second year of our mid-term business plan, entitled "Value Creation 15." Although some challenges remain, it generally was a year of steady progress and also marked the 40th anniversary of our founding. In summary, we believe it was a year in which we set the tone for our next stage of growth.

Second Year of "Value Creation 15": Progress Status and Future Responses

Under "Value Creation 15," our mid-term business plan, we have identified three priority initiatives: globalization, expansion of new markets, and conversion to a high profitability business model. We will take both offensive measures (growth strategies) and defensive measures (system reforms) to resolve issues and respond swiftly to changing business conditions as we strive to build a foundation for renewed growth.

1 Globalization Customer-focused marketing structure

With respect to globalization, our first priority initiative, we will expand our conventional business approach, centered on Japan and China, to actively advance our business in Southeast Asia and India and broaden sales channels to Europe and the Americas. We are currently building frameworks enabling us to address this global expansion.

In the year under review, the second year of "Value Creation 15," our efforts to tap new markets delivered good results as we increased sales mainly to the automotive and electronic component sectors in Europe. By expanding sales channels through agency agreements while deploying the strengths of the China Group and PUNCH INDUSTRY MALAYSIA, we broadened our sales network and increased sales in Europe.

China

As customers enter markets in China's interior regions, we sought to expand sales activities and achieved better results than expected. Since commencing operations in 2013, the production and logistics operations in Chongqing, our core base for these regions, have continued performing well, and we are approaching the time to consider our next step.

Despite reports of a slowdown, the Chinese economy has continued to post stable growth of around 7% per year. The global market for mold and die components is estimated at around ¥7 trillion, of which China represents about ¥2 trillion (based on data from mold/die associations in each nation). Going forward, we expect the Chinese market for mold and die components to continue growing in line with the economy, and we look forward to even greater business opportunities.

Meanwhile, we enhanced our existing lineup of strategic products and launched efforts to enter new fields, such as the aerospace industry. We already took the first step in January 2015 when we acquired AS9100 certification, the quality management standard for the aerospace industry. The aerospace industry has even higher barriers for entry than the automotive sector, as well as having its own distinctive business practices, including large-scale orders for small-volume production, very long lead times, extremely high safety standards, and stringent authentication systems.

Once having entered the industry, however, there is great potential for long-term business, and meeting the challenge of serving the aerospace industry, a highly demanding sector, will enable us to further strengthen our services to customers in other industries. We believe the aerospace market will continue expanding in line with expedited globalization. Here, the Punch Group will deploy its technologies to develop products that deliver high levels of added value.

Southeast Asia and India

In the year under review, we broadened the scope of our business and increased new orders in Southeast Asia, especially Malaysia. Although our business in the region does not greatly influence our consolidated results, we have established sales channels in Southeast Asia through M&A activities and also set up channels in Europe. Taking full advantage of these, we will strive to bolster the performance of the entire Punch Group.

PT. PUNCH INDUSTRY INDONESIA, a joint venture company that commenced operations in April 2014, is on a favorable trajectory. It represents the Group's first full-scale foray into a joint business arrangement, and we initially struggled in coordinating with existing sales agents and complying with Indonesian laws, which required more time than expected. Nevertheless, we are communicating well

"Value Creation 15": Key Points of Our Strategy

Targeting Our Next Phase as "Value Creation 15" Concludes			
	Japan	China	Southeast Asia, etc.
1 Globalization	■ Build a global management system with both offensive and defensive oversight		
	■ Devise strategies for markets in Europe and the Americas		
2 Expansion of new markets	■ Tap new markets and fields through an alliance between the R&D Headquarters and the Marketing Headquarters	■ Further development of Midwest market	■ Expand business with subsidiaries in Southeast Asia to form a core regional base ■ Increase business in India
		■ Promote sales of strategic products	■ Expand business in carbide products
3 Conversion to a high profitability business model			



with PT Somagede Indonesia, our joint venture partner, and otherwise laying the groundwork for a successful business launch.

In Vietnam, we opened a sales office in Hanoi in April 2014. During the year, our two Vietnamese operations (the other being in Ho Chi Minh City) worked hard to expand sales, and both are attracting steady orders. Going forward, we will further reinforce our operations to make Vietnam one of our core bases in Southeast Asia.

In India, where significant market growth is expected, we are establishing a business foundation while optimally allocating human resources. We are making steady progress in building a base for selling products imported from Japan and China.

Europe and the Americas

In Europe and the Americas, we have established a special-order business targeting mainly the automotive sector. In 2013, Ford Motor Company in the United States designated Punch Industry as an official supplier. In May 2014, we concluded a sales agency contract for cam units (automobile components) in Germany, followed by another in September in the United Kingdom. In these and other ways, we are heading in the right direction. In other initiatives, PUNCH INDUSTRY MALAYSIA is expanding its sales network in Europe and strengthening relationships with existing customers in the United States, and has also started tapping new markets.

Spearheaded by the new Marketing Headquarters,

established in April 2015, we will continue deploying the Punch Group's strengths and proposing effective solutions in order to build a robust business position.

Establishing systems

In November 2013, we established our Global Business Headquarters, which coordinates the activities of our operations in Japan, China, Southeast Asia, India, Europe, and the Americas from a global perspective. This new structure is now functioning well, we believe. On the management side, meanwhile, we have added four new Group companies through M&A activities, which means we are dealing with multiple languages and financial currencies. In this context, our Groupwide coordination function, designed to bring together and manage all of these factors, is still in its infancy, but we feel we have made good progress in establishing a foundation for Groupwide management.

2 Expansion of new markets Deploying advanced technologies to tap new fields and markets

We will continue focusing on developing business in new fields where we can deploy our manufacturing strengths, while broadening our business geographically to cultivate new markets. In Japan, these efforts are producing steady results in several fields, including the food and beverage and medical sectors. Going forward, we will also target the

electronic device and semiconductor sectors, and we will embrace challenges in specialized fields that are new to the Group, such as aerospace.

Meanwhile, in the 3D metal sector, technological development has been remarkable, exemplified by the rapid development of 3D metal printers, the diversity of design, the wide range of metal powder that can be used for various applications, and the emergence of multifunction printers that can be synchronized with the final processing stage. These factors represent significant technological advancements. Since 2010, we have been developing technology applying metal powder for metal photofabrication, so-called "3D metal printing" technology. In light of recent market developments, however, we will work to optimize our business model and otherwise take our operations to the next level.

PUNCH INDUSTRY MALAYSIA specializes in carbide products, a niche market, and we are considering ways to increase the sale of these products in Japan and China. Carbide products are extremely rigid and difficult to break down—features that make them valuable in the production of automotive components and the like. Going forward, we will identify business fields in which the Group can demonstrate its unique strengths in order to establish a solid position.

3 Conversion to a high profitability business model Increase sales of high-value-added products through an integrated production system and advanced technological prowess

In addition to increasing sales of high-value-added products, we are steadily implementing cost structure "renovation activities," also known as "value creation activities." Through these activities, undertaken over the past three years, we have entrenched widespread cost-consciousness and encouraged conversations and debates about "how to make better products more efficiently." We have also seen trial-and-error efforts throughout the workplace aimed at improving manufacturing methods and processes. In short, we feel that our employees' mindsets have changed dramatically.

Our R&D aspirations have also changed significantly. In April 2014, we established the new R&D Headquarters and made investments in cutting-edge technologies. By tackling the challenge of practically applying new technologies and processes and passing them on to our manufacturing teams, we are laying the groundwork for a repeated cycle that will lead to the next round of orders. Moreover, we are

enhancing the alliance between our Japanese and Chinese operations on the R&D front. If cultures and approaches are different, then concepts of product manufacturing will also vary. By forging an alliance, we are reaping major synergistic benefits and fostering an alliance-oriented corporate culture. Going forward, we will step up these initiatives to include capital expenditures and personnel investments.

Priority activities in the fiscal year ending March 2016

In the fiscal year ending March 2016, the final year of "Value Creation 15," we will focus on three priority areas as we target our next stage of growth.

The first priority is to tap new fields and markets by forging an alliance between the Marketing Headquarters and the R&D Headquarters. Here, our plan is to further solidify our unified manufacturing and sales system, a key Punch Group strength, and build a foundation for entering the aerospace industry, which has high expectations for growth.

The second priority is to broaden and enhance our sales channels through alliances with Punch Group companies, driven by our Marketing Headquarters. In Southeast Asia, in particular, we will expand sales channels in Vietnam, which is earmarked to become a core regional base, while reinforcing our joint business arrangement in Indonesia. In short, we plan to establish solid positions in markets expected to deliver continued growth. We hope to transfer the "Punch DNA," acquired over 40 years, to companies based in Southeast Asia that have joined the Group through M&As or been newly created as joint ventures. These initiatives are designed to improve our levels of reliability, manufacturing, and marketing as a corporate entity and establish a Punch-style global operation in order to build a highly profitable business foundation. We also plan to deploy the strengths of various Group companies. This includes increasing exports from the China Group and PUNCH INDUSTRY MALAYSIA—both of which are performing well—to Europe and the Americas, while strengthening alliances with sales agencies.

Our third priority is to attract and foster global human resources. Although this will take some time, we will devise various techniques as we move steadily to both foster in-house personnel and recruit others who will spearhead Punch's globalization efforts.

Performance outlook for the fiscal year ending March 2016

Placing particular emphasis on profitability, in our domestic business we will strive to maximize earnings by focusing on the food and beverage, medical, electronic device, and semiconductor sectors. In China, where we expect

production of automobiles and smartphones to increase, we will target double-digit sales growth by stepping up efforts to sell strategic products and expand into interior regions. In other regions, we will steadily broaden our business scope by increasing sales in Southeast Asia and India while expanding exports to Europe and the Americas. Our consolidated forecasts are net sales of ¥37 billion and operating income of ¥2 billion. To achieve these targets, we will solidify our foundation to ensure further major progress in the next fiscal year and beyond.

Earnings Forecast for the Year Ending March 31, 2016

(Millions of yen)

	Year ended March 31, 2015 (Results)	Year ending March 31, 2016 (Forecast)	Difference	Year-on-year
Net sales	34,392	37,000	2,607	107.6%
Operating income	1,724	2,000	275	116.0%
Operating income to net sales	5.0%	5.4%		
Ordinary income	1,617	1,900	282	117.5%
Ordinary income to net sales	4.7%	5.1%		
Net income	1,188	1,300	111	109.4%
Net income to net sales	3.5%	3.5%		
Return on equity (ROE)	10.1%	8.8%	-1.3 percentage points	

Dividend Trends

(Yen)

	Annual dividends (per share)
Year ended March 31, 2015 (Results)	25
Year ending March 31, 2016 (Forecast)	25

Message for stakeholders

Although increasing topline sales is a necessary part of operating a business, we believe the key to our future growth lies in the conversion to a high profitability business model.

The Punch Group acknowledges that its business is difficult for many people to understand, because it does not manufacture items that we can see directly, such as automobiles and smartphones. Without a doubt, however, each and every one of our products is created with an uncompromising commitment to quality and supports the efforts of manufacturers worldwide. This uncompromising commitment enables us to fulfill our social responsibilities as a company and undertake CSR-oriented management. Our conversations with individual shareholders and other individual investors reveal that they understand how strongly we support the manufacturing efforts of our customers. Going forward, we will pursue proactive communication, including by holding company information meetings and financial results briefings, exhibiting in IR events, and enhancing our corporate website. Here, our aim is to get feedback from all stakeholders so that we can continue meeting their expectations.

In April 2015, we merged the Administration Headquarters and the Finance Headquarters, unifying our administrative systems under one structure while retaining the name of the former, "Administration Headquarters." Meanwhile, strengthening corporate governance has evolved into a national policy, and we will reinforce our governance systems and IR functions so that we do not lag behind worldwide trends. At the same time, we will adopt a proactive approach to communication and build favorable relationships with all stakeholders.

The formulation of the Corporate Governance Code has directed the spotlight on return on equity (ROE) in recent years. The Punch Group uses the ratio "operating income to net sales" as the evaluation standard for its business and ROE as the standard for its management. We also place high emphasis on free cash flow, reflecting our cash flow management approach.

At Punch Industry, we believe that earning the trust and support of all shareholders forms the basis for continuous growth of corporate value, and that meeting their expectations is a key management priority. Our basic policy is to pay stable and continuous dividend payments while making proactive investments for future growth. Under this policy, we link dividends to performance by targeting a consolidated payout ratio of at least 20%.

Going forward, we will work tirelessly as a united Group to meet everyone's expectations. We look forward to your ongoing support.



Asian Market Presence: Driving the Punch Group's Globalization

The Punch Group is steadily expanding its presence to Southeast Asia and India from its existing operations in Japan and China. In the following pages, we discuss market conditions and the Group's initiatives in each region.



Yasuhiro Sanada
Director

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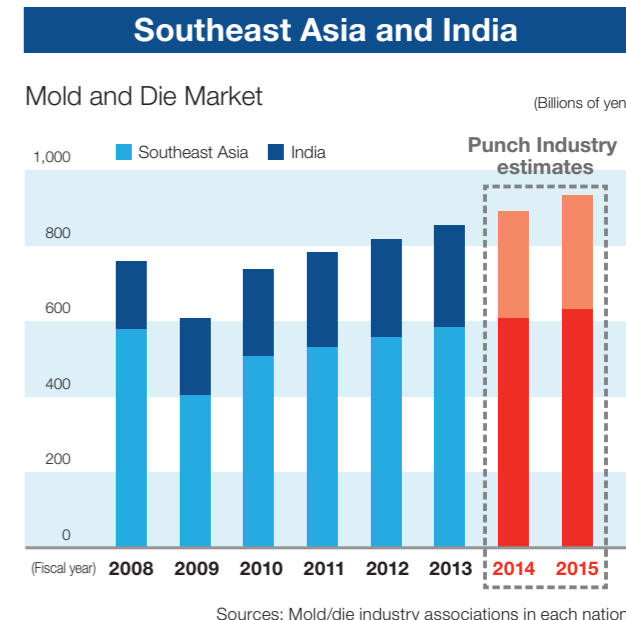
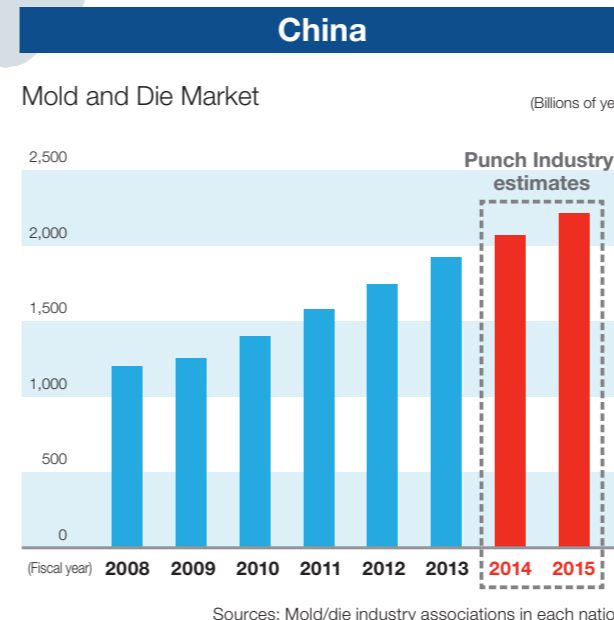
In addition to Japan, the Punch Group has a basic policy of attracting overseas orders through its customer-focused activities. Based on this policy, the Group supplies mold and die components to more than 10,000 companies in a diversity of sectors, including the automobile and consumer electronics industries. With an integrated manufacturing and sales system—where our manufacturing department, with enhanced production facilities, works in unity with our customer-focused sales department—we are advancing our worldwide manufacturing and direct sales business, which is a feature of the Group. Here, we supply a broad range of items, from standardized products to special-order products customized to individual orders.

A look at the world market for molds and dies reveals that mature markets like Japan and Europe are generally flat or showing moderate growth, while China, India, and other emerging markets are expanding significantly. This indicates that demand for molds and dies is shifting from mature markets to emerging markets, and a major priority for the Punch Group is to expand its business in such emerging markets. We are also focusing on North America, where demand is growing, especially for automobiles, despite it being a mature market. To address these issues, we have identified “globalization” as a core priority of our current mid-term business plan. Accordingly, we are establishing frameworks to actively advance our business in Southeast Asia and India and expand sales channels in Europe and the Americas, in addition to our business in Japan and China.

Measures implemented to date have produced some good outcomes. As we approach the next phase, we undertook a reorganization in April 2015, which marked the start of the final year of the mid-term business plan. The reorganization is aimed at building management and business strategies for the medium and long terms.

At our Global Business Headquarters, we merged the Global Business Planning Department (responsible for management systems) and the Corporate Planning Office (the Head Office Management Department) to create the Global Business Planning Office. Within the Global Business Headquarters, we also established the new Marketing Headquarters, whose aim is to enhance the Group's marketing capabilities. In this way, we will strengthen our framework for implementing full-scale global marketing strategies.

Going forward, we will pursue strategies to address specific regional issues in our businesses in China, Southeast Asia, and India. At the same time, the newly formed Marketing Headquarters will spearhead efforts to advance and expand our businesses in Europe, the Americas, and elsewhere while forming bonds between our operations in Japan, China, and Southeast Asia.



Industry Trends

- Automobiles** Production volume: 23.72 million units (2014) / 25.38 million units (2015)
- Electronic devices** The smartphone market expanded significantly in 2014 and is expected to continue growing through 2015
- Other** Firm demand for semiconductor devices, consumer electronics, precision equipment, etc.

Priorities

Promote strategic products and high-value-added products for the medical sector while also tapping the aerospace sector

Industry Trends

- Automobiles** Overall, a year-on-year decline in production due to a decrease in tax-relief measures, despite higher production in Indonesia and Malaysia
- Electronic devices** Remained firm owing to brisk demand for low-priced smartphones
- Other** Solid demand for semiconductor devices and home appliances

Priorities

Expand business and establish positions in growth markets



China

PUNCH INDUSTRY (Dalian) CO., LTD.

Market Environment

In the fiscal year ended March 2015, the China business benefited from an ongoing healthy automobile market, where production in calendar 2014 exceeded 23 million vehicles. This achievement was realized despite concerns over the outlook for economic growth in the short term.

In addition to an expanding smartphone market, growth was sustained across a broad range of sectors, including electronic components, semiconductors, consumer electronics, and precision equipment. We believe these trends will continue and look forward to ongoing growth of the market for molds and dies.

Any kind of growth in such a huge market, even stable growth, is a positive sign for the Punch Group.

Initiatives

In our China business, we currently have six production facilities and 32 sales offices, dealing with around 8,000 customers. In 2015, we will celebrate 25 years since commencing production of mold components in China with the establishment of PUNCH INDUSTRY (Dalian) CO., LTD. in 1990. During that time, we have leveraged technologies amassed in Japan to actively advance our business in China. Under the guidance of Japanese supervisors, we have built a stable business operation based on a management system consisting mostly of Chinese staff. In short, we have achieved consistent growth while addressing dramatically changing social conditions.

Going forward, we will build a solid business foundation for each Group company based in China. From this foundation, we will focus on increasing sales of products for the food and beverage and medical sectors, as well as high-value-added products, which we have positioned as strategic products. In addition, we will enter the aerospace sector, where market growth is expected.

In addition to ISO 9001 certification for quality management systems, we obtained AS9100 certification, a special quality management standard required to serve the aerospace industry. While this may not necessarily lead to instant orders, we will take our time and move forward with firm resolve.

Leveraging our Chongqing Plant, completed in January 2013, we will target business expansion by tackling China's interior regions, where double-digit growth continues. At the same time, we will work to increase sales of high-value-added products as we strive to further enhance the income base of our China business.



Focus on the Punch Family

PUNCH INDUSTRY (Dalian) was founded in October 1990 and this year celebrates its 25th year of operation. As we approach our next quarter-century, we have declared a policy calling for the "transformation to a highly profitable business model." As a corporate entity, our employees are working as one to embrace any challenge and deliver sustained growth. Specifically, we strive to further increase sales of high-value-added products to the food and beverage, medical, and other sectors. We will also target areas outside the mold and die market and endeavor to actively enter new fields, such as the aerospace sector.

To achieve these objectives, we will return to our roots as an integrated manufacturing and sales company, which is our key strength. Together, our six production facilities and 32 sales offices in China will work as one (through the

reintegration of manufacturing and marketing) as we progress toward a new stage in our next quarter-century.

A key factor in delivering growth will be our uncompromising commitment to product quality, which we have always maintained, as well as our ability to constantly resolve the problems of customers and offer them better services as a loyal business partner. Going forward, we will target continued corporate growth by coexisting and advancing in harmony with customers, local communities, shareholders, and employees.

As we approach our 25th anniversary, PUNCH INDUSTRY (Dalian) will advance toward its next stage of development. We appreciate your continued support as we actively work toward that goal.

* There are five "China Group" companies: PUNCH INDUSTRY (Dalian) CO., LTD., PUNCH INDUSTRY (Wafangdian) CO., LTD., PUNCH INDUSTRY (Wuxi) CO., LTD., PUNCH INDUSTRY (Dongguan) CO., LTD., and PUNCH SPRING (Dalian) CO., LTD.

Akira Takanashi
Executive Officer, Chairman of China Group* companies
General Manager, PUNCH INDUSTRY (Dalian) CO., LTD.



Southeast Asia

PUNCH INDUSTRY MALAYSIA SDN. BHD.



Market Environment

Although economic trends in emerging nations vary by country, Southeast Asia has strong expectations for high economic growth and increased consumer spending. In 2014, the entire Southeast Asian market for molds and dies is estimated to have grown by around 5%, driven mainly by Indonesia, Vietnam, Malaysia, and the Philippines. Overall, the market is around ¥900 billion in scale and we believe that it still has major growth potential and will remain a promising market.

Initiatives

Our business in Southeast Asia is focusing on expanding our carbide product business, spearheaded by PUNCH INDUSTRY MALAYSIA SDN. BHD., which became a Group member in 2013, as well as its three sales subsidiaries. In Southeast Asia, where concentrations of industry vary according to country, we will target further growth by accurately grasping the needs of customers in order to establish a solid position in the region.

Recognizing Vietnam as a nation with great potential, we will step up the business expansion activities of our Hanoi sales office, which opened in April 2014. In Indonesia, we will continue focusing on the automotive sector while maximizing synergies with our joint venture there. In Singapore, where many European and North American companies have their regional headquarters, there is a concentration of people from diverse sectors and multiple nations. We are emphasizing the importance of Singapore as an information-intensive hub related to the manufacturing sector.

Going forward, we will deploy our integrated manufacturing and sales system and build a business model based on manufacturing and direct sales. We will also instill our manufacturing-related DNA, acquired over 40 years, in each and every Punch Group employee in Southeast Asia. To help them share this DNA, we will reinforce our sales system by promoting cross-border alliances and developing our business beyond national boundaries, in order to expand our operations in Southeast Asia.



Focus on the Punch Family

PUNCH INDUSTRY MALAYSIA serves as the Punch Group's most important production base outside of Japan and China and also spearheads the Group's sales activities in Southeast Asia. As a production base, it is working to improve product quality with the aim of remaining the world leader in carbide products. In addition to Southeast Asia, we sell carbide products in Europe, Japan, the Americas, and elsewhere, and we will further broaden our geographical coverage. We also plan to expand and upgrade our product lineup. Regarding our responsibility for sales in Southeast Asia, we will sell not only products manufactured by PUNCH INDUSTRY MALAYSIA but Punch Group products in general via our sales subsidiaries and agents. Through rigorous quality control, we will advance our business by delivering lower-priced products to customers more quickly and thus earning their trust.

Masahiro Kobayashi
Representative Director and President
PUNCH INDUSTRY MALAYSIA SDN. BHD.



Market Environment

“Make in India” is a new initiative of the Modi government aimed at attracting foreign manufacturers to that nation. Under this initiative, the Indian economy is said to be growing at more than 7% annually. As this government-led campaign attracts more participants, we expect economic growth to accelerate and a market for molds and dies to gradually take shape.



Initiatives

In 2015, we will celebrate five years since establishing PUNCH INDUSTRY INDIA PVT. LTD., a local subsidiary based in Chennai through which we have built a solid business foundation based on selling automotive products imported from Japan and China.

Going forward, we will expand our geographical coverage to include India's northern region while further deepening our presence. We will also obtain stronger support from the Marketing Headquarters and otherwise seize the future growth potential of India. In addition to automobiles, we will carefully expand our business domains in tandem with economic growth.

India

PUNCH INDUSTRY INDIA PVT. LTD.



Focus on the Punch Family

India is a huge nation with 1.2 billion people and territory nine times the size of Japan. In targeting the Indian market, we have advanced our business with constant emphasis on concentration and selection of managerial resources. Under this policy, we now specialize in the automotive market, the fastest-growing segment of India's manufacturing industry. By pursuing customer-focused sales activities in the automotive sector and taking full advantage of the Punch

Group's procurement network, we undertake globally optimized procurement activities. We have also built a system enabling our top-quality products to be delivered swiftly at low prices, and now deal with more than 200 customers. In addition to expanding in parallel with the automotive sector, we will strive to tap new markets, including electronic components and consumer electronics, that will form the pillar of our sales activities in India.

Takeshi Nakano
Representative Director and President
PUNCH INDUSTRY INDIA PVT. LTD.



CSR Initiatives

The Punch Group pursues CSR-oriented management that continually supports manufacturing worldwide.



Local Communities 2016 National Sports Festival

Next year, we will serve as official supporter of the 2016 National Sports Festival (Sports Festival Iwate). This event will be held in Iwate Prefecture, home of two Punch Industry plants.

Participation in Challenge Day 2015



In May of this year, Punch Industry participated in Challenge Day 2015, an event sponsored by Kitakami City to mark 500 days before the start of Sports Festival Iwate. Challenge Day is a community participation type of event held around the world on the last Wednesday of May each year. Municipalities with similar populations compete against each other, from 12:00 midnight until 9:00 p.m. the following evening, and the percentage of population participating in certain activities continuously for 15 minutes or longer determines the winner. The competition also has a unique rule that calls for the losing team to hoist the official flag of the opposing municipality on the main flagpole of its government office building, for one week starting the day after the event.

This year, Kitakami City competed against Ishigaki City, Okinawa Prefecture, and Punch Industry employees in Kitakami devoted their normal cleanup time to activities in the event. There were five activities to choose from: "WANKO dancing" with Sobatchi (the official Iwate mascot) and a PR caravan group, walking while picking

up trash, futsal, table tennis, and badminton. A total of 311 Punch Industry employees, or 80% of its local workforce (including those on holiday and night shift), took part.

In the end, Kitakami City (with a participation rate of 34.3%) lost to Ishigaki City (47.5%), but the event represented one more enjoyable occasion in the lead-up to Sports Festival Iwate in 2016.

Registered as volunteers for Sports Festival Iwate, representing Kitakami City

In June 2015, the Kitakami Plant was registered as a member of Kitakami Supporters, a local volunteer group supporting Sports Festival Iwate. A group of some 50 individuals from the general public had registered as volunteers, but this time Punch Industry and two other companies registered as corporations—a first for this event. The Kitakami City Preparation Committee has set the following targets for attracting volunteers: 100 people for each of the rehearsal events for soft tennis and badminton, 1,800 for the opening and closing ceremonies, and 1,000 for competitions held in Kitakami City. At the registration ceremony, Deputy Mayor Yoshiaki Oikawa offered the following words: "I want all of you, even those with different responsibilities, to understand the event and provide cooperation. Please emphasize this when soliciting volunteers from the general public." With this in mind, Punch Industry will contribute to making Sports Festival Iwate a highly successful event.



Kitakami Supporters registration ceremony

2016 希望郷 いわて大会 2016 希望郷 いわて国体
広げよう 感動。伝えよう 感謝。



Punch Industry is providing support to Sports Festival Iwate.

Letters of appreciation received from Kitakami City

In February 2015, the Kitakami Plant received letters of appreciation from Kitakami City and the Kitakami City Cooperative Citizens' Council. The letters reflected high evaluation of local cleanup activities and the plant's support for various events, such as Iwate Kitakami Marathon and the Kitakami Geto Hill Climb. The city's public information newsletter also introduced the community contribution activities of the Kitakami Plant. Going forward, we will continue such activities to help build better communities.



Local Communities Providing opportunities for local students to consider their career paths

Punch Industry seeks to provide opportunities for local students to consider their personal career paths through learning about their local communities. With this in mind, we provide workplace tours and offer internships to students. In 2014, the Miyako Plant held one tour in July and two in October, with 20 participants from Tsugaruishi Junior High School, 32 from Miyako Technical High School, and 17 from Miyako Junior College, respectively. We also welcomed three internships from Miyako Vocational Training Center in June, two from Miyako North High School in July, and three from Miyako Technical High School in October. The interns gained first-hand experience at dispatching, picking, and other tasks. In 2015, we plan to introduce new internships at our systems

department on a trial basis. We will also actively embrace initiatives for recruiting disabled people.



Local Communities Dispatching lecturers to high schools

Punch Industry dispatches employees to local high schools to give students practical training related to taking qualification exams and give lectures aimed at fostering occupational awareness among students. In June and July 2014, we sent people to Kuji Technical High School to provide guidance on

mechanical system maintenance work, one of the selective items in the national trade skills test. Also in June of last year, we sent occupational awareness instructors to Miyako Technical High School.

Local Environment "Eco-friendly products" according to Punch Industry

We think very seriously about the meaning of "eco-friendly products" and take the lead in the mold and die components industry in the rigorous pursuit of such products. We place top priority on reducing chemical substances that harm the environment and will continue making and delivering eco-friendly products with minimal environmental impact based on our own standards, which are even stricter than the RoHS Directive. We also embrace an environmentally responsible approach across diverse aspects of our business. This includes using eco-friendly packaging materials and recycled paper, as well as vegetable-based inks for our catalogs.

Eco-Friendly Mark

Punch Industry has established its own eco-friendly mark as a means of informing customers that products meet the Company's own environmental standards. The mark is used in our product catalogs and other materials.



RoHS

RoHS refers to the EU directive "Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment," which came into force in July 2006 and restricts the use of certain hazardous materials in the manufacturer of various types of electrical and electronic equipment.

Accordingly, products containing any of the following six chemicals cannot be marketed within the EU member states: cadmium, chromium (hexavalent chromium), lead, mercury, PBB (polybrominated biphenyls), and PBDE (polybrominated diphenyl ethers).

CSR Initiatives

Local Environment **Tree-planting activities**

Seeking to become a global entity, the Punch Group engages in diverse CSR initiatives, not only in Japan but also in its overseas operations, as it strives to fulfill its mission as a corporate citizen.

In China, we promote broad-ranging contribution activities rooted to local communities. In the spring of each year, for example, employees and their families participate in a tree-planting event hosted by the Dalian Forestry Bureau.



Shareholders and Other Investors **IR activities**

Financial results briefings for analysts and institutional investors

For analysts and institutional investors, Punch Industry holds twice-yearly financial results briefings, as well as small individual meetings.



Company briefing for individual investors

Company briefings for individual investors and participation in IR events

We participate in a variety of IR events in our quest to inform as many individual investors as possible about our business. In the year ended March 2015, we held company briefings for individual investors in Tokyo, Osaka, Nagoya, and Sapporo, attracting many attendees.

We also participated in the Nikkei IR Fair at Tokyo Big Site. There, our president hosted a company briefing held on a specially erected stage. We also operated our own booth, where we displayed information about the Company and held “mini” briefings of around 10 minutes in duration. These activities attracted many people over the two-day event.



Nikkei IR Fair 2014

Information disclosure via corporate website and IR tools

In 2015, we revamped our corporate website, giving it a more innovative design and framework to make it more visually appealing, more search-friendly, and easier to understand. To enhance understanding of our company, we have included an introduction to our business activities, results briefing materials, financial data, and various other materials, in our efforts to disclose information in a swift and fair manner. We will continue improving the content of our website going forward.

Punch Industry also distributes its own IR newsletter via e-mail, and people who have registered their details also receive mailings of financial results, press releases, IR-related information, and other relevant materials.

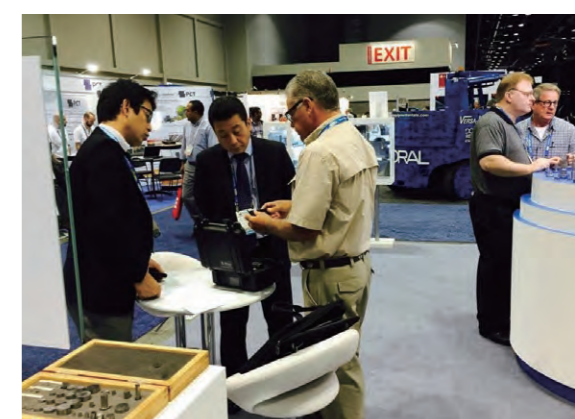


Business Partners **Quality-enhancement initiatives**

“With our customers as our top priority, Punch Industry shall fulfill its responsibilities as a listed company by delivering high-quality products and services that can be used with confidence. We shall also emphasize quality assurance to further increase customer satisfaction and trust by fostering human resources, innovating technologies, and developing new products.” Accompanying these basic principles are our own quality management systems, named Punch Quality Management Systems, based on which we verify our quality assurance framework and assess its effectiveness in our efforts to deliver high-quality products and services.

Participation in NPE2015

In March 2015, PUNCH INDUSTRY (Dalian) CO., LTD. operated a booth at NPE2015: The International Plastics Showcase, one of the world’s largest plastics exhibitions, in Orlando, Florida. It was the first time the Punch Group exhibited in the United States. At our booth, we displayed a broad range of products, from standard plastic mold components to special-order items, highlighting the Punch Group’s responsiveness and appeal of its services. Many people visited our booth, including from manufacturers of plastic molding machines and dies, traveling from North America, Central America, South America, and elsewhere. It was an excellent opportunity for us to attract interest in the Punch Group.



Employees **“Punch+” in-house newsletter**

We publish our in-house newsletter, Punch+, on a regular basis with the aims of conveying our management policies, sharing information, and stimulating communication among personnel. The newsletter features a variety of content, such as management policies, financial highlights, and employee introductions, including from Group companies. Since we are advancing our operations globally, we publish versions in English and Chinese, as well as Japanese. We will continue enhancing the content of Punch+ going forward.



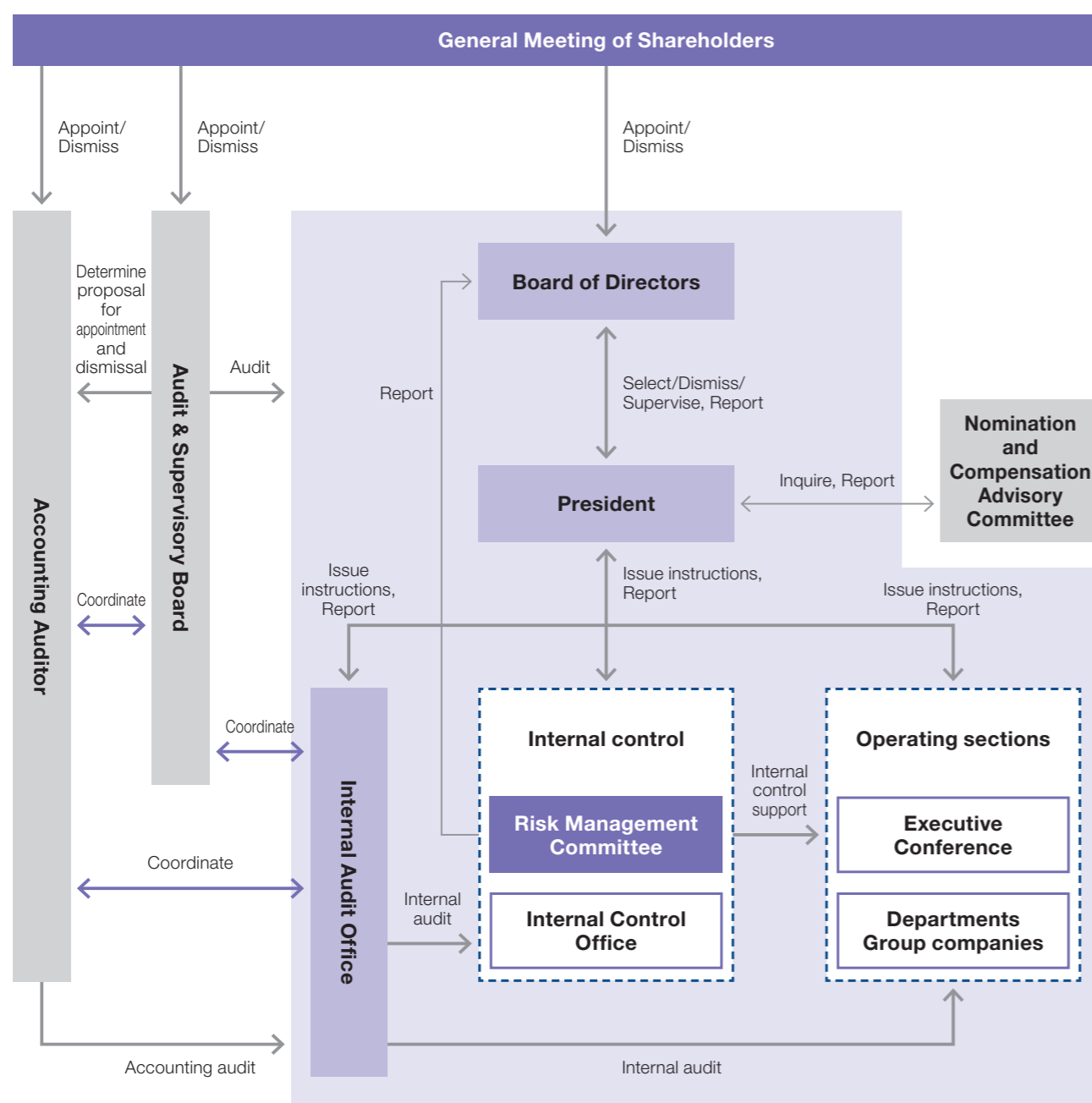
Corporate Governance

To continue being an entity that is highly regarded by society, the Punch Group will further improve the transparency and soundness of management by reinforcing corporate governance and maintaining rigorous compliance.

Basic Policy

The Punch Industry Group, as a globally active corporate entity, makes dedicated efforts to strengthen corporate governance practices with conscious awareness that complying with laws and regulations, faithfully fulfilling social responsibilities and ensuring soundness and

transparency of management are not only the keys to protecting the interests of all shareholders, customers and other stakeholders, as well as continually increasing corporate value, but are the most important management obligations of the entire Group.



1. Board of Directors and framework of Board members

Punch Industry's Board of Directors is composed of four directors (including one external director), and is vested with the authority to make decisions concerning the execution of the Company's business matters and to supervise the execution of duties by the directors. This business execution promotes speedy decision making by appointing and empowering executive officers to run the organization and creating a framework that clarifies the responsibility and authority of the directors' function of overseeing management and the executive officers' function of executing business operations.

2. Audit & Supervisory Board and its members

The Audit & Supervisory Board is presently in place, composed of four members (including two external members). The body monitors the Company's governance practices and implementation status, and conducts an audit of daily activities, including the execution of duties by the directors. The external members include a certified attorney, who is responsible for monitoring management practices from the perspective of compliance.

Audit & Supervisory Board members attend general meetings of shareholders and meetings of the Board of Directors and exercise legal rights in regard to reports submitted by directors, executive officers, employees, and the Accounting Auditor company. In addition to these tasks, full-time members attend important management conferences, conduct visiting audits at branch offices and plants, and otherwise implement effective monitoring activities.

3. Executive Conference

Composed of managing directors, executive officers, a general manager, and the chief of the Global Business Planning Office, the Executive Conference discusses and makes decisions concerning important management issues, excluding those submitted to the Board of Directors.

4. Risk Management Committee

Composed of directors, executive officers, a general manager, the chief of the Global Business Planning Office, the chief of the Internal Control Office, the manager of the General Affairs Department, and Group company representatives, the Risk Management Committee oversees the development, maintenance and improvement of risk management and legal compliance frameworks and implements employee training and education.

5. Remuneration of Board members, etc.

The method of deciding on the remuneration of directors and auditors is approved by unanimous resolution of all members of the general meeting of shareholders. The Board of Directors decides the specific amount of remuneration for each director upon the examination of appropriateness by the non-statutory Nomination and Compensation Advisory Committee, and the Audit & Supervisory Board decides the specific amount of remuneration for each auditor.

Compliance

Recognizing that rigorous compliance is absolutely essential for improving corporate value, the Punch Group has established a code of corporate ethics. Through extensive dissemination of the code, all officers and employees are aware that their conduct must comply with laws and regulations and meet the highest ethical standards.

The Company develops internal regulations governing risk management, as well as a risk management system. The system comprehensively identifies and assesses management and business risks that may affect our operations.

We have established a Risk Management Committee, which is chaired by the president. The Committee identifies and assesses risks, while serving as a framework that ensures the thorough dissemination of compliance information throughout the entire Group through the implementation of ongoing employee education programs and training. The Company's Risk Management Guidelines contain provisions to be implemented in the event of an unforeseen occurrence that could impact our operations.

Punch Industry is a company with an Audit & Supervisory Board that is currently under development, two-and-a-half years since its public listing. Nevertheless, we are upgrading our corporate officer system and otherwise working to strengthen the separation between the management oversight and business execution functions. We have also established the Nomination and Compensation Advisory Committee, a discretionary body that aims to preserve the transparency and fairness of various decision-making processes related to consideration of director candidates and remuneration for directors. In these and other ways, the Company is working independently to enhance and reinforce the effectiveness of its corporate governance frameworks.

Demonstrating strong leadership, our top management team endeavors to strengthen corporate governance, establish and operate sound internal control systems, and build appropriate risk management frameworks. Seeking to be a “global Punch Industry,” we practice “offensive (proactive) governance” that boldly addresses risk and emphasizes appropriate returns. On such occasions, I will be assertive in providing recommendations, proposals, and advice.

Corporate governance is not an absolute science, and Punch Industry should engage in repeated PDCA cycles to improve its systems between best practice and minimum standard depending on the Company’s situation, on a day-to-day basis. At present, I am the sole independent external director of Punch Industry. In the interest of maximizing diversity in the composition of the Board of Directors, I believe the Company should appoint at least one more independent external director as a management priority.

Corporate governance is one of the three important pillars underpinning corporate management, together with internal control and risk management. Accordingly, when addressing Board of Directors’ meetings and the like, I keep the three pillars at the forefront of my mind as

Message from an External Director

Shigeru Yokoyama,
External Director



I offer my recommendations, proposals, advice, opinions, and impressions, while also asking incisive questions. In these ways, I hope to build a “relationship of trust with a sense of impartiality and fairness” between Punch Industry’s executives and employees.

In my opinion, corporate value consists of various elements, including corporate ethics and corporate culture. As a long-serving member of the financial services sector, I am acutely aware of corporate value from economic and monetary perspectives, and, like top management, I am constantly thinking about expected rate of return, cost of capital, return on equity (ROE), and other indicators of capital efficiency. With these performance indicators in mind, I intend to closely monitor the Company’s situation to determine whether or not management is effectively implementing its capital, financial, investment, and other strategies.

Naturally, I will also work toward “defensive governance,” to prevent corporate scandals and such scenarios by strengthening ties between full-time Audit & Supervisory Board members, external Audit & Supervisory Board members, and other non-executive corporate officers.

Going forward, I will work daily, even in my limited capacity, to support the efforts of employees and address the needs of shareholders and all other stakeholders. To this end, I will strive to maintain Punch Industry’s dignified status as a publicly listed company and help it respond flexibly to dramatically changing business conditions, in order to achieve healthy and sustained growth and raise corporate value over the medium and long terms.

(As of June 24, 2015)



Masaaki Takeda
President &
Representative Director



Yasuhiro Sanada
Director



Takao Murata
Director



Shigeru Yokoyama
Director (External)



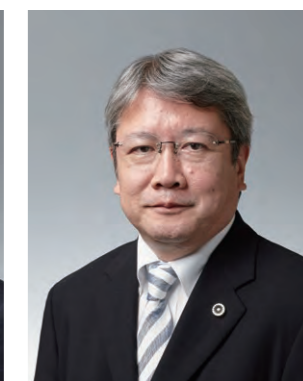
Norio Kitsui
Audit & Supervisory Board Member
(Full-time)



Susumu Sugita
Audit & Supervisory Board Member
(Full-time)



Ryoichi Ando
Audit & Supervisory Board Member
(External)



Yoriatsu Matsue
Audit & Supervisory Board Member
(External)

Executive Officers

Kazuhiro Natsuzaka Makoto Kume Akira Takanashi Hiroshi Fujisawa Hirohisa Morikubo

Management's Discussion and Analysis

■ Performance Overview

In the fiscal year ended March 31, 2015, the pace of economic recovery in the United States slowed down somewhat, while the European economy languished and the Chinese economy posted stable growth of around 7%. Accordingly, the global economy continued growing moderately despite lacking any real momentum. In Japan, the economy continued showing a recovery trend, buoyed by sustained yen depreciation and low crude oil prices, as well as an increase in capital expenditures.

Under these circumstances, the Punch Group worked actively to globalize its operations while tapping new markets and sectors. At the same time, we strove to bolster our results through ongoing cost-cutting efforts.

In Japan, the Group reported a year-on-year increase in sales due to various factors. These included flourishing capital investment demand, a significant recovery in the industrial machinery sector, and solid performances by the automotive, consumer electronics, and precision equipment sectors. In China, we also enjoyed year-on-year sales growth thanks to healthy results across broad-ranging sectors, including automobiles, electronic devices, and semiconductors. Sales in Southeast Asia and Europe also increased, benefiting from the full-year contributions of PUNCH INDUSTRY MALAYSIA SDN. BHD. and its subsidiaries, which joined the Group in August 2013.

■ Revenue

Consolidated net sales increased 16.8% year on year, to ¥34,392 million. Sales in Japan reached the highest level in recent years, underpinned by increasing orders amid recovery in capital expenditures across a wide range of industries, both domestically and overseas.

For the year, we posted record-high overseas sales, benefiting from healthy results in China across many industries, especially automobiles, consumer electronics, and precision equipment. Group sales were bolstered by the full-year contribution of the Southeast Asia group (PUNCH INDUSTRY MALAYSIA SDN. BHD. and its subsidiaries).

■ Earnings

Operating income jumped 48.4% year on year, to ¥1,724 million. In addition to higher revenue, this was due to lower purchasing costs, a reduced cost of sales ratio stemming from improved factory operations, and cost structure "renovation activities" by the Company. Net income grew 64.9% year on year, to ¥1,188 million.

■ Financial Position

At March 31, 2015, total assets amounted to ¥29,623 million, up ¥5,152 million from a year earlier. This stemmed mainly from an increase in notes and accounts receivable.

Total liabilities stood at ¥15,418 million, up ¥310 million from a year earlier. This was due mainly to an increase in notes and accounts payable.

Total net assets jumped ¥4,842 million year on year, to ¥14,205 million. Major factors were an increase in capital stock and capital surplus due to a public offering and private placement, an increase in retained earnings stemming from higher net income, and a rise in foreign currency translation adjustments.

■ Cash Flows

Cash and cash equivalents at fiscal year-end totaled ¥3,302 million, up ¥1,795 million from a year earlier.

For the fiscal year under review, net cash provided by operating activities amounted to ¥1,805 million. Factors boosting cash flows included ¥1,612 million in income before income taxes and minority interests and ¥1,316 million in depreciation and amortization. By contrast, there was a ¥1,142 million increase in notes and accounts receivable and ¥392 million in income taxes paid.

Net cash used in investing activities totaled ¥1,180 million. Main factors included ¥1,129 million in purchase of property, plant and equipment.

Net cash provided by financing activities was ¥1,013 million. This was mainly due to ¥2,639 million in proceeds from issuance of common stock, which outweighed repayment of debt.

Business Risks

The following statements contain important issues with regard to the outlook of the Punch Group's business and operations, and may have a material effect on the decisions of investors. Please note that such forward-looking statements in this report are based on the judgments made by the Punch Group as of June 24, 2015. Undue reliance should not be placed on these or any other projections made by the Group.

(1) Trends in customers' industries

The Punch Group does business with more than 10,000 customers at home and abroad, and we believe that our customer structure, which does not depend on any specific customer group, is well-balanced. Our major customers' industries encompass a wide range of products, including automobiles, electronic devices, semiconductors, consumer electronics, and precision equipment. It is therefore probable that market trends, price structures, and intensifying competition in these industries will determine trends in production and capital expenditure, and may impact the Punch Group's business performance.

The relocation of manufacturing from Japan to production facilities overseas (a so-called "hollowing-out") has stopped due to yen depreciation, but signs of a revival of Japanese manufacturing bases remain limited. Accordingly, the Punch Group has been actively developing its business overseas, including in China, but if such relocation and/or hollowing-out increase to a level greater than we anticipated, this could affect the Group's business performance.

(2) Competition

The components for molds and dies that the Punch Group manufactures face competition in such areas as technology, price, and delivery. For standard products, we are concentrating on reducing manufacturing costs to enhance our competitive edge. For special-order products, we are differentiating ourselves from our competitors by building an integrated production system backed by advanced technological skills and by creating a customer-focused sales and market system. However, if these business strategies do not work according to plan, or we encounter unexpected developments from our competitors, or such developments occur to a greater degree than we anticipated, this could impact the Punch Group's business performance.

(3) Purchase of principal raw materials

The Punch Group depends on a specific trading company for massive purchases of steel, its principal raw material. While we have maintained a good business relationship with this trading company for many years with a stable supply system,

any change in the management strategies, significant revisions to trade terms and conditions, or performance fluctuations in the relevant supplier could impact the Punch Group's business performance. A similar impact can be expected from our supplier of materials for our carbide products, which are handled by PUNCH INDUSTRY MALAYSIA SDN. BHD. (hereinafter, "PUNCH MALAYSIA"), a subsidiary.

Any factors that cause problems for the production processes at these special steel manufacturers could have an impact on the Punch Group's business performance.

(4) Undeveloped and new business fields

In addition to its existing business supplying components for plastic molds and press dies, the Punch Group has set its future growth strategies focusing on undeveloped businesses in fields where it can leverage its core strengths. However, if these efforts do not progress as planned due to changes in the economic situation, trends in related technological innovations and developments by our competitors, the Punch Group's business performance may be affected.

(5) Business risks in China

The Punch Group has been engaged in business activities in China since 1990, and to date has never faced a withdrawal or major employment adjustment in an environment that is different from Japan's in terms of business practices and employment systems. Our business in China now represents an important foundation of the Punch Group's consolidated operating income. Although we anticipate stable business expansion in the future in line with economic growth and amicable labor-management relations, any major changes to this business environment, including political unrest, mounting anti-Japanese sentiment, removal orders due to urban development policies, or higher labor costs, among others, could affect the Punch Group's business performance.

(6) Business risks in Southeast Asia

The Punch Group converted PUNCH MALAYSIA to a wholly owned subsidiary in August 2013, and established

Business Risks

PT. PUNCH INDUSTRY INDONESIA in November 2013. While stable business expansion is anticipated on the back of projected growth in Southeast Asian markets and sound management, the Group's performance could be affected if there are any major changes in the business environment due to political unrest, a tightening of regulations, changes in economic conditions, or uncertainty over currencies, among other factors.

While we believe that the goodwill generated in the wake of the consolidation of our new subsidiary appropriately reflects its future earnings capacity, any deterioration in the profitability of this subsidiary caused by substantial changes in management or the business environment could impact the Punch Group's business performance due to a loss from goodwill impairment.

(7) Overseas business development outside of China and Southeast Asia

In addition to China and Southeast Asia, the Punch Group has been engaged in developing businesses in India, Europe, and the Americas. If these businesses fail to progress as planned due to changes in the local political and economic situations or trends in customers' industries, the Punch Group's business performance could be affected.

(8) Domestic logistics system

For domestic distribution, the Company operates a centralized control system from its Tokyo Logistics Center (hereinafter, "TLC"), outsourced to external logistics companies, and an overnight shipping system has been implemented except for deliveries to some regions. However, if any problems occur at TLC, or if the delivery service is interrupted by a natural disaster or some other calamity, this could have an impact on the Punch Group's business performance.

If logistic volumes in western Japan, including any increases in production at our Hyogo Plant, exceed the current assumptions and cause problems for the logistics system, additional investment would likely be needed to establish a new logistics base in the region.

(9) Information systems

The Punch Group's sales management system and production management system form the basis of its business, and we believe that these systems operate with adequate stability and security. However, unpredictable events including natural disasters, failures in system hardware and communications, or computer viruses causing system failures could affect the Punch Group's business performance.

(10) Management of customer information

The Punch Group conducts transactions with more than 10,000 customers in Japan and overseas, and manages large volumes of customer information through electronic media and print media. If information leaks were to occur due to a failure of management or problems with the information system, etc., the Punch Group would face a serious loss of credibility, which would impact its business performance.

(11) Noncurrent assets

The Punch Group holds a number of noncurrent assets, including production facilities, to meet a wide variety of customer needs. By applying the "Accounting Standards for Impairment of Fixed Assets" to these noncurrent assets, we endeavor to ensure that these assets remain sound by testing for impairment. However, depending on the profit and loss or cash flow situation of the Company's plants and offices and Group companies, these assets could have an impact on the Punch Group's operating results and financial position.

(12) Fluctuations in foreign exchange rates

In preparing its consolidated financial statements, the Company faces systemic risks from foreign currency fluctuations in the Chinese yuan, Indian rupee, Malaysian ringgit, and others, when converting the currencies, used by overseas Group companies, into Japanese yen.

An increase in the number of transactions in foreign currencies is expected in line with the Company's accelerated global business development. The Company will protect its financial structure against foreign currency fluctuations by managing the risk associated with foreign exchange, including marrying exchange credits and debts, forward contracts, etc.

Chinese subsidiaries have foreign exchange risks for loans payable as some debts are in foreign currencies. The Company monitors the medium- to long-term trends in this currency, and reduces the risk by diversifying currencies when borrowing.

However, significant foreign exchange fluctuations exceeding the Company's assumptions could impact the Punch Group's performance.

(13) Interest-bearing debt

The Punch Group has procured the funds necessary for business expansion by borrowing mainly from financial institutions. The ratios of interest-bearing debt to total assets are shown below.

	(Consolidated)	
	At previous fiscal year-end (March 31, 2014)	At fiscal year-end under review (March 31, 2015)
Balance of interest-bearing debt (Thousands of yen)	7,743,960	7,155,937
Total assets (Thousands of yen)	24,471,415	29,623,834
Dependence on interest-bearing debt (%)	31.6	24.2

Notes: 1. Balance of interest-bearing debt is the total of short-term loans payable, current portion of long-term loans payable, and long-term loans payable.
2. Dependence on interest-bearing debt is the balance of interest-bearing debt divided by total assets x 100.

The Punch Group will continue to aggressively invest in the future and will secure profits by bolstering its earnings capacity and generate its own funds by reducing its working capital. We expect the dependence on interest-bearing debt to hover at a relatively high level for a while.

Under these circumstances, if we find it impossible to procure funds due to changes in the financial environment, and therefore difficult to execute our investment plans, and if the fund procurement costs increase amid the rising trend in market interest rates, the Punch Group's performance and financial position could be affected.

The Company's commitment-line contracts with major financial institutions contain financial covenants, and in the event of any infringement of these covenants, the Company could be required to repay the relevant loans, which could affect the Punch Group's financial position.

(14) Human resources

The Punch Group has placed its emphasis on securing and developing capable human resources, and has implemented a range of personnel measures based on its personnel system with the aim of bolstering employee motivation and morale towards improving business performance. The Punch Group also recruits highly capable, talented personnel when necessary.

However, if these measures fail to function effectively, or the required personnel cannot be secured in time due to the situation in the human resources market, the Punch Group's performance could be affected.

(15) Lawsuits and other actions

While the Punch Group exerts its utmost efforts to maintain and protect its intellectual property rights, it is conceivable that the Group, through the course of conducting business overseas, become embroiled in a lawsuit concerning intellectual property rights due to differences in legal systems between countries.

Although the Punch Group has taken all possible precautions to ensure the quality of its products, if a lawsuit were brought to claim damage from a serious accident due to product failure or complaints, the Group may incur huge costs involving heavy compensation payments.

In addition to the above, if a material lawsuit were brought against its business operations, the Punch Group's performance could be affected.

(16) Environmental measures

The Punch Group has established its "Environment Principles" and "Environmental Actions Guideline" to actively address environmental issues. However, if unexpected environmental problems occur, or changes in production facilities and waste treatment methods are required due to amendments to the relevant laws and regulations, the Punch Group's performance could be affected.

The Company has been tackling the problem of soil contamination by volatile organic compounds at the site of the former Kanegasaki Plant in consultation with specialized advisors, in an effort to fulfill its corporate social responsibility. However, if an unexpected situation arises, or significant changes are made to the laws and regulations associated with environmental policies, the Punch Group's performance could be affected.

(17) Disasters

In addition to its headquarters, the Punch Group has four manufacturing sites, one distribution center, and 14 sales offices in Japan; six manufacturing sites and 32 sales offices in China; one manufacturing site and six sales offices in Southeast Asia; and one sales office in India. If natural disasters, such as earthquakes and typhoons, or accidents including fires, occur, or if serious failures in the supply of electricity or in the telecommunications infrastructure occur due to unexpected problems at power generating facilities, etc., or if wars or acts of terrorism, etc., take place in the areas where these business operations are located, the Group's business performance could be affected.

Consolidated Balance Sheets

PUNCH INDUSTRY CO., LTD. and Consolidated Subsidiaries
March 31, 2014 and 2015

	Millions of yen		Thousands of U.S. dollars
	2014	2015	2015
ASSETS			
Current assets:			
Cash and deposits	¥ 1,527	¥ 3,302	\$ 27,483
Notes and accounts receivable—trade	9,433	11,613	96,644
Merchandise and finished goods	1,820	2,107	17,537
Work in process	395	516	4,300
Raw materials and supplies	1,125	1,368	11,386
Deferred tax assets	308	326	2,717
Others	172	239	1,991
Allowance for doubtful accounts	(115)	(104)	(871)
Total current assets	14,668	19,369	161,188
Property, plant and equipment:			
Buildings and structures	4,933	5,188	43,178
Machinery, equipment and vehicles	11,695	13,684	113,880
Tools, furniture and fixtures	1,695	1,818	15,137
Land	831	835	6,957
Construction in progress	32	132	1,103
Others	529	3	27
	19,718	21,664	180,281
Accumulated depreciation	(12,106)	(13,495)	(112,305)
Property, plant and equipment, net	7,611	8,168	67,976
Investments and other assets:			
Goodwill	913	879	7,319
Deferred tax assets	209	120	1,002
Others	1,163	1,178	9,808
Allowance for doubtful accounts	(95)	(93)	(778)
Total investments and other assets	2,191	2,085	17,352
Total assets	¥ 24,471	¥ 29,623	\$ 246,516

	Millions of yen		Thousands of U.S. dollars
	2014	2015	2015
LIABILITIES AND NET ASSETS			
Current liabilities:			
Notes and accounts payable—trade	¥ 3,426	¥ 4,098	\$ 34,107
Short-term loans payable	4,331	4,174	34,734
Current portion of long-term loans payable	972	675	5,620
Income taxes payable	145	238	1,982
Provision for bonuses	359	440	3,665
Provision for soil contamination	260	—	—
Others	1,877	2,685	22,350
Total current liabilities	11,372	12,312	102,459
Long-term liabilities:			
Long-term loans payable	2,440	2,306	19,194
Net defined benefit liability	737	523	4,356
Others	558	275	2,296
Total long-term liabilities	3,736	3,105	25,847
Net assets:			
Shareholders' equity:			
Capital stock	1,571	2,897	24,114
Capital surplus	1,300	2,626	21,858
Retained earnings	5,096	6,155	51,221
Total shareholders' equity:	7,968	11,679	97,193
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	1	1	16
Foreign currency translation adjustments	1,432	2,489	20,719
Remeasurements of defined benefit plans	(47)	28	236
Total accumulated other comprehensive income	1,385	2,520	20,972
Minority interests	9	5	46
Total net assets	9,362	14,205	118,211
Total liabilities and net assets	¥ 24,471	¥ 29,623	\$ 246,516

Consolidated Statements of Income

PUNCH INDUSTRY CO., LTD. and Consolidated Subsidiaries
For the years ended March 31, 2014 and 2015

	Millions of yen		Thousands of U.S. dollars
	2014	2015	2015
Net sales	¥29,436	¥34,392	\$286,202
Cost of sales	21,776	25,030	208,296
Gross profit	7,660	9,361	77,906
Selling, general and administrative expenses	6,498	7,637	63,556
Operating income	1,161	1,724	14,350
Operating income (expenses):			
Interest income	13	14	119
Dividend income	7	8	67
Gain on sales of scraps	22	32	267
Interest expenses	(140)	(111)	(925)
Provision for soil contamination expenses	(30)	—	—
Soil contamination expenses	—	(35)	(291)
Gain on sales of noncurrent assets	12	7	63
Loss on sales and retirement of noncurrent assets	(24)	(12)	(104)
Loss on step acquisitions	(38)	—	—
Other, net	11	(15)	(130)
Total	(164)	(112)	(933)
Income before income taxes	997	1,612	13,417
Income taxes:			
Current	310	480	3,996
Deferred	(32)	(51)	(430)
Total	277	428	3,566
Income before minority interests	719	1,183	9,851
Minority interests	(0)	(4)	(36)
Net income	¥ 720	¥ 1,188	\$ 9,887

Consolidated Statements of Comprehensive Income

PUNCH INDUSTRY CO., LTD. and Consolidated Subsidiaries
For the years ended March 31, 2014 and 2015

	Millions of yen		Thousands of U.S. dollars
	2014	2015	2015
Income before minority interests	¥ 719	¥1,183	\$ 9,851
Other comprehensive income:			
Valuation difference on available-for-sale securities	(19)	0	(5)
Foreign currency translation adjustments	1,376	1,058	8,810
Remeasurements of defined benefit plans	—	76	633
Total other comprehensive income	1,356	1,135	9,448
Comprehensive income	¥2,076	¥2,319	\$19,299
Comprehensive income attributable to:			
Owners of the parent	¥2,077	¥2,322	\$19,328
Minority interests	(0)	(3)	(29)

Consolidated Statements of Changes in Net Assets

PUNCH INDUSTRY CO., LTD. and Consolidated Subsidiaries
For the years ended March 31, 2014 and 2015

	Millions of yen									
	Shareholders' equity				Accumulated other comprehensive income					
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Minority interests	Total net assets
Balance at March 31, 2013	¥ 674	¥ 403	¥4,572	¥ 5,649	¥ 20	¥ 55	¥ —	¥ 76	¥—	¥ 5,726
Issuance of new shares	897	897		1,794						1,794
Dividends from surplus			(196)	(196)						(196)
Net income			720	720						720
Net other changes of items during the period					(19)	1,376	(47)	1,308	9	1,317
Balance at March 31, 2014	1,571	1,300	5,096	7,968	1	1,432	(47)	1,385	9	9,362
Cumulative effects of changes in accounting policies			72	72						72
Issuance of new shares	1,326	1,326		2,652						2,652
Dividends from surplus			(201)	(201)						(201)
Net income			1,188	1,188						1,188
Net other changes of items during the period					0	1,057	76	1,134	(3)	1,131
Balance at March 31, 2015	¥2,897	¥2,626	¥6,155	¥11,679	¥ 1	¥2,489	¥ 28	¥2,520	¥ 5	¥14,205

	Thousands of U.S. dollars									
	Shareholders' equity				Accumulated other comprehensive income					
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Minority interests	Total net assets
Balance at March 31, 2014	\$13,078	\$10,823	\$42,408	\$66,308	\$11	\$11,917	(\$397)	\$11,531	\$ 75	\$ 77,914
Cumulative effects of changes in accounting policies			\$603	\$603						\$603
Issuance of new shares	11,036	11,036		22,072						22,072
Dividends from surplus			(1,678)	(1,678)						(1,678)
Net income			9,887	9,887						9,887
Net other changes of items during the period					5	8,803	633	9,441	(29)	9,412
Balance at March 31, 2015	\$24,114	\$21,858	\$51,221	\$97,193	\$16	\$20,719	\$236	\$20,972	\$ 46	\$118,211

Consolidated Statements of Cash Flows

PUNCH INDUSTRY CO., LTD. and Consolidated Subsidiaries
For the years ended March 31, 2014 and 2015

	Millions of yen		Thousands of U.S. dollars
	2014	2015	2015
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 997	¥ 1,612	\$ 13,417
Adjustments for:			
Depreciation and amortization	1,170	1,316	10,953
Amortization of goodwill	46	97	811
Increase in net defined benefit liability	6	12	108
Increase in provision for bonuses	52	80	671
Increase (decrease) in allowance for doubtful accounts	21	(25)	(209)
Increase (decrease) in soil contamination expenses	5	(260)	(2,164)
Interest and dividends income	(21)	(22)	(186)
Interest expenses	140	111	925
Foreign exchange losses (gains)	(45)	430	3,585
Loss on sales and retirement of noncurrent assets	12	4	41
Loss on step acquisitions	38	—	—
Increase in notes and accounts receivable—trade	(312)	(1,142)	(9,510)
Increase in inventories	(149)	(356)	(2,967)
Increase (decrease) in notes and accounts payable—trade	(167)	182	1,517
Others, net	(127)	239	1,994
Sub-total	1,666	2,281	18,985
Interest and dividend income received	28	21	183
Interest expenses paid	(160)	(105)	(876)
Income taxes paid	(339)	(392)	(3,270)
Net cash provided by operating activities	1,194	1,805	15,022
Cash flows from investing activities:			
Net decrease (increase) in time deposits	(16)	21	177
Purchase of property, plant and equipment	(460)	(1,129)	(9,397)
Proceeds from sales of property, plant and equipment	359	14	117
Purchase of intangible assets	(113)	(109)	(915)
Payments of long-term loans receivable	(46)	(41)	(349)
Collection of long-term loans receivable	174	46	388
Purchase of investments in subsidiaries and affiliates resulting in change in scope of consolidation	(1,155)	—	—
Others, net	5	18	158
Net cash used in investing activities	(1,252)	(1,180)	(9,821)
Cash flows from financing activities:			
Net decrease in short-term loans payable	(1,846)	(743)	(6,189)
Proceeds from long-term loans payable	1,500	900	7,489
Repayment of long-term loans payable	(1,550)	(1,341)	(11,165)
Proceeds from issuance of common stock	1,783	2,639	21,965
Proceeds from stock issuance to minority shareholders	10	—	—
Cash dividends paid	(196)	(201)	(1,678)
Others, net	(71)	(238)	(1,988)
Net cash used in financing activities	(370)	1,013	8,436
Effect of exchange rate change on cash and cash equivalents	193	157	1,307
Net increase (decrease) in cash and cash equivalents	(234)	1,795	14,943
Cash and cash equivalents at beginning of period	1,741	1,506	12,540
Cash and cash equivalents at end of period	¥ 1,506	¥ 3,302	\$ 27,483

Company Profile (As of March 31, 2015)

Company name	PUNCH INDUSTRY CO., LTD.
Established	1975
Capital	2,897.73 million yen
Number of employees	3,833 (consolidated)
Head office	Meisan Takahama Bldg. 8F, 2-12-23 Konan, Minato Ward, Tokyo 108-0075, Japan
Business	Manufacture and sale of mold and die components
Main banks	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited

Company Website



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Investor Relations

The Punch Industry website contains various information, including Company Overview, Business Overview, and Investor Relations information.

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PT. PUNCH INDUSTRY INDONESIA

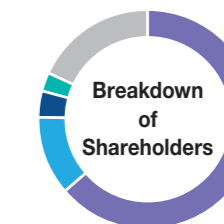
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PUNCH SPRING (Dalian) CO., LTD.

No. 3 Xingcheng Road, Dalian Economy and Technology Development Zone, Liaoning Province, People's Republic of China

■ Stock Information

Total number of authorized shares	40,000,000 (As of June 24, 2015)
Total number of shares issued	11,061,200
Number of shareholders	5,211
Stock exchange listing	First Section, Tokyo Stock Exchange
Security code	6165
Number of shares per trading unit	100
Transfer agent	Sumitomo Mitsui Trust Bank
Accounting auditors	PricewaterhouseCoopers Aarata (Formerly known as Arata Audit Corp.)



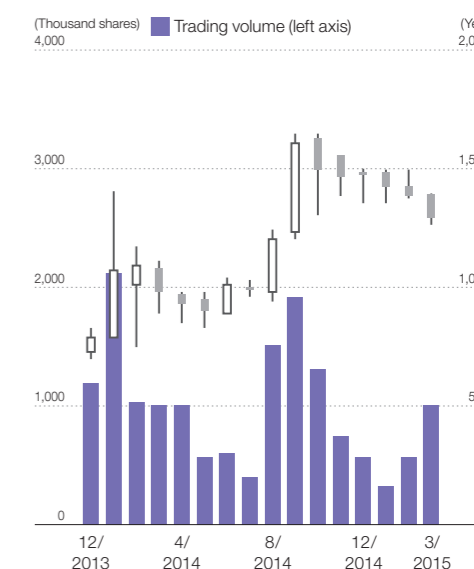
Category	Number of Shares	Percentage
Individuals and others	7,047,478	63.71%
Other domestic companies	1,279,700	11.57%
Foreign companies	458,000	4.14%
Securities companies	298,022	2.70%
Financial institutions	1,978,000	17.88%

■ Major Shareholders (Top 10)

Name	Number of shares held	Percentage of shares held (%)
MT Kosan Co., Ltd.	1,090,000	9.85
Yuji Morikubo	822,000	7.43
Tetsuji Morikubo	650,000	5.87
Master Trust Bank of Japan, Ltd. (trust account)	644,500	5.82
Punch Industry Employees' Stock Ownership Scheme	580,800	5.25
Japan Trustee Services Bank, Ltd. (trust account)	448,900	4.05
Nomura Trust and Banking Co., Ltd. (trust account)	250,400	2.26
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG / JASDEC / FIM / LUXEMBOURG FUNDS	246,000	2.22
Michiko Kamba	243,000	2.19
Kenji Sugimoto	129,000	1.16

Note: For the percentage of shares held, the figures have been rounded to the nearest hundredth of a percent.

■ Stock Prices and Trading Volumes



■ Inquiries

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