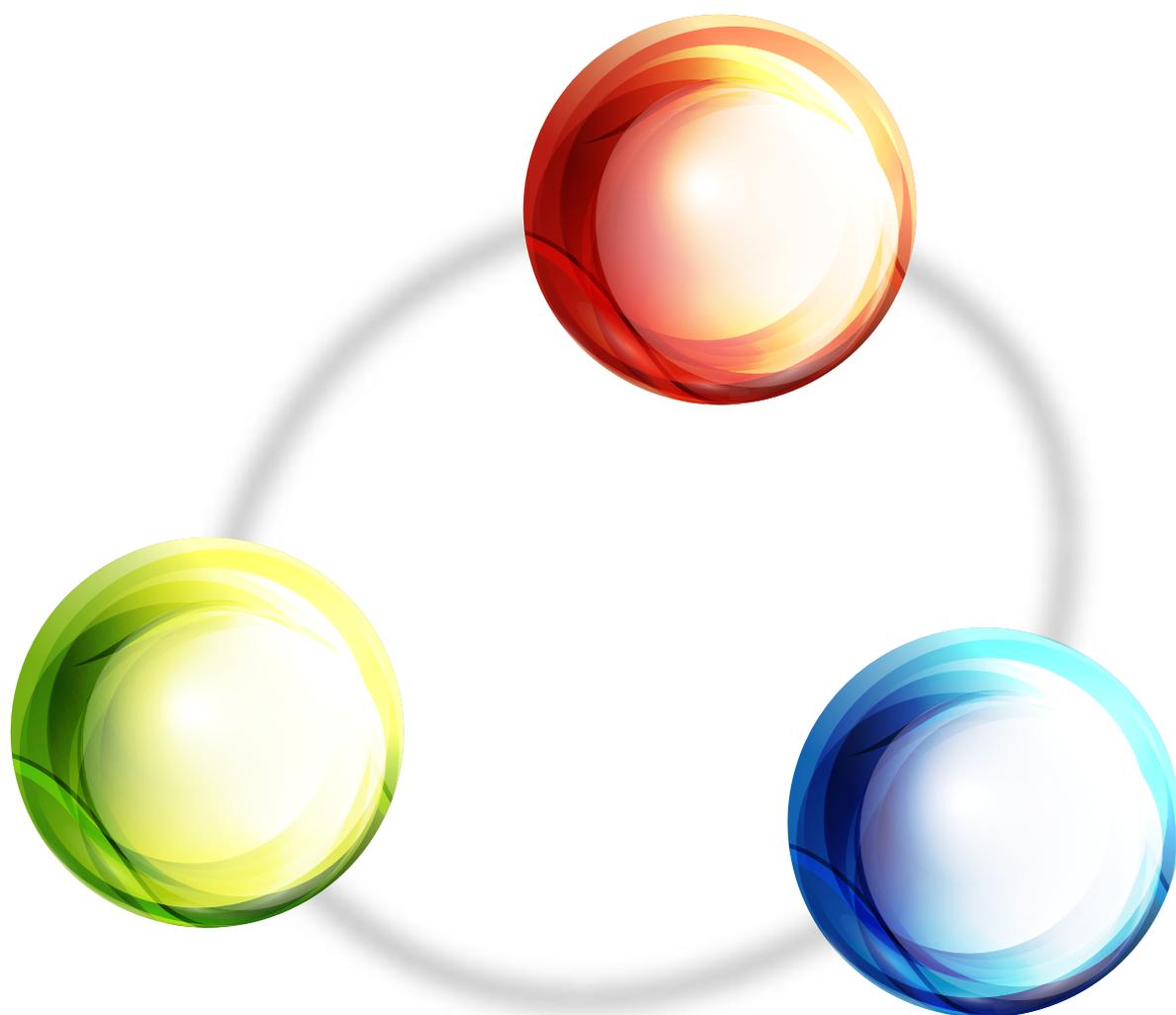


TAMURA CORPORATION REPORT 2013

CORPORATE PROFILE / CSR REPORT DIGEST



TOP MESSAGE



We will return to the starting point of the Tamura Group in order to achieve three goals: “creating sound management,” “establishing the best global operation,” and “manufacturing excellent products.”

— “Bilrite Tamura,” the new mid-term management plan, begins —

Naoki Tamura

President
Tamura Corporation



Declaring its support for the U.N. Global Compact
The Tamura Group declares to its stakeholders that it will continue to support the U.N. Global Compact's ten principles in the areas of human rights, labor, the environment, and anti-corruption, and enact a set of core values in those four areas.

“establishing the best global operation,” and “manufacturing excellent products.” We fully recognize our immense responsibility in adopting the name Bilrite for our plan, and are resolved to carry through this plan.

Specifically, in order to create “sound management,” we will enhance emphasis on profitability rather than sales revenues among managers and employees and maintain an appropriate level of “connective profit” (profit calculated by adding the cost for each product), thus improving the overall operating income ratio. To that end, we will monitor the accumulated costs of products in real time through our business administration system and make all-out efforts to prevent any decline in profitability by taking swift actions. This business administration system has already been introduced in 90% of the Group's operation bases, realizing “cockpit management,” a system that makes the consolidated profitability of each product visible through company-wide information sharing.

Optimizing cooperation between overseas bases and establishing a robust and sound global supply chain

The establishment of “the best global operation” involves shifting from the previous sales system in which the Group depended heavily on Japanese-affiliated companies and accelerating its approach to overseas businesses. We will also ensure appropriate global allocation of resources by establishing self-sufficient overseas operations through the active employment of local staff members and by urging Japanese operations to focus on high-value-added businesses. Furthermore, we will work to optimize cooperation between overseas bases chiefly by promoting local development through the establishment of R&D centers in China and South Korea and shifting the production of electronic components and LED devices from China to Bangladesh.

As described above, proper supply chain management, including overseas suppliers, will become even more important to the Tamura Group as it strives to strengthen its global operation system. The re-establishment of its business continuity plan (BCP), which originated from business sites and affiliated companies in Japan in FY2011, when the Great East Japan Earthquake devastated Japan, is under way, and similar efforts to adopt BCP globally have begun. Furthermore, in response to U.S. regulations requiring information disclosure on the use of conflict minerals, we defined survey procedures in October 2012 and initiated surveys in November. In the future, we will continue to survey the actual condition of use of conflict minerals while gaining the cooperation of second- and third-tier suppliers as well as primary ones. Thus, we will endeavor to establish a robust and sound global supply chain by ensuring CSR procurement.

Creating value and increasing profitability by manufacturing “excellent products” through “No. 1 Strategy” and “One and Only Strategy”

In our effort to manufacture “excellent products,” we will continue product development based on “No. 1 strategy” and “One and Only Strategy,” which were advanced under the “T's POWER+” plan. We will create value and increase profitability through two strategies: “No. 1 Strategy,” the aim of which is to capture the industry's largest market share through global business development, and “One and Only Strategy,” the aim of which is to acquire the top position in target markets by displaying the Group's uniqueness and strengths.

In new and strategic businesses, we will shift to the stage of recovering investments made. By sector, we will actively market electronic components, particularly small to large reactors and transformers. We will increase sales of high-value-added LED products by concentrating our energies on our proprietary products manufactured with gallium oxide. In the area related to electronic and chemical materials/FA systems, we will make further efforts to enter the smartphone market and other growing markets with focus on insulating and binding materials for flexible substrates. In terms of information equipment, we will secure new opportunities for new wireless products whose development we have invested in, to meet needs that arise from the reallocation of frequencies.

Since early 2013, major changes have taken place and new trends have emerged in Japan and the rest of the world. In the first year of our new mid-term management plan “Bilrite Tamura,” the Tamura Group will strive to achieve further growth by implementing the measures stated above.

July 2013

MISSION STATEMENT

MISSION

The Tamura Group supplies an original range of products and services, highly regarded in the global electronics market, to satisfy the evolving needs of customers, employees and shareholders supporting the Group's growth.

VISION

1. The management of the Tamura Group is based on businesses related to the requirements of the global electronics industry.
2. The business of the Tamura Group is based on technologies that support rapidly diversifying customer needs, with a special focus on high market value.
3. The Tamura Group evaluates its employees with fairness and highly rates excellent performance and exceptional productivity.
4. The Tamura Group is a responsible member of the global community and respects the laws and customs of the countries in which it conducts business activities.
5. The Tamura Group strives to protect the global environment, conserve natural resources and promote recycling.

GUIDELINE

1. We attach great importance to partnership.
2. We attach great importance to nurturing a spirit of creativity.
3. We attach great importance to individuality.
4. We attach great importance to social responsibility.

TAMURA CORPORATION REPORT 2013

CORPORATE PROFILE / CSR REPORT DIGEST

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Editorial policy: This report will be published as “TAMURA CORPORATION REPORT 2013” to serve as an introduction to the Tamura Group. It is a compilation of Tamura's “CORPORATE PROFILE,” which introduces the group's overview and business activities, and “CSR REPORT DIGEST,” a digest of its CSR activities.

A detailed report of CSR activities is available on the “CSR Activities” page of the Tamura Corporation website. The Global Reporting Initiative (GRI) “Sustainability Reporting Guidelines 3.1,” the “Environmental Report Guidelines (FY2012 Edition)” of the Ministry of the Environment of Japan, and the “ISO26000” Guidance Standard were referred to when “CSR Activities” was edited.

Period covered: April 1, 2012 to March 31, 2013 (Includes some activities in or after April 2013)

Publication date: August 2013 (Previous report: August 2012 next report: due in August 2014)

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FY2012 was a year marked by extreme difficulties. It was also the last year of the previous mid-term management plan “T's POWER+.” At first, we made steady progress with “T's POWER+,” but due to the plunge in sales and income in FY2012, we fell far short of our targets. In particular, we failed to stem the decline in profit ratios after the collapse of Lehman Brothers, and this was the major factor that drove us to reconsider our business strategy.

Based on this reconsideration, we decided that the most important goal of the new three-year mid-term management plan “Bilrite Tamura” is to increase profitability. Under this plan, we aim to improve operating income ratio from 0.8% in FY2012 to 7% or more in the fiscal year ending March 2016, the final year of the plan. We also aim to achieve net sales worth ¥92 billion and an operating income of ¥6.4 billion. The longer-term goal is to post an operating income ratio of 10% or more in the fiscal year ending March 2019, three years after the termination of the plan.

The name of the new mid-term management plan, “Bilrite,” which is the trademark for high-grade products manufactured by Tamura immediately after its foundation, was coined by combining two words: “build up” and “right.” Tamura will return to its starting point in order to achieve three goals: “creating sound management,”

TAMURA GROUP VISION

Manufacturing excellent products

Upgrading No. 1 and Only One products

For us to win the global competition and increase profitability, we will step up efforts to develop No. 1 products (the aim of which is to gain the industry's largest market share through global development) and Only One products (the aims of which are to fully display the company's uniqueness and strengths and to establish a competitive advantage from the perspective of customer value).

Recovering investments made in new and strategic businesses

In 2008, Tamura entered the LED business and in 2009, it began the delivery of onboard components for eco-cars. In 2010, the Tamura Group acquired a British manufacturer and distributor of very large transformers and reactors, thus expanding its business into the area of energy conservation and creation in which needs for such products are growing. It has also put on the market new electronic and chemical materials for flexible substrates, which are being increasingly used for smartphones, tablet computers, and other mobile products. In our 10th mid-term management plan, we will reap the results of businesses whose seeds were sown and nurtured in the past, with an eye to meeting future market needs.

Creating sound management

Enhancing emphasis on profit rather than sales

Under the previous mid-term management plan for FY2010 to FY2012, profitability remained sluggish as the world economy stagnated and global competition intensified. As our future primary goal is to increase profitability, we will enhance emphasis on profitability rather than sales revenues among managers and employees. We aim to achieve an operating income ratio of 7% or more in FY2015 and 10% or more in FY2018.

Maintaining an appropriate level of "connective profit"

At Tamura, profits connecting selling prices for end users and costs incurred at factories and various intermediate costs as calculated for each product on a consolidated basis are called "connective profits." Connective profits can be confirmed by using the unique ERP (enterprise resource planning) system adopted by the Tamura Group in the past. By monitoring connective profits on a daily basis and taking corrective actions immediately as necessary, we aim to maintain profitability at an appropriate level even in a harsh business environment.

Establishing the best global operation

Global optimal allocation of labor and other costs

Continuing the current management structure that centers on Japanese operations while targeting the global market has made it increasingly difficult to maintain profitability. By concentrating high-value-added businesses, such as the development of new products, in Japan where labor costs are high, and stepping up self-sufficiency initiatives, such as local design and local procurement, at overseas subsidiaries, we will strive to ensure optimal allocation of labor and other costs from a global perspective and thus maintain profitability at an appropriate level.

Encouraging local staff to play an active role

In order to step up self-sufficiency initiatives, such as local design and local procurement, at overseas subsidiaries, and thus establish a truly global operation system, we will create a personnel administration system that encourages local staff members at overseas subsidiaries to play an active role in daily operations. Viewing hiring and developing capable personnel as an issue to be addressed, we will work to implement the personnel administration system globally and develop and train local staff members at overseas subsidiaries appropriately.

The 10th Mid-term Management Plan
Bilrite Tamura
 2013-2015 & 2018

Manufacturing excellent products
Creating sound management
Establishing the best global operation



Build up + right Bilrite

"Bilrite" is the time-honored trademark for high-grade and high-quality electric gramophones and amplifiers manufactured by Tamura immediately after its foundation. Catalogue No. 3, which was issued in 1937 and is the oldest existing catalogue, states in its preface, "Tamura's products carry the "Bilrite" trademark, which signifies that the company has absolute responsibility for its products. Be advised that the Bilrite trademark is the hallmark of quality."

Quoted from "Milestone to the 21st Century," a history of Tamura compiled to commemorate the 75th anniversary of its foundation

Logotype used in those days



GENEALOGY OF PRODUCT DEVELOPMENT

~Tamura's technology is nurtured by history, unequaled to this day~

HISTORY

1924
Manufacture and sale of radio and gramophone



1930~
In-house production of Bilrite series transformer



The company that would eventually become the Tamura Group came into being in 1924, one year before the start of radio broadcasting in Japan, as the Tamura Radio Store. Its main business was radio repair and the manufacture of original radios. In the process of pursuing superior sound, the firm came to handle the manufacture of the key component, the transformer. Its reputation as the "Tamura of transformers" created a foundation on which to expand its businesses, including various electronic components related to transformers; flux and soldering materials that were born out of the pursuit of quality joining materials for the manufacture of transformers; soldering systems; and even broadcast audio equipment and communication systems, based on achievements in the manufacture of transformers for broadcasting and communication.

Currently, Tamura Corporation conducts business operations in three areas: electronic components, electronic chemical mounting, and information equipment, to develop and supply products that meet the needs of new markets, such as the environment and energy markets.

PRODUCTS

Electronic components

Transformers, inductors, reactors
Choke coils
Current sensors

AC adapters, Battery chargers
Power modules
Industrial power supplies

Piezoelectric ceramic products

Thermal-links, resistors

LED-related products

Electronic chemicals/FA systems

Solder paste & post-flux
Self Assembling Material

Solder resists
(for rigid PCBs and flexible PCBs)
OSP (pre-flux)
White reflective material, black absorbing material

Reflow soldering system
Wave soldering system
Spray fluxer and other peripheral devices

Information equipment

Audio mixing console for broadcast use
Sound editor and other equipment for broadcast use

Wireless intercom
Wireless microphone

Communication network equipment
Security-related equipment
OEM products

CORE TECHNOLOGY

Power solutions

- Dust core material development and mass-production technology
- Thermal protective element development and mass-production technology
- Electromagnetic field, heat, structural analysis (simulation) technology
- High-efficiency, low-noise power supply technology
- Large coil production technology
- Production technology for insulation encapsulation in coil processing
- Environmental technology
- Adaptive technology for highly reliable standards (JAXA and MIL standards, etc.)

Piezoelectric ceramics

- Material development and process technology
- Element design technology and analysis technology
- Technology for controlling piezoelectric elements

LED and semiconductor devices

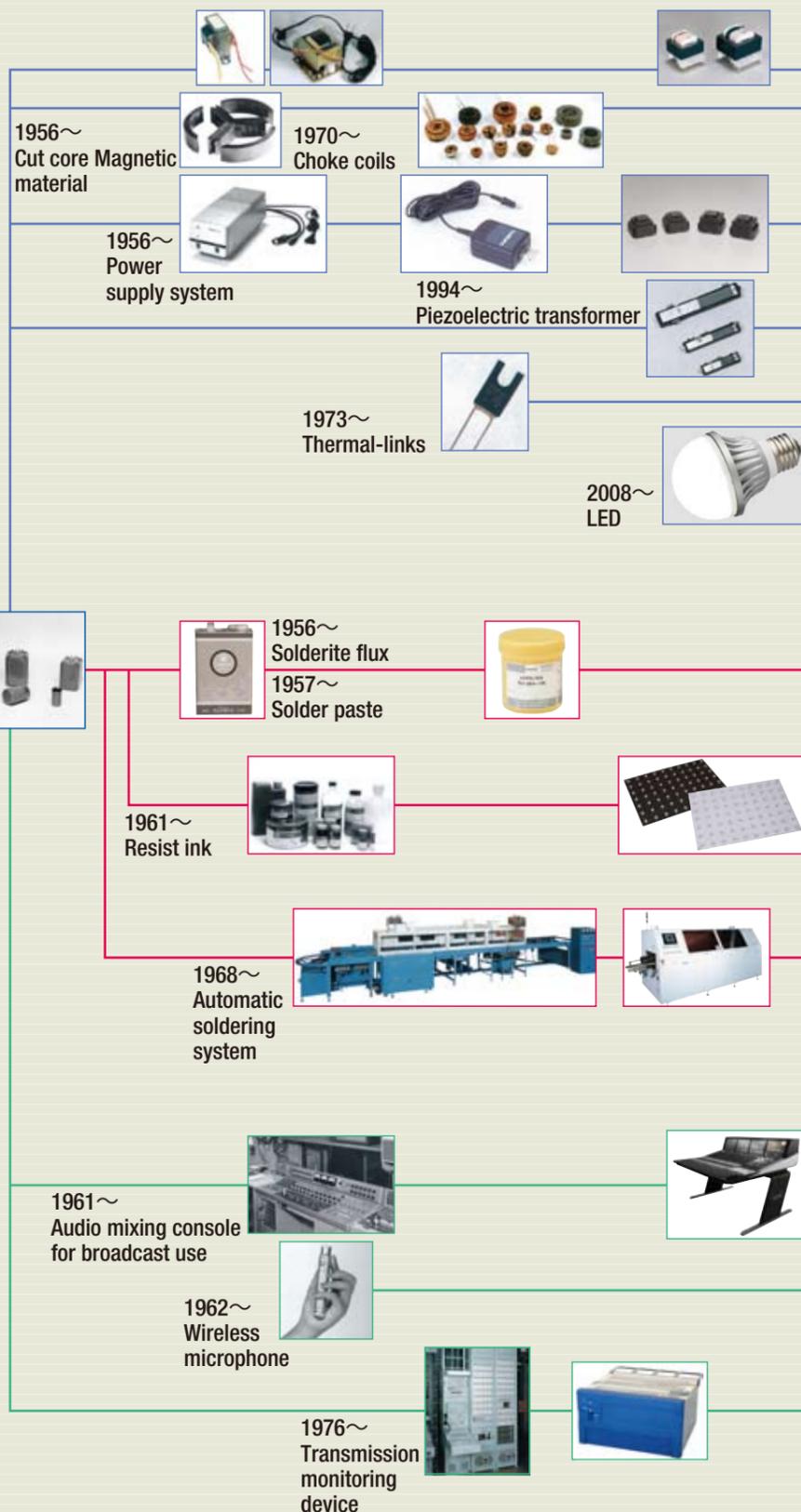
- LED packaging technology
- Thermal design and analysis technology
- Optical design and analysis technology
- High-efficiency reflection processing technology
- Growth technology of single crystal substrates
- High-quality epitaxial growth technology
- High efficiency High-power LED manufacturing
- Lighting design technology

Electronic mounting process, PCB material and semiconductor mounting material

- Unified, collaborative product development for both material and equipment
- Resin design and synthesis technology (photosensitive resin, thermosetting resin, thermoplastic resin)
- Metal powder production technology
- Soldering technology
- Photosetting technology
- Thermosetting technology
- Environmental technology (technologies compliant with Pb-free, halogen-free requirements)
- Reflow heating technology
- Soldering technology
- Wave soldering technology
- Heat control technology
- (Nitrogen) Atmosphere control technology

Information equipment

- Audio processing technology
- Digital signal processing technology
- Light modulation/demodulation technology
- Acoustic technology
- High-frequency technology
- Radio technology
- High-density mounting technology
- Surround-sound technology

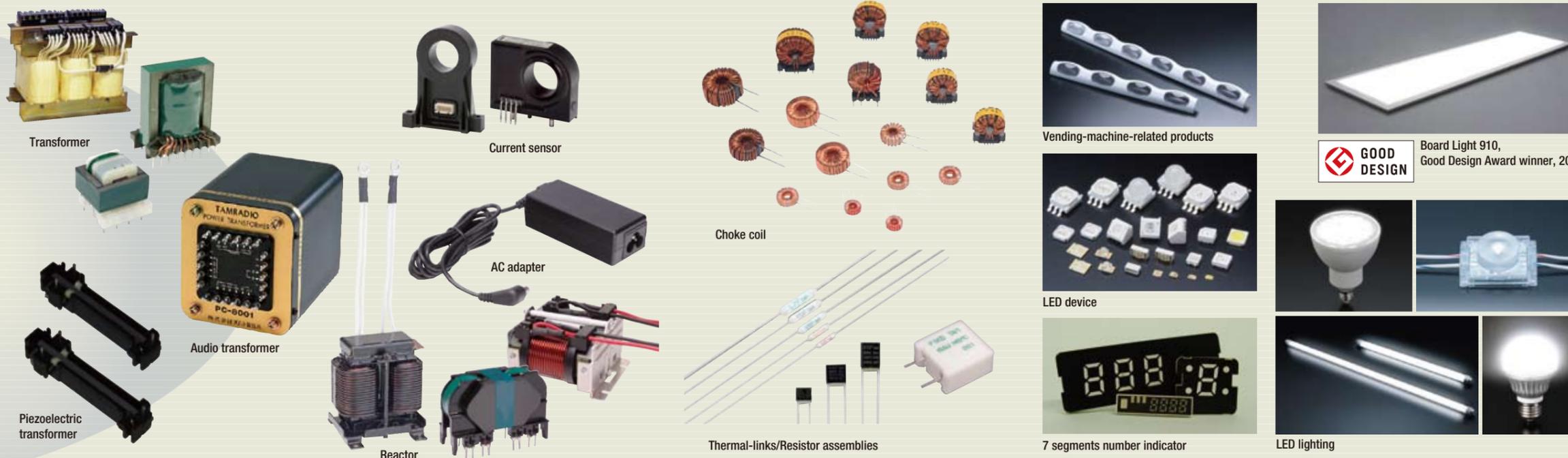


PRODUCT REVIEW

~Supporting the electronics industry from materials to systems~

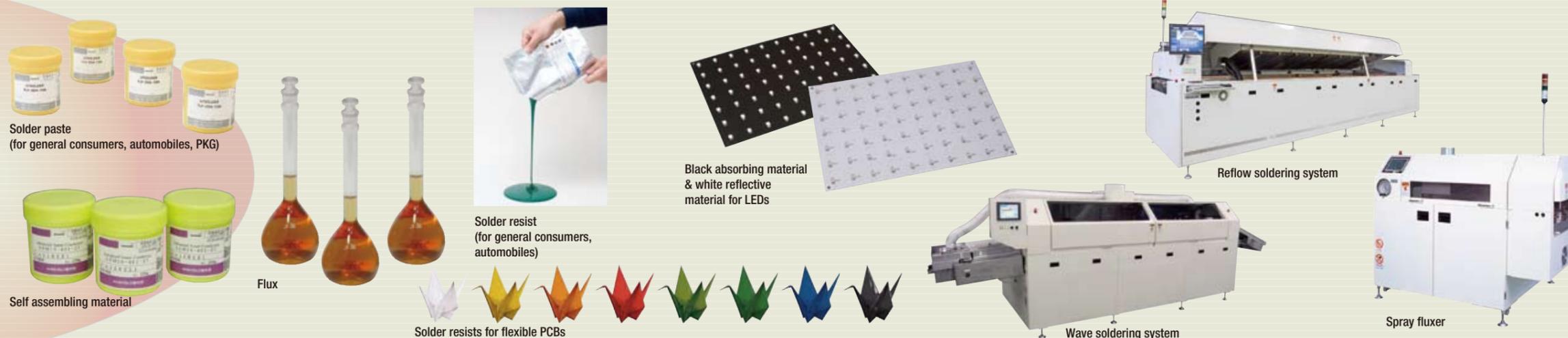
Electronic components

Development, manufacture, and marketing of materials, components, and finished products, including transformers, LEDs, piezoelectric ceramics, and battery chargers, contributing to the supply of products in a wide range of markets, from household appliances to industrial devices, medical instruments, and aerospace equipment



Electronic chemicals/ FA systems

Development, manufacture, and marketing of PCB materials, soldering materials for PCB components, and PCB soldering systems, contributing to the growth of various electronics equipment industries



Information equipment

Audio mixing console and wireless communication devices are all contributing to the growth of digital broadcasting. While communication equipment and systems are helping build a "ubiquitous network society," wireless communication devices for railway systems, security-related instruments are providing safety, security, and comfort in everyday living.

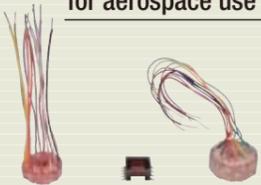


Supporting Environmental Energy

Contributing to the environment, green energy, and ecology
 Tamura's technology at work in a variety of fields where
 our future is being created

■ Electronic components ■ Electronic chemicals/FA systems ■ Information equipment

Transformers and coils for aerospace use



As the only domestic manufacturer that has obtained certification from Japan Aerospace Exploration Agency (JAXA) for the standards of transformers and reactors for power systems, we develop, produce, and supply transformer and coil products for onboard use on satellites and their launching vehicles.

Charge/discharge controller



This device controls nighttime power consumption such that it is in optimal equilibrium with daytime power generation. By bringing together Tamura's power supply technologies, we are able to achieve efficient use of solar energy, even in the shorter daylight period.

Automotive reactor



The reactor is a key component for optimal voltage control in hybrid and electric cars. Our reactors ensure not only eco-friendly but also highly reliable and safe driving.

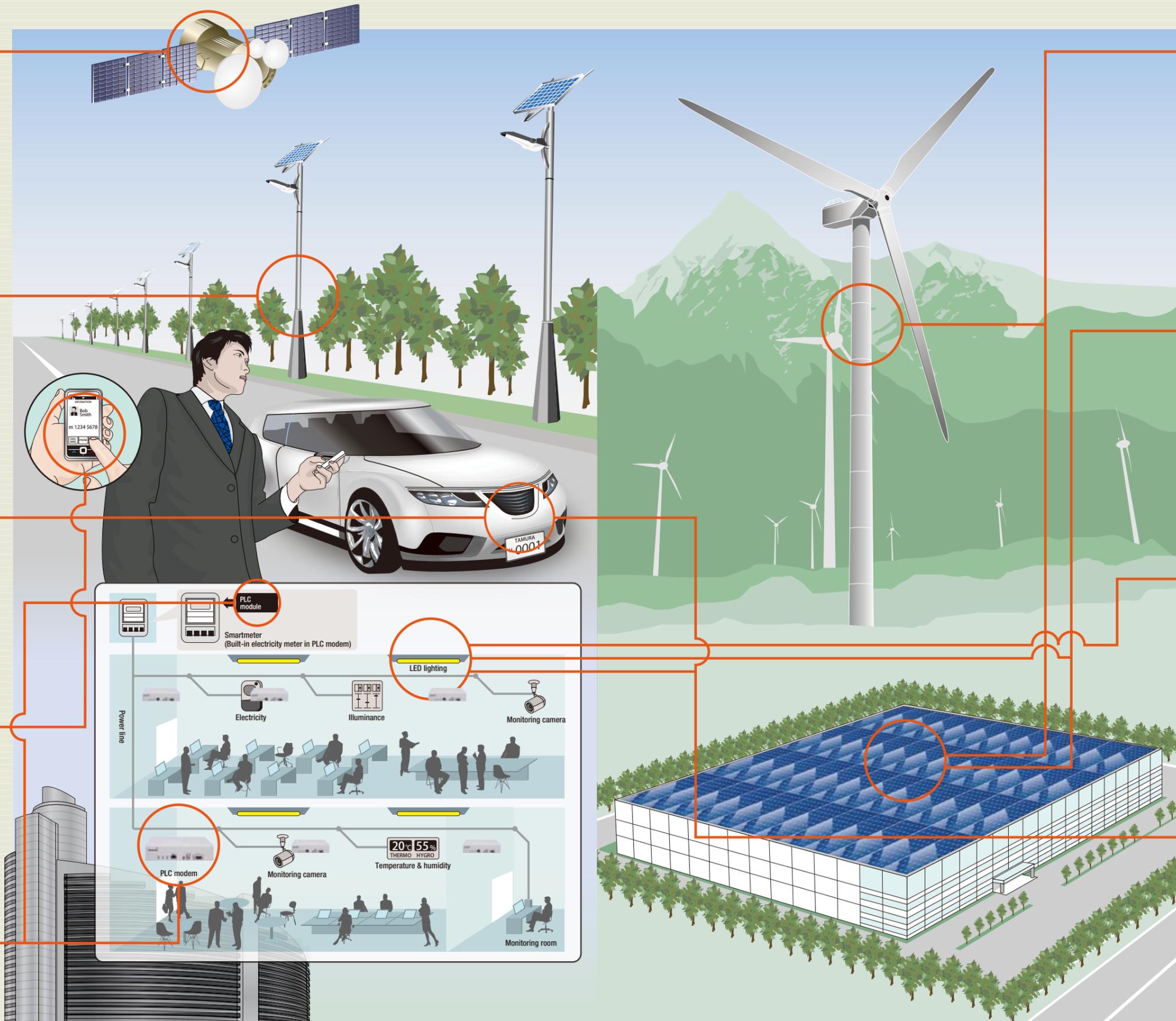
Black absorbing material



Black absorbing materials absorb light for a cleaner silhouette. In addition to their functionality, their stylish appearance has led to use in mobile devices and other items.

PLC module/modem

Tamura's PLC modem is hard at work in systems that use power line communications (PLC) to monitor energy and temperature in offices and other buildings.



Large-size transformers



The water-cooled transformer, one of Tamura's large-size transformers, employs the most advanced technology and has achieved high output and space saving. It also provides reliability in the renewable energy market, including wind and solar power generation, electric power supply for boats and ships, and various types of large motor control.

White reflective material



White reflective material was originally created as a reflector for LEDs. Today, it is gaining additional attention for use in solar panels, increasing the reflectance ratio of sunlight and helping increase power generation efficiency.

LED lighting



Interest in LED lighting is growing for its energy efficiency, long life, and environmental friendliness. Tamura is at work right where you can see it, lighting the way to a green lifestyle.

Thermal-links/Resistor assemblies Metal-clad resistor



Thermal-links/resistor assemblies and Metal-clad resistor, which have been used for a variety of environmentally conscious products, including electric vehicles, detect abnormalities in devices to protect products from trouble.

Supporting Industries

Our technological contributions are reliable, highly functional, and efficient

Tamura's technologies sustain our lives behind the scenes

■ Electronic components ■ Electronic chemicals/FA systems ■ Information equipment

Solder resist



The solder resist plays an important role in maintaining insulation performance by protecting printed circuit boards (PCBs) from oxidation. Mindful that it serves as the face of PCBs, Tamura is as attentive to the external appearance as the reliability.

Solder paste



We have developed lead-free solder paste by taking the powder form of solder alloy and blending it with flux, responding to customers' needs ahead of the curve.

Flux



Flux is the keystone of Tamura's materials development. By chemically removing oxide film from the metal surface to be soldered, flux ensures superior wettability and spreadability for solderable metals.

Self Assembling Material



This new joint material simultaneously achieves metallic bonding and adhesion using thermosetting resin. This lead-free, VOC-free product is designed to have minimal environmental impact. Its capacity for low-temperature joining means that it also produces low CO₂ emissions.

Current sensor



Our current sensors are in wide use, from DC-AC power conversion control to battery current management and high-precision motor control.

UPS

Visible light telecommunications

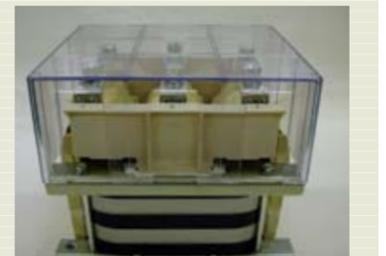
Audio, video, and other data are transmitted through the high-speed blinking of an LED light source. The technology is eliciting much attention as a new communication method that could be used in such settings as hospitals and machine rooms where there is concern about equipment malfunction due to radiowave.

Piezoelectric transformer



By using the resonance property of piezoelectric ceramics, this transformer is able to efficiently transform low-voltage input into high-voltage output.

Reactor



The reactor controls current and voltage to optimal levels in an array of electronic devices. The growing awareness in energy efficiency has led to renewed interest in reactors.

Soldering system



Reflow soldering system



Wave soldering system

The soldering system is essential to PCB assembly process. As a pioneer of lead-free soldering systems, Tamura will continue to promote energy efficiency and environmental friendliness.

GROUP NETWORK



Offices and Factories/Affiliated Companies as of July 1, 2013

01 Head Office

Electronic Components

■ Offices and Factories

- 02 SAKADO FACTORY
- 06 OSAKA SALES OFFICE
- 07 NAGOYA SALES OFFICE

■ Affiliated Companies - Japan

- 01 KOHA CO.,LTD
- 04 TAMURA THERMAL DEVICE CORPORATION
- 09 AIZU TAMURA CORPORATION
- 10 WAKAYANAGI TAMURA CORPORATION
- 11 KOHA CO.,LTD.Hamamatsu Plant

■ Affiliated Companies - Overseas

- 01 TAMURA CORPORATION OF KOREA
- 02 TAMURA CORPORATION OF CHINA LIMITED
- 02 TAMURA SEIKO ELECTRONICS(CHANG SHU)CO.,LTD.
- 04 HEFEI ECRIEE-TAMURA ELECTRIC CO.,LTD.
- 05 TAMURA ELECTRONICS(S.Z.)CO.,LTD.
- 05 TAMURA ELECTRONICS(HUI ZHOU)CO.,LTD.
- 05 ANZEN DENGU(HUI ZHOU)CO.,LTD.
- 06 TAMURA CORPORATION OF HONG KONG LIMITED
- 07 TAMURA POWER TECHNOLOGY CO.,LTD.
- 08 TAMURA CORPORATION(THAILAND)CO.,LTD.
- 09 TAMURA ELECTRONICS(M)SDN.BHD.
- 10 TAMURA CORPORATION SINGAPORE PTELTD.

11 OP-SEED CO.,(BD)LTD.

12 ROMARSH ELCOMPONICS TECHNOLOGIES PVT.LTD.

- 13 TAMURA EUROPE LIMITED.
- 14 TAMURA EUROPE LIMITED o.s.(CZECH Branch)
- 15 TAMURA CORPORATION OF AMERICA
- 16 TAMURA POWER TECHNOLOGIES DE MEXICO,S.A.DE C.V.
- 17 TELEPART-TAMURA INDUSTRIA E COMERCIO LTDA.
- 17 Industria Sul Brazil de Transformadores Ltda.
- 17 Indusul Industria de Transformadores Ltda.

Electronic Chemicals / FA Systems

< Electronic Chemicals >

■ Offices and Factories

- 03 IRUMA FACTORY
- 05 KODAMA FACTORY
- 06 OSAKA SALES OFFICE
- 07 NAGOYA SALES OFFICE

■ Affiliated Companies - Overseas

- 01 TAMURA CHEMICAL KOREA CO.,LTD.
- 02 SHANGHAI XIANGLE TAMURA ELECTRO CHEMICAL INDUSTRY CO.,LTD.
- 03 TAMURA ELECTRONIC MATERIAL(TIANJIN) CO.,LTD.
- 05 TAMURA KAKEN(DONGGUAN)LTD.
- 06 TAMURA CORPORATION OF HONG KONG LIMITED
- 07 TAMURA KAKEN TECH CO.,LTD.
- 08 TAMURA CORPORATION (THAILAND) CO., LTD.
- 09 TAMURA KAKEN(M)SDN. BHD.

10 TAMURA CORPORATION SINGAPORE PTELTD.

13 TAMURA KAKEN(U.K.)LTD.

15 TAMURA KAKEN CORP.,U.S.A.

< FA Systems >

■ Offices and Factories

- 04 SAYAMA FACTORY
- 06 OSAKA SALES OFFICE
- 07 NAGOYA SALES OFFICE
- 08 FUKUOKA SERVICE OFFICE

■ Affiliated Companies - Overseas

- 01 TAMURA CORPORATION OF KOREA
- 02 TAMURA FA SYSTEM (SUZHOU) CORPORATION
- 08 TAMURA CORPORATION (THAILAND) CO., LTD.
- 10 TAMURA CORPORATION SINGAPORE PTELTD.
- 14 TAMURA EUROPE LIMITED. o.s.(CZECH Branch)
- 18 TAMURA CORPORATION VIETNAM CO., LTD.

Information Equipment

■ Offices and Factories

- 01 TOKYO FACTORY
- 06 WEST JAPAN SALES OFFICE

■ Affiliated Companies - Japan

- 09 AIZU TAMURA CORPORATION

■ Affiliated Companies - Overseas

- 01 TAMURA CORPORATION OF KOREA

CSR REPORT DIGEST

We believe that CSR (the corporate social responsibility) of the Tamura Group is to achieve the Mission Statement (P.2) through our business activities. To this end, we are actively promoting CSR, as we recognize the importance of each and every employee understanding the concept and acting accordingly.

■ Corporate Slogan

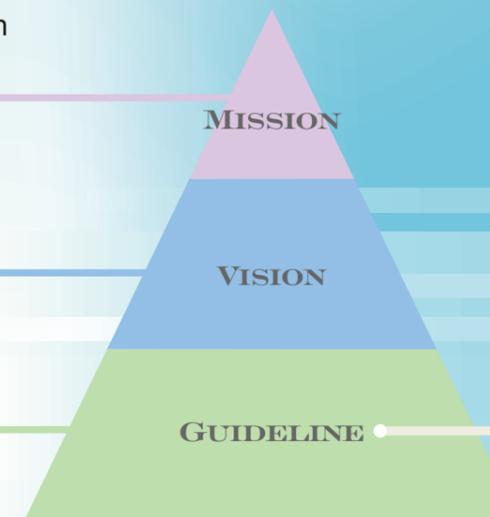
Tamura's mission is to be "your one and only company"

■ Tamura Group Mission

The reason for the Group's existence; the overriding concept

Basic management policy and publicly declared attainment targets

Standards of thought and action to be observed constantly by executives and employees alike



Seventeen Aspects of the Tamura Group Code of Conduct

1. Ensuring Customer Trust and Satisfaction in our Business Activities
2. Acquiring the Trust of All Shareholders and Stakeholders in our Business Activities
3. Respect of Human Rights
4. A Safe and Healthy Working Environment
5. Free Competition and Fair Trade
6. Prohibition Against Insider Trading
7. Prohibition Against Inappropriate Hospitality or Gifts
8. Prohibition Against Inappropriate Dealings with Public Bodies and Inappropriate Political Contributions
9. Compliance with Laws and Regulations Regarding Import and Export Controls for Security
10. Creation, Protection and Use of Intellectual Property Rights and Know-How
11. Prohibition Against Association with Anti-Social Groups
12. Prohibition Against Competition or Conflict of Interest
13. Appropriate and Timely Information Disclosure
14. Appropriate Protection and Handling of Information (Corporate Information, Private Information, etc.)
15. Preservation of Company Assets
16. Respect for the Global Environment
17. Cooperation with the International Community and Co-existence with Local Communities

Tamura's founding spirit of "Contributing to society with outstanding technologies and products" is expressed in the phrase "the one and only company," upheld as the corporate slogan representing Tamura's management philosophy. In January 2007, the Tamura Group Code of Conduct was instituted to outline the standards of thought and action to be adhered to in day-to-day activities that are envisioned in the Tamura Group Mission guidelines.

■ Main stakeholders of Tamura Group

We strive to achieve business management that will generate profit for shareholders and investors and meet their expectations, and endeavor to disclose information in an appropriate and timely manner to ensure accurate representation of the Group's corporate activities.

Frameworks for cooperation with business partners are vital when social and environmental effects of our business activities are taken into consideration. In addition to engagement in fair and honest business dealings, we promote CSR procurement and green procurement as a way to incorporate social and environmental considerations into the supply chain management.



We endeavor to understand the needs of our customers so that we can continually supply products and services that will earn their trust and give them satisfaction in such aspects as quality and safety. We also provide products and services with high social value, for example, in terms of welfare or environmental preservation, which will contribute both to the development of our customers and to the creation of a sustainable society.

The development of each and every employee sustains the growth of the Tamura Group. We strive to create workplaces that promote employee self-fulfillment, encouraging them to place value on partnership, personal growth, the courage to innovate, and individuality, as well as to make the most of their abilities.

To earn the favor and trust of the local community, we show respect for the history, customs, and culture of each country or region and undertake social contribution activities in close association with the community. We also seek to contribute to local development, attaching importance to communication.



Plans and Results of CSR Initiatives

Main Initiatives and Results in FY2012 and Plans for FY2013

The Tamura Group is promoting corporate social responsibility (CSR) activities, as listed below.

Criterion for self assessment Achievement of 100% or higher 80 - 100% less than 80%

Area of activity	Issue/Theme	Main activities planned for FY2012	Results of main activities in FY2012	Self assessment	Report page	Main stakeholder	Main activities planned for FY2013
(General)	<ul style="list-style-type: none"> ● Elimination of CSR risk ● Enrichment of CSR education 	<ul style="list-style-type: none"> ● Education making use of the "CSR Information Site" 	<ul style="list-style-type: none"> ● Education making use of the "CSR Information Site" 		WEB	Employee	<ul style="list-style-type: none"> ● Preparation for CSR self-check ● Education making use of the "CSR Information Site"
Compliance / Corporate ethics	<ul style="list-style-type: none"> ● Communication of management philosophy and Tamura Group Code of Conduct ● Promotion of compliance with laws and regulations ● Enhancement of compliance education 	<ul style="list-style-type: none"> ● Promotion of education for dissemination of corporate philosophy and the Tamura Group Code of Conduct ● Promotion of compliance education 	<ul style="list-style-type: none"> ● CSR education (including compliance) in short-term training courses for management level personnel ● Education through compliance movie materials ● Compliance training for managers given by an external trainer ● Briefing for KOHA on security trade control ● Briefing for KOHA on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors 		WEB	Employee	<ul style="list-style-type: none"> ● Promotion of education for dissemination of corporate philosophy and the Tamura Group Code of Conduct ● Promotion of compliance education
Risk management	<ul style="list-style-type: none"> ● Strengthening of risk management 	<ul style="list-style-type: none"> ● Creation of an emergency response manual for the Tamura Group which covers a greater scope of emergency situations in addition to large earthquake ● Preparation of stockpiles at each business site ● Implementation of emergency drills 	<ul style="list-style-type: none"> ● Issuing of the "Emergency Response Manual for the Tamura Group" which covers a greater scope of the "Major Earthquakes Countermeasure Manual for the Tamura Group" ● Development of BCP at domestic and overseas business sites ● Global implementation of BCP in individual business segments ● Installation of satellite telephones at domestic business sites ● Preparation of stockpiles at domestic business sites (Preparation of water, food, and helmets completed) ● Implementation of joint emergency drills for domestic business sites 		WEB page17	Employee	<ul style="list-style-type: none"> ● Periodic/occasional review of BCP documents ● Well-planned preparation of stockpiles at individual business sites ● Implementation of emergency drills
Information management	<ul style="list-style-type: none"> ● Reinforcement of data protection program ● More timely and appropriate disclosure of corporate information 	<ul style="list-style-type: none"> ● Timely and appropriate corporate information disclosure on Website 	<ul style="list-style-type: none"> ● Timely and appropriate corporate information disclosure on Website 		WEB	Shareholder/investor, Employee	<ul style="list-style-type: none"> ● Reinforcement of the information protection system ● Timely and appropriate corporate information disclosure on Website
Human rights / Labor	<ul style="list-style-type: none"> ● Improvement of internal employee education ● Establishment of fair and impartial evaluation system ● Activation of internal communications 	<ul style="list-style-type: none"> ● Continuous execution of international management training programs ● Strengthening of mental healthcare ● Internal inspections for safety and health ● Response to conflict minerals issues 	<ul style="list-style-type: none"> ● Execution of international management training programs ● Hosting of mental healthcare training (KOHA) ● Periodic stress counseling ● Response to the revised Law for the Stabilization of Employment of the Aged ● Internal inspections for safety and health (at business sites of Tamura Corporation, etc.) ● Decision on how to survey conflict minerals and execution of the survey 		WEB page17	Employee International community	<ul style="list-style-type: none"> ● Continuous execution of international management training programs ● Enhancement of mental healthcare ● Internal inspections for safety and health ● Response to conflict minerals issues
Environment / Quality	[Quality]	<ul style="list-style-type: none"> ● Quality inspection by top management ● Quality improvement awareness building activities during quality month ● Hosting of the Tamura Group Quality Promotion Conference ● Update of Green Procurement Standards ● Strengthening of management of chemical substances in products 	<ul style="list-style-type: none"> ● Quality inspection by top management ● Message sent by officers responsible for quality on the first day of the quality month ● Hosting of the 6th Tamura Group Quality Promotion Conference 		WEB	Customer, Business partner, Employee	<ul style="list-style-type: none"> ● Quality inspection by top management ● Quality improvement awareness building activities during the quality month ● Hosting of the Tamura Group Quality Promotion Conference ● Update of green procurement standards ● Strengthening of management of chemical substances in products
	[Environment]	<ul style="list-style-type: none"> ● Acquisition of ISO14001 integrated certification for the head office and Hamamatsu Plant of KOHA ● Increased ratio of eco-design product sales to total sales ● Premier eco-design products: 24% (General eco-design products: 56%) ● Reduction of substances with environmental load: 63% reduction in basic unit vs. FY2005 ● Reduction of CO₂ emissions: 6% reduction in basic unit vs. previous year ● Compliance with environmental laws and regulations 	<ul style="list-style-type: none"> ● Acquisition of integrated certification for the head office and Hamamatsu Plant of KOHA ● Ratio of eco-design product sales to total sales ● Premier eco-design products: 15% [Target not achieved] ● (General eco-design products: 57% [Target achieved]) ● Reduction of substances with environmental load: 61% reduction [Target not achieved] ● Reduction of CO₂ emissions: 2% reduction [Target not achieved] ● No violations of environmental laws and regulations 		WEB page19-20	Customer, Local community, International community, Employee	<ul style="list-style-type: none"> ● Ratio of eco-design product sales to total sales ● Premier eco-design products: 15% ● Reduction of substances with environmental load: 60% reduction in basic unit vs. FY2005 ● Reduction of CO₂ emissions: 3% reduction of electricity usage vs. FY2005 ● Compliance with environmental laws and regulations
Social contribution	<ul style="list-style-type: none"> ● Continuous social contribution activities ● Coexistence with community and volunteer activities ● Promotion of cultural, arts, and sports activities 	<ul style="list-style-type: none"> ● Donation activities ● Hosting of <i>Monozukuri</i> (manufacturing) school ● Sports promotion ● Internship and job experience programs ● Co-existence with the community, volunteer activities ● Promotion of Eco-cap Campaign ● Promotion of used stamp collection 	<ul style="list-style-type: none"> ● Donation activities ● Donation of LED bulbs to Nerima-ku (Tokyo) and Shiki-shi (Saitama) from KOHA ● Hosting of <i>Monozukuri</i> (manufacturing) school ● Sponsorship of AS Elfen Sayama FC (Japan Women's Football League) ● Implementation of internship and job experience programs ● Promotion of environment beautification activities near and around individual business sites ● Promotion of Eco-cap Campaign ● Promotion of used stamp collection 		WEB page17-18 (Part of the results described in the left column)	Local community, Employee	<ul style="list-style-type: none"> ● Donation activities ● Hosting of <i>Monozukuri</i> (manufacturing) school ● Sports promotion ● Internship and job experience programs ● Co-existence with the community, volunteer activities ● Promotion of Eco-cap Campaign ● Promotion of used stamp collection
Items other than above areas	<ul style="list-style-type: none"> ● Dissemination of UN Global Compact activities 	<ul style="list-style-type: none"> ● Dissemination using the "CSR Information Site" 	<ul style="list-style-type: none"> ● Implementation of education making use of the "CSR Information Site" 		WEB	International community	<ul style="list-style-type: none"> ● Dissemination using the "CSR Information Site"
	<ul style="list-style-type: none"> ● ISO26000 compliance 	<ul style="list-style-type: none"> ● Promotion of a crosscheck with the Tamura Group Code of Conduct 	<ul style="list-style-type: none"> ● Crosscheck with the "Tamura Group Code of Conduct," etc. [Delayed] 		WEB	International community	<ul style="list-style-type: none"> ● Revision and communication of "Tamura Group Code of Conduct"
	<ul style="list-style-type: none"> ● CSR promotion in the supply chain 	<ul style="list-style-type: none"> ● Promotion of general knowledge regarding non-usage of conflict minerals ● Promotion of green procurement 	<ul style="list-style-type: none"> ● Decision on how to survey the usage of conflict minerals and beginning of the survey of business partners ● Promotion of CSR procurement ● Promotion of green procurement 		WEB page17	Business partner, International community	<ul style="list-style-type: none"> ● Promotion of general knowledge regarding non-usage of conflict minerals ● Promotion of CSR procurement ● Promotion of green procurement

Note: Activities in 2012, with some exceptions, are available on the following Web page. URL <http://www.tamura-ss.co.jp/en/csr/index.html>



Social
Performance
Report

CSR Topics in FY2012

BCPs (Business continuity plans)

In the light of importance of BCP that was recognized even more after the Great East Japan Earthquake, the Tamura Group established the "Tamura Group Major Earthquake Countermeasure Manual" that was applicable to all the establishments at home and abroad in FY2011. The manual summarizes details of measures ranging from the initial responses immediately after a major earthquake to those for disaster restoration and business resumption. In FY2012, it was expanded to the "Tamura Group Emergency Measures Manual" that covers risks of not only massive earthquakes but also storm & flood damage, fire disaster, large-scale blackout, mass infection, contamination of radioactive substances, and war/revolution/civil war/riot. Formulation of the BCP of each establishment is nearly completed and formulation has been launched also on a global level. For example, procedures and necessary documents have been developed in anticipation of a disaster where any of the establishments is hit by a disaster and unable to operate so that the production system can be re-established as promptly as possible in other plants. We will keep responding to changes surrounding the Tamura Group and will continue to improve our BCPs.

Maintenance and storage of emergency supplies

Maintenance and storage of emergency supplies have been under way on establishment basis. Within Japan, storage of drinking water and food supplies, enough to last 3 days for employees who cannot return home on foot, has already been completed. In addition, protective helmets for evacuation have been distributed to not only Tamura Group's employees but also all the staff of subcontractors working at the Group's establishments. Further, satellite phones have been introduced based on what we learned from the Great East Japan Earthquake that instantly disrupted communication means. In consideration of the priority levels, we will continue to improve our preparedness for disasters.

Donation of LED bulbs (KOHA Co., Ltd.)

As a part of its social contribution activity, in FY2012 also, KOHA donated its "Shining Ball" LED bulbs that can contribute to power saving. In Nerima Ward of Tokyo where the head offices of Tamura Corporation and KOHA are located, 5,700 LED bulbs were donated and distributed to visitors at its Environment Month event, contributing to improve environmental awareness among citizens. Further, 1,145 LED bulbs were donated to Shiki City in Saitama Prefecture, which have been installed in the welfare centers in the city, contributing to power saving.



Nerima Ward, Tokyo



Shiki City, Saitama Prefecture

Our Initiatives for Issues of Conflict Minerals

The Final Rule of the disclosure provisions regarding Conflict Minerals under Section 1502 of the U.S. Dodd-Frank Act (Financial Regulatory Reform) was issued on August 22, 2012 and became effective in January 2013. The four minerals, which can be used in products and are defined as Conflict Minerals, are tin, gold, tantalum, and tungsten. Companies are obliged to disclose if they use the minerals mined in conditions of armed conflict and human rights abuses in the Democratic Republic of the Congo (DRC) conflict region and the nine adjoining countries. It is essential to avoid complicity in conflict by stopping purchasing them and cutting off funding to the armed groups. Conflict Minerals that do not fall under the above conditions are called DRC Conflict Free and companies are required to certify that the Conflict Minerals used by them are DRC Conflict Free.

As our solder paste and thermal-links use solder containing tin as a major component, it is important for us in relation to CSR (respect for human rights, compliance, etc.) to investigate and confirm that it is DRC Conflict Free.

In response to issuance of the Final Rule, we established the investigation procedure in October 2012 and requested our suppliers to conduct a substantial investigation. The investigation should include identifying the smelting works by tracing back the supply chain and certifying that the mineral supplied is DRC Conflict Free. As the Tamura Group purchases solder base metal of the designated components and pulverizes it to make solder paste, we asked for cooperation from our suppliers and their concerned parties in the supply chain. As a result, it was reported that the tin contained in the solder base metal supplied to the Group is DRC Conflict Free, regarding which all the smelting works could be identified.

As for the tin used in the production of thermal-links, a part of the investigation is not yet completed as of the writing of the Report. However, DRC Conflict Free has been confirmed for all the responses so far received.

With regard to other materials, investigation of use of Conflict Minerals is also underway with the cooperation of our primary, secondary, and tertiary suppliers.

We are determined to continue fulfilling our Corporate Social Responsibility through promoting CSR procurement.

Awarded as "Dongguan City Environmental Friendship Company" (TAMURA KAKEN (Dongguan) Co., Ltd.)

On April 23, 2012, TAMURA KAKEN (Dongguan) Co., Ltd. was awarded as the "Dongguan City Environmental Friendship Company." Since its foundation, TAMURA KAKEN (Dongguan) Co., Ltd. has been focusing on environmental protection, observing the national standards for exhaust gas/drainage/noise/industrial waste, and working at greening as well as energy saving of the company. Because of these efforts, the company was highly recognized by the environmental management division of Shijie Town, which recommended the company to the Dongguan city government. The award was presented after a thorough examination of the city's environment protection office.



Commendation certificate



Plaque

Comment from the person in charge

A large volume of materials had to be submitted for the examination of the "Dongguan City Environmental Friendship Company" by Dongguan City's environment management office and it required three months for us to prepare. We are honored to become one of the only three companies in Shijie Town with a large number of leading companies. We would like to continue working on environmental improvement of our company and to contribute to the society.



Lee Jun Min

Deputy General Manager,
Business Management Dept.

Monozukuri School

Since 2008, the Tamura Group has been holding the "Monozukuri (product making) School" every year. In this fifth year, it was held in the woodworking classroom of Irumagawa Elementary School in Sayama City, Saitama Prefecture on December 1, 2012, titled "Monozukuri School - Let's assemble your own radio." Participants were 19 elementary school children from Sayama City. The instructors consisted of employees of Sayama Factory of Tamura Corporation and of Tamura Thermal Device Corporation located in the city. The children worked on assembling radios on a one-on-one basis.

The children who looked nervous at first with their initial experience in soldering began to look relaxed and interested as they got used to soldering. At the stage to test correct soldering, the instant they heard a sound from the radio, all children had a satisfying look on their face. By the time they worked at final finish with their last spurts, they all seemed to be deeply committed.

The establishments are taking turns at providing the venue for Monozukuri School. Even if it is only once a year, we will continue holding the Monozukuri School believing that it will help raise future engineers.



Regional cleanup activities (Aizu Tamura Corporation)

On October 1, 2012, Regional Cleanup was held for the first time for Aizu Tamura Corporation with participation of all the employees. It was realized based on the company's intention to promote regional contribution in order to increase exchange with the local community. The company intends to continue this activity on a regular basis.



Sponsorship of AS Elfen Sayama FC (Japan Women's Football League)

Tamura Corporation, since 2006, has been supporting as a Top Partner the "AS Elfen Sayama FC" that is based in Sayama City of Saitama Prefecture and belongs to the Challenge League of the Japan Women's Football League. The Company has been providing the team and the local community with a practice ground by opening the sports center owned by the Company's establishment in the city. The Company also supports the Comprehensive Community Sport Club activities whose aims are to promote health and sports by mainly focusing on football lessons run by the NPO that operate the club. We will continue to improve our social contribution activities for the community through supporting sports activities.





Environmental Topics in FY2012

Environmental Management

The Tamura Group is working to lessen our environmental impact through ongoing improvements, making our contribution to the realization of a sustainable society.

Tamura Group Environmental Policy

Environmental Concept

The Tamura Group promotes the conservation of a biologically diverse global environment and conducts all of its business activities in harmony with the environment. These activities are based on the Group Mission Statement: "The Tamura Group offers an original range of products and services, highly regarded in the global electronics market, to satisfy the evolving needs of customers, employees and shareholders supporting the Group's growth."

Main Measures

The main focus of the Tamura Group's business is the design, development, production and servicing of electronic components, electro-chemical materials, soldering equipment and information equipment. Our environmental management system ensures the efficient use of resources, pollution prevention and compliance with regulations. We are also committed to continuously improving the management system and focus on the following activities for environmental protection:

1. The supply of eco-friendly products.
2. Control and reduction of environmental burden materials.
3. Promotion of energy conservation and saving resources.

Integration of Environmental Management System (EMS)

The Tamura Group established a globally integrated ISO14001-certified EMS in FY2006 and had integrated 23 sites at 15 companies by FY2011. In FY2012, it achieved further integration of two new sites at one company: KOHA Co., Ltd. (Head Office and Hamamatsu Plant).

Tamura Group Environmental Targets, Performance, and Evaluation

The Tamura Group takes initiative in environmental protection by setting three common targets of "increase in percentage sales of eco-design products," "reduction of substances with environmental load," and "reduction of CO₂ emissions" for each of the three main measures specified in its environmental policy.

In our efforts to "increase in percentage sales of eco-design products," although increase in percentage sales of the premier eco-design products was below the target, the eco-design products in general achieved the target.

As for "reduction of substances with environmental load," the target was not be reached.

With regard to "reduction of CO₂ emissions", although there was only 2% reduction per unit sales over the previous year, the total amount of CO₂ emissions has shown a substantial decrease from 35,094 t-CO₂* in FY2011 to 34,664 t-CO₂ in FY2012.

* Due to the addition of newly integrated sites, the figures do not match those of TAMURA CORPORATION REPORT 2012.

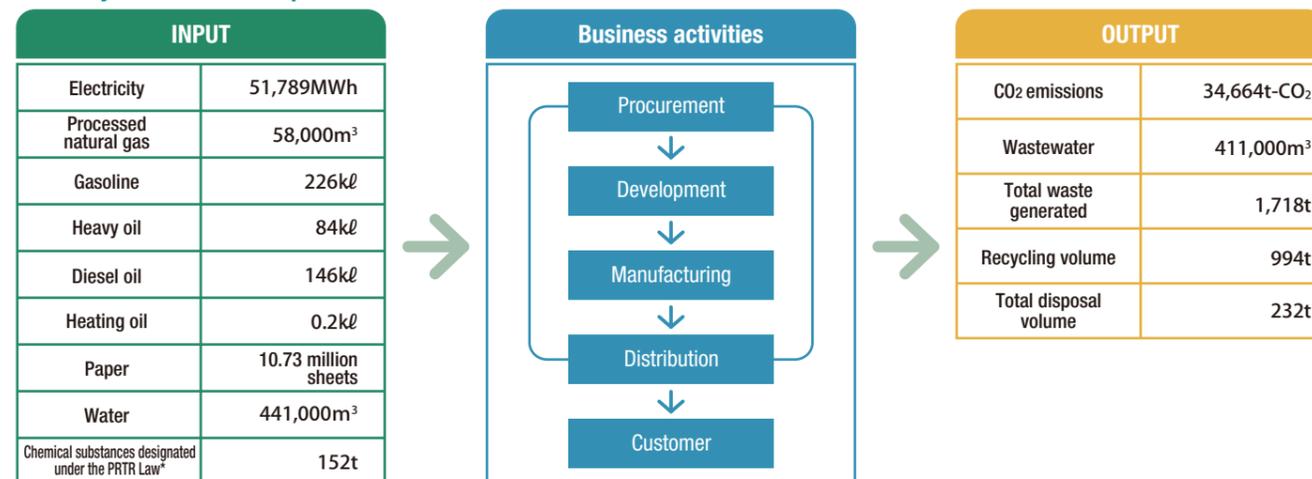
Long-term reduction target for greenhouse effect gas emission

The Tamura Group, in consideration of change in CO₂ emission factor, has adopted electric power consumption as the index and has set a new target of a 15% reduction in FY2020 (compared with the result in FY2005). The Group will continue to make efforts, aiming to realize a low carbon society.

Summary of the Tamura Group's Environmental Performance

The Tamura Group has a quantitative grasp of environmental load generated through its business operations and is working to reduce environmental load in various aspects of its business activities through development of premier eco-design products as well as improvements in productivity and distribution efficiency.

Summary of environmental performance in FY2012



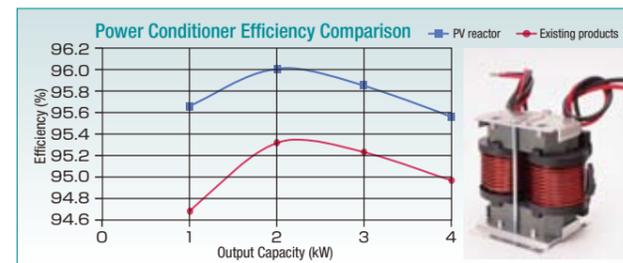
* We manage our factories overseas with the same criteria. This includes the figures for our factories overseas.

Example of New Premier Eco-design Products

The Tamura Group carries out the product environmental assessment in the development and design phase and while addressing the minimization of environmental impact, we will contribute to the global environment through development and offering of premier eco-design products.

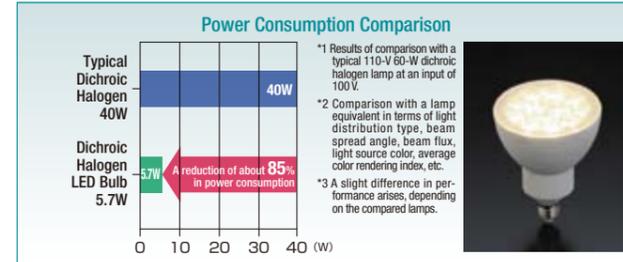
High-performance PV Reactors for Solar Power Generation

An electric power converter (power conditioner) that is used for solar power generation incorporates advanced technologies for maximizing the power conversion efficiency. We produced a catalogue of 108 variations of a PV reactor created by standardizing a reactor that is built into the electric power converter. The features are as follows: 1) A hybrid technology in which cores made of different materials are combined, 2) Spike-blocker technology for minimizing spike noise to contribute to the electromagnetic compatibility of converters, 3) CB-reactor technology for operating two MPPTs with one reactor to contribute to improving the efficiency of a set of equipment. This PV reactor is a global standard reactor that Tamura offers with confidence.



5.7-W Dichroic Halogen LED Bulb (LDR6L-M-E11/D)

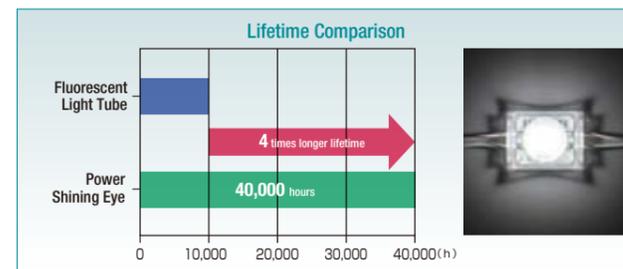
We developed this to help restaurants, apparel shops, and the like to reduce energy consumption. It has the same size as a conventional dichroic halogen lamp, but provides industry-leading levels of brightness. It does not require complicated installation and can be replaced easily. Moreover, it has a power consumption of 5.7 W, a reduction of about 85% from a typical 40-W dichroic halogen lamp, contributing to reduction of CO₂ emissions and electric energy usage.



Power Shining Eye (FA0039FD31)

We developed Power Shining Eye, a LED module for illuminations, as a light source for backlit signs and indirect lightings. It is smaller and thinner than conventional fluorescent light sources. In addition, it allows even surface emitting, and so can be used in various applications.

Its power consumption for use in a typical backlit sign is about 65% less than that of a conventional fluorescent light tube for such use. Also, it has a lifetime of 40,000 hours, reducing maintenance costs and so gaining popularity.



FY2012 Targets and Performance of the Tamura Group

	Environmental objectives	Environmental targets for FY2012	Achievements for FY2012	Environmental targets for FY2013
I	Increase in percentage sales of eco-design products	Percentage sales of premier eco-design products: 24% (Eco-design products: 56%)	15% (57%)	Percentage sales of premier eco-design products: 15%
II	Reduction of substances with environmental load	Chemical substances designated under the PRTR Law*: 63% reduction compared to FY2005	61% reduction	Chemical substances designated under the PRTR Law*: 60% reduction compared to FY2005
III	Reduction of CO ₂ emissions	CO ₂ emissions: 6% reduction in basic unit compared to the previous year	2% reduction	Electric power consumption: 3% reduction compared to FY2005

* PRTR: Pollutant Release and Transfer Register; a public registry on harmful chemical substance emissions into the environment that may have a potentially serious impact, as well as transfer of waste

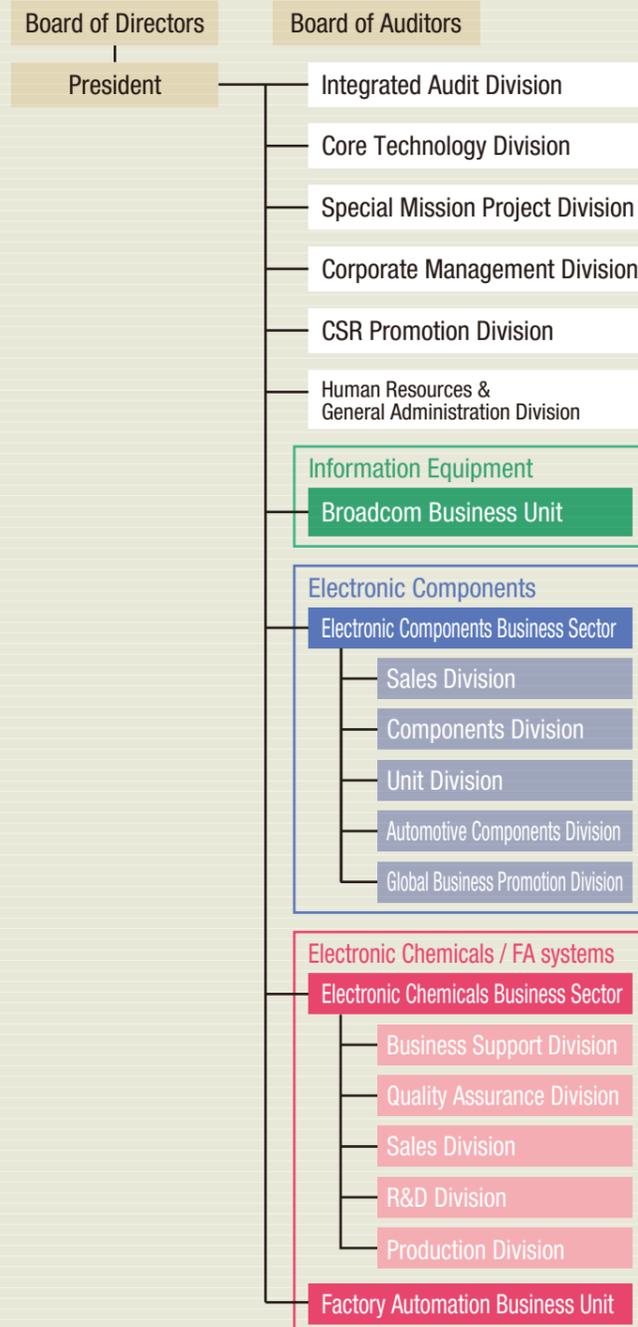
CORPORATE DATA

Company Profile

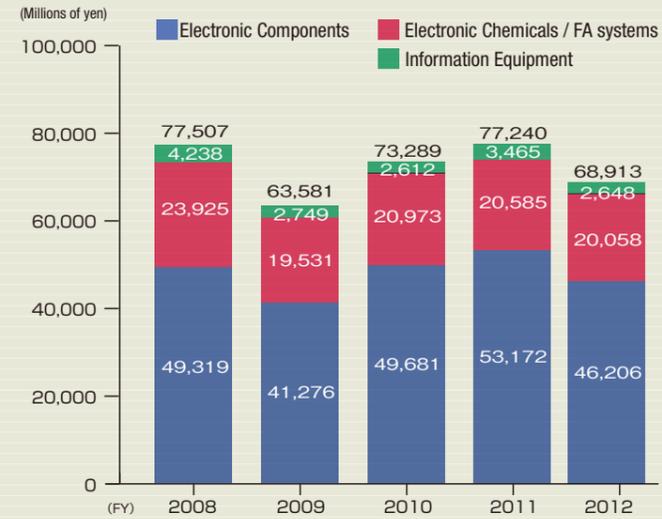
Company name	TAMURA CORPORATION	
Founded	May 11, 1924 (incorporated in 1939)	
Capital	¥11,829 million (as of March 31, 2013)	
Share capital	(as of March 31, 2013) Authorized 252,000,000 shares Issued and outstanding 82,028,901 shares (Not including 742,572 shares of treasury stock)	
Closing date	March 31, each year.	
Number of shareholders	12,016	
Directors/Corporate	(as of June 27, 2013)	
	President/CEO	Naoki Tamura
	Director/Vice President	Guohua Li Masahiro Asada
	Director	Takeo Minomiya (Outside Director)
	Director/ Senior Executive Officer	Yasuhiro Nakashima Norihiro Nanjo Shoichi Saito
	Senior Executive Officer	Yusaku Hashiguchi Tatsuya Kiyota
	Executive Officer	Koichiro Maiki Akira Tokumitsu Naokazu Sueda Seiji Shibata
	Standing Auditor	Hajime Kubo
	Auditor	Masanori Sato (Outside Auditor) Koichi Moriya (Outside Auditor)

Organization Map

(as of April 1, 2013)

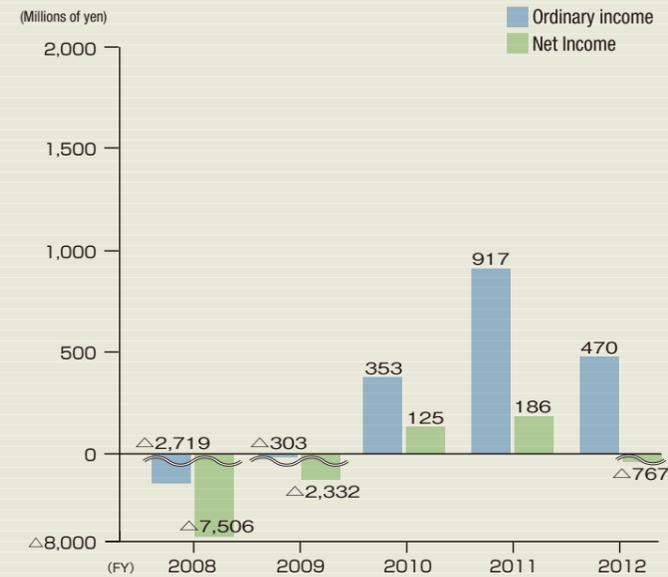


Net sales (consolidated)

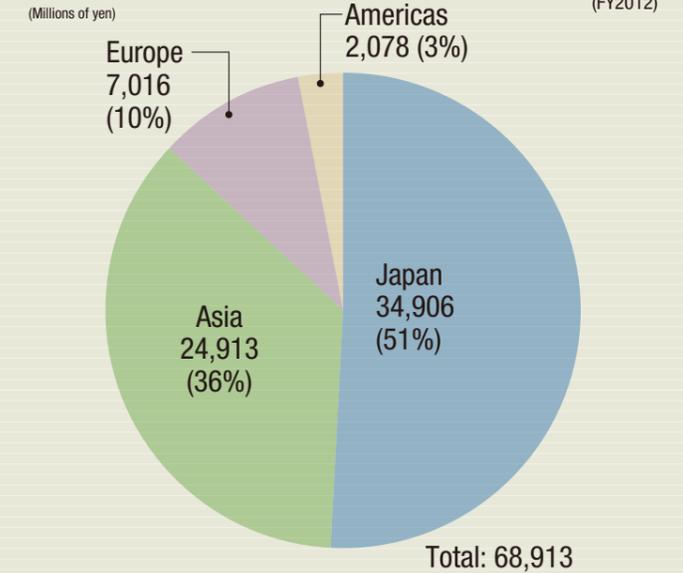


*Net Sales Shown are for external Customers by business segment (excludes internal net sales between different businesses).
*The amount of net sales for each fiscal year includes other operations (transportation, warehousing and insurance).

Ordinary income/Net income (consolidated)

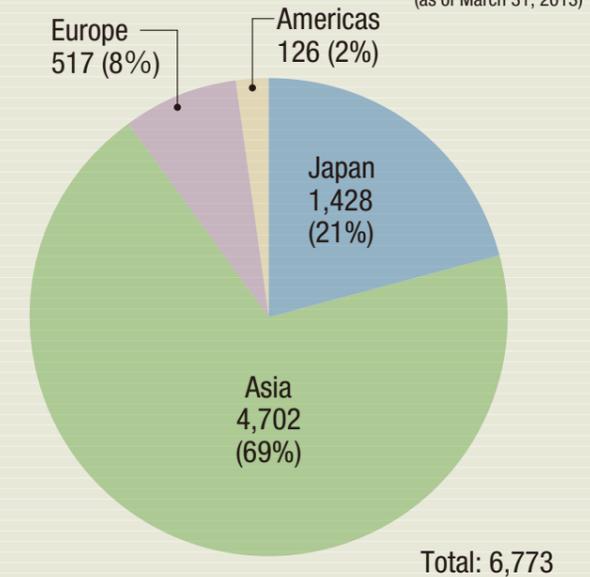


Composition of net sales by region (consolidated)



Number of employees by region (consolidated)

(as of March 31, 2013)





Tamura Group joins the
"United Nations Global Compact"

* UN Global Compact
Voluntary action guidelines proposed by then
United Nations Secretary-General Kofi Annan
at the World Economic Forum in 1999, to
"bring together the creative resources of
private businesses to meet the wishes of the
underprivileged and the needs of future
generations."

<http://www.tamura-ss.co.jp/en/>



Tamura's mascot Quene

TAMURA CORPORATION

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JAPAN 178-8511