

 Mitsubishi Engineering-Plastics Corporation

**2011 Smart E-Meter Market
Customer Value Enhancement Award**





Frost & Sullivan's Global Research Platform

Frost & Sullivan is in its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's 360 Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2011 European Customer Value Enhancement Award in Smart E-Meter Market to Mitsubishi Engineering-Plastics.

Significance of the Customer Value Enhancement Award

Key Industry Challenges Addressed by Enhancing Customer Value

The European Smart E-Meter Market is in its growth phase offering a lot of opportunities to participants, willing to differentiate and act proactively. Even though the materials supplier market is consolidated, only a few companies have a dedicated focus towards this market. Moreover, since the awareness with regards to materials used to make enclosures and terminal boxes is low among the players across the value chain, the success of the companies active in the market depends on the focus the company is in investing time and resources to partner with the customers. In this way they can increase product awareness and support and assist in product and application development, while at the same reduce the time required to do so.

Impact of Customer Value Enhancement Award on Key Stakeholders

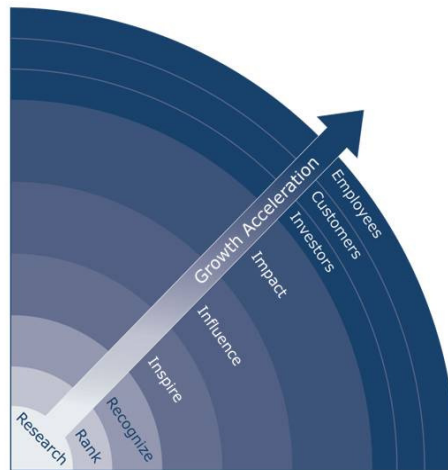
The Customer Value Enhancement Award is a prestigious recognition of Mitsubishi Engineering-Plastics's accomplishments in the Smart E- Meter Market. An unbiased, third-party recognition can provide a profound impact in enhancing the brand value and accelerating Mitsubishi Engineering-Plastics's growth. As captured in Chart 1 below, by researching, ranking, and recognizing those who deliver excellence and best practices in their respective endeavors, Frost & Sullivan hopes to inspire, influence, and impact three specific constituencies:

- **Investors**
Investors and shareholders always welcome unbiased and impartial third-party recognition. Similarly, prospective investors and shareholders are drawn to companies with a well-established reputation for excellence. Unbiased validation is the best and most credible way to showcase an organization worthy of investment.
- **Customers**
Third-party industry recognition has been proven to be the most effective way to assure customers that they are partnering with an organization that is leading in its field.

- **Employees**

This Award represents the creativity and dedication of Mitsubishi Engineering-Plastics's executive team and employees. Such public recognition can boost morale and inspire your team to continue its best-in-class pursuit of a strong competitive position for Mitsubishi Engineering-Plastics

Chart I: Best Practices Leverage for Growth Acceleration



Best Practice Award Analysis for Mitsubishi Engineering-Plastics

The Frost & Sullivan Award for Customer Value Enhancement is presented to the company that has demonstrated excellence in implementing strategies that proactively create value for its customers with a focus on improving the return on the investment that customers make in its services or products. This award recognizes the company's inordinate focus on enhancing the value that its customers receive, beyond simply good customer service, leading to improved customer retention and ultimately customer base expansion.

Mitsubishi's Performance in Smart Meter Market

Mitsubishi Engineering-Plastics (MEP) Europe is a subsidiary of Mitsubishi Engineering-Plastics Japan and one of the leading suppliers of engineering plastics in the European market. With a specialized focus on the Electrical and Electronics (E & E) segment MEP offers a broad range of products that are specifically designed for the unique requirements of various applications in the power distribution sector. Within the E & E segment, the company has been striving to increase its presence in several niche application areas, of which Smart E-Meters is a clear focus area. For this application, MEP-Europe offers a broad range of products from the **XANTAR**[®] Polycarbonate resin & blends portfolio which was acquired from DSM Engineering Plastics in 2010 in exchange for MEP's Novamid Polyamide business. A strategic approach towards the smart e-meter application area has enabled the company to streamline its research and development efforts, leading to the delivery of several innovative solutions.

Key Performance Drivers for Mitsubishi Engineering-Plastics

Factor I: Value Selling

Mitsubishi Engineering-Plastics entered the Smart E- meter market with the clear intention of partnering not only with its immediate customers, but also with participants further along the value chain such as Smart E- meter and Energy Companies in order to deliver sustainable solutions. MEP is actively involved at the design stage of the meters, enabling the company to understand the exact customer requirements and needs, work towards cost optimization with respect to design from the initial

stage itself. The reduction in the enclosure wall thickness is one of the key advantages that MEP offers through its integrated working approach, which aims at reducing material consumption, without compromising on other properties such as ductility, hydrolytic stability and fire retardance.

One specific example of how MEP have created a strong brand differentiation in Europe, is the Smart E- meter roll out in France where MEP worked very closely with Energy companies like EDF and Smart E- Meter Manufacturers like Landis + Gyr (now Toshiba) to develop robust products that meet specifications as well as the cost criteria.

Factor 2: Committed to Product Development

MEP has adopted a proactive approach towards building a strong foothold in the smart E- meter market in Europe with their **XANTAR[®]C** and **XANTAR[®]** range of resins. The starting point of MEP's strategic approach has been to understand the diversity among countries and consequently legislation. By doing this the company has moved a step ahead in the process to develop products for different requirements. In the process of identifying the smart meter market as a strategic growth segment, MEP has also laid down a technology roadmap to develop products much ahead in time to cater to the market quickly. MEP Technical center in Netherlands, with separate product and application development teams and a clearly defined internal framework ensures that the company has proactively the necessary products ready on the shelf reducing the "Development to Market" time. The new FR **XANTAR[®]** and high HDT Glass reinforced grades are examples of this strategic proactive approach. MEP has oriented its growth strategies in specific areas globally with smart E- meters being one of the key focus areas. With this perspective, MEP has strengthened its product/technology transfer platform since companies along the value chain are also active in smart E- meter markets across North America and Asia where MEP is one the major participants.

Factor 3: Customer base Enhancement

The customer value selling approach of MEP in Europe has helped the company build a stronger brand image and reputation among its immediate customers. Joint product development, dedicated technical support at each step, consistent focus on quality and supply reliability have been the key differentiating factors for customers to choose MEP and shift from competitor companies. Since this practice is prevalent across teams catering to various applications, MEP has witnessed an increase in penetration across the customer landscape in Europe.

Factor 4: Value chain marketing

Apart from providing innovative and high quality products, MEP is taking an initiative towards addressing the importance of its role as a chemical manufacturer across the value chain. Even though enclosures and terminal boxes of smart E- meters form a small fraction of the cost, the importance of these components are somehow overlooked in the designing process. Developing specific marketing platforms and innovative communication channels with energy companies while highlighting the importance of using materials with the right combination of properties represent the core of MEP's branding strategy.

Conclusion

Mitsubishi Engineering-Plastics is at the forefront of the European Smart meter market with their XANTAR® Range of resins. The company's willingness to partner with its customers to serve this market has been the key in achieving the leading position. By offering sustainable solutions at the design stage, technical support during each step and proactively participating in the smart e-meter developments across Europe, Mitsubishi Engineering-Plastics stands out from the competition in this market. These aforementioned factors make Mitsubishi Engineering-Plastics, the deserving recipient of the 2011 Frost & Sullivan Customer Value Enhancement Award in the European market for Smart E-Meters.

The CEO 360 Degree Perspective™ - Visionary Platform for Growth Strategies

The CEO 360 Degree Perspective™ model provides a clear illustration of the complex business universe in which CEOs and their management teams live today. It represents the foundation of Frost & Sullivan's global research organization and provides the basis on which companies can gain a visionary and strategic understanding of the market. The CEO 360 Degree Perspective™ is also a "must-have" requirement for the identification and analysis of best-practice performance by industry leaders.

The CEO 360 Degree Perspective™ model enables our clients to gain a comprehensive, action-oriented understanding of market evolution and its implications for their companies' growth strategies. As illustrated in Chart 5 below, the following six-step process outlines how our researchers and consultants embed the CEO 360 Degree Perspective™ into their analyses and recommendations.

Chart 2: How the CEO's 360 Degree Perspective™ Model Directs Our Research



Critical Importance of TEAM Research

Frost & Sullivan's TEAM Research methodology represents the analytical rigor of our research process. It offers a 360 degree view of industry challenges, trends, and issues by integrating all seven of Frost & Sullivan's research methodologies. Our experience has shown over the years that companies too often make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Frost & Sullivan contends that successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. In that vein, the letters T, E, A and M reflect our core technical, economic, applied (financial and best practices) and market analyses. The integration of these research disciplines into the TEAM Research methodology provides an evaluation platform for benchmarking industry players and for creating high-potential growth strategies for our clients.

Chart 3: Benchmarking Performance with TEAM Research



About Mitsubishi Engineering-Plastics

Mitsubishi Engineering-Plastics headquartered in Japan are one of the leading suppliers of engineering plastics catering to a wide range of markets including Automotive and Power distribution in Europe. The company founded in 1994 offers a wide range of Polycarbonate, Polybutylene Terephthalate, Specialty Polyamide and Polyphenyl Ether and is specifically known for their customer centric focus. They also integrated the XANTAR® Range of Polycarbonate resins & blends from DSM Engineering Plastics in exchange for their general Novamid polyamide portfolio in 2010. For more information on Mitsubishi Engineering-Plastics and the XANTAR® range, please visit www.m-ep.co.jp and www.xantar.com



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.

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