



***“Tokyo Boeki Group
Federated Management”
Toward New Growth***

Active all over the world.



TOKYO BOEKI GROUP

TOKYO BOEKI GROUP

Annual Report

April 1, 2017 – March 31, 2018

Active all over the world.

Carrying on the “Three founding spirits (TOMAS spirit)” and “Management philosophy and Mission” of the Tokyo Boeki Group, we are promoting “Tokyo Boeki Group Federated Management” as an independent, business-creating corporate group.

Three founding spirits = TOMAS spirit

1. Mindset to overcome any obstacle and to never reduce our efforts
2. Mindset of a pioneer
3. Mindset of management among all employees

Management philosophy and Mission

Each company of the Tokyo Boeki Group aims to be a company that allows employees to realize their dreams through their work. Employees will take pride in themselves and contribute to the global company.

Generating synergistic effects “Tokyo Boeki Group Federated Management”

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HEADQUARTERS

Tokyo Boeki Holdings Corporation

ENERGY

Energy Machinery Industry Group

TOKYO BOEKI MACHINERY LTD.
TOKYO BOEKI ENGINEERING, LTD.
TOKYO BOEKI MECHANICS LTD.

TECHNOLOGY

Technology, Automobiles and Information Industry Group

TOKYO BOEKI TECHNO-SYSTEM LTD.
T.B. TECH CO., LTD.
TOKYO BOEKI NORTH AMERICA, INC.
TBTS (THAILAND) CO., LTD.
TTS (GUANGZHOU) CO., LTD.

SCIENCE

Medical, Life and Science Industry Group

TB-eye Ltd.
TOKYO BOEKI MEDISYS INC.
TOKYO BOEKI (RUS) LTD.

RESOURCE

Materials, Resource and Metal Industry Group

TOKYO BOEKI MATERIALS LTD.
TOKYO BOEKI (AUSTRALIA) PTY. LTD.
TOKYO BOEKI (CHINA) LTD.

TO OUR SHAREHOLDERS

Net Sales **44,900** million yen
(Up 5.8% year-on-year)

Operating Income **3,970** million yen
(Up 8.8% year-on-year)

Ordinary Income **4,162** million yen
(Up 5.0% year-on-year)

Net Income Attributable to Owners of Parent **2,812** million yen
(Up 39.2% year-on-year)



Director,
President & CEO
**Sanshiro
Katoh**

I hope that all of our shareholders are doing well and I would like to express my appreciation for your loyal support. I would like to take this opportunity to deliver our company's 98th term annual report (April 1, 2017 - March 31, 2018), as well as to give a brief message regarding the status of our company.

In fiscal year 2017, the global economy continued to grow at a gradual pace overall, amid heightened uncertainty over the future due to factors such as increasing political and geopolitical risk and changes to global trade frameworks. The United States economy remained steady overall, due to factors such as sustained growth of consumer spending buoyed by improved employment, and improved corporate performance in a wide range of industries. The European economy expanded gradually overall, despite some disparity between countries in the pace of economic recovery. The Chinese economy was stable as a whole, supported by strong foreign and domestic demand, and especially by strong exports.

The Japanese economy continued its gradual recovery. There were improvements in the employment and income environments which were driven by a steady corporate performance owing to increased exports and capital investment, despite risks such as political turmoil in the United States and Europe, and increasing tension with North Korea.

Amidst the business environment in Japan and overseas, the Tokyo Boeki Group, having marked the 70th anniversary, strove to maximize corporate value and realize sustainable growth and development through the provision of specialized proprietary businesses and services with consistently high standards in areas ranging from marketing to manufacturing, sales and maintenance for our four groups of "Energy Machinery Industry," "Technology, Automobiles and Information Industry," "Medical, Life and Science Industry," and "Materials, Resource and Metal Industry."

As a result of these efforts, revenues and profits for fiscal year 2017 increased year on year, and ordinary income reached our highest level ever. Net sales were 44,900 million yen (up 5.8% from the previous fiscal year), ordinary income was 4,162 million yen (up 5.0% from the previous fiscal year), and net income attributable to owners of parent amounted to 2,812 million yen (up 39.2% from the previous fiscal year).

We distributed a year-end dividend of 30 yen per stock, because while we retain an internal reserve for active investment in existing and new businesses, our basic stance is to distribute a continuous and stable dividend to our shareholders.

I would like to ask for your continued support and guidance.

June 2018

SEGMENT INFORMATION (Percentage represents ratio of sales)



Energy Machinery Industry Group



Sales **12,907** million yen 105% year-on-year
Operating Income **1,662** million yen 82% year-on-year

Business Description

The Energy Machinery Industry Group is engaged in development, manufacturing, and sales of fluid loading equipment and related devices, various kinds of gas-related machinery, power generation-related devices and equipment, environment-related devices and others for energy-related industries including electric power, gas, oil, and petrochemistry. For fluid loading machinery, the core product, superior products are offered to users around the world under the integrated system of manufacturing and sales of TOKYO BOEKI MACHINERY LTD. and TOKYO BOEKI ENGINEERING, LTD., which have gained a high reputation.

Business Condition

In the core loading arm business, although maintenance orders made up for the decrease in sales for new construction in Japan, new orders overseas were sluggish due to intensified competition. Revenues increased and profits decreased for the Group as a result of forward investment in such new-business initiatives as hydrogen, adsorption chillers, and the Hydrocurrent™ Organic Rankine Cycle (ORC) 125 EJW shipboard heat recovery system.



Technology, Automobiles and Information Industry Group



Sales **6,925** million yen 99% year-on-year
Operating Income **538** million yen 94% year-on-year

Business Description

3D measurement instruments, the core product, provide integrated measurement and data processing for a series of processes, from development and modeling to manufacturing, testing and completion, for a variety of products, mainly contributing to automobile manufacturers in improvements of product development capabilities. 3D measurement instruments have evolved to become automated, refined and diversified, and have gained a global reputation.

Business Condition

Automobile-related companies, the Group's main customers, have an increasing investment burden in new technologies such as electric and self-driving vehicle technology, resulting in an ongoing difficult situation of restrained investment in our core 3D measurement-related instruments. We have responded by launching a series of new 3D measurement-related instrument products, as well as by strengthening our sales of model milling machines and cultivating markets for them overseas. Although improvements were seen from these measures in the latter half of the fiscal year, revenues and profits decreased for the Group.



Medical, Life and Science Industry Group



Sales **15,554** million yen 109% year-on-year
 Operating Income **2,685** million yen 136% year-on-year

Business Description

The Medical, Life and Science Industry Group is engaged in the development, manufacturing and sales of a wide range of products, including security devices, medical devices and scientific instruments. In particular, the security system business provides security equipment, mainly surveillance cameras from overseas, to the domestic market under rigorous quality control, along with a full line of services ranging from onsite surveys to system design, proposals and estimates, construction, and repairs and maintenance. In addition, compact automated analyzers for use in clinical examinations are sold in about 80 countries around the world and boast an outstanding track record in the medical device field.

Business Condition

The core security systems business saw favorable growth in both sales and profits through a commitment to offering a full line of services ranging from system proposals to design, installation and after-sales services based on the TB-EYE brand, in response to increasingly sophisticated and diverse market needs. The medical-related field had steady domestic sales, including clinical examination information systems for related products, centered on the latest models of compact automated analyzers for use in clinical examinations. Russia and CIS-related business performance recovered through expanded sales of products such as industrial machinery. As a result, revenues and profits of the Group increased.



Materials, Resource and Metal Industry Group



Sales **9,510** million yen 108% year-on-year
 Operating Income **190** million yen 70% year-on-year

Business Description

Under a unique business model, raw materials and auxiliary raw materials for steel-making and refractory bricks are imported and supplied for use in steel-making to the steel industries. In addition, various kinds of steel materials including steel plates for use in automobiles are indispensable materials for overseas automobile manufacturers. Refractory bricks for use in steel-making are manufactured by a joint venture business in China, and are an important import product for the Group.

Business Condition

In the core materials business, tightening of supply and demand for refractory raw materials in China led to an increase in prices, and sales increased. In the steel business, volume handled and sales both grew through such as factors increased handling of steel for construction for Southeast Asia. Meanwhile, revenues of the Group increased and profits decreased due to the effect of withdrawal from local business in Australia, and sluggish imports of rock phosphate in the resource business.

Tokyo Boeki Group Held Ceremony and Celebration to Commemorate the 70th Anniversary



On October 30, 2017, Tokyo Boeki Group marked the 70th anniversary. To commemorate the event, we held a ceremony and celebration at Palace Hotel Tokyo on November 10, with the theme “Gratitude and a Great Leap Forward.” Approximately 800 people attended, including invited company alumni and Group employees.

Receiving strong forward-looking messages from the Group Supreme Advisor and President & CEO of Tokyo Boeki Holdings Corporation, and the President of each Group, every employee and the Group as a whole have united in a pledge to take a great leap forward.

* Because this was an internal Group event, attendants were employees and invited company alumni only.

Message from Group Supreme Advisor, Tokyo Boeki Holdings Corporation



Tokyo Boeki Holdings Corporation
Director,
Group Supreme Advisor
Hiroshi Machida

As we mark our 70th anniversary, I would like to express my heartfelt gratitude to all of our employees for their tireless efforts to date. The fact that we are able to commemorate our 70th anniversary with this splendid ceremony is thanks to our current and past employees' bold challenge to overcome difficulties and company crises. If I were to sum up my feelings at this point with a single word, it would be “gratitude.” No other words suffice. I would like to take this opportunity to express my thanks, and my prayers for the health of our employees and their families, and that under the leadership of President and CEO Sanshiro Katoh, we continue to grow as we aim for our 100th anniversary.

Message from President and Chief Executive Officer, Tokyo Boeki Holdings Corporation



Tokyo Boeki Holdings Corporation
Director,
President & CEO
Sanshiro Katoh

The Tokyo Boeki Group must continue to grow as we aim for our 100th anniversary. Management with mutual respect is vital for achieving this goal. I believe that mutual respect not only between Tokyo Boeki Holdings Corporation and our Group companies, but also between management and employees, will foster the growth of the Group as a whole.

I would like to express my gratitude for the efforts of our founder, Yasuo Matsumiya, who led the Tokyo Boeki Group for 40 years, Group Supreme Advisor Hiroshi Machida, who led the Group for the subsequent 30 years, and all of our predecessors and Group employees. I pledge to endeavor to take a great leap forward to our 100th anniversary and overcome difficulties under a philosophy of mutual respect.

Full Scale Launch of Hydrogen Business!

TOKYO BOEKI MECHANICS LTD.

First Adoption of Hydrogen Generation and Filling Appliance “Simple Fuel”



Simplified flowchart of Simple Fuel

***Simple Fuel:**
A simple hydrogen generation and filling appliance developed in the United States that supplies hydrogen to fuel-cell forklifts. This appliance combines the functions of an ordinary hydrogen station—hydrogen manufacture, compression, accumulation, and filling—into a single compact unit. It supplies hydrogen that is CO₂-free at all stages from manufacture onward, using electricity derived from clean and renewable energy. This was the first unit to be introduced in Japan.

TOKYO BOEKI MECHANICS LTD. (“TMX”) introduced the hydrogen generation and filling appliance “Simple Fuel” for use in fuel-cell forklifts at the Kesen Precut Business Cooperative in Kesen County, Iwate Prefecture. This was the first such introduction for the forestry and lumber industry in Japan.

This project is part of the “Project to Promote a Hydrogen Society Using Renewable Energy, etc.” under the Ministry of the Environment of Japan. This revolutionary project has zero impact on the environment, including zero carbon dioxide emissions, by obtaining the electricity to generate the hydrogen from natural energy, as well as by using spring water. TMX introduced photovoltaic panels and electrical supply equipment as well as Simple Fuel.

TMX operates an energy business centered on LP gas. As part of this business, it launched a hydrogen energy business initiative 10 years ago as a new business, and since then it has advanced the development of hydrogen generation appliances for introduction at hydrogen stations. While encountering numerous difficulties, it focused on the design and development of Japanese specifications for Simple Fuel in collaboration with a US company, and has now finally achieved its first introduction with the evaluation and support of the Ministry of the Environment.

TMX will continue to contribute to the realization of a low-carbon society through its clean and environmentally friendly hydrogen energy business.

Introduction of Group Companies

Medical, Life and Science Industry Group



As a manufacturing and trading company, TB-eye Ltd. contributes to the safety and security of society through the Security System Business and Digital Intercom Business

Since its establishment in 1995, TB-eye Ltd. ("TBE") has been focusing on the security system business, while actively committing to new businesses such as the digital intercom.

TBE calls itself a "manufacturing and trading company" due to its characteristic. TBE, with its technical strength, creates new products reflecting market demands and takes responsibility for product quality from the standpoint of a manufacturer. TBE has been the customers' choice for its strength in offering speedy solutions to various needs through a full line of services, from onsite surveys, proposals, designing, installation and up to after-sales ("Total Service").

In 2016, TBE has launched "TB-EYE" brand surveillance cameras, and is improving product quality further and strengthening its support for a wide variety of customer needs.

Basic Facts

Established	October 12, 1995
Head Office	KYOBASHI EDOGRAND, 2-2-1 Kyobashi, Chuo-ku, Tokyo
Location	Tokyo Head Office, Technical Center and other 20 branches (*Opened Nishitokyo Branch Office in June 2018)
Representative	Sanshiro Katoh, Chairman Wonyong Kim, President
Capital Stock	100 million yen
Number of Employees	196 (As of March 31, 2018)

Security System Business



A rich product lineup enabling Total Service



"TB-EYE" brand products

Digital Intercom Business



"Clear Talk Com" enables simultaneous two-way dialog with clear sound

This year, TBE will also launch "AI solutions" in its security system business.

TBE adds AI technology to its rich product lineup and onsite capabilities cultivated over many years, such as equipment installation and configuration, and will contribute to the safety and security of society by providing solutions to customers' issues that could not be solved by traditional surveillance cameras.

About AI Solutions

Applying various functions of AI technology to image from surveillance cameras makes it possible to solve issues in a wide range of scenarios.

For examples;

Functions		Sample Solutions
Face recognition:	Detect previously registered individuals	Detect people on blacklists or VIP lists
Alarm detection:	Detect intruders, specified objects, etc.	Detect intruders in prohibited areas
Smart search:	Simple keyword search	Detect specific conditions, such as "person wearing red clothing"
License plate recognition:	Detects cars with previously registered plate numbers	Identify blacklisted or VIP cars



Domestic Group

TOKYO BOEKI MACHINERY LTD.

Opened Singapore Branch

On October 2, 2017, the TOKYO BOEKI MACHINERY LTD. SINGAPORE BRANCH was opened.

Singapore is a small country, covering an area about equal to the 23 wards of Tokyo, but it continues to grow as an international city located in the center of Southeast Asia. Many of the Company's customers have oil and gas terminals in Singapore, and recently the Company's Japanese electric power and gas customers have expanded to Singapore. It has become an important relay point concentrating people, finance, logistics, and information.

We are deeply aware of the significance of advancing into such a place, and are committed to becoming a branch that acts as a sales base for loading arms marketed outside Japan and that collaborates with other divisions of our group companies as well.



Exterior view of office building



Domestic Group

TOKYO BOEKI MACHINERY LTD.

Exhibit at HVAC&R Philippines 2018

HVAC&R Philippines 2018 was held in Manila of the Philippines over a 4-day period starting January 6, 2018. The Company exhibited adsorption chillers at the event. HVAC&R Philippines is the country's largest exhibition for the heating and cooling business, showcasing energy conversion, energy generation and energy management technologies. Since the Philippines has the highest electric power rates of any ASEAN country, there are great benefits to adopting such adsorption chillers. The venue had a wide range of visitors, including users from the food industry with awareness of energy conversion, air-conditioning engineers, consultants, government officials, and developers.

On February 1-2, 2018, Kawasaki International Eco-Tech Fair 2018 was held at Todoroki Arena in Kawasaki City. The Company also exhibited its adsorption chillers there. This fair featured not only product exhibitions, but also provided a site for business matching among exhibitors, and we were able to attract the interest of many companies in the wide range of business operations and international business expertise of the Tokyo Boeki Group.



HVAC&R Philippines 2018 exhibition booth

*Adsorption chiller:

A chiller device that produces chilled water from low-temperature waste heat from factory and other facilities, by using silica gel as the adsorbent and water as the refrigerant. It enables the use of efficient and clean energy because it is highly energy-efficient, and the medium used for adsorption/desorption has low environmental impact.



Domestic Group

TOKYO BOEKI ENGINEERING, LTD.

Groundbreaking ceremony for New Office Building at Nagaoka Works

On March 13, 2018, the Company duly held a groundbreaking ceremony for a new office building at Nagaoka Works.

The new office building is a multi-purpose office with both administrative and health and welfare functions. After completion, it is expected to improve employee satisfaction and customer support.

Construction is scheduled to be finished in end-October 2018, and all current operations are scheduled to be completely transferred to the new building by the end of December.



Commemorative photo of groundbreaking ceremony

Domestic Group **TOKYO BOEKI MECHANICS LTD.**

Exhibit at 14th International Hydrogen & Fuel Cell Expo (FC EXPO 2018) and others

The 14th International Hydrogen & Fuel Cell Expo (FC EXPO 2018) was held at Tokyo Big Sight from February 28 to March 2, 2018. The Company exhibited Simple Fuel and a 3 stage diaphragm compressor for hydrogen.

This is the world's largest hydrogen and fuel cell exhibition, and the venue was thronged with visitors from not only Japan, but also around the world, including Europe, the United States, and Asia. The heightened global need for a hydrogen society gave a sense of the potential of the Company's products.

Then on November 14, 2017, the Hydrogen Global EXPO in Tokushima was held at ACTY Tokushima, and the Company also exhibited Simple Fuel there. Tokushima Prefecture is aiming to create a hydrogen society in an advanced and active manner, including formulating the Tokushima Prefecture Hydrogen Grid Concept. On the day of the expo, the exhibition venue bustled with many visitors from both inside and outside the prefecture, and the exhibition closed in great success.



Exhibition booth at 14th International Hydrogen and Fuel Cell Expo

Domestic Group **TOKYO BOEKI TECHNO-SYSTEM LTD.**

Launch and delivery of new products (“Laymatic MILL-X” and “V7”)

In March 2018, the Company delivered the first new model of its milling machine “Laymatic MILL-X” to a major automobile manufacturer. It is highly rated for its speed, power and performance, and the Company is aiming to further expand sales.

Additionally, as for 3D measurement instrument “Vectoron” which is one of the key products, the new model “V7” was delivered to a major automobile manufacturer in March prior to its product launch on April 11, 2018. The Company will endeavor to fully expand sales going forward.



Laymatic MILL-X

V7

Domestic Group **T.B. TECH CO., LTD.**

Launch of self-developed software package

From this fiscal year, the Company started to launch full-scale sales of its self-developed software package, which has been a focus of development for the purpose of building a new core industry. This package provides the facility maintenance system, inventory management system, production management system and other systems offered by the Company at a low cost and with a simple design, which can be customized for any type of business. We are happy to report that we have business with the manufacturing industry as well as many different industries across Japan. We remain actively committed to offering this package as well as new solutions utilizing AI, IoT and more to meet the needs of a wide range of customers regardless of type of business or industry.



Broad lineup of self-developed software packages

Domestic Group **TB-eye Ltd.**

SECURITY SHOW 2018

TB-eye Ltd. (“TBE”) exhibited at 26th SECURITY SHOW 2018, which was held from March 6 to 9, 2018 at Tokyo Big Sight.

SECURITY SHOW is Japan’s largest comprehensive security exhibition, and showcases the latest products and services to realize a safe and secured society, such as security cameras, entrance management systems and home security. TBE exhibited a wide range of solution products that can be seen, heard, and experienced, by fusing TBE video monitoring systems and voice communication systems with the latest technologies, such as Smart Search using AI. Many customers experienced TBE products over the busy four-day show.



SECURITY SHOW 2018 exhibition booth

Domestic Group **TOKYO BOEKI MEDISYS INC.**

Exhibit at “JACLaS EXPO 2017,” the clinical laboratory systems exhibition

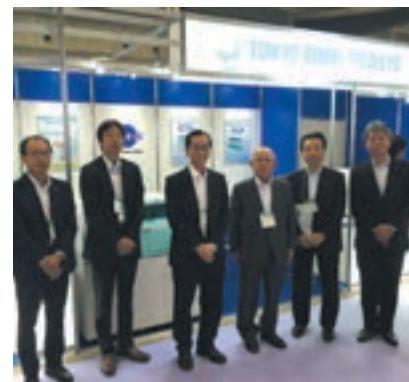
In September 2017, the Japanese Association of Clinical Laboratory Systems (JACLaS^{*1}) held its general exhibition, JACLaS EXPO 2017. The Company ran a booth exhibiting its automated analyzer products for use in clinical examinations, “BiOLiS” series.

The Company’s exhibit focused on the “BiOLiS 30i,” which was launched in 2016 and has gained a favorable reputation with strong sales in Japan, and the clinical laboratory information system “Medisys Link^{*2},” for which the Company plans to strengthen sales. Many guests showed interest in the exhibit.

The Company will continue to work to strengthen the BiOLiS series brand by improving customer satisfaction through the combined efforts of development, sales, and service engineers.

^{*1} JACLaS: The Japanese Association of Clinical Laboratory Systems was established in October 2014 for appropriately providing information on clinical laboratory devices, reagents and systems to medical institutions and medical practitioners, and contributing to the development of the clinical laboratory tests and the health and welfare of the Japanese people.

^{*2} Medisys Link: A computer system used in hospital laboratories, with features for the centralized management of examination data through online integration with multiple analyzers, and features for integrating with other systems internal and external to the hospital.



JACLaS EXPO 2017 exhibition booth

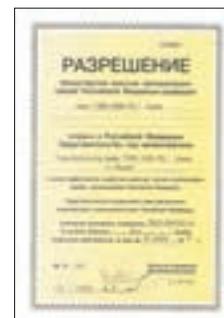
Overseas Group **TOKYO BOEKI (RUS) LTD.**

TOKYO BOEKI (RUS) Celebrates its 50th Anniversary

On November 29, 2017, the Moscow representative office of Tokyo Boeki Ltd. (currently Tokyo Boeki Holdings Corporation) marked the 50th anniversary since receiving official approval from the government of the former Soviet Union (at the time, it was the first Western company to receive approval to open a local office).

An event was held to commemorate the 50th anniversary of the Moscow representative office, along with the 70th anniversary of the Tokyo Boeki Group including a brief overview of the history of the Tokyo Boeki Group since its founding, a commemorative address and awards for long-time employees.

Going forward, the Moscow representative office will create a new history for the Russia business of the Tokyo Boeki Group, maximizing the synergy between each Group company with the slogan “NEXT 50 YEARS!”



Approval to open local office issued in 1967



Domestic Group

TOKYO BOEKI MATERIALS LTD.

New refractory brick OEM production agreement in China

In the materials business, the Company has signed an agreement with its Chinese joint venture to perform OEM production of competitive refractory bricks. The Company will aim for further growth with this OEM product as a new strategic product. The Company will also collaborate with TOKYO BOEKI TECHNO-SYSTEM LTD. to offer a value-added service that measures wear on refractory bricks using 3D measurement technology, and will advance the creation of an integrated business from production to sale and after-sales services.



3,600 ton hydraulic press at Jinan Ludong Refractory

Group Supreme Advisor Machida participates in the Japan-China Investment Promotion Organization's "21st Japan-China Regular Joint Meeting" as Director

The "21st Japan-China Regular Joint Meeting" was held on March 20, 2018 in Beijing, China.

This meeting is held every two years jointly by investment promotion organizations in Japan and China for the purpose of establishing an environment for investing in China by Japanese companies and solving problems in business. This year, a total of about 120 members attended, led by Chairman Shoichiro Toyoda on the Japanese side. From the Company, Group Supreme Advisor Machida, who is a JCIPO director, attended the meeting. An inaugural ceremony was held at the Hotel New Otani Chang Fu Gong in Beijing the day before the meeting, with greetings given by Chairman Toyoda and Ambassador Extraordinary and Plenipotentiary Yokoi, and closing words given by Group Supreme Advisor Machida.

* Japan-China Investment Promotion Organization: Established in March 1990 under the support of the Japanese and Chinese governments for the purpose of contributing to a sound and stable economic relationship between the two countries through the expansion of investment in China by Japanese companies. As of June 2018, Shoichiro Toyoda serves as the Chairman of the organization.



21st Japan-China Regular Joint Meeting

Established R&D Center with focus on growth of Group as a whole

The Tokyo Boeki Group, which marked its 70th anniversary in 2017, has opened an R&D Center as a new organization within Tokyo Boeki Holdings Corporation. The R&D Center is responsible for the medium to long-term growth strategy of the group as a whole, as we aim for our 100th anniversary.

The R&D Center will foster reviewing commercialization of new business and industrial fields that are difficult for a single company to tackle, with the goal of supporting and promoting new business strategies by each Group company. It will create new value by considering the future together with each Group company and the Tokyo Boeki Group, sharing, and drawing up action plans.



Members of the R&D Center

CONSOLIDATED COMPANIES



Domestic Group Companies

TB-eye Ltd.

President: Wonyong Kim

Business Description: Import and sales of CCTV system devices; Development, manufacture, and sales of CCTV system peripheral devices; Design, installation, and after-sales service of CCTV system

TOKYO BOEKI MACHINERY LTD.

President: Hideshige Tsubouchi

Business Description: Sales of fluid loading equipment and related devices, and various plant-related devices; Export trading of scientific instruments for educational and science and technology-related facilities mainly in the CIS nations

TOKYO BOEKI ENGINEERING, LTD.

President: Hiroshi Imai

Business Description: Development, design, manufacture, sales, and after-sales service for fluid loading equipment

TOKYO BOEKI TECHNO-SYSTEM LTD.

President: Katsuhiko Masuda

Business Description: Development, design, and manufacture of 3D measurement instruments, various measurement devices, various testing devices, and related software; Sales, import/export, and maintenance of 3D measurement instruments and related software

TOKYO BOEKI MATERIALS LTD.

President: Hiroshi Shigezumi

Business Description: Business development and import/export related to materials, resources, and metals

TOKYO BOEKI MEDISYS INC.

President: Keiji Okabe

Business Description: Development, manufacture, and sales of automated analyzers used in clinical examinations for hospitals and medical testing facilities

TOKYO BOEKI MECHANICS LTD.

President: Hideshige Tsubouchi

Business Description: Sales and maintenance of gas-related devices

T.B. TECH CO., LTD.

President: Yasuhide Kanai

Business Description: Contract development of software and packaged software, building network systems, system outsourcing, consultancy services, temporary staffing



Overseas Group Companies

USA

TOKYO BOEKI NORTH AMERICA, INC. (KENTUCKY)

President: Masaaki Sugihara

Business Description: Sales and service of 3D measurement instruments and related software

AUSTRALIA

TOKYO BOEKI (AUSTRALIA) PTY. LTD. (MELBOURNE)

Managing Director: Hiroshi Shigezumi

Business Description: Business development and import/export related to materials, resources, metals, and machinery

CHINA

TOKYO BOEKI (CHINA) LTD. (SHANGHAI)

President: Hirofumi Yanagawa

Business Description: Business development and import/export related to materials, resources, and metals

TTS (GUANGZHOU) CO., LTD. (GUANGZHOU)

President: Masaaki Sugihara

Business Description: Sales and service of 3D measurement instruments and related software

THAILAND

TBTS (THAILAND) CO., LTD. (BANGKOK)

President: Yasunori Inoyama

Business Description: Sales and service of 3D measurement instruments and related software

CIS

TOKYO BOEKI (RUS) LTD. (MOSCOW)

General Director: Keiji Takigawa

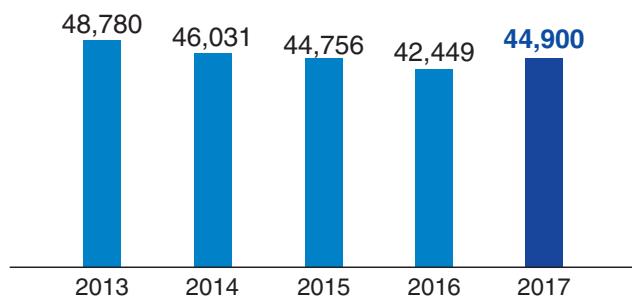
Business Description: Import/export and sales of scientific instruments for educational and science and technology-related facilities in CIS nations

(As of June 26, 2018)

Financial Highlights

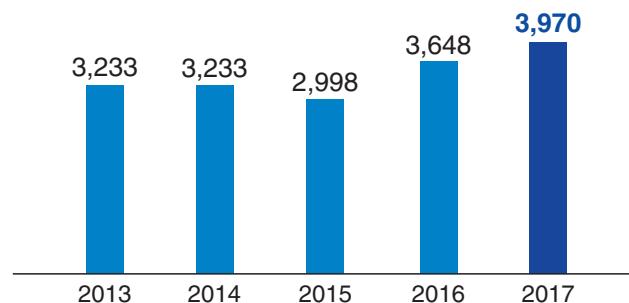
Net Sales

(Million yen)



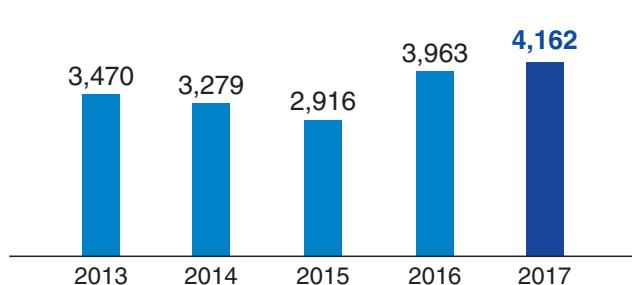
Operating Income

(Million yen)



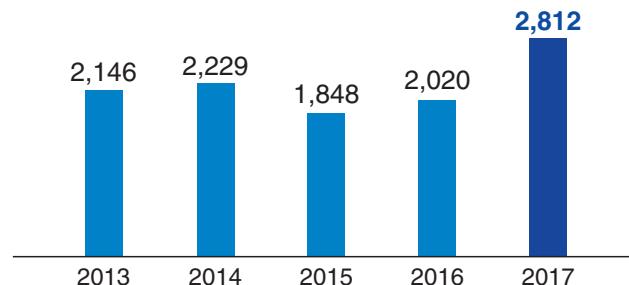
Ordinary Income

(Million yen)



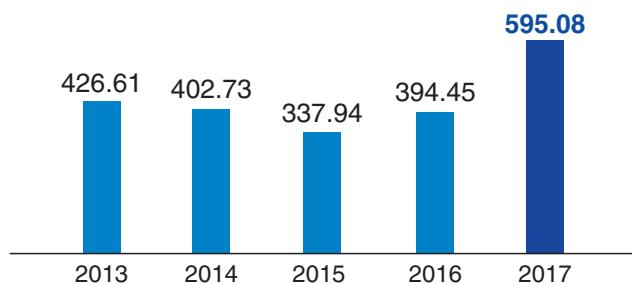
Net Income Attributable to Owners of Parent

(Million yen)



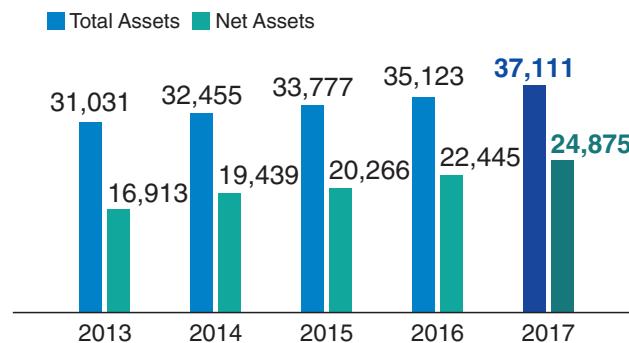
Earnings Per Share

(Yen)



Total Assets / Net Assets

(Million yen)



Consolidated Financial Statements

■ Consolidated Balance Sheets

(Million yen)

Account Item	2017	2016
	As of March 31, 2018	As of March 31, 2017
Assets		
Current assets	29,547	27,720
Non-current assets	7,564	7,402
Property, plant and equipment	2,822	2,699
Intangible assets	476	507
Investments and other assets	4,265	4,194
Total assets	37,111	35,123
Liabilities		
Current liabilities	11,250	11,758
Non-current liabilities	985	919
Total liabilities	12,235	12,677
Net assets		
Shareholders' equity	23,889	21,529
Capital stock	5,000	5,000
Retained earnings	19,453	16,958
Treasury stock	(564)	(428)
Accumulated other comprehensive income	823	771
Non-controlling interests	162	144
Total net assets	24,875	22,445
Total liabilities and net assets	37,111	35,123

■ Consolidated Statements of Income

(Million yen)

Account Item	2017	2016
	April 1, 2017 – March 31, 2018	April 1, 2016 – March 31, 2017
Net sales	44,900	42,449
Cost of sales	30,304	28,760
Gross profit	14,596	13,688
Selling, general & administrative expenses	10,626	10,040
Operating income	3,970	3,648
Non-operating income	331	376
Non-operating expenses	139	61
Ordinary income	4,162	3,963
Extraordinary income	-	20
Extraordinary loss	-	581
Income before income taxes	4,162	3,402
Income taxes	1,341	1,373
Net income	2,820	2,029
Net income attributable to non-controlling interests	8	8
Net income attributable to owners of parent	2,812	2,020

COMPANY OUTLINE / STOCK INFORMATION

Company Outline (As of March 31, 2018)

Tokyo Boeki Group	Tokyo Boeki Holdings Corporation and 14 group companies
Established	October 30, 1947
Capital Stock	5.0 billion yen (Shareholders' equity: 23.8 billion yen)
Employees	1,026
Head Office (Pure holding company)	Tokyo Boeki Holdings Corporation KYOBASHI EDOGRAND, 2-2-1 Kyobashi, Chuo-ku, Tokyo 104-0031 Japan

Executives of Tokyo Boeki Holdings Corporation (As of June 26, 2018)

Board of Directors / Operating Officers

Director, Group Supreme Advisor	Hiroshi Machida
Director, President & CEO	Sanshiro (Tomihiro) Katoh
Director, Executive Vice President	Hideshige Tsubouchi
Director	Tsunetoshi Sakai
Operating Officer	Shingo Nakagawa

Board of Corporate Auditors

Standing Audit & Supervisory Board Member	Mitsutaka Aoki
Audit & Supervisory Board Member	Yasuhiro Numata
Audit & Supervisory Board Member	Hideyuki Maeno

Stock Information (As of March 31, 2018)

Total Number of Authorized Shares	38,519,920 shares
Total Number of Stocks Issued	Common Stock 4,281,140 shares (Excludes treasury stock) Class A Preferred Stock 1,700,000 shares
Number of Shareholders	114

Name of Shareholder	Numbers of Stocks Held	Ratio of Shareholding
Tokyo Boeki Ltd.	1,700,000 shares	28.42%
Tokyo Boeki Employee Share Holding Commission	623,000 shares	10.42%
Tokyo Marine & Nichido Fire Insurance Co., Ltd.	498,000 shares	8.33%
The Toa Reinsurance Company, Limited	408,000 shares	6.82%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	249,000 shares	4.16%
Nippon Life Insurance Company	120,000 shares	2.01%

* 1,700,000 shares of Tokyo Boeki Ltd. are Class A Preferred Stock.

Our Group Website

A variety of contents are available on the website, including the latest news of the Company and an introduction to our business.

<http://www.tokyo-boeki.co.jp/>



TOKYO BOEKI GROUP

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