

# Active all over the world.

## **TOKYO BOEKI GROUP**

Annual Report

April 1, 2015 – March 31, 2016



# 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

The Tokyo Boeki Group aims to be a company that allows employees to realize their dreams through their work. Each employee 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-BICS INC.  
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 TECHNOLOGY LTD.  
TOKYO BOEKI (RUS) LTD.

RESOURCE

### Resource, Metal and Materials Industry Group

TOKYO BOEKI STEEL & MATERIALS LTD.  
TOKYO BOEKI (AUSTRALIA) PTY. LTD.  
TOKYO BOEKI (CHINA) LTD.  
TOKYO BOEKI (BEIJING) LTD.

## Message to stakeholders

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 96th term annual report (April 1, 2015 - March 31, 2016), as well as to give a brief message regarding the status of our company.

Regarding the global economy in fiscal year 2015, shaken by expectations of an interest rate hike in the United States and the downswing in the Chinese economy, the economy saw pronounced stagnation. Although the United States economy remained firm mainly in personal consumption, there were signs of adjustments in the corporate sector particularly in the manufacturing industry. Euro zone economies also sustained a moderate recovery trend, although a sense of uncertainty lingered as investment was curbed amid political risks including the series of terrorist attacks that occurred in France. Meanwhile, as the slowdown in the Chinese economy became evident, reduced imports to China led to lower prices for resources including crude oil, putting downward pressure on emerging economies, particularly the BRICs.

Despite an element of uncertainty with respect to global economic trends, the Japanese economy was on a moderate recovery trend, as corporate earnings were firm against the backdrop of ongoing economic measures and monetary policies by the government and the Bank of Japan.

Amidst this management environment in Japan and overseas, TB-G strove to maximize corporate value and realize continuous 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 "Resource, Metal and Materials Industry."

For the 96th term, which we approached under a new management structure starting in April 2015, regrettably revenues and profits declined compared to the previous fiscal year. Net sales were 44,756 million yen (down 2.8% from the previous fiscal year), ordinary income was 2,916 million yen (down 11.0% from the previous fiscal year), and net income attributable to owners of parent amounted to 1,848 million yen (down 17.1% from the previous fiscal year).

This term's dividend amount will be 18 yen per stock, in order to realize the basis of distribution to shareholders in a continuous and stable manner, even as our company secures the internal funding necessary for active investment in existing businesses and new businesses.

Tokyo Boeki Group formulated VISION 2020 as we began the second year of our new management structure in April 2016. With a view to the year 2020, we will observe compliance and strive for high quality management, while increasing the value of the Group's businesses and embracing the challenge of sustainable development.

I would like to express my sincere appreciation to all our shareholders for your support throughout the years, and ask for your continued guidance.

June 2016

**Net Sales** **44,756** million yen (Down 2.8% year-on-year)

**Operating Income** **2,998** million yen (Down 7.3% year-on-year)

**Ordinary Income** **2,916** million yen (Down 11.0% year-on-year)

**Net Income Attributable to Owners of Parent** **1,848** million yen (Down 17.1% year-on-year)

**Hideya Goami**  
Director, Chairman,  
President & CEO



## Segment Information

(Percentage represents ratio of sales)



### Energy Machinery Industry Group



Sales **12,507** million yen 88% year-on-year  
Operating Income **1,080** million yen 50% 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 the 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

Orders were sluggish, reflecting a marked trend among energy-related companies, who are major trading partners of the Group, to postpone or reduce capital investment due to the impact of the prolonged decline in crude oil prices, among other factors. Despite a saturated domestic market, the core loading arms business worked to capture orders by updating existing loading arms and actively making proposals for Emergency Release Systems (ERS). However, the Group was forced to post decreased revenues and profits owing to a substantial allowance recorded as a result of problems with orders overseas.



### Technology, Automobiles and Information Industry Group



Sales **7,328** million yen 94% year-on-year  
Operating Income **937** million yen 82% 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 users, continued to see favorable conditions mainly overseas, while in Japan, capital investment was not as strong as expected, reflecting weak sales of new cars partly due to the impact of the light vehicle tax hike, in addition to uncertainty in the foreign exchange rate. Furthermore, exposure to intensified price competition with other manufacturers with respect to sales of the core products, 3D measurement-related instruments, resulted in decreased revenues and profits for the Group.



## Medical, Life and Science Industry Group



Sales **13,356** million yen 109% year-on-year  
 Operating Income **1,887** million yen 203% year-on-year

### Business Description

The Medical, Life and Science Industry Group is engaged in the development, manufacturing and sales of wide range of products, including security devices, medical devices and scientific instruments. In particular, the security 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 on-site surveys to system design, proposals and estimates, construction, and repairs and maintenance. In addition, compact automated analyzers for use in clinical examinations are being sold in 80 countries around the world and boast an outstanding track record in the medical device field.

### Business Condition

In Japan, security-related equipment needs are high, due to increased security-consciousness among companies resulting from the threat of terrorism, diversified measures against crime, and the implementation of the Social Security and Tax Number System, and the Group has been able to link this to significant growth in sales. In the medical-related field, sales stagnated due to a reduction in medical fees in the United States, a major export country, in addition to the emergence of low-priced analyzers. With regard to scientific instruments-related transactions, there was no significant recovery in orders, owing to stagnation in the Russian economy as a result of the impact of economic sanctions by Western countries, the low price of crude oil, and the weak ruble. Nevertheless, revenues and profits increased for the Group due to robust performance in the security business.



## Resource, Metal and Materials Industry Group



Sales **11,776** million yen 97% year-on-year  
 Operating Income **241** million yen 166% 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 materials business, sales of refractory bricks were sluggish due to stagnation in production volume of crude steel in the steel-making industry, a major trading partner, in addition to intensified competition with domestic products due to yen depreciation. The resource and metal businesses stagnated due to a worldwide drop in resource prices and the eased balance between demand and supply for steel materials resulting from overproduction in China. Although revenues for the Group decreased, we were able to secure increased profits as a result of restructuring of unprofitable transactions and rationalization of businesses.

# Consolidated Companies



## Domestic Group Companies

### TOKYO BOEKI MACHINERY LTD.

President: Hideshige Tsubouchi

**Business Description:** Sales of fluid loading equipment and related devices, and various plant-related devices

### TOKYO BOEKI ENGINEERING, LTD.

President: Hiroshi Imai

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

### TB-eye LTD.

President: Sanshiro Kato

**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 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 STEEL & MATERIALS LTD.

President: Hiroshi Shigezumi

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

### TOKYO BOEKI MECHANICS LTD.

President: Koji Nakayama

**Business Description:** Sales and maintenance of gas-related devices

### TOKYO BOEKI MEDISYS INC.

President: Hideya Goami

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

### T-BICS INC.

President: Hiromu Sugiura

**Business Description:** Software development and sales, information processing service business and information providing service business, non-life insurance agency business, life insurance agency business, temporary staffing

### T.B. TECH CO., LTD.

President: Toshiharu Saburi

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

### TOKYO BOEKI TECHNOLOGY LTD.

President: Keiji Takigawa

**Business Description:** Export trading of scientific instruments for educational and science and technology-related facilities mainly in the CIS nations



## Overseas Group Company

### ■ USA

#### TOKYO BOEKI NORTH AMERICA, INC. (CINCINNATI)

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 resources, metals, materials, construction materials and machinery

### ■ CHINA

#### TOKYO BOEKI (CHINA) LTD. (SHANGHAI)

President: Hirofumi Yanagawa

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

#### TOKYO BOEKI (BEIJING) LTD. (BEIJING)

President: Hirofumi Yanagawa

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

#### 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)

Managing Director: Yasuki 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 the CIS nations

(As of June 24, 2016)



Domestic Group

### TOKYO BOEKI MACHINERY LTD.



Domestic Group

### TOKYO BOEKI ENGINEERING, LTD.

#### Acquisition of the Adsorption Chiller Business

TOKYO BOEKI MACHINERY and TOKYO BOEKI ENGINEERING have thus far built and integrated a sales system for energy-related equipment focused on loading arms, and have provided high quality products and services to customers in Japan and abroad. This time, the Company turned its attention to adsorption Chiller, which show promise for affinity with technology cultivated in existing businesses, and sales mainly in emerging countries. In March 2016, TOKYO BOEKI ENGINEERING received the business transfer and TOKYO BOEKI MACHINERY acquired sales rights from UNION TECHNO CO., LTD., which formerly conducted development and manufacturing of adsorption Chiller. Moving forward, the Company will proceed with further research and development and enhancement of our sales ability, and cultivate this into a core product of our energy machinery business, following our loading arms-related business.



Adsorption chiller received by business transfer



Domestic Group

### TOKYO BOEKI ENGINEERING, LTD

#### Achieving significant weight reduction of ERS

The Company's core product, Marine Loading Arms, are distinguished by their ability to perform stable loading by floating its arms along with the movement of tankers coming from the effect of waves on the sea surface. Especially since the Great East Japan Earthquake, damage to the arms themselves and the risk of cargo washing away due to tsunamis or strong winds has gained close attention.

With regard to the ERS (Emergency Release System) mounted to the tip of the arms as damage countermeasures for the connecting portion, the Company has received requests to reduce weight, as the weight would require additional embankment construction. The Company has now completed a prototype that possesses the same functionality at half the weight of conventional models, and it has received great praise in tours for customers.

The Company will link this to updating equipment of existing arms, and continuously contribute to a stable supply of energy.



Conducting product tours in the Nagaoka Works



Domestic Group

### TOKYO BOEKI MECHANICS LTD.

#### Start of demonstration tests for 3 stage large-capacity diaphragm compressor for hydrogen

In Japan, work is underway to diversify energy resources through cooperation between the public and private sectors, where there are particularly high expectations for hydrogen as a source of clean energy.

Under such circumstances, the Company, which is focusing on the hydrogen-related business as a new business, has jointly developed a 3 stage large-capacity diaphragm compressor for hydrogen with PDC Machines (USA) for use in hydrogen stations, and has started demonstration tests of prototypes at the Hydrogen Energy Test and Research Center (Acronym: HyTReC). Moving forward, the Company plans to conduct tours of the prototype for customers in tandem.

In order to contribute to a stable supply of hydrogen energy, the sales and technology development divisions will unite as one to work on the hydrogen business.



3 stage large-capacity diaphragm compressor for hydrogen under demonstration test



Domestic Group

### TOKYO BOEKI TECHNO-SYSTEM LTD.

#### Promoting automation in the measurement field

In order to respond to demands from our customers in automobile manufacturing to shorten the time of measurement and analysis for automobile bodies and panels, the Company is working to automate measurement work using existing products, and has developed a new system featuring no-contact measurement equipment mounted to robotic arms. This system has enabled measurement times to be reduced to within 1/3 of what they once were. This new system has been set for early delivery, and in the future, the Company will advance development and improvement of the product, while seeking sales to various customers.



Automatic measurement equipment that uses a robotic arm



Overseas Group

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

#### Designers' Night held in Guangzhou, China

In developed countries and emerging economies alike, vehicles that match the sensibilities and preferences of end users have gained popularity in automobile sales. Particularly in emerging economies, with the growth of an affluent class, there is an increasing interest in design as well as function.

Following this trend, the Company obtained the sponsorship of its business partners and held an exhibition and social gathering titled Designers' Night in Guangzhou, China.

The Company greeted many visitors on the day of the event, raising interest in car design while simultaneously enhancing the branding of TOKYO BOEKI TECHNO-SYSTEM and the Company in the field of design and measurement.



Designers' Night held in Guangzhou, China



Domestic Group

### T.B. TECH CO., LTD.

#### Exhibit at the 1st Design Engineering & Manufacturing Solutions Expo (DMS Nagoya)

The Company participated in the "1st Design Engineering & Manufacturing Solutions Expo (DMS Nagoya)" held in the Tokai Region this spring. The Company used the keywords "IoT" and "3D printer" to conduct promotional efforts in the "Next-Generation Factory Zone" of the expo, aimed at customers primarily from the Chubu Region involved in design and development, manufacturing and production technology, and information systems in the manufacturing industry. Our newly developed "production management system," "equipment maintenance system," and "after marketing system" share the traits of easy installation for a low price and flexible customization to match our customers' businesses.

The Company also exhibited the 3D printer "K-ZO" developed by its group company, TOKYO BOEKI ENGINEERING, which comes with conversion software for house model design developed by the Company, "Assist call" which uses the TB-eye's Wi-Fi intercom system. The exhibit also included partner company products, and we were able to receive a variety of inquiries and demands, making the expo an opportunity for high quality business meetings.



The Design Engineering & Manufacturing Solutions Expo held for the first time in the Tokai Region



**Domestic Group** **TB-eye LTD.**

**Party celebrating 20 years since our founding held**

The Company's security business was launched as an in-house venture within Tokyo Boeki, initially importing and selling surveillance cameras. Currently, it has established a business style that offers total service from on-site surveys to system design, proposals, estimates, construction, repairs, and maintenance. It has also succeeded in improving customer satisfaction with the introduction of new products including OEM products, and is steadily improving its performance. On the other hand, the digital wireless intercom developed internally as a new commercial product has gained the attention of a diverse range of customers from the amusement industry to medicine and nursing facilities, hotels, and factories, and the Company is uncovering further new demand using the traits of its product.

The Company continues to grow, and in celebration of its 20th anniversary in October 2015, the Company showed its gratitude to its customers and held a party in recognition of its employees' services, who work hard day to day.



TBH executives also took part in the commemorative ceremony

**Domestic Group** **TOKYO BOEKI MEDISYS INC.**

**Market introduction started for new product "BiOLiS 30i"**

Following the "BiOLiS 24i," the first model of the BiOLiS series launched in 2001, the Company enhanced its automatic clinical analyzer lineup with the more compact 12i, 15i, and mid-sized 50i models, while steadily raising awareness in the market. In particular, the "BiOLiS 24i" series boasts compact size and highly functional processing power, as well as comfortable operability. Because its running cost is heavily reduced, it also boasts a sales record of over 6,300 units in 80 countries around the world as a long seller product. In February 2016, the long awaited successor, "BiOLiS 30i," was introduced to the market. The Company aims to expand sales channels even further, using the BiOLiS 30i, which is the same size as before but with upgraded performance as its strength. The Company will aim to improve the BiOLiS series brand, while working to support customers through unified sales, development and service engineers.



New product launched in February 2016: "BiOLiS 30i"

**Domestic Group** **TOKYO BOEKI TECHNOLOGY LTD.**

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

**Contracting export orders for new products, oxygen generators**

TOKYO BOEKI TECHNOLOGY and TOKYO BOEKI (RUS), having developed business for many years in Russia and the CIS, have been contracted by a major Russian zinc production company to deliver a large-scale oxygen generator, which is critical to the non-ferrous metal refining process. Currently, the economic environment of the Russian market is severe, but the market is changing drastically with the promotion of domestic Russian industry and the internal production of formerly imported products, giving rise to the potential for new economic cooperation between Japan and Russia in various fields. The Company sees these changes as a new business opportunity, and will further expand its business foundation by cultivating new commercial products of various high tech devices and industrial devices, in addition to its existing products such as electron microscopes and welding machines. To establish our unwavering status in the Russia/CIS market, the Company will devote its full strength to sales and marketing activities in this market.



Aiming for further brand improvement in Russia

### “20th Regular Joint Meeting” of the Japan-China Investment Promotion Organization (JCIPO) Group Supreme Advisor Machida participating as Director

The 20th Japan-China Regular Joint Meeting was held in Beijing, China on March 18, with Group Supreme Advisor Machida from Tokyo Boeki Group in attendance as Director of the JCIPO. This meeting is held every year 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 130 members attended, led by Chairman Shoichiro Toyoda on the Japanese side and Minister Gao Hucheng of the Ministry of Commerce of the People's Republic of China on the Chinese side. 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 Masato Kitera, and closing words given by Group Supreme Advisor Machida.



Group Supreme Advisor Machida delivering his closing speech



20th Regular Joint Meeting

\*Japan-China Investment Promotion Organization: Established in March 1991 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 2016, Shoichiro Toyoda serves as the Chairman of the organization.

### Chairman Goami and President Takigawa of TOKYO BOEKI TECHNOLOGY talk with Russian Ambassador Evgeny Afanasiev

Talks were held between Chairman Goami, President Takigawa of TOKYO BOEKI TECHNOLOGY (and TOKYO BOEKI (RUS)) and Ambassador Evgeny Afanasiev on February 3. Since establishing a Moscow representative office in 1959, the Tokyo Boeki Group has made efforts in its Russian business for 57 years and has developed a deep relationship with the Russian Embassy in Japan.

In the talks, Ambassador Afanasiev explained the current state of politics and the economy in Russia, gave valuable advice on specific projects, and promised his full support for the Group in the future, making for a friendly and forward-looking meeting.



Front row, left: TTL/TB (RUS) President Takigawa; center: Chairman Goami; right: Ambassador Afanasiev

With the aim of ensuring compliance and performing high quality management, the Tokyo Boeki Group formulated “VISION 2020 To Realize Future Dream & Sustainable Development.”



  
**TOKYO BOEKI GROUP**

**VISION 2020**  
TWENTY TWENTY

***To Realize Future Dream  
& Sustainable Development***

**Tokyo Boeki Group aims to ensure compliance  
and perform high quality management.**

- We will strive to improve group corporate value and sustainable development.
- We will realize the happiness of our employees and their families.
- We will work to improve the satisfaction of our customers.
- We will perform group management with responsibility to our shareholders, and contribute to a global society.

**Hideya Goami**  
Chairman, President & CEO

## New Business

## Expansion and outlook of adsorption chiller business

An adsorption chiller is a chiller system that uses silica gel as an adsorbent and water as a coolant, and is capable of generating cold water using low temperature waste heats. It has high energy utilization efficiency and as the environmental burden of the medium used for adsorption and desorption is small, research and development of this product is advancing from the perspective of energy conservation and utilization of clean energy.

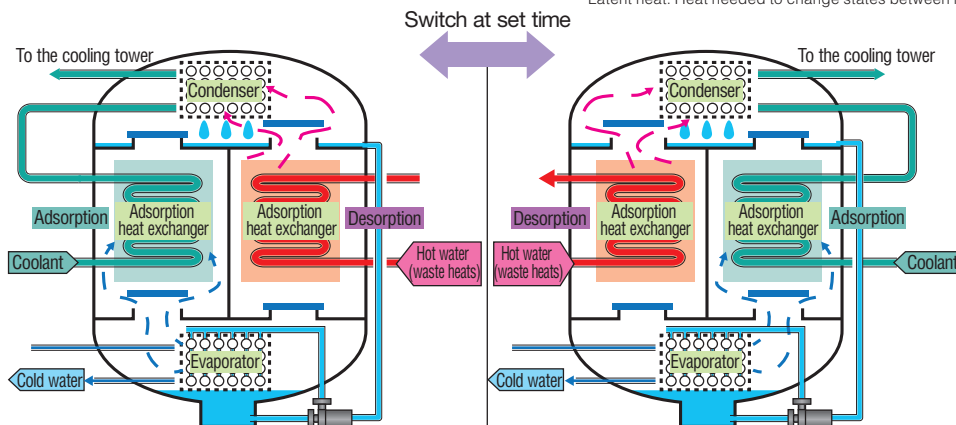
The TOKYO BOEKI MACHINERY corporate body has conducted research of new businesses and products using existing equipment and technology. Amidst the issues of global warming, which are advancing worldwide, and based on the societal situation of promoting energy conversion and energy conservation to reduce CO<sub>2</sub>, the Company has focused on adsorption chiller and at the same time explored the development potential of this product. As a result, the Company decided to acquire an adsorption chiller business, because of the expected needs of emerging economies, primarily in ASEAN countries, and expected expansion of sales channels for other products. Finally, this spring the Company received a business transfer from UNION TECHNO CO., LTD. which was engaged in the development and manufacturing of existing adsorption chiller. TOKYO BOEKI ENGINEERING took over production equipment and drawings, and is now capable of developing and manufacturing new adsorption chiller. Meanwhile, TOKYO BOEKI MACHINERY acquired sales rights to this product.

Moving forward, the Company will make further efforts in research and development as well as sales force enhancement, in order to raise this business into a core business of the Energy Machinery Industry Group.

Illustration: A pair of adsorbers repeat the adsorption/desorption process (batch operation)

Adsorption Process	Desorption Process
1) Water drawn into the evaporator maintained at a near vacuum state evaporates at low temperature. With the latent heat of evaporation (*), it's possible to take out cold water for cooling.	1) Waste heats generated during factory operation is captured, and the adsorbent is regenerated (dried) by desorbing moisture adsorbed by the adsorber.
2) Evaporated water is adsorbed by the adsorbent in the adsorber, generating adsorption heat.	2) Water vapor desorbed by the adsorber is liquefied and returned to the liquid layer by the condenser, and then carried into the evaporator by a pump.
3) Adsorption heat must be removed in order for the adsorbent to continuously adsorb water vapor, and cooling water (lukewarm 30°C water) is used for this process.	

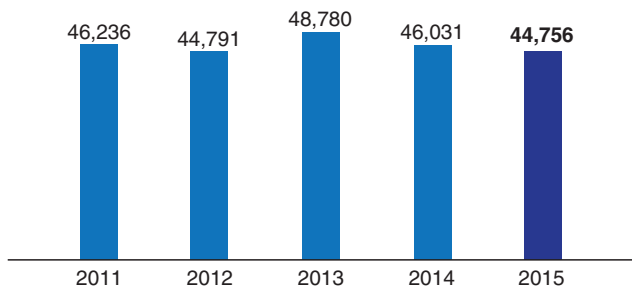
\*Latent heat: Heat needed to change states between liquid, gas and solid.



## Financial Highlights

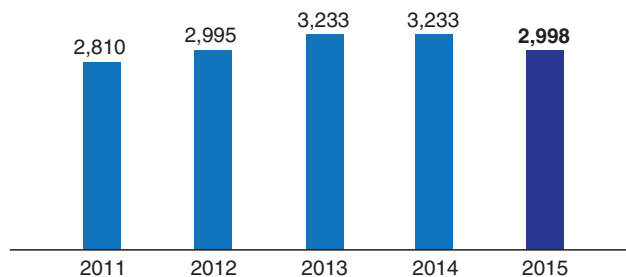
### Net Sales

(Million yen)



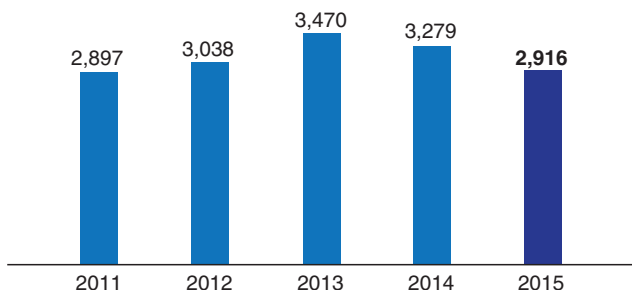
### Operating Income

(Million yen)



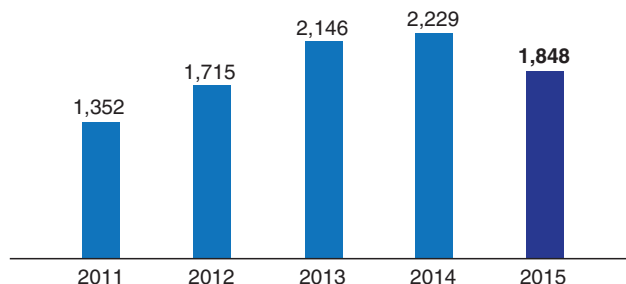
### Ordinary Income

(Million yen)



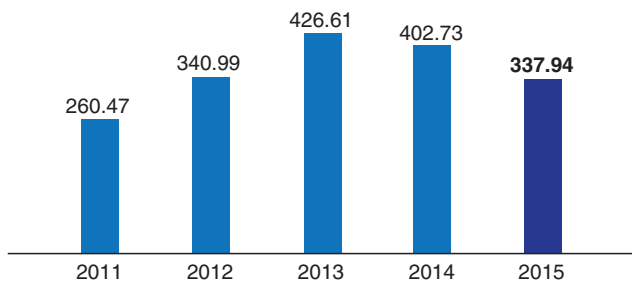
### Net Income Attributable to Owners of Parent

(Million yen)



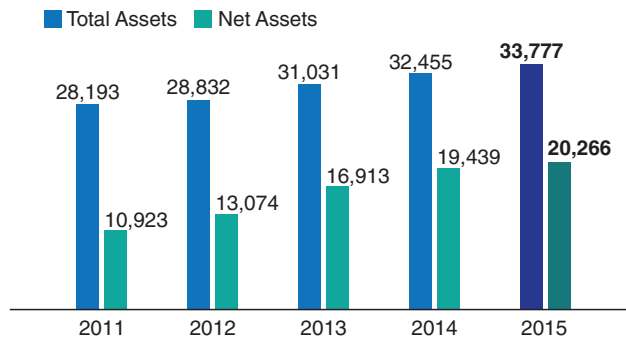
### Earnings Per Share

(Yen)



### Total Assets / Net Assets

(Million yen)



## Consolidated Financial Statements

### ■ Consolidated Balance Sheets

(Million yen)

Account Item	2015	2014
	As of March 31, 2016	As of March 31, 2015
<b>Assets</b>		
Current assets	26,793	25,157
Non-current assets	6,984	7,298
Property, plant and equipment	2,386	2,393
Intangible assets	423	585
Investments and other assets	4,173	4,319
Total assets	33,777	32,455
<b>Liabilities</b>		
Current liabilities	12,685	11,885
Non-current liabilities	826	1,129
Total liabilities	13,511	13,015
<b>Net assets</b>		
Shareholders' equity	19,894	18,481
Capital stock	5,000	5,000
Retained earnings	15,227	13,673
Treasury stock	(332)	(191)
Accumulated other comprehensive income	232	801
Non-controlling interests	139	156
Total net assets	20,266	19,439
Total liabilities and net assets	33,777	32,455

### ■ Consolidated Statements of Income

(Million yen)

Account Item	2015	2014
	April 1, 2015 – March 31, 2016	April 1, 2014 – March 31, 2015
Net sales	44,756	46,031
Cost of sales	32,521	33,630
Gross profit	12,234	12,401
Selling, general & administrative expenses	9,236	9,167
Operating income	2,998	3,233
Non-operating income	237	217
Non-operating expenses	319	172
Ordinary income	2,916	3,279
Extraordinary income	20	70
Extraordinary loss	19	42
Income before income taxes	2,917	3,307
Income taxes	1,066	1,053
Net income	1,850	2,254
Net income attributable to non-controlling interests	2	24
Net income attributable to owners of parent	1,848	2,229

## ■ Company Outline (As of March 31, 2016)

Tokyo Boeki Group	Tokyo Boeki Holdings Corporation and 17 group companies
Established	October 30, 1947
Capital Stock	5.0 billion yen (Shareholders' equity: 19.8 billion yen)
Employees	969
Head Office (Pure holding company)	Tokyo Boeki Holdings Corporation 2-13-8 Hatchobori, Chuo-ku, Tokyo 104-8510 Japan

## ■ Executives of Tokyo Boeki Holdings Corporation (As of June 24, 2016)

### Board of Directors / Operating Officers

Director, Group Supreme Advisor	Hiroshi Machida
Director, Chairman, President & CEO	Hideya Goami
Director, Executive Vice President	Sanshiro Kato
Director&Senior Managing Operating Officer	Ikuro Kida
Operating Officer	Tsunetoshi Sakai

### 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, 2016)

Total Number of Authorized Shares	38,519,920 shares
Total Number of Stocks Issued	Common Stock 4,716,815 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	26.49%
Tokyo Boeki Employee Share Holding Commission	662,000 shares	10.32%
Tokyo Marine & Nichido Fire Insurance Co., Ltd.	498,000 shares	7.76%
The Toa Reinsurance Company, Limited	408,000 shares	6.36%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	249,000 shares	3.88%
Nippon Life Insurance Company	120,000 shares	1.87%

\* 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 from the Company and an introduction to our business.

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

