



TOKYO BOEKI GROUP  
**70<sup>th</sup>**  
anniversary  
since 1947



# Global Partner



**TOKYO BOEKI GROUP**

Annual Report

April 1, 2016 – March 31, 2017

# Global Partner

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. Each employee will take pride in themselves and contribute to the global company.

### Generating synergistic effects “Tokyo Boeki Group Federated Management”

H

#### 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.  
T-BICS INC.  
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.  
TOKYO BOEKI (BEIJING) LTD.



**Sanshiro  
Katoh**  
Director,  
President & CEO

**We made a fresh start toward a great leap forward, by succeeding in management reforms focused on profitability.**

### Introduction

My name is Sanshiro Katoh. I was appointed and have assumed the office of Representative Director, President and CEO. I would like to express my sincere appreciation to all of our shareholders for your loyal support. I would like to take this opportunity to report the business condition for our company's 97th term (April 1, 2016 - March 31, 2017).

### Ordinary income reached a record high due to concentration in core competence

In fiscal year 2016, business conditions in Japan and overseas remained steady overall, despite growing uncertainties about the future of the global economy due to factors such as the impact of the United States presidential election. Amidst this environment, the Group strove to thoroughly "eliminate waste" by withdrawing from businesses with less profitability, integrating group companies to improve operational efficiency, and strengthening existing businesses, based on the management vision formulated by the Group last year, VISION 2020. As a result of these initiatives, consolidated results for fiscal year 2016 were the following: net sales were 42,449

million yen (down 5.2% from the previous fiscal year), ordinary income was 3,963 million yen (up 35.9% from the previous fiscal year), and net income attributable to owners of parent amounted to 2,020 million yen (up 9.3% from the previous fiscal year). Although net sales decreased slightly, ordinary income reached a record high.

During fiscal year 2016, sales of equipment for the energy-related industries remained steady, and security-related businesses which had showed rapid growth in recent years continued to secure high growth. While working to expand existing businesses, we vigorously pushed forward on the concentration in core competence by restructuring unprofitable businesses and reorganizing group businesses. As a result, an efficient organization with a high-value-added business portfolio was created and a strong earnings base that lays a solid foundation for future growth was established. In addition, in January 2017, we relocated our headquarters to "KYOBASHI EDOGRAND," thereby congregating group companies which had been located throughout Hatchobori onto one floor. We expect this relocation to bring us further synergy through active interaction between group companies.

### Further enhancing profitability, with a view to achieving net sales of 70 billion yen

The Group is currently implementing VISION 2020 for the purpose of realizing new growth and development. Under the vision, we will strive for high quality management by fulfilling our responsibilities to all stakeholders, while increasing the value of the Group's businesses and embracing the challenge of sustainable development. As for numerical targets, we will aim to achieve consolidated net sales of 70 billion yen and consolidated ordinary income of 6 billion yen in fiscal year 2020.

In the past, the Group focused on management with an emphasis on expanding sales volume rather than profitability. Although sales volume once reached 400 billion yen, profit relative to net sales was only around 1

## TO OUR SHAREHOLDERS

billion yen and resulted with an extremely low profit margin. Following a period of poor performance, we made efforts to substantially reduce sales volume, along with a shift to highly profitable businesses. This resulted in laying the foundation for the current lean and sound earnings base.

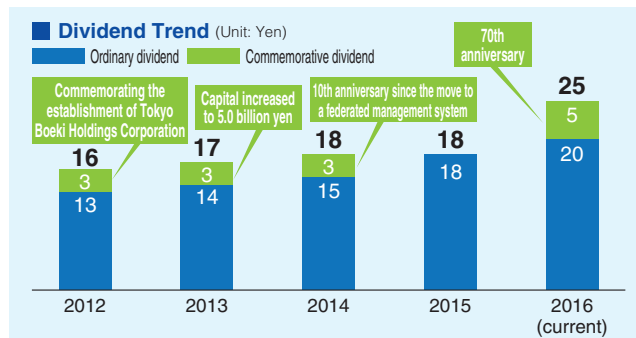
However, net sales have been following a downward trend, thus giving rise to the challenge of further expanding the market and cultivating new businesses. VISION 2020 is a new chart that would enable us to depart from this state of balanced contraction and return to a sound growth path. We will optimize management resources through group-wide efforts with a view to maintaining and expanding existing businesses by way of concentration in core competence, while proactively working to realize further globalization and invest in new businesses and M&A.

First, the Group will aim to expand net sales, which will be the base, from the current level of 42.4 billion yen to about 60 billion yen by strengthening existing businesses. With businesses such as the fast-growing security-related businesses and the energy-related businesses for which expansion is expected in Japan and overseas acting as the driver, we hope to achieve such growth by also further enhancing sales of high-value-added products in niche markets in which the Group excels. However, rather than seeking to randomly expand scale, we intend to focus only on businesses that can secure at least a double-digit profit margin. And, add the remaining 10 billion yen by means of new businesses and M&A in fields expected to have a synergy effect with existing businesses.

VISION 2020 sets forth the policy of “aiming to ensure compliance and perform high quality management,” as well as such aggressive strategies. In addition to efforts made by group companies, we also established an organization which presides over the compliance system of the entire Group in August 2016, and are making efforts to increase awareness of compliance as a unified Group.

## About dividend

This term's dividend amount will add a commemorative dividend of 5 yen to the ordinary dividend of 20 yen per stock in commemoration of our 70th anniversary, making the total dividend of 25 yen, even as our company secures the internal funding necessary for active investment in existing businesses and new businesses.



## To our stakeholders

Thanks to your support, the Company will be celebrating its 70th anniversary this October. It is said that the life of an enterprise is 30 years. We attribute our success in building our operations over the long period of 70 years to the “mindset of management among all employees,” one of the Group’s “Three founding spirits.” The Group grew not only on the strength of some managers and outstanding employees. We believe the hard work of each individual enabled us to surmount numerous difficulties and build what the Group is today. Needless to say, we have not forgotten the support our stakeholders, including shareholders and business partners, have given us over the years, and I express my heartfelt appreciation on behalf of the Group.

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

## CLOSE-UP



### Our New Headquarters

## Our headquarters have been relocated to “KYOBASHI EDOGRAND”

In January 2017, the Tokyo Boeki Group relocated its headquarters from Hatchobori, the place of its foundation, to Kyobashi. This brought business companies which had been located in different places together on one same floor.

Through this relocation, we will strive to

- Conduct swift decision-making, invigorate communication, and expand group synergy through the concentration of group companies;
- Reduce costs through the integration and consolidation of overlapping operations of group companies;
- Enhance security, implement BCP, and ensure the safety of employees through relocation to a state-of-the-art building; and
- Improve customer satisfaction and employee satisfaction.

Through the creation of new synergy effects between each company's business and employees with closer connections and communication among group companies, we will realize “true development” for the Tokyo Boeki Group with an increased sense of unity.

# Commemorated our 70th anniversary

Since its foundation in 1947, the Tokyo Boeki Group has accumulated expertise and business capabilities. While making continued efforts to enhance them, the group companies aim to achieve the number one position in their respective industries by joining the forces of all their employees under the keyword “Global Partner.”

## ■ 1947

Founder Yasuo Matsumiya established Tokyo Boeki Shokai.



## ■ 1948

Entered the metal/machinery sector and the grain/fertilizer sector.

1940

1950

1960

1970

## ■ 1951

Authorized as a trading firm for foreign food by the Japanese Food Agency.

## ■ 1953

Successfully inaugurated the first post-war barter trade with China using the newly formulated TOMAS Way, becoming the forerunner of Japan-China trade.

## ■ 1954

Entered steel trading; appointed as Yahata Iron & Steel Co., Ltd.'s (now Nippon Steel & Sumitomo Metal Corporation) export agent; established basis of steel business and related businesses.

## ■ 1955

Acquired sole Japanese distributorship of Unites States Chiksan Joint and Loading Arms and commenced machinery imports.



## ■ 1957

Changed company name from Tokyo Boeki Shokai to Tokyo Boeki Ltd.

## ■ 1960s

Opened bases overseas successively. Moscow, Beijing, Sydney, Melbourne, New York, Bucharest, and others



## ■ 1967

The Moscow representative office was officially approved by the former Soviet Union Government as an office, the first time for a Free World enterprise.

## ■ 1969

Completed construction of Atsugi plant which commenced operations; started the manufacturing of measuring instruments and design equipment.



## ■ 1973

Opened the exclusive Japanese restaurant Inagiku at the Waldorf Astoria Hotel in New York, entering the restaurant industry in the United States.

## ■ 1974

Founded Qatar Steel Co., Ltd., in Qatar through a joint venture, constructed the first full-scale steel plant in the Middle East; and initiated overseas production and multinational trading.



## ■ 1978

Agreed to export a large quantity of automobiles from Toyota Motor Corporation and Hino Motors, Ltd. to China, greatly expanding long-term trade with China.



- **1980**  
Signed long-term agreement to import Gregory coal from B.H.P., Australia.
- **1983**  
Invested in Quintette Coal, Canada to diversify overseas coal sources.
- **1985**  
Founded MONITOR PRODUCTS, INC. in New Jersey, U.S., and began sales of electrical appliances in the United States.
- **1986**  
Founded T.B. TECH CO., LTD. in Toyota.
- **1988**  
Opened representative office in Detroit, U.S., (now TOKYO BOEKI NORTH AMERICA, INC.)

- **2001**  
Founded TOKYO BOEKI MECHANICS LTD.  
Founded TOKYO BOEKI (CHINA) LTD.
- **2003**  
Founded TOKYO BOEKI ENGINEERING, LTD.



- **2005**  
Founded TOKYO BOEKI (BEIJING) LTD. in China for integration of the steel-making refractory brick business.  
Aimed to expand this business area primarily through sales of refractory bricks.
- **2006**  
Founded TOKYO BOEKI MACHINERY LTD. and TOKYO BOEKI MATERIALS LTD. through a incorporation-type company split in order to accelerate the move to Tokyo Boeki Group Federated Management system.

1980

1990

2000

2010

- **1994**  
Established the Atsugi plant as an independent company named TOKYO BOEKI TECHNO-SYSTEM LTD.
- **1995**  
Appointed Hiroshi Machida (now Group Supreme Advisor) as President.
- Founded TB-eye LTD.
- **1999**  
Founded TOKYO BOEKI MEDISYS INC.



- **2013**  
Company name changed from Tokyo Boeki Ltd. to Tokyo Boeki Holdings Corporation and capital increased to 3.0 billion yen.
- **2014**  
Capital increased to 5.0 billion yen.
- **2016**  
Formulated Tokyo Boeki Group "VISION 2020"
- **2017**  
Relocated headquarters to KYOBASHI EDOGRAND and consolidated headquarter functions of the Tokyo Boeki Group

× The Group companies are stated in the current names.

## SEGMENT INFORMATION (Percentage represents ratio of sales)



### Energy Machinery Industry Group



Sales **12,329** million yen 99% year-on-year  
Operating Income **2,036** million yen 189% 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 ENGINEERING, LTD. and TOKYO BOEKI MACHINERY LTD., which have gained a high reputation.

#### Business Condition

In the energy industry, amid the management integration of major oil distributors and impending liberalization of the gas retail market on the heels of liberalization of the electric power market, the growing cost consciousness of major customers has led to the postponement of capital investment and pressure to reduce procurement costs by the industry as a whole. Although we channeled our energies into strengthening proposals for weight reduction of ERS (Emergency Release Systems), an ancillary facility of our core product loading arm, and receiving orders for updating existing loading arms, the Group recorded decreased revenues. However, the Group recorded increased profits for fiscal year 2016 due to the absence of the impact of the substantial allowance recorded in connection with problems with orders overseas in the previous fiscal year.



### Technology, Automobiles and Information Industry Group



Sales **7,026** million yen 96% year-on-year  
Operating Income **570** million yen 61% 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

There was a succession of cases where automobile-related companies, the Group's main customers, put off large-scale investments due to the highly uncertain global economic situation. In addition, amid ongoing fierce competition with other foreign companies, challenging conditions persisted for sales of 3D measurement-related instruments and software. To develop new customers, the Group newly entered the aircraft industry for which sales can be expected to expand in the future. Nevertheless, revenues and profits decreased for the Group.





## Medical, Life and Science Industry Group



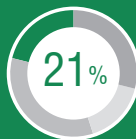
Sales **14,270** million yen 107% year-on-year  
 Operating Income **1,980** million yen 105% year-on-year

### 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 onsite 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 the security business, the Group worked to enhance the product lineup through the TB-eye brand and provide total service from system proposals to design, installation, and after-sales services. As a result, the Group steadily increased sales. In the medical-related field, sales of compact automated analyzers for use in clinical examinations were sluggish, reflecting competition with low-priced products, such as those made in China, in addition to weak sales to North and South Americas and Europe. In the scientific instruments-related business, although the economy of Russia, a major export destination, showed signs of bottoming out, it did not lead to a significant increase in orders. As a result, driven by the robust security business, revenues and profits increased for the Group.



## Materials, Resource and Metal Industry Group



Sales **8,836** million yen 75% year-on-year  
 Operating Income **272** million yen 113% 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, the volume handled showed a slight increase from the previous fiscal year partly due to improved price competitiveness. In addition, the volume handled expanded for raw materials for fertilizers and batteries in the resource business and for steel materials for Indonesia in the metal business. However, owing to factors such as the termination of transaction following withdrawal from local production in Australia by a leading automobile manufacturer, which had been a longtime major trading partner, revenues decreased and profits increased for the Group.

## GROUP TOPICS

 Domestic Group **TOKYO BOEKI MACHINERY LTD.**

 Domestic Group **TOKYO BOEKI ENGINEERING, LTD.**

### Agreement signed to manufacture and distribute Hydrocurrent™ Organic Rankine Cycle (ORC) 125 EJW shipboard heat recovery system

TOKYO BOEKI MACHINERY LTD. signed an exclusive manufacturing and distribution agreement with Calnetix Technologies, LLC. of the United States for the Hydrocurrent™ Organic Rankine Cycle (ORC) 125 EJW shipboard heat recovery system. This product is a system that generates power with a directly-coupled turbine-driven generator utilizing magnetic bearings by using jacket cooling water of the propulsion engines of large ships and fluorocarbon-free refrigerant. The main components consist of an IPM (turbine generator) and EC (control panel) which are imported from the United States and module will be assembled at and shipped from the Nagaoka Works of TOKYO BOEKI ENGINEERING, LTD. To cope with the “NOx regulations” enforced in 2016 and the “shipping environmental regulations on SOx” which will be strengthened from 2020, the Company will aim to provide this system as a standard feature in the energy efficiency-oriented shipping industry.



Hydrocurrent™ Organic Rankine Cycle (ORC) 125 EJW shipboard heat recovery system

 Domestic Group **TOKYO BOEKI MACHINERY LTD.**

 Domestic Group **TOKYO BOEKI ENGINEERING, LTD.**

### Exhibit at “Gastech 2017”

TOKYO BOEKI MACHINERY LTD. and TOKYO BOEKI ENGINEERING, LTD. jointly held an exhibition at “Gastech 2017” which was held at Makuhari Messe from April 4 - 7, 2017. Gastech, an international event for energy professionals, including natural gas and the LNG supply chain, was held in Japan for the first time. At the booth, the companies displayed loading arm models and promoted marine loading arms for LNG mainly through product introduction by video. The companies will make use of their contacts with industry participants developed at the exhibition to pursue further business developments in the future.



At the exhibition booth

 Domestic Group **TOKYO BOEKI MACHINERY LTD.**

### Merger with TOKYO BOEKI TECHNOLOGY LTD.

As of April 1, 2017, TOKYO BOEKI MACHINERY LTD. merged with TOKYO BOEKI TECHNOLOGY LTD., a company of the Tokyo Boeki Group engaged in the export of scientific instruments and industrial machinery mainly to companies in Russia and CIS countries, and took over all the operations of TOKYO BOEKI TECHNOLOGY LTD. This merger is part of the reorganization efforts within the Tokyo Boeki Group and aims at further strengthening the product procurement capability and business development capability of the Russia and CIS business accumulated by TOKYO BOEKI TECHNOLOGY LTD., as well as at developing the Company's energy business in Russia and CIS countries. Going forward, the Company will maximize the synergy effect of the merger with a view to becoming “a company that contributes to the prosperous life of people all over the world.”



Electron microscope

Denyo Welding Machine

Photos provided by JEOL Ltd. / Denyo Co., Ltd.



Domestic Group

## TOKYO BOEKI MECHANICS LTD.

### Acquiring a portion of business assets of YOKOHAMA ENGINEERING CO., LTD.

On April 1, 2017, the Company acquired a portion of business assets of YOKOHAMA ENGINEERING CO., LTD. and established offices in Yokohama and Sendai in taking over the business. With a history of 42 years, YOKOHAMA ENGINEERING CO., LTD. has not only the technological capability developed in mechanical design, can manufacturing technology, and maintenance business and know-how for acquiring approval, but also a sales base in the Tohoku area where the Company has positioned no offices. The Company has built a friendly cooperative relationship over the years. Going forward, the Company will maximize the strengths of this business integration to enter the LPG market, an existing business, and other markets and expand market share, as well as complement the technological capabilities of gas-related devices.



Work space

Energy Machinery Industry Group



Domestic Group

## TOKYO BOEKI TECHNO-SYSTEM LTD.

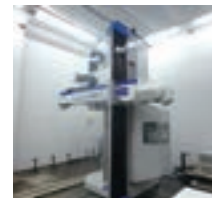
### Long-awaited first-time entry into the aircraft industry Completed development of a robot automatic measurement system

Sales of products for the automobile industry account for more than 80% of the Company's total sales. The Company has pursued development of new markets by making it one of its management targets from the perspective of strengthening the business portfolio.

Focusing our efforts on entering the aircraft industry in particular, the Company successfully delivered the MILL7 (clay model milling machine) to one of Japan's leading heavy industry manufacturers.

Also in order to respond to the trend of automation of measurement work, the Company developed a robot automatic measurement system that is expected to become the next generation of core products and delivered the first unit to a leading heavy industry manufacturer and a leading automobile manufacturer.

Going forward, the Company will strive to cultivate such new markets and expand transactions of new products.



MILL7 delivered to a leading heavy industry manufacturer



Robot automatic measurement system delivered to a leading automobile manufacturer

Technology, Automobiles and Information Industry Group



Domestic Group

## TOKYO BOEKI MATERIALS LTD. (former TOKYO BOEKI STEEL & MATERIALS LTD.)

### Company name changed to TOKYO BOEKI MATERIALS LTD.

As of January 1, 2017, TOKYO BOEKI STEEL & MATERIALS LTD. changed its company name to TOKYO BOEKI MATERIALS LTD.

The Company was established by spin off from Tokyo Boeki Ltd. (currently Tokyo Boeki Holdings Corporation) in October 2006 by taking over the refractory materials, steel and raw materials businesses of the Tokyo Boeki Group. The Company has mainly engaged in the trading business. However, in order to expand its business to achieve the Tokyo Boeki Group's VISION 2020, the Company is establishing a value chain system by providing integrated service from development and manufacture of refractory materials to sale and maintenance of such materials.

The company made a fresh start by change its name with a view to develop our business in the steel and resource and energy sectors.

The Company aims to contribute to the Group by continuing innovations, reforms and challenges through "one for all" spirits.



Materials, Resource and Metal Industry Group

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

### Opened the Technical Center

The Company's Technical Division and Construction Division relocated their offices in November 2016 and newly opened the Technical Center in Chuo-ku, Tokyo.

This move has enabled the swift performance evaluation testing of products by the Technical Division, as well as the provision of a full range of customer services through cooperation between the Technical Division and the Construction Division.

Furthermore, the Technical Center also has a showroom where customers can try the Company's devices from a line-up offering standard products to the latest products.

The Company will take this opportunity to commit to further earning patronage of all.

- Facility Name: Technical Center
- Location: 4F Kanematsu Building, 2-14-1 Kyobashi, Chuo-ku, Tokyo



Kanematsu Building

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

### Promotion of OEM

The Company has been handling mainly imported camera systems and has provided total service from on-site surveys to construction and after-sales services. Currently, the Company is deepening total service in response to a wide variety of market needs through the launch of TB-eye brand products.

Going forward, the Company will make use of its technological strength to promote OEM mainly of IP camera systems supporting multi-vendors, street security camera systems, and analog HD camera systems and offer various solutions based on its proposal and on-site capabilities.



TB-eye brand product

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

### Exhibit at "JACLaS EXPO 2016," the clinical laboratory systems exhibition

The Company exhibited the self-developed automated clinical analyzer "BiOLiS" series for medical examinations at the exhibition, held at PACIFICO Yokohama in September 2016.

This series boasts a sales record of about 7,000 units, due to its compact size and highly performance processing power, easy operability, and lower running cost. The Company exhibited at this exhibition the new product "BiOLiS 30i" launched in spring of last year and medium-size "BiOLiS 50i".

Many people visited the Company's booth to see a real machine of BiOLiS 30i, and the exhibition was successfully finished. We have confidence in sales expansion in the future.

The Company strives to improve its customer satisfaction and brand power of BiOLiS series with collaboration between development, sales and service engineers.



Full view of the exhibition booth

# CONSOLIDATED COMPANIES



## Domestic Group Companies

### TB-eye LTD.

President: Kim Wonyong

**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: Koji Nakayama

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

### 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

### T-BICS INC.

President: Hiromichi Sugiura

**Business Description:** Non-life insurance agency business and life insurance solicitation business



## 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

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

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)

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 Tagigawa

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

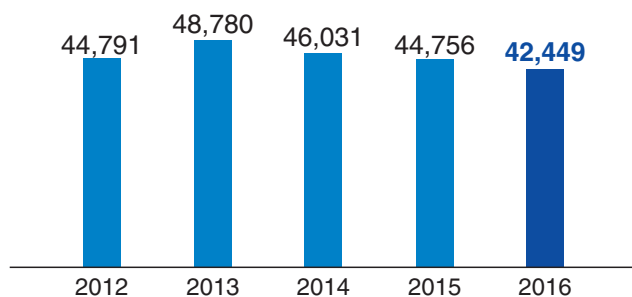
(As of June 27, 2017)

# FINANCIAL REVIEW

## Financial Highlights

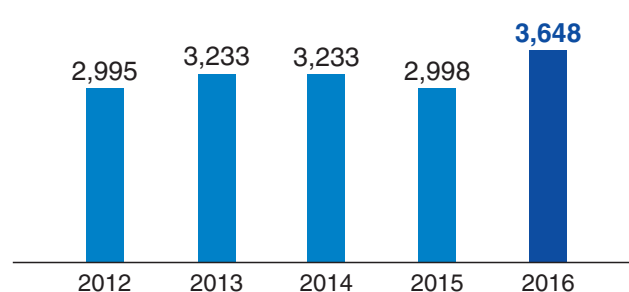
### Net Sales

(Million yen)



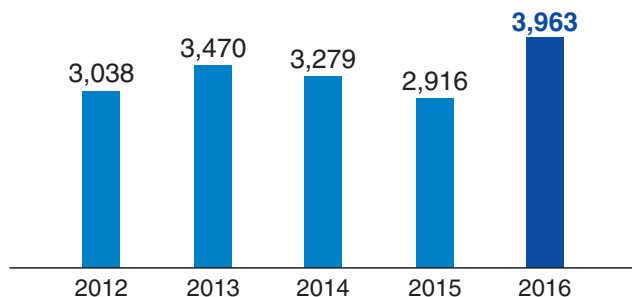
### Operating Income

(Million yen)



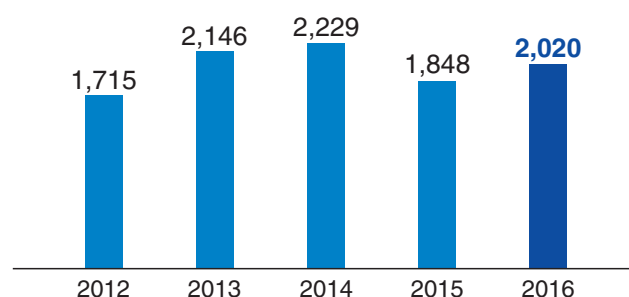
### Ordinary Income

(Million yen)



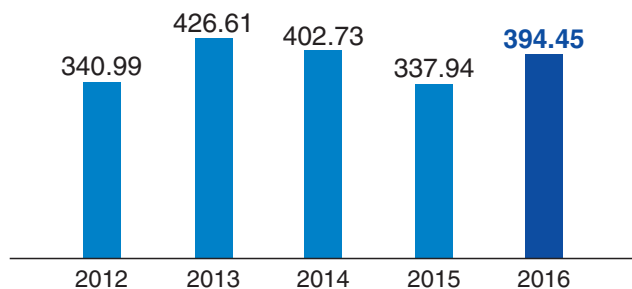
### Net Income Attributable to Owners of Parent

(Million yen)



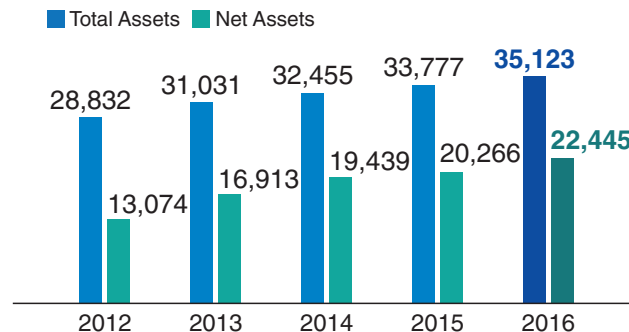
### Earnings Per Share

(Yen)



### Total Assets / Net Assets

(Million yen)



## Consolidated Financial Statements

### ■ Consolidated Balance Sheets

(Million yen)

Account Item	2016	2015
	As of March 31, 2017	As of March 31, 2016
<b>Assets</b>		
Current assets	27,720	26,793
Non-current assets	7,402	6,984
Property, plant and equipment	2,699	2,386
Intangible assets	507	423
Investments and other assets	4,194	4,173
Total assets	35,123	33,777
<b>Liabilities</b>		
Current liabilities	11,758	12,685
Non-current liabilities	919	826
Total liabilities	12,677	13,511
<b>Net assets</b>		
Shareholders' equity	21,529	19,894
Capital stock	5,000	5,000
Retained earnings	16,958	15,227
Treasury stock	(428)	(332)
Accumulated other comprehensive income	771	232
Non-controlling interests	144	139
Total net assets	22,445	20,266
Total liabilities and net assets	35,123	33,777

### ■ Consolidated Statements of Income

(Million yen)

Account Item	2016	2015
	April 1, 2016 – March 31, 2017	April 1, 2015 – March 31, 2016
Net sales	42,449	44,756
Cost of sales	28,760	32,521
Gross profit	13,688	12,234
Selling, general & administrative expenses	10,040	9,236
Operating income	3,648	2,998
Non-operating income	376	237
Non-operating expenses	61	319
Ordinary income	3,963	2,916
Extraordinary income	20	20
Extraordinary loss	581	19
Income before income taxes	3,402	2,917
Income taxes	1,373	1,066
Net income	2,029	1,850
Net income attributable to non-controlling interests	8	2
Net income attributable to owners of parent	2,020	1,848

# COMPANY OUTLINE / STOCK INFORMATION

## Company Outline (As of March 31, 2017)

Tokyo Boeki Group	Tokyo Boeki Holdings Corporation and 17 group companies
Established	October 30, 1947
Capital Stock	5.0 billion yen (Shareholders' equity: 21.5 billion yen)
Employees	954
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 27, 2017)

### Board of Directors / Operating Officers

Director, Group Supreme Advisor	Hiroshi Machida
Director, President & CEO	Sanshiro (Tomihiro) Katoh
Director, Executive Vice President	Hideshige Tsubouchi
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, 2017)

Total Number of Authorized Shares	38,519,920 shares
Total Number of Stocks Issued	Common Stock 4,522,115 shares (Excludes treasury stock) Class A Preferred Stock 1,700,000 shares
Number of Shareholders	117

Name of Shareholder	Numbers of Stocks Held	Ratio of Shareholding
Tokyo Boeki Ltd.	1,700,000 shares	27.32%
Tokyo Boeki Employee Share Holding Commission	662,000 shares	10.64%
Tokyo Marine & Nichido Fire Insurance Co., Ltd.	498,000 shares	8.00%
The Toa Reinsurance Company, Limited	408,000 shares	6.56%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	249,000 shares	4.00%
Nippon Life Insurance Company	120,000 shares	1.93%

\* 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/>



Our website  
has been  
renewed



## TOKYO BOEKI GROUP

KYOBASHI EDOGRAND, 2-2-1 Kyobashi, Chuo-ku, Tokyo 104-0031 Japan  
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