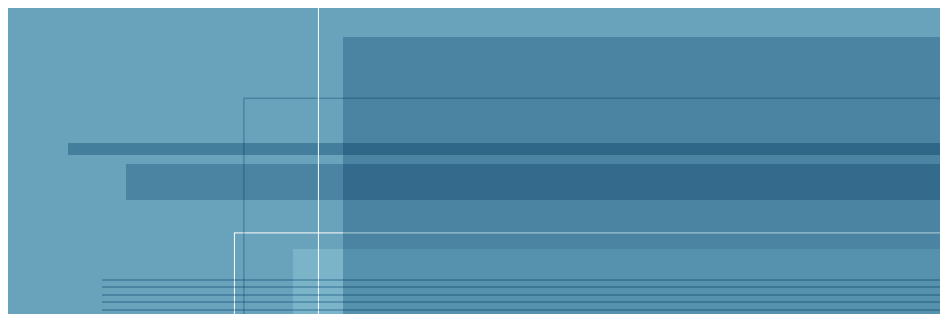


INVESTORS GUIDE 2012

TOKYO SANGYO CO., LTD.



Message from the President

Since its founding in 1947, Tokyo Sangyo Co., Ltd. (the “Company”), as a general trading company dealing in machinery, has always upheld the ideas of “Trust” and “Contribution” as part of its corporate philosophy when pursuing its activities. Specifically, by closely aligning our sales activities to our customers, accurately grasping their needs, and swiftly proposing solutions to their problems and providing optimal products, we have been able to earn the trust of our customers while also making contributions to society. We are truly grateful to our customers and all of our stakeholders for the assistance and support they have provided, without which our history of more than 60 years would have never been possible.

By making efforts to further streamline our organization and enhance efficiency and by focusing on the cultivation of human resources and new product development, we will continue to steadily build up a corporate structure capable of responding quickly to drastic changes in the business climate.

Analysis of operations

The Japanese economy during the fiscal year under review gradually headed toward recovery and reconstruction in the wake of the Great East Japan Earthquake as the effects of the disaster began to wear off and signs of recovery were seen

in certain quarters. However, uncertainty toward the future continued to prevail as Japan recorded a trade deficit due to soaring crude oil prices and other factors, in addition to continued concerns over the electricity supply and the prolonged appreciation of the yen.

Under such circumstances, the Company witnessed a series of urgent deliveries of machinery and reconstruction work amid continuing concerns over electricity shortages due to the effects of the earthquake. Consequently, for the fiscal year under review the Company recorded a contract volume of 460,290 million yen, up 332,996 million yen (261.6%) from the previous fiscal year. Meanwhile, net sales also increased by 140,396 million yen (90.2%) from the previous fiscal year to 295,975 million yen. As a result, gross profit of 6,343 million yen, operating income of 1,658 million yen, ordinary income of 1,850 million yen and net income of 863 million yen were recorded.

I would like to ask all of our stakeholders for their continued support and encouragement in the years to come.

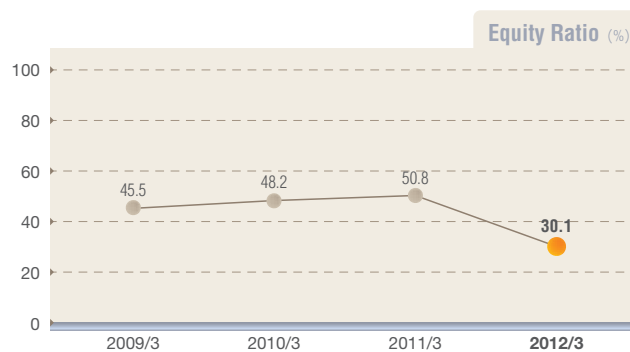
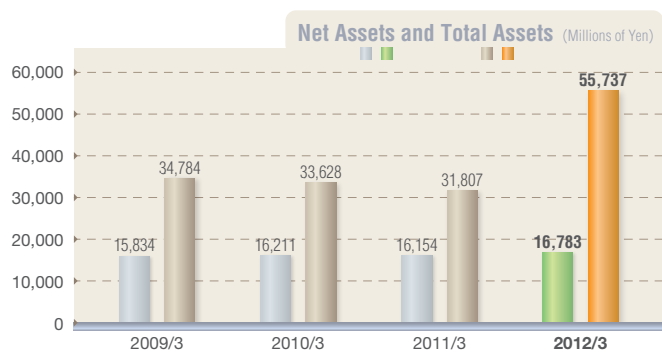
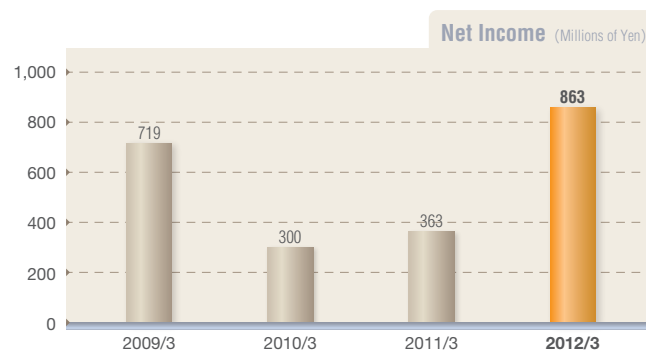
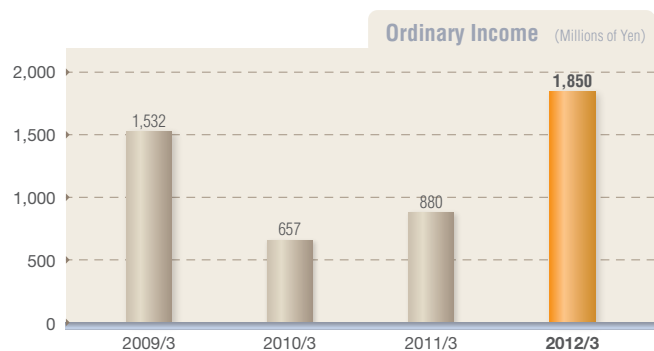
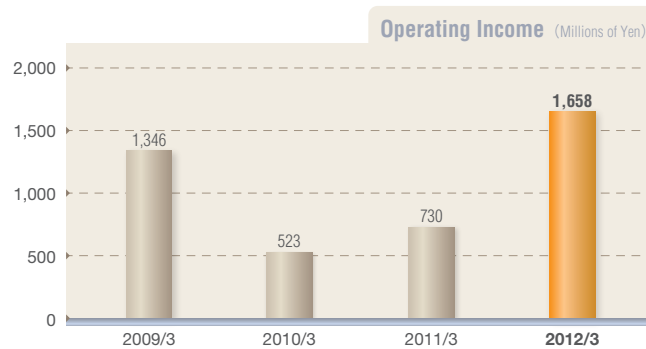
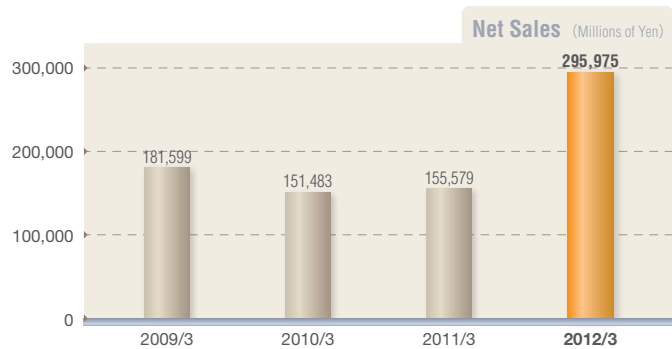
President

Toshio Satomi

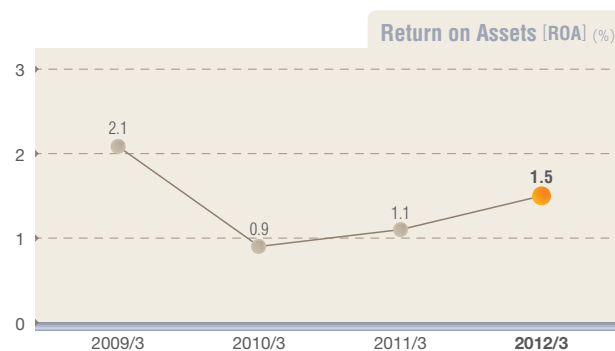
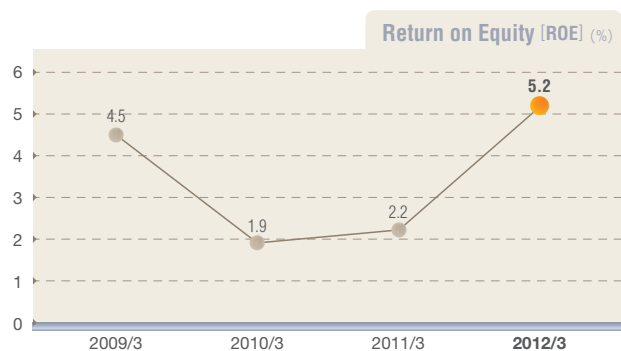


Non-Consolidated Financial Highlights

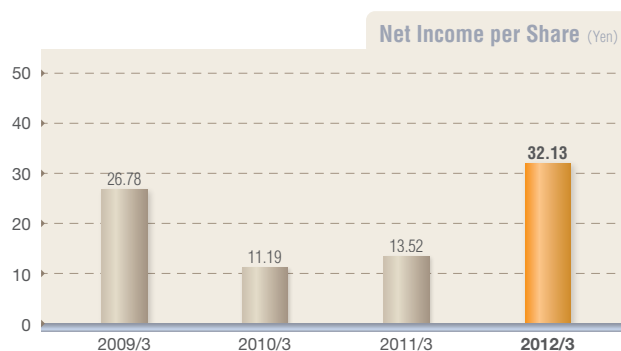
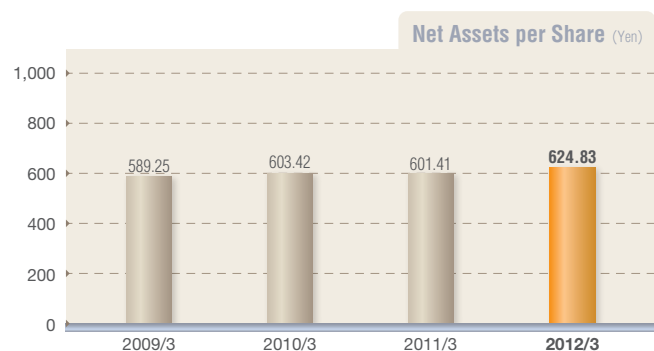
Result of Operation and Financial Condition



Profitability and Efficiency



Dividend Data



Overview of the Company's Operations by Segment

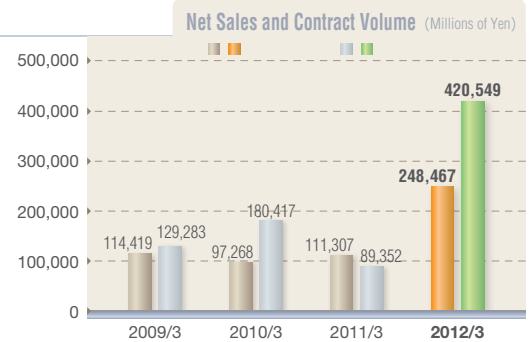
Electrical Power-related Segment

Description of Main Businesses

Power Plant Department A/B: We are mainly engaged in the sale of various facilities to the power industry, including turbines and boilers for power generation and power transmission and distribution equipment, as well as in the maintenance of existing facilities.

Overview of Operations for the Current Fiscal Year

Due to the restoration works following the Great East Japan Earthquake, contract volume increased by 331,196 million yen (370.7%) from the previous fiscal year to 420,549 million yen. Similarly, net sales also increased by 137,160 million yen (123.2%) from the previous fiscal year to 248,467 million yen, while an operating income of 858 million yen was recorded.



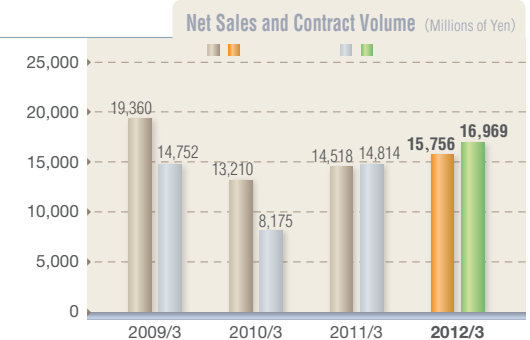
Chemical Machinery-related Segment

Description of Main Businesses

Chemical Engineering Department A/B: From the sale of stand-alone equipment to the chemical, pharmaceutical, paper manufacturing, food and non-ferrous metals industries, to total plant engineering and construction, we are engaged in a wide range of domestic and overseas businesses that meet the needs of our customers.

Overview of Operations for the Current Fiscal Year

Due to an increase in capital investments and urgent deliveries of emergency power generation equipment, contract volume increased by 2,155 million yen (14.5%) from the previous fiscal year to 16,969 million yen. Similarly, net sales also increased by 1,238 million yen (8.5%) from the previous fiscal year to 15,756 million yen, while an operating income of 182 million yen was recorded.



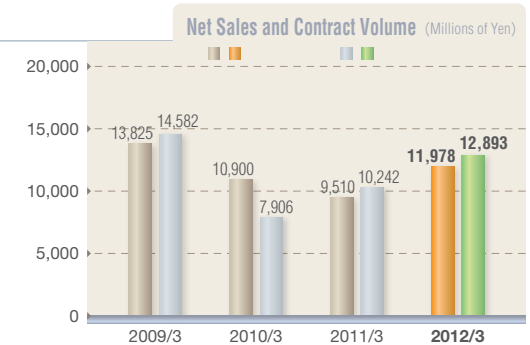
Precision & Electronic Machinery-related Segment

Description of Main Businesses

Precision & Electronic Machinery Department: In addition to supplying machine tools, metal-processing machinery, precision measurement equipment, various automated machinery, and electronic machinery, we provide total engineering services for facilities and equipment. In our overseas business, we have been providing various machinery, equipment and services over the years from Japan to each region in Asia from our bases in China, Taiwan and the ASEAN countries.

Overview of Operations for the Current Fiscal Year

Contract volume increased by 2,651 million yen (25.9%) from the previous fiscal year to 12,893 million yen. Net sales increased by 2,467 million yen (26.0%) from the previous fiscal year to 11,978 million yen, while an operating income of 394 million yen was recorded.



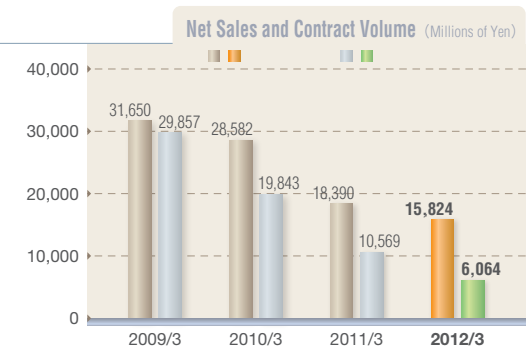
Environment-/Marine Vessel-related Segment

Description of Main Businesses

Energy & Environment Department: We select and provide the optimal equipment and products to meet the "energy-saving," "CO2 reduction," and "energy cost reduction" needs of our customers. We also provide a broad spectrum of support services to environment-related businesses ranging from the planning of various waste disposal and processing facilities and the acquisition of permits and subsidies to the construction and operation of such facilities. Additionally, we were the first in Japan after World War II to engage in ship exporting, and since then we have been handling various types of marine vessels, ship board machines and ship maintenance materials.

Overview of Operations for the Current Fiscal Year

Contract volume decreased by 4,505 million yen (42.6%) from the previous fiscal year to 6,064 million yen. Net sales decreased by 2,566 million yen (14.0%) from the previous fiscal year to 15,824 million yen, while an operating income of 151 million yen was recorded.



Others

Description of Main Businesses

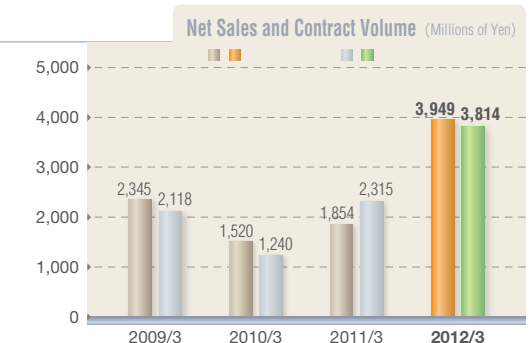
We are engaged in the leasing and sale of environmentally consideration devices, including water-saving devices for toilets.

We are engaged in the sale of general polyethylene products including packaging and bags made of environmentally-friendly materials, garbage bags designated by municipalities and plastic bags for retailers, in addition to the sale of packaging materials.

We are engaged in the leasing of real estate.

Overview of Operations for the Current Fiscal Year

Contract volume increased by 1,498 million yen from the previous fiscal year to 3,814 million yen and net sales increased by 2,095 million yen from the previous fiscal year to 3,949 million yen, while an operating income of 71 million yen was recorded.



Non-Consolidated Statement of Financial Position

	(Millions of Yen)	
	2011	2012
Assets		
Current assets		
Cash and deposits	5,107	5,193
Notes receivable—trade	1,311	2,069
Accounts receivable—trade	12,337	26,415
Operating accounts receivable	376	446
Lease receivables	—	51
Lease investment assets	49	26
Short-term investment securities	1,594	1,596
Merchandise	280	393
Advance payments—trade	1,934	10,315
Prepaid expenses	79	104
Accrued income	0	2
Short-term loans receivable from subsidiaries and affiliates	32	15
Accounts receivable—other	34	87
Advances paid	10	13
Beneficiary right of accounts receivable in trust	999	999
Deferred tax assets	169	172
Derivatives	1	0
Other	25	25
Allowance for doubtful accounts	(33)	(106)
Total current assets	24,311	47,822
Noncurrent assets		
Property, plant and equipment		
Buildings	2,493	2,611
Accumulated depreciation and impairment loss	(1,105)	(1,318)
Buildings, net	1,388	1,292
Machinery and equipment	197	167
Accumulated depreciation	(146)	(136)
Machinery and equipment, net	50	31
Vehicles	6	6
Accumulated depreciation	(6)	(6)
Vehicles, net	0	0
Tools, furniture and fixtures	844	881
Accumulated depreciation	(246)	(373)
Tools, furniture and fixtures, net	598	507
Land	1,009	998
Lease assets	14	14
Accumulated depreciation	(7)	(10)
Lease assets, net	6	3
Total property, plant and equipment	3,053	2,833
Intangible assets		
Surface right	4	4
Software	34	25
Telephone subscription right	1	1
Lease assets	5	3
Other	3	3
Total intangible assets	50	39
Investments and other assets		
Investment securities	3,201	3,808
Stocks of subsidiaries and affiliates	136	108
Long-term loans receivable	55	45
Long-term loans receivable from employees	41	29
Bad debts	144	0
Golf club membership	134	131
Prepaid pension cost	536	549
Long-term prepaid expenses	—	2
Other	365	439
Allowance for doubtful accounts	(224)	(72)
Total investments and other assets	4,392	5,042
Total noncurrent assets	7,496	7,914
Total assets	31,807	55,737

	(Millions of Yen)	
	2011	2012
Liabilities		
Current liabilities		
Notes payable—trade	2,126	2,310
Accounts payable—trade	3,376	4,722
Accounts payable—consignment	5,109	17,516
Short-term loans payable	1,570	1,570
Lease obligations	4	55
Accounts payable—other	61	206
Operating accounts payable	50	55
Income taxes payable	193	559
Accrued business office taxes	5	5
Accrued consumption taxes	4	42
Accrued expenses	18	70
Advances received	2,333	10,966
Deposits received	30	44
Provision for bonuses	249	285
Provision for directors' bonuses	15	35
Deferred installment income	4	0
Derivatives liabilities	1	7
Other	0	0
Total current liabilities	15,154	38,453
Noncurrent liabilities		
Long-term loans payable	20	10
Lease obligations	7	106
Provision for directors' retirement benefits	201	153
Provision for loss on guarantees	—	35
Long-term guarantee deposited	83	83
Deferred tax liabilities	89	31
Deferred tax liabilities for land revaluation	95	79
Total noncurrent liabilities	498	500
Total liabilities	15,652	38,954
Net assets		
Shareholders' equity		
Capital stock	3,443	3,443
Capital surplus		
Legal capital surplus	2,655	2,655
Other capital surplus	—	—
Total capital surpluses	2,655	2,655
Retained earnings		
Legal retained earnings	385	385
Other retained earnings		
General reserve	7,113	7,113
Reserve for reduction entry	57	59
Retained earnings brought forward	2,457	3,055
Total retained earnings	10,013	10,614
Treasury stock	(535)	(535)
Total shareholders' equity	15,576	16,177
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	438	466
Deferred gains or losses on hedges	0	(4)
Revaluation reserve for land	139	144
Total valuation and translation adjustments	578	605
Total net assets	16,154	16,783
Total liabilities and net assets	31,807	55,737

Non-Consolidated Income Statement

(Millions of Yen)

	2011	2012
Net sales		
Net sales of goods	63,157	82,584
Sales of agency transactions	92,421	213,391
Total net sales	155,579	295,975
Cost of sales		
Beginning goods	356	280
Cost of purchased goods	59,071	77,824
Total	59,427	78,105
Ending goods	280	393
Cost of goods sold	59,146	77,711
Cost of agency transactions	92,421	213,391
Total cost of sales	151,568	291,103
Gross profit—merchandise	4,011	4,872
Agency commission income	986	1,470
Gross profit	4,997	6,343
Reversal of unrealized income on installment sales	17	3
Gross profit—net	5,015	6,346
Selling, general and administrative expenses		
Directors' compensations	194	235
Salaries	1,397	1,377
Bonuses	265	411
Provision for bonuses	249	285
Retirement benefit expenses	168	297
Provision for directors' retirement benefits	57	12
Welfare expenses	410	420
Traveling and transportation expenses	337	339
Entertainment expenses	129	131
Rents and office costs	474	473
Miscellaneous expenses	270	269
Depreciation	31	27
Provision of allowance for doubtful accounts	—	98
Other	298	307
Total selling, general and administrative expenses	4,284	4,687
Operating income	730	1,658
Non-operating income		
Interest income	11	11
Interest on securities	9	13
Dividends income	107	140
Other	42	45
Total non-operating income	171	211
Non-operating expenses		
Interest expenses	16	16
Other	5	3
Total non-operating expenses	21	19
Ordinary income	880	1,850
Extraordinary income		
Gain on sales of investment securities	2	—
Reversal of allowance for doubtful accounts	9	—
Gain on liquidation of subsidiaries	—	99
Gain on insurance adjustment	—	13
Total extraordinary income	12	113
Extraordinary loss		
Loss on valuation of investment securities	174	167
Loss on valuation of golf club membership	0	3
Loss on adjustment for changes of accounting standard for asset retirement obligations	8	—
Impairment loss	—	173
Provision for loss on guarantees	—	35
Other	0	16
Total extraordinary losses	184	395
Income before income taxes	708	1,568
Income taxes—current	282	724
Income taxes—deferred	62	(18)
Total income taxes	345	705
Net income	363	863

Office and Locations

Main Office

Shin-Otemachi Building, 2-1 Otemachi 2-chome, Chiyoda-ku, Tokyo 100-0004
Tel +81-3-5203-7690, Fax +81-3-5203-0640
http://www.tscom.co.jp

Sapporo Office

Hokkaido Building, 1 Kitanijyonishi 4-chome, Chuo-ku, Sapporo 060-0002
Tel +81-11-221-7146, Fax +81-11-221-7149

Sendai Office

Toryo Building, 8-1 Ichibancho 1-chome, Aoba-ku, Sendai 980-0811
Tel +81-22-266-4111, Fax +81-22-227-6693

Niigata Office

Hokuriku Building, 2-23 Higashi Odori 1-chome, Chuo-ku, Niigata 950-0087
Tel +81-25-243-0011, Fax +81-25-243-0014

Kashima Branch

Otake Building, 64-181 Hiraizumi Higashi 1-chome, Kamisu, Ibaraki 314-0145
Tel +81-299-93-5131, +81-299-93-5132,
Fax +81-299-93-5137

Shizuoka Office

Azeyanagi Building, 94 Nagatacho 1-chome, Fuji, Shizuoka 417-0055
Tel +81-545-51-7510, Fax +81-545-51-3450

Kakegawa Branch, Shizuoka Office

Town Building, 4-2 Chuo 1-chome, Kakegawa, Shizuoka 436-0056
Tel +81-537-62-1031, Fax +81-537-23-8501

Nagoya Office

Sakae Daiichi Seimei Building, 13 Shin Sakaechō 2-chome, Naka-ku, Nagoya 460-0004
Tel +81-52-959-3490, Fax +81-52-959-3020

Kansai Office

NOF Kobe Kaigan Building, 3 Kaigan-dori, Chuo-ku, Kobe 650-0024
Tel +81-78-321-2461, Fax +81-78-321-2463

Hiroshima Office

Meiji Yasuda Seimei Hiroshima Building, 4-25 Fukuromachi, Naka-ku, Hiroshima 730-0036
Tel +81-82-248-5851, Fax +81-82-248-5855

Fukuoka Office

Fukuoka Asahi Kaikan, 8-41 Tenjin 2-chome, Chuo-ku, Fukuoka 810-0001
Tel +81-92-781-7861, Fax +81-92-781-7866

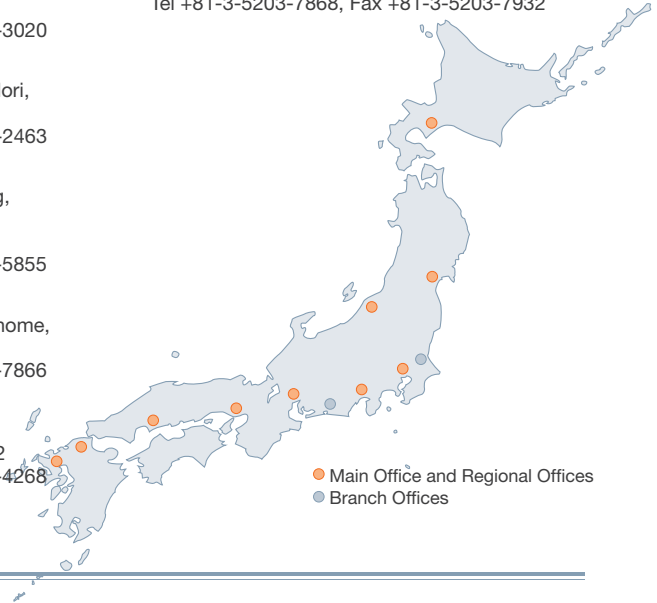
Nagasaki Office

Nagasaki Daiichi Seimei Building, 2-24 Kouzenmachi, Nagasaki 850-0032
Tel +81-95-826-4266, Fax +81-95-826-4268

Subsidiary Company

Tokyo Sangyo Fudosan K.K.

(real estate management, brokerage, and insurance businesses)
Shin-Otemachi Building, 2-1 Otemachi 2-chome, Chiyoda-ku, Tokyo 100-0004
Tel +81-3-5203-7868, Fax +81-3-5203-7932



● Main Office and Regional Offices
● Branch Offices

Overseas Offices and Locations of Local Representatives

Taipei Office

14F-5, No.85, Chung Hsiao E Rd., Sec.1, Taipei R.O.C.
Tel 886-2-2396-6131, 886-2-2396-6151,
Fax 886-2-2396-6171

Jakarta Representative Office

Indonesia Stock Exchange Tower 1, 17th FL, Suite 1707A Jl.Jend.Sudirman Kav.52-53, Jakarta 12190, Indonesia
Tel 62-21-515-1267, Fax 62-21-515-1268

Shanghai Representative Office

Room D-405, Oriental International Plaza, 85-Loushanguan Road, Chang Ning, Shanghai 200336 P.R.China
Tel 86-21-6235-1333, Fax 86-21-6235-1821

Bangkok Representative Office

5 Sitthivorakit Bldg, 7 Floor, 747-Room Soi Piphat, Silom Road, Bangrak, Bangkok 10500, Thailand
Tel 66-2-236-8167, Fax 66-2-236-8168

European Liaison Office

An der Welle 4, 60322, Frankfurt/Main, Germany
Tel 49-69-7593-8556, Fax 49-69-7593-8200

Subsidiary Companies

Tokyo Sangyo Singapore (Pte.) Ltd.

51, Ubi Ave 1, #05-02 (6A) PaYa Ubi Industrial Park, Singapore 408933
Tel 65-6844-2917, Fax 65-6844-3221

TSC (Shanghai) Corp.

Room D-405, Oriental International Plaza, 85-Loushanguan Road, Chang Ning, Shanghai 200336 P.R.China
Tel 86-21-6235-1333, Fax 86-21-6235-1821

Guangzhou Office (TSC (Shanghai) Corp.)

Room E-25, 16th Floor, VILL International Bldg, No.167, LinHexi Rd, Tian He Dist, Guangzhou 510000, P.R. China
Tel 86-20-3867-7307, Fax 86-20-3867-7910

Tokyo Sangyo (Thailand) Co.,Ltd.

5 Sitthivorakit Bldg, 7 Floor, 757-Room Soi Pipat Silom Rd, Bangrak, Bangkok 10500, Thailand
Tel 66-2-236-2764, Fax 66-2-236-8168

History

April 1942

Establishment of Yamato Kikai Co.,Ltd. the forerunner of the current company a manufacturer and seller of machinery and equipment.

July 1947

With the breakup of the previous Mitsubishi corporation members of the Machinery Division take over the management of the company, and change the company name to TOKYO SANGYO CO.,LTD.

October 1947

With the support of Mitsubishi Group companies,beginning of domestic sales and the import-export of general industrial equipment and machinery.

August 1959

First listing on the Tokyo Stock Exchange as an OTC company.

March 1960

To diversify its product line, company makes equal-partner merger with Nikkyo Sangyo, a ship and shipping machinery importer-exporter. Main office moved to 2-6 Marunouchi, Chiyoda-Ku,Tokyo.

October 1961

First listing on the Tokyo Stock Exchange, Second Section.

July 1963

Main office moved to 3-3 Marunouchi, Chiyoda-Ku,Tokyo.

April 1977

Established Tokyo Sangyo Singapore (Pte) Ltd.

April 1996

Opened the Jakarta Representative office.

September 1996

First listing on the Tokyo Stock Exchange, First Section.

July 2003

Main office moved to No.16-4 2-Chome Konan Minato-Ku,Tokyo.

August 2006

Main office moved to 2-1, Otemachi 2-Chome Chiyoda-Ku,Tokyo.

August 2006

Opened the Bangkok Representative Office.

October 2006

Established TSC (Shanghai) Co.,Ltd.

July 2007

Integrated the Osaka Office and the Kobe Office and opened the Kansai Office.

October 2011

Established Tokyo Sangyo (Thailand) Co., Ltd.

Corporate Profile

Name of the Company	Tokyo Sangyo Co., Ltd.
Address	Shin-Otemachi Building, 2-1 Otemachi 2-chome, Chiyoda-Ku, Tokyo 100-0004, Japan
Date of Establishment	October 20, 1947
Capital Fund	3,443 million Japanese yen (the stock is listed on Tokyo stock Exchange, First Section)
Number of Employees	250 (211 males and 39 females)
URL	http://www.tscom.co.jp/

Business Operations

Domestic and international sales of machinery, plant, materials, tools, chemicals and real estate renting operations.

Stock and Shareholders Information

Stock Information

(As of March 31, 2012)

Number of Shares Authorized	64,000,000 shares
Total Number of Shares Issued (Includes 1,818,479 shares of treasury stock held by the Company)	28,678,486 shares
Number of Shareholders	5,118

Major Shareholders

(As of March 31, 2012)

Name	Number of Shares held (Thousands)	Percentage of Share Ownership (%)
Mitsubishi Heavy Industries, Ltd.	3,913	13.64
Mitsubishi Corporation	3,849	13.42
Mitsubishi Electric Corporation	1,026	3.57
CREDIT SUISSE (LUXEMBOURG) S.A. ON BEHALF OF CLIENTS	700	2.44
The Master Trust Bank of Japan, Ltd. (Trust account)	518	1.80
CBNY DFA INTL SMALL CAP VALUE PORTFOLIO	514	1.79
Meiji Yasuda Life Insurance Company	500	1.74
Mitsubishi Kakoki Kaisha, Ltd.	480	1.67
TOKYO ENERGY & SYSTEMS INC.	461	1.60
Japan Trustee Services Bank, Ltd. (Trust account)	453	1.58

note) In addition to the above, there are 1,818,479 shares (6.34%) of treasury shares held by the Company.

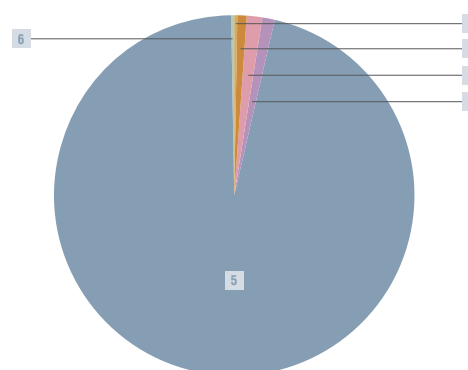
Directors and Corporate Auditors

(As of June 28, 2012)

Representative Director/Chairman	Akira Hirano
Representative Director/President	Toshio Satomi
Managing Director	Nobuo Mimura
Managing Director	Gensui Kozasa
Managing Director	Yuji Kanemaki
Director	Takashi Sudo
Director	Hiroshi Ito
Director	Yoshiaki Yoneyama
Standing Corporate Auditor	Shunichi Takizawa
Standing Corporate Auditor	Kenichi Kimino
Corporate Auditor	Yuji Hoshikawa
Corporate Auditor	Yutaka Koide

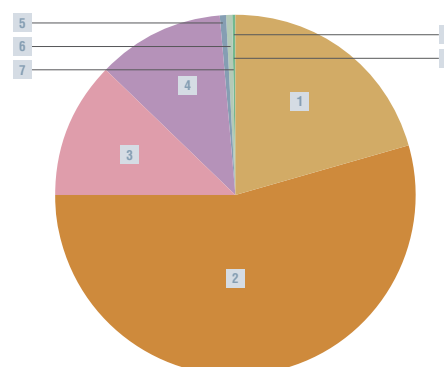
Distribution of Shares

(As of March 31, 2012)



Distribution of Shares by Type of Shareholder

Type of Shareholder	Number of Shareholders	Percentage
1 Financial institutions	2	0.04%
2 Financial instruments business operators	32	0.63%
3 Other companies	76	1.48%
4 Foreign companies, etc. (Individuals)	60	1.17%
5 Individuals, others	4,922	96.17%
6 Treasury shares	1	0.02%



Distribution of Shares by Number of Shares Held

Number of Shares Held	Number of Shareholders	Percentage
1 Less than 1 unit (Less than 0.5 units)	1,055 (757)	20.61% (14.79%)
2 1 or more units (0.5 or more units)	2,795 (298)	54.61% (5.82%)
3 5 or more units	625	12.21%
4 10 or more units	579	11.31%
5 50 or more units	26	0.51%
6 100 or more units	25	0.49%
7 500 or more units	5	0.10%
8 1,000 or more units	6	0.12%
9 5,000 or more units	2	0.04%