

GAMBARE!! JAPANESE MONODZUKURI



TRUSCOTM

CORPORATE PROFILE

「解体新書」2018

TRUSCO NAKAYAMA Corporation

Tokyo Head Office: TRUSCO Fiorito Bldg., 4-28-1, Shimbashi, Minato-ku, Tokyo 105-0004
Osaka Head Office: TRUSCO Glen Check Bldg., 1-34-15, Shinmachi, Nishi-ku, Osaka-shi, Osaka 550-0013



Published: June 2018
Editor and Chief: Kazuo Nakai, Executive Committee &
General Manager, Corporate Planning Div.
Production Partner: Dai Nippon Printing Co., Ltd.
[800] 3,000 issues

Corporate Message

GAMBARE!! JAPANESE MONODZUKURI

Largest Volume of Inventory, Highest Level of Accessibility in the Industry.

We have built a unique system for the supply of professional tools since our founding with the aim of supporting Japanese manufacturing, “Monodzukuri,” through a business supplying PRO TOOL. “Be an Ultimate Master Wholesale.” This phrase expresses our management policy as a comprehensive wholesaler who not only actively deals in products, such as those not handled by our competitors, but also puts in place prompt delivery systems. We will continue to aim to become a company needed by both our customers and society in the future.



President

中山 哲也

Tetsuya Nakayama



Planet Saitama (Satte City, Saitama)

Corporate Social Responsibility (CSR)

“Business must serve people and society.”

Corporate Mission...P.12 Corporate Culture...P.40

Spirit of Management

Ambition: The core of any business is to bring joy to people. The appropriate actions and direction of our business becomes clear if we have ambition.

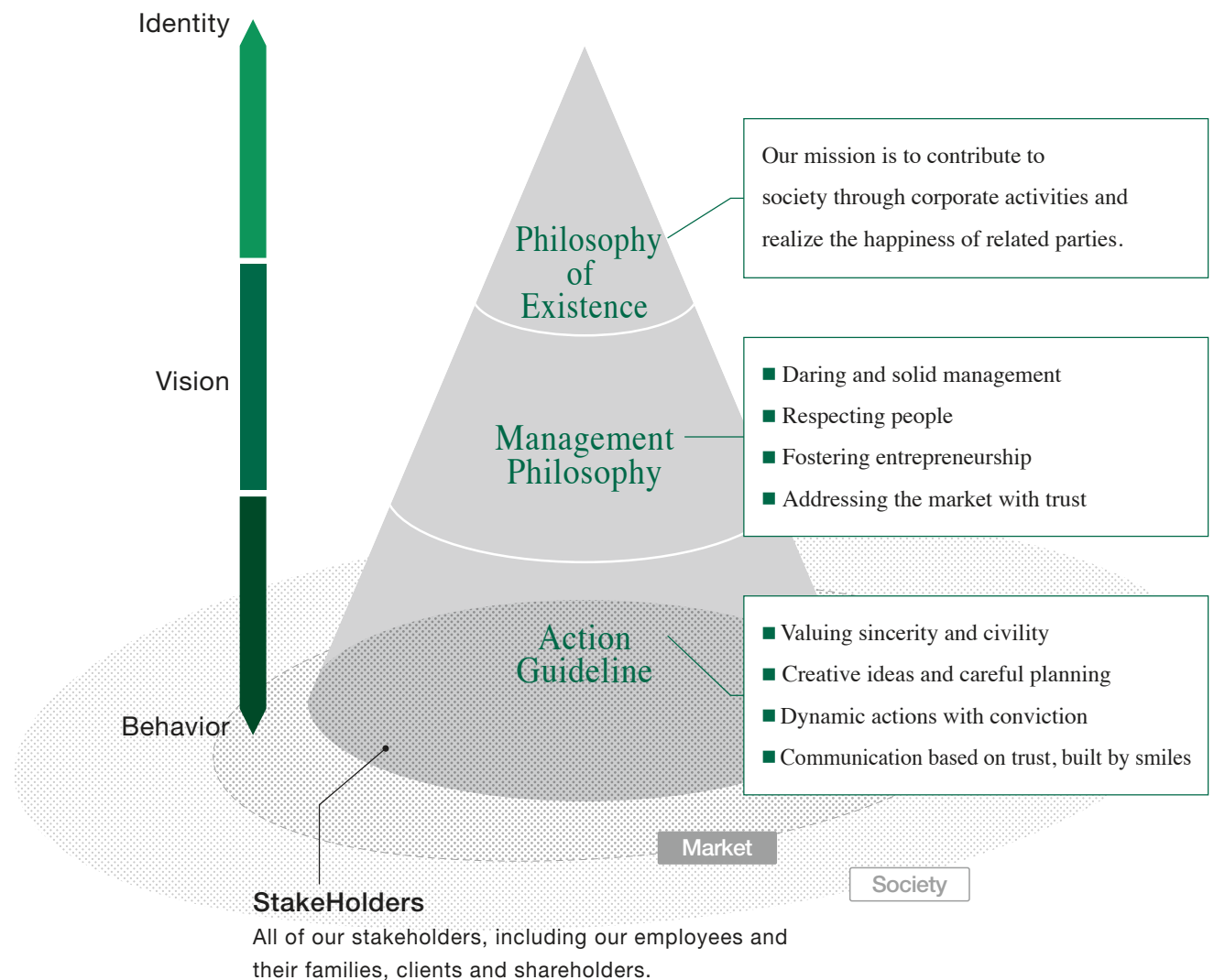
Shushazentakū: A criterion to make decisions is not profit and loss but good and bad. We must always ask ourselves whether this is right.

Creativity in Management: The source of competitiveness for an organization is its originality. The words of success are not written in the direction everyone follows together.

Emphasis on Regular Employment: All of the employees at the TRUSCO NAKAYAMA Corporation are regular employees. We have a responsibility to provide a working environment with job security.

Corporate Philosophy (TRUSCO identity)

With a “statement of purpose” as its ethos, TRUSCO NAKAYAMA practices its “management philosophy” as a corporate vision, and “action guidelines” for its social behavior pursuant to its statement and philosophy.



Organizational Chart

As of May 2018

What is Board Brain (BB)?

At TRUSCO Nakayama, we call outside directors "Board Brains." This term alludes to our hope that they will provide advice and support based on their abundant experience and knowledge, and contribute to the Company's development.



Outside Director
Board Brain(BB)

Kenichi Saito

Born November 15, 1949
68 years old
President, ForeSight & Company (present)
Career Summary
1975: Joined McKinsey & Company
1996: Founded ForeSight & Company
President (present)
2016: Outside Director of the Company (present)
2017: Founded the Society for Problem Solving Proficiency, Representative Director (present)



Outside Director
Board Brain(BB)

Kuniaki Hagihara

Born August 19, 1953
64 years old
Hagihara Industries Inc.
Chairman (present)
Career Summary
1976: Joined Hagihara Industries Inc.
1984: President of Hagihara Industries Inc.
2010: President & CEO
President & Executive Officer
2016: Chairman (present)
2016: Outside Director of the Company (present)



President

Tetsuya Nakayama

Born December 24, 1958
59 years old;
37 years at TRUSCO
Career Summary
1981: Joined the Company
1984: Director
1987: Executive Director
1991: Representative Director and Senior Executive Director
1994: Representative Director and President (present)

Shareholders' Meeting

Board of Directors

President

Board of Auditors Corporate Auditors

Corporate Auditor's Office

Audit Supervision Office



Outside Corporate Auditor (full-time)

Masaki Matsuda

Born March 30, 1956
62 years old
Career Summary
1978: Joined Kyowa Bank, Ltd.
(Currently Resona Bank, Ltd.)
2003: Chief Credit Officer of the Osaka No. 3 Loan Department, Resona Bank, Ltd.
2007: Full-time Auditor of the Company (present)



Outside Corporate Auditor (full-time)

Akira Takada

Born January 3, 1958
60 years old
Career Summary
1981: Joined Nomura Securities Co., Ltd.
2008: Managing Director of IB Business Development Department
2012: Director of Nomura Investor Relations Co., Ltd.
2015: Advisor of Nomura Investor Relations Co., Ltd.
2018: Full-time Auditor of the Company (present)



Outside Corporate Auditor (part-time)

Hiroho Kamakura

Born January 27, 1947
71 years old
Career Summary
1971: Joined Tohmatsu Aoki & Co. Currently Deloitte Touche Tohmatsu LLC
1973: Registered as Certified Public Accountant
2012: Auditor (Part-time) of the Company (present)
Outside corporate auditor (part-time) of Yushin Precision Equipment Co., Ltd. (present)
2013: Outside corporate auditor (part-time) of the Fujio Food system Co., Ltd. (present)

Business Management Department (127 employees in total)



Executive Committee General Manager of the Corporate Planning Div.
General Manager of the Administration Div.
Executive Committee General Manager of the Accounting Div.
Executive Committee General Manager of the Information Systems Div.

Kazuo Nakai Toshihiko Maeda Hiroaki Imagawa Atsushi Kazumi

Born July 7, 1969
49 years old; 25 years at TRUSCO
Corporate Planning Section.
Secretarial Section.
IR Section.
Human Resources Development Section.
Recruitment Section.
CSR Section.
(18 employees in total)
Born August 3, 1968
49 years old; 27 years at TRUSCO
Tokyo Administration Section.
Osaka Administration Section.
Personnel Section.
Healthcare Section.
Legal Section.
Recruitment Section.
TRUSCO Resort & Spa Hakone
TRUSCO Kyoto Kaguraoaka
RENGETSUSO
(47 employees in total)
Born January 22, 1963
55 years old; 32 years at TRUSCO
Accounting Section.
Finance Section.
(20 employees in total)
Born September 10, 1970
47 years old; 25 years at TRUSCO
IT Planning Section.
System Management Section.
Data Management Section.
(42 employees in total)

Product Department (100 employees in total)



General Manager, Tokyo Product Div.
General Manager, Osaka Product Div.
Executive Committee General Manager of the Catalogue Media Div.

Yutaka Yoneda

Born November 6, 1975
42 years old; 19 years at TRUSCO
Tokyo NB Product Section.
Tokyo PB Product Section.
Tokyo Supplier Development Section.
PB Product Design Section.
PB Quality Control Section.
Overseas Purchase Section.
Germany Representative Office
(35 employees in total)



Manager, Germany
Representative Office
Norihiro Higashi

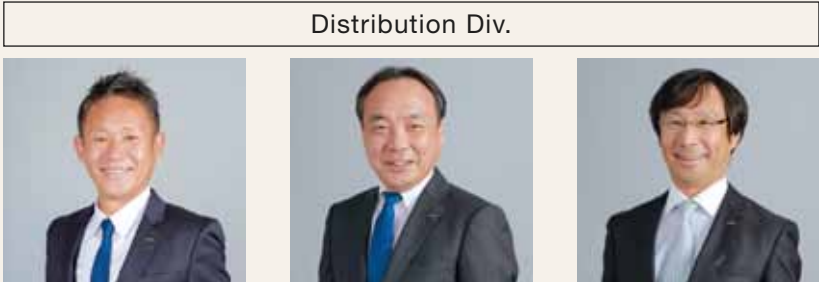
Osamu Yamazaki

Born September 16, 1961
56 years old; 33 years at TRUSCO
Osaka NB Product Section.
Osaka PB Product Section.
Osaka Supplier Development Section.
Stock management Section.
(24 employees in total)

Kiyoharu Kawai

Born January 27, 1958
60 years old; 42 years at TRUSCO
Orange Book Section.
Orange Book.com Section.
Orange Book AI Section.
(41 employees in total)

Distribution Department (1476 employees in total)



General Manager of the Tokyo Metropolitan Area Distribution Div.
General Manager of the East Japan Distribution Div.
General Manager of the West Japan Distribution Div.

Masashi Yamamoto

Born May 27, 1973
45 years old; 22 years at TRUSCO
Logistics Planning Section.
Delivery Management Section.
Planet Saitama
(Operation scheduled to start in October 2018)
Planet East Kanto
(237 employees in total)

Nobuyoshi Sasaki

Born January 30, 1960
58 years old; 36 years at TRUSCO
Planet Hokkaido
Planet Nagoya
Planet Shiga
Planet Osaka
Planet Kobe
Planet Sanyo
Planet Kyushu
HC West Japan Distribution Center
HC Kyushu Distribution Center
Nara Stock Center
Okayama Stock Center
Hakata Stock Center
Kurume Stock Center
(807 employees in total)

Takuma Fukui

Born May 25, 1968
50 years old; 27 years at TRUSCO
Planet Tokai
Planet Nagoya
Planet Shiga
Planet Osaka
Planet Kobe
Planet Sanyo
Planet Kyushu
HC West Japan Distribution Center
HC Kyushu Distribution Center
Nara Stock Center
Okayama Stock Center
Hakata Stock Center
Kurume Stock Center
(807 employees in total)

Sales Department (1026 employees in total)



Executive Committee General Manager of the Sales Planning Div.
General Manager of the Hokkaido/Tohoku/North Kanto Factory Sales Div.
General Manager of the Tokyo Metropolitan Area Factory Sales Div.
General Manager of the Shinshu/Hokuriku/Tokai Factory Sales Div.
Factory Sales Div. General Manager of the Kinki Area Factory Sales Div.
General Manager of the Chugoku/Shikoku/Kyushu Factory Sales Div.
General Manager of the Home Center Sales Div.
General Manager of Intrenet Sales, e-Business Sales Div.
General Manager of MRO Supply, e-Business Sales Div.
General Manager of the Overseas Div.

Takeshi Okamoto

Born August 4, 1964
53 years old; 31 years at TRUSCO
Sales Planning Section.
Branch Supporting Section.
Customer Consulting Section.
(18 employees in total)

Ryo Domori

Born April 5, 1975
43 years old; 19 years at TRUSCO
15 branches in total
Hokkaido/Tohoku Area
Sapporo Hachinohe Sendai Akita
Koriyama
North Kanto Area
Mito Tsukuba Kashima Utsunomiya
Koyama Kumagaya Isezaki Oriya
Niigata Niigata-Ita
(200 employees in total)

Eitaro Shimoda

Born August 21, 1970
47 years old; 24 years at TRUSCO
10 branches in total
Tokyo Metropolitan Area Block
Chiba Matsudo Jonan Itabashi
Hachioji Tokyo Edogawa Atsugi
Kawasaki Shonan
(145 employees in total)

Mikio Adachi

Born September 20, 1969
48 years old; 24 years at TRUSCO
14 branches in total
Shinshu/Hokuriku Area
Okaya Toyama Fukui Ueda
Kanazawa
Tokai Area
Shizuoka Fuji Okazaki Kariya
Yokkaichi Hamamatsu Nagoya
Komaki Meijo
(208 employees in total)

Masato Otani

Born October 24, 1967
50 years old; 27 years at TRUSCO
11 branches in total
Kinki Area
Ryuo Kyoto Osaka South-Osaka
Neyagawa Eaet-Osaka
North-Osaka Himeji
Kobe Akashi Wakayama
(148 employees in total)

Yoshihiro Fujimoto

Born September 10, 1971
46 years old; 23 years at TRUSCO
17 branches in total
Chugoku/Shikoku Area
Yonago Okayama
Hiroshima Fukuyama
Ube Shunan Takamatsu Tokushima
Matsuyama
Kyushu Area
Fukuoka Kokura Tosu Nagasaki
Kumamoto Oita Kagoshima Okinawa
(202 employees in total)

Hiroyuki Hoshino

Born March 14, 1971
47 years old; 26 years at TRUSCO
6 branches in total
HC Tokyo No. 1
HC Tokyo No. 2
HC Osaka
Okazaki
Fukuoka
Okinawa
*Includes 3 branches that also serve as branches of the Factory Sales Div.

Koichi Ezaki

Born February 3, 1975
43 years old; 21 years at TRUSCO
Internet Sales Tokyo Branch Division 1
Internet Sales Tokyo Branch Division 2
InterSales Osaka
(40 employees in total)

Tsuyoshi Tsuchiya

Born February 19, 1978
40 years old; 18 years at TRUSCO
MRO Supply Tokyo
MRO Supply Kobe
(16 employees in total)

Kiyonori Unto

Born February 9, 1962
56 years old; 31 years at TRUSCO
Overseas Sales Section.
*Overseas subsidiary service center
(19 employees in total)

Overseas Subsidiaries

Officer in charge at TRUSCO NAKAYAMA Corporation: Tadahisa Yabuno

TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED.

Capital:
390 million baht
(approx. \$22.9 million)
Employees: 19
(of which three are on loan from TRUSCO NAKAYAMA)
Corporate auditor: Kiyonori Unto



President:
Noboru Yasui



President:
Mitsugu Okumura

PT. TRUSCO NAKAYAMA INDONESIA

Capital:
315.6 million rupiah
(approx. \$22.9 million)
Employees: 15
(of which three are on loan from TRUSCO NAKAYAMA)
Corporate auditor: Kiyonori Unto

*The number of employees in parentheses is current as of May 2018. *1USD=109JPY

Origin of the Corporate Name TRUSCO

The company was founded as Nakayama Kiko Shokai in 1959 before it was incorporated as Nakayama Kiko Co., Ltd. in 1964.

The company then changed its name to TRUSCO NAKAYAMA Corporation in 1994. TRUSCO was coined from the words “Trust” and “Company” to convey our commitment to building a company that earns trust.

This name demonstrates our corporate approach to earn the trust of everyone we associate with in order to become a company that continues to grow in the future.

TRUST

+

COMPANY

=

TRUSCOTM

Company Earning Your Trust

Company Overview

As of April 2018

Company Name	TRUSCO NAKAYAMA Corporation
Head Store	4-28-1, Shimbashi, Minato-ku, Tokyo
Head Offices	Tokyo Head Office: TRUSCO Fiorito Bldg., 4-28-1, Shimbashi, Minato-ku, Tokyo 105-004 Osaka Head Office: TRUSCO Glen Check Bldg., 1-34-15, Shinmachi, Nishi-ku, Osaka-shi, Osaka 550-0013
Branches	Japan: 99 (2 head offices, 75 sales branches, 17 distribution centers and 5 stock centers) Overseas: 3 Sales: 2 subsidiaries (Thailand/Indonesia), Procurement : 1 representative office (Germany)
Capital	\$46.1 million; Listed on the First Section. of the Tokyo Stock Exchange (Securities code: 9830)
Employees	2,729 (1,632 full-time employees; 1,097 part-time staff)
Founded	May 15, 1959 (TRUSCO NAKAYAMA will soon celebrate its 60th anniversary)
Established	March 2, 1964
Settlement	December 31
Sales	\$1,927 million [Forecast for Fiscal Year Ending December 31, 2018]
Ordinary Income	\$124 million [Forecast for Fiscal Year Ending December 31, 2018]
Bank	Mizuho Bank, Resona Bank, Sumitomo Mitsui Banking Corporation, MUFG Bank, Sumitomo Mitsui Trust Bank
Account Auditor	Deloitte Touche Tohmatsu LLC
Rating	A (Rating and Investment Information, Inc.)
Suppliers	2,326 manufacturers both at home and abroad
Customers	Dealers of machine tools, welding consumables, electrical materials, architectural hardware, and tubing materials, along with do-it-yourself stores, mail order business operators etc.; about 5,333 customers nationwide
Business Areas	Wholesale of machine tools, distribution equipment, environmental safety equipment, and other equipment, along with the planning and development of the products of company's own brand TRUSCO

Officers	P r e s i d e n t	Tetsuya Nakayama	Executive Committee	Shinsaku Miyata
	Senior Executive Director	Takashi Nakai		Hideki Naoyoshi
	Executive Director	Tadahisa Yabuno		Hiroaki Imagawa
	Outside Director	Kenichi Saito		Kiyoharu Kawai
	Outside Director	Kuniaki Hagihara		Takeshi Okamoto
	Full-time Auditor	Masaki Matsuda		Kazuo Nakai
	Full-time Auditor	Akira Takada		Atsushi Kazumi
	Part-time Auditor	Hiroho Kamakura		

*1USD=109JPY

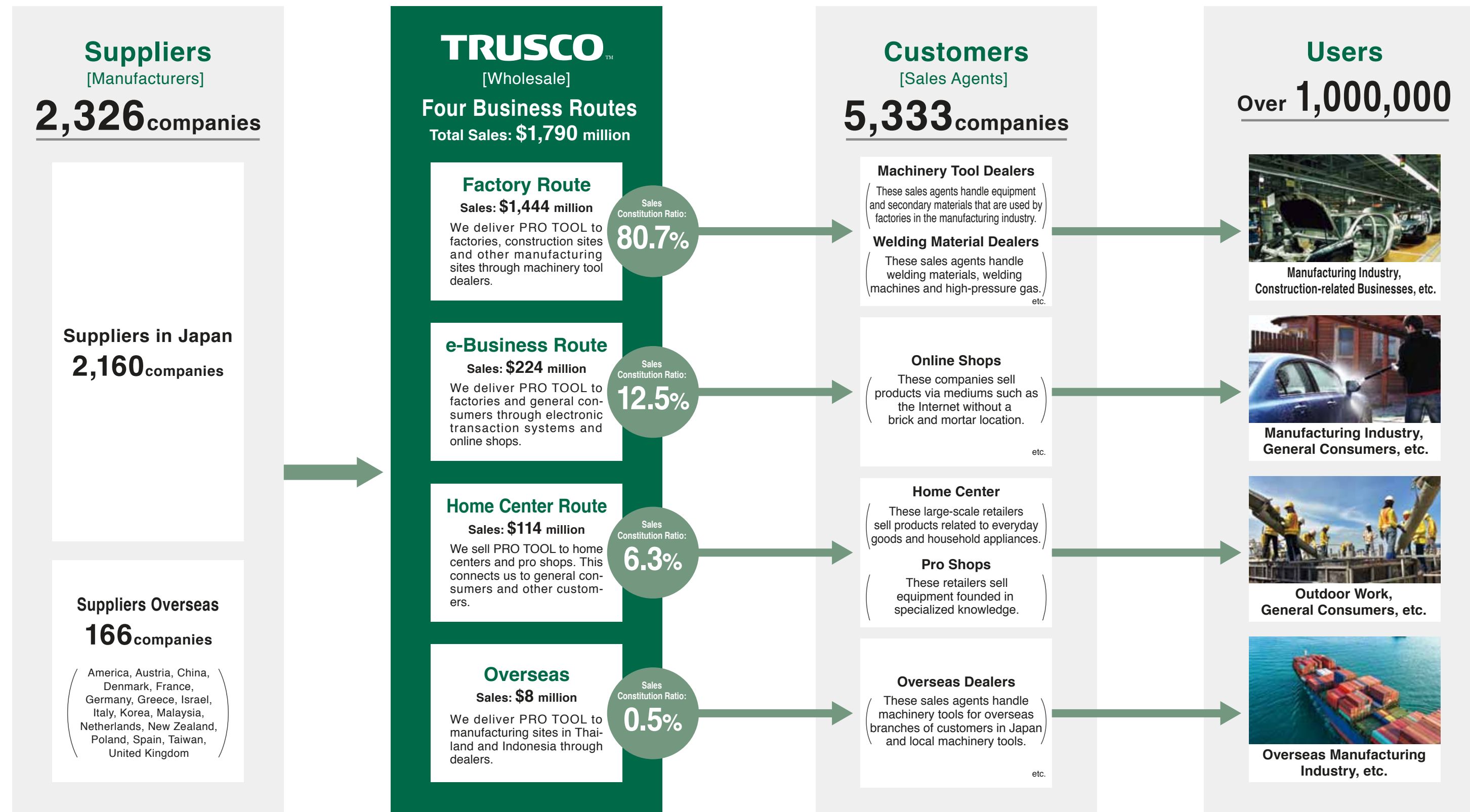
Business Flow

TRUSCO NAKAYAMA is a specialized trading company that procures PRO TOOL from suppliers and sells them to machinery tool dealers, Online shopping, home centers, and other customers.

We ensure prompt, smooth and reliable delivery to manufacturing sites all over Japan.

[Connecting to TRUSCO]

The position of TRUSCO NAKAYAMA in this business flow resembles an outlet. Customers can connect to us like a plug to an outlet that offers same day delivery of items from 2,326 suppliers. Suppliers can connect to us like a plug to an outlet that provides sales routes with access to approximately 5,300 customers and more than one million of their users. We always pursue accessibility by enhancing our value as a distribution channel for PRO TOOL.



*As of April 2018

*As of December 2017 *1USD=109JPY

Corporate Mission

Be an Ultimate Master Wholesale

Mission as a PRO TOOL Supplier

PRO TOOL are secondary factory materials that are indispensable to all manufacturing sites. We pursue accessibility through a wide range of means as a PRO TOOL supplier in an era of constant change and diversification. We aim to become a company needed by Japanese *monodzukuri* sites by heightening our ability to supply PRO TOOL.



Stock-P.14

[Products/Inventory]

TRUSCO has it. Our abundant line-up and inventory help customers deal in an even larger range of products.



Deliver-P.22

[Distribution]

TRUSCO delivers goods in small lots the same day. We are able to respond to requests for goods immediately with assured delivery via a nationwide distribution network.



Communicate-P.32

[Catalog Media]

Customers can gather a variety of information about PRO TOOL via informational tools such as the web and catalogs wherever they are.

Support-P.34

[IT]

TRUSCO reduces the operational stresses of customers by smoothly supporting informational management of a large variety of PRO TOOL in a small quantity.



Respond-P.36

[Human Resources]

TRUSCO expands the businesses of customers by responding to diverse needs.



Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Stock

[Products/Inventory]

TRUSCO has it.
Our abundant line-up and inventory help customers deal in an even larger range of products.

Available Items

1.7 million

Quantity of Stock

340 thousand

Inventory Value

\$294 million

Suppliers

2,326 companies

As of April 2018



Bringing Together a Full Line-up of PRO TOOL

PRO TOOL in general refer to tools, operational supplies, consumables, and machinery required by professionals (workers/craftspersons) in manufacturing sites such as factories and construction sites. We are building a system to bring as many diverse PRO TOOL as possible together and retain inventory to always respond to our customers' needs.

Available Items: **1,702,500**

Available TRUSCO Orange Book Items:
359,800

Quantity of Stock: **337,200**

Number of Private Brand Products:
50,200

As of April 2018

*1USD=109JPY

Sales Constitution Ratio of Available Products

*The year-on-year comparison is shown in the parentheses.

Cutting Tools

3.7%

Sales
\$66 million (+9.3%)

- Cutting tools
- Drilling tools
- Threading cutting tools



End mill



Cutting tools

Production Processing Tools

8.3%

Sales
\$149 million (+11.3%)

- Measurement equipment
- Mechatronics
- Tools for machine tool
- Electrical machinery



Ball bearing

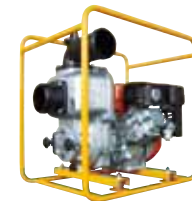
Three-dimensional coordinate measurement instrument

Construction Supplies

11.0%

Sales
\$196 million (+9.2%)

- Hydraulic tools
- Welding equipment
- Painting and interior goods
- Civil engineering and building goods
- Ladders and stepladders
- Piping and materials of electrical equipment



Engine pump



Globe valve

Work Supplies

18.4%

Sales
\$329 million (+7.9%)

- Cutting goods
- Grinding and polishing goods
- Chemical products
- Factory miscellaneous goods
- Packing and binding goods
- Casters



Grinding stones



Caster



Lubricant

Office Supplies • Storages

8.8%

Sales
\$157 million (+11.2%)

- Cleaning utensils
- Office miscellaneous goods
- OA business machinery
- Office furniture
- Interior goods
- Stationery
- Electrical appliances



Standard bookshelf



Industrial cleaner

Laboratory Supplies

4.4%

Sales
\$79 million (+12.6%)

- Tool wagons
- Storage and management goods
- Work benches
- Stainless goods
- Research and development-related goods



Custom wagons

Light-weight work table



Logistics • Storage Supplies

12.3%

Sales
\$220 million (+11.0%)

- Loading goods
- Conveyors
- Transportation goods
- Containers and vessels
- Steel shelves



Box container



Trolley

Environmental Safety Supplies

15.3%

Sales
\$274 million (+12.6%)

- Protective equipment
- Safety goods
- Environmental improvement goods
- Air conditioning goods
- Disaster and crime prevention goods
- Closets and exterior goods



Helmet



Safety shoe

Hand Tool

17.0%

Sales
\$305 million (+9.6%)

- Electric power tools and accessories
- Pneumatic tools and accessories
- Tools for manual work
- Tool boxes



Air grinder



Electric drill driver

Other products

0.8%

Sales
\$15 million (+3.7%)

The products that we handle fall into nine categories.
*The pie graph shows the distribution ratio of Sales by category.
*The monetary figures included here are the Sales for the year ended December 31, 2017.
A ratio for a year-on-year comparison is also shown in the parentheses.

*1USD=109JPY

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/
Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/
PR

IR/
Welfare Foundation

History/
Business Results

NAKAYAMA Original Inventory System

We leverage the NAKAYAMA Original inventory system realized by our own unique logistic ability to deliver products smoothly and without stress to pursue the highest level of accessibility in the industry.

Inventory Sells

(Generality = Don't Stock Unsellable Inventory)

We believe we receive orders thanks to always stocking the products our customers need rather than inventory that sells. We are enhancing inventory with creative ideas to strengthen prompt delivery systems based on a philosophy that stock to improve our customers' accessibility to PRO TOOL is a necessity.

Emphasize Stock Hit Rate

(Generality = Emphasize Stock Turnover Rate)

We believe the greatest barometer of our services is the stock hit rate that shows which orders were fulfilled from stock to delivery rather than the stock turnover rate that is generally emphasized.

Stock hit rate: 89.8%
(As of March 31, 2017)

Inventory Energizes Growth

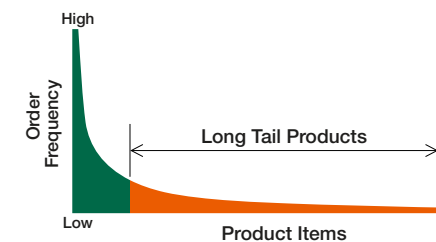
(Generality = Inventory is an Expenditure)

We are able to deliver over 340,000 items to our customers on the same day because of our inventory. Our customers know, "TRUSCO has it." We will continue to strengthen our inventory systems in the future.

Inventory of All PRO TOOL

Responding to Long Tail Products

We are able to respond to every order by keeping stock of even long tail products that have a low order frequency. We aim to heighten our customers' accessibility to order the PRO TOOL they need by building a one-stop shop environment.



Stocking Difficult delivery product

We refer to large and long products that are difficult to manage and ship as *Difficult delivery product*. We are able to meet all orders by actively stocking these products.



Stock of approx.
2-meter tall color
cones

Inventory of Manufacturing Catalogs

We keep over 400 different types of catalogs so that we can provide catalogs immediately when detailed information about a product is needed. TRUSCO delivers these catalogs for free.



Cut Depots Dedicated to Cutting Tools

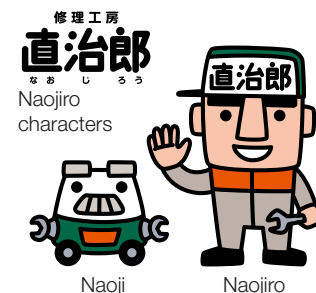
We have set up cut depots that stock cutting tools, which are the greatest consumable in factories, at three distribution centers in Japan.



Stocking products of 12 major cutting tool manufacturers

Naojiro Repair Workshops

Naojiro repair workshops are a unique TRUSCO service that conducts repairs and maintenance that includes the repair and regrinding of PRO TOOL as well as calibration of measurement instruments. We have put in place a repair and returns box for customers with which delivery drivers and sales persons periodically collect repair parts. No packaging or shipping fees are generally required of dealers because we use our own delivery services.



Naoji

Naojiro



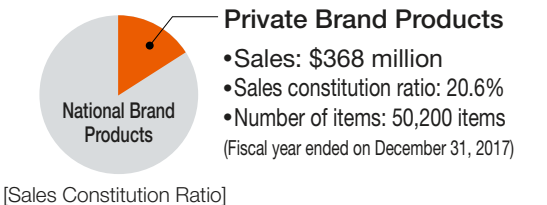
Chain sling assembly service

Private Brand



Planning & Development of the TRUSCO Private Brand

We plan and develop the TRUSCO private brand as a product with superior cost performance and a high-level of added value while responding to requests from customers based on our position as a specialized trading company. We are contributing to product development in the changing landscape of manufacturing with a speed of roughly 5,000 items every year.



Start of Development in 1964

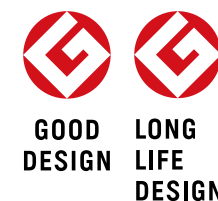
We launched *Komyotan*, our first private brand product, in 1964. This began by bulk breaking products that were only sold as eighteen liter drums at the time, which was the first step in the history of our private brand products.



Komyotan powder for rust, corrosion and seizure prevention

Received Multiple Good Design Awards

The Japan Institute of Design Promotion presents awards to products and services with superior design every year. TRUSCO has received Good Design Awards for many of its products including carts, air dusters, and hip roof tool boxes.



Products Based on Ideas from Employees

The PB Idea Box is a system for full-time and part-time employees to propose ideas for new products. Our employees can post ideas anytime. We receive upwards of 40 ideas on average every month. We commercialize products after an assessment at the PB Development Conference held primary for Product Division members as well as the New Product Review Meeting held every month with the participation of executives and general managers.



Left: Portion of a PB Idea Proposal Sheet from an employee
Right: Commercialized Triangular File (Won 2015 Good Design Award)

*1USD=109JPY

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

National Brand Products in Japan



Chemical Products 2,800



Electric Tools 3,300



Work Gloves 6,200



Work/Safety Shoes 7,100



Tape Supplies 4,400



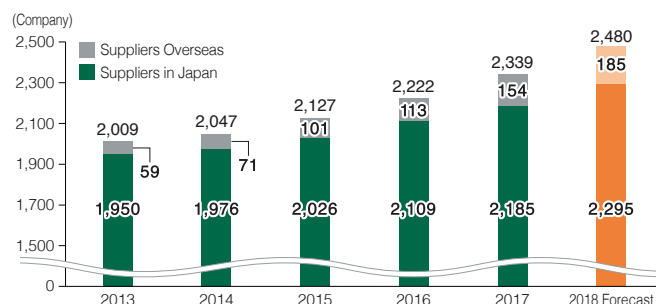
Hand Tools 39,900



Containers/Pallets 2,100

Number of Inventory Items (As of April 2018)

[Shift in Number of Suppliers]



Providing a Broad Selection of PRO TOOL in Japan

We are able to provide approximately 2,200 products procured from suppliers in Japan.

The number of suppliers we work with grows every year so that we can provide a broad selection of products to everyone involved with manufacturing.

Suppliers Recruitment

We are always looking for products with professional specifications to provide total support to manufacturing sites nationwide.

Setup of Tokyo and Osaka Supplier Development Departments

We have established two new departments at our Tokyo Head Office and Osaka Head Office to open avenues to new suppliers. We have put in place a manager responsible for each of these departments to handle new products through negotiation with supplier candidates in Japan.

Sagashitemasu BOX (Idea box for new item)

Sagashitemasu BOX is an opinion box made available on our intranet. Employees write about products on this message board that TRUSCO does not handle and could not provide as well as manufacturers and other information discovered through interactions with customers.

Product Request Advertisements

We periodically publish advertisements to recruit new suppliers in national newspapers and trade magazines.

求品広告

TRUSCO
PRO TOOL

モノづくりの現場で必要とされるプロ仕様商品を探しています。

全国 75 か所の支店、22 か所の物流センター、独自の自社ブランドを強力展開する工場／作業現場の「PRO TOOL」専門商社 **TRUSCO** が貴社の良品を販売いたします。

まずは、お気軽にお問合わせ下さい。

トラスコ中山株式会社
 お問い合わせ www.trusco.co.jp/business/products

Product request advertisement to recruit new suppliers

2,326 manufacturers handled

Major manufacturers handled

A~E
A&D Co., Ltd.
ABC TRADING Co., Ltd.
ALINCO INCORPORATED
AM PRODUCTS, Inc.
AMANO CORPORATION
ANEST IWATA Corporation
Ansell Healthcare
AQUASYSTEM Co., Ltd.
AS ONE CORPORATION
ASADA CORPORATION
ASAHI KASEI ADVANCE CORPORATION
ASAHI METAL INDUSTRY Co., Ltd.
ASAHI SANGYO
ASICS Corporation
ASOH Co., Ltd.
ATOM CORPORATION
Azuma Manufacturing Corp.
BELLSTAR ABRASIVE MFG.Co., Ltd.
BIG DAISHOWA Co., Ltd
BLASTON
Bosch
BURRTEC Co., Ltd.
CAR-BOY CORPORATION
CARK
CEMEDINE Co., Ltd.
CHIYODA TSUSHO Co., Ltd
CHUHATSU HANBAI Co., Ltd
CHUKOH CHEMICAL INDUSTRIES, LTD
CKD CORPORATION
COSMO BEAUTY Co., Ltd
CUSTOM
DAIDOHANT Co., Ltd
DAIHEN Welding Mechatronics System Corporation
DAIKEN Co., Ltd.
DAILITE Co., Ltd
DAINICHI Co., Ltd
DIATEX Co., Ltd
DIC PLASTICS Inc.
DJI
Dow Corning Toray Co., Ltd
DUNLOP HOME PRODUCTS, LTD
Eagle Clamp Co., Ltd.
ELEPHANT CHAIN BLOCK Co., Ltd
Elleair Business Support Corporation
ENDO KOGYO CO., LTD.
ENGINEER INC.
ERECTA INTERNATIONAL CORPORATION
EXEN CORP.
F~J
FUJI GLOVE Co., Ltd.
FUJI TOOLS
FUJII DENKO Co., Ltd.
FUJISAWA INDUSTRY Co., Ltd.
FUJIYA Co., Ltd.
FUMAKILLA LIMITED
FUSO SEIKI Co., Ltd.
Gentos Co., Ltd.
Gifu Plastic Industry Co., Ltd.
H.H.H.MANUFACTURING CO.
HAGIHARA INDUSTRIES INC.
HAKKO CORPORATION
HAKKO ELECTRIC CO., LTD.
HAKKO HANBAI Co., Ltd.
HAMMER CASTER Co., Ltd
HASEGAWA KOGYO Co., Ltd.
HASHIMOTO CLOTH
HATAYA LIMITED
HENKEL JAPAN LTD.
HIKARI Co., Ltd.
HIOKI E.E. CORPORATION
HONDA MOTOR Co., Ltd.
HOZAN TOOL INDUSTRIAL Co., Ltd.

ICHINEN SHOKO CO., LTD.
ICHINEN TASCO CO., LTD.
Icom Inc.
IKURA SEIKI Co., Ltd.
IMAO CORPORATION
Inaba Corporation
Industry Kowa Co., Ltd.
INOAC CORPORATION
IRIS OHYAMA INC.
ISCAR JAPAN LTD.
ISHIHASHI SEIKO
Ishikawa Seisakusho Corporation
ISHIZAKI ELECTRIC MFG.Co., Ltd.
ITW PERFORMANCE POLYMERS & FLUIDS JAPAN Co., Ltd.
Izumi Products Company
JAPAN GREEN CROSS, INC.
JEFCOM
JOHNAN CORPORATION
JVC KENWOOD Corporation
K~O
KAJIMEIKU Co., Ltd.
Kaneko Mfg Corporation
KANETEC Co., Ltd.
KANTOH Co., Ltd.
KARCHER JAPAN
KATSUYAMA KIKAI, LTD.
KAWANISHI INDUSTRY Co., Ltd.
KING JIM Co., Ltd.
KINKI SEISAKUSYO
KITO CORPORATION
KITZ CORPORATION
KNIPEX TOOLS JAPAN K.K.
Koki Holdings Co., Ltd
KOKUYO Co., Ltd.
KOMY Co., Ltd.
KONISHI Co., Ltd.
KONNO CORPORATION
KONOE
KOSHIN LTD.
KOTOHIRA
KUCHOFUKU CO., LTD.
KURE ENGINEERING Ltd.
KURODA BRUSH
KYOCERA CORPORATION
KYOCERA Industrial Tools Corporation
KYOMACHI Co., Ltd.
KYOTO TOOL Co., Ltd.
LED LENSER JAPAN Inc.
LOBTEX Co., Ltd.
MAEDA SHELL SERVICE Co., Ltd.
Makita Corporation
MARUYASU KIKAI
MARUZEN FABRIC.&Co., Ltd.
MASADA SEISAKUSHO Co., Ltd.
MAX Co., Ltd. (Electric power tools)
MAX Co., Ltd. (Gloves)
Maxell Holdings, Ltd.
MCC CORPORATION
MIDORI ANZEN Co., Ltd
MINITOR Co., Ltd
Mitsubishi Chemical Infratec Co., Ltd.
MITSUBISHI MATERIALS CORPORATION
mitsugiron Co., Ltd
MITSUI CHEMICAL, INC.
MITUTOYO CORPORATION
MIYANAGA Co., Ltd
MIZUHO KASEI KOGYO
MIZUMOTO MACHINE MFG.Co., Ltd
MIZUSHIMA KOGYO
MOTOYUKI Co., Ltd
MURAKI CO., LTD.
MURAKO Co., Ltd
MURATEC-KDS CORP.

MUROMOTO TEKKO Co., Ltd
MUSASHI Co., Ltd
MYZOX Co., Ltd.
NAIKI Co., Ltd.
NAKAMURA Mfg Co., Ltd.
Nakanishi Metal Works Co., Ltd.
NAKANISHI, INC
NAKAO Co., Ltd.
NEW COSMOS ELECTRIC Co., Ltd
NEWREGISTON Co., Ltd.
NICHIBAN Co., Ltd
NICHIDO IND,Co., Ltd COMPANY
NIHON PISCO Co., Ltd.
NIHONSEIKI Co., Ltd.
NIIGATASEIKI Co., Ltd.
NIKKO Co., Ltd
NIKKO STEEL WIRE RORE M.F.G. Co., Ltd
NIPPON FILING Co., Ltd.
NIPPON PAPER CRECIA Co., Ltd.
NIPPON PLASTER Co., Ltd.
NIPPON PNEUMATIC MFG.Co., Ltd.
NIPPON POP RIVETS AND FASTENERS LTD.
NIPPON RESIBON CORPORATION
NISSA CHAIN Co., Ltd
NITOMS INC.
NITTO DENKO CORPORATION
NITTO KINZOKU KOGYO Co., Ltd
NITTO KOHKI Co., Ltd.
NOGAJAPAN Ltd.
NORITAKE COATED ABRASIVE Co., Ltd.
NORITSUISU
O.H.INDUSTRIAL Co., Ltd.
Office Mine, Inc.
OKAMOTO INDUSTRIES, INC.
OLFA CORPORATION
OSAKA JACK Co., Ltd.
OSAKA KAKUTA KOGYO CO., LTD
OSAKA SEIKAN Co., Ltd.
OSAKA TAIYU Co., Ltd.
OSG CORPORATION
OTAFUKU GLOVE CO., LTD.
P~T
Panasonic Corporation Eco Solutions Company
Panduit Corp. Japan Branch
Pelican Products, Inc.
Pica Corp.
REX INDUSTRIES Co., Ltd.
Ridge Tool Company
RIKENOPTech
Saint-Gobain K.K.
SAKAI CHEMICAL
Sandvik.K.K.
SANKIN CORPORATION
SANKO Co., Ltd.
SANKO INDUSTRIES Co., Ltd.
SANKO TECHNO Co., Ltd.
SANRITSU・KIKI Co., Ltd.
SANSHIN METAL WORKING Co., Ltd.
SARAYA Co., Ltd.
SEISANNIPPONSHA LTD
SEIWA ELECTRIC MAKER Co., Ltd.
SEKISUI CHEMICAL Co., Ltd.
SHIGEMATSU WORKS Co., Ltd.
SHIMIZU Co., Ltd
SHIN-ETSU CHEMICAL Co., Ltd
SHINFUJI BURNER Co., Ltd
SHINKIGOSEI Co., Ltd
SHINWA RULES Co., Ltd
SHIZUOKA SEIKI Co., Ltd
SHOWA DENKI Co., Ltd
SHOWA GLOVE
SIMON CORPORATION
SINKO CO., LTD.

SISIKU ADDKREIS CORPORATION
SMC CORPORATION
Snap-On Tools JAPAN K.K.
ST TRADING CORPORATION
STS CORPORATION
SUGATSUNE KOGYO Co., Ltd.
SUGICO
SUGIYASU Co., Ltd.
SUIDEN Co., Ltd
SUIKO Co., Ltd
Sumico Lubricant Co., Ltd.
SUPER TOOL Co., Ltd.
TAIYO KOGYO
TAIYO SEIKI IRON WORKS Co., Ltd
TAIYO, LTD.
TAKAGI Co., Ltd
TAKAGI KOGYO CO., LTD.
TANIZAWA SEISAKUSHO, LTD
TENMA CORPORATION
TERADA PUMP Co., Ltd
TERAMOTO CORPORATION
Teraoka Seisakusho co. Ltd.
THE YAMAZAKI CORPORATION
ThreeBond Co., Ltd.
TJM DESIGN CORP.
TOA TSUSHO Co., Ltd
TOEI KAISHA, LTD.
TOGAWA INDUSTRY CORPORATION
TOHNICHI Mfg Co., Ltd
TOKYO MEDICAL Co., Ltd
TONE CO., LTD.
TOP KOGYO Co., Ltd
TOWA CORPORATION LTD.
TOYO KOKEN K.K.
TOYO MATELAN K.K.
TOYOTOMI Co., Ltd
TSUBOSAN FILE Co., Ltd
TSUKASA CHEMICAL INDUSTRY Co., Ltd
TSURUMI MANUFACTURING Co., Ltd
TUNGALOY CORPORATION.
U~Y
UHT CORP.
ULVAC KIKO Inc.
UNIKA Co., Ltd
UNIT
UVEX
VESSEL CO., INC.
Vilene Create Company, Ltd.
WAKOPALLET Co., Ltd.
Wera Werk
YAESU MUSEN Co., Ltd
YAMABIKO CORPORATION
YAMADA CORPORATION
YAMAHA MOTOR POWERED PRODUCS Co., Ltd
YAMAMOTO KOGAKU Co., Ltd
YAMATO SCIENTIFICS Co., Ltd
YAMATOSANGYO
YAMATO-SCALE Co., Ltd
YAMATOSEITOSYO JAPAN CORPORATION
YAMAWA MANUFACTURING Co., Ltd
YODOGAWA ELECTRIC TOOL MFG.Co., Ltd.
YOSHINO LIMITED.
YUEI CASTER Co., Ltd
YUTAKA MAKE Co., Ltd
Other
3M JAPAN LIMITED

Overseas National Brand Products



Launching the World's PRO TOOL into Japan

In October 2015, we established our Representative Office Germany in Düsseldorf to serve as a site for product procurement. We import quality PRO TOOL not commonly seen in Japan from all over the world, primarily the US and European countries, to invigorate the “monodzukuri” industry in Japan.

166 Overseas Suppliers

At present, TRUSCO handles the products of 166 overseas suppliers. With a wide-ranging lineup of overseas PRO TOOL not readily available in Japan, we offer users increased convenience and options.



Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Deliver

[Distribution]

We offer same-day delivery of minimum lots. We respond to customers' requests for goods immediately through a distribution network that covers the entire country.

Distribution centers **17**

Stock centers **5**

Branches with inventory **31**
Total of 75 branches

Number of delivery runs **295**

TRUSCO delivery runs included in above: 77

As of April, 2018



Auto Store



Automated Bucket warehouse



SAS (Systema Streamer)



Delivery from 1 screwdriver

Orders of consumable goods are typically in small amounts of 1 or 2 items. By holding inventory of products from manufacturers who deliver goods in large-box units, we enable small-lot shipments. We also accept the return of inventory goods from customers.



Improvement of service through delivery by full-time staff

Since 2014, we have phased in the use of delivery by our staff (i.e., the use of our own delivery runs) to improve service during delivery to customers. Our goal is to raise our usage of our own runs from about 26% at present to 50%.

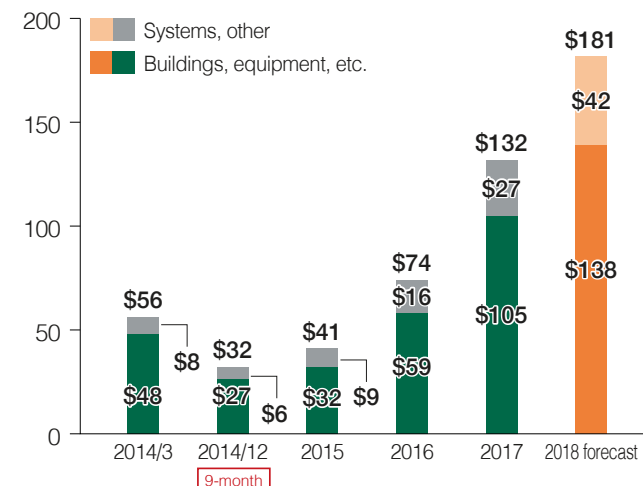


“To run distribution is to run the business”

We push the evolution of distribution day by day, supplying “monodzukuri” with necessary goods in the quantities needed, when they are needed.

Changes in our capital expenditures

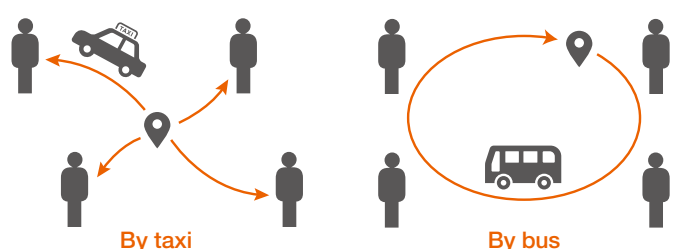
(Unit: million USD)



Proprietary fixed cost-based distribution (2 runs/day; no cost for freightage expenses)

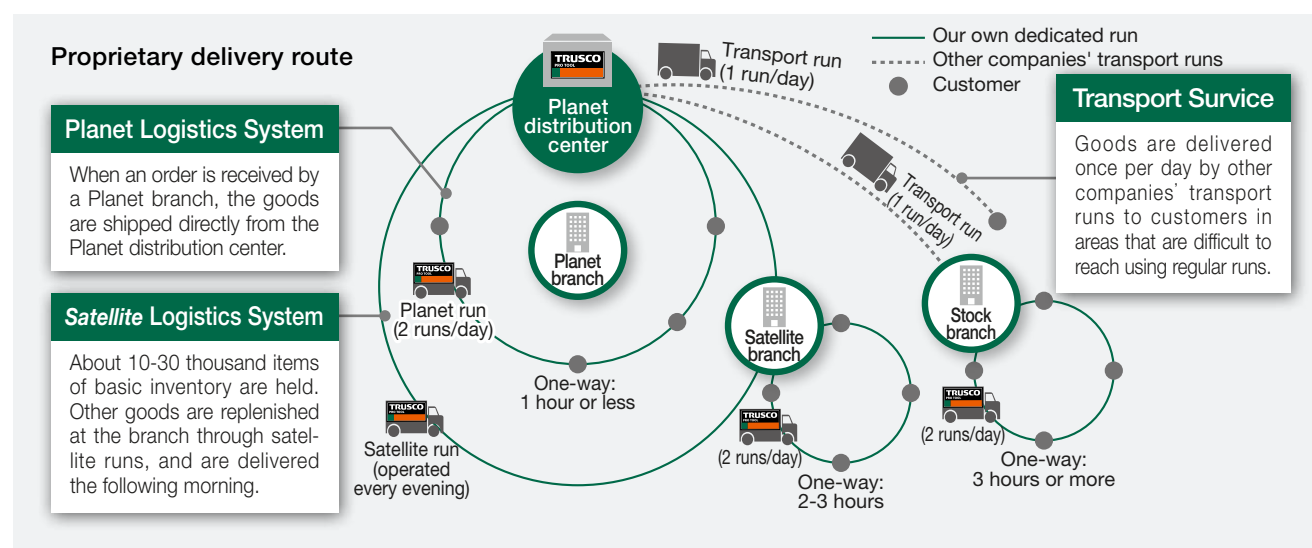
TRUSCO offers fixed cost-based distribution, by which we deliver goods using our own dedicated runs over fixed delivery routes. This enables customers to receive delivery of even one piece of product with no freightage expense.

By fixing delivery routes in the same way as a route bus, rather than charging for each delivery as with a taxi, we enable deliveries without freightage expenses.



Routes that achieve immediate delivery

Throughout Japan, TRUSCO has built delivery routes that trace planet-like orbits around our distribution centers. From this, we have named our distribution centers “Planets.”



Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR


IR/ Welfare Foundation

History/ Business Results

Distribution facilities that support high-density storage and high-efficiency shipping

To continually expand the number of items in inventory and strengthen our system of immediate delivery, we have introduced a variety of distribution machinery and equipment in our distribution centers around the country.

A video on distribution is available using this QR code.



Automated bucket warehouse


Storage



We offer high-density storage of buckets (containers) of small- and medium-sized goods that are characterized by many types and relatively low inventory volume for each product.

Auto Store


Storage



We use high-density storage equipment that converts passageway and ceiling spaces into storage spaces. The use of robots to transport containers achieves efficiency and reduced labor in loading/unloading work.

Automated pallet warehouse

Storage




This effectively uses space in the vertical direction to enable efficient storage of large and heavy goods. It shortens distance of movement and increases work efficiency.

Butler®

Storage

Conveyance



Automated conveyance robots lift shelves and transport them to workers in the warehouse. This reduces workers' time spent walking and raises the efficiency of picking work.

Achieving greater efficiency and optimization with a proprietary system

TRUSCO creates efficient mechanisms that reduce mistaken deliveries, without reliance on the skill level of workers. (Misdelivery rate: 0.02%; Inventory difference ratio: 0.8%)

ZAICON 2
Inventory management system to maintain optimal inventory levels

TRULOGIS
System for work inside distribution centers



ZAICON 2

TRULOGIS
LOGISTICS OF TRUSCO

Seismic isolation of distribution centers

To fulfill our responsibility to supply customers even following a disaster, we have installed seismic isolation equipment underground in our distribution centers.

Centers with equipment installed
Planet Osaka
Planet Saitama
Planet South Kanto



Seismic isolation equipment in Planet Saitama

Electric moving pallet racks

Storage



Movable pallet racks reduce the number of passageways and expand storage space within warehouses.

AGV (Automatic Guided Vehicles)

Conveyance



This equipment uses magnetism for automated conveyance of goods, reducing labor and enhancing transport efficiency.

GAS (Gate Assorting System)

Sorting



This equipment for sorting goods eliminates sorting mistakes by people, improving precision and speed.

I-Pack

Shipping



This automated packaging system performs the tasks of statement of delivery insertion, packaging, and tagging.

BOD (Box On Demand System)

Shipping



This automated boxing machine reads the three linear dimensions of an item and creates a box to fit its size.

Revolving automated shelves


Storage



Making use of ceiling space, these are perfect for large-volume storage of small goods in reduced space.

SAS (Systema Streamer)

Sorting



This high-speed load assorting equipment for automated warehouses can simultaneously perform load assorting and sorting of goods.

Management of product expiration dates

We affix quality control labels to products with quality assurance expiration dates, and manage these through our system to avoid shipping expired products.



Quality control labels affixed to products with expiration dates

Safety management for goods

We build hazardous material warehouses into our distribution centers. These are equipped with the ability to extinguish fires using carbon dioxide gas jets.



Hazardous material warehouse at Planet Saitama

Free Address Inventory Management System

TRUSCO will begin using inventory management that replaces the fixed location method that assigns one location to one product, with a free location method that fills the space opened by inventory depletion with a separate in-shipped product. This system management of shelf space in distribution centers will achieve increased efficiency. (Full-scale launch starting with Planet Saitama)

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Map of Bases in Japan As of April 2018

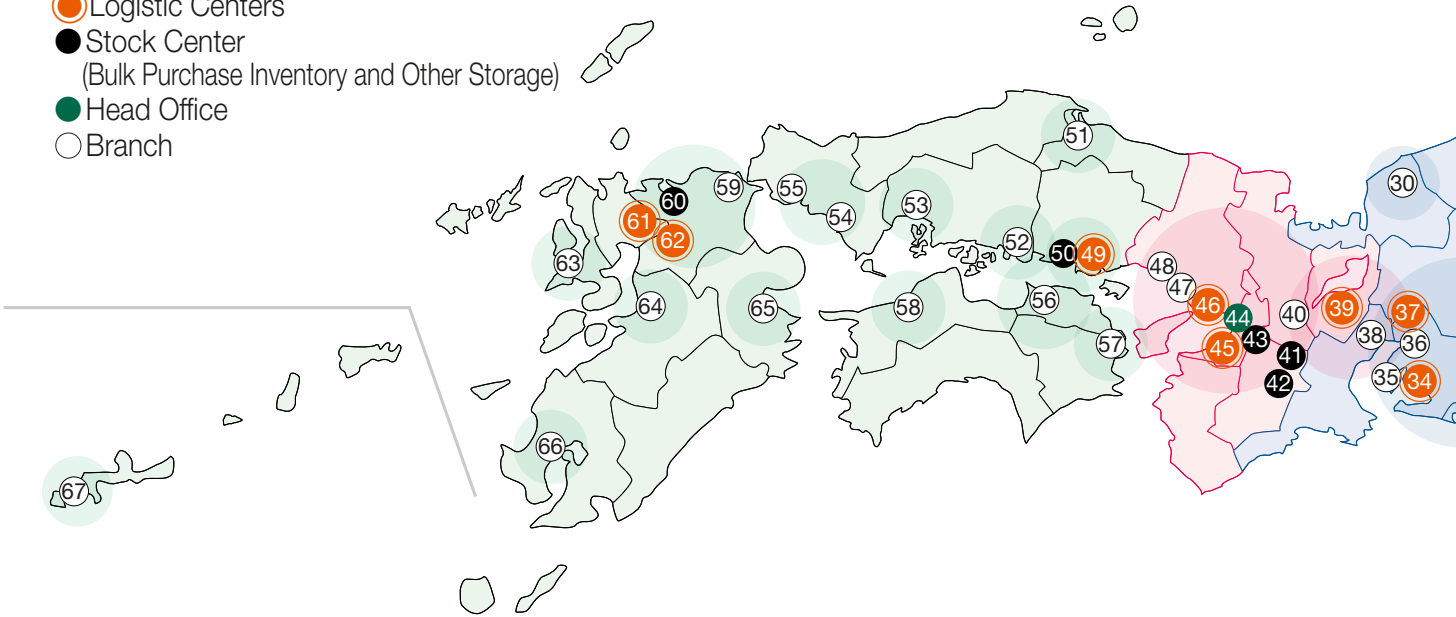
53	Hiroshima Branch	1-20-1 Naka-Hiromachi, Nishi-ku, Hiroshima-shi, Hiroshima	★
54	Shunan Branch	2929-14 Oaza Kume, Shunan-shi, Yamaguchi	
55	Ube Branch	5-395-5 Oaza Nakano Gaisaku, Ube-shi, Yamaguchi	
56	Takamatsu Branch	4001-77 Yoshida, Utazu-cho, Ayauta-gun, Kagawa	★
57	Tokushima Branch	23 Nakahara, Ojin-cho Nakahara, Tokushima-shi, Tokushima	
58	Matsuyama Branch	1068-4 Kumanodai, Matsuyama-shi, Ehime	★
59	Kokura Branch	7-1 Kifunemachi, Kokurakita-ku, Kitakyushu-shi, Fukuoka	★
60	Hakata Stock Center Fukuoka Branc	2-4-14 Takeshita, Hakata-ku, Fukuoka-shi, Fukuoka	★
61	Planet Kyushu Tosu Branch	1651 Himekata-machi, Tosu-shi, Saga	★
62	HC Kyushu Distribution Center Kurume Stock Center	1956-1 Kitanomachinaka, Kurume-shi, Fukuoka	★
63	Nagasaki Branch	23-4 Ohashi-machi, Nagasaki-shi, Nagasaki	
64	Kumamoto Branch	5F Kumamoto Central Bldg. 66-7 Yamasaki-machi, Chuo-ku, Kumamoto-shi, Kumamoto	
65	Oita Branch	1-3-28 Mukaibara-Higashi, Oita-shi, Oita	★
66	Kagoshima Branch	3-68 Tokai-cho, Kagoshima-shi, Kagoshima	★
67	Okinawa Branch	5F Okinawaken Kensetsu Kaikan 5-6-8 Makiminato, Urasoe-shi, Okinawa	

44	Osaka Head Office Osaka Branch Kita Osaka Branch HC Osaka Branch Internet Sales Osaka Branch	TRUSCO Glen Check Bldg. 1-34-15 Shinmachi, Nishi-ku, Osaka-shi, Osaka	★
45	Planet Osaka South Osaka Branch Wakayama Branch	81-1 Ishizu Kitamachi, Sakai-ku, Sakai-shi, Osaka	★
46	Planet Kobe Kobe Branch MRO Supply Kobe Branch	1-3-5 Nakamachi, Minatojima, Chuo-ku, Kobe-shi, Hyogo	★
47	Akashi Branch	#601 Akashi Ote Bldg. 1-2-29 Honma-chi, Akashi-shi, Hyogo	
48	Himeji Branch	448-26 Hojo, Himeji-shi, Hyogo	★

Chugoku/Shikoku/Kyushu Area

49	Planet Sanyo Okayama Branch	4-15 Amase, Kita-ku, Okayama-shi, Okayama	★
50	Okayama Stock Center	2-16-35 Fukunari, Minami-ku, Okayama-shi, Okayama	★
51	Yonago Branch	8-15-14 Yonehara, Yonago-shi, Tottori	★
52	Fukuyama Branch	2-4-13 Akebono-cho, Fukuyama-shi, Hiroshima	★

- Logistic Centers
- Stock Center
(Bulk Purchase Inventory and Other Storage)
- Head Office
- Branch



Overseas Subsidiaries

Overseas Bases 2 (Thailand/Indonesia)



Shinshu/Hokuriku/Tokai Area

26	Okaya Branch	2-1-33 Shinmei-cho, Okaya-shi, Nagano	★
27	Ueda Branch	2F Unno-Machi-Kan Ito Bldg. 2-8-11 Chuo, Ueda-shi, Nagano	
28	Toyama Branch	1-1-34 Tanaka-machi, Toyama-shi, Toyama	★
29	Kanazawa Branch	6-15-1 Eki Nishi-Honmachi, Kanazawa-shi, Ishikawa	★
30	Fukui Branch	1-52 Toiya-cho, Fukui-shi, Fukui	★
31	Fuji Branch	251-1 Jubee, Fuji-shi, Shizuoka	★
32	Shizuoka Branch	1-20 Midorigaoka-cho, Suruga-ku, Shizuoka-shi, Shizuoka	★
33	Hamamatsu Branch	209-1 Sode-cho, Naka-ku, Hamamatsu-shi, Shizuoka	
34	Planet Tokai Okazaki Branch	18 Minami-Kubo, Oka-cho, Okazaki-shi, Aichi	★
35	Kariya Branch	YF Bldg. 1-D 3-9 Wakamatsu-cho, Kariya-shi, Aichi	
36	Nagoya Branch Meijo Branch	12-26 Ukishima-cho, Mizuho-ku, Nagoya-shi, Aichi	★
37	Planet Nagoya Komaki Branch	10-1 Kawahigashi, Wada-cho, Konan-shi, Aichi	★
38	Yokkaichi Branch	5-4-13 Shinsho, Yokkaichi-shi, Mie	★

Planet Saitama/Satte Branch



Satte City, Saitama

1 approx. 47,262 m² 2 approx. 42,657 m² 3 2018 4 320,000 items 5 \$45.9 million

Planet North Kanto/Isesaki Branch



Isesaki City, Gunma

1 approx. 33,057 m² 2 approx. 15,543 m² 3 2007 4 129,000 items 5 \$16.5 million

Planet East Kanto/Matsudo Branch/Edogawa Branch



Matsudo City, Chiba

1 approx. 11,910 m² 2 approx. 23,695 m² 3 2006 4 315,000 items 5 \$38.5 million

Planet Tokai/Okazaki Branch



Okazaki City, Aichi

1 approx. 14,783 m² 2 approx. 23,990 m² 3 2008 4 314,000 items 5 \$41.3 million

Planet Hokkaido/Sapporo Branch



Sapporo City, Hokkaido

1 approx. 7,368 m² 2 approx. 5,507 m² 3 2004 4 66,000 items 5 \$6.3 million

Planet Tohoku/Sendai Branch



Miyagino-ku, Sendai City

1 approx. 12,909 m² 2 approx. 10,681 m² 3 2010 4 94,000 items 5 \$12.0 million


Planet South Kanto/Atsugi Branch (Conceptual Image)



Isehara City, Kanagawa

1 approx. 12,099 m² 2 approx. 26,069 m² 3 Scheduled in May 2020 4 96,000 items 5 \$11.2 million

Planet Shiga/Ryuo Branch



Town Ryuo, Shiga

1 approx. 11,576 m² 2 approx. 19,593 m² 3 2008 4 133,000 items 5 \$16.2 million

Planet Osaka/South Osaka Branch/Wakayama Branch



Sakai City, Osaka

1 approx. 10,373 m² 2 approx. 20,479 m² 3 2015 4 275,000 items 5 \$27.9 million

HC West Japan Distribution Center



Nara City

1 approx. 9,900 m² 2 approx. 19,950 m² 3 1992 4 21,000 items 5 \$8.3 million

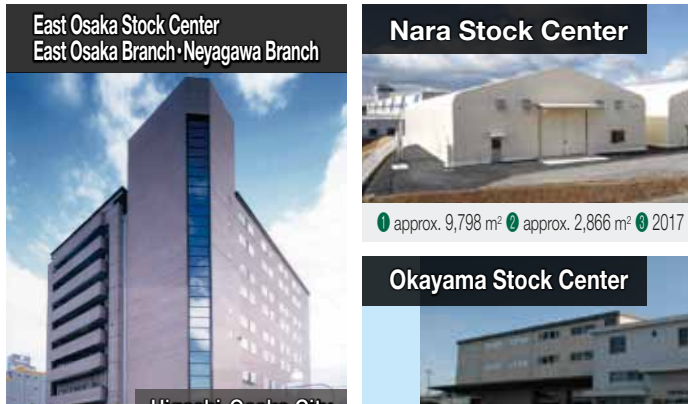
Planet Tokyo/Kawasaki Branch



Kawasaki City

1 approx. 2,509 m² 2 approx. 5,004 m² 3 2009 4 51,000 items 5 \$5.6 million

**East Osaka Stock Center
East Osaka Branch/Neyagawa Branch**



Higashi-Osaka City

1 approx. 3,788 m² 2 approx. 8,023 m² 3 2016/2008/2017 4 4,780 items 5 \$2.7 million

Planet Kobe/Kobe Branch



Chuo-ku, Kobe City

1 approx. 8,287 m² 2 approx. 16,528 m² 3 2005 4 134,000 items 5 \$23.9 million


Planet Kyushu/Tosu Branch



Tosu City, Saga

1 approx. 11,328 m² 2 approx. 22,690 m² 3 2015 4 147,000 items 5 \$18.7 million

Planet Sanyo/Okayama Branch



Kita-ku, Okayama City

1 approx. 3,028 m² 2 approx. 10,694 m² 3 2013 4 89,000 items 5 \$11.3 million

Nara Stock Center



Nara City

1 approx. 9,798 m² 2 approx. 2,866 m² 3 2017 4 677 items 5 \$1.1 million

Okayama Stock Center



Minami-ku, Okayama City

1 approx. 1,685 m² 2 approx. 2,274 m² 3 2017 4 260 items 5 \$0.3 million

Tokyo Head Office (TRUSCO Fiorito Bldg.)



Minato-ku, Tokyo

1 approx. 710 m² 2 approx. 5,828 m² 3 2014

Akita Branch



Akita City

1 approx. 6,611 m² 2 approx. 2,191 m² 3 2007

Utsunomiya Branch



Utsunomiya City, Tochigi

1 approx. 3,312 m² 2 approx. 1,474 m² 3 2009

Niigata City Branch



Higashi-ku, Niigata City

1 approx. 1,890 m² 2 approx. 1,057 m² 3 2009

Osaka Head Office (TRUSCO Glen Check Bldg.)



Nishi-ku, Osaka City

1 approx. 948 m² 2 approx. 8,423 m² 3 2004

Koriyama Branch



Koriyama City, Fukushima

1 approx. 3,623 m² 2 approx. 2,730 m² 3 2016

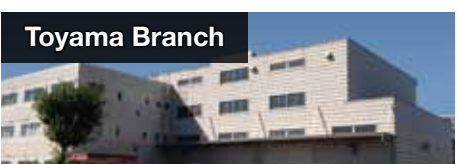
Oyama Branch



Oyama City, Tochigi

1 approx. 2,601 m² 2 approx. 2,323 m² 3 2008

Toyama Branch



Toyama City

1 approx. 1,633 m² 2 approx. 1,996 m² 3 1991

Minato-ku, Tokyo



TRUSCO'S Shinbashi

1 approx. 161 m² 2 approx. 1,398 m² (30 rooms) 3 2014

Higashi-Osaka City, Osaka



TRUSCO'S Osaka

1 approx. 376 m² 2 approx. 2,300 m² (36 rooms) 3 2002

Ota-ku, Tokyo



TRUSCO Kugahara

1 approx. 1,338 m² 2 approx. 2,667 m² (24 rooms) 3 2004

Branch

Hachinohe Branch



Hachinohe City, Aomori

1 approx. 1,983 m² 2 approx. 1,001 m² 3 2000

Jonan Branch



Ota-ku, Tokyo

1 approx. 1,338 m² 2 approx. 2,667 m² 3 2004

Shizuoka Branch



Suruga-ku, Shizuoka City

1 approx. 2,085 m² 2 approx. 1,795 m² 3 2012

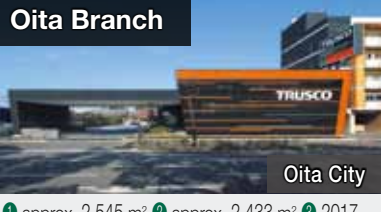
Hiroshima Branch



Nishi-ku, Hiroshima City

1 approx. 2,581 m² 2 approx. 4,376 m² 3 2012

Oita Branch



Oita City

1 approx. 2,545 m² 2 approx. 2,433 m² 3 2017

Kyoto Branch



Shimogyo-ku, Kyoto City

1 approx. 360 m² 2 approx. 2,707 m² 3 2009

TRUSCO Resort and Spa Hakone (Recreation/Training Facility)



Hakone Town, Kanagawa

1 approx. 9,084 m² 2 approx. 2,304 m² 3 2011

Fukui Branch



Fukui City

1 approx. 2,119 m² 2 approx. 1,996 m² 3 2007

Himeji Branch



Himeji City, Hyogo

1 approx. 2,638 m² 2 approx. 2,406 m² 3 2011

Matsuyama Branch



Matsuyama City

1 approx. 1,692 m² 2 approx. 998 m² 3 2000

Nagoya Branch/Meijo Branch



Mizuho-ku, Nagoya City

1 approx. 1,824 m² 2 approx. 3,028 m² 3 1998

Takamatsu Branch



Utazu Town, Kagawa

1 approx. 2,631 m² 2 approx. 2,885 m² 3 1992

Recreation Facility "RENGETSUSO" in Kaguraoka, TRUSCO Kyoto



Kyoto City

1 approx. 1,758 m² 2 approx. 1,600 m² 3 Scheduled in July 2018

Fuji Branch



Fuji City, Shizuoka

1 approx. 3,249 m² 2 approx. 1,828 m² 3 2017

Fukuyama Branch



Fukuyama City, Hiroshima

1 approx. 2,604 m² 2 approx. 2,386 m² 3 2009

Kokura Branch



Kitakyushu City

1 approx. 2,201 m² 2 approx. 2,036 m² 3 2004

Yokkaichi Branch



Yokkaichi City, Mie

1 approx. 1,292 m² 2 approx. 2,323 m² 3 1990

Kagoshima Branch



Kagoshima City

1 approx. 991 m² 2 approx. 1,520 m² 3 1989

TRUSCO Resort and Spa Karuizawa (Recreation/Training Facility)

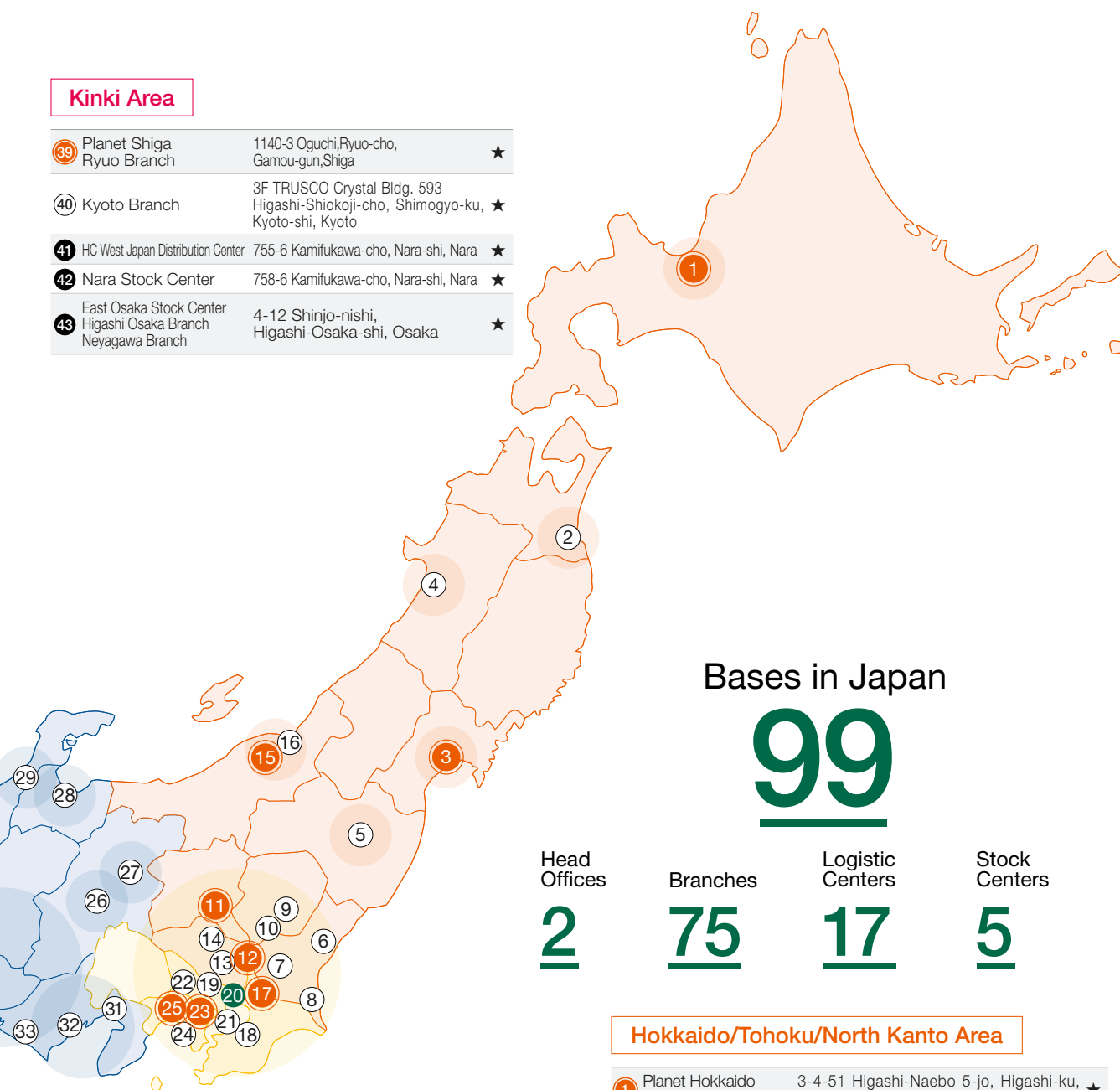


Town of Karuizawa, Nagano

1 approx. 10,618 m² 2 Scheduled in May 2020

Kinki Area

39	Planet Shiga Ryuo Branch	1140-3 Oguchi, Ryuo-cho, Gamou-gun, Shiga	★
40	Kyoto Branch	3F TRUSCO Crystal Bldg. 593 Higashi-Shiokoji-cho, Shimogyo-ku, Kyoto-shi, Kyoto	★
41	HC West Japan Distribution Center	755-6 Kamifukawa-cho, Nara-shi, Nara	★
42	Nara Stock Center	758-6 Kamifukawa-cho, Nara-shi, Nara	★
43	East Osaka Stock Center Higashi Osaka Branch Neyagawa Branch	4-12 Shinjo-nishi, Higashi-Osaka-shi, Osaka	★



Bases in Japan

99

Head
Offices

2

Branches

75

Logistic
Centers

17

Stock
Centers

5

Hokkaido/Tohoku/North Kanto Area

1	Planet Hokkaido Sapporo Branch	3-4-51 Higashi-Naebō 5-jo, Higashi-ku, Sapporo-shi, Hokkaido	★
2	Hachinohe Branch	1-2-9 Numadate, Hachinohe-shi, Aomori	★
3	Planet Tohoku Sendai Branch	2-1-23 Ogimachi, Miyagino-ku, Sendai-shi, Miyagi	★
4	Akita Branch	2-41 Sanno-Rinkaimachi, Akita-shi, Akita	★
5	Koriyama Branch	1-23-7 Motomachi, Koriyama-shi, Fukushima	★
6	Mito Branch	1567 Sugaya, Naka-shi Ibaraki	★
7	Tsukuba Branch ¹	Clover 2-G 17-3 Higashi-Arai, Tsukuba-shi, Ibaraki	★
8	Kashima Branch	3-3-24 Horiwari, Kamisu-shi, Ibaraki	★
9	Utsunomiya Branch	46-11 Hiraide Kogyo Danchi, Utsunomiya-shi, Tochigi	★
10	Oyama Branch	1-6-33 Awanomiya, Oyama-shi, Tochigi	★
11	Planet North Kanto Isesaki Branch	2739-1 Sanwa-cho, Isesaki-shi, Gunma	★
12	Planet Saitama Satte Branch ²	988-7 Akagi, Shinmeiuchi, Satte-shi, Saitama	★
13	Omiya Branch	2039 Nishi-Asuma, Nishi-ku, Saitama-shi, Saitama	★
14	Kumagaya Branch	2F Tsukubane Bldg. 1-146 Tsukuba, Kumagaya-shi, Saitama	★
15	HC East Japan Distribution Center Niigata Branch	280 Oaza Shinbo, Sanjo-shi, Niigata	★
16	Niigatakit Branch	2-6-50 Yutaka, Higashi-ku, Niigata-shi, Niigata	★

Tokyo Metropolitan Area

17	Planet East Kanto Matsudo Branch Edogawa Branch	241-1 Kamihongo, Matsudo-shi, Chiba	★
18	Chiba Branch	1969-17 Yawatakaigan-dori, Ichihara-shi, Chiba	★
19	Itabashi Branch	#102 Hiraoka Bldg. 3-1-16 Tokiwadai, Itabashi-ku, Tokyo	★
20	Tokyo Head Office Tokyo Branch HC Tokyo Branch Div. 1 HC Tokyo Branch Div. 2 Internet Sales Tokyo Branch Div. 1 Internet Sales Tokyo Branch Div. 2 MRO Supply Tokyo Branch	TRUSCO Fiorito Bldg. 4-28-1, Shimobashi, Minato-ku, Tokyo	★
21	Jonan Branch	2-14-23 Kugahara, Ota-ku, Tokyo	★
22	Hachioji Branch	9F Hachioji First Square 3-20-6 Myojin-cho, Hachioji-shi, Tokyo	★
23	Planet Tokyo Kawasaki Branch	3-10-6 Tamachi, Kawasaki-ku, Kawasaki-shi, Kanagawa	★
24	Shonan Branch	1-10-3 Engyo, Fujisawa-shi, Kanagawa	★
25	Planet South Kanto Atsugi Branch	Logicross Atsugi A Kukaku 231-1 Kamiochiai, Atsugi-shi, Kanagawa	★

★ indicates a company-owned property

*1 Closes in October 2018 *2 Scheduled to start operation in October 2018

Corporate
Mission

Stock

Deliver

Communicate

Support

Respond

Overseas
Subsidiaries

Corporate
Culture

Corporate
Governance

Risk Man-
agement/
Environmental
Initiatives

Benefit
Programs

Personnel
Policies

Human
Resources
Development

Social
Contributions/
PR

IR/
Welfare
Foundation

History/
Business
Results

Communicate

[Catalog Media]

Our website, catalogs, and other tools make information on PRO TOOL available in any environment.

Number of copies of TRUSCO Orange Book published

240,000/year

Number of listed products

362,000

Number of listed manufacturers

1,572

Number of products listed in TRUSCO Orange Book.Com

1.49 million

As of April, 2018



Everything needed for the “monodzukuri”, in one location

TRUSCO Orange Book TRUSCO モノづくり大辞典 **オレンジブック**

Our catalog lists every sort of PRO TOOL that is required on the “monodzukuri” production floor. Since 2017, we have offered the TRUSCO Digital Orange Book, which combines the reading ease of a printed catalog with the portability and search ability of the web. We carry inventory for **91%** of the products listed in the book.

*An English version is also available.



Suggested retail price:\$105/set (excluding tax; B5 size)

TRUSCO Orange Book.Com TRUSCO オレンジブック.Com 工場・作業現場のプロツール総合サイト

This comprehensive site supports product searches and the purchase of PRO TOOL. Information on the products we handle is available, as are SDS forms (Safety Data Sheets), schematics, and more. In addition, site members can request product estimates, place orders, and even check inventory in real time.



Catalogs that fit diversifying sales channels

TRUSCO Orange Book Junior

This catalog gathers representative excerpts from every product category into one book.

Pages: About 2,500 (B5 size)
Number of items listed: About 54,000
Number of manufacturers listed: About 1,560
Suggested retail price: \$28 (excluding tax)
*English and Thai versions available



TRUSCO PRO TOOL MAGAZINE ICHIOSHI.

This catalog magazine features up-to-date information on items recommended by manufacturers.

(Covers 2017: Senichi Hoshino
2018: Mansai Nomura)

Pages: 395
Number of items listed: About 320
Suggested retail price: \$5 (excluding tax)



Introduction of services using artificial intelligence (AI)

TRUSCO is undertaking intensive improvement of the product search process through the use of AI. Our goal is to achieve services that yield results in a very short time, including search using natural or fuzzy language.



*Scheduled for introduction in 2019

Opening of our own photography studio

We opened Shinmachi Studio as a place to conduct photography for the images used in TRUSCO Orange Book.Com. This speeds up information updating and the creation of a richer site, while also improving site convenience.



The photography studio opened in the Osaka Head Office

Construction Tools BOOK

This catalog features a lineup of PRO TOOL required for construction and other work sites.

Pages: About 700 (A4 size)
Number of items listed: About 23,000
Suggested retail price: \$9 (excluding tax)



COCOMITE

A guidebook for PRO TOOL, COCOMITE features basic knowledge concerning product usage, simple explanations of points for selecting products, and more.

(B5 size) Suggested retail price: \$28 (excluding tax)
*An English version is in production



Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Support [IT]

We ease the management of information for PRO TOOL that are characterized by low quantity and many types, thereby reducing stress in our customers' work.

Investments in systems over past 10 years

\$92 million

Total number of order receipts (per day)

100,000

System order receipts as a percentage of total order receipts

82.0%

As of April, 2018



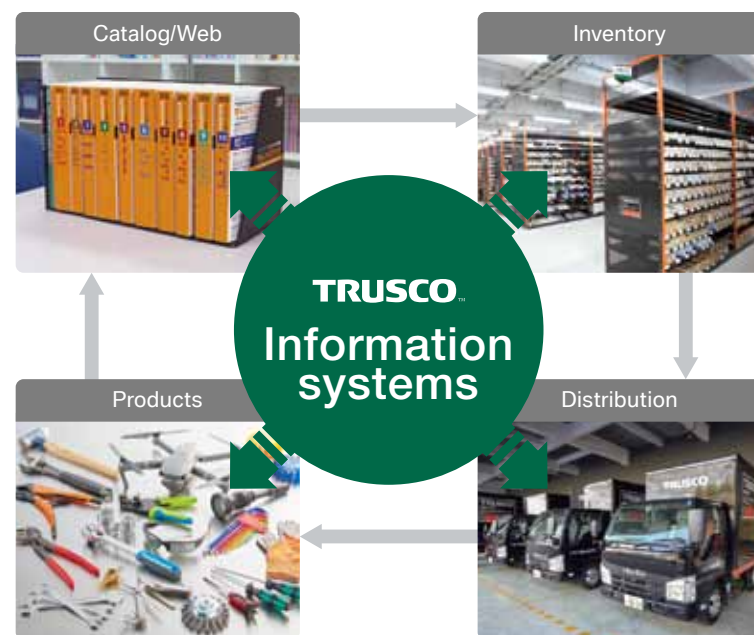
TRUSCO Data Center
Solemare

TRUSCO has its own data center.

By maintaining our platform system on our own without relying on the assets of others, we reduce costs. As the system is located in a building prepared for disaster with a seismic isolation structure and flooding/power outage countermeasures, we are able to avoid stoppage of the system to the greatest extent possible.

An information system platform that supports voluminous data

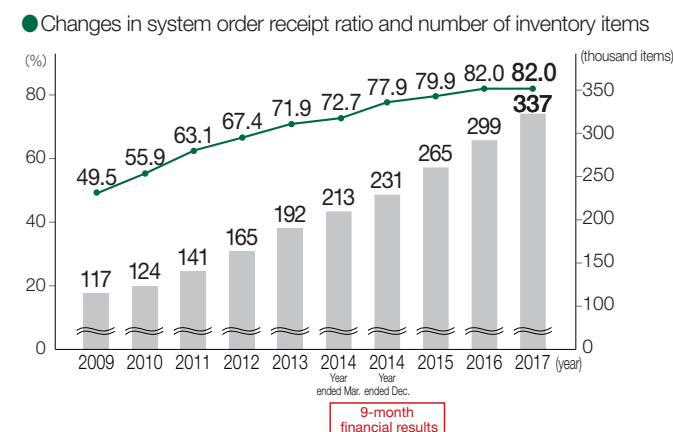
The seamless supply of PRO TOOL, which are characterized by low quantity and many types, calls for a robust information platform. We enhance convenience for suppliers and customers with advanced product data for over 1.7 million items, combined with the ordering efficiency to process approximately 100,000 orders per day.



A proprietary information system for making maximum use of management resources

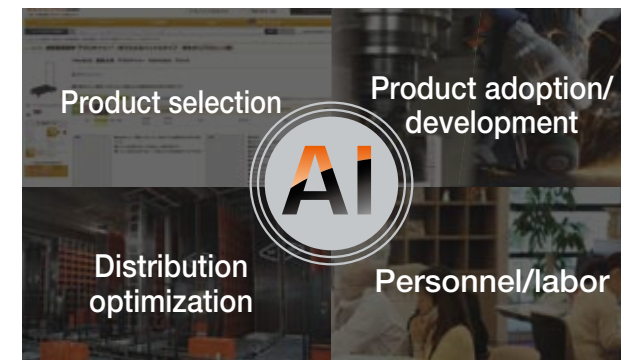
Improvement of work efficiency through improvement of system order receipt ratio

By raising our system order receipt ratio (i.e., the percentage of all orders that were received and processed by the system), we improve our work efficiency and achieve greater sales per person without increasing overtime work.



Improving market adaptability through artificial intelligence (AI)

Building on IBM Japan's IBM Watson Explorer artificial intelligence platform, we are working to improve market adaptability using AI. Our first use will be to improve the product search process. Looking ahead, we intend to undertake research into automating product lineups and the estimation process.



A platform system that supports management resources

Core system: "paradise" **paradise**

This core system forms the core of a variety of systems to support our backend work, from estimating and ordering to accounting work.

Distribution system: "TRULOGIS" **TRULOGIS**

This distribution system manages the inventory work and the product in-shipping/out-shipping performed at distribution centers and at branches with inventory.

Information platform system: "SORA" **SORA**

This information platform system is able to process work data, analytical data, and other data at high speed.

Proprietary systems for maximizing management resources

(Examples shown below)

Sales activity support system: "Self.I" **Self.I**

This system supports sales activities by reflecting the information needed by customers (performance record, analysis, etc.) in timely fashion.

Inventory management system: "ZAICON 2" **ZAICON 2**

With SORA as its foundation, this system provides forecast calculations of required stock quantities based on sales performance records.

Product database: "Sterra" **Sterra**

This system smoothly coordinates information with suppliers and discloses information to customers in timely fashion.

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/PR

IR/Welfare Foundation

History/Business Results

Overseas Subsidiaries

(Thailand / Indonesia)

We seek to build overseas subsidiaries that will aid “monodzukuri” through the stable supply of PRO TOOL in these two countries, where infrastructure is not as developed as in Japan.

Constructing a system for stable supply from Japan
We operate air delivery runs and ship delivery runs (for large and heavy items) to stably replenish products from Japan or to fulfill orders.



Pursuing convenience through use of the Web
TRUSCO Orange Book.Com
The English version of our comprehensive search and information site for PRO TOOL, this site enables product search and real-time inventory checking.



rubix
We have implemented rubix in our inventory management system, enabling the same accurate inventory management that we perform in Japan.



Catalog development in Thai
TRUSCO Orange Book Jr. 2018-2019

- Number of products listed: About 56,000
 - Number of manufacturers listed: About 1,460
 - Pages: About 2,700
- ※Prices in the English version are noted in Japanese yen (¥).



[Features of the Thai version]
•Product features, applications, and specifications are noted in Thai.
•Prices are noted in baht.
•Products held in inventory only by the Thai subsidiary are listed in the preface pages for products.

TRUSCO THAILAND TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED

Since its founding in 2010, this subsidiary has continued to expand its sales to Japanese dealers and to major local dealers. It aims to become a company that is indispensable to Thailand’s “monodzukuri”.

Company overview

- Trade name: TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED
- President: Noboru Yasui
- Executive in charge at TRUSCO NAKAYAMA Corporation Ltd.: Tadahisa Yabuno
- Auditor: Kiyonori Unto
- Capital: 390 million baht (about \$12 million)
- Employees: 19 (including 3 staff members from TRUSCO NAKAYAMA Corporation)
- Established: 2010.9
- Area of grounds: approx. 10,942 m²
- Floor area: approx. 4,730 m²
- Number of items in inventory: 51,523
- Inventory value: \$4 million
- Value of investment: Land, \$2 million; Buildings, \$2 million



Address:
Bangplee, Samutprakarn (13km south of Suvarnabhumi International Airport)
TIP7 789/8 Moo9, Bangpla Bangplee Samutprakarn 10540 THAILAND

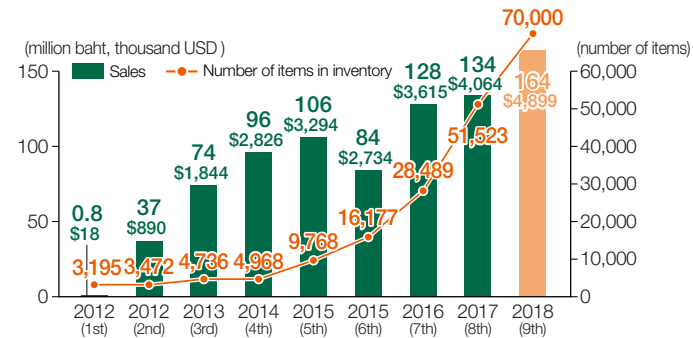


History

- 2010.9 Established under name PRO TOOL NAKAYAMA CORPORATION (THAILAND) LIMITED
Capital: 50 million baht
- 2011.2 Start of sales
- 2011.12 Capital increase of 30 million baht, raising capital to 80 million baht
- 2014.11 Change of name to TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED
- 2015.4 Capital increase of 30 million baht, Capital increase to 110 million baht
- 2015.6 Capital increase of 180 million baht, raising capital to 290 million baht
- 2015.12 Relocation of office building (company-owned building)
- 2016.9 Capital increase of 100 million baht, raising capital to 390 million baht

Number of items in inventory in Thailand: 51,523
Currently increasing number to 100,000 items (2022)

Changes in sales and number of items in inventory at TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED
(8th : 100 baht = \$3.04; 9th Term: 100 baht = \$2.97)



Achieving smooth commercial transactions through system adoption
Our ordering system for local customers facilitates order placement, inventory checks, price checks, delivery date response, and more. It reduces labor and boosts speed in customers’ ordering work, supporting smooth commercial transactions.



Promoting customers’ use of the Web



Warehouse of TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED

TRUSCO INDONESIA PT. TRUSCO NAKAYAMA INDONESIA

As time and effort are required for importing into Indonesia, our inventory, distribution infrastructure, and accurate deliveries offer significant advantages to Japanese companies doing business in the country.

Company overview

- Trade name: PT. TRUSCO NAKAYAMA INDONESIA
- President: Mitsugu Okumura
- Executive in charge at TRUSCO Nakayama Corporation Ltd.: Tadahisa Yabuno
- Auditor: Kiyonori Unto
- Capital: About 315.6 billion rupiah (about \$23 million)
- Employees: 15 (including 3 staff members from TRUSCO NAKAYAMA Corporation)
- Established: 1. 2015
- Area of grounds: approx. 16,178 m²
- Floor area: approx. 11,229 m²
- Number of items in inventory: 49,520
- Inventory value: \$3 million
- Planned value of investment: Land, \$12 million; Buildings, \$7 million



Address:
Lippo Cikarang District, Bekasi, Jawa Barat (about 40km east of the capital city, Jakarta)
IN JAPANESE SME’S CENTER Jl. Kenari, Raya, Blok, G6-01 Kav. 9B -10B Kawasan Industri Delta Silicon 6 Desa Jayamukti Kecamatan Cikarang Pusat Kabupaten Bekasi 17530 INDONESIA

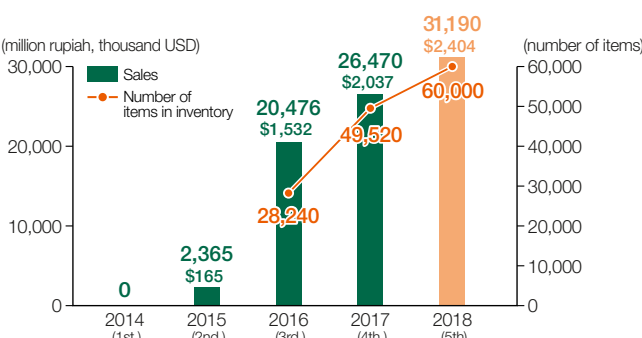


History

- 2015.1 Established under name PT. TRUSCO NAKAYAMA INDONESIA
Capital: 50 billion rupiah
Capital increase of 4.4 million USD (462 million yen)
- 2016.1 Start of sales
- 2017.2 Capital increase of 200 billion rupiah, raising capital to 250 billion rupiah
Capital increase of 19.6 million USD (2,058 billion yen)
- 2019.3 Scheduled relocation of office building (company-owned building) and completion of construction

Number of items in inventory in Indonesia: 49,520;
Currently increasing number to 100,000 items (2022)

Changes in sales and number of items in inventory at PT. TRUSCO NAKAYAMA INDONESIA
(4th period, 5th period: 1 million rupiah = \$77)



Warehouse of PT. TRUSCO NAKAYAMA INDONESIA



Local staff members

Creating a Company where Staff Members Work with Peace of Mind

Looking ahead to lifetime employment (60 years of work)

Companies have a responsibility to provide workplaces where staff members can work with stability and peace of mind. Accordingly, TRUSCO hires all staff members under full-time employment. We will continue building the company, looking ahead toward our unique view of lifetime employment (60 years of work).

Corporate Governance	P.42	Human Resources Development...	P.50
Risk Management	P.44	Social Contribution	P.52
Environmental Efforts	P.45	PR.....	P.53
Benefits and Welfare	P.46	IR.....	P.54
Personnel System	P.48		



55th Ordinary General Meeting of Shareholders (Tokyo Venue)

Ordinary General Meeting of Shareholders ...P.54



Personnel Evaluation OJS ...P.48



TRUSCO Kyoto Kaguraoka, Rengetsuso

Company-owned Recreation Facility ...P.47



Company-Provided Program ...P.53



Seismic Isolation Equipment ...P.44



Photovoltaic Power Generation ...P.45



TRUSCO Shonan Ohashi Bridge. ...P.53



Boss Conference ...P.43



Distribution Center Study Tour for Individual Shareholders

Study Tours for Shareholders ...P.54



Staff Directory ...P.46



First-Aid Room ...P.47



Singles' Dormitory ...P.47

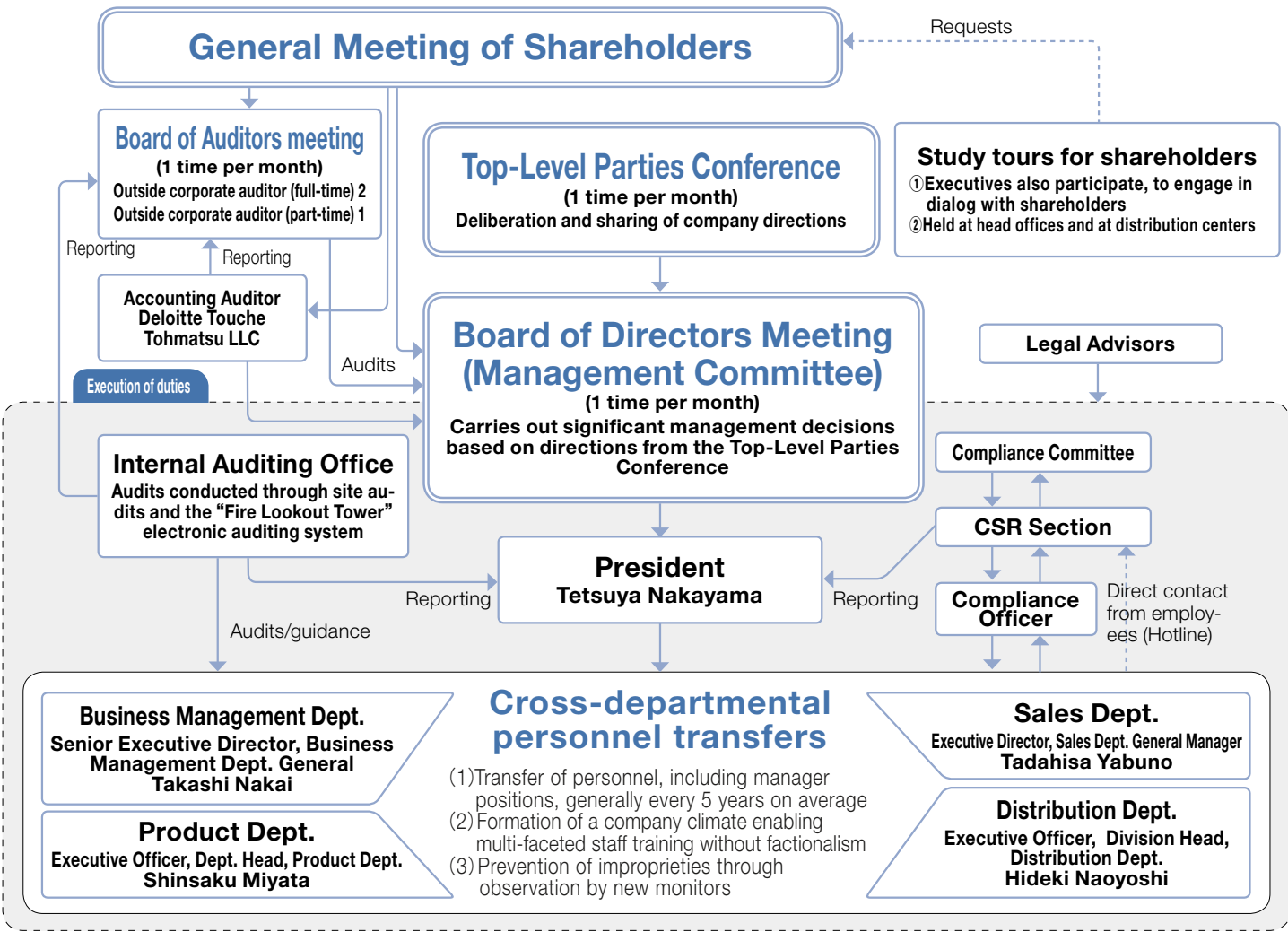
Shinbashi, Minato-ku, Tokyo

Corporate Governance

For the Embodiment of “TRUST COMPANY”

As “Company Earning Your Trust,” we seek to be a company where staff members can engage in self-cleaning actions under a unique governance structure.

Unique Governance Structure

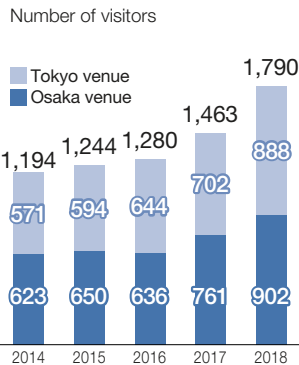


General Meeting of Shareholders

We value the General Meeting of Shareholders as a venue for reporting on our performance and activities to shareholders, and make efforts to increase participation by as many shareholders as possible. A total of 1,790 shareholders attended our 55th General Meeting of Shareholders.

Features of the General Meeting of Shareholders

1. Implementation of the President OJS (Open Judging System)
2. Held on an early schedule, avoiding days on which general meetings are concentrated
3. Held concurrently in two locations, Tokyo and Osaka (execution of voting rights, Q&A are possible; Chairperson participation (rotates yearly between the venues))
4. Results of resolutions at the meetings, a portion of Q&A items, and the results of questionnaires are released on the website three days later



Tokyo Venue

Top-Level Parties Conference (Board Meeting)

Consisting of only Department General Managers and executives (excluding Outside Directors), our Board of Directors Meetings deliberate and share the directions of the company, ensuring objective and rational decision-making.

Composition

· Company President	1
· Executive Director	2
· Outside corporate auditor (full-time)	2
· Outside corporate auditor (part-time)	1
· Executive Officer General Manager	2

Board of Directors Meeting (Management Conference)

We conduct decision-making at Board of Directors Meetings, generally held 1 time per month. The Management Conference seeks a wide range of opinions from participants that include Executive Committee Members, Division General Managers, Section Managers, Branch Office Managers, and female staff members, to ensure a broad perspective and transparency.

Composition of the Board of Director

· Company President	1
· Executive Director	2
· Outside Director	2
· Outside corporate auditor (full-time)	2
· Outside corporate auditor (part-time)	1

Composition of Management Conference

· Board of Directors Member	8
· Executive Committee	7
· Division General Manager	15
· Section Managers, Branch Office Managers	Attendance as required
· General staff members	Attendance as required

Features of the Conference

1. Round-table layout allowing face-to-face communication
2. Changes are made to seating every time, to facilitate participation from new perspectives
3. Persons responsible for work sites and general staff members are selected to participate each time and are called upon to comment as required
4. Minutes of the Conference, containing not only resolution items but also the comments of every individual, are released to all staff members within one week



Management Conference with Boss Challenge Course Trainees in Attendance

Boss Conference (Nationwide Managers' Conference)

This conference, held 1 time per year, brings together Management Conference members and nationwide managers (about 150 persons total) to discuss management issues.

· Management Conference members	27
· All managers	123
· General staff members	22



2017 Boss Conference (Nationwide Managers' Conference)

President OJS

We have adopted a “president open judging system” for voting on the selection of the President, limited to shareholders who have directly heard our business reports and Q&A at the General Meeting of Shareholders. We view this as one of the indicators for evaluation of our top managers.

Reference: 55th President OJS

	Approval rating	Valid ballots	Approvals
Tetsuya Nakayama	99.9%	1,611	1,609

Director / Auditor / Executive Committee / Division General Manager OJS

We have adopted an original system for the evaluation of executives and general managers. Every year, executives and division general managers are evaluated by about 150 managers, with the results used as criteria in promotion/demotion. The results and comments are also fed back to executives, with the aim of preventing improprieties and raising our company value.

Method of Operation

- ① Personal information on voters is undisclosed
- ② Each of 6 evaluation items is rated on a 4-point scale, with added evaluation also provided through comments
- ③ Based on scoring of the ballots, promotion to Director or demotion from Director or Auditor (full-time) is determined
- ④ Candidates for demotion are determined by a result of fewer than 15 points for 2 consecutive years in ballots by Management Conference members (Directors, Auditors, Executive Officer, Division General Managers) only
- ⑤ Evaluation is also performed for Outside Directors and Outside corporate auditor (part-time) as reference data

Outside Directors (Establishment of Board Brain)

TRUSCO selects Outside Directors not only for the prevention of improprieties, but for their broad knowledge and abundant experience concerning company management and for their ability to make contributions to sustainable growth and the improvement of company value.

Board Brain

From the concept of members offering counsel on the basis of their abundant experience and knowledge so as to contribute to the development of the company, TRUSCO chose the name “Board Brain.”

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Risk Management

Ensuring Continuous Supply is TRUSCO's Social Responsibility



The distribution of PRO TOOL is the lifeline of Japanese "monodzukuri" and necessary at all times. We have built a system to ensure the supply of products even in times of emergency so that production never stops on Japanese manufacturing sites.

Business Continuity System

Nationwide Inventory Available

We are able to house product inventory nationwide to reduce risk by setting up distribution sites throughout each region of Japan.

Distribution System in Case of Emergency

We have built a system that automatically supports other distribution sites even when a distribution line is cut, such as when disaster strikes an existing supply route.



Nationwide Coverage of Our Distribution Network

PB Quality Control Section

We established the PB Quality Control Section to manage the quality of PB products. We are striving to enhance quality through measures that include the plans to prevent recurrence when a deficiency occurs as well as product improvements.



Meeting to Improve PB Quality

Facilities Entirely Owned

TRUSCO NAKAYAMA Corporation owns the entirety of its facilities from the buildings to the servers. We are able to avoid a variety of risks by not having to rely on any external entities.



TRUSCO Data Center

Internal/External Zentaku Consultation Hot Line

This hot line for reporting from both inside and outside of the company to quickly discover, handle and prevent recurrence of issues in compliance has been setup in the CSR Section.



TRUSCO Zentaku Book

Disaster Prevention Systems/Training

We put in place disaster prevention systems as well as conduct disaster prevention training every year to act immediately when disaster strikes.



Disaster Prevention Training at Tokyo Head Office

Disaster-resistant Building

TRUSCO NAKAYAMA has put in place various disaster prevention measures at our buildings so that we can respond to all disasters.



TRUSCO Fiorito Bldg. (Tokyo Head Office) Updated to a Disaster-resistant Design Following the Great East Japan Earthquake

Seismic Isolation Structure

We have adopted a seismic isolation structure that inhibits the transfer of oscillations throughout the building by absorbing the vibrations of an earthquake via apparatuses. Seismic Grade: S-grade



Layer Rubber Isolator and Integrated Layered U-type Damper

Flood Prevention Measures

All important facilities are on the second or higher floors as a flood prevention measure. We have also retrofitted the premises around our building with seawalls (planting walls) and tide embankments that assume one-meter flood waters.



Tide Embankments

Emergency Power

Our electricity is supplied by a dual system from different substations. In addition, the entire building and essential systems can run for up to half a day even during power outages.



350Kva Emergency Power Generator

Environmental Initiatives

Environmental Activities through Our Businesses



TRUSCO NAKAYAMA was the first in the industry to acquire the ISO14001 certification without using a consultant at all business establishments in Japan in January 2005 founded in the will to be well versed on the environment.

Environmental Activities

Introduction of Environmental Systems

We are introducing systems that take into consideration the environment with emphasis on distribution centers and new branches.



LED Lighting



Dry Mist Natural Ventilation System

TRUSCO Power Generation Report

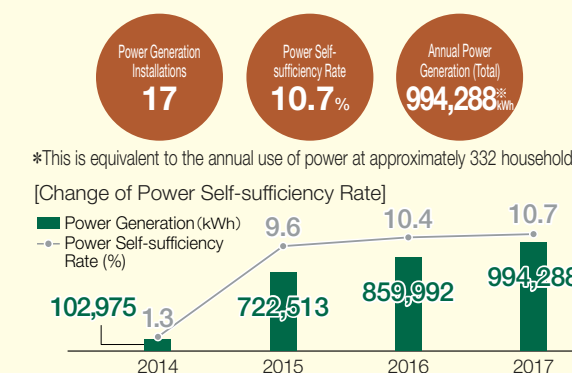
Our company is furthering the installation of its own power generation systems. We have installed wind power generators in addition to solar panels.



Solar Power Generation System



Windmill Power Generator



Clean TRUSCO Community Cleaning Activities

Our staffs participate in community cleaning activities throughout Japan.



Naojiro Repair Service

This is an environmentally-friendly service unique to TRUSCO that provides repair and maintenance from the repair and sharpening of PRO TOOL to the calibration of measurement instruments. (See p.16 for details)



Eco-friendly Products

We are expanding our line-up of products that use recycled materials and environmentally-friendly products. (Eco-friendly Products: 28,632 Items)
Product Items Included in the TRUSCO Orange Book 2018



Multi-Cleaner



Fabric Adhesive Tape



Cleaner Spray

Greening Promotion

We actively promote greening.



Green Terrace Café

Environmental Education

We publish an ISO14001 Acquisition Guidebook and internal education textbooks. These materials not only include fundamental knowledge about environmental issues and ISO14001 but also our own environmental activities at TRUSCO.



Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Benefit Programs

Motivate Employees And Support Lifestyle



We need to build an environment where staffs can engage in their work safely with both body and mind. We will work to further our own health management, including our corporate recreational facilities and the setup of a Healthcare Section.

Programs

Communication

Communication Money, this program aims to invigorate communication in our offices.



Staff Trip Using Communication Money

Akindo Prize

This award is presented to the ten branches with the highest results every six months.

(1st: \$917; 10th: \$92)



Second Half of 55th Period Akindo Prize Winning Branches

Nakayama Pension

This corporate pension program provides 10% financial assistance to a reserve fund to pay out to staffs as a 10-year fixed pension from the age of 65.

Shareholders' Meeting

Staffs can purchase company shares by deducting it from their salary each month to receive a 10% bonus to the value of the contribution.

Accumulation Savings

This program allows staffs to deduct money from their salary and bonuses to an accumulated savings in which the company will contribute twice each year.

Congratulatory/Condolence Programs

TRUSCO has put in place five congratulatory and condolence programs for executive officers, staffs and part-time staffs.

1. Congratulatory gift for marriage	The company presents \$275 as congratulatory money to any staff who marries.
2. Congratulatory gift for childbirth	The company presents a catalog gift worth about \$92 for each child when a staff or their spouse gives birth.
3. Condolatory/condolence gift	The company presents up to \$459 as a condolatory gift when a staff or a member of their family passes away. We also offer an additional condolence gift to families of a staff who passes away. Up to \$92 thousand (Staffs with over 20 years of service)
4. Injury or Sickness Compensation	The company presents \$92 to a staff who has to take leave due to injury or sickness.
5. Disaster Compensation	The company presents up to \$917 based on the degree the household of a staff is damaged due to a disaster such as a fire or earthquake.

60th Birthday Gift to Staffs

In celebration of a 60th birthday, the company invites the staff to the Tokyo Baycourt Club, a membership resort in Odaiba, Tokyo, pays for their transportation expenses, and presents them with \$917.



Tokyo Baycourt Club Hotel and Spa Resort

Facilities

Resort Condominiums

We have 16 resort condominiums that our staffs and part-time staffs can use freely.



Exmond Arima

· Chuo-ku, Sapporo City
· Agatsuma District, Gunma
· Minato-ku, Tokyo
· Mikikabi-cho, Hamamatsu City
· Shima City, Mie
· Shimogyo-ku, Kyoto City
· Chuo-ku, Kobe City
· Naruto City, Tokushima, etc.

Recreational/Training Facilities

We use these facilities for a wide range of applications from staff training and staff trips to a guest house. The managers who operate these facilities and even the chefs are regular staffs.



TRUSCO Resort and Spa Hakone Enjoy a Wonderful Hot Spring



TRUSCO Kyoto Kaguraoka "RENGETSUSO"



TRUSCO Resort & Spa Karuizawa (Scheduled for Completion May 2020)

Dormitory

We have three staff dormitories for single staffs and staffs transferred to a position away from their family. TRUSCO also provides dormitories.



TRUSCO'S Shinbashi (Shinbashi, Minato-ku, Tokyo)

TRUSCO'S Osaka (Higashi-Osaka City, Osaka)

TRUSCO Marine Club

TRUSCO owns a yacht in Yokohama and Ashiya. These yachts are made available as a chance to enjoy a bit of cruising. In addition, the company will subsidize half the cost of acquiring a license for a small vessel boating license.



TRUSCO'S II (Length: 32.35 feet)



TRUSCO'S I (Length: 37.50 feet)

Health Care

Health Check-ups (Including Dependents)

Staffs under the age of 35 can undergo a mini-health check-up and staffs over the age of 35 can undergo a full health check-up. Dependents of our staffs are also able to have health check-ups.

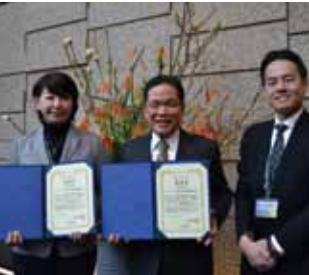
Recognized as a White 500 Certified Health and Productivity Management Organization (Large Corporation Category)

In February 2018, TRUSCO was recognized by the Ministry of Economy, Trade and Industry as an excellent company engaged in strategically practical health management for the health management of staffs and other personnel. This is the second consecutive year that the company has received this award.



Healthcare Section

We have established Healthcare Section with full-time public health nurses for the purpose of building an environment where staffs can maintain their physical and mental health and feel secure in their work in both Head Offices. We also have given stop smoking responsibilities to a manager as a company promoting no smoking.



Recognized in the White 500



Nursing Office at Tokyo Head Office

Vitalization of Communication via a Staff Registry

1990~

We create a staff registry that includes pictures, addresses, and dates of birth every year. This acts as an important tool for communication between our staffs who work throughout Japan.



2017 Staff Registry



ヤマダ (ナカヤマ) ハナコ
山田 (中山) 花子
hanako.yamada



Staffs decide what information to disclose.

キャリア (海外)	2008.3
役職	支店長
職格	管理全般
会社携帯TEL	090-1111-2222
入社年月日	1976年(551年)4月1日(30年4ヵ月)
所属歴	2000年(H12年)8月 経理課 2008年(H20年)6月 東京支店
自宅住所	578-8555 東大阪市本庄西1-145
自宅TEL	0774-12-1234
携帯TEL	090-1111-2222
携帯アドレス	private@ezweb.ne.jp
業務連絡先(自宅)	〇〇広場
業務連絡先(TEL)	0685-0023 札幌市東区伏古9条5丁目4-7
業務連絡先(TEL)	011-789-3711
△△広場	
生年月日	1958年(553年)4月20日(49歳)
コース歴	2010年3月エリアー2017年4月キャリア(海外)
資格	小型船舶操縦士1級
出身地	札幌市東区
最終学歴	関西学院大学商学部 血液型 O型
この人すごいと思う特長	勉強熱心
最近頑張ったこと	食生活(肉→野菜!!)
2020年までにしたいこと	初海外旅行
私の元気の素	仕事後の一杯
私のお気に入りの場所	鉄板焼サスケ

Personnel Policies

Policies to Give Staffs Long-term Job Security

The time when the policies of a company begin is important and the “will” varies according to when a policy is put in place. We have many unique personnel policies that began as ideas for our staffs.

OJS Programs

We have unique assessment and *Open Judge System* (OJS) policies for the purpose of evaluation from a highly fair and objective stance. Evaluating one another helps build an environment of fair assessment with good energy in the air.

Promotion OJS 2001~

This program reflects assessments of staffs related to the work of an individual in the evaluation of staffs who are candidates for a promotion of manager or higher.

- Applies to: Candidates for manager or higher
- Procedure: Determine if the candidate should/should not be promoted (Include a comment with the reason for the decision)
- Results: Candidates who have an 80% or higher approval rating and satisfy the minimum number of votes are promoted

Personnel Rating OJS 2003~

This program reflects the evaluations between staffs who work in the same office in personnel ratings. Comments are included to provide feedback to the individual.

- Applies to: All staffs
- Procedure: Determine the performance, approach and skill of the staff in five levels (Include a comment with the reason for the decision)
- Results: 30% of this assessment is reflected in the personnel-ratings related to achievement allowances and bonuses

Director, Auditor, Executive Committee, Division General Manager OJS 2012~

Comments at important meetings, such as those of the general managers and higher, are shared with every staff through the meeting minutes. The evaluation results are used as criteria for promotions to director and executive director as well as demotions from director, auditor (full-time), executive officer, and division general manager.

- Applies to: Officers, executive officers and division general managers
- Procedure: Evaluate the approximately 150 bosses (supervisors such as branch office managers, section managers, and logistic center managers) and management meeting members (directors, auditors, executive officers, and division general managers) once per year.
- Results: Management who drop below a certain standard of points two years consecutively become a candidate for resignation

*The results of outside directors and Outside corporate auditor (part-time) are used as reference data.

Part-time Staff OJS 2015~

The OJS program also applies to part-time staff.

- Applies to: All part-time staff
- Procedure: Determine the performance, approach and skill of the staff in five levels (Include a comment with the reason for the decision)
- Results: 30% of this assessment is reflected in the personnel ratings related to hourly wage as well as bonuses and promotions. This assessment is also reflected in promotion criteria for staffs.

Policies to Give Staffs Long-term Job Security

Increase in Retirement Age

We raised the retirement age incrementally in 2012 and 2015 to improve stable staff security and heighten staff motivation.

	Before Change	2012	2015
Managerial Retirement Age	58 years old	60 years old	62 years old
Retirement Age	60 years old	63 years old	65 years old
Staff Extension (Contract Staffs)	65 years old	65 years old	70 years old
Part-time Staff	—	70 years old	75 years old

Occupational Selection Program

This program lets our staffs choose from six different occupations; career (overseas/Japan), area, support, specialist, and logistics. Staffs may change their occupational path if they earn a certain level of assessment on their personnel ratings.

Regular Personnel Transfers and Job Rotations

We transfer staffs across departments from sales and accounting to distribution for roughly their first five years to increase their abilities and skills as a staff. Staffs also rotate between jobs within their own department to avoid personnel who are suited to only one job.

Salary

Salary Increases

We have engaged in measures to improve the average salary roughly 3% to 5% (approx. 11% over three years) every year since April 2015. In addition, we have increased the hourly wage of part-time staff across the board \$0.27 in January 2017 while raising the base salary across the board \$83 in April.

	2014	2015	2016	2017
Staff Average*	59 (62)	61 (63)	62 (65)	66 (69)
Career [Regular Positions]	66 (69)	67 (69)	69 (73)	74 (78)

*The annual salary including financial bonds (annual payment for severance) is shown in the parentheses.
*The staff average includes executive committee.

Financial Bonds

It is paid every year in stead of severance payment.

Program to Support Staffs

*The number of people for the last three years is shown in the parentheses.

Relaxed Work Hour Reduction Program 2001~

This program allows staffs to reduce their working hours up to a maximum of three hours per day for reasons of pregnancy or child raising up until the end of March the year their children reaches sixth grade. This program can also be used to take care of sick family. (81 staffs)

Happy Sunday Program 2002~

Staffs transferred to a position away from their families are provided with travel expenses home twice a month, company-paid housing and an allowance. Staffs can come to work later on Monday to enjoy a Sunday dinner with their family with prior approval when they return home on the weekend.

Transfer Request Program 2005~

This program allows staffs to request a transfer to a desired place of business due to life events such as marriage or taking care of a sick family member. (61 staffs)

Lovebird Transfer Program 2005~

This program allows a staff to continue to work by accompanying a spouse when transferred to the area of that transfer regardless of whether their spouse is a company staff or not. (22 staffs)



TRUSCO Smile Supporters 2012~

This is a mentor system for women who have uncertainties and concerns about their job to consult with a senior female staff. (13 staffs)



Welcome Back Program 2014~

This program is for the re-employment of staffs who had to resign to raise a child, take care of a sick family member, or undergo infertility treatments within ten years from their resignation. (15 staffs)

New Staff Support Program 2016~

This program provides the money necessary to smoothly start a career as a professional in society. TRUSCO provides this entrance allowance to new graduates who are hired. (\$1,835 for persons who live alone and \$917 to persons who still live at home after joining the company)



Positive Action Mark Acquisition

We are a registered participation in Positive Action that has been promoting the active participation of women since May 2012.



〈Concept for Development of Female Staffs〉

The development of our female staffs is guided by the voices of the women who work in our company to drive a merit system. The cultivation of women in management is an objective that resonates with us as it does with other companies.

Women in Management and Officer Roles

- Section Mangers/Branch Office Managers..... 6
- Deputy Logistic Center Managers 2
- Senior Supervisors 6
- Acting Senior Supervisors 30
- Supervisors 55

Number and Breakdown of Female Staffs

- Female staffs (average age: 30.7)..... 510 (female staff ratio: 33.7%)
- Careers (regular positions)..... 161
 - └ Overseas career... 39 (3 deployed to local subsidiaries overseas)
 - └ Domestic careers..... 122
 - Specialists (expert positions)..... 16
 - Area (regular positions)..... 249
 - Support (internal work positions)..... 27
 - Distribution (logistics positions) 59

As of December 31, 2017

Child Support Allowance

We provide \$92 per month allowance for each child to staffs who have children under ten years old. TRUSCO started payments even to staffs who are on leave to raise children in 2014.



Return-to-Work Support for Staffs on Maternity or Childcare Leave

- Sharing Information via iPad
The company intranet can be browsed from home.

- Office Visit Days
Office Visit Days were set up to encourage visits to offices where staffs work every four months.

- Distance Learning Courses
The company subsidizes 50% of course fees for staffs who finish the designated courses within the time frame.

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Human Resource Development

Self Awareness is the Highest Education



Training = An Opportunity for Self Awareness No matter how much education someone has had, the problem is awareness. We provide opportunities at the company as a place where staffs with passion will learn, gain support and continue to grow.
In addition, training is insourced (instructor program).

TRUSCO Stage Trial

Type	Staff Level	Name of Training	Overview
Stratified Training	1	1st Year (New Graduates) Hakone Training	Trainees experience the universal human skills of passion, sincerity and earnestness that will become the foundation of their motivation.
		Head Office Training	Trainees learn and acquire necessary business skills and our corporate vision, value and spirits, which are necessary on-the-job skills.
	1	1st Year (Mid-career) Fresh Start Course	Trainees learn distribution functions through practical work at a logistic center.
		Fresh Start Course	Trainees learn distribution functions through practical work at a logistic center.
	2	3rd Year Third Year Restart Logistics Staff Course	Trainees hone their awareness, knowledge and education as a professional in society and TRUSCO business person.
	3	4th Year Logistics Course (Recommended Candidates) Skill-up Course	Trainees hone the work skills and humanities necessary to make an impact in the organization.
	4	6th Year 4th Year (Mid-career) Leadership Course	Trainees hone the work skills and humanities to strengthen relationships and make decisions as a follower.
	5	Rookie Manager Rookie Manager Course	Trainees hone the skills to use corporate resources necessary for management and the skills required of grow the organization.
	6	Managers Boss Management Course	Trainees hone the work skills necessary to drive growth of an organization that resolves management challenges.
	7	General Managers Director Course	



Hakone Training



Fresh Start Course (Head Office Training)



Skill-up Course



Leadership Course



Rookie Manager Course

Selection

Area Training Course

This training deploys staffs who are limited to a certain workplace to another location for roughly one week. This helps the staff grow and enhance our operations.



Training at Another Branch Office

Logistics Staff Training Course

This training provides staffs on a distribution career path with new stimulus and awareness by transferring them to a different logistic center to work for a week.



Working at Another Center

Boss Training Course

Staffs experience all aspects of management at another branch office. The training helps future managers to find clear challenges they will face.



Staff Chosen to Work as Branch Office Manager for One Week

Scope

Boss Challenge Course

This training is for staffs with a nine-year tenure who satisfy the entry requirements. Trainees have the opportunity to learn the necessary skills to transform into a human resource able to handle management.



Only Course Candidates Can Participate in the Training

Scope/Nomination

Overseas Business Course

TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED
PT.TRUSCO NAKAYAMA INDONESIA
Staffs build a foundation of growth while working at a local subsidiary.



Training at THAILAND



Finding and Solving Problems in Training Overseas at INDONESIA

Global Challenge

Staffs will expand our overseas businesses while engaging in OJT in the Overseas Division.

Applicants

University Subsidy System

This system subsidizes \$2,752 from the cost of acquiring a degree as educational support for gaining a bachelor's degree from a University. The company also provides a \$1,376 subsidy a for staffs to acquire a degree in another specialized field at another university.



First Graduate under the System

Clean Slate Room Training

This training aims to nurture staffs able to think and take action independently. Roughly two staffs selected by public offering each year decide on an open research theme funded with up to \$2,752 in capital for that individual to independently advance their research and announce their findings at the management meeting.



Limited Time Test Store

All Staffs

Orange Doctor Examination

Orange Doctor Examination was established for the purpose of enhancing staff knowledge about our products. This examination is held twice a year in June and December. Staffs who pass the examination receive an allowance of \$92 per month for one year.



Problems Taken from the TRUSCO Orange Book

Distance Learning

"Becoming a human resource who has a track record founded in the skills necessary to grow a company all starts with the will of the individual." This is why the company provides 50% assistance for the course fees to staffs who complete a course.



Staff Taking Courses Grows Every Year

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results

Social Contributions

To Become a Company that Can Help People and Society



As PRO TOOL supplier, we will realize the happiness of people through corporate activities such as sponsorship and employment as well as business.

Social Contributions

“Skill Olympics/Abilympics” Sponsorship

“Skill Olympics” for young technicians ages 23 and under who bear the future on “monodzukuri” and “Abilympics” for people with disabilities. We have been sponsoring these competitions for the purpose of widely communicating the importance of manufacturing.



Image of skills tests at the 2016 Yamagata Skill Olympics

“Japanese Para-Sports Association” Sponsorship

We began the sponsorship as an official partner of the Japan Paralympic Committee in 2011. As an official sponsor of the Japan Para-Sports Association, we have been striving for the spread of sports for people with disabilities and supporting the athletes since 2015.



Rio 2016 Paralympic Games Rally

TRUSCO Universal Design Series

This is a series that was uniquely defined and developed on the concept of “PRO TOOL designed with an idea to compensate for a decline in physical function and physical fitness” in response to the rapid progress of an aging society.



Inverted to Black and White and Made Easier to See

Employment of People with Disabilities

We aim for the independence and self-reliance of people with disabilities through employment at our company. We accept employment experiences from support facilities and schools every year. As of March 2018, 65 people with disabilities were hired (employment rate of people with disabilities: 3.1% (statutory employment rate: 2.2%)).



Image of Working at a Distribution Center

Inventory of Materials to Support Recovery During a Disaster

In logistic centers nationwide, we have inventories of items such as generators, pumps and blue tarp sheets that are required during disasters such as earthquakes for a maximum of up to 6 months.



Self-Defense Force Vehicles Carrying out Suppliers During the Kumamoto Earthquake

Shin Toyosu Brillia Running Stadium Tool Sponsorship

As a training ground for athletes toward the Tokyo Paralympic Games, this stadium started in December 2016. Our company sponsored a set of tools used for the research and development at the Xiborg (Cyborg) LAB research center in the stadium.



Shin Toyosu Brillia Running Stadium.

Public Relations

To Penetrate the Corporate Attitude and a Life-size Company Image Inside and Outside the Company



Through communication with various media, we expand our public relations activities to be a company that has a face visible both inside and outside the company.

Internal Company Newsletter “Hand Made” 1969~

Under the editorial policy to create a communication magazine connecting the company and employees as well as the minds between employees, the newsletter has continued to spell the history of employees since 1969.



Company Poster 1995~

Based on the theme of “GAMBARE!! JAPANESE MONODZUKURI”, every year we produce posters on topics of manufacturing which represent Japan.



2018 Company Poster

TRUSCO Shonan Ohashi Bridge. (Naming Rights) 2010~

Crossing the Sagami River, we acquired the naming rights of the “Shonan Ohashi Bridge.” route on National Route 134 in 2010. This notation is also used for maps and car navigation systems.



TRUSCO Shonan Ohashi Bridge

Osaka Lovvits Sponsorship 2016~

We are supporting the women’s handball team “Osaka Lovvits”, which is active in the Japanese handball league. Of the 17 athletes, 12 belong to our company.



Image of a Game

Team Members

TV Program “TRUSCO Shirarezaru Gulliver” 2017~

Since October 2017, “TRUSCO Shirarezaru Gulliver” excellent company file, a program sponsored solely by TRUSCO has been broadcast (TV Tokyo series, every Sunday evening from 5:30-6:00 p.m.). With the passion that “we want to give pride and vitality to Japan”, we will showcase the appearance and feelings of an excellent Japanese company we boast to the world, and introduce each company one by one.



In the program, we will tell you the figure and feelings of the company in an easy-to-understand manner.

TV commercial

We are creating our company commercials that express a corporate attitude and guidelines for the future. As a supplier of “monodzukuri”, we are putting the desire to continue to support Japanese manufacturing through the provision of professional tools. This is broadcast in the program.



“Supplier TRUSCO, Whether It is on the Internet or in the Real World” (broadcast from October 2017)

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions / PR

IR/ Welfare Foundation

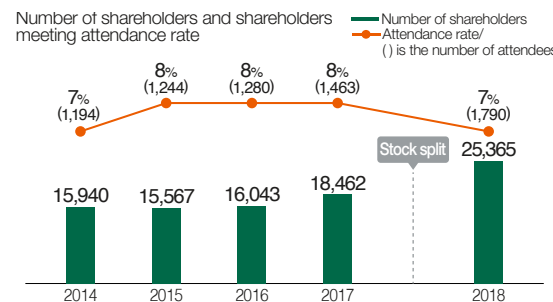
History/ Business Results



"The origin of IR is at the shareholders' meeting." We are constantly opening, expediting and accurately disclosing information through our own IR activities, including the shareholders' meetings in 2 locations in Tokyo and Osaka we held for the first time as a listed company.

General Meeting of Shareholders

We think that the origin of IR is at the general meeting of shareholders. At the 55th ordinary general meeting of shareholders, a total of 1,790 shareholders, 7% of the shareholders, were present.



Tokyo Venue

IR Activities

22nd "IR Excellent Company Award Incentive Award" Recipient



At the Japan IR Council, experts judge companies which actively engage in IR activities, and award them. We were awarded the incentive award for the evaluation we received about the abundance of information disclosure, etc. at the awards announced in 2017.

IR for Institutional Investors

We begin the earning results briefing (large meeting) at the mid-term and final closing, and more than 100 institutional investors and dealers participate.

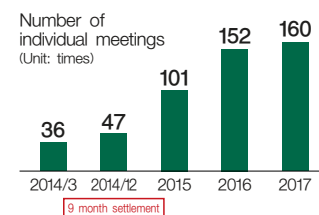


Image of a Large Meeting

IR Website

In order to promptly disclose information in the IR website, we publish monthly sales figures on the 10th of every month (by the 20th of the account closing month in every quarter).

Dividend/Shareholder Special Benefit Plan

Stable Dividends with the Pperformance-linked Type and Lower Limit

Twice during the mid-year and end of year, we are paying dividends. If net income for the current (quarterly) period exceeding a certain standard is posted, we will pay dividends linked to it, and we have a lower limit even if it does not exceed it.

Net income per share (quarterly)	Annual (mid-term) dividends
When it exceeds 40 (20) yen	Net income per share (quarterly) x 25%
When it is below 40 (20) yen	10 (5) yen

*() is the calculation standard for the 2nd quarter cumulative period. With respect to calculated fractional fraction, we will move forward in increments of 50 sen. (1 sen-49 sen→50 sen, 51 sen-99 sen→1 yen)

*1USD=109JPY

Main Reasons for Winning Awards

- ① Open attitude of top management
- ② Enhancement of activities for individual investors
- ③ ESG information such as social contribution and female success is focused on



President Nakayama in the award ceremony

Tours for Shareholders

Every year we hold a tour for shareholders as a place to encourage friendship with officers and deepen their understanding of our company.

① TRUSCO Logistics Tour 2011~

Visits of the inventory and logistics system that can deliver a wide variety of products and realize instant delivery.

FY2017 performance

- Held for 6 days at 5 logistics centers
- Applications: 1,321, 139 pairs participated by lottery



② TRUSCO Tokyo Head Office Tour 2015~

Visits to various departments and disaster countermeasure facilities.

FY2017 performance

- Held for 2 days
- Applications: 265, 54 pairs participated by lottery



Free Choice System Shareholder Preferential Treatment

2000~

We hold annual shareholder benefit offerings to shareholders who hold 100 shares or more.



Exclusive Catalog

Public interest incorporated foundation Nakayama visually impaired welfare foundation

Diligently for 20 years and from now on.

The Nakayama visually impaired welfare foundation celebrated its 20th anniversary in 2017.

The Nakayama visually impaired welfare foundation was established in 1997 in response to the will of "wanting to serve visually impaired people" by Seiko, the mother of Tetsuya Nakayama (president of the foundation), who was born with optic nerves damaged by a forceps delivery. Transition to a public interest incorporated foundation was made in 2010. The basic property shall be shares of TRUSCO NAKAYAMA Corporation. The foundation does not receive donations or sponsorships from outside and does its own management. The foundation has received the "Hyogo Prefecture Social Award" in November 2011, the "Minister of Health, Labour and Welfare's Award" in December 2013 and the "Kobe Citizen Welfare Incentive Award" in September 2017.

Utility project 1

Nakayama Memorial Hall Facilities Lending Business

In the Nakayama Memorial Hall opened in 2007, 6 nonprofit organizations work together in conjunction with each other. Approximately 2,000 people per year use the Nakayama Memorial Hall.



Nakayama Memorial Hall, which is the home of the foundation's activities (Chuo-ku, Kobe. About 10 minutes on foot from Shin-Kobe Station)



Image of the new hall

In order to aim for an even more fulfilling facility, the foundation bought land in Mizuki street, Hyogo-ku. A new hall building plan started for completion in 2020.

Utility project 2

Grant project for support groups for visually impaired people and individuals

The foundation provides grants to groups for visually impaired people and support groups in financial difficulty, and provides scholarships free of charge to university students and others.



Former scholarship student Hiroko Shimizu

Utility project 3

Support activities for social participation activities for visually impaired people

People with disabilities spend every day like people without disabilities, and the foundation supports the participation of visually impaired people in society.

Main business contents

- ① Hyogo Prefecture Visually Impaired People Music Festival Project "Nakayama/KLC concert"
- ※ Concert organized by the Nakayama visually impaired welfare foundation in cooperation with the Kobe Light Center (Abbreviation: KLC)
- ② Lending business for guide dogs
- ③ Personal computer course project
- ④ Music performance project "Nakayama Wonderful Festa"
- ⑤ Accompanying aid workers (guide helpers) education training project
- ⑥ Barrier-free movie screening project "Nakayama UD Film Festival"

Director/Councilors Roster

Chairman	Tetsuya Nakayama	President of TRUSCO NAKAYAMA Corporation
Senior Director	Saori Nakayama	NR Holdings Co., Ltd. Representative Director Certified Public Accountant
Managing Director	Makoto Yukawa	Executive Director
Director/Executive Director	Atsushi Matsumae	Full-time Director
Director	Kenji Furuhashi	President and CEO of Hosiden Corporation
	Takuji Iuchi	President of AS ONE Corporation
	Masahiko Mori	President of DMG MORI CO., Ltd.
	Naoyuki Yamamoto	CEO and Chairman of Yamamoto Kogaku Co., Ltd.
	Teruo Hashimoto	Chairman of Nippon Lighthouse Welfare Center for The Blind
	Tatsuya Otsuka	President & Chief Executive Officer of Earth Corporation
Auditor	Kouhei Nomura	Attorney at Nomura & Partners
	Yoritomo Wada	Certified Public Accountant at Deloitte Touche Tohmatsu Partners
Councilor	Motonobu Nishimura	President Executive Officer & Director of Mandom Corporation
	Junji Hada	President of ELECOM Co., Ltd.
	Yuko Nakayama	Representative Director of NS Holdings Co., Ltd.
	Rie Nakayama	National Hospital Organization Tochigi Medical Center Otorhinolaryngology Doctor
	Shouichi Suganumata	General Affairs Section at TRUSCO NAKAYAMA Corporation
	Yusuke Saraie	President and Representative Director of Saraya Co., Ltd.
	Tomihiko Takamatsu	Representative Director of DyDo GROUP HOLDINGS INC.
	Kunio Yamada	Chairman and CEO of Rohto Pharmaceutical Co., Ltd.
	Teiji Wakita	President and Representative Director of Wakita & Co., LTD.
	Yoshiaki Yamamoto	Director of Kobe senior manpower center Western Center

Senichi Hoshino, who passed away on January 4, 2018, served as director from June 2017 to January 2018, and contributed to the development of the foundation.

Nakayama Wonderful Festa

This is a musical performance that invites people with visual impairments and volunteer affiliates free of charge. This is held once a year and was held the 20th time in 2017.



Nakayama Wonderful Festa Vol.20 Masashi Sada Concert

Past performers (from 2012)

- #15 2012 Hideki Saijo
- #16 2013 Mariko Takahashi
- #17 2014 Sayuri Ishikawa
- #18 2015 Yoshimi Tendo
- #19 2016 Masahiko Takeuchi, Kaientai

History

TRUSCO NAKAYAMA History

“GAMBARE!! JAPANESE MONODZUKURI” With this slogan, we have always evolved in response to the trends of the times and social changes.



Company name change



Tetsuya Nakayama assumed office as Representative Director and President



Orange Book inaugural publication



Center of the picture is President Tetsuya Nakayama (3 years old)

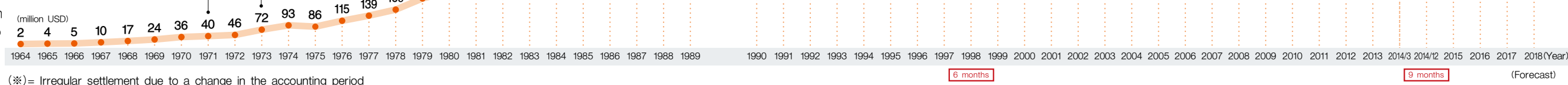


Comprehensive catalog “Nakayama Shoho”



1st new employee training

● Sales from the foundation
① We have continued to grow steadily without losses since our founding.



Total abolition of all draft exchanges (2005)



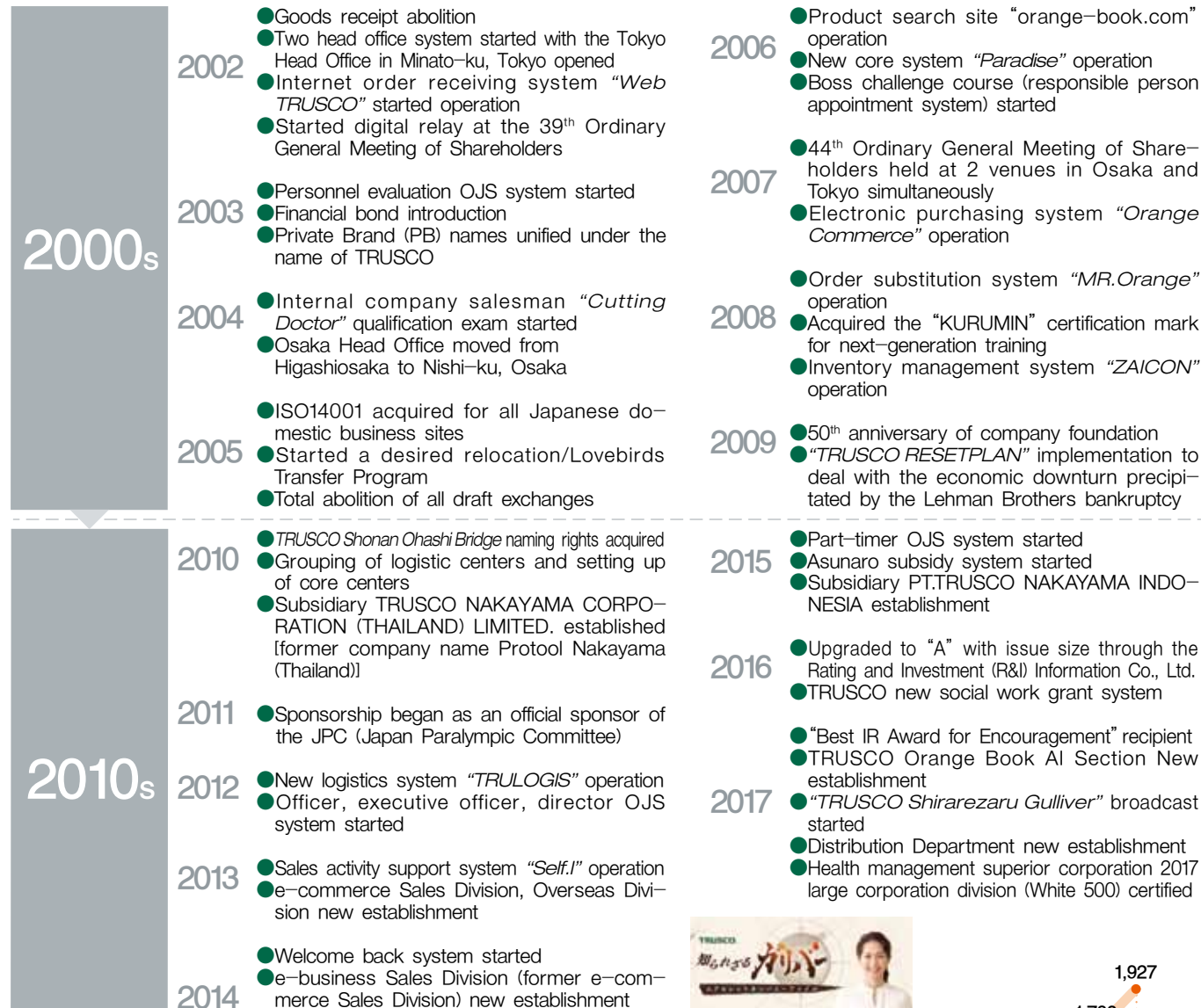
TRUSCO Shonan Ohashi Bridge (2010)



Tokyo Head Office Building completed 2014



“IR excellent company award Incentive award” recipient (2017)



TV program broadcasting starts



Private brand logo

Collapse of Economic Bubble

Collapse of the IT bubble

Lehman Shock

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/
Environmental Initiatives

Benefit Programs

Personnel Policies

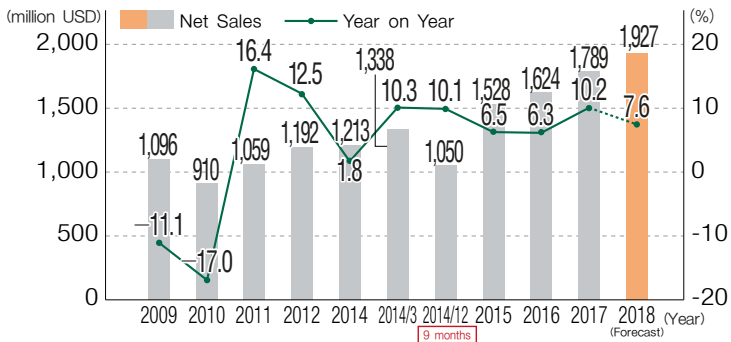
Human Resources Development

Social Contributions/
PR

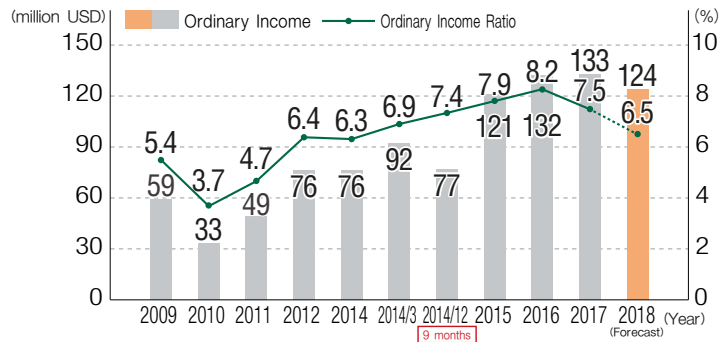
IR/
Welfare Foundation

History/
Business Results

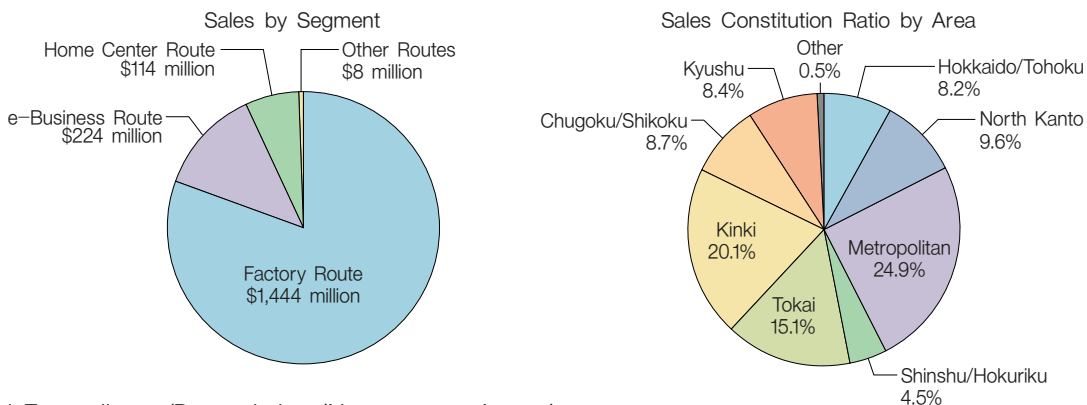
Net Sales/Year on Year



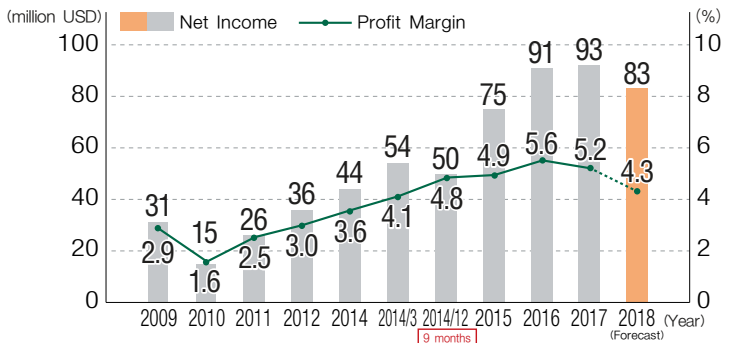
Ordinary Income/Ordinary Income Ratio



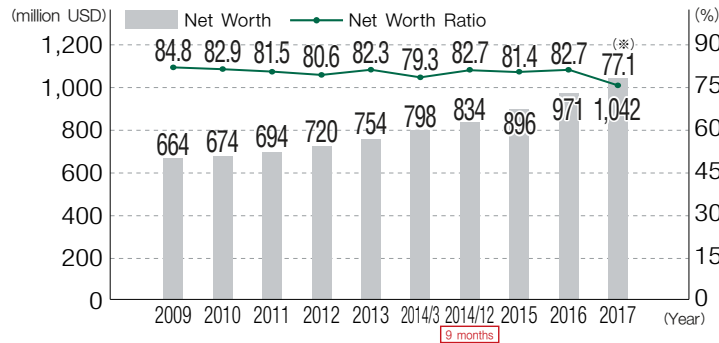
Sales by Segment/Sales Constitution Ratio by Area for Year Ended December 31, 2017



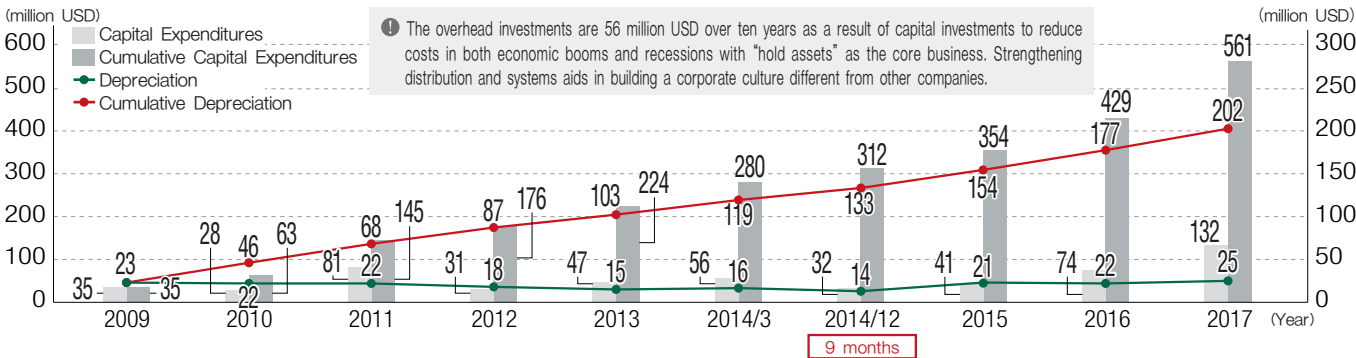
Net Income/Profit Margin



Net Worth/Net Worth Ratio

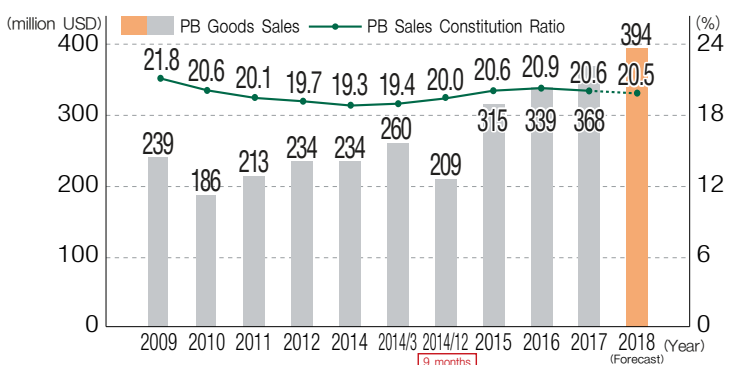


Capital Expenditures/Depreciation (Non-current Assets)

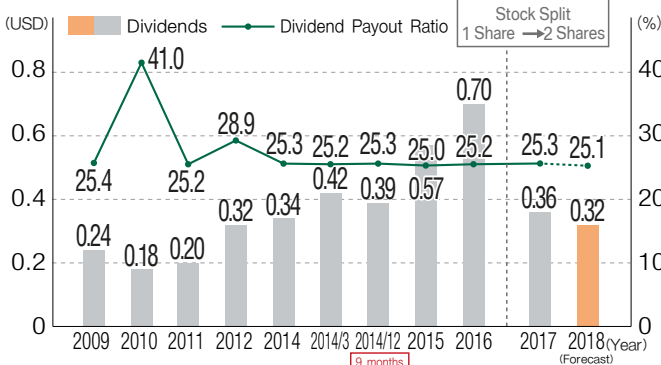


(※)91.7 million USD is a bank loan due to active capital investment.

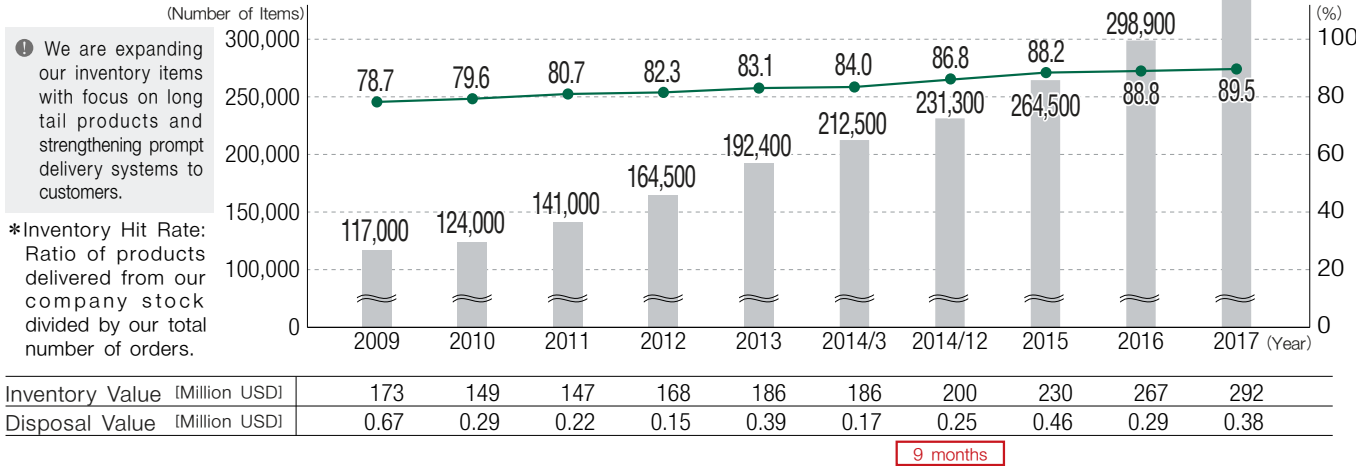
Private Brand (PB) Goods Sales/PB Sales Constitution Ratio



Dividends/Dividend Payout Ratio



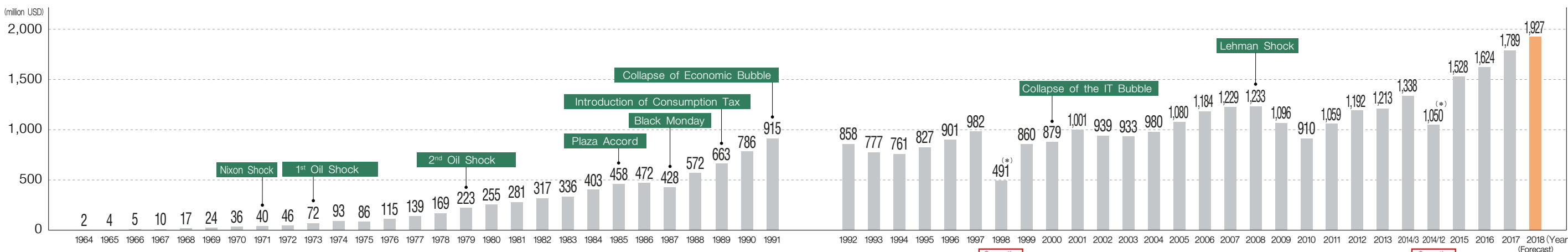
Number of Inventory Items/Inventory Hit Rate



Inventory Value (Million USD)	173	149	147	168	186	186	200	230	267	292
Disposal Value (Million USD)	0.67	0.29	0.22	0.15	0.39	0.17	0.25	0.46	0.29	0.38

Sales Since Founding

① We have continued to grow steadily without losses since our founding.



(※) = Results Irregularities Due to Accounting Term Alterations

● Operating Results

		46 th period	47 th period	48 th period	49 th period	9 months						
		2009/3	2010/3	2011/3	2012/3	50 th period	51 th period	52 th period	53 th period	54 th period	55 th period	56 th period
						2013/3	2014/3	2014/12	2015/12	2016/12	2017/12	2018 (Forecast; Year Ending December 31, 2018)
Net sales	[Million USD]	1,096	910	1,059	1,192	1,214	1,338	1,050	1,528	1,624	1,790	1,927
Net sales year on year	[%]	-11.1	-17.0	+16.4	+12.5	+1.8	+10.3	+10.1	+6.5	+6.3	+10.2	+7.6
Gross income	[Million USD]	232	191	216	243	246	273	220	328	352	380	406
Gross profit margin	[%]	21.1	20.9	20.4	20.4	20.3	20.4	20.9	21.5	21.7	21.2	21.1
Gross profit margin year on year	[%]	-8.0	-17.7	+13.3	+12.5	+1.1	+10.9	+13.3	+9.9	+7.3	+7.9	+7.0
Selling, general and administrative expenses	[Million USD]	172	156	166	166	169	180	142	209	222	249	284
Selling and administration expense ratio	[%]	15.7	17.2	15.7	14.0	13.9	13.4	13.5	13.7	13.7	13.9	14.8
Selling and administration expense year on year	[%]	+2.3	-9.2	+6.1	+0.3	+1.7	+6.2	+7.8	+10.0	+6.2	+12.0	+14.3
Operating income	[Million USD]	60	34	50	77	77	93	78	119	130	131	122
Operating profit ratio	[%]	5.4	3.8	4.7	6.4	6.3	6.9	7.4	7.8	8.0	7.3	6.3
Operating income year on year	[%]	-28.8	-42.3	+46.3	+52.7	-0.2	+21.3	+25.0	+9.7	+9.1	+0.8	-6.8
Ordinary income	[Million USD]	59	34	49	76	76	92	78	121	132	134	124
Ordinary income ratio	[%]	5.4	3.7	4.7	6.4	6.3	6.9	7.4	7.9	8.2	7.5	6.5
Ordinary income year on year	[%]	-30.8	-43.3	+46.7	+54.6	0.0	+21.3	+25.3	+12.0	+9.2	+1.0	-7.1
Net income	[Million USD]	32	15	26	36	44	55	50	76	91	93	83
Profit margin	[%]	2.9	1.6	2.5	3.0	3.6	4.1	4.8	4.9	5.6	5.2	4.3
Net income year on year	[%]	-34.6	-53.3	+78.7	+36.9	+22.5	+23.6	+34.7	+11.9	+20.9	+2.1	-11.0

● Cash Flow

Cash flows from operating activities	[Million USD]	46	65	54	33	41	86	30	86	59	82	-
Cash flows from investing activities	[Million USD]	-35	-15	-80	-29	-49	-50	-40	-47	-72	-153	-
Cash flows from financing activities	[Million USD]	-11	-6	-6	-8	-11	-12	-16	-14	-21	68	-
Net increase (decrease) in cash and cash equivalents	[Million USD]	-1	44	-31	-5	-18	24	-26	25	-33	-2	-

● Financial Indicators

Cash and deposits	[Million USD]	124	163	132	127	109	133	107	131	98	96	-
Merchandise	[Million USD]	173	149	147	168	186	186	200	230	267	292	-
Total assets	[Million USD]	783	814	852	894	918	1,007	1,008	1,102	1,175	1,352	-
Net assets	[Million USD]	664	675	695	721	755	799	834	897	971	1,043	-
Shareholders' equity ratio	[%]	84.8	82.9	81.5	80.6	82.3	79.3	82.7	81.4	82.7	77.1	-
Return on assets (ROA)	[%]	7.5	4.2	5.9	8.7	8.4	9.6	7.7	11.5	11.6	10.6	-
Return on equity (ROE)*	[%]	4.8	2.2	3.9	5.1	6.0	7.0	6.2	8.7	9.8	9.3	-
Capital Expenditures	[Million USD]	35	28	82	32	48	56	32	41	75	132	181
Depreciation (non-current assets)	[Million USD]	24	22	23	19	15	16	14	21	22	25	34

※ROE concept: TRUSCO NAKAYAMA does not employ short-term strategies to increase ROE. We aim to expand profit by providing investments to ongoing growth sectors to facilitate long-term and stable growth.

● Information by Share

Earnings per share (EPS)*	[USD]	0.48	0.22	0.40	0.55	0.67	0.83	0.76	1.15	1.39	1.42	1.26
Book-value per share (BPS)*	[USD]	10.07	10.23	10.53	10.92	11.44	12.11	12.65	13.60	14.72	15.82	-
Annual dividend	[USD]	0.24	0.18	0.20	0.32	0.34	0.42	0.39	0.57	0.70	0.36	0.32
Dividend payout ratio	[%]	25.4	41.0	25.2	28.9	25.3	25.2	25.3	25.0	25.2	25.3	25.1

※The net income per share and net assets before the 54th term was calculated based on the number of shares after the stock split for splitting one share into two shares on January 1, 2017.

● Sales by Segment

Factory Route	[Million USD]	988	814	963	1,087	1,099	1,214	926	1,280	1,336	1,444	1,536
	[%]	-9.2	-17.6	+18.4	+12.9	+1.6	+10.5	+10.1	+5.3	+4.5	+8.1	+6.3
e-Business Route	[Million USD]	-	-	-	-	-	-	-	136	173	224	266
	[%]	-	-	-	-	-	-	-	+25.9	+24.9	+29.1	+19.0
Home center route	[Million USD]	108	96	94	101	101	106	80	105	110	114	116
	[%]	-25.3	-11.3	-1.4	+6.5	-1.2	+5.1	+0.2	-2.2	+4.8	+3.2	+1.6
Other (overseas)	[Million USD]	-	-	2	4	14	18	44	6	5	8	9
	[%]	-	-	+343.2	+148.2	+70.5	+26.6	+35.2	+82.5	-15.2	+59.5	+9.3

The results show the performance when announcing the settlement of accounts for each term without taking into account the transfer of segments.
The results for the factory route and other segments before the 52nd term includes the e-Business route.

Corporate
Mission

Stock

Deliver

Communicate

Support

Respond

Overseas
Subsidiaries

Corporate
Culture

Corporate
Governance

Risk Man-
agement/
Environmental
Initiatives

Benefit
Programs

Personnel
Policies

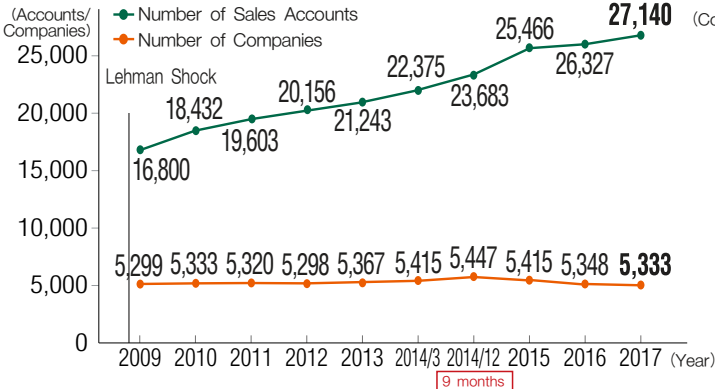
Human
Resources
Development

Social
Contributions/
PR

IR/
Welfare
Foundation

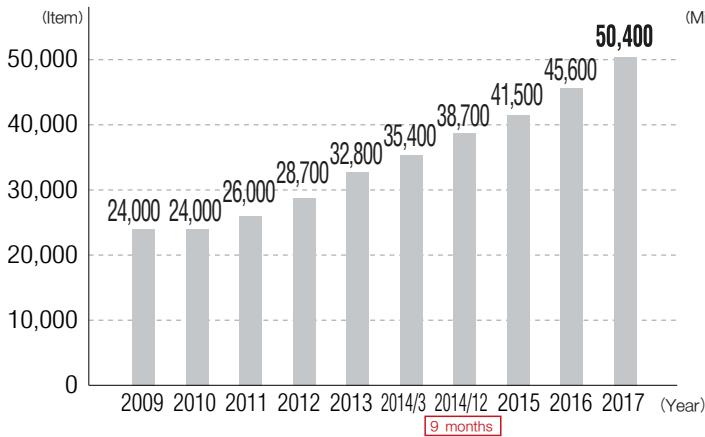
History/
Business
Results

Change in the Number of Sales Accounts

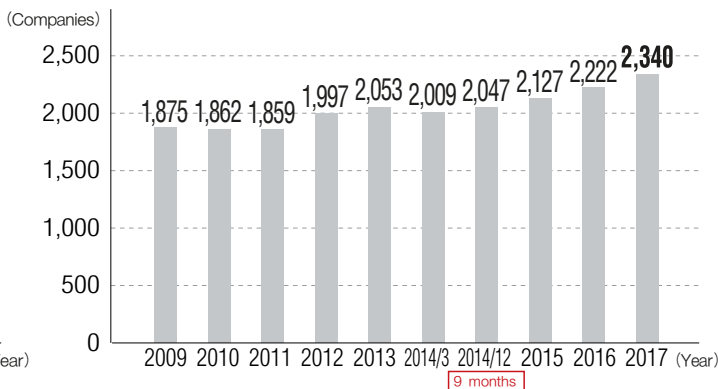


① Transactions with major corporations expanding shops throughout Japan increased after the Lehman Shock in 2008. These companies see the benefit offered by the broad inventory items of TRUSCO NAKAYAMA, and requests for new transactions are growing, such as from online shops, chemical trading companies and electric material trading companies.

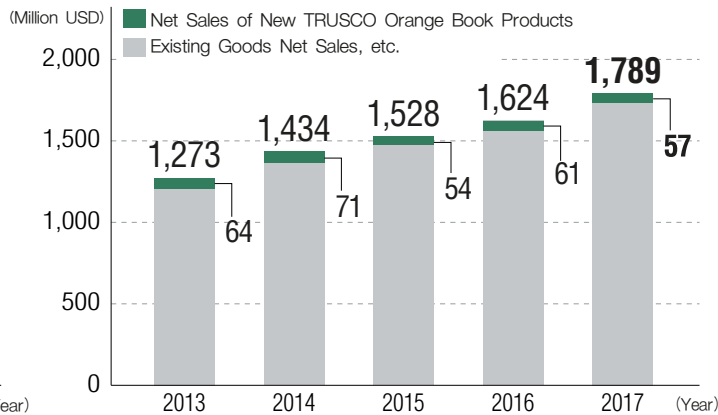
Change in Number of Private Brand Goods



Change in Number of Suppliers

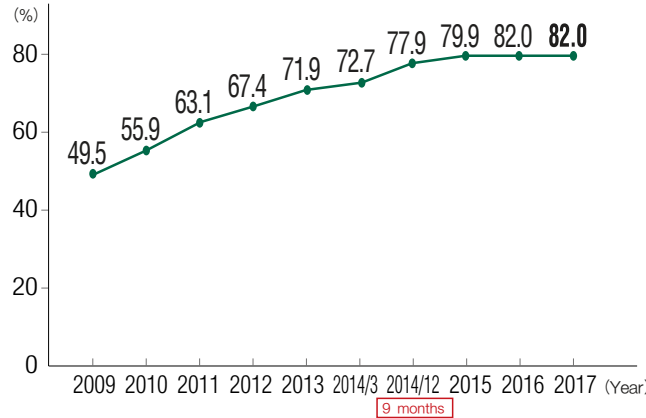


Change in Company Net Sales of New TRUSCO Orange Book Products



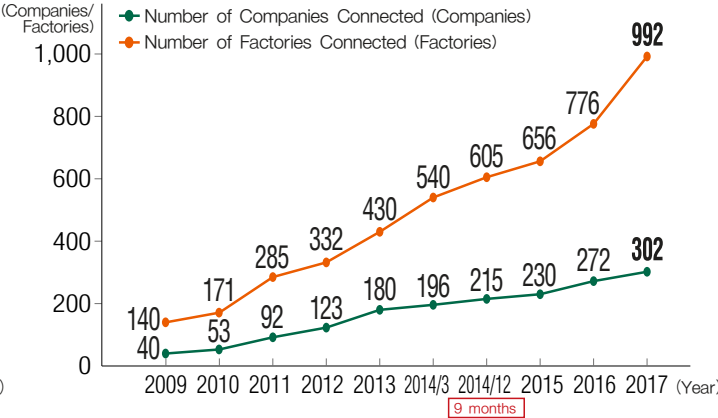
① Approximately 3% of net sales are made up of net sales of products newly handled that year.

Change in System Order Intake Ratio

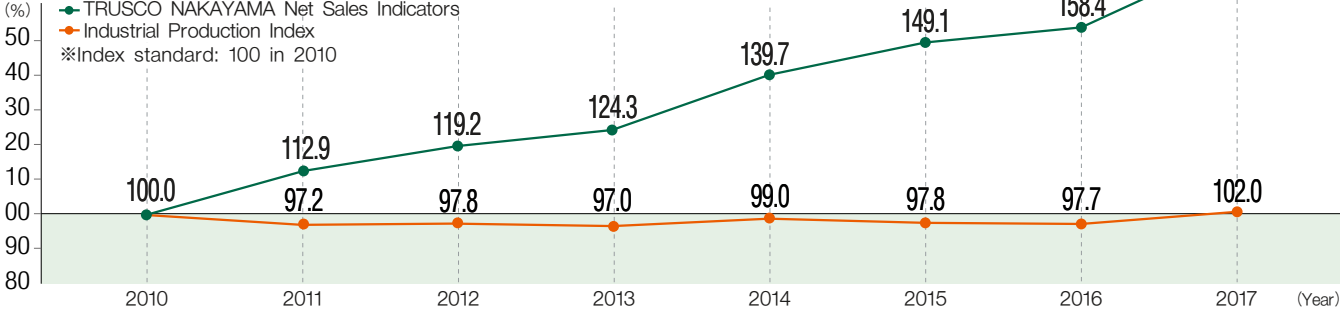


① As a result of better operational efficiency due to orders on our system, we realized higher sales per person without an increase in overtime. (Average overtime: Approx. 20 hours/month)

Change in Companies and Factories Connected to Orange Commerce

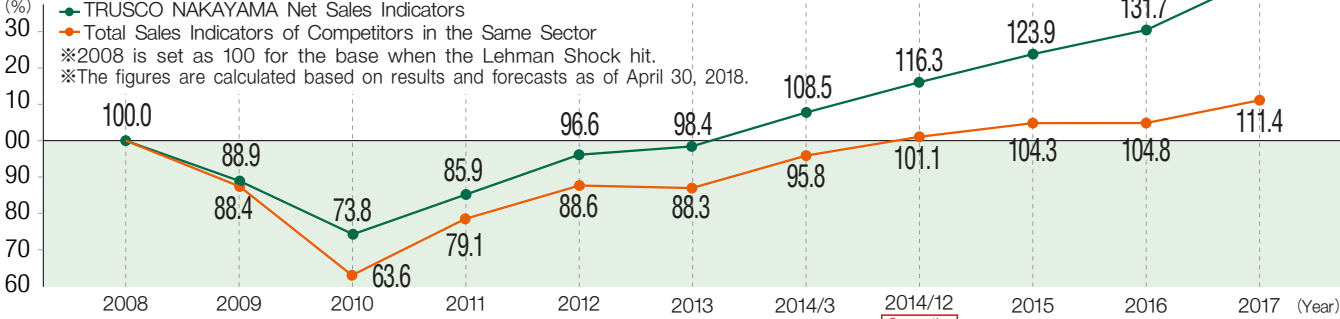


Company Net Sales Indicators and Industrial Production Index



① Our sales routes have grown and shown more favorable trends than even the Industrial Production Index, which indicates the state of industry and manufacturing activities, as a result of increasing relationships with businesses in unconventional business categories (online shops, electric material traders, etc.).

Total Sales Indicators of Competitors in the Same Sector and Trusco Nakayama Net Sales Indicators



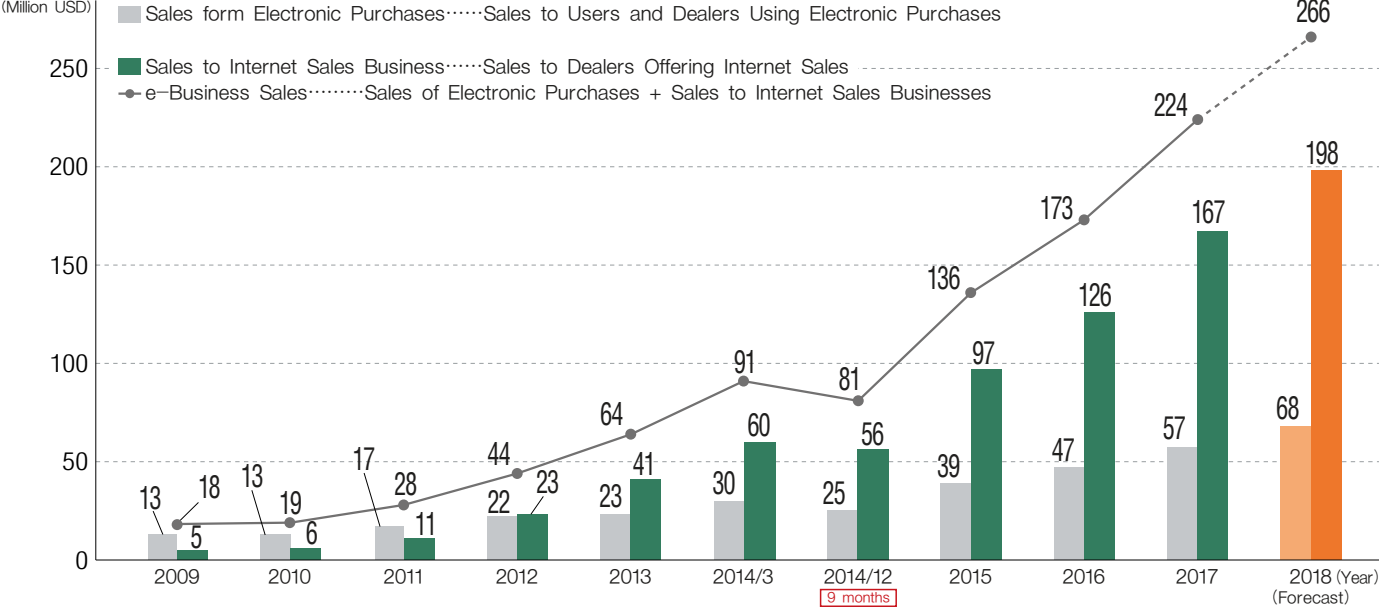
① The distributing risk and a small decline in sales even in a bad economic environment are distinct to our growth in business with diverse business sectors.

Number of Bankruptcies and Debt

	2013	2014/3	2014/12	2015	2016	2017
Number of Bankruptcies of Regular Customers without a Security Deposit (Incidents)	2	1	-	2	1	1
Unsettled Payments Due to Bankruptcy (Thousand Yen)	606	714	-	-	356	-

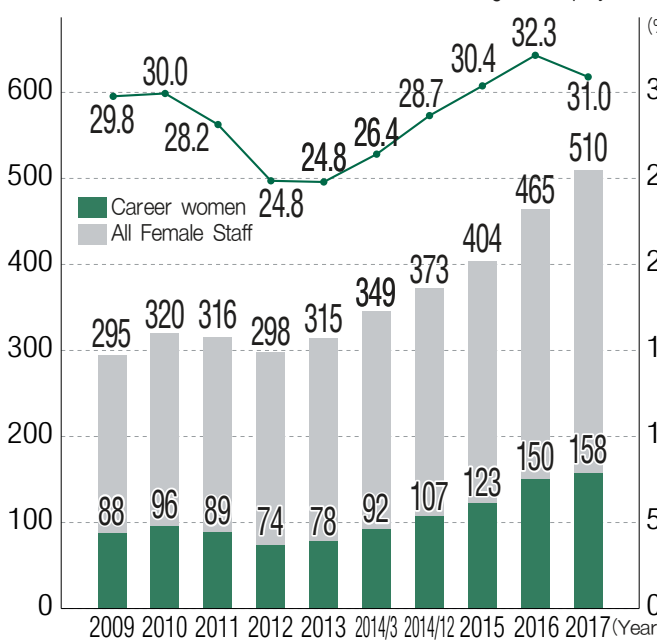
① Draft transactions for suppliers and retailers, which were a common business practice in the machinery tool industry in 2005, have been completely abolished.

Changes of e-Business Sales



		2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2014/12	2015/12	2016/12	2017/12
● Average Age/Salary of Staff by Course								9 months			
Employees	Total	1,680	1,684	1,717	1,710	1,776	1,897	1,972	2,136	2,284	2,563
	Full-time Staff	1,214	1,232	1,219	1,178	1,179	1,219	1,280	1,349	1,424	1,514
	Part-time employees	466	452	498	532	597	678	692	787	860	1,049
	Female staff ratio	24.3	26.0	25.9	25.3	26.7	28.6	29.1	29.9	32.7	33.7
Average Age	Staff Average	37.5	38.0	38.7	39.5	39.6	39.7	39.4	39.6	39.3	38.6
	Career course	34.8	33.7	34.1	35.2	35.5	35.3	34.6	34.1	33.5	33.7
	Specialist course	33.9	34.2	34.0	32.8	33.2	33.5	34.7	36.5	36.1	36.1
	Area course	37.8	39.0	39.5	40.0	40.8	41.1	41.6	42.3	43.2	43.6
	Support course	-	-	-	-	-	34.4	34.6	37.3	37.9	38.1
	Logistics course	41.7	42.6	43.8	44.7	45.7	45.8	44.0	42.7	40.2	37.9
Average Salary (thousand USD)	Staff Average*	53.0(55.9)	51.4(54.0)	52.9(55.7)	53.9(56.9)	55.4(58.4)	55.7(58.7)	58.8(61.7)	60.8(63.1)	61.8(65.0)	65.6(68.9)
	Executive Officer	-	112.8(123.4)	118.3(129.8)	147.6(161.9)	179.2(194.8)	157.7(166.9)	143.2(156.1)	155.6(166.8)	172.4(188.3)	182.4(197.4)
	Career course	58.1(61.7)	56.6(59.9)	58.6(61.9)	60.7(64.2)	63.0(66.7)	62.9(66.6)	65.7(69.4)	66.7(69.4)	69.4(73.1)	73.9(77.8)
	Specialist course	53.0(55.6)	51.3(53.7)	56.8(59.2)	54.8(57.3)	51.7(54.6)	52.5(55.0)	57.3(59.9)	63.1(65.3)	67.5(70.9)	69.5(73.1)
	Area course	49.1(51.5)	48.0(50.6)	49.7(52.3)	50.3(52.9)	51.8(54.1)	52.3(55.1)	56.1(58.9)	57.8(60.0)	59.7(62.9)	63.9(67.1)
	Support course	-	-	-	-	-	40.5(42.6)	43.6(45.5)	44.7(46.3)	45.1(47.5)	46.1(48.3)
	Logistics course	41.6(42.7)	40.1(41.2)	41.7(42.2)	40.7(41.8)	42.5(43.8)	42.2(43.4)	44.7(46.0)	49.1(50.0)	47.6(49.4)	49.6(51.4)
The average salary including financial bonds is shown in the parentheses.											
*TRUSCO NAKAYAMA has a payment policy that provides severance as annual financial bonds rather than a single payment upon resignation. *Staff averages include the executive officer.											
Number of Employees with Disabilities		28	25	28	24	26	43	48	54	61	67
Employee Rate of Persons with Disabilities		2.0	2.0	2.1	2.1	2.1	2.3	3.3	3.2	3.2	3.1

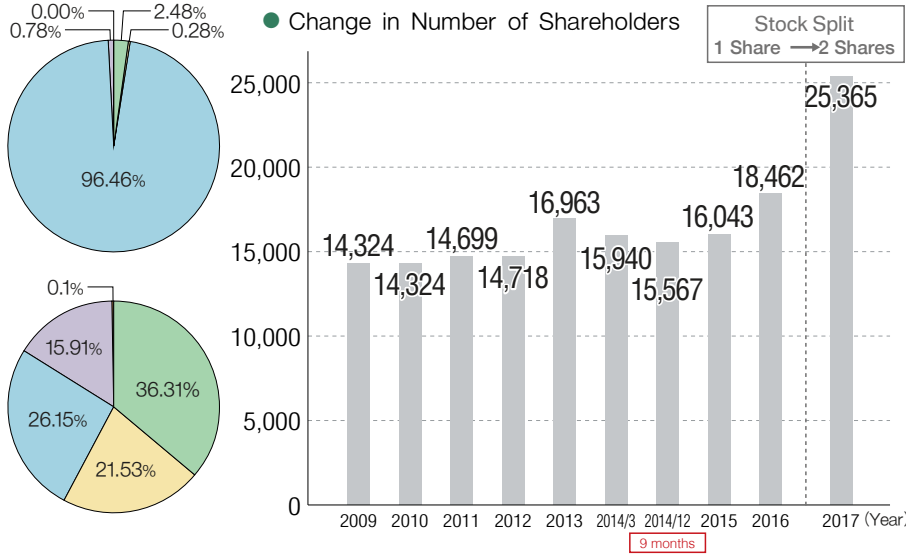
● Ratio of Career Courses of All Female Staff (Regular Employment)



Status of Stock - As of December 31, 2017 -

● Shareholder Composition

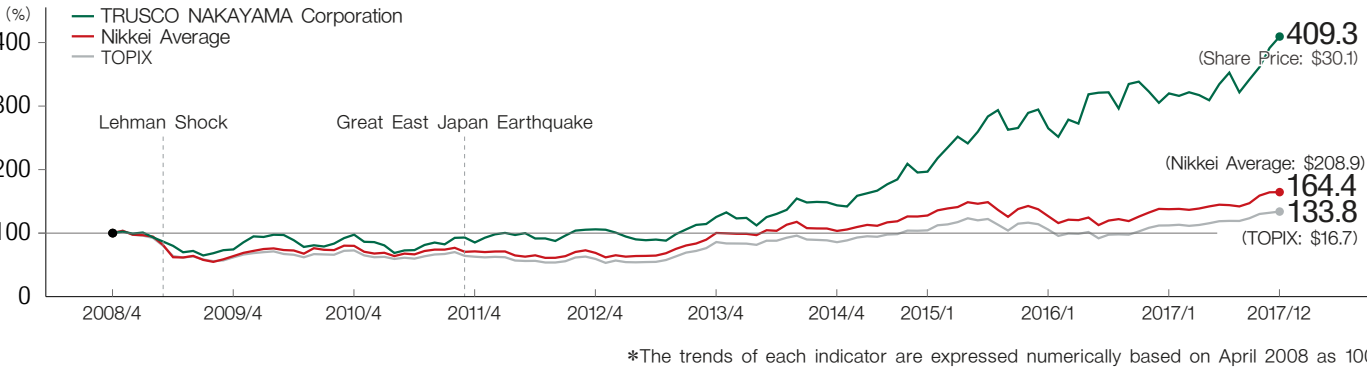
Individuals, etc.	24,467	96.46%
Japanese corporations	628	2.48%
Foreign corporations, etc.	198	0.78%
Financial firms/stock brokerages	71	0.28%
Treasury stock	1	0.00%
Total	25,365	



● Number of Shares Issued

Japanese corporations	23,965,955	36.31%
Individuals, etc.	17,263,029	26.15%
Financial firms/stock brokerages	14,213,993	21.53%
Foreign corporations, etc.	10,502,199	15.91%
Treasury stock	63,568	0.1%
Total	66,008,744	

● Comparison of TRUSCO NAKAYAMA Share Price and Principal Indicators



● Number of New Employees and Retirees

		As of March 2014	As of December 2014	As of December 31, 2015	As of December 31, 2016	As of December 31, 2017
Employees	Women	349	373	404	465	510
	Men	870	907	945	959	1,004
	Total	1,219	1,280	1,349	1,424	1,514
New employees	Women	56	48	38	77	59
	Men	23	53	56	33	67
	Total	79	101	94	110	126
New graduates	Women	28	29	30	67	46
	Men	16	26	32	31	37
	Total	44	55	62	98	83
Retirees	Women	21	23	8	20	18
	Men	18	13	24	18	18
	Total	39	36	32	38	36
Turnover rate	Women	5.7	5.8	1.9	4.1	3.4
	Men	2.0	1.4	2.5	1.8	1.8
	Total	3.1	2.7	2.3	2.6	2.3

● Main Reason for Resignation in 2017 (Portion)

- To change to a design-related career
- To take care of a sick family member
- To accompany a spouse to an appointment overseas (use of welcome back program)
- To consider a job closer to home because they were unable to find work-life balance
- To live aboard and study a language
- To change jobs because the skills required of them and their skills did not align
- To study to become a civil servant or teacher

● Average Staff Salary

		thousand USD			
		2014	2015	2016	2017
		61.7	63.1	65.0	68.9

*The salaries include financial bonds. *Staff averages include executive officer.

The base has been increased over a three-year plan from 2015 to revise the base salary and performance bonuses of staff. The hourly wage for part-time employees was also increased 30 yen across the board in 2017.

Corporate Mission

Stock

Deliver

Communicate

Support

Respond

Overseas Subsidiaries

Corporate Culture

Corporate Governance

Risk Management/ Environmental Initiatives

Benefit Programs

Personnel Policies

Human Resources Development

Social Contributions/ PR

IR/ Welfare Foundation

History/ Business Results