

Message from the Chairman

Since its founding in 1916, the OSAKI Group has remained committed to the effective application of energy through power measurement and control. OSAKI has captured a leading position in Japan for its main product, the smart meter. Also, EDMI Limited, a global manufacturer of smart meters, joined the Group in 2012 to accelerate expansion. As of September 2019, OSAKI operates in more than 100 countries across Japan, Oceania, Europe and other regions.

The OSAKI Group's corporate vision is to be a "Global Energy Solution Leader" that takes on social challenges related to energy. The business environment for smart meters around the world is undergoing significant changes, as the Internet of Things (IoT) and Artificial Intelligence (AI) technologies rapidly evolve. Together with our diverse range of business partners, we aim to grow the Group by providing smart meters with enhanced functionality and innovative solutions that integrate IoT and AI into the global market.

We ask you to join us in our journey.

Yoshihide Watanabe

OSAKI Group Vision

Global Energy Solution Leader



History

Over the 100 years since being founded, continued to evolve and expand the power measurement and control technology required by the times.

History of OSAKI Group

products and solutions

of

August 1916

Founded as Kogyo Seisakujo.

January 1937

Reorganised as a joint stock company.

Production of thermal over-current circuit

Mechanical electricity meter

Started selling

magnetic current

1956

Acquired and merged with OSAKI Kogyo; corporate name changed to OSAKI ELECTRIC Co., Ltd., and lineup of meter transformers readied.

Initial electricity meter model developed.

Meter manufacturing company established by joint investments with power companies:

- 1960 Kyuki Electric Corporation (now Kyuden Technosytems Corporation)
- 1961 Chubu Seiki Co., Ltd.
- 1968 Tohoku Electric Meter Industry Co., Inc.

IPO on the second section of the Tokyo Stock Exchange

October 1980

Listed on the first section of the Tokyo Stock Exchange.

April 1990

Established OSAKI Engineering Co., Ltd.

Itron Datatech, with strength in energy metering systems, is acquired as a subsidiary (now OSAKI Datatech Co., Ltd.).

February 2007

M&A (Japan)

Enegate Co., Ltd. became a subsidiary.

February 2012

M&A (Singapore) Acquired EDMI as a subsidiary.

Sales ratio outside Japan increased from 3% to about 30%.

August 2016

2010s

overseas

100th Anniversary

Expansion of smart meters for

Smart meter (EDMI)

Launched "watch Series."

1916-1950s

First in Japan

breaker; patent awarded.

1932

1960s-1970s

Top market share attained for induction-type electricity meters for power companies.

1970

First in Japan Remote control operations commenced under automated distribution system.



Automated distribution system

1978

Commercialisation of demand controllers.



Demand controller unit

1980s-1990s

First commercial development of electronic electricity meter



Semi-electronic electricity submete

Development of high-voltage electronic electricity meter



High-voltage electronic electricity meter

2000s

First in industry Development of in-line electricity

meter for distribution panel



Compact electronic electricity meter

Started providing Demand Management Services.

2008

First in Japan

Installation of smart meter started; participated in joint development and installation project.



(OSAKI ELECTRIC and Enegate)

2017

Smart meter (OSAKI ELECTRIC)



History of OSAKI ELECTRIC Corporate Headquarters / Operating Divisions

October 1952 Established the first headquarters office.



June 1957 The headquarters office building was rebuilt. The building was expanded in 1961.

Current limiter



Constructed Saitama Factory (now Saitama Operation Center) in Miyoshi Village (currently Miyoshi Town), Saitama Prefecture. Started operation



Completed the headquarters building (now OSAKI ELECTRIC Building). Moved headquarters office functions and started operations.





Moved headquarters functions to Higashi Gotanda Square, and started operations.

Established an open innovation laboratory at the OSAKI ELECTRIC Building.



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Financial and Non-financial Highlights (Year ended 31st March 2019)

Net sales

482,089 million

Smart meter sales to Australia increased. Revenues increased for new projects in the Middle East along with higher sales of communications hubs in the UK.

Profit attributable to owners of parent

 $\pm 1,806$ million

Decreased corresponding to the decline of operating income.

Net assets

458,881 million yoy +1.7%

Increased due to the increase in retained earnings and the decrease in treasury shares deducted from net assets.

Return on equity (ROE)

3.8%

5.8% as of the end of the previous fiscal year

Declined corresponding to the decrease of profit attributable to owners of parent.

Operating income

44,299 million

Decreased mainly due to an increase in the Global Business related costs. Factors include an increase in costs attributable to production delays caused by a lack of some electronic materials, and higher cost to sales ratio from changes in product mix.

Net income per share

¥36.95

 ± 54.63 for the year ended 31st March 2018

Decreased corresponding to the decline of operating income.

Net assets per share

¥974.95

Increased due to an increase in net assets.

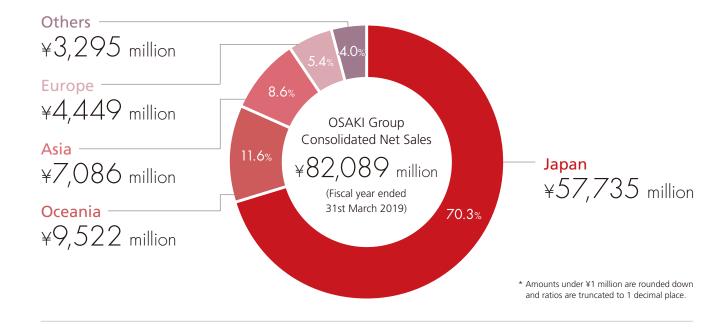
Equity ratio

48.5%

54.5% as of the end of the previous fiscal year

Declined because an increase in notes and accounts receivable - trade and inventories outside Japan exceeded the increase in net assets.

Sales by Region



Number of employees / Number of nationalities of employees (consolidated)

3,383 / 35 nations

Number of employees who took paternal leave (OSAKI ELECTRIC)

5



Ratio of female employees

OSAKI ELECTRIC

18.1% 33.8%



Number of participants of language study abroad programme (OSAKI ELECTRIC)

16 (accumulated)

