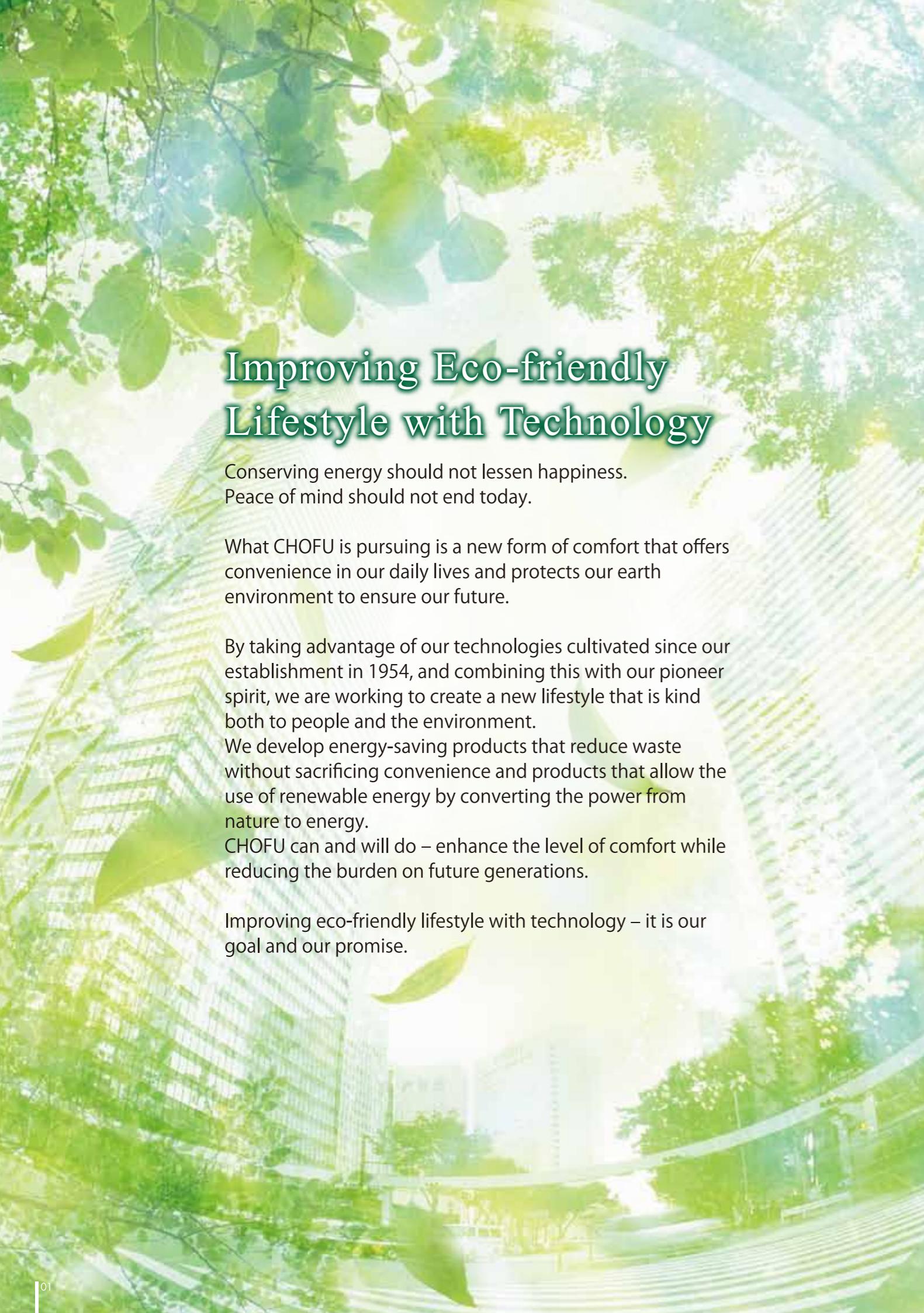




C O M P A N Y P R O F I L E



CHOFU SEISAKUSHO CO., LTD.



Improving Eco-friendly Lifestyle with Technology

Conserving energy should not lessen happiness.
Peace of mind should not end today.

What CHOFU is pursuing is a new form of comfort that offers convenience in our daily lives and protects our earth environment to ensure our future.

By taking advantage of our technologies cultivated since our establishment in 1954, and combining this with our pioneer spirit, we are working to create a new lifestyle that is kind both to people and the environment.

We develop energy-saving products that reduce waste without sacrificing convenience and products that allow the use of renewable energy by converting the power from nature to energy.

CHOFU can and will do – enhance the level of comfort while reducing the burden on future generations.

Improving eco-friendly lifestyle with technology – it is our goal and our promise.

Greeting from President

CHOFU started operation in 1954 as a manufacturer of agricultural machinery. After the development of a kerosene-fired burner for grain drying, we shifted course into the field of residential appliances, with a clear focus on oil-fired water heaters.

Since then, by embracing our belief of “realizing a comfortable life abundant with hot water,” we have supplied customers with numerous water heaters powered by various types of energy, such as oil, gas, electricity and solar energy.

We have grown to hold the top share in the field of oil-fired water heaters, and having become a manufacturer of household equipment, offer a comprehensive line of products including bathroom and kitchen appliances, air conditioning and heating systems.

Our products have great relevance in the modern world, where we are faced with the challenge of environmental protection and various energy-related issues.

There is an increasing demand for a higher level of energy conservation and efficiency in our water heaters and air conditioning systems.

By responding to these demands, we can help reduce greenhouse gas emissions and energy consumption, thus meeting the needs of society.

We are committed to promoting products that use renewable energy, ensuring the safety of our products and guaranteeing the safety and peace of mind of our customers, as well as meeting all other social responsibilities.

CHOFU promises to make a company-wide effort to further technological innovation, to develop products that are kind to humans and the environment, and to conduct our business as a company that is passionate about environmental protection.

We appreciate and ask for your continued understanding and support with regard to the company and its undertakings.



Yasuo Kawakami
Chairman



Kazuhiro Hashimoto
President

Good for living, good for tomorrow it starts with CHOFU

A lifestyle kind to our earth is also kind to us.

CHOFU has made it its mission to help make our earth environment and living environment a more comfortable and delightful place.

With this mission in mind, CHOFU is urging its R&D effort towards the creation of products that achieve energy conservation and the use of renewable energy.

CHOFU works closely with its customers to deliver products that meet their needs and best combine various forms of energy, including oil, gas, electricity and solar power.

CHOFU supports good, comfortable living, and at the same time helps improve energy efficiency for the whole home by eliminating waste without deprivation.

Doing what is good for life and tomorrow – is CHOFU's proposal.



■ Outline

Name
CHOFU SEISAKUSHO CO., LTD.

Head office
2-1, Chofu Ogi-machi,
Shimonoseki-shi, Yamaguchi
752-8555, Japan

Established
July 1, 1954

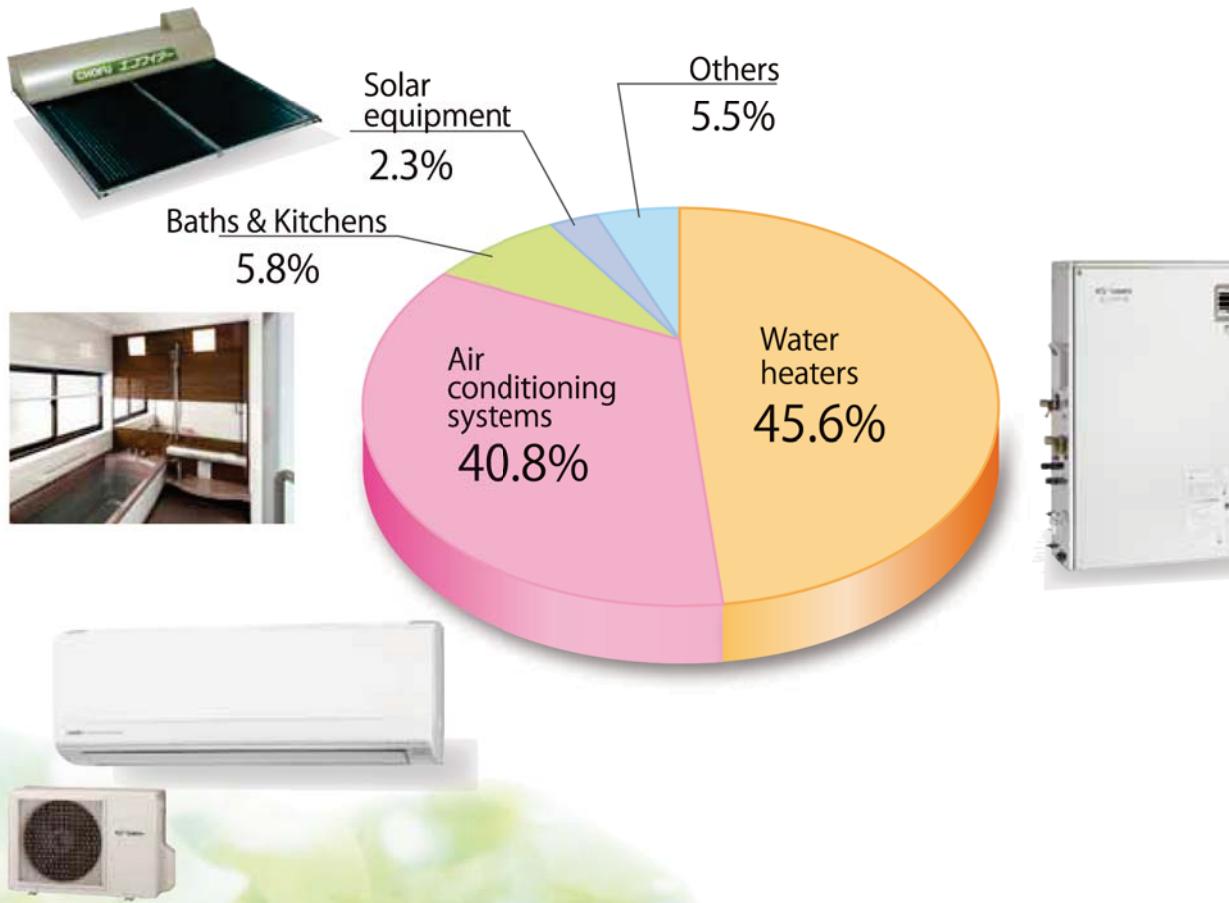
Capital
7 billion yen (¥7,000,000,000)

President

Kazuhiro Hashimoto

Employees
Approx. 1,100(Chofu Seisakusho Co.,Ltd)
Approx. 1,300(Chofu Seisakusho group)

■ Sales by category (consolidated, 2016)



■ Products

Water heaters

Oil-fired water heaters, Oil-fired bath water heaters, Gas-fired water heaters, Gas-fired bath water heaters, Electric water heaters, CO₂ heat pump water heaters, Co-generation systems

Air conditioning systems

Air conditioners, Fan heaters, Forced flue fan heaters, Hot-water heating systems, Oil stoves

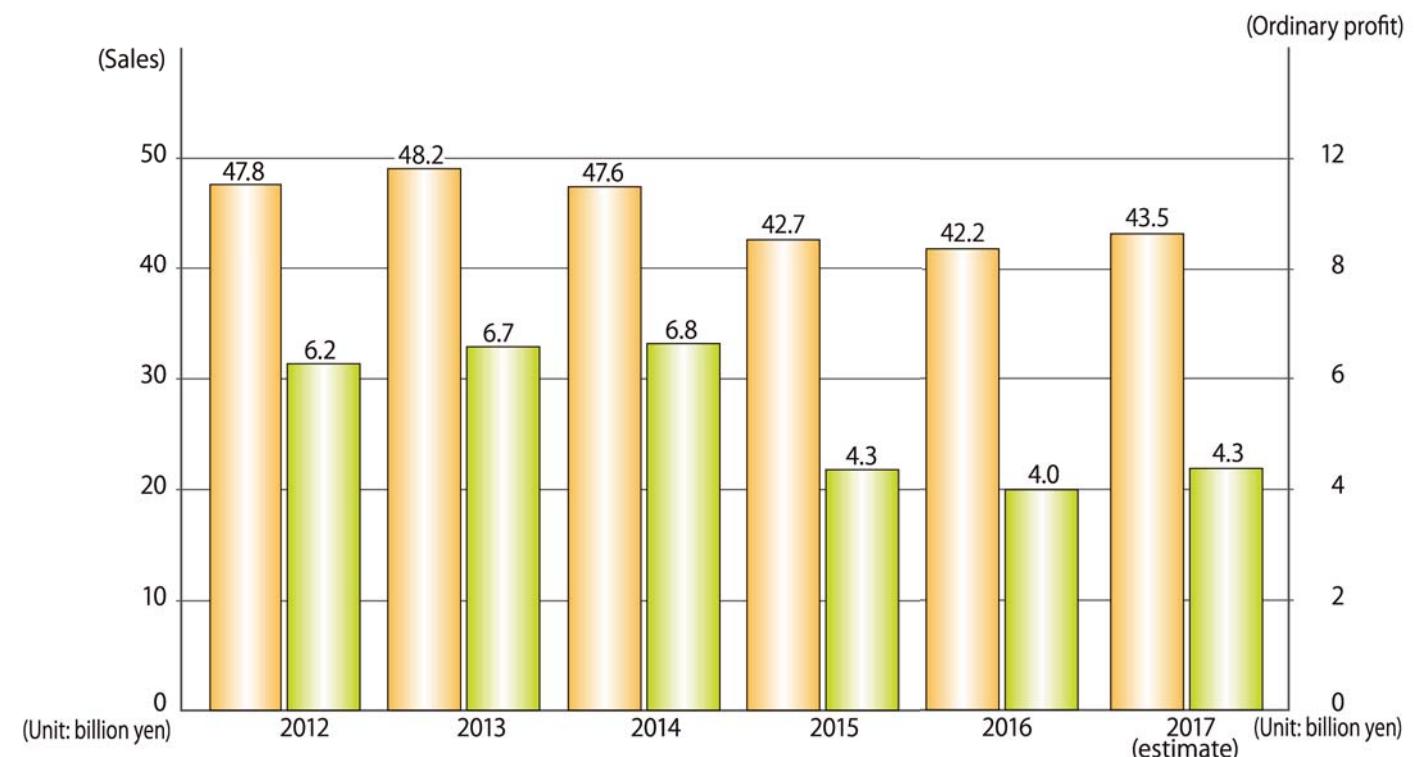
Baths & Kitchens

System bathrooms, Artificial marble bathtubs, System kitchens

Solar equipment

Solar water heaters, Solar-powered under-floor ventilators

■ Sales and ordinary profit (consolidated)



	2012	2013	2014	2015	2016	2017 (estimate)
Sales	47.8	48.2	47.6	42.7	42.2	43.5
Ordinary profit	6.2	6.7	6.8	4.3	4.0	4.3

(Unit: billion yen)

■ Financial ratios (consolidated)

Item	2012	2013	2014	2015	2016	Remarks
Equity ratio	91.0%	90.9%	90.6%	92.1%	91.9%	Shareholders' equity / Total assets
Ratio of selling and administrative expenses	18.7%	18.7%	18.9%	20.9%	20.8%	Selling and administrative expenses / Sales
Ordinary profit ratio	13.2%	14.0%	14.3%	10.3%	9.7%	Ordinary profit / Sales
Ordinary profit per employee	4.94 million yen	5.40 million yen	5.45 million yen	3.55 million yen	3.30 million yen	Ordinary profit / Employee number
Earnings per share	101.64 yen	122.13 yen	134.85 yen	80.17 yen	87.55 yen	Earnings / Number of shares issued (excluding treasury stocks)

Comfort-More and Better

CHOFU offers a wide range of products to realize better living environment for our customers.

WATER HEATERS



High-efficiency oil-fired water heater ECO FEEL



High-efficiency gas-fired water heater ECO JOZU



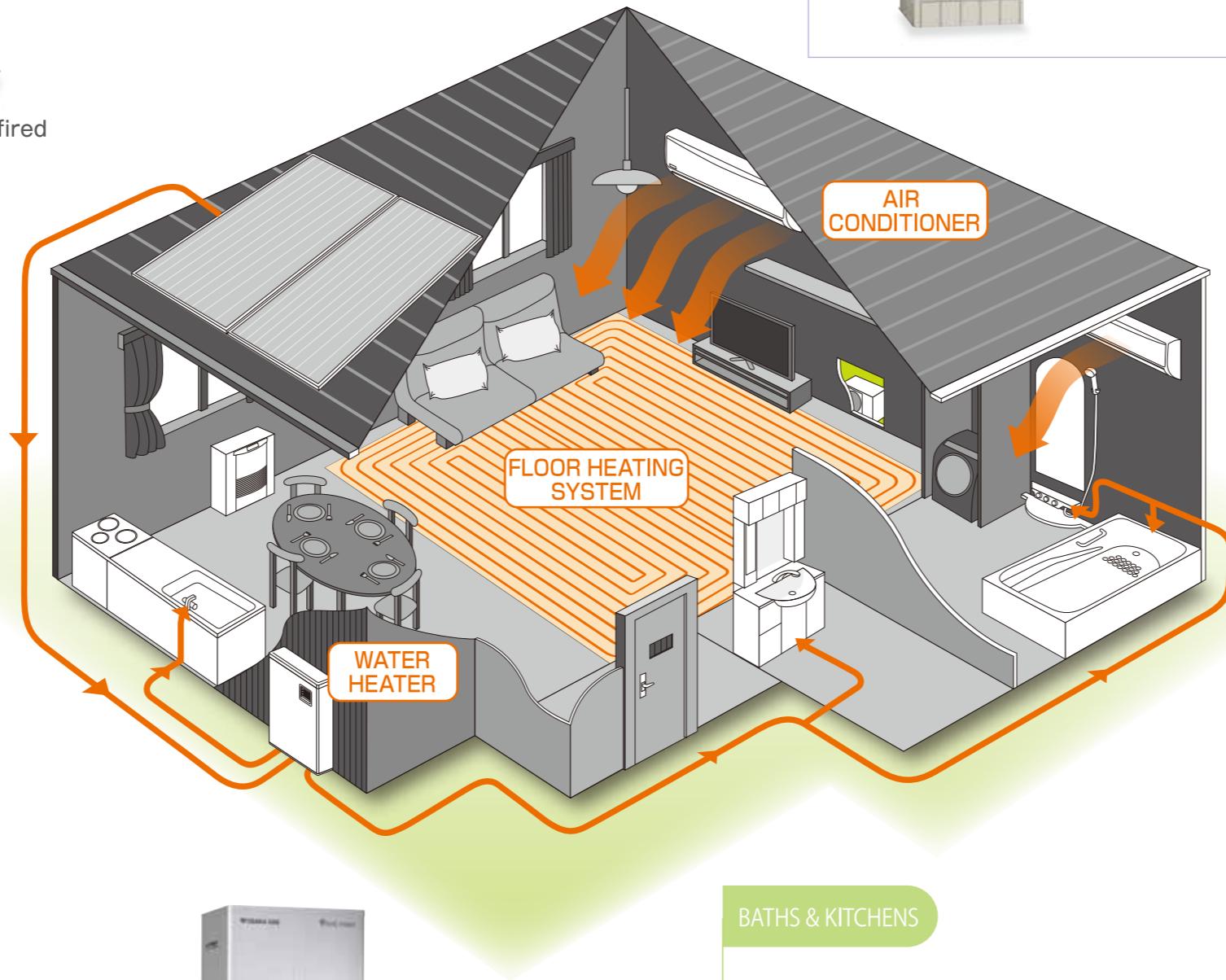
CO₂ heat pump water heater ECO CUTE



Household-use fuel cell cogeneration system ENE FARM

Eco for whole homes

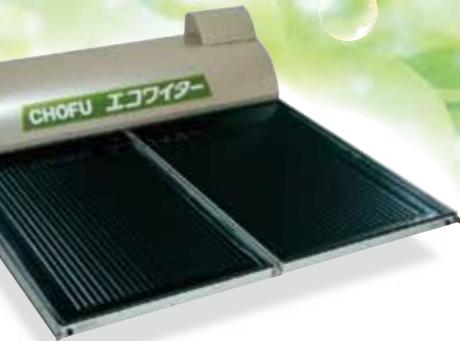
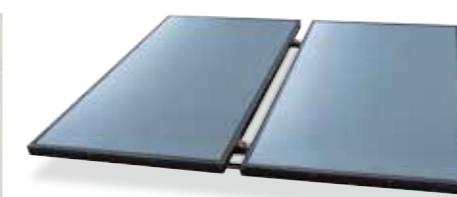
CHOFU's products realize more efficient energy use for the whole home.



SOLAR EQUIPMENT

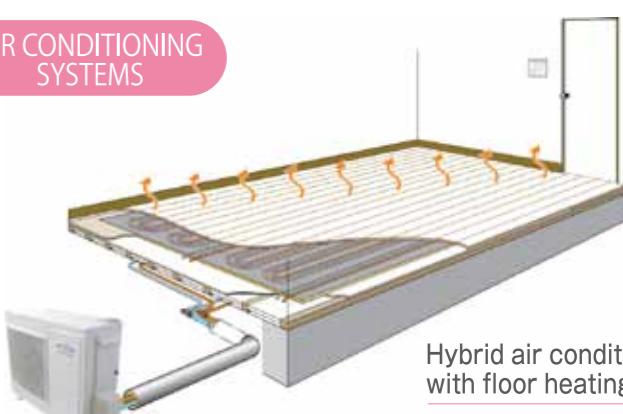


Hybrid solar water heater system ENE WAITER

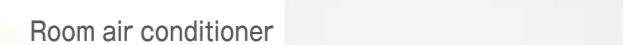


Solar water heater ECO WAITER

AIR CONDITIONING SYSTEMS



Hybrid air conditioner with floor heating



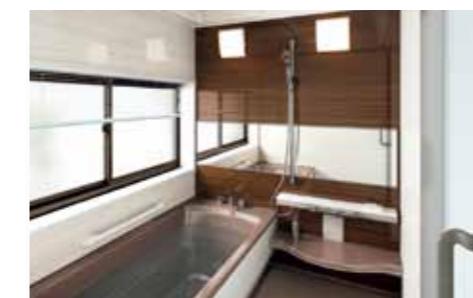
Room air conditioner



Forced-flue fan heater

BATHS & KITCHENS

System bathroom YUMERIA



System kitchen YUMERIA



Wash dresser YUMERIA





High-mix low-volume production to meet diverse demands

The demands of the present age and our customers to our products are changing and diversifying. To meet these demands, CHOFU has shifted its stance to accommodate the low-volume production of a greater variety of products. With the aim of shortening the production time per product, we have been optimizing the arrangement of our production lines, improving the efficiency of transportation in plant, and introducing the latest equipment.

Head Office
Plant

Oil-fired water heaters



Head Office
Plant

Gas-fired water heaters



Room air conditioners



Utsunomiya
Plant

System bathrooms



Shiga
Plant

CO₂ heat pump water heaters





R&D Center



Performance Test (Calorimeter)

Persistent efforts towards technological innovation

CHOFU will make persistent efforts towards technological innovation and strive to develop eco-friendly products. Aiming to make our global and living environment more comfortable, R&D focuses on the development of products that bring about energy conservation and the use of renewable energy. With the technologies we have cultivated over the years and flexible way of thinking, CHOFU will make our dreams come true.



▲Asahikawa pilot house



Relentless quest for safety and reliability

No compromise is allowed to the safety. CHOFU inspects all products through various tests based on its quality control system. Through repeated reliability verification tests conducted from the customer's viewpoint, we pursue and ensure the safety and reliability of our customers.



▲Earthquake resistance testing equipment



▲Wind resistance test



▲Noise measurement



▲Low temperature test

Efforts towards ISO certification

CHOFU's quality policy is: "Customer satisfaction must come first. We all pledge to offer the best quality products possible." With this policy, we established a quality management system implemented in all our plants, starting with Head Office Plant in July 1996 (ISO 9001), Utsunomiya Plant in 1997(ISO 9001), followed by Shiga Plant in 2003(ISO 9001). Currently, we are continuing our efforts under the system to produce even safer and higher-quality products at these plants. We aim to become recycle-oriented company by paying much attention to the environment at every level of our company activities. Head Office Plant acquired ISO14001 certification in 2003 and has established the EMS for the purpose of preserving the natural environment.

Quality Management
System Standard ISO9001
(3 certificates were)
(integrated in 2010)

Head Office Plant, Fukuoka Branch Office, Sales Offices (Kagawa, Okayama, Hiroshima, Okinawa),
Utsunomiya Plant, Tokyo Branch Office, Sales Offices(Morioka, Sendai, Chiba, Omiya, Yokohama),
Shiga Plant, Osaka Branch Office, Sales Offices (Kanazawa, Matsumoto, Nagoya)
Design, Development and Manufacture of Housing Equipment(Oil Water Heating Appliances, Gas
Water Heating Appliances, Electric Water Heating Appliances, Solar Water Heating
Appliances, Room Air Conditioners, Bath Units for Dwellings)



Environment Management — Head Office Plant
System Standard ISO14001



CHOFU Sales and Services



Head Office showroom



▲ Shiga showroom



▲ Utsunomiya showroom



▲ Tokyo showroom



▲ Fukuoka showroom

Better after-sales service system cultivates trust for CHOFU's products

After-sales service becomes an important factor when customers evaluate our products. We consider the trust from our customers to be of utmost importance. CHOFU continues to strengthen its after-sales service system by building a service network that pays close attention to our customers in the area.

CHOFU Group Company

SUNPOT Co., Ltd.



Creating a comfortable and healthy living environment

Head office and plant:

2-1-26, Kitayuguchi, Hanamaki-shi, Iwate 025-0301

Branch offices and sales offices:

Sapporo branch office / Kushiro sales office / Obihiro sales office / Asahikawa sales office / Hakodate sales office / Sendai sales office / Aomori sales office / Akita sales office / Iwate sales office / Koriyama sales office / Tokyo metropolitan area sales office / Shinetsu sales office / Osaka sales office / Toyama sales office

SUNPOT URL

<http://www.sunpot.co.jp/>



Head office and plant

Space heaters

High-efficiency oil/gas space heaters and pellet stoves achieve a high-level of ecological and economic performance.



Oil space heater



Pellet stove



Gas space heater

Air conditioning systems

Air conditioning system using Ground source heat that can provide a steady supply of energy throughout the year



Ground source heat pump

Water heaters

A plenty supply of hot water makes the family smile.



High-efficiency oil-fired water heater ECO FEEL

CHOFU Network

CHOFU's network covers all parts of Japan

CHOFU boasts a network of about 20,000 authorized dealers throughout Japan.

Shiga area



Shiga Plant
1473-1, Yasu,
Yasu-shi, Shiga 520-2394

Kanazawa Sales Office
Matsumoto Sales Office
Nagoya Sales Office
Osaka Branch Office

Utsunomiya area



Utsunomiya Plant
Kiyohara Kogyo Danchi 30,
Utsunomiya-shi,
Tochigi 321-3231

Hokkaido Sales Center
Morioka Sales Office
Sendai Sales Office

Tokyo metropolitan area



Tokyo Branch Office
5-14-6, Shinjuku, Shinjuku-ku,
Tokyo 160-0022

Omiya Sales Office
Chiba Sales Office
Yokohama Sales Office

Head Office area



Head Office
2-1, Chofu Ogi-machi, Shimonoseki-shi,
Yamaguchi 752-8555



Fukuoka branch office
9-20, Tsunaba-machi, Hakata-ku,
Fukuoka-shi, Fukuoka 812-0024

Okayama Sales Office
Hiroshima Sales Office
Kagawa Sales Office
Okinawa Sales Office



Delivering the latest technologies worldwide to preserve the global environment

The effective use of our limited energy resources and the preserving of our precious global environment are common issues all of the world. CHOFU supplies the most advanced, eco-friendly products to our customers all over the world.

CHOFU's products exported worldwide



Main exports:



Heat pump water heaters



Gas-fired water heaters



Regional contribution

蜜遊苑 (Keiyuen)

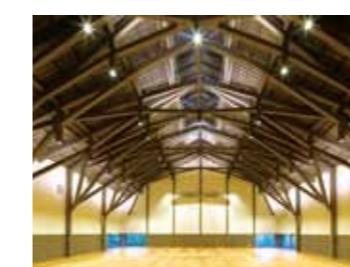
This commemorative hall with attached Japanese garden is designed with a unique architectural style befitting the old castle town of Chofu. Within Keiyuen there is an exhibition room that presents Chofu history and Chofu Seisakusho milestones, as well as a multipurpose hall, Japanese room and tearoom. Everyone in the regional community is welcome to make use of this facility.



▲Tearoom Shikitei



▲Japanese garden



▲Multipurpose hall



▲Exhibition hall



▲Meeting room



▲Japanese room

Environmental consideration

Large-scale photovoltaic power generation plants (mega solar systems)

Large-scale photovoltaic power generation plants (mega solar systems) have been installed on the roofs of both the Head Office and Utsunomiya plants. These are capable of generating a maximum output of 11 MW, in total.

Head office plant ▶



History of CHOFU

Company history	Product history	Company history	Product history
Chofu Seisakusho Co., Ltd. was established in Chofu-samuraimachi, Shimonoseki with a capital of 5 million yen.	Started production of agricultural machinery. 	1989 1991 1992 1994 1995 1996 1997 1998 1999 2000 2002 2003 2004 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2017	Started production of artificial marble bathtubs. Started production of system bathrooms.(YUMERIA) 
Completed Tochigi plant.	Developed kerosene-fired burner for drying rice/wheat in husk (this product prompted Chofu's later growth). 	Opened Sendai sales office Completed new office building at Head Office. Opened Okinawa and Kanazawa sales offices. Head Office plant acquired ISO9001 certification. Listed on 2nd Section of Osaka Stock Exchange. Opened Fukuoka and Okayama sales offices. Utsunomiya plant acquired ISO9001 certification. Opened Omiya and Hiroshima sales office. Listed on 2nd Section of Tokyo Stock Exchange. Yasuo Kawakami became president. Completed Head Office R&D center. Listed on 1st Section of Tokyo Stock Exchange and 1st Section of Osaka Stock Exchange.	
Adopted a system of direct sales network with retail stores.	Developed hot water boilers for residential use and advanced into the field of home appliances. Started production of space heaters. Started production of bath water heaters and kerosene space heaters. Discontinued production of agricultural machinery.	Started sales of system kitchens.(YUMERIA) 	Started production of solar-powered under-floor ventilators and bathroom ventilating dry heaters. Started production of kerosene-fired water-heater-bathtub combination with fully-automatic self-cleaning features. Started production of solar water heaters. (overfall type) Started sales of solar power generation systems. Started production of hybrid air conditioners with hot water floor heating, and CO2 heat pump water heaters.(ECO CUTE)
Yoneo Kawakami became company president. Made a 3-year plan targeted to achieve 1972 sales of 10 billion yen. ·1969: 1,776 (million yen) ·1970: 3,084 (million yen) ·1971: 5,290 (million yen) ·1972: 8,238 (million yen) ·1973: 11,666 (million yen)	1969 1970 1971 1972 1973 1976	Completed Head Office plant in Oginmachi. Completed Shiga plant. Opened Morioka sales office. Listed on Hiroshima Stock Exchange. Completed Kagawa plant. Completed Utsunomiya plant in Kiyohara. Head Office plant and office moved to current location of Oginmachi. Opened Tokyo and Osaka sales offices. Opened Nagoya and Chiba sales offices. Opened Yokohama sales office. Yoneo Kawakami became chairman and Tadao Fukuzumi became president.	             



<http://www.chofu.co.jp/>



CHOFU SEISAKUSHO CO., LTD.

2-1,Chofu Ogi-machi,Shimonoseki-shi,Yamaguchi 752-8555,Japan
TEL:+81-83-248-1111 FAX:+81-83-248-1906
URL:<http://www.chofu.co.jp/>