

*Mission: Engineering for Sustainable Growth of the Global Community*

*Vision: Global Leading Engineering Partner*

*Values: Integrity, Creativity, Diversity, Learning, Team*



First quarter of fiscal year ending March 2017

# OUTLINE OF FINANCIAL RESULTS

August 10, 2016

Toyo Engineering Corporation

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# Performance summary

Billion yen

	2015/6	2016/6	Difference	Forecast 2017/3	Progress
Net sales	68.6	99.0	30.4	450.0	22%
Gross profit	6.3	7.6	1.3	33.0	23%
Gross profit rate	9.2%	7.7%	-1.5%	7.3%	
Operating income	1.2	3.5	2.3	12.5	28%
Operating income rate	1.8%	3.6%	1.8%	2.8%	
Ordinary income	1.9	5.1	3.2	10.5	49%
Profit attributable to owners of parent	0.7	1.8	1.1	5.0	36%
New orders	282.3	31.4	(250.9)	250.0	13%

# Breakdown of income

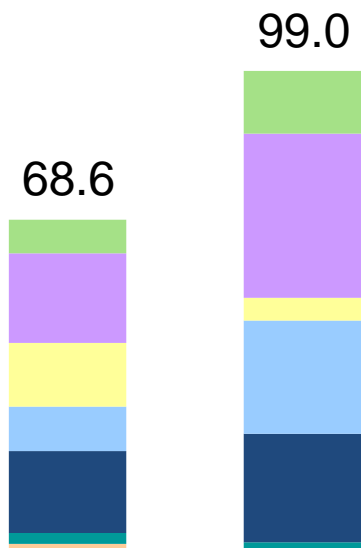
Billion yen

	2015/6	2016/6	Difference
Gross profit	6.3	7.6	1.3
Selling, general and administrative expenses	5.0	4.1	0.9
Operating income	1.2	3.5	2.3
Total non-operating income and expenses	0.6	1.5	0.9
Ordinary income	1.9	5.1	3.2
Total extraordinary gain and loss	-	-	-
Income before income taxes	1.9	5.1	3.2
Income taxes	1.1	3.2	(2.1)
Profit	0.7	1.9	1.2
Profit attributable to non-controlling interests	0.0	0.0	(0.0)
Profit attributable to owners of parent	0.7	1.8	1.1

# Net sales

Billion yen

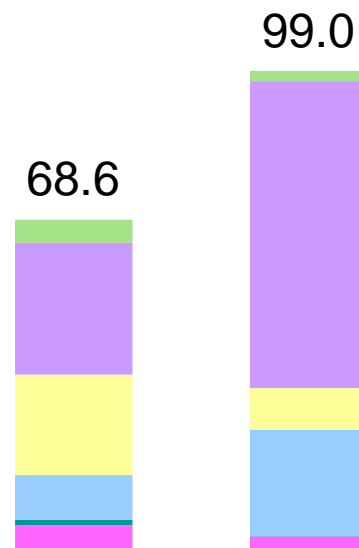
## Region



2015/6      2016/6

Japan	6.9	12.8
Southeast Asia	18.3	33.6
Southwest Asia, Middle East and Africa	13.0	4.6
Russia and Central Asia	9.1	23.2
North America	16.8	22.2
Central and South America	2.2	1.3
China	0.9	1.0
Others	1.4	0.3
<b>Total</b>	<b>68.6</b>	<b>99.0</b>

## Product



2015/6      2016/6

Chemical fertilizers	4.7	2.1
Petrochemicals	27.0	62.7
Oil refinery	20.5	8.6
Energy-related	9.2	21.7
General manufacturing facilities	1.1	0.1
Others	6.1	3.8
<b>Total</b>	<b>68.6</b>	<b>99.0</b>

# Balance sheet

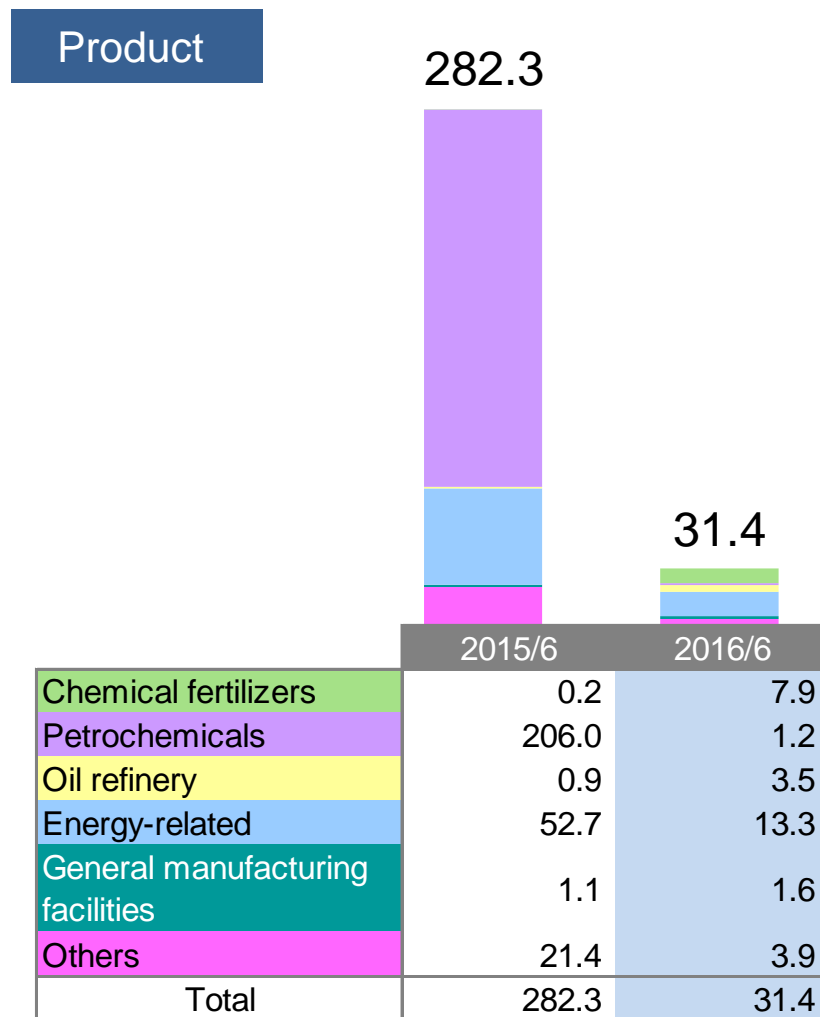
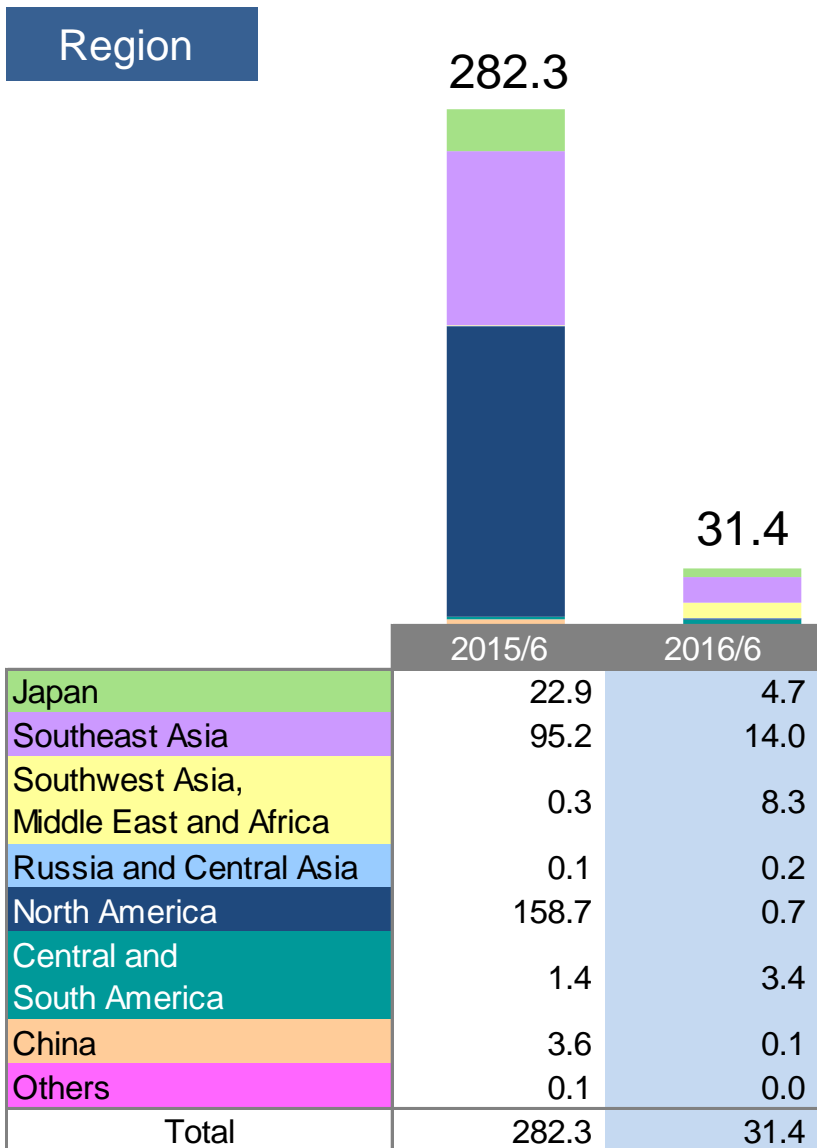
Billion yen

Assets	2016/3	2016/6	Difference
Current assets	279.8	281.8	2.0
Cash and deposits	126.8	107.0	(19.8)
Marketable securities	0.9	1.1	0.2
Other current assets	19.3	25.8	6.5
<Operating assets>			
Notes and accounts receivable	78.2	95.7	17.5
Work in progress	54.4	52.1	(2.3)
Noncurrent assets	41.9	40.5	(1.4)
Property, plant and equipment	12.9	12.5	(0.4)
Intangible assets	1.8	1.7	(0.1)
Investments and other assets	27.0	26.3	(0.7)
<b>Total assets</b>	<b>321.8</b>	<b>322.4</b>	<b>0.6</b>

Liabilities and net assets	2016/3	2016/6	Difference
Current liabilities	233.9	240.0	6.1
Short-term interest bearing debt	13.8	13.7	(0.1)
Other current liabilities	21.4	23.0	1.6
<Operating liabilities>			
Notes and accounts payable	85.6	95.3	9.7
Advance receipts on uncompleted contracts	112.9	108.0	(4.9)
Noncurrent liabilities	36.8	28.4	(8.4)
Long-term interest bearing debt	18.8	19.2	0.4
Other noncurrent liabilities	18.0	9.1	(8.9)
Net assets	51.0	53.9	2.9
Shareholder's equity	46.8	47.9	1.1
Accumulated other comprehensive income	4.1	5.9	1.8
Non-controlling interests	0.0	0.0	0.0
<b>Total liabilities and net assets</b>	<b>321.8</b>	<b>322.4</b>	<b>0.6</b>

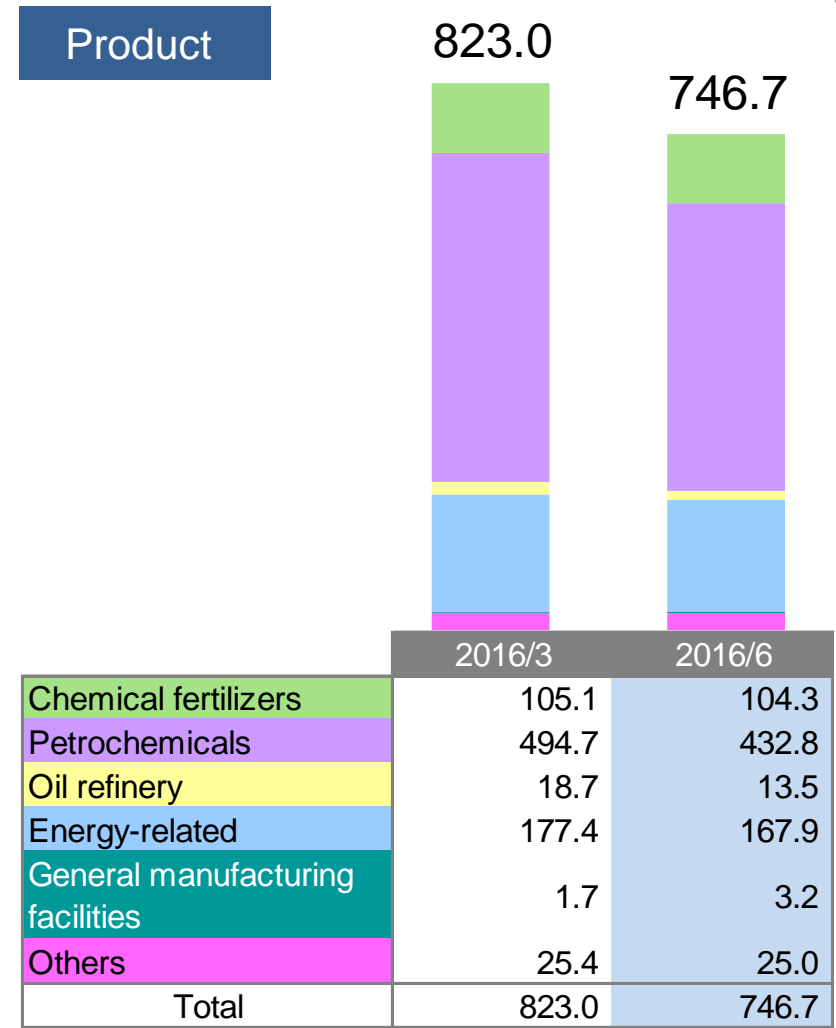
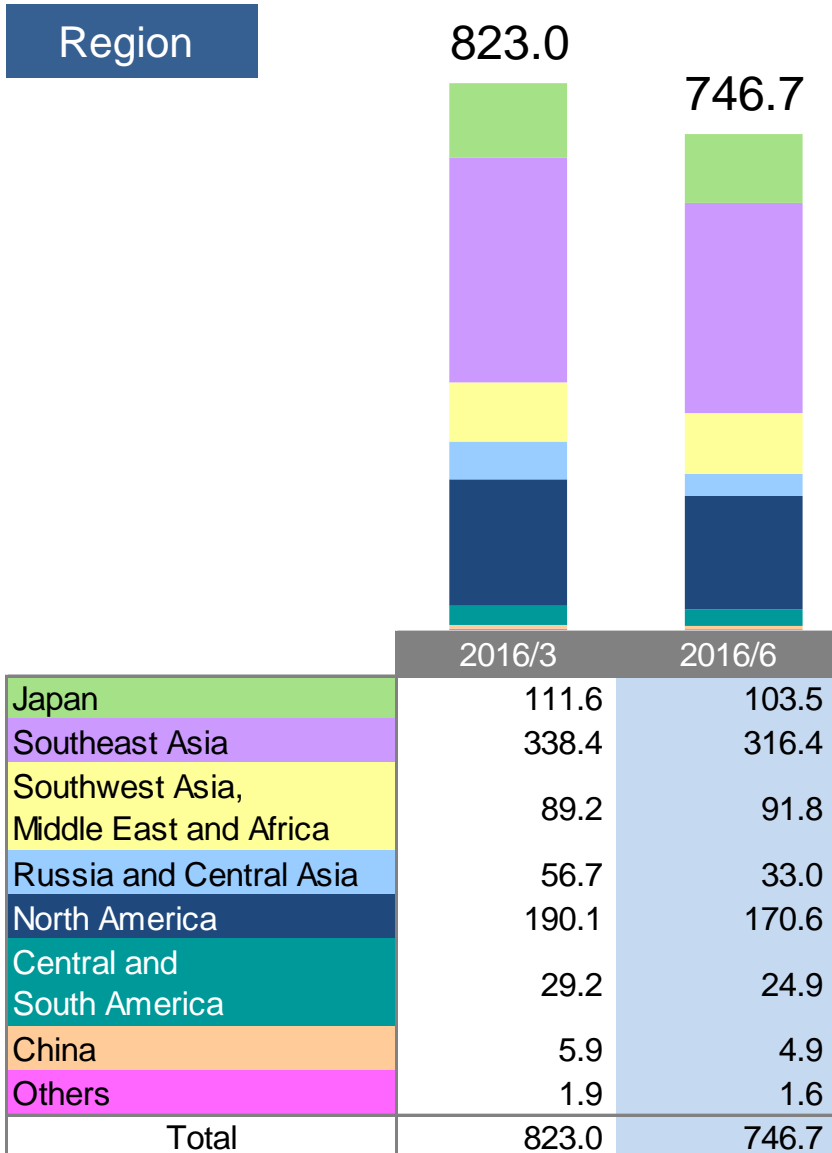
# New orders

Billion yen



# Backlog of contracts

Billion yen





	2016/3	First quarter 2016/6	Forecast for 2017/3
Net sales	299.8	99.0	450.0
Gross profit	30.5	7.6	33.0
Gross profit rate	10.2%	7.7%	7.3%
Operating income	11.0	3.5	12.5
Operating income rate	3.7%	3.6%	2.8%
Ordinary income	3.8	5.1	10.5
Profit attributable to owners of parent	3.0	1.8	5.0
New orders	443.5	31.4	250.0
Dividends per share (yen)	¥4	-	¥6

Exchange rate for the forecast 1US\$= ¥105

\* No change from initial forecast as of 13 May, 2016.



## Toyo Engineering Corporation

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The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.