

Mission: Engineering for Sustainable Growth of the Global Community

Vision: Global Leading Engineering Partner

Values: Integrity, Creativity, Diversity, Learning, Team



Third quarter of fiscal year ending March 2017

OUTLINE OF FINANCIAL RESULTS

February 10, 2017

Toyo Engineering Corporation

Outline of income statement

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Performance summary

Billion yen

	2015/12	2016/12	Difference	Forecast	
				2017/3 as of Feb 10, 2017	Progress
Net sales	218.8	304.0	85.2	450.0	68%
Gross profit	19.0	11.2	(7.8)	18.5	61%
Gross profit rate	8.7%	3.7%	-5.0%	4.1%	
Operating income	4.7	(1.5)	(6.2)	0.0	-
Operating income rate	2.1%	-0.5%	-2.6%	0.0%	
Ordinary income	4.8	1.4	(3.4)	1.0	140%
Profit attributable to owners of parent	2.6	(1.0)	(3.6)	0.0	-
New orders	350.1	92.3	(257.8)	110.0	84%

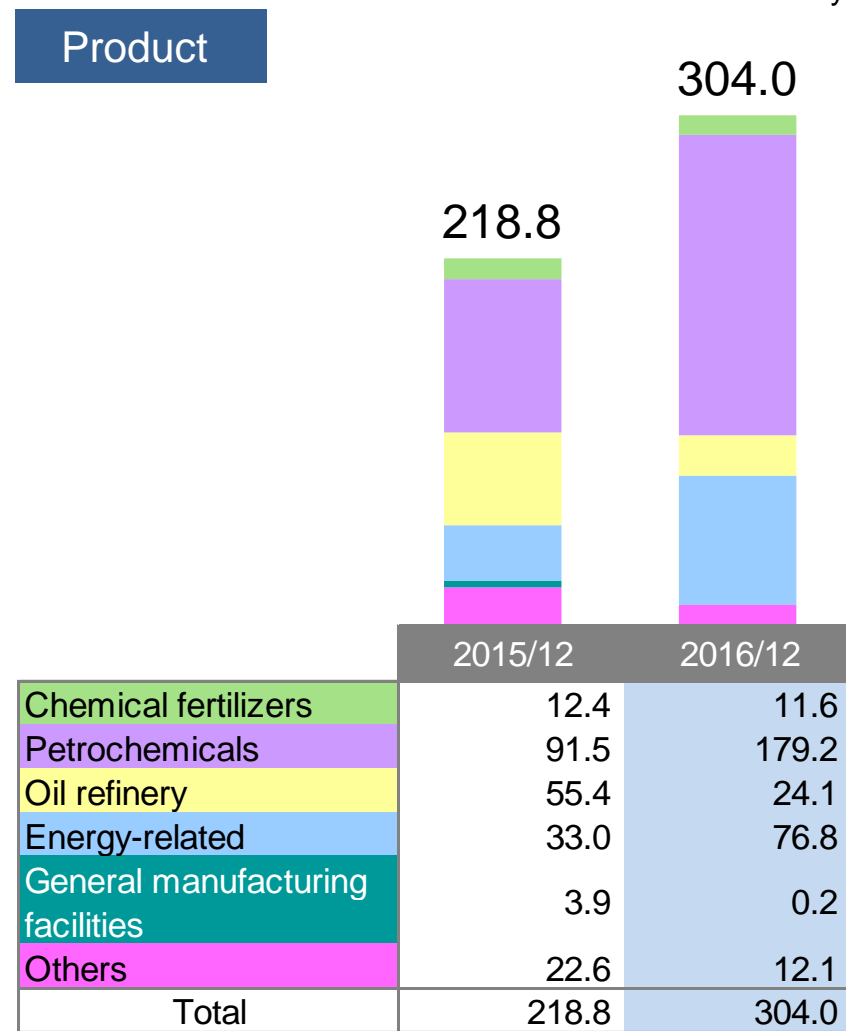
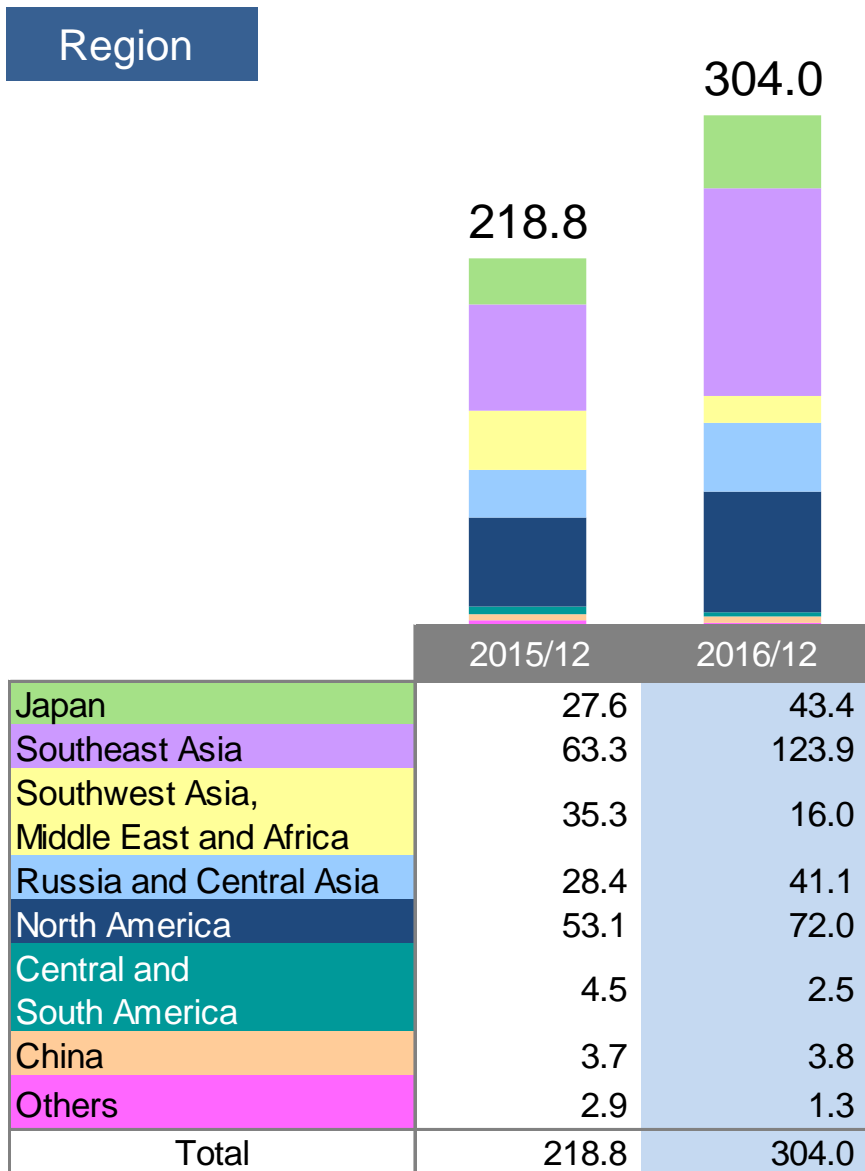
Breakdown of income

Billion yen

	2015/12	2016/12	Difference
Gross profit	19.0	11.2	(7.8)
Selling, general and administrative expenses	14.3	12.7	1.6
Operating income	4.7	(1.5)	(6.2)
Total non-operating income and expenses	0.1	2.9	2.8
Ordinary income	4.8	1.4	(3.4)
Total extraordinary gain and loss	1.7	-	(1.7)
Income before income taxes	6.5	1.4	(5.1)
Income taxes	3.9	2.3	1.6
Profit	2.6	(0.9)	(3.5)
Profit attributable to non-controlling interests	(0.0)	0.0	(0.0)
Profit attributable to owners of parent	2.6	(1.0)	(3.6)

Net sales

Billion yen



Balance sheet

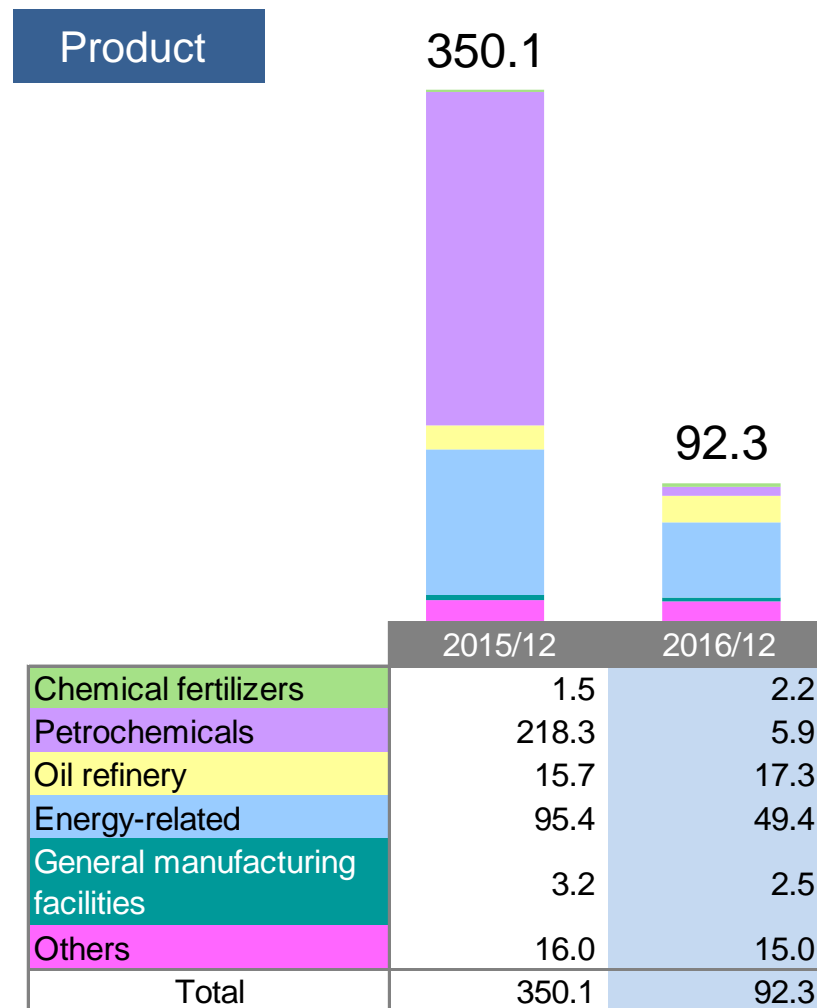
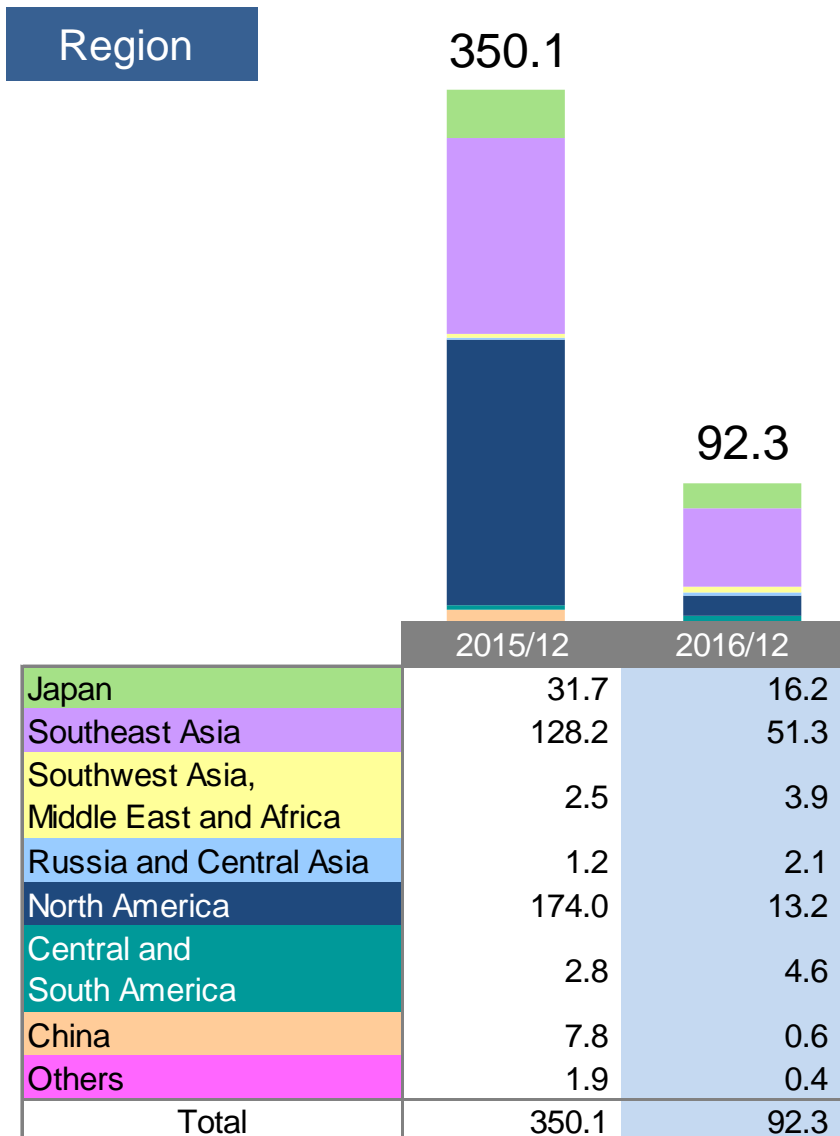
Billion yen

Assets	2016/3	2016/12	Difference
Current assets	279.8	278.5	(1.3)
Cash and deposits	126.8	112.5	(14.3)
Marketable securities	0.9	1.0	0.1
Other current assets	19.3	27.6	8.3
<Operating assets>			
Notes and accounts receivable	78.2	79.5	1.3
Work in progress	54.4	57.7	3.3
Noncurrent assets	41.9	40.5	(1.4)
Property, plant and equipment	12.9	12.3	(0.6)
Intangible assets	1.8	1.4	(0.4)
Investments and other assets	27.0	26.7	(0.3)
Total assets	321.8	319.0	(2.8)

Liabilities and net assets	2016/3	2016/12	Difference
Current liabilities	233.9	235.3	1.4
Short-term interest bearing debt	13.8	9.2	(4.6)
Other current liabilities	21.4	22.2	0.8
<Operating liabilities>			
Notes and accounts payable	85.6	106.2	20.6
Advance receipts on uncompleted contracts	112.9	97.4	(15.5)
Noncurrent liabilities	36.8	32.1	(4.7)
Long-term interest bearing debt	18.8	21.6	2.8
Other noncurrent liabilities	18.0	10.5	(7.5)
Net assets	51.0	51.6	0.6
Shareholder's equity	46.8	45.0	(1.8)
Accumulated other comprehensive income	4.1	6.4	2.3
Non-controlling interests	0.0	0.0	0.0
Total liabilities and net assets	321.8	319.0	(2.8)

New orders

Billion yen



Backlog of contracts

Billion yen

Region

823.0

597.6

2016/3

2016/12

Japan	111.6	84.5
Southeast Asia	338.4	265.7
Southwest Asia, Middle East and Africa	89.2	76.5
Russia and Central Asia	56.7	18.9
North America	190.1	124.0
Central and South America	29.2	25.3
China	5.9	1.8
Others	1.9	0.9
Total	823.0	597.6

Product

823.0

597.6

2016/3

2016/12

Chemical fertilizers	105.1	89.4
Petrochemicals	494.7	316.8
Oil refinery	18.7	10.3
Energy-related	177.4	149.4
General manufacturing facilities	1.7	3.9
Others	25.4	27.8
Total	823.0	597.6

Billion yen

	2016/3	Third quarter 2016/12	Forecast for 2017/3	
			Initial plan as of May 13, 2016	New plan as of Feb 10, 2017
Net sales	299.8	304.0	450.0	450.0
Gross profit	30.5	11.2	33.0	18.5
Gross profit rate	10.2%	3.7%	7.3%	4.1%
Operating income	11.0	(1.5)	12.5	0.0
Operating income rate	3.7%	-0.5%	2.8%	0.0%
Ordinary income	3.8	1.4	10.5	1.0
Profit attributable to owners of parent	3.0	(1.0)	5.0	0.0
New orders	443.5	92.3	250.0	110.0
Dividends per share (yen)	Annual ¥4	Interim ¥0	Annual ¥6	Annual To be decided

Exchange rate for the forecast 1US\$= ¥112



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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.