

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 2019

OUTLINE OF FINANCIAL RESULTS

February 8, 2019

Toyo Engineering Corporation

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Performance Summary

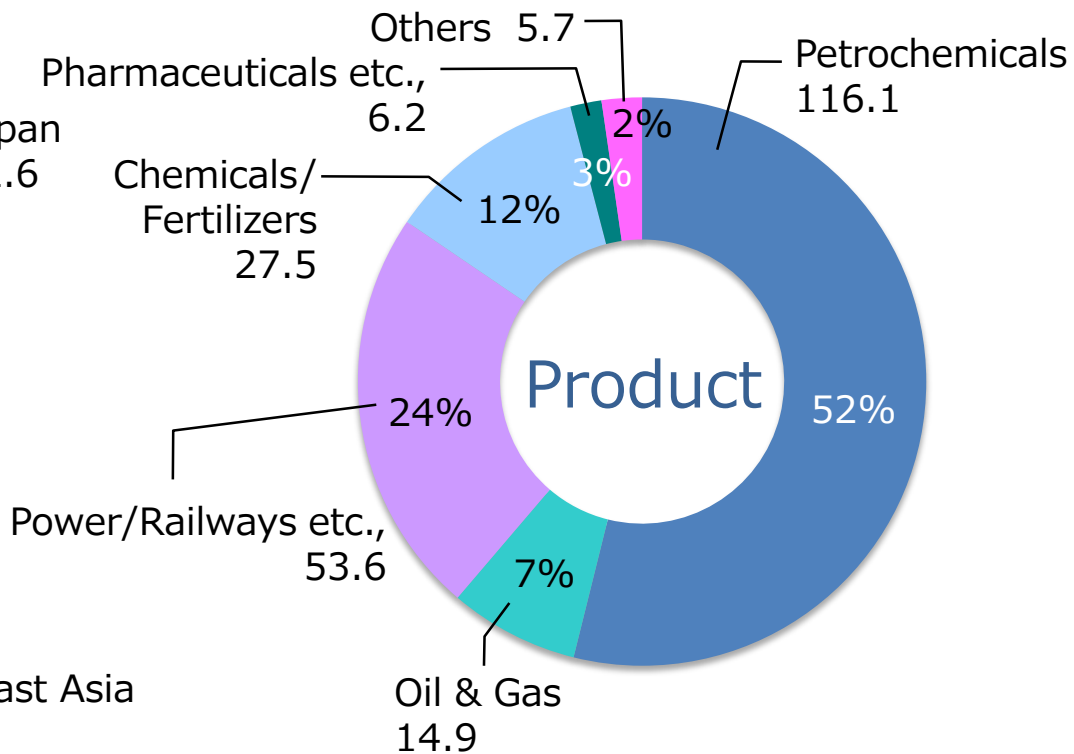
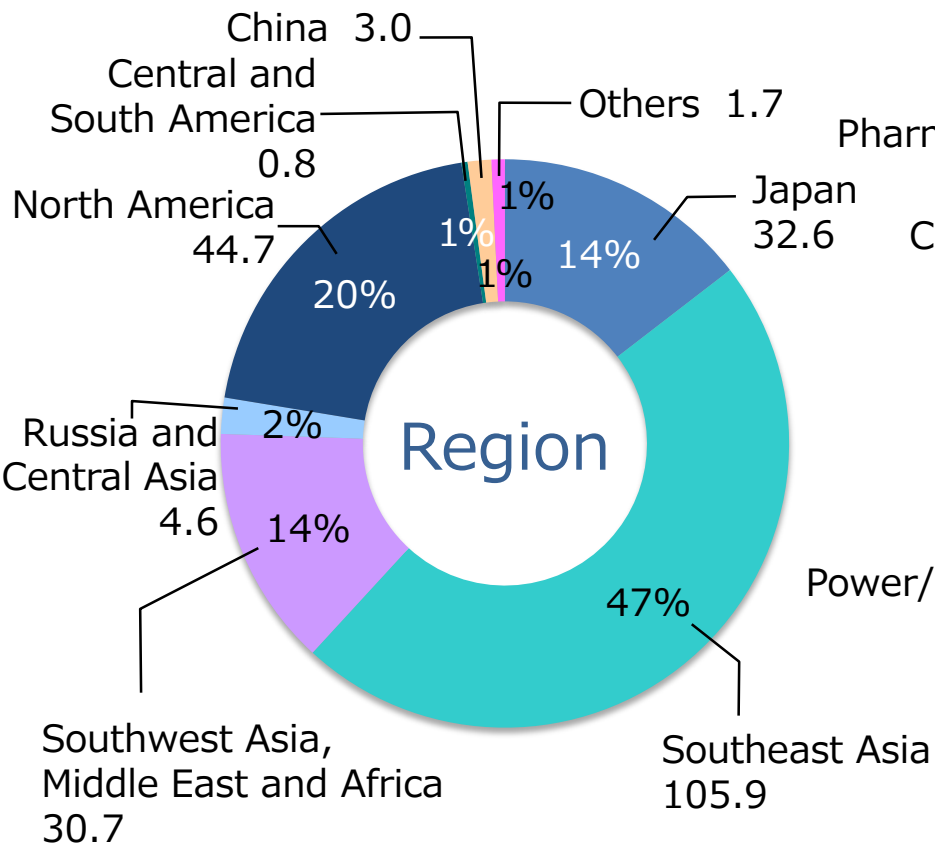
- ◆ Decrease in revenue but increase in profit compared with the same period of the previous year JPY billion

	2017/12	2018/12	Difference	Forecast 2019/3	Progress
Net sales	263.3	224.0	(39.3)	300.0	75%
Gross profit	(7.4)	12.3	19.7	21.0	59%
Gross profit margin	-2.8%	5.5%	8.3%	7.0%	
SG&A expenses	15.5	11.7	3.8	19.0	62%
Operating income	(23.0)	0.5	23.5	2.0	25%
Operating income margin	-8.8%	0.3%	9.1%	0.7%	
Non-operating income and expenses	2.0	3.2	1.2	0.5	640%
Ordinary income	(20.9)	3.7	24.6	2.5	148%
Profit attributable to owners of parent	(23.7)	1.4	25.1	1.0	140%
New orders	143.8	205.5	61.7	300.0	69%

Net sales

JPY billion

2018/12 Net sales : JPY 224.0 billion



Major Contracts

- Petrochemical, USA
- Petrochemical, MALAYSIA
- Power/Railway etc., THAILAND

Balance Sheet

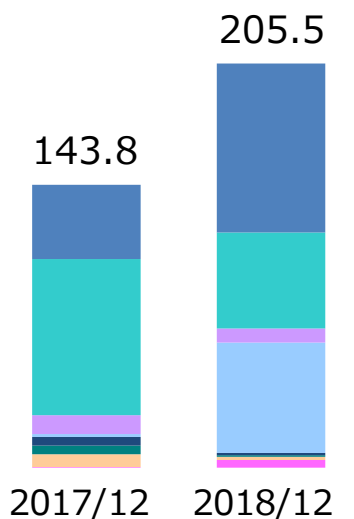
JPY billion

Assets	2018/3	2018/12	Difference	Liabilities and net assets	2018/3	2018/12	Difference
Current assets	221.3	196.2	(25.1)	Current liabilities	198.4	170.5	(27.9)
Cash and deposits	111.0	86.1	(24.9)	Short-term interest bearing debt	7.1	10.2	3.1
Marketable securities	1.0	0.3	(0.7)	Other current liabilities	24.1	12.4	(11.7)
Other current assets	15.3	13.7	(1.6)				
<Operating assets>				<Operating liabilities>			
Notes and accounts receivable	62.0	70.6	8.6	Notes and accounts payable	104.7	88.4	(16.3)
Work in progress	31.7	25.4	(6.3)	Advance receipts on uncompleted contracts	62.4	59.4	(3.0)
Non-current assets	30.5	26.6	(3.9)	Noncurrent liabilities	28.2	27.6	(0.6)
Property, plant and equipment	11.9	11.7	(0.2)	Long-term interest bearing debt	23.7	22.5	(1.2)
Intangible assets	0.9	1.0	0.1	Other noncurrent liabilities	4.5	5.1	0.6
Investments and other assets	17.5	13.8	(3.7)				
				Net assets	25.1	24.6	(0.5)
				Shareholder's equity	20.3	21.7	1.4
				Accumulated other comprehensive income	4.7	2.7	(2.0)
				Non-controlling interests	0.0	0.0	0.0
Total assets	251.8	222.9	(28.9)	Total liabilities and net assets	251.8	222.9	(28.9)

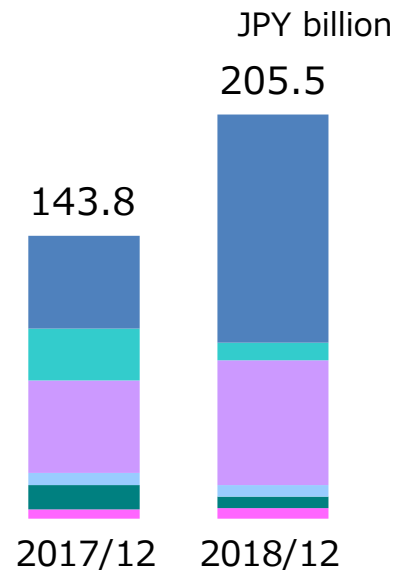
*The company applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (The Accounting Standards Board of Japan ("ASBJ") Statement No. 28, February 16, 2018), etc. from the beginning of the fiscal year ending March 31, 2019. The figures as of March 31, 2018 is based on retrospective application.

New Orders

Region



Product



Region	2017/12	2018/12
Japan	37.7	86.0
Southeast Asia	79.4	48.7
Southwest Asia, Middle East and Africa	9.7	7.2
Russia and Central Asia	1.4	56.2
North America	4.5	1.1
Central and South America	4.3	0.8
China	6.5	1.7
Others	0.3	3.8
Total	143.8	205.5

Product	2017/12	2018/12
Petrochemicals	47.2	116.0
Oil & Gas	26.3	8.9
Power / Railways etc.	47.0	63.6
Chemicals / Fertilizers	6.2	5.8
Pharmaceuticals etc.	12.4	5.9
Others	4.7	5.3
Total	143.8	205.5

2018/12 Major Contracts

Petrochemical, RUSSIA

Power/Railways etc., JAPAN (3projects)

Petrochemical, THAILAND

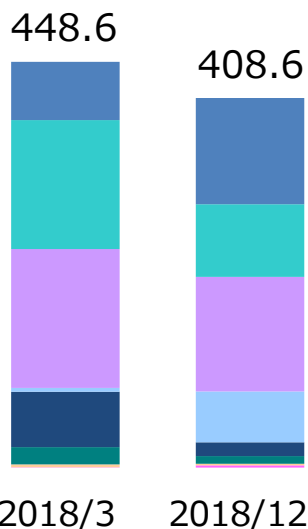
Petrochemical, INDONESIA

Petrochemical, JAPAN

Backlog of Contracts

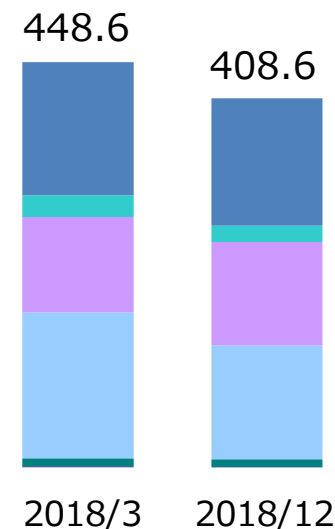
JPY billion

Region



Region	2018/3	2018/12
Japan	64.1	117.4
Southeast Asia	142.6	80.3
Southwest Asia, Middle East and Africa	153.7	126.5
Russia and Central Asia	4.4	56.4
North America	61.1	15.1
Central and South America	19.2	8.6
China	3.3	1.9
Others	0.2	2.4
Total	448.6	408.6

Product



Product	2018/3	2018/12
Petrochemicals	147.4	140.9
Oil & Gas	24.1	18.1
Power / Railways etc.	105.2	114.4
Chemicals / Fertilizers	161.6	125.9
Pharmaceuticals etc.	9.5	8.9
Others	0.8	0.4
Total	448.6	408.6

Forecast for 2019/3

JPY billion

◆ No change from initial forecast as of May 15, 2018

	2018/3	3Q 2018/12	Forecast 2019/3
Net sales	335.6	224.0	300.0
Gross profit	(12.5)	12.3	21.0
Gross profit margin	-3.7%	5.5%	7.0%
SG&A expenses	20.4	11.7	19.0
Operating income	(32.9)	0.5	2.0
Operating income margin	-9.8%	0.3%	0.7%
Non-operating income and expenses	5.1	3.2	0.5
Ordinary income	(27.8)	3.7	2.5
Profit attributable to owners of parent	(26.8)	1.4	1.0
New orders	309.3	205.5	300.0
Dividends per share	¥0	-	¥0

Exchange rate for the forecast 1US\$= ¥110



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.