



OUTLINE OF FINANCIAL RESULTS

Second quarter of
fiscal year ending March 2015

NEXT TOYO 2015

November 13, 2014
Toyo Engineering Corporation

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NEXT TOYO 2015

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Performance summary

NEXT TOYO 2015

- ◆ Revenue and profit increased compared with the same period of the last year.
- ◆ New orders as of 1st half of fiscal year marked historical high record.
- ◆ Revise the Forecast of FY2014 :
Increase in revenue but decrease in profit.
- ◆ Maintain the initial plan of dividends per share :
Annual ¥8 (including interim dividends ¥4)

Performance summary

NEXT TOYO 2015

Billion yen

	2013/9	2014/9	Difference		Forecast 2015/3 as of Nov 13, 2014	Progress
Net sales	110.9	132.5	21.6	19%	310.0	43%
Gross profit	6.6	11.9	5.3	80%	27.0	44%
Gross profit rate	6.0%	9.0%	3.0%		8.7%	
Operating income	(4.4)	0.1	4.5	-	2.0	5%
Operating income rate	-4.0%	0.1%	4.1%		0.6%	
Ordinary income	(2.3)	2.6	4.9	-	6.0	43%
Net income	(3.6)	1.2	4.8	-	3.0	40%
New orders	170.6	352.6	182.0	107%	500.0	71%
Interim dividends per share (yen) (Non-consolidated)	¥0	¥4	¥4	-	(Annual dividends) ¥8	-

Income statement

NEXT TOYO 2015

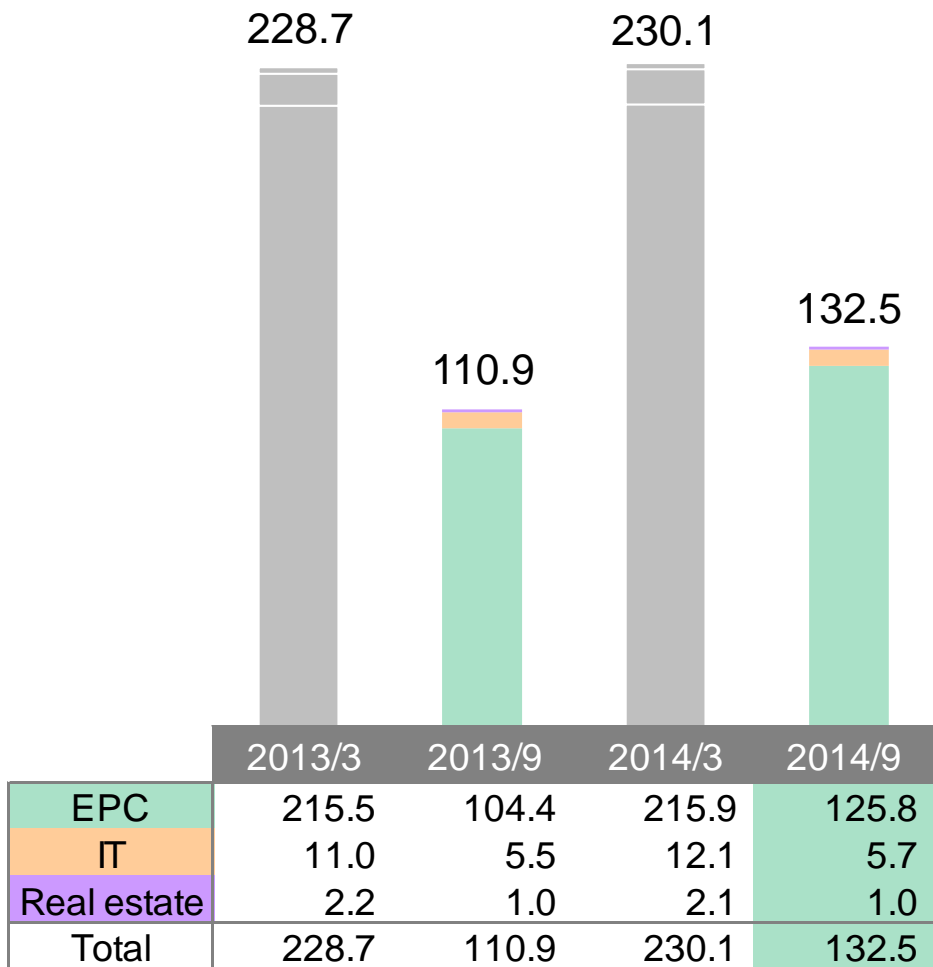
Billion yen

	2013/9		2014/9		Difference	Forecast	
	Billion yen	%	Billion yen	%		2015/3 as of Nov 13, 2014	Progress
Net sales	110.9	100.0	132.5	100.0	21.6	310.0	43%
Cost of sales	104.2	94.0	120.6	91.0	(16.4)		
Gross profit	6.6	6.0	11.9	9.0	5.3	27.0	44%
Selling, general and administrative expenses	11.1	10.1	11.8	8.9	(0.7)		
Operating income	(4.4)	(4.0)	0.1	0.1	4.5	2.0	5%
Total non-operating income and expenses	2.1	2.0	2.5	2.0	0.4		
Ordinary income	(2.3)	(2.1)	2.6	2.0	4.9	6.0	43%
Total extraordinary gain and loss	-	-	-	-	-		
Income before income taxes and minority interests	(2.3)	(2.1)	2.6	2.0	4.9		
Income taxes	1.3	1.2	1.4	1.1	(0.1)		
Minority interests in income (loss)	0.0	0.0	0.0	0.0	(0.0)		
Net income	(3.6)	(3.3)	1.2	0.9	4.8	3.0	40%
Comprehensive income	(2.8)		(2.4)		0.4		

Net sales

NEXT TOYO 2015

Billion yen



Compared with the same period of the previous year

	2013/9	2014/9	Difference	
EPC	104.4	125.8	21.4	20%
IT	5.5	5.7	0.2	4%
Real estate	1.0	1.0	0.0	0%
Total	110.9	132.5	21.6	19%

	2013/9	2014/9	Difference
Japan	17.2	16.8	(0.4)
%	15%	13%	-2%
Overseas	93.7	115.7	22.0
%	85%	87%	2%
Total	110.9	132.5	21.6

Compared with forecast for 2015/3

	Forecast 2015/3	Result 2014/9	Difference	Progress
EPC	295.5	125.8	(169.7)	43%
IT	12.5	5.7	(6.8)	46%
Real estate	2.0	1.0	(1.0)	50%
Total	310.0	132.5	(177.5)	43%

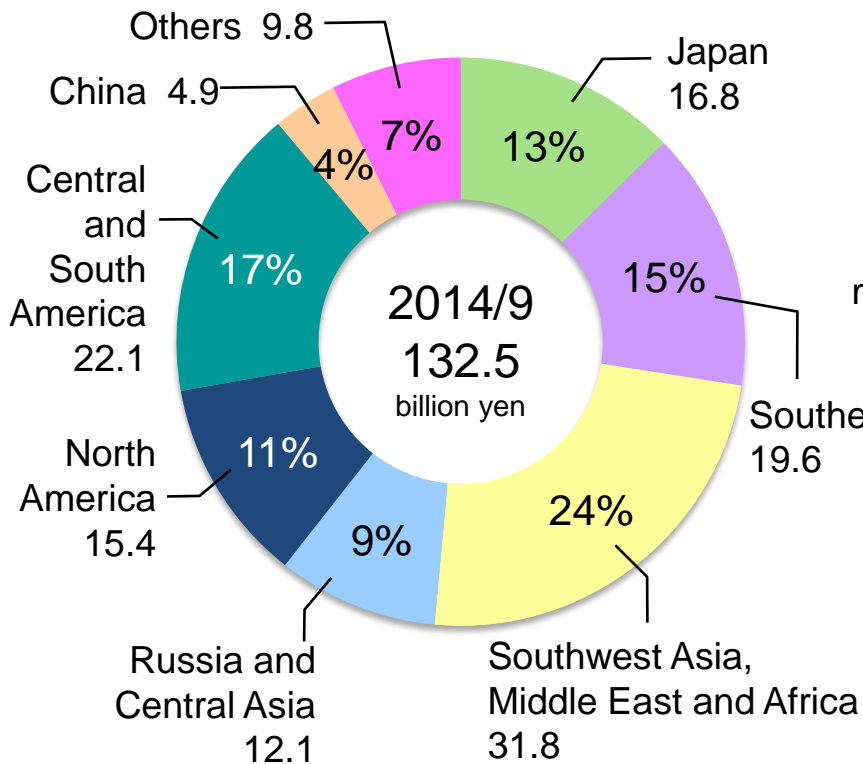
*EPC: Engineering, Procurement, Construction

Net sales

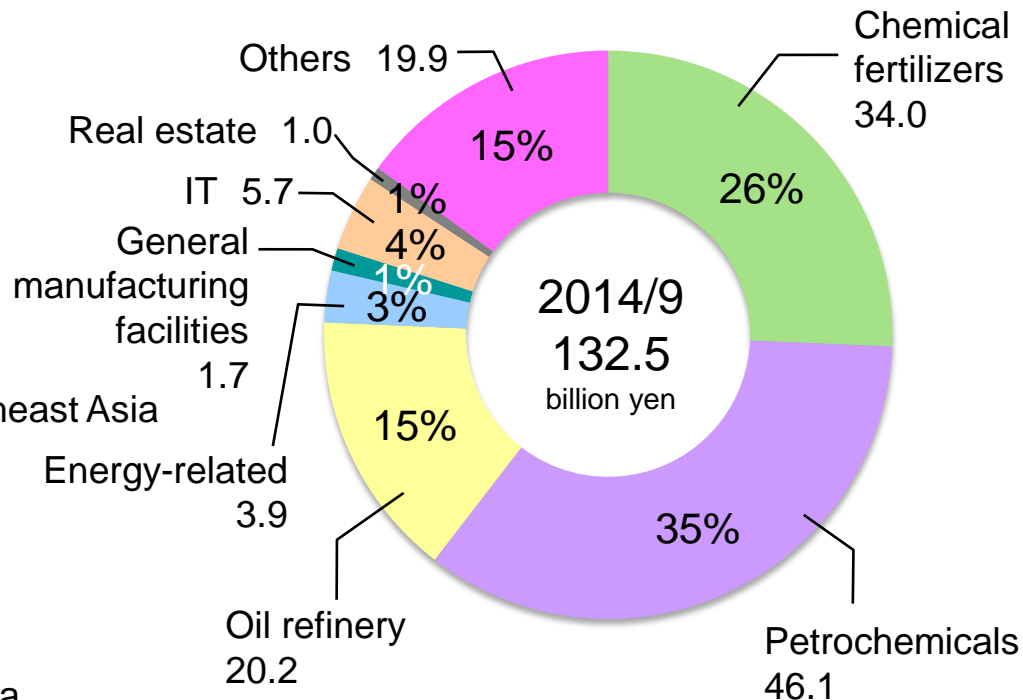
NEXT TOYO 2015

Billion yen

Breakdown by region



Breakdown by segment details



Major contracts

Over 10 billion yen

Chemical Fertilizer, NIGERIA
Others, BRAZIL

Over 5 billion yen

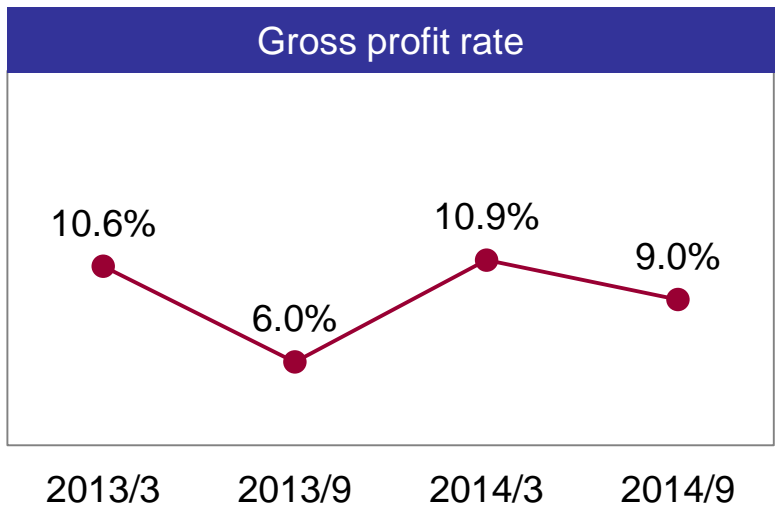
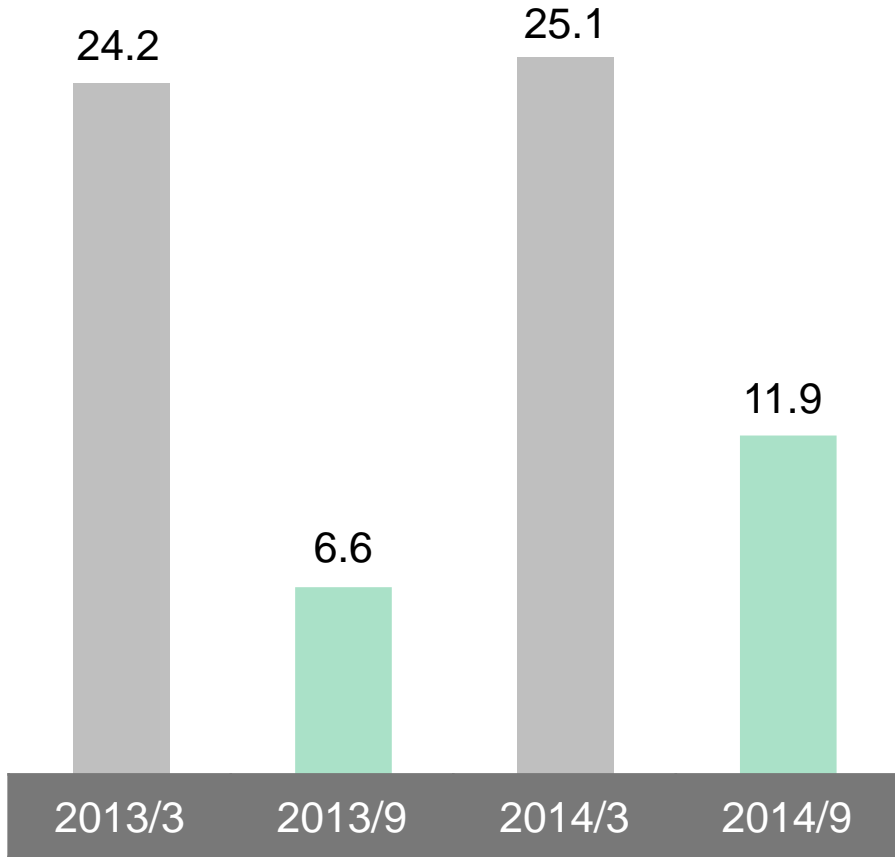
Petrochemical, EGYPT
Oil refinery, RUSSIA

Petrochemical, USA
Oil refinery, CANADA

Gross profit

NEXT TOYO 2015

Billion yen



Compared with the same period of the previous year

2013/9	2014/9	Difference	
6.6	11.9	5.3	80%

Compared with forecast for 2015/3

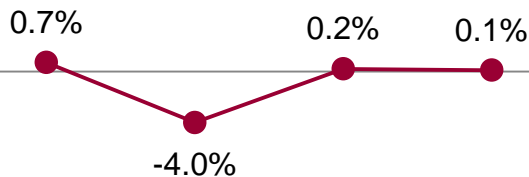
Forecast 2015/3	Result 2014/9	Difference	Progress
27.0	11.9	(15.1)	44%

Operating, Ordinary & Net income

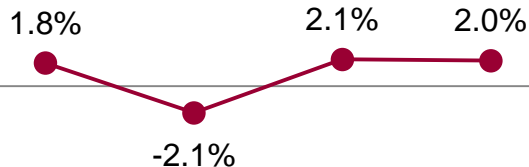
NEXT TOYO 2015

Line chart : Profit rate (%), Bar chart : Amount (billion yen)

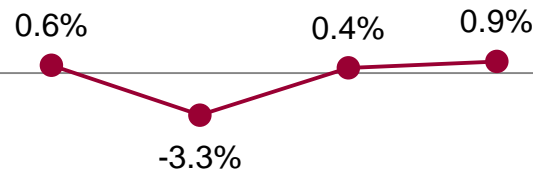
Operating income



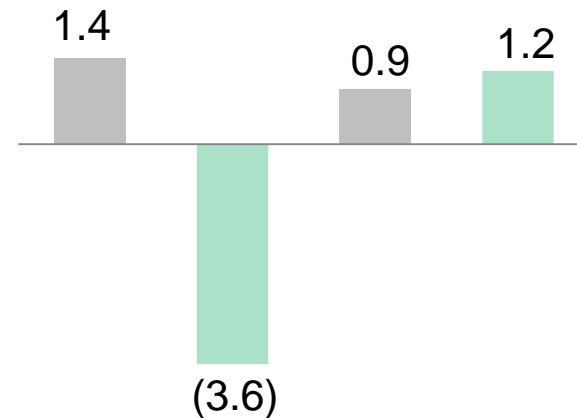
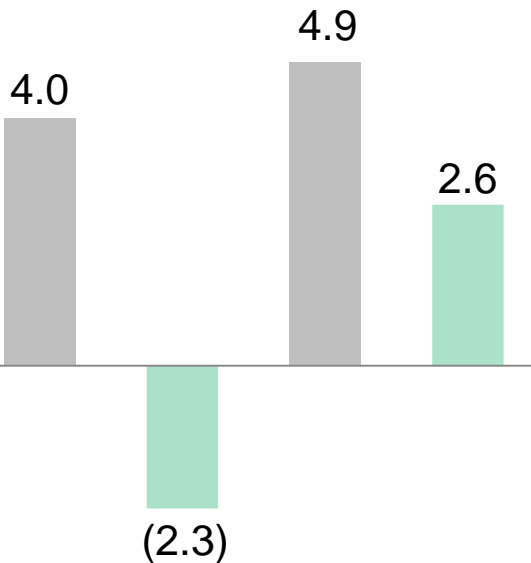
Ordinary income



Net income



	2013/3	2013/9	2014/3	2014/9
EPC	0.3	(5.0)	(0.8)	(0.4)
IT	0.3	0.2	0.4	0.1
Real Estate	0.9	0.4	0.9	0.4
Total	1.5	(4.4)	0.4	0.1



2013/3 2013/9 2014/3 2014/9

2013/3 2013/9 2014/3 2014/9

2013/3 2013/9 2014/3 2014/9

Balance sheet

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Billion yen

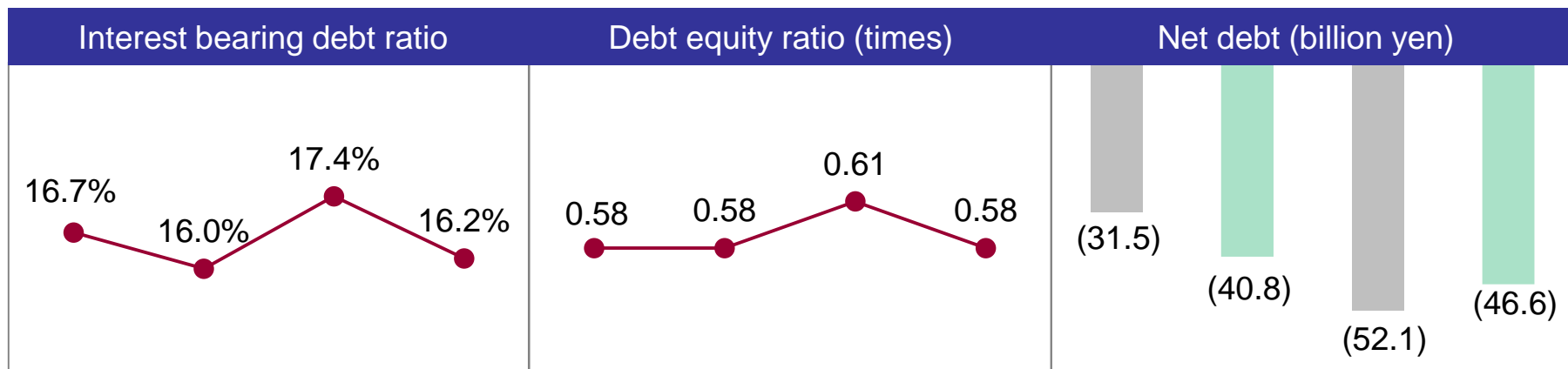
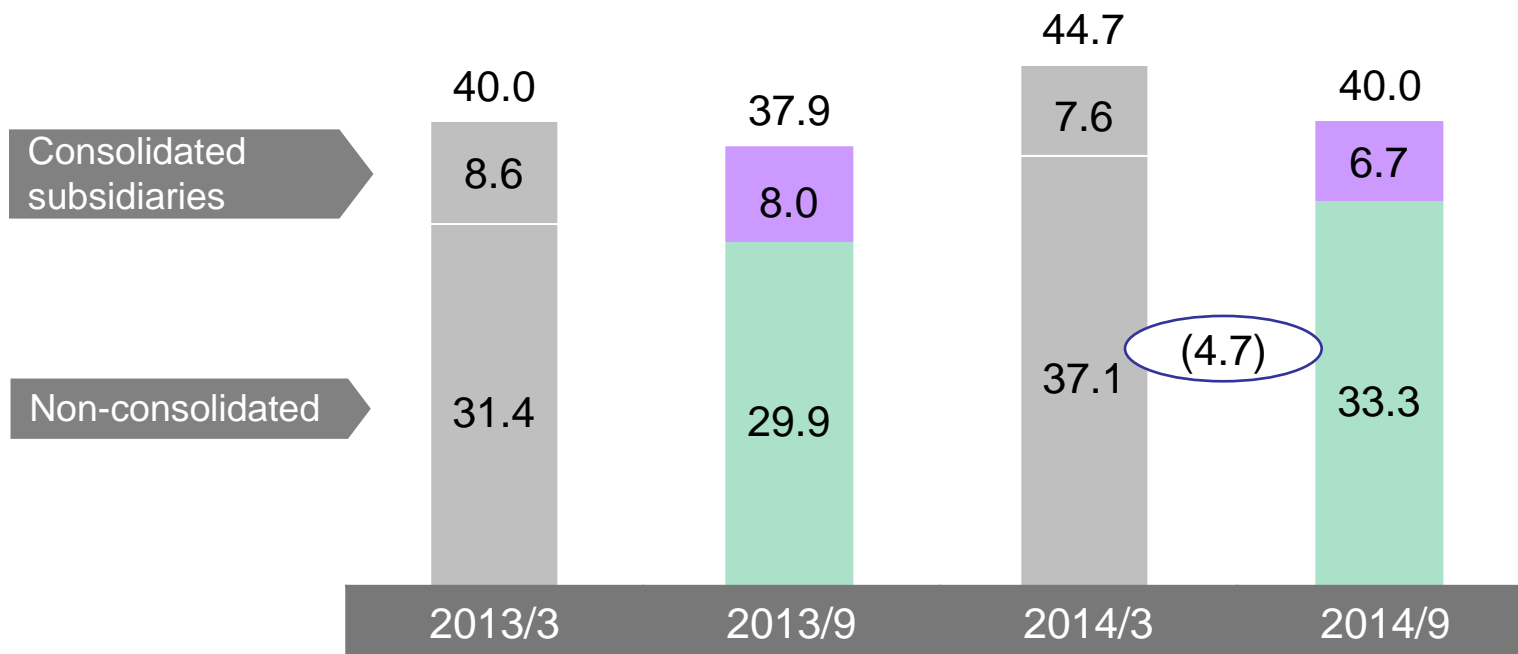
Assets	2014/3	2014/9	Difference
Current assets	202.0	188.8	(13.2)
Cash and deposits	73.8	58.0	(15.8)
Marketable securities	25.0	31.3	6.3
Other current assets	20.3	20.2	(0.1)
<Operating assets>			
Notes and accounts receivable	48.3	38.1	(10.2)
Contract work in progress	34.4	40.9	6.5
Fixed assets	55.4	58.8	3.4
Property, plant and equipment	30.3	29.6	(0.7)
Intangible assets	5.0	4.8	(0.2)
Investments and assets	19.9	24.3	4.4
Total assets	257.4	247.7	(9.7)

Liabilities and net assets	2014/3	2014/9	Difference
Current liabilities	140.1	135.3	(4.8)
Short-term interest bearing debt	10.7	8.0	(2.7)
Other current liabilities	17.1	22.2	5.1
<Operating liabilities>			
Notes and accounts payable	55.7	60.8	5.1
Advance receipts on uncompleted contracts	56.5	44.1	(12.4)
Long-term liabilities	42.4	42.1	(0.3)
Long-term interest bearing debt	34.0	32.0	(2.0)
Other long-term liabilities	8.4	10.1	1.7
Net assets	74.8	70.2	(4.6)
Shareholder's equity	70.0	69.2	(0.8)
Accumulated other comprehensive income	3.2	(0.4)	(3.6)
Minority interest	1.4	1.4	0.0
Total liabilities and net assets	257.4	247.7	(9.7)

Interest bearing debt balance

NEXT TOYO 2015

Billion yen



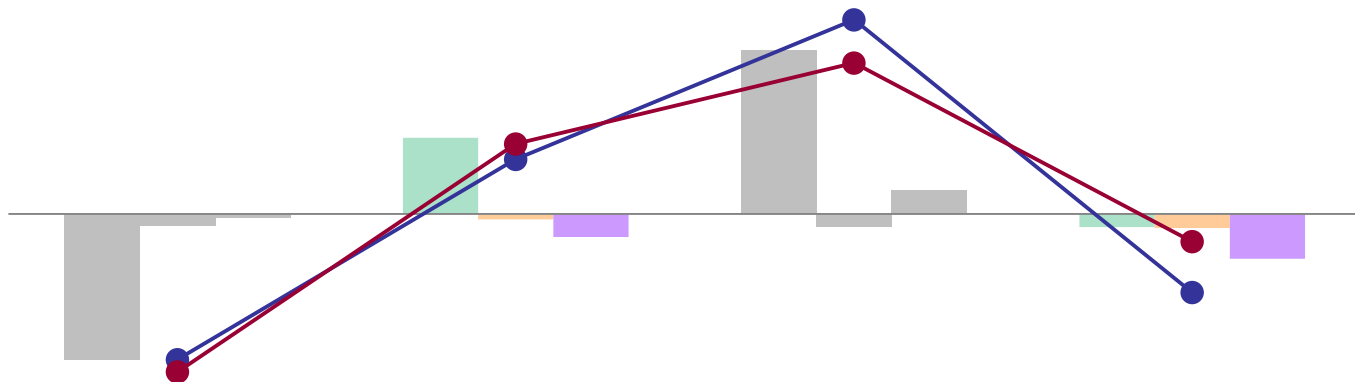
2013/3 2013/9 2014/3 2014/9 2013/3 2013/9 2014/3 2014/9 2013/3 2013/9 2014/3 2014/9

Cash flows

NEXT TOYO 2015

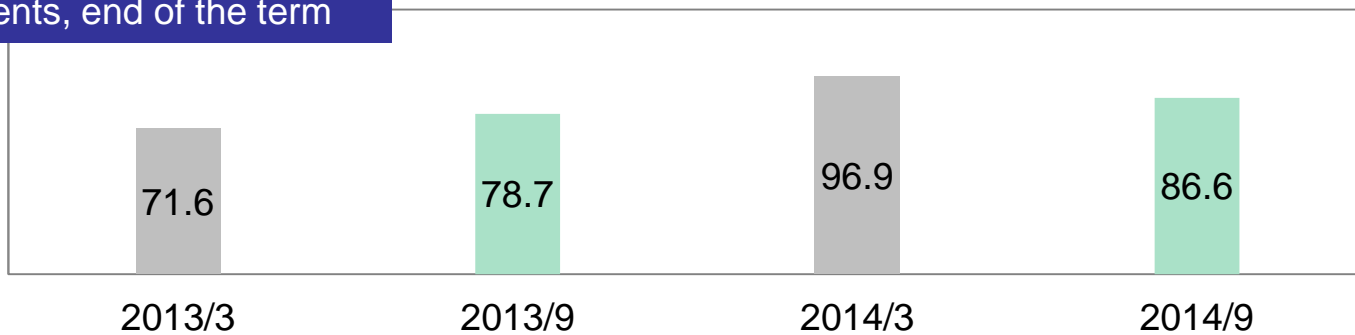
Billion yen

Cash flows



	2012/4~2013/3	2013/4~9	2013/4~2014/3	2014/4~9
Operating activities	(18.9)	9.9	21.2	(1.7)
Investing activities	(1.5)	(0.7)	(1.6)	(1.8)
Financing activities	(0.5)	(3.0)	3.1	(5.8)
Net increase/decrease in cash	(18.9)	7.1	25.2	(10.2)
Free cash flow	(20.5)	9.1	19.6	(3.6)

Cash and cash equivalents, end of the term

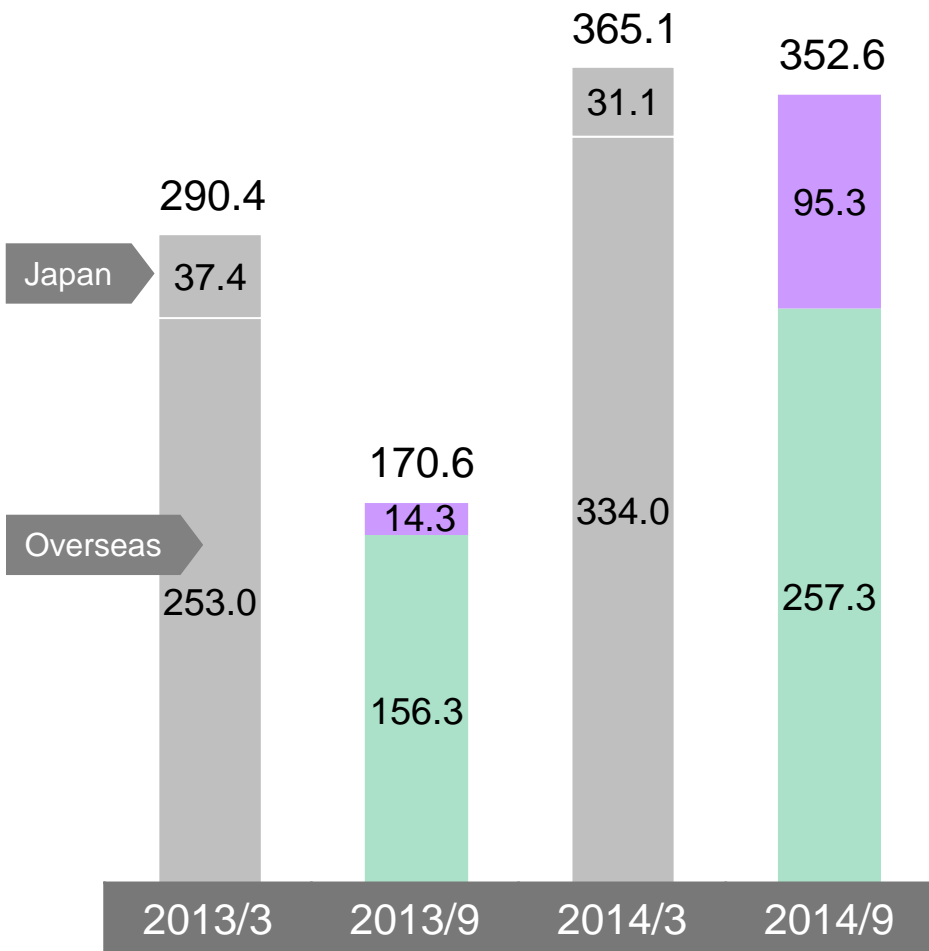


New orders

NEXT TOYO 2015

Billion yen

2014/9 New orders : 352.6 billion yen



Major contracts

- Over 200 billion yen
 - Petrochemical, MALAYSIA
- Over 50 billion yen
 - Energy-related, JAPAN
- Over 4 billion yen
 - Energy-related, JAPAN
 - Oil refinery, CANADA

Breakdown by consolidated companies

Toyo Engineering Corp.	229.4 billion yen	65%
Domestic subsidiaries	10.5 billion yen	3%
Overseas subsidiaries	112.7 billion yen	32%
Total	352.6 billion yen	100%

Compared with target for 2015/3

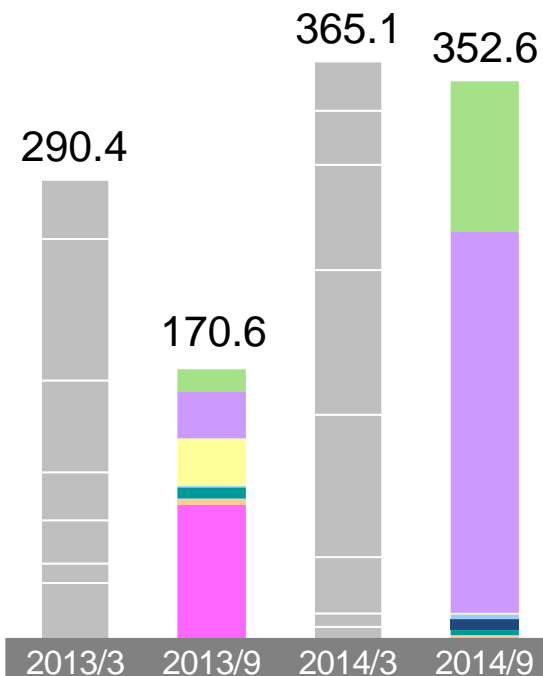
Target 2015/3	Result 2014/9	Difference	Progress
500.0	352.6	(147.4)	71%

New orders

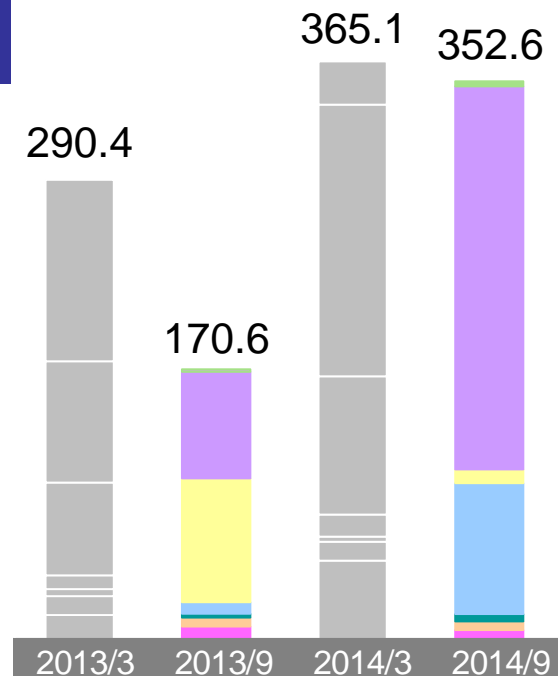
NEXT TOYO 2015

Billion yen

Breakdown by region



Breakdown by segment details



	2013/3	2013/9	2014/3	2014/9
Japan	37.4	14.3	31.1	95.3
Southeast Asia	89.5	29.3	34.1	240.5
Southwest Asia, Middle East and Africa	58.0	30.1	66.5	1.0
Russia and Central Asia	30.3	0.8	91.5	3.2
North America *			90.0	6.7
Central and South America	27.4	7.2	35.6	3.4
China	12.3	4.1	8.4	1.4
Others	35.5	84.8	7.9	1.1
Total	290.4	170.6	365.1	352.6

	2013/3	2013/9	2014/3	2014/9
Chemical fertilizers	114.7	1.6	27.3	3.2
Petrochemicals	76.6	67.4	171.7	242.0
Oil refinery	58.7	78.1	87.3	8.7
Energy-related	8.7	7.4	14.0	82.7
General manufacturing facilities	4.5	2.4	3.1	4.7
IT	11.9	5.7	12.1	5.4
Others	15.3	8.0	49.6	5.9
Total	290.4	170.6	365.1	352.6

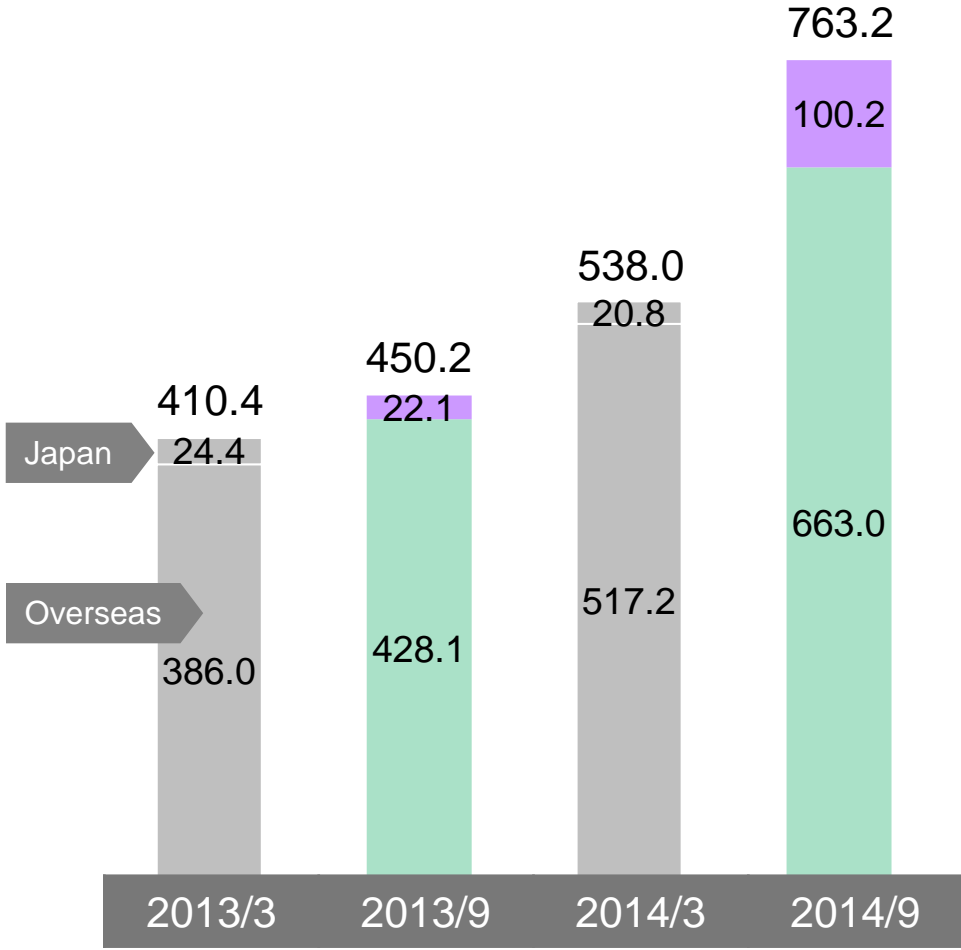
* We disclosed region of North America from 2014/3.

Backlog of contracts

NEXT TOYO 2015

Billion yen

2014/9 Backlog of contracts 763.2 billion yen



Major contracts

Over 200 billion yen

Petrochemical, MALAYSIA

Over 50 billion yen

Energy-related, JAPAN

Petrochemical, TURKMENISTAN

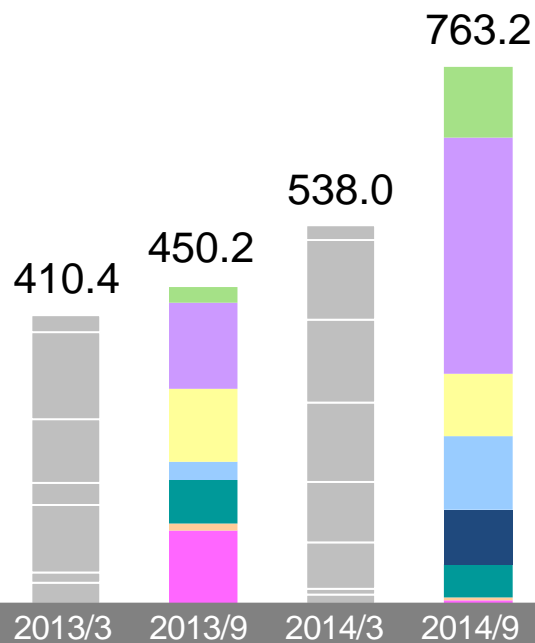
Oil refinery, CANADA

Backlog of contracts

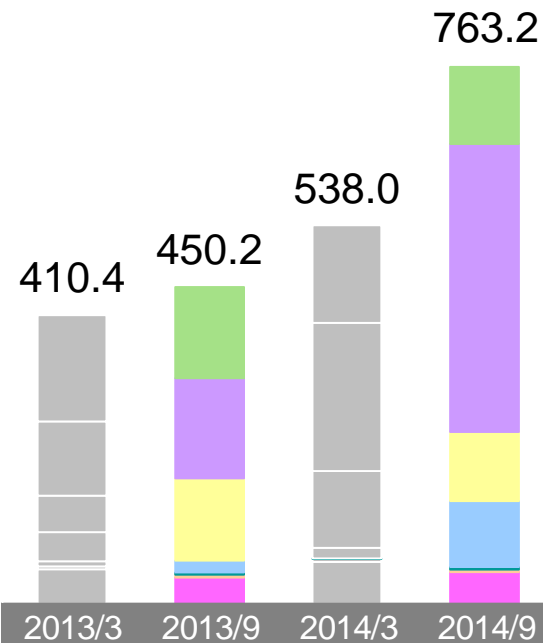
NEXT TOYO 2015

Billion yen

Breakdown by region



Breakdown by segment details



	2013/3	2013/9	2014/3	2014/9
Japan	24.4	22.1	20.8	100.2
Southeast Asia	123.7	122.4	113.4	336.1
Southwest Asia, Middle East and Africa	90.6	103.6	117.8	88.4
Russia and Central Asia	31.3	26.3	112.9	104.8
North America *			86.0	77.8
Central and South America	96.0	61.7	65.9	47.0
China	14.3	10.1	8.3	4.0
Others	30.1	104.0	12.9	4.9
Total	410.4	450.2	538.0	763.2

	2013/3	2013/9	2014/3	2014/9
Chemical fertilizers	151.3	129.6	138.6	109.5
Petrochemicals	105.5	142.5	210.8	409.7
Oil refinery	51.8	117.0	109.1	98.0
Energy-related	41.5	16.8	14.9	93.6
General manufacturing facilities	7.2	3.1	1.1	4.0
IT	4.0	4.0	3.9	3.5
Others	49.1	37.2	59.6	44.9
Total	410.4	450.2	538.0	763.2

* We disclosed region of North America from 2014/3.

Forecast

NEXT TOYO 2015

Billion yen

	2014/3	Second quarter 2014/9	Forecast for 2015/3	
			Initial plan	New plan
Net sales	230.1	132.5	290.0	310.0
Gross profit	25.1	11.9	33.0	27.0
Gross profit rate	10.9%	9.0%	11.4%	8.7%
Operating income	0.4	0.1	7.0	2.0
Operating income rate	0.2%	0.1%	2.4%	0.6%
Ordinary income	4.9	2.6	10.0	6.0
Net income	0.9	1.2	6.0	3.0
New orders	365.1	352.6	330.0	500.0
Dividends per share (yen) (Non-consolidated)	(Annual) ¥3	(Interim) ¥4	(Annual) ¥8	(Annual) ¥8

Segment breakdown of the forecast

Net sales	Initial plan	New plan
EPC	275.5	295.5
IT	12.5	12.5
Real estate	2.0	2.0
Total	290.0	310.0

Operating income	Initial plan	New plan
EPC	5.7	1.0
IT	0.4	0.3
Real estate	0.9	0.7
Total	7.0	2.0

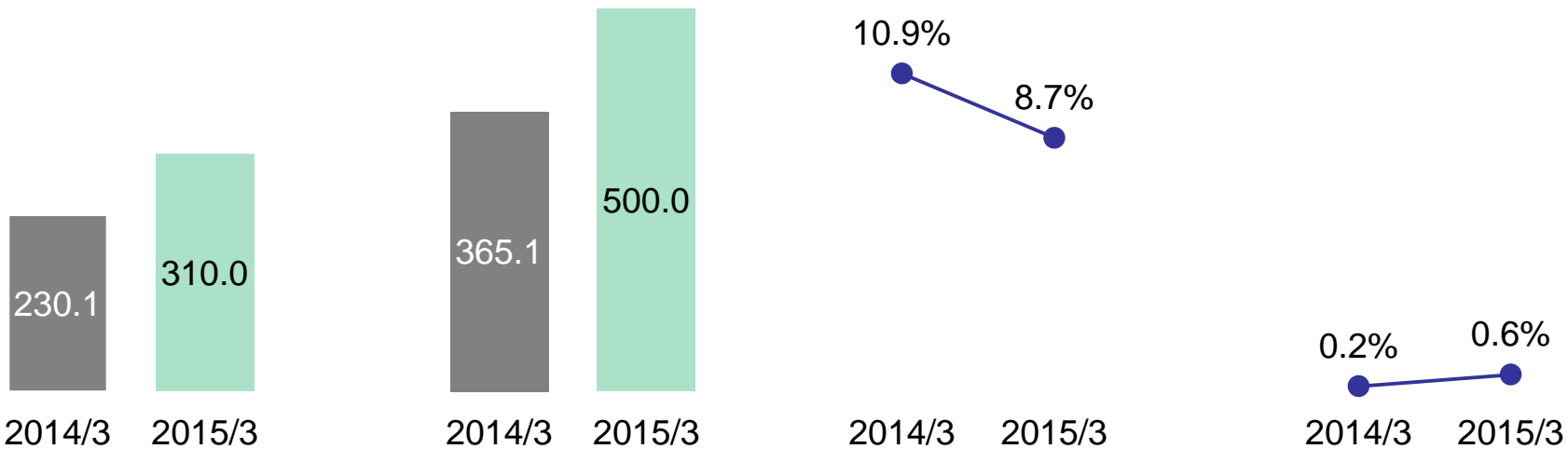
Exchange rate for the forecast 1US\$= ¥106

Forecast

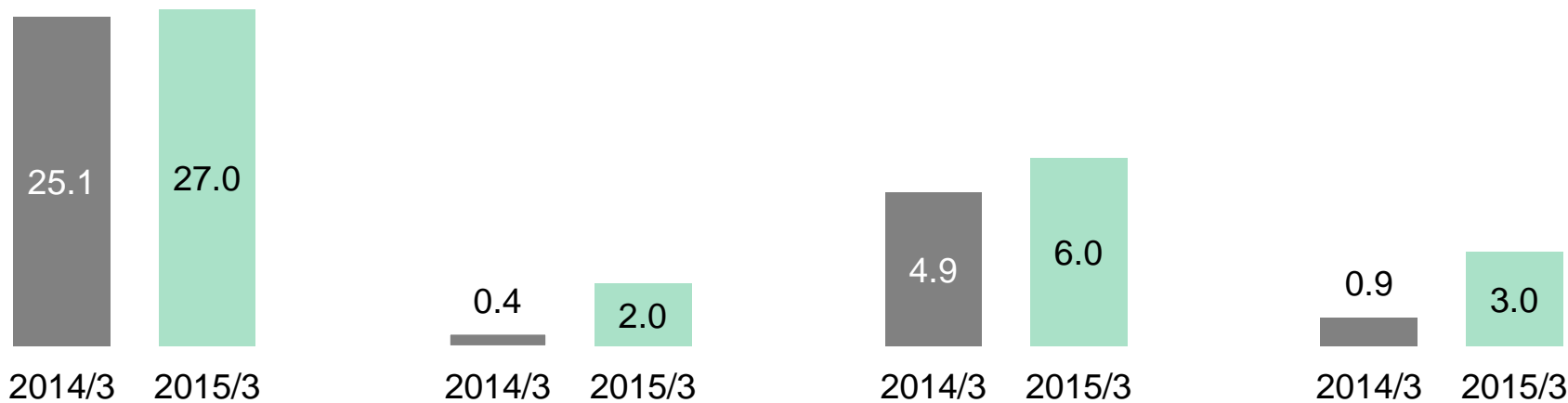
NEXT TOYO 2015

Billion yen

Net sales New orders Gross profit rate Operating income rate



Gross profit Operating income Ordinary income Net income



-Reference- Historical data

NEXT TOYO 2015

		2013/3	2013/9	2014/3	2014/9	Forecast 2015/3
Net sales	Billion yen	228.7	110.9	230.1	132.5	310.0
Gross profit	Billion yen	24.2	6.6	25.1	11.9	27.0
Gross profit rate	%	10.6%	6.0%	10.9%	9.0%	8.7%
Operating income	Billion yen	1.5	(4.4)	0.4	0.1	2.0
Operating income rate	%	0.7%	-4.0%	0.2%	0.1%	0.6%
Ordinary income	Billion yen	4.0	(2.3)	4.9	2.6	6.0
Net income	Billion yen	1.4	(3.6)	0.9	1.2	3.0
Comprehensive income	Billion yen	3.1	(2.8)	4.0	(2.4)	
Interest bearing debt	Billion yen	40.0	37.9	44.7	40.0	
Interest bearing debt ratio	%	16.7%	16.0%	17.4%	16.2%	
Net debt	Billion yen	(31.5)	(40.8)	(52.1)	(46.6)	
Debt equity ratio	Times	0.58	0.58	0.61	0.58	
Equity ratio	%	28.9%	27.7%	28.5%	27.8%	
Operating activities CF	Billion yen	(18.9)	9.9	21.2	(1.7)	
Investing activities CF	Billion yen	(1.5)	(0.7)	(1.6)	(1.8)	
Financing activities CF	Billion yen	(0.5)	(3.0)	3.1	(5.8)	
New orders	Billion yen	290.4	170.6	365.1	352.6	500.0
Backlog of contracts	Billion yen	410.4	450.2	538.0	763.2	730.0
Dividends per share (Non-consolidated)	yen	(Annual) 5.0	(Interim) 0.0	(Annual) 3.0	(Interim) 4.0	(Annual) 8.0



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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.