



OUTLINE OF FINANCIAL RESULTS

Fiscal year ended March 2016

May 13, 2016
Toyo Engineering Corporation

Contents

Outline of income statement

Performance summary	3
Income statement,	5
Net sales	6
Gross profit	8
Operating, Ordinary income & Profit	9

Financial position

Balance sheet	10
Interest bearing debt balance	11
Cash flows	12

New orders

New orders	13
Backlog of contracts	15

Forecast

17

-Reference-

Historical data	19
-----------------	----

Performance summary

- ◆ Decreased in revenue but increased in profit compared with the last fiscal year.
- ◆ Operating income : JPY 11.0 billion
Reached 147% of forecast for FY2015.
- ◆ Profit : JPY 3.0 billion
Same as forecast for FY2015.
- ◆ New orders : JPY 443.5 billion
Reached 134% of target for FY2015.
- ◆ Comfortable cash position.

Performance summary

Billion yen

	2015/3	2016/3	Difference	Forecast 2016/3 as of Nov 13, 2015	Difference	Achievement
Net sales	311.4	299.8	(11.6)	330.0	(30.2)	91%
Gross profit	17.2	30.5	13.3	30.0	0.5	102%
Gross profit rate	5.5%	10.2%	4.7%	9.1%	1.1%	
Operating income	(7.3)	11.0	18.3	7.5	3.5	147%
Operating income rate	-2.4%	3.7%	6.1%	2.3%	1.4%	
Ordinary income	(25.2)	3.8	29.0	5.5	(1.7)	69%
Profit attributable to owners of parent	(20.9)	3.0	23.9	3.0	0.0	100%
New orders	470.3	443.5	(26.8)	330.0	113.5	134%
Dividends per share (yen)	¥4	¥4	¥0	¥4	¥0	100%

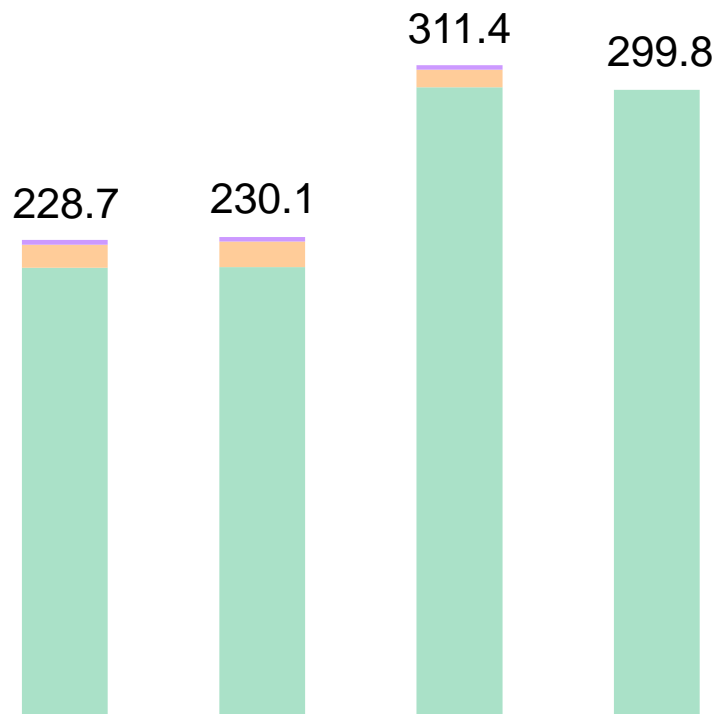
Income statement

Billion yen

	2015/3		2016/3		Difference	Forecast	
	Billion yen	%	Billion yen	%		2016/3 as of Nov 13, 2015	Difference
Net sales	311.4	100.0	299.8	100.0	(11.6)	330.0	(30.2)
Cost of sales	294.2	94.5	269.2	89.8	25.0		
Gross profit	17.2	5.5	30.5	10.2	13.3	30.0	0.5
Selling, general and administrative expenses	24.5	7.9	19.4	6.5	5.1		
Operating income	(7.3)	(2.4)	11.0	3.7	18.3	7.5	3.5
Total non-operating income and expenses	(17.9)	(5.8)	(7.2)	(2.4)	10.7		
Ordinary income	(25.2)	(8.1)	3.8	1.3	29.0	5.5	(1.7)
Total extraordinary gain and loss	3.2	1.1	4.8	1.6	1.6		
Income before income taxes	(21.9)	(7.1)	8.6	2.9	30.5		
Income taxes	(1.0)	(0.3)	5.6	1.9	(6.6)		
Profit	(20.9)	(6.7)	3.0	1.0	23.9		
Profit attributable to non-controlling interests	0.0	0.0	(0.0)	(0.0)	0.0		
Profit attributable to owners of parent	(20.9)	(6.7)	3.0	1.0	23.9	3.0	0.0

Net sales

Billion yen



	2013/3	2014/3	2015/3	2016/3
EPC	215.5	215.9	301.0	299.8
IT	11.0	12.1	8.4	-
Real estate	2.2	2.1	2.0	-
Total	228.7	230.1	311.4	299.8

Compared with the last fiscal year

	2015/3	2016/3	Difference	
EPC	301.0	299.8	(1.2)	-0%
IT	8.4	-	(8.4)	-
Real estate	2.0	-	(2.0)	-
Total	311.4	299.8	(11.6)	-4%

	2015/3	2016/3	Difference
Japan	40.9	49.9	9.0
%	13%	17%	4%
Overseas	270.5	249.9	(20.6)
%	87%	83%	-4%
Total	311.4	299.8	(11.6)

Compared with forecast

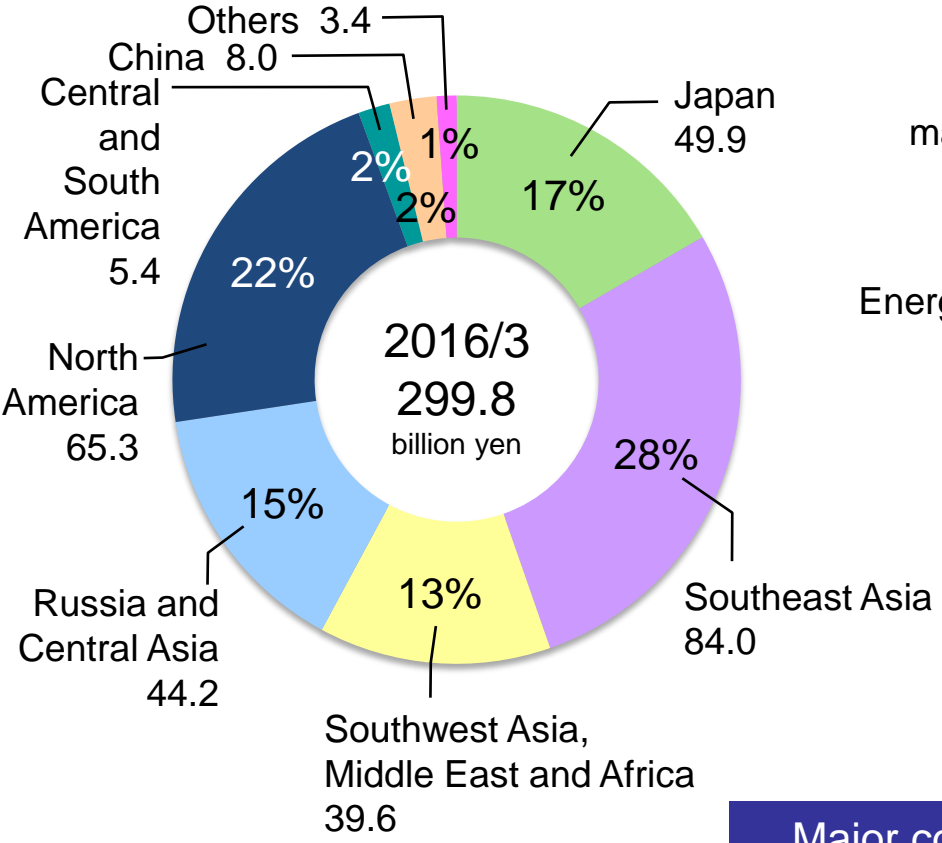
	2016/3 Forecast	2016/3 Result	Difference	Achievement
EPC	330.0	299.8	(30.2)	91%

*EPC: Engineering, Procurement, Construction

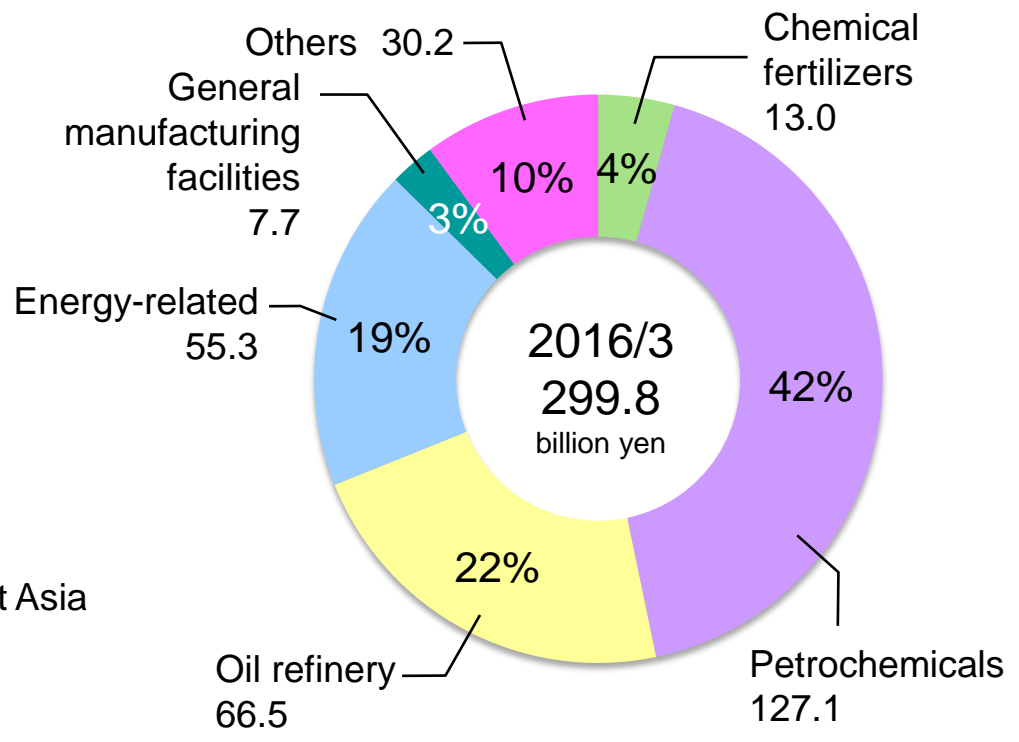
Net sales

Billion yen

Breakdown by region



Breakdown by product

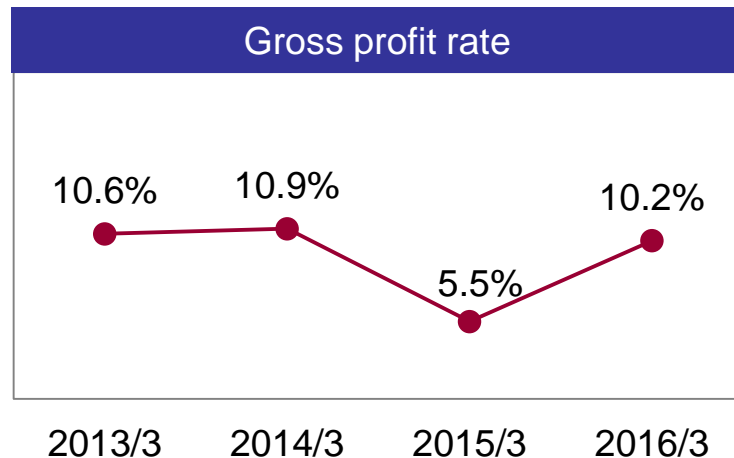
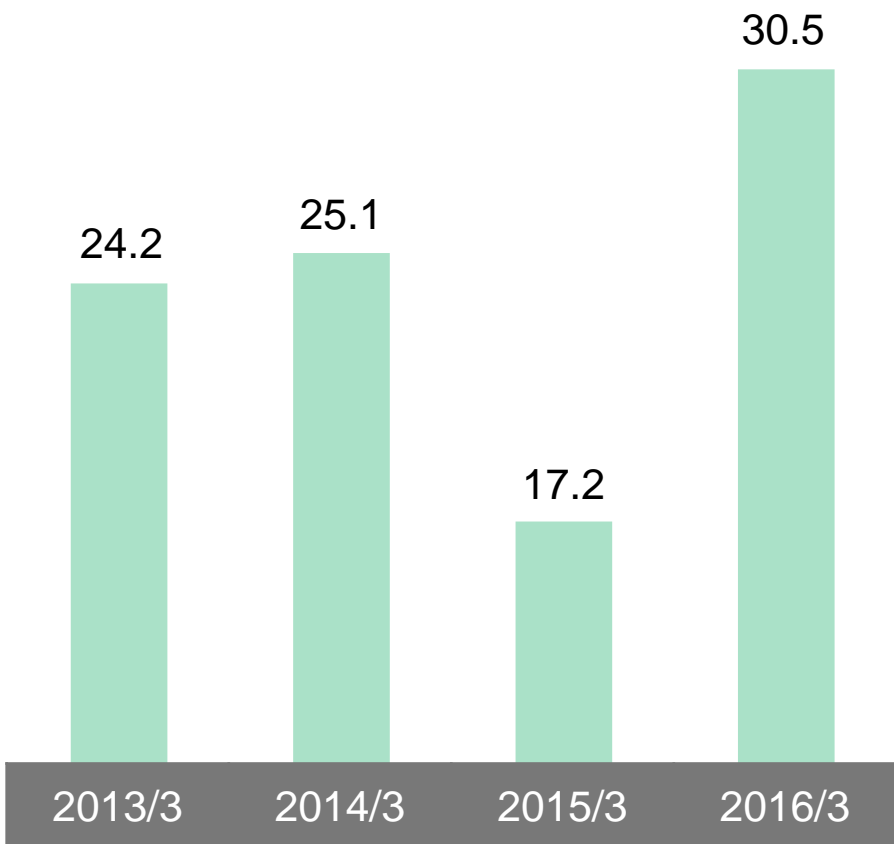


Major contracts

Over 50 billion yen	Over 30 billion yen	Over 10 billion yen
Oil refinery, CANADA	Petrochemical, MALAYSIA	Petrochemical, TURKMENISTAN
		Energy-related, THAILAND
		Petrochemical, INDONESIA
		Oil refinery, RUSSIA
		Energy-related, INDIA
		Energy-related, JAPAN

Gross profit

Billion yen



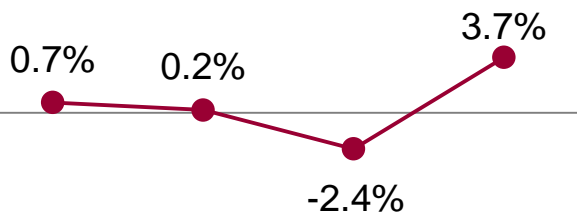
Compared with the last fiscal year			
2015/3	2016/3	Difference	
17.2	30.5	13.3	77%

Compared with forecast			
2016/3 Forecast	2016/3 Result	Difference	Achievement
30.0	30.5	0.5	102%

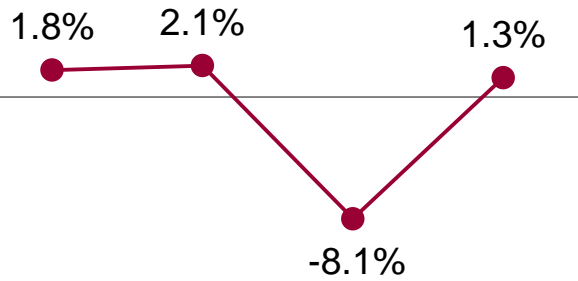
Operating, Ordinary income & Profit

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

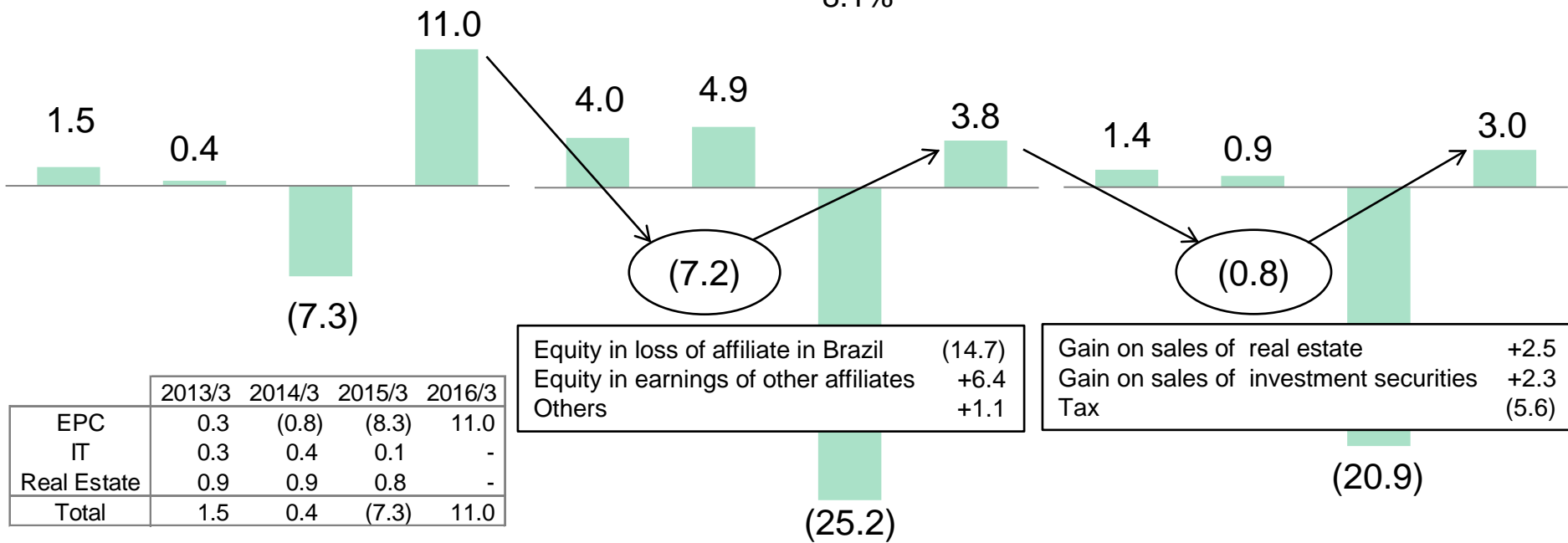
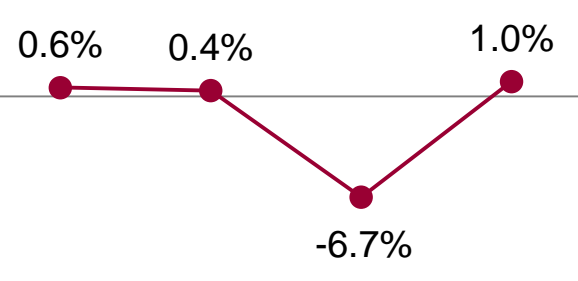
Operating income



Ordinary income



Profit attributable to owners of parent



	2013/3	2014/3	2015/3	2016/3
EPC	0.3	(0.8)	(8.3)	11.0
IT	0.3	0.4	0.1	-
Real Estate	0.9	0.9	0.8	-
Total	1.5	0.4	(7.3)	11.0

2013/3 2014/3 2015/3 2016/3

2013/3 2014/3 2015/3 2016/3

2013/3 2014/3 2015/3 2016/3

Balance sheet

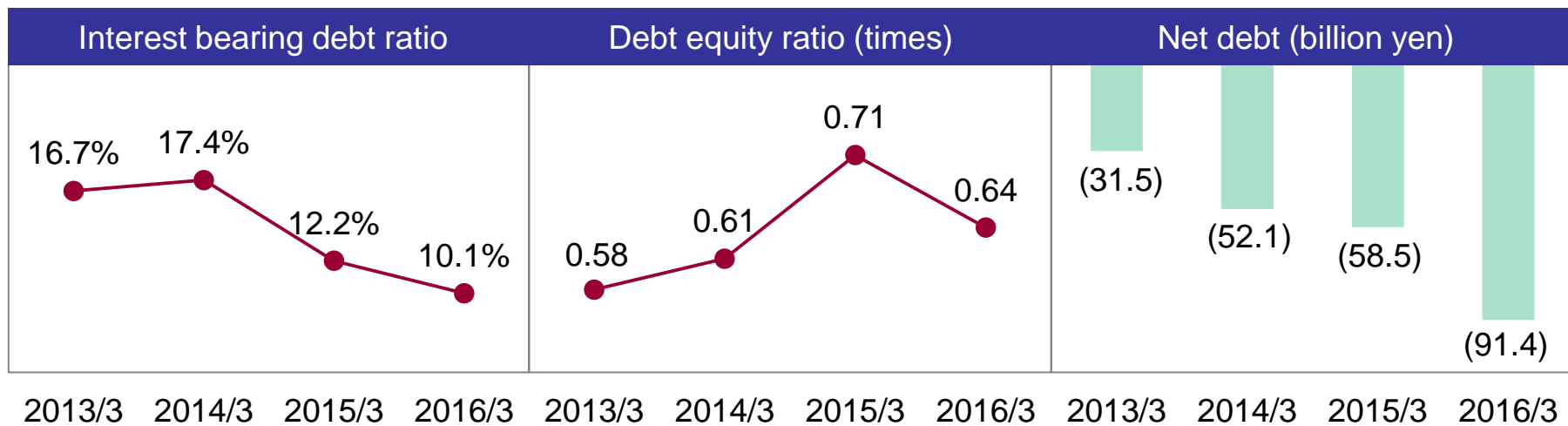
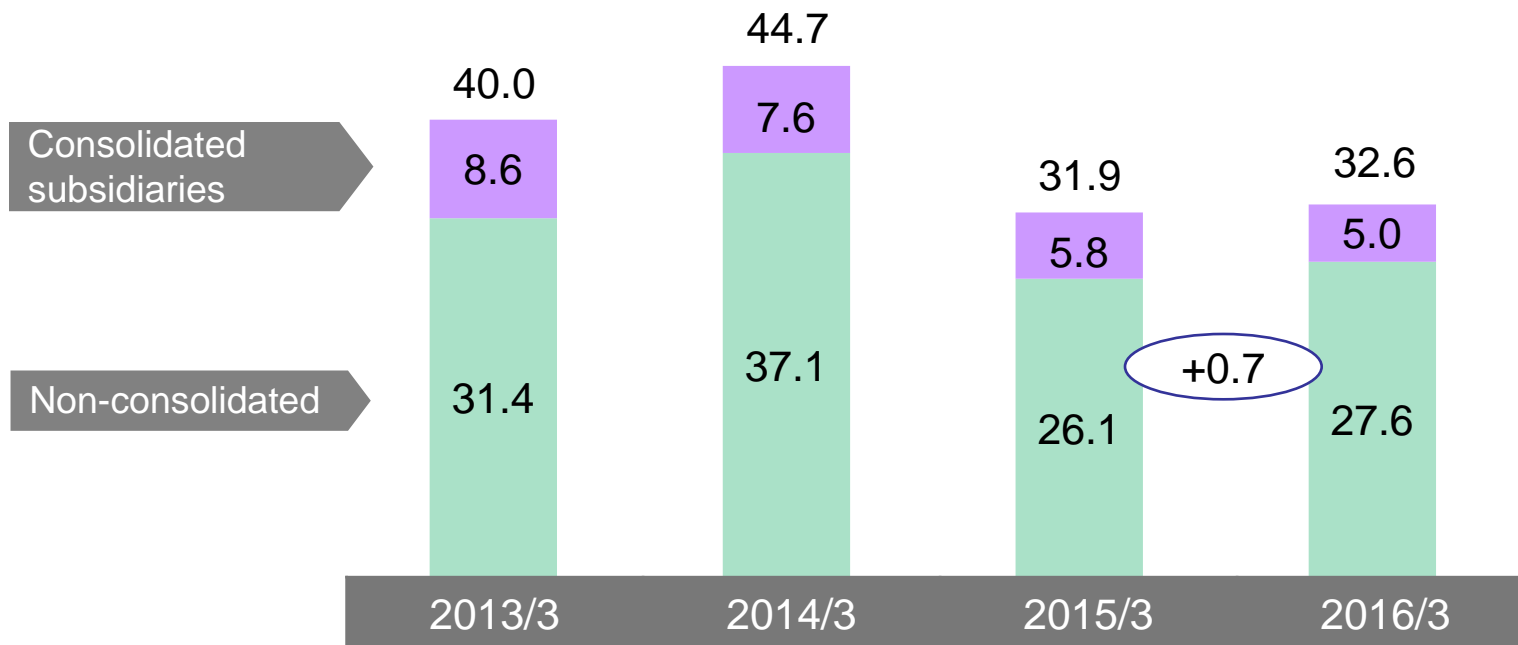
Billion yen

Assets	2015/3	2016/3	Difference
Current assets	214.5	279.8	65.3
Cash and deposits	90.7	126.8	36.1
Marketable securities	2.3	0.9	(1.4)
Other current assets	25.1	19.3	(5.8)
<Operating assets>			
Notes and accounts receivable	62.5	78.2	15.7
Work in progress	33.7	54.4	20.7
Noncurrent assets	47.0	41.9	(5.1)
Property, plant and equipment	16.2	12.9	(3.3)
Intangible assets	2.1	1.8	(0.3)
Investments and other assets	28.6	27.0	(1.6)
Total assets	261.6	321.8	60.2

Liabilities and net assets	2015/3	2016/3	Difference
Current liabilities	170.4	233.9	63.5
Short-term interest bearing debt	8.2	13.8	5.6
Other current liabilities	31.9	21.4	(10.5)
<Operating liabilities>			
Notes and accounts payable	86.0	85.6	(0.4)
Advance receipts on uncompleted contracts	44.2	112.9	68.7
Noncurrent liabilities	46.1	36.8	(9.3)
Long-term interest bearing debt	23.7	18.8	(4.9)
Other noncurrent liabilities	22.4	18.0	(4.4)
Net assets	44.9	51.0	6.1
Shareholder's equity	46.2	46.8	0.6
Accumulated other comprehensive income	(1.3)	4.1	5.4
Non-controlling interests	0.0	0.0	(0.0)
Total liabilities and net assets	261.6	321.8	60.2

Interest bearing debt balance

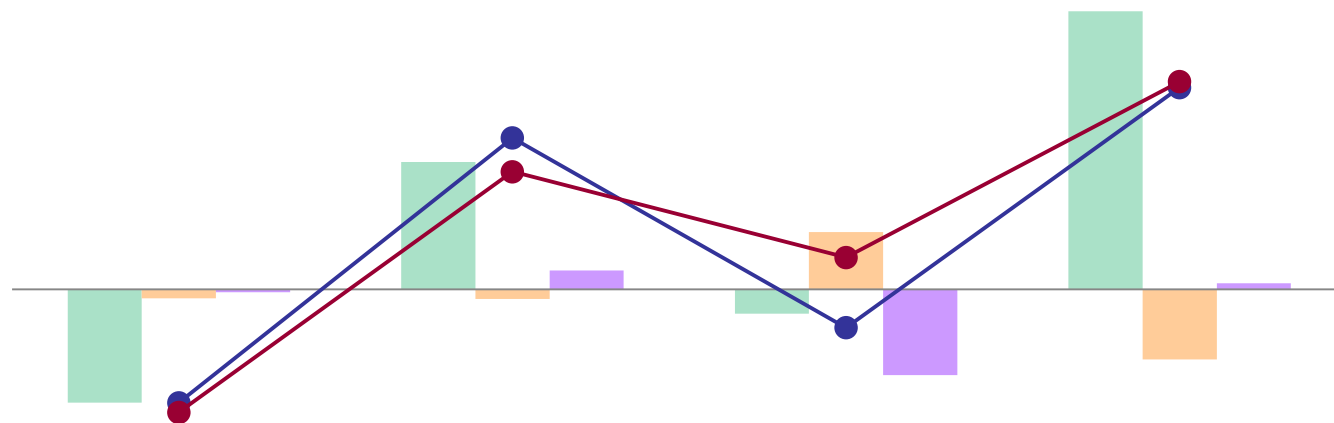
Billion yen



Cash flows

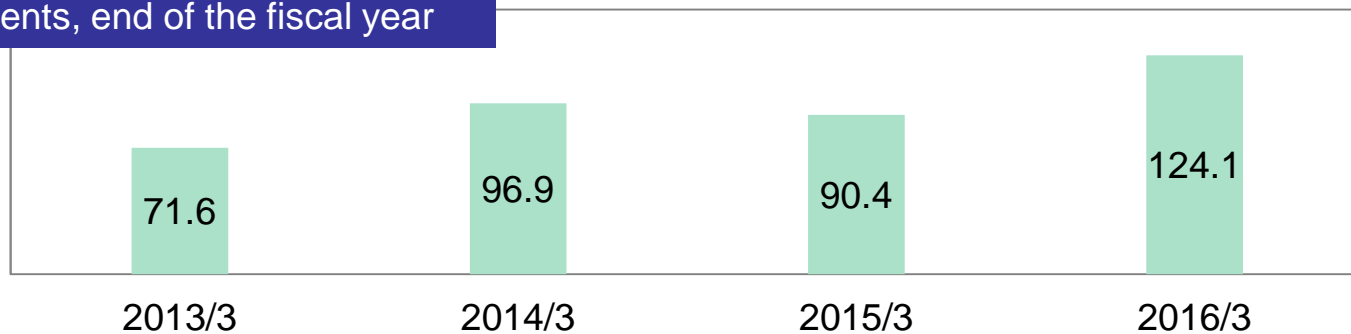
Billion yen

Cash flows



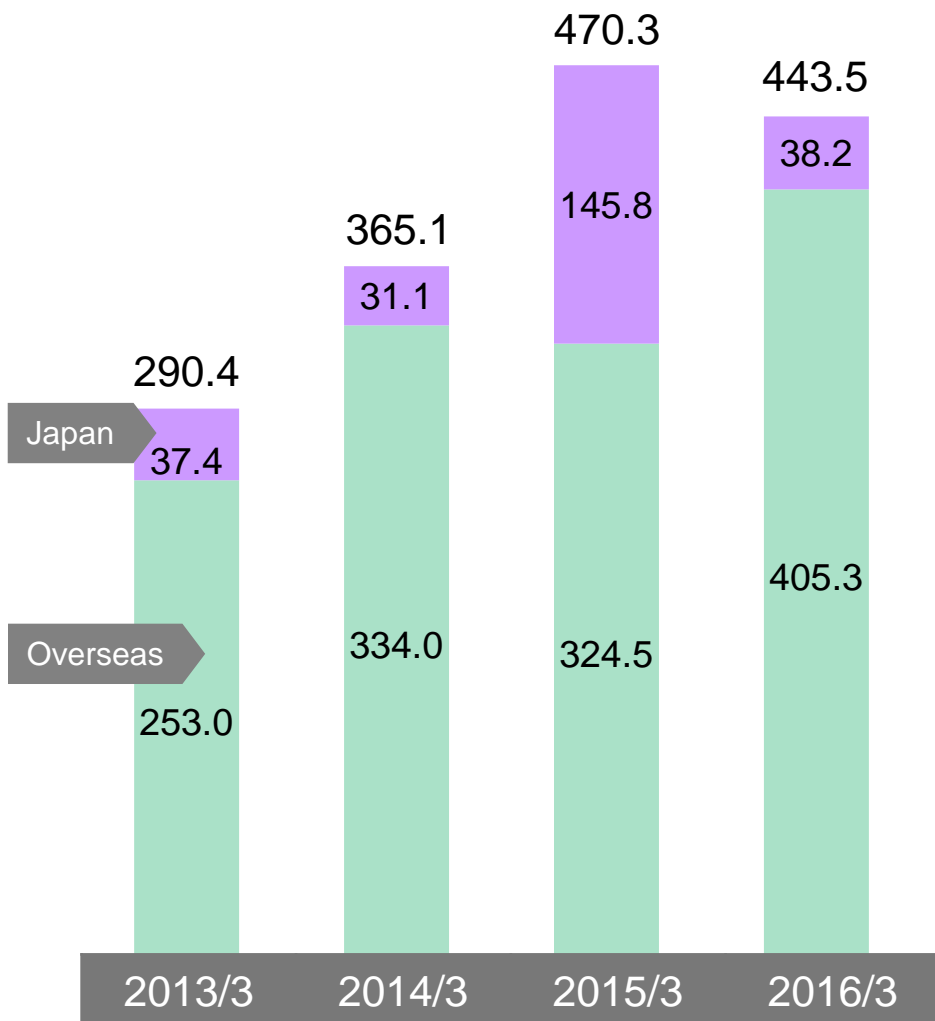
	2013/3	2014/3	2015/3	2016/3
Operating activities	(18.9)	21.2	(4.1)	46.3
Investing activities	(1.5)	(1.6)	9.5	(11.7)
Financing activities	(0.5)	3.1	(14.3)	1.0
Net increase/decrease in cash	(18.9)	25.2	(6.4)	33.6
Free cash flow	(20.5)	19.6	5.3	34.6

Cash and cash equivalents, end of the fiscal year



New orders

Billion yen



2016/3 New orders : 443.5 billion yen

Major contracts

Over 100 billions of yen

Petrochemical, USA

Over 50 billions of yen

Energy-related, THAILAND
Chemical fertilizer, INDIA

Over 10 billions of yen

Petrochemical, INDONESIA
Energy-related, JAPAN

Breakdown by consolidated companies

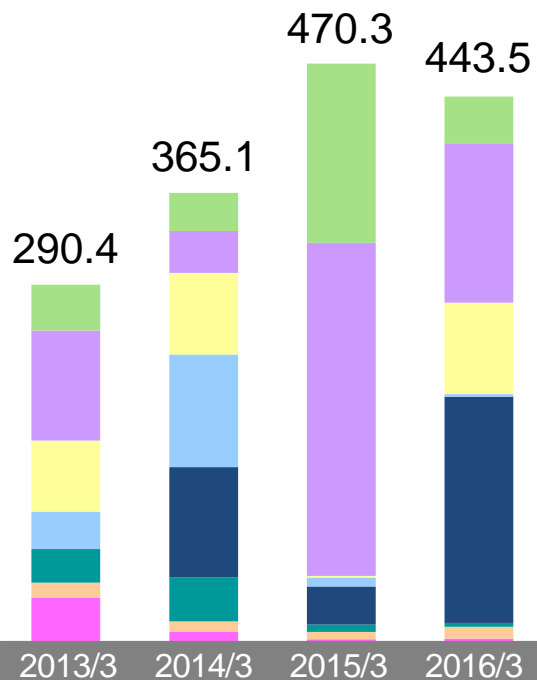
Toyo Engineering Corp.	188.0	42%
Japan subsidiaries	12.2	3%
Overseas subsidiaries	243.3	55%
Total	443.5	100%

Compared with target

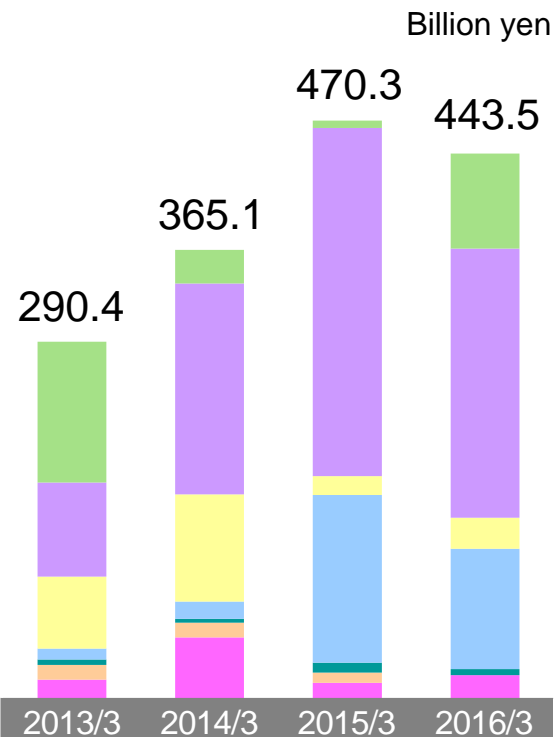
2016/3		Difference	Achievement
Target	Result		
330.0	443.5	113.5	134%

New orders

Breakdown by region



Breakdown by product



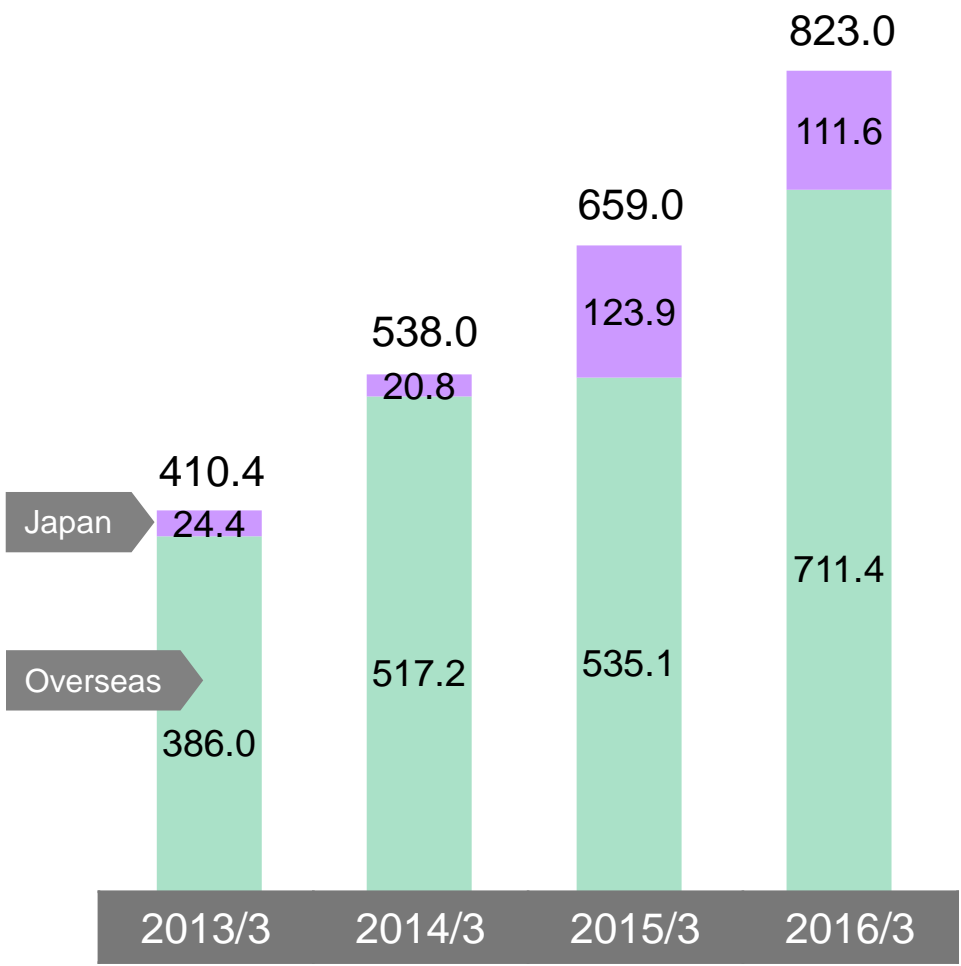
	2013/3	2014/3	2015/3	2016/3
Japan	37.4	31.1	145.8	38.2
Southeast Asia	89.5	34.1	271.2	129.6
Southwest Asia, Middle East and Africa	58.0	66.5	1.3	74.4
Russia and Central Asia	30.3	91.5	7.2	2.3
North America *		90.0	31.0	184.1
Central and South America	27.4	35.6	6.2	3.1
China	12.3	8.4	6.0	9.7
Others	35.5	7.9	1.6	2.1
Total	290.4	365.1	470.3	443.5

	2013/3	2014/3	2015/3	2016/3
Chemical fertilizers	114.7	27.3	6.1	77.4
Petrochemicals	76.6	171.7	283.2	219.1
Oil refinery	58.7	87.3	15.5	25.3
Energy-related	8.7	14.0	136.4	97.8
General manufacturing facilities	4.5	3.1	8.2	5.1
IT	11.9	12.1	8.3	-
Others	15.3	49.6	12.6	18.8
Total	290.4	365.1	470.3	443.5

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

Backlog of contracts

Billion yen



2016/3 Backlog of contracts 823.0 billion yen

Major contracts

Over 100 billions of yen

- Petrochemical, MALAYSIA
- Petrochemical, USA

Over 50 billions of yen

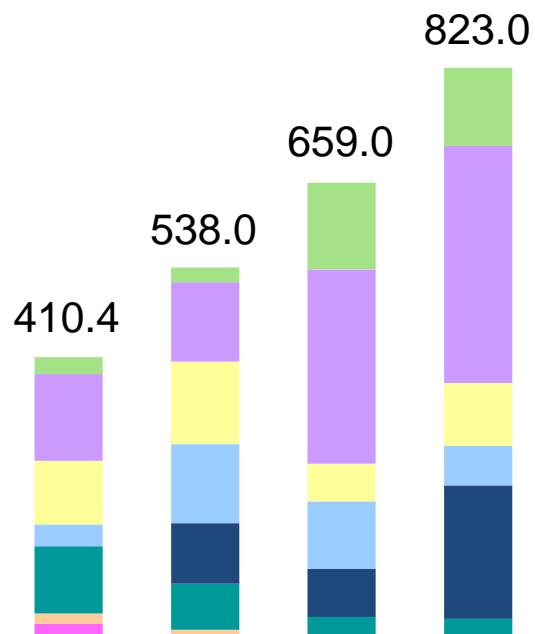
- Chemical fertilizer, INDIA
- Energy-related, THAILAND
- Energy-related, JAPAN
- Petrochemical, TURKMENISTAN

Over 20 billions of yen

- Petrochemical, INDONESIA
- Petrochemical, USA
- Energy-related, JAPAN

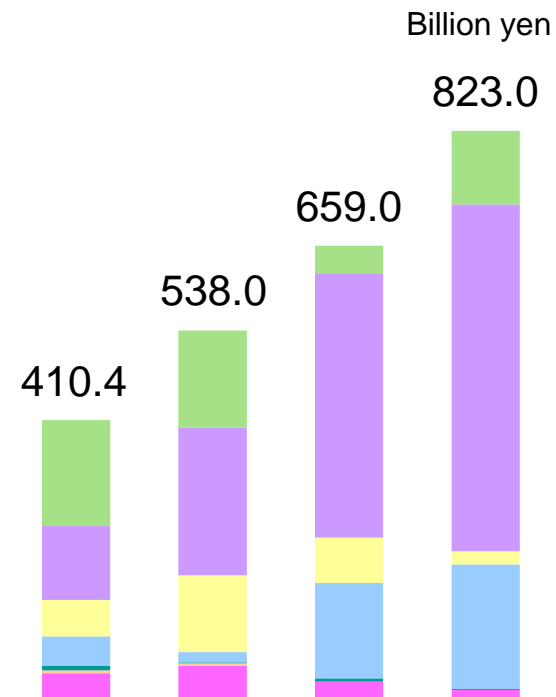
Backlog of contracts

Breakdown by region



	2013/3	2014/3	2015/3	2016/3
Japan	24.4	20.8	123.9	111.6
Southeast Asia	123.7	113.4	276.8	338.4
Southwest Asia, Middle East and Africa	90.6	117.8	54.0	89.2
Russia and Central Asia	31.3	112.9	96.3	56.7
North America *		86.0	68.6	190.1
Central and South America	96.0	65.9	31.6	29.2
China	14.3	8.3	4.6	5.9
Others	30.1	12.9	3.2	1.9
Total	410.4	538.0	659.0	823.0

Breakdown by product



	2013/3	2014/3	2015/3	2016/3
Chemical fertilizers	151.3	138.6	39.5	105.1
Petrochemicals	105.5	210.8	376.6	494.7
Oil refinery	51.8	109.1	65.2	18.7
Energy-related	41.5	14.9	135.8	177.4
General manufacturing facilities	7.2	1.1	4.4	1.7
IT	4.0	3.9	-	-
Others	49.1	59.6	37.5	25.4
Total	410.4	538.0	659.0	823.0

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

Forecast

Billion yen

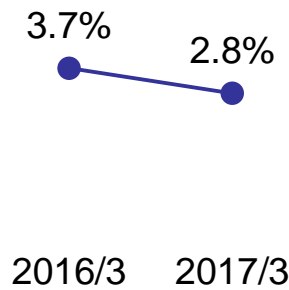
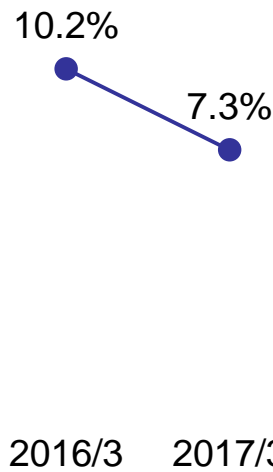
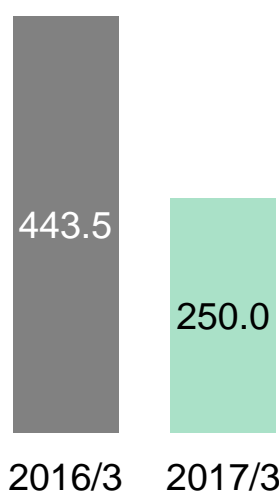
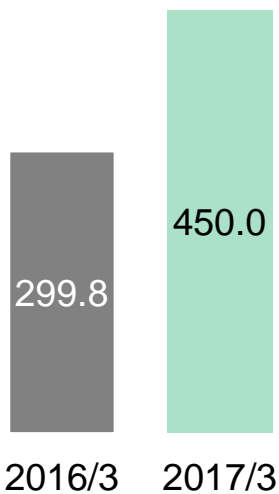
	2016/3	Forecast 2017/3
Net sales	299.8	450.0
Gross profit	30.5	33.0
Gross profit rate	10.2%	7.3%
Operating income	11.0	12.5
Operating income rate	3.7%	2.8%
Ordinary income	3.8	10.5
Profit attributable to owners of parent	3.0	5.0
New orders	443.5	250.0
Dividends per share (yen)	¥4	¥6

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

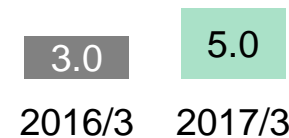
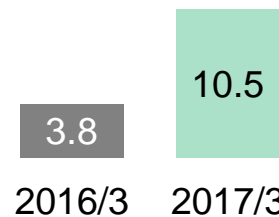
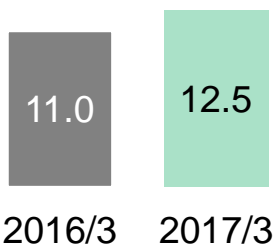
Forecast

Billion yen

Net sales New orders Gross profit rate Operating income rate



Gross profit Operating income Ordinary income Profit attributable to owners of parent



-Reference- Historical data

		2013/3	2014/3	2015/3	2016/3	Forecast 2017/3
Net sales	Billion yen	228.7	230.1	311.4	299.8	450.0
Gross profit	Billion yen	24.2	25.1	17.2	30.5	33.0
Gross profit rate	%	10.6%	10.9%	5.5%	10.2%	7.3%
Operating income	Billion yen	1.5	0.4	(7.3)	11.0	12.5
Operating income rate	%	0.7%	0.2%	-2.4%	3.7%	2.8%
Ordinary income	Billion yen	4.0	4.9	(25.2)	3.8	10.5
Profit attributable to owners of parent	Billion yen	1.4	0.9	(20.9)	3.0	5.0
Comprehensive income	Billion yen	3.1	4.0	(25.5)	8.4	
Interest bearing debt	Billion yen	40.0	44.7	31.9	32.6	
Interest bearing debt ratio	%	16.7%	17.4%	12.2%	10.1%	
Net debt	Billion yen	(31.5)	(52.1)	(58.5)	(91.4)	
Debt equity ratio	Times	0.58	0.61	0.71	0.64	
Equity ratio	%	28.9%	28.5%	17.2%	15.8%	
Operating activities CF	Billion yen	(18.9)	21.2	(4.1)	46.3	
Investing activities CF	Billion yen	(1.5)	(1.6)	9.5	(11.7)	
Financing activities CF	Billion yen	(0.5)	3.1	(14.3)	1.0	
New orders	Billion yen	290.4	365.1	470.3	443.5	250.0
Backlog of contracts	Billion yen	410.4	538.0	659.0	823.0	623.0
Dividends per share	Yen	5.0	3.0	4.0	4.0	6.0



Toyo Engineering Corporation

URL <http://www.toyo-eng.com>

For further questions on this material, please contact:

Kenji SATO

General Manager

Corporate Communications Division

2-8-1 Akanehama, Narashino, Chiba, Japan 275-0024

TEL +81-47-454-1681

E-mail ir@toyo-eng.com

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.