



OUTLINE OF FINANCIAL RESULTS

Second quarter of
fiscal year ending March 2016

November 13, 2015
Toyo Engineering Corporation

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Performance summary

- ◆ Revenue and profit increased compared with the same period of the previous year.
- ◆ New orders : JPY 312.0 billion
Reached 95% of target for FY2015.
- ◆ Current forecast for FY2015 :
Operating & ordinary income :
Increase from initial plan
Profit : Same as initial plan.
- ◆ Comfortable cash position.

Performance summary

Billion yen

	2014/9	2015/9	Difference	Forecast 2016/3 as of Nov 13, 2015	Progress
Net sales	132.5	150.5	18.0	330.0	46%
Gross profit	11.9	14.1	2.2	30.0	47%
Gross profit rate	9.0%	9.4%	0.4%	9.1%	
Operating income	0.1	4.4	4.3	7.5	59%
Operating income rate	0.1%	2.9%	2.8%	2.3%	
Ordinary income	2.6	4.2	1.6	5.5	76%
Profit attributable to owners of parent	1.2	1.6	0.4	3.0	53%
New orders	352.6	312.0	(40.6)	330.0	95%
Interim dividends per share (yen)	¥4	¥0	(¥4)	(Annual dividends) ¥4	-

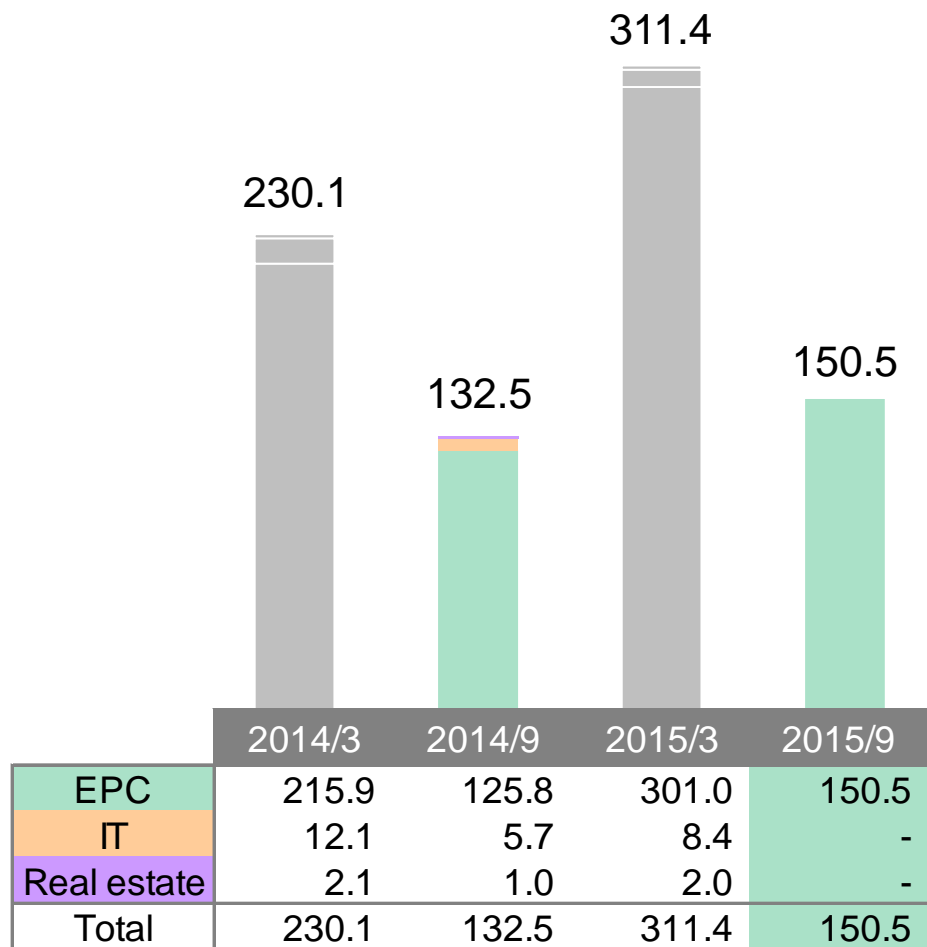
Income statement

Billion yen

	2014/9		2015/9		Difference	Forecast 2016/3 as of Nov 13, 2015	Progress
	Billions of yen	%	Billions of yen	%			
Net sales	132.5	100.0	150.5	100.0	18.0	330.0	46%
Cost of sales	120.6	91.0	136.4	90.6	(15.8)		
Gross profit	11.9	9.0	14.1	9.4	2.2	30.0	47%
Selling, general and administrative expenses	11.8	8.9	9.7	6.5	2.1		
Operating income	0.1	0.1	4.4	2.9	4.3	7.5	59%
Total non-operating income and expenses	2.5	2.0	(0.2)	(0.1)	(2.7)		
Ordinary income	2.6	2.0	4.2	2.8	1.6	5.5	76%
Total extraordinary gain and loss	-	-	-	-	-		
Income before income taxes	2.6	2.0	4.2	2.8	1.6		
Income taxes	1.4	1.1	2.4	1.7	(1.0)		
Profit	1.2	0.9	1.7	1.1	0.5		
Profit attributable to non-controlling interests	0.0	0.0	0.0	0.0	(0.0)		
Profit attributable to owners of parent	1.2	0.9	1.6	1.1	0.4	3.0	53%

Net sales

Billion yen



Compared with the same period of the previous year

	2014/9	2015/9	Difference	
EPC	125.8	150.5	24.7	20%
IT	5.7	-	(5.7)	-
Real estate	1.0	-	(1.0)	-
Total	132.5	150.5	18.0	14%

	2014/9	2015/9	Difference
Japan	16.8	15.7	(1.1)
%	13%	11%	-2%
Overseas	115.7	134.8	19.1
%	87%	89%	2%
Total	132.5	150.5	18.0

Compared with forecast for 2016/3

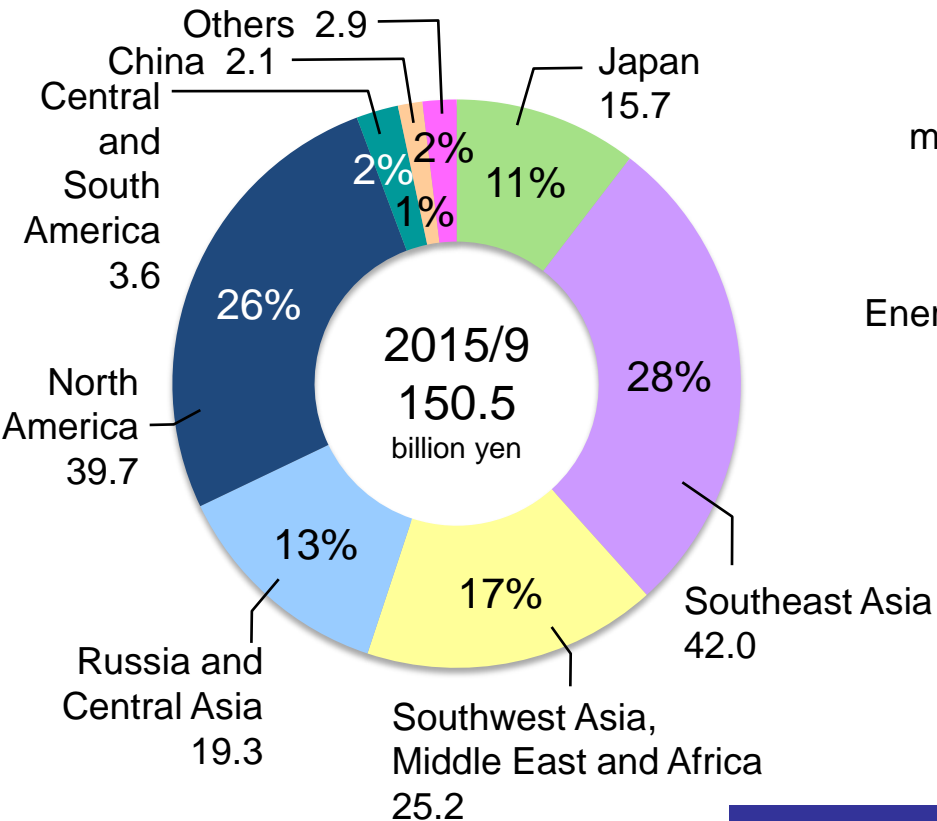
	Forecast 2016/3	Result 2015/9	Difference	Progress
EPC	330.0	150.5	(179.5)	46%

*EPC: Engineering, Procurement, Construction

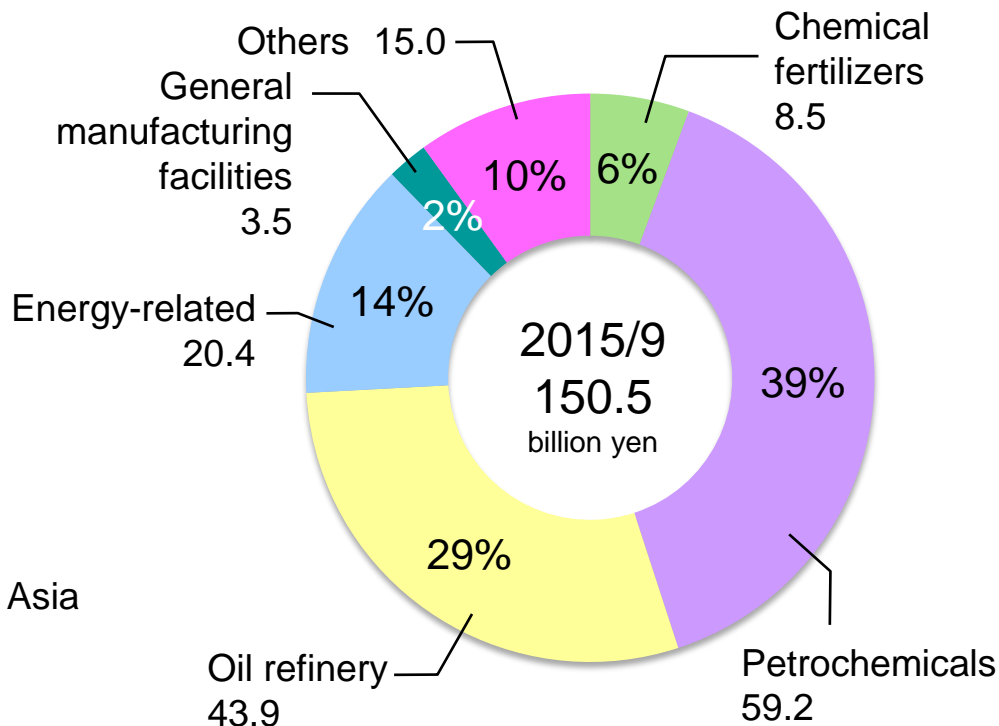
Net sales

Billion yen

Breakdown by region



Breakdown by product



Major contracts

Over 10 billion yen

Petrochemical, MALAYSIA
Oil refinery, CANADA

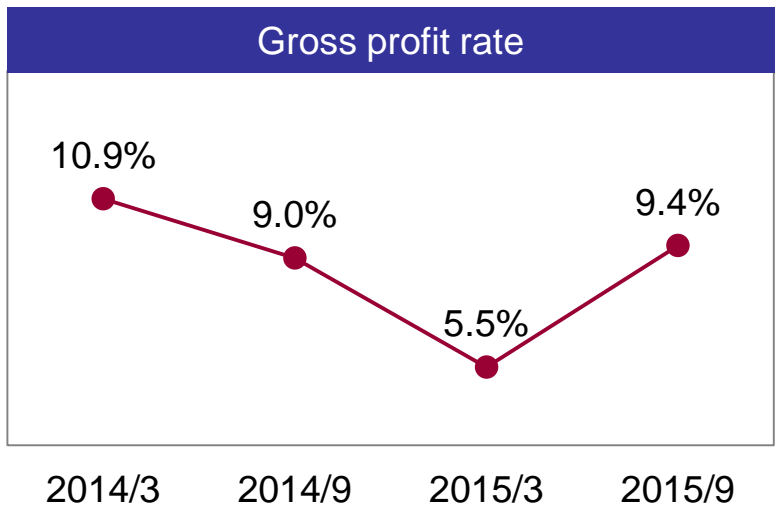
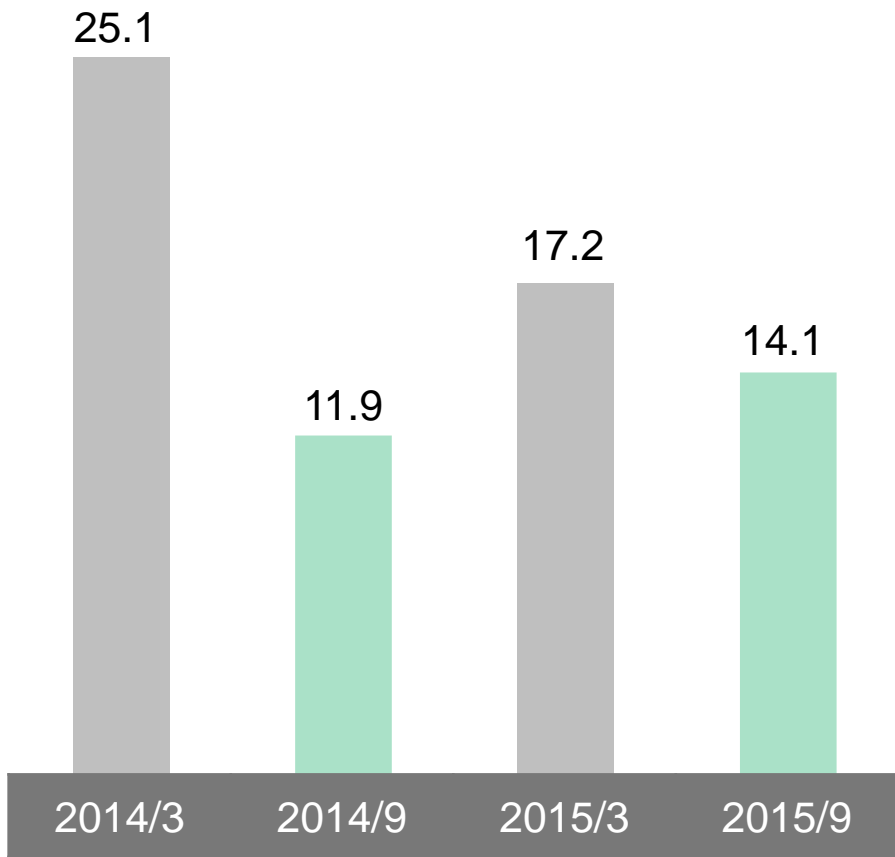
Over 5 billion yen

Petrochemical, INDONESIA
Energy-related, THAILAND
Petrochemical, EGYPT

Petrochemical, TURKMENISTAN
Oil refinery, RUSSIA

Gross profit

Billion yen



Compared with the same period of the previous year

2014/9	2015/9	Difference	
11.9	14.1	2.2	18%

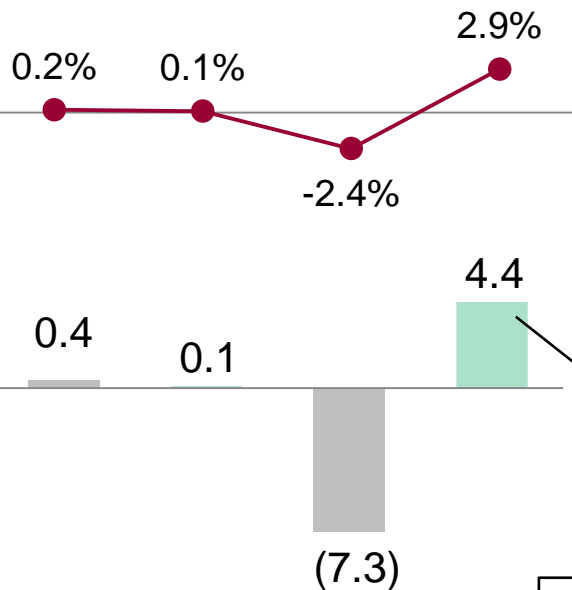
Compared with forecast for 2016/3

Forecast 2016/3	Result 2015/9	Difference	Progress
30.0	14.1	(15.9)	47%

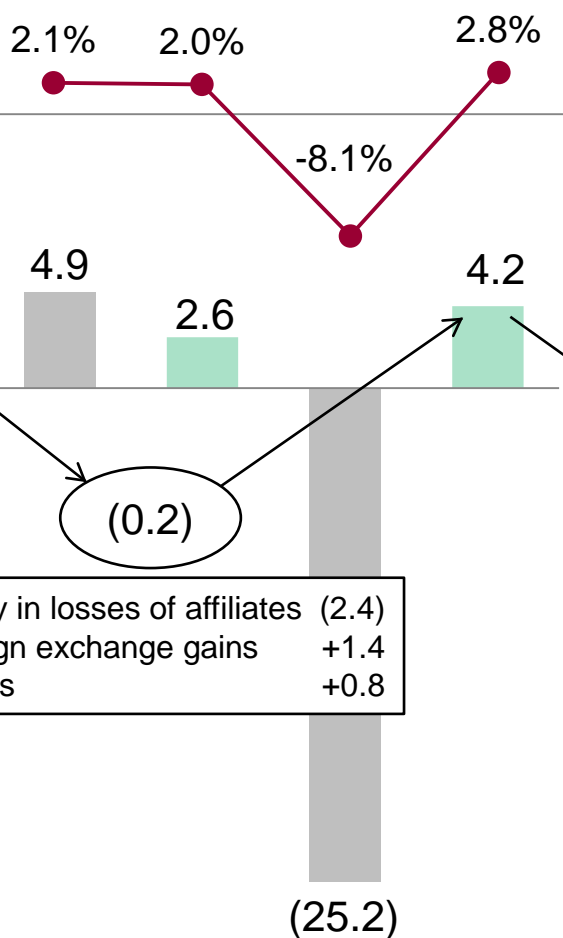
Operating, Ordinary income & Profit

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

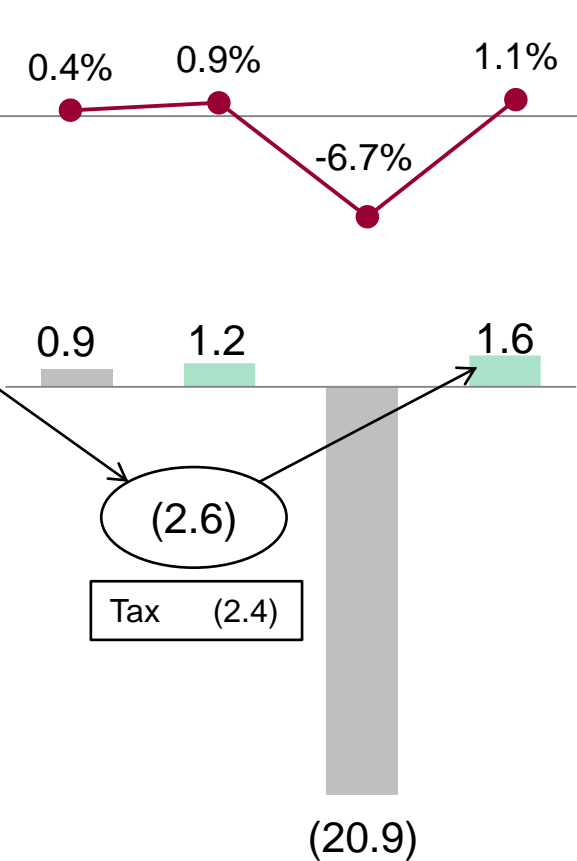
Operating income



Ordinary income



Profit attributable to owners of parent



Equity in losses of affiliates (2.4)
Foreign exchange gains +1.4
Others +0.8

Tax (2.4)

	2014/3	2014/9	2015/3	2015/9
EPC	(0.8)	(0.4)	(8.3)	4.4
IT	0.4	0.1	0.1	-
Real Estate	0.9	0.4	0.8	-
Total	0.4	0.1	(7.3)	4.4

2014/3 2014/9 2015/3 2015/9

2014/3 2014/9 2015/3 2015/9

2014/3 2014/9 2015/3 2015/9

Balance sheet

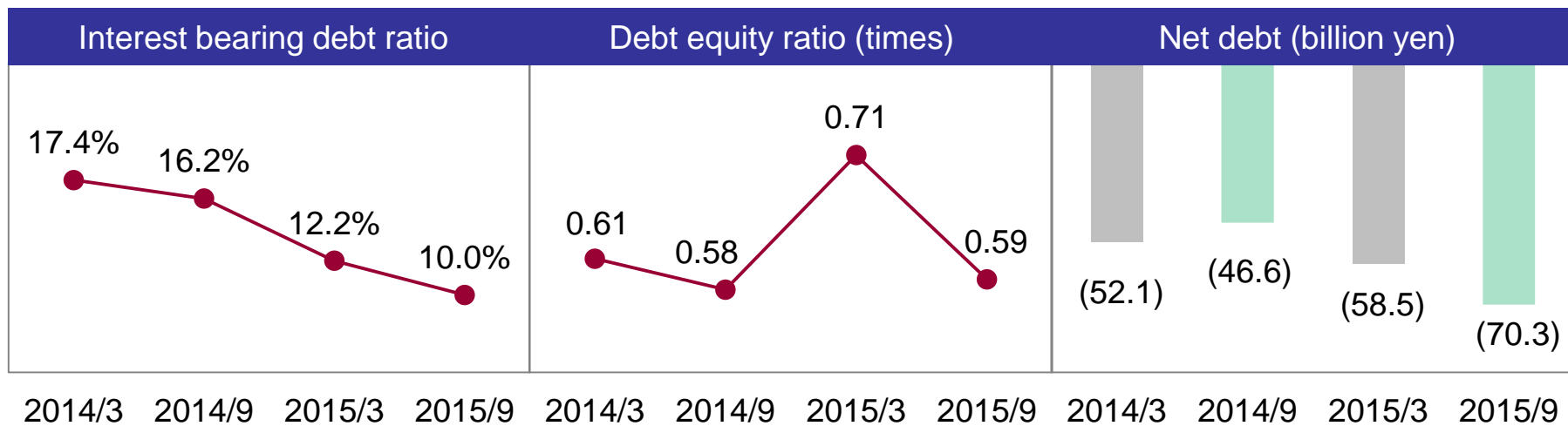
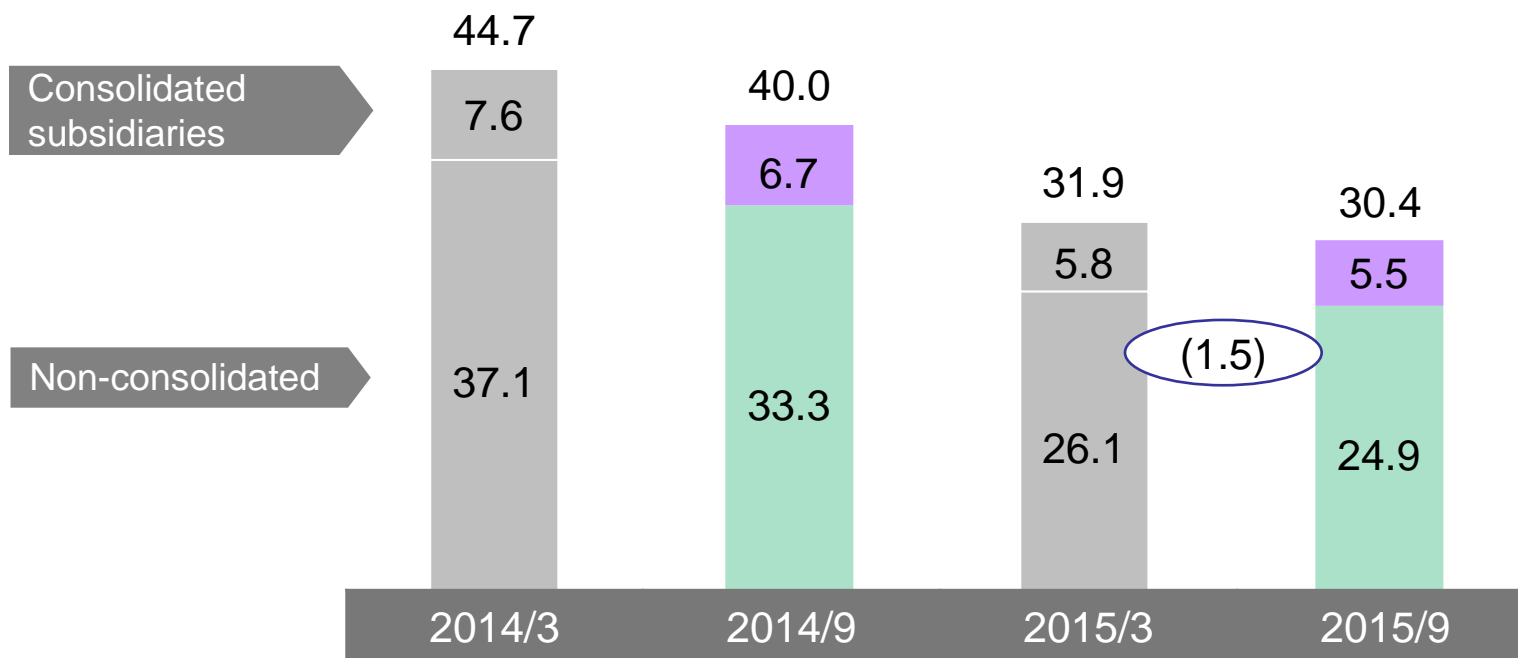
Billion yen

Assets	2015/3	2015/9	Difference
Current assets	214.5	255.9	41.4
Cash and deposits	90.7	104.6	13.9
Marketable securities	2.3	1.1	(1.2)
Other current assets	25.1	25.6	0.5
<Operating assets>			
Notes and accounts receivable	62.5	81.9	19.4
Work in progress	33.7	42.6	8.9
Noncurrent assets	47.0	50.3	3.3
Property, plant and equipment	16.2	15.9	(0.3)
Intangible assets	2.1	2.1	0.0
Investments and other assets	28.6	32.3	3.7
Total assets	261.6	306.3	44.7

Liabilities and net assets	2015/3	2015/9	Difference
Current liabilities	170.4	219.3	48.9
Short-term interest bearing debt	8.2	8.7	0.5
Other current liabilities	31.9	28.6	(3.3)
<Operating liabilities>			
Notes and accounts payable	86.0	98.2	12.2
Advance receipts on uncompleted contracts	44.2	83.7	39.5
Noncurrent liabilities	46.1	35.2	(10.9)
Long-term interest bearing debt	23.7	21.7	(2.0)
Other noncurrent liabilities	22.4	13.4	(9.0)
Net assets	44.9	51.8	6.9
Shareholder's equity	46.2	47.9	1.7
Accumulated other comprehensive income	(1.3)	3.8	5.1
Non-controlling interests	0.0	0.0	0.0
Total liabilities and net assets	261.6	306.3	44.7

Interest bearing debt balance

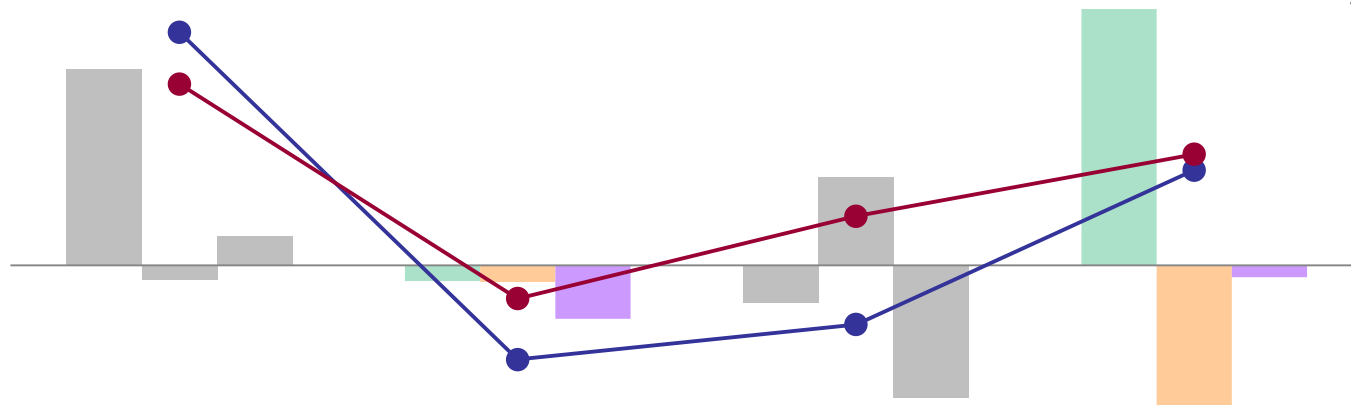
Billion yen



Cash flows

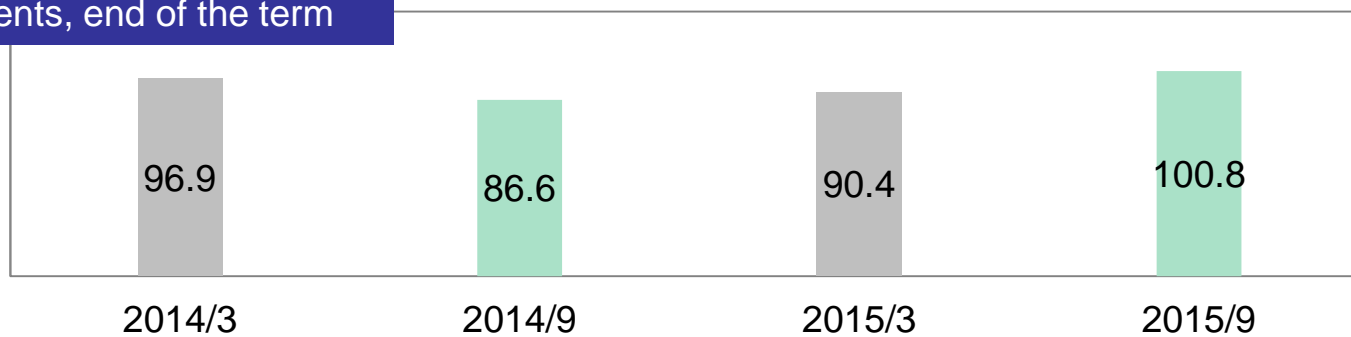
Billion yen

Cash flows



	2013/4~2014/3	2014/4~9	2014/4~2015/3	2015/4~9
Operating activities	21.2	(1.7)	(4.1)	27.7
Investing activities	(1.6)	(1.8)	9.5	(15.6)
Financing activities	3.1	(5.8)	(14.3)	(1.3)
Net increase/decrease in cash	25.2	(10.2)	(6.4)	10.3
Free cash flow	19.6	(3.6)	5.3	12.0

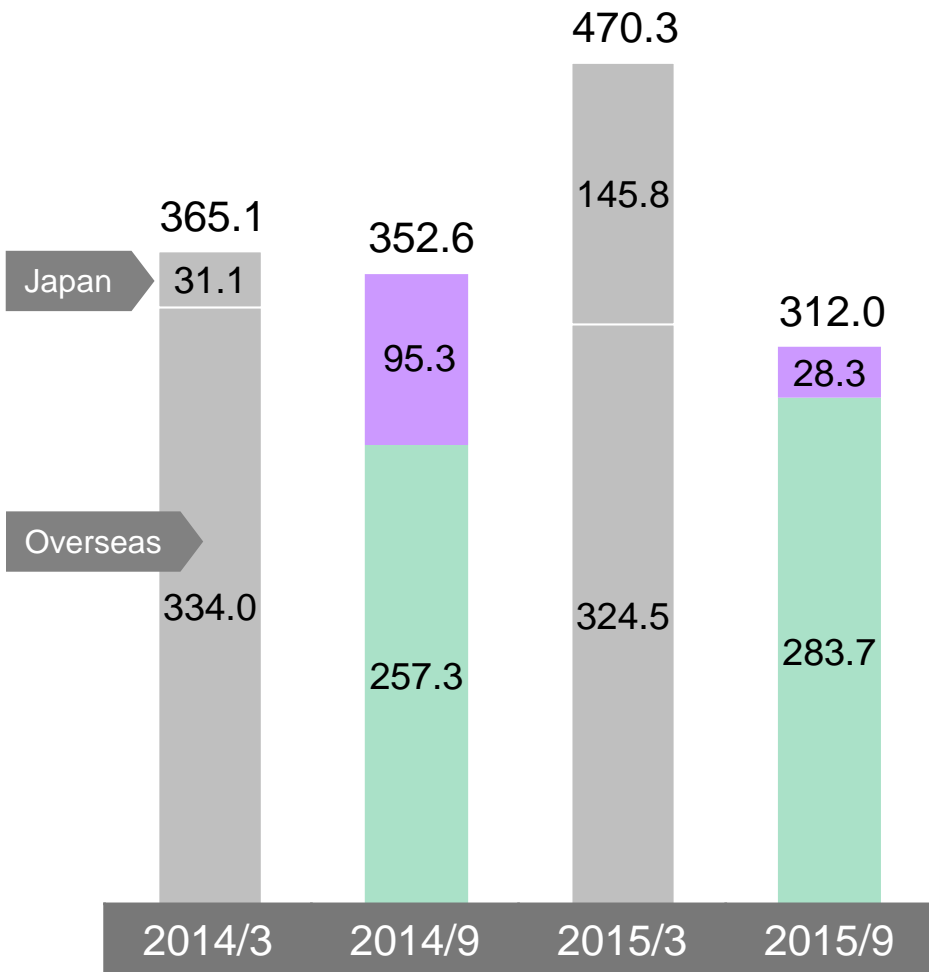
Cash and cash equivalents, end of the term



New orders

Billion yen

2015/9 New orders : 312.0 billion yen



Major contracts

- Over 100 billion yen
 - Petrochemical, USA
- Over 40 billion yen
 - Energy-related, THAILAND
 - Petrochemical, INDONESIA
- Over 10 billion yen
 - Energy-related, JAPAN
 - Others (Traffic), INDONESIA

Breakdown by consolidated companies

Toyo Engineering Corp.	131.8	42%
Domestic subsidiaries	5.6	2%
Overseas subsidiaries	174.6	56%
Total	312.0	100%

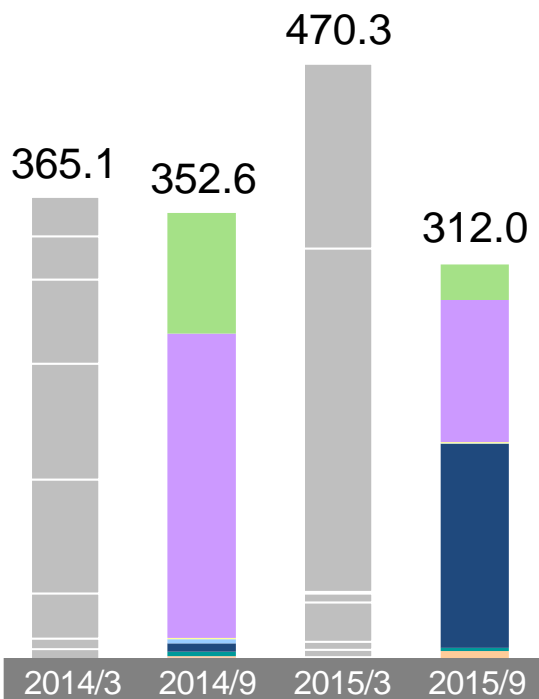
Compared with target for 2016/3

Target 2016/3	Result 2015/9	Difference	Progress
330.0	312.0	(18.0)	95%

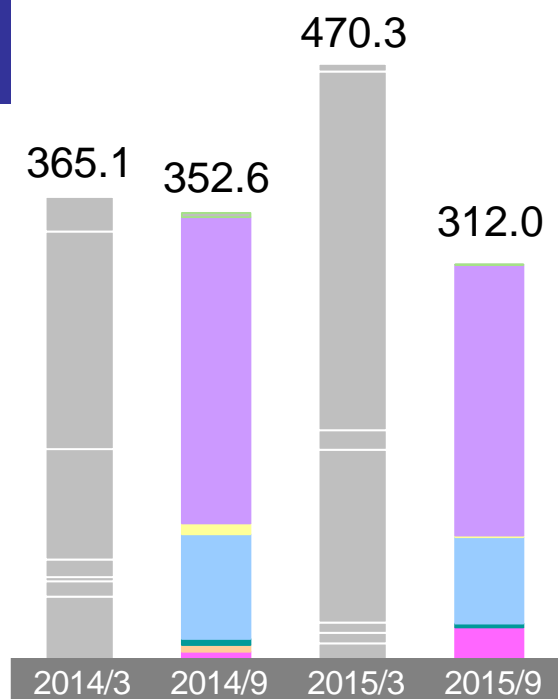
New orders

Billion yen

Breakdown by region



Breakdown by product

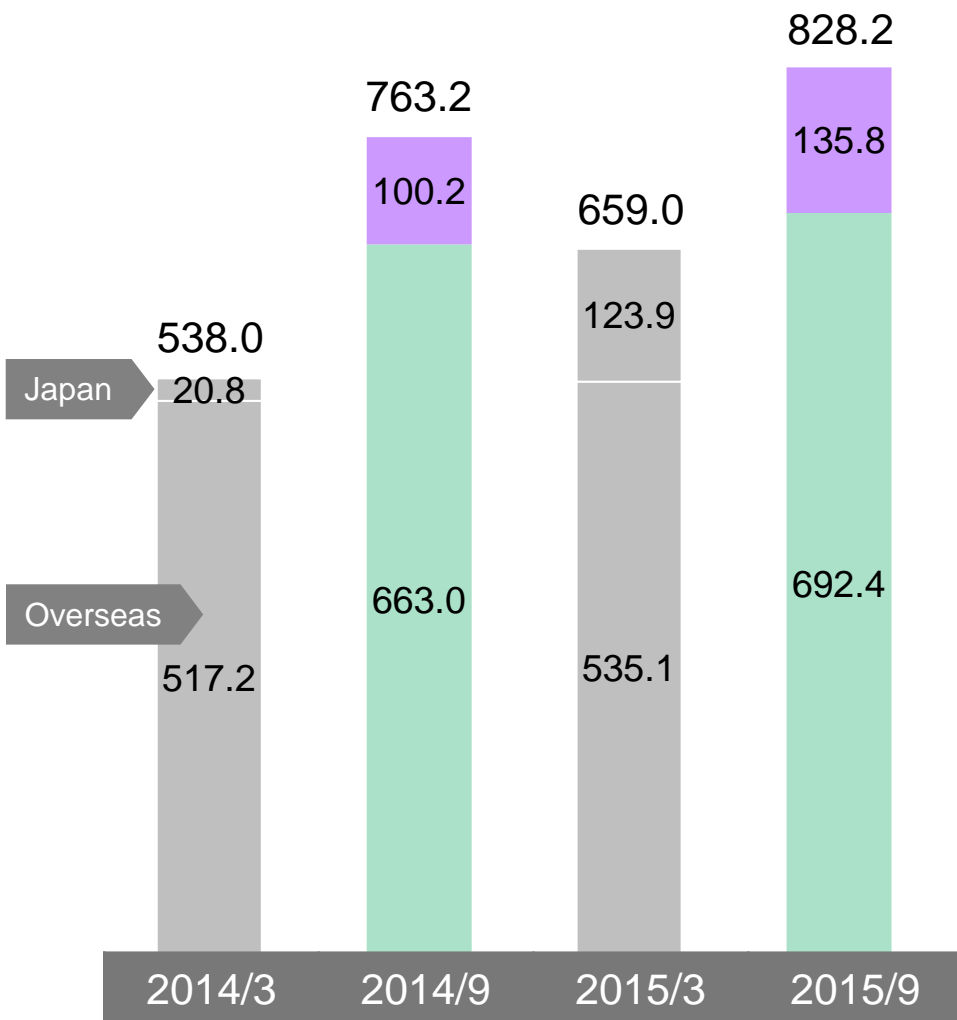


	2014/3	2014/9	2015/3	2015/9
Japan	31.1	95.3	145.8	28.3
Southeast Asia	34.1	240.5	271.2	112.0
Southwest Asia, Middle East and Africa	66.5	1.0	1.3	1.2
Russia and Central Asia	91.5	3.2	7.2	0.2
North America	90.0	6.7	31.0	161.3
Central and South America	35.6	3.4	6.2	2.4
China	8.4	1.4	6.0	6.4
Others	7.9	1.1	1.6	0.2
Total	365.1	352.6	470.3	312.0

	2014/3	2014/9	2015/3	2015/9
Chemical fertilizers	27.3	3.2	6.1	0.3
Petrochemicals	171.7	242.0	283.2	213.9
Oil refinery	87.3	8.7	15.5	1.3
Energy-related	14.0	82.7	136.4	68.2
General manufacturing facilities	3.1	4.7	8.2	3.2
IT	12.1	5.4	8.3	-
Others	49.6	5.9	12.6	25.1
Total	365.1	352.6	470.3	312.0

Backlog of contracts

Billion yen



2015/9 Backlog of contracts
828.2 billions of yen

Major contracts

Over 100 billions of yen

- Petrochemical, MALAYSIA
- Petrochemical, USA

Over 50 billions of yen

- Energy-related, JAPAN
- Energy-related, THAILAND
- Petrochemical, TURKMENISTAN

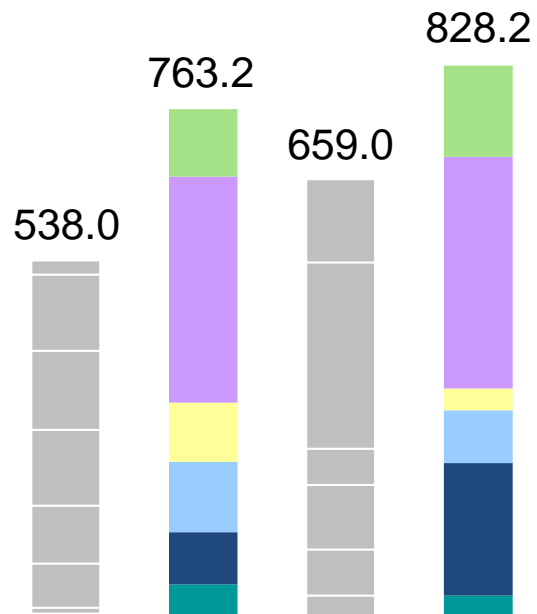
Over 10 billions of yen

- Energy-related, JAPAN
- Petrochemical, INDONESIA
- Others (Traffic), INDONESIA
- Energy-related, INDIA
- Oil refinery, CANADA

Backlog of contracts

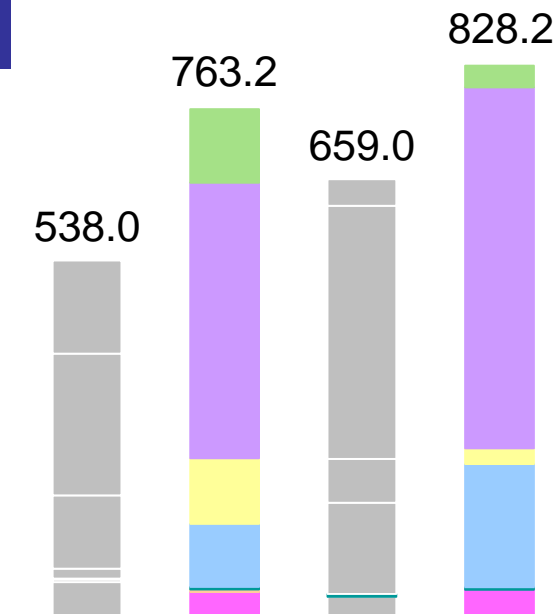
Billion yen

Breakdown by region



	2014/3	2014/9	2015/3	2015/9
Japan	20.8	100.2	123.9	135.8
Southeast Asia	113.4	336.1	276.8	344.8
Southwest Asia, Middle East and Africa	117.8	88.4	54.0	32.2
Russia and Central Asia	112.9	104.8	96.3	78.8
North America	86.0	77.8	68.6	197.2
Central and South America	65.9	47.0	31.6	30.3
China	8.3	4.0	4.6	8.7
Others	12.9	4.9	3.2	0.4
Total	538.0	763.2	659.0	828.2

Breakdown by product



	2014/3	2014/9	2015/3	2015/9
Chemical fertilizers	138.6	109.5	39.5	32.6
Petrochemicals	210.8	409.7	376.6	537.0
Oil refinery	109.1	98.0	65.2	23.2
Energy-related	14.9	93.6	135.8	183.5
General manufacturing facilities	1.1	4.0	4.4	3.9
IT	3.9	3.5	-	-
Others	59.6	44.9	37.5	48.0
Total	538.0	763.2	659.0	828.2

Forecast

Billion yen

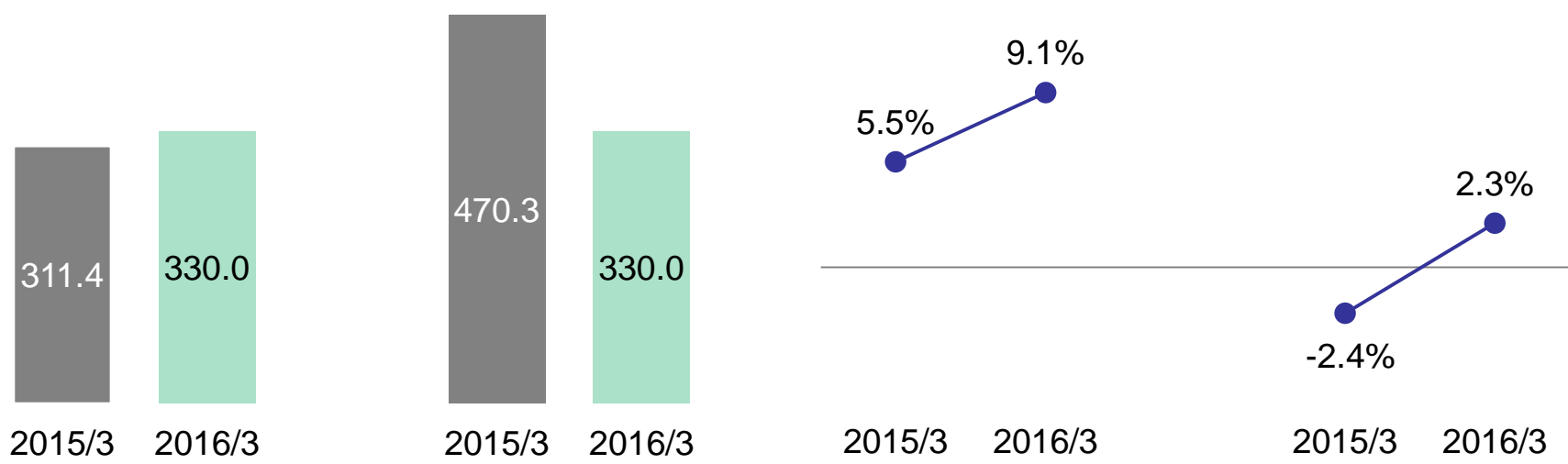
	2015/3	Second quarter 2015/9	Forecast for 2016/3	
			Initial plan	New plan
Net sales	311.4	150.5	340.0	330.0
Gross profit	17.2	14.1	27.0	30.0
Gross profit rate	5.5%	9.4%	7.9%	9.1%
Operating income	(7.3)	4.4	2.5	7.5
Operating income rate	-2.4%	2.9%	0.7%	2.3%
Ordinary income	(25.2)	4.2	4.5	5.5
Profit attributable to owners of parent	(20.9)	1.6	3.0	3.0
New orders	470.3	312.0	330.0	330.0
Dividends per share (yen)	(Annual) ¥4	(Interim) ¥0	(Annual) ¥4	(Annual) ¥4

Exchange rate for the forecast 1US\$= ¥120

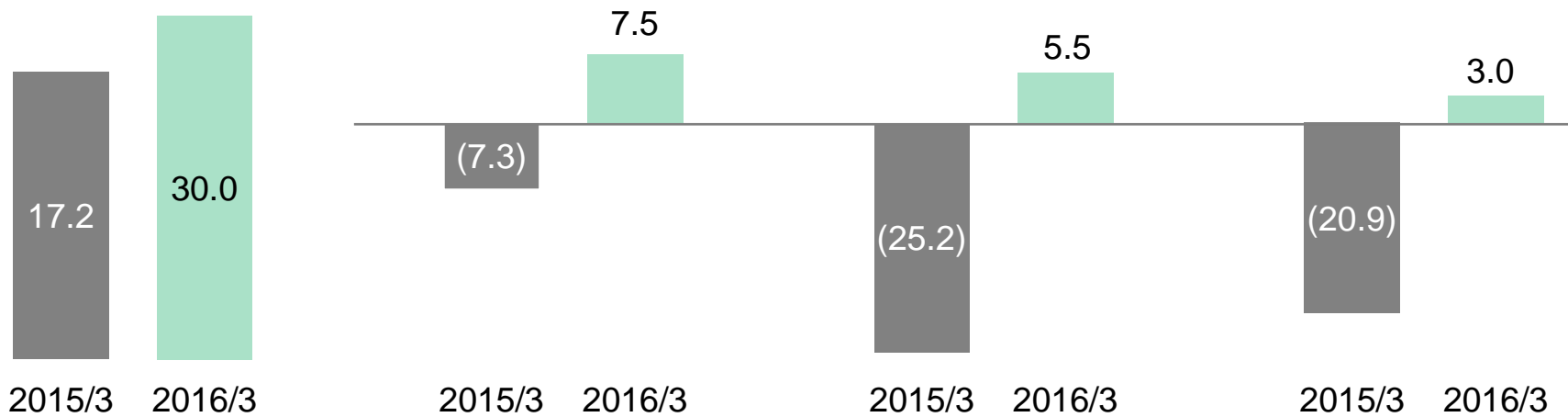
Forecast

Billions of 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

		2014/3	2014/9	2015/3	2015/9	Forecast 2016/3
Net sales	Billion yen	230.1	132.5	311.4	150.5	330.0
Gross profit	Billion yen	25.1	11.9	17.2	14.1	30.0
Gross profit rate	%	10.9%	9.0%	5.5%	9.4%	9.1%
Operating income	Billion yen	0.4	0.1	(7.3)	4.4	7.5
Operating income rate	%	0.2%	0.1%	-2.4%	2.9%	2.3%
Ordinary income	Billion yen	4.9	2.6	(25.2)	4.2	5.5
Profit attributable to owners of parent	Billion yen	0.9	1.2	(20.9)	1.6	3.0
Comprehensive income	Billion yen	4.0	(2.4)	(25.5)	6.8	
Interest bearing debt	Billion yen	44.7	40.0	31.9	30.4	
Interest bearing debt ratio	%	17.4%	16.2%	12.2%	10.0%	
Net debt	Billion yen	(52.1)	(46.6)	(58.5)	(70.3)	
Debt equity ratio	Times	0.61	0.58	0.71	0.59	
Equity ratio	%	28.5%	27.8%	17.2%	16.9%	
Operating activities CF	Billion yen	21.2	(1.7)	(4.1)	27.7	
Investing activities CF	Billion yen	(1.6)	(1.8)	9.5	(15.6)	
Financing activities CF	Billion yen	3.1	(5.8)	(14.3)	(1.3)	
New orders	Billion yen	365.1	352.6	470.3	312.0	330.0
Backlog of contracts	Billion yen	538.0	763.2	659.0	828.2	659.0
Dividends per share	Yen	(Annual) 3.0	(Interim) 4.0	(Annual) 4.0	(Interim) 0.0	(Annual) 4.0



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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.