

Financial Results Briefing

Fiscal 2012 (Ended May 2013)

July 11, 2013

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- Briefing on Financial Results: 20 minutes
 1. Overview of Financial Results for Fiscal 2012
 2. Outlook for Financial Results for Fiscal 2013
- Q&A: 30 minutes

1. Overview of Financial Results for Fiscal 2012

1-1. Key Points

Overall: Decrease in revenues and earnings

- Net sales ¥30,600 million YoY -20.7% (-¥8,000 million)
- Operating income ¥500 million YoY -70.5% (-¥1,200 million)

Transportation Systems:

Decrease in revenues and earnings

- Net sales YoY -27.8% (-¥6,670 million)
- Segment income YoY -29.2% (-¥790 million)

Industrial Systems:

Slight decrease in revenues, increase in earnings

- Net sales YoY -5.9% (-¥720 million)
- Segment income YoY +71.1% (+¥180 million)

Information Equipment Systems:

Decrease in revenues and earnings

- Net sales YoY -26.2% (-¥600 million)
- Segment income YoY -60.2% (-¥400 million)

1-2. Overview of Consolidated Financial Results

(Millions of yen)

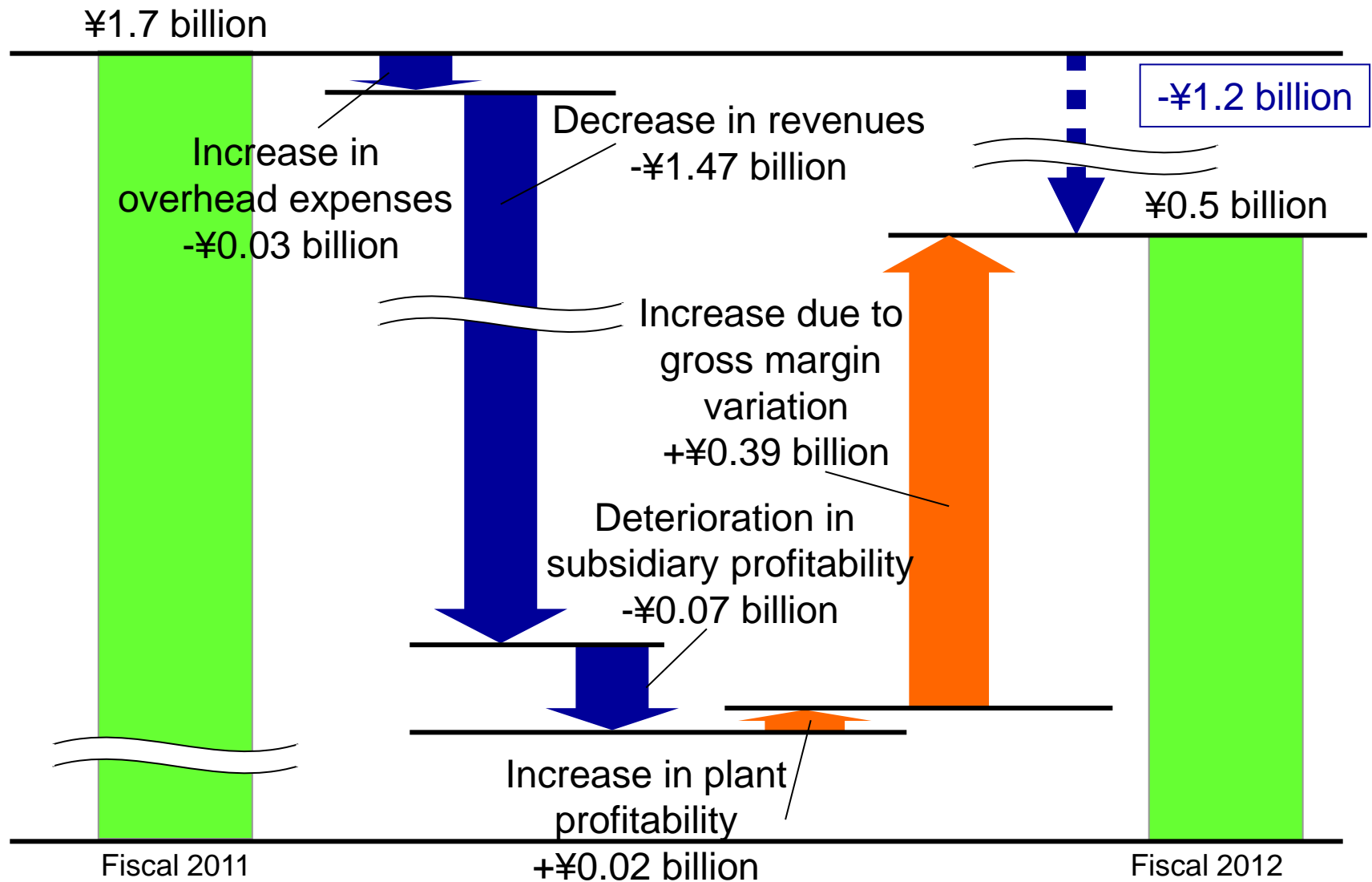
	Fiscal 2011	Fiscal 2012	YoY change	Fiscal 2012 Forecast	Difference
Net sales	38,570	30,575	-7,995	33,000	-2,425
Operating income	1,701	501	-1,200	700	-199
%	4.4%	1.6%	-2.8%	2.1%	-0.5%
Ordinary income	1,788	1,150	-638	750	+400
%	4.6%	3.8%	-0.8%	2.3%	+1.5%
Net income	785	722	-63	350	+372
%	2.0%	2.4%	+0.4%	1.1%	+1.3%
Net income per share (yen)	16.29	14.98	-1.31	7.26	+7.72
Orders received	32,670	33,949	+1,279	38,000	-4,051

1-3. Overview of Business Segment Results

(Millions of yen)

		Trans- portation Systems	Industrial Systems	Automotive vehicle electrical equipment	Information Equipment Systems	Adjustment and other amounts	Total
Orders received	Fiscal 2011	17,506	12,439	507	2,714	10	32,670
	Fiscal 2012	20,940	11,457	507	1,544	6	33,949
	YoY change	+3,434	-982	+0	-1,170	-4	+1,279
Net sales	Fiscal 2011	23,991	12,265	504	2,303	10	38,570
	Fiscal 2012	17,324	11,542	396	1,701	6	30,575
	YoY change	-6,667	-723	-108	-602	-4	-7,995
Segment income	Fiscal 2011	2,701	253	-281	666	(1,920)	1,701
	Fiscal 2012	1,913	433	-161	265	(2,111)	501
	YoY change	-788	+180	+120	-401	-191	-1,200

1-4. Factors Contributing to Changes in Operating Income



1-5. Consolidated Financial Position

(Millions of yen)

	May 31, 2012	May 31, 2013	YoY change	Notes
Total assets	38,086	42,364	+4,278	
Current assets	21,415	21,943	+528	
Fixed assets	16,670	20,421	+3,751	Including investment securities (+4,389)
Total liabilities	23,036	23,844	+808	
Of which, interest-bearing debt	9,385	9,829	+444	
Net assets	15,049	18,519	+3,470	
Equity ratio	39.5%	43.7%	+4.2%	
Net assets per share (yen)	312.12	384.14	+72.02	

1-6. Dividends

- (1) Toyo Denki's fundamental policy calls for a stable dividend.
- (2) In addition to strategic allocation to research and development, capital expenditure, and overseas expansion with the objectives of future business expansion and strengthening of the management base, internal reserves are used to strengthen the Company's financial position.

(Yen)

	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013 (Forecast)
Annual dividend per share	6.00	6.00	6.00	6.00	6.00

2. Outlook for Financial Results for Fiscal 2013

2-1. Order Environment by Business Segment

	Comments
Market overall	<ul style="list-style-type: none"> (1) Japanese economy still on path to recovery (2) Infrastructure investment remains at a high level in China and developing countries
Transportation Systems	<ul style="list-style-type: none"> (1) Recovering domestically due mainly to upgrade demands. Expectations for new Shinkansen projects going forward (2) Plans for subways and high-speed railroads in China are firming up (3) Investment for railroad infrastructure outside Japan is trending at a high level
Industrial Systems	<ul style="list-style-type: none"> (1) Capital investment in Japan is in an upswing (2) Infrastructure and capital investment in China and developing countries remains at high levels (3) Electrification needs in and outside Japan are extremely high
Information Equipment Systems	<ul style="list-style-type: none"> (1) Upgrading railway station operating equipment is well underway prior to expected increase in consumption tax (2) Energy efficient remote monitoring systems help expand the market

2-2. Key Fiscal 2013 Forecast Points

Overall: Increase in revenues and earnings

- Net sales ¥36,000 million YoY +17.7% (+¥5,430 million)
- Operating income ¥1,500 million YoY +199.3% (-¥1,000 million)

Transportation Systems: Increase in revenues and earnings

- Net sales YoY +17.2% (+¥2,980 million)
- Segment income YoY +21.3% (+¥400 million)

Industrial Systems: Increase in revenues and earnings

- Net sales YoY +17.8% (+¥2,060 million)
- Segment income YoY +165.6% (+¥720 million)

Information Equipment Systems: Increase in revenues and earnings

- Net sales YoY +23.5% (+¥400 million)
- Segment income YoY +20.8% (+¥60 million)

2-3. Forecast for Consolidated Financial Results for Fiscal 2013

(Millions of yen)

	Fiscal 2012	Fiscal 2013 (Forecast)	YoY change
Net sales	30,575	36,000	+5,425
Operating income	501	1,500	+999
%	1.6%	4.2%	+2.5%
Operating income	1,150	1,500	+350
%	3.8%	4.2%	+0.4%
Net income	722	750	+28
%	2.4%	2.1%	-0.3%
Net income per share (yen)	14.98	15.40	+0.42
Orders received	33,949	41,000	+7,051

2-4. Performance Forecasts by Business Segment

(Millions of yen)

		Trans- portation Systems	Industrial Systems	Automotive vehicle electrical equipment	Information Equipment Systems	Adjustment and other amounts	Total
Orders received	Fiscal 2012	20,940	11,457	507	1,544	6	33,949
	Fiscal 2013 (Forecast)	24,000	15,000	600	2,000	—	41,000
	YoY change	+3,060	+3,543	+93	+456	-6	7,053
Net sales	Fiscal 2012	17,324	11,542	396	1,701	6	30,575
	Fiscal 2013 (Forecast)	20,300	13,600	600	2,100	—	36,000
	YoY change	+2,976	+2,058	+204	+399	-6	+5,425
Segmen t income	Fiscal 2012	1,913	433	(161)	265	(2,111)	501
	Fiscal 2013 (Forecast)	2,320	1,150	(30)	320	(2,290)	1,500
	YoY change	+407	+717	+131	+55	-179	-999

3. Other Topics

3-1. Topics: Transportation Systems

- Orders received from JR East for electrical equipment for the Akita Shinkansen E6-series rail vehicles

Delivered components

Pantographs, auxiliary power supplies, driving gear units, traction motors



Akita Shinkansen E6-series (Photo courtesy of JR East)

- Orders received from JR Tokai for electrical equipment for the Tokaido Shinkansen N700A rail vehicles

Delivered components

Pantographs, traction motors, wheelsets (for M cars), flexible plate couplings, static convertors

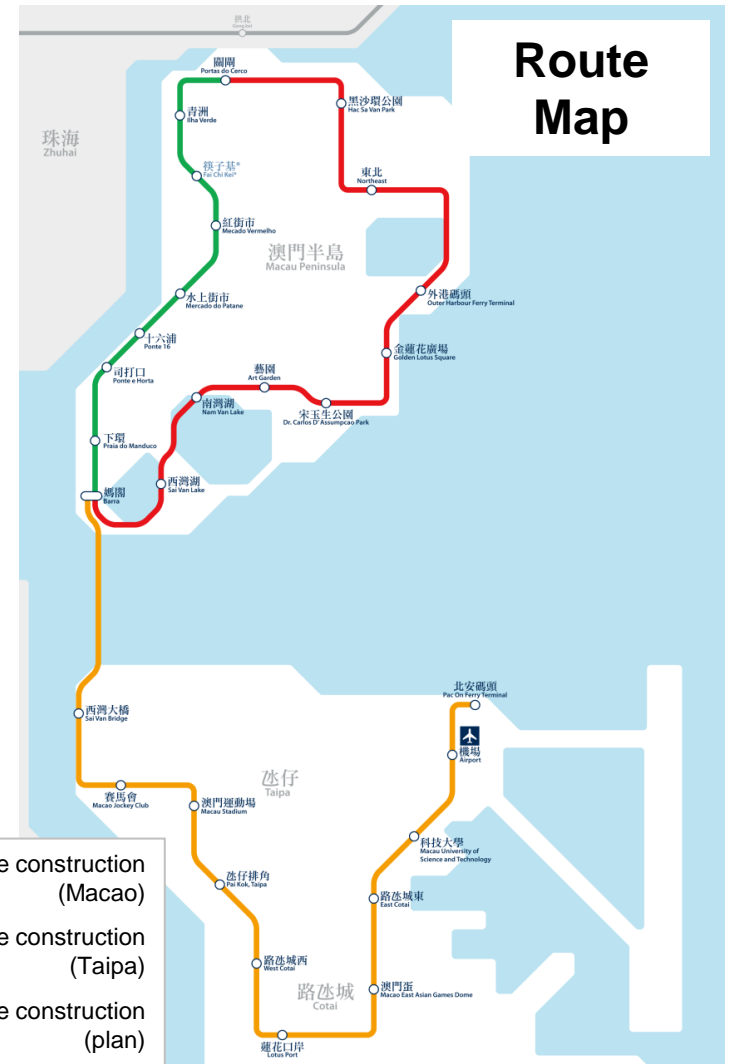


Shinkansen N700A (Photo courtesy of JR Tokai)

3-2. Topics: Transportation Systems

- The Macau Light Rail Transit (LRT) begins operations in 2015
- Orders received from Mitsubishi Heavy Industries for electrical equipment for automated people mover (APM). Delivery to follow.

Delivered VVVF inverters, traction motors and reactors (2 vehicles x 55 sets for 110 vehicles in total)



3-3. Topics: Transportation Systems

- Orders received for gear units for high-speed railroad (250 km) in China.

Driving gear unit components:

Gear cases, gear wheels, grounding devices, etc.

For E26 and 28-series:

Total of 51 sets and 840 units (including spare parts)

- Orders received for 12 sets for southern extension of Line 1 of the Chengdu Metro

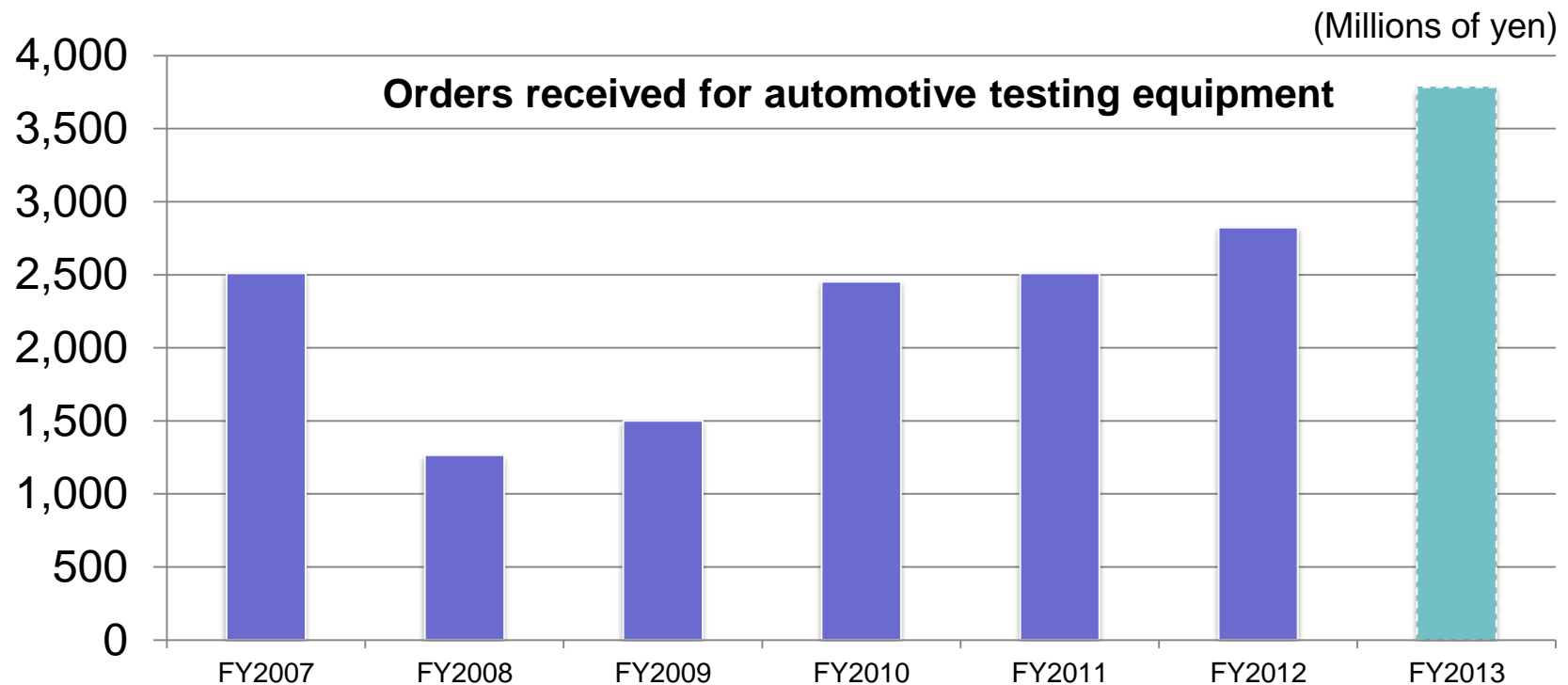
The alliance of Toyo Denki, a joint venture of Toyo Denki, the joint venture partner (Chinese firm), and a trading firm won the bid and entered a formal contract in June 2013.



Line 1 of the Chengdu Metro

3-4. Topics: Industrial Systems

- Increased orders for automotive testing equipment
 - Delivered testing equipment for automotive development simulation for gasoline vehicles, hybrids, EVs, motorcycles and construction equipment of major auto makers in Japan
 - Inquiries also from affiliated component manufacturers



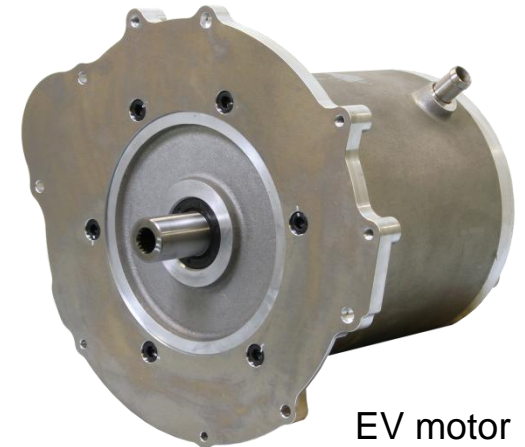
3-5. Topics: EV Systems

- Completion of evaluation sample for EVs

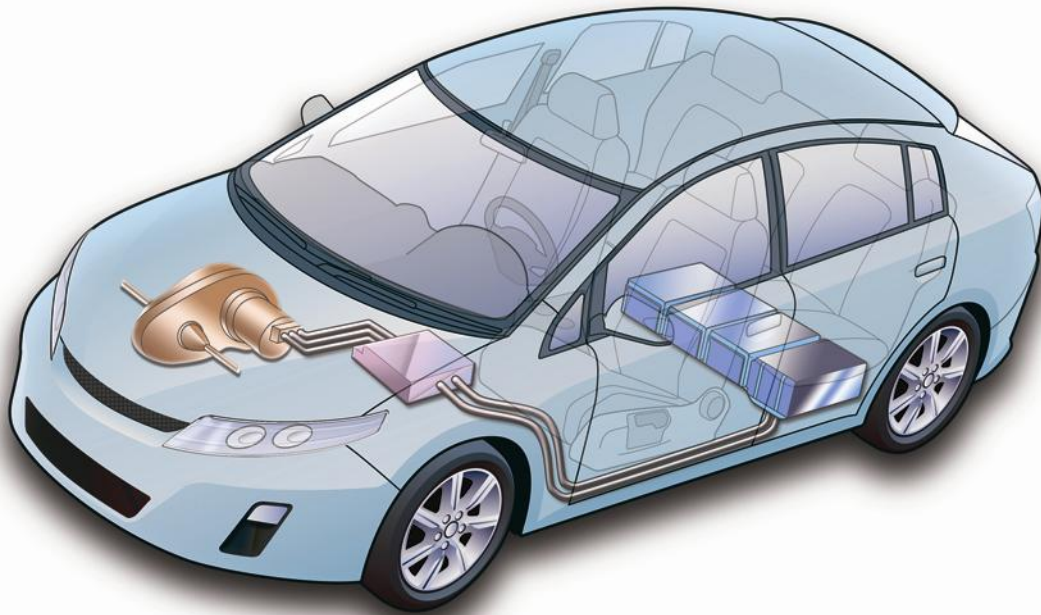
Completed EV system evaluation sample for passenger vehicle with an eye on EV market efforts outside Japan.



EV inverter



EV motor



3-6. Topics: Information Equipment Systems

- Railway station operating equipment: Development of the TID6000 next-generation ticket issuing machine

Development of a machine that can handle transit IC cards, issue a variety of tickets and perform monetary settlements. Currently expanding marketing to railroad clients throughout Japan

Features

- Improved operability by internalizing credit card reader
- Faster ticket issuing with stable ticket feeding
- Greatly improved power savings when in standby mode
- Improved maintenance



TID6000

3-7. Topics: Information Equipment Systems

■ Visualization of electric power consumption by means of Toyo Wireless Measurement System

Noda Village (Kunohe, Iwate Prefecture)

- Joint research with Tokyo University of Marine Science and Technology
- Contribution to disaster reconstruction assistance
- Realization of visualization of electric power consumption of public facilities in the village
- Employees and others can now monitor power consumption in real time using PCs and handheld devices



Toyo Wireless Measurement System



Noda Village Office



3-8. Topics: CSR Initiatives

■ Seaside Line and Tour of Joint Factory

Date/Time: Wednesday, December 26, 2012 from 10:15 to 11:45

Background: Request from Yokohama New Transit to hold a joint event

Number of public participants: 42

A wide age-ranging group (4th graders to senior citizens) participated in the factory tour. Many questions were asked making for a lively tour.



Thank you for your interest.

<http://www.toyodenki.co.jp>

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