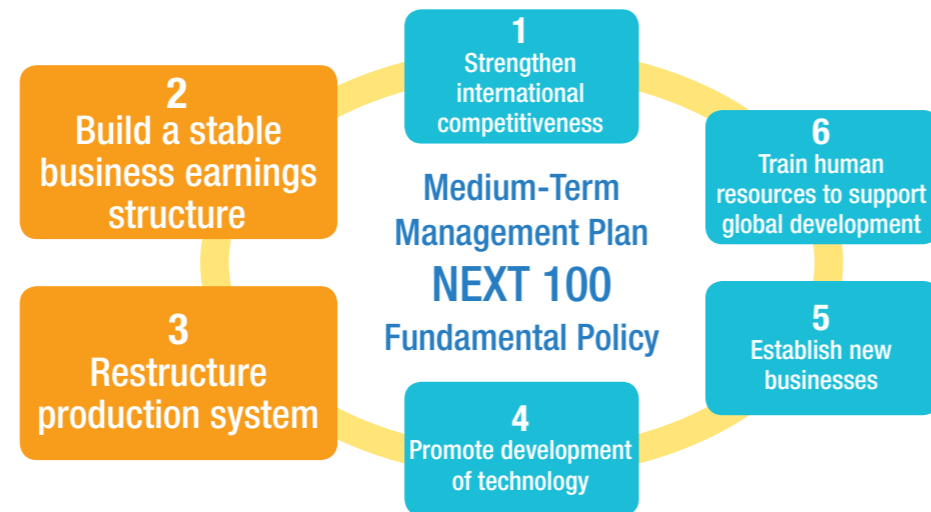


Revisions to Medium-Term Management Plan “NEXT 100: Beyond 100 years”

The Toyo Denki Group is committed to drastically enhancing its corporate value and thoroughly strengthening its 100th anniversary of founding in 2018 and beyond.

The Toyo Denki Group has decided to revise the medium-term management plan “NEXT 100: Beyond 100 years” covering the period from June 1, 2014 to May 31, 2017 to the medium-term management plan “NEXT 100: Beyond 100 years, Ver. 2,” in light of changing business conditions and issues to be addressed which emerged after the previously announced plan.



Details after Revision

Period of the plan

June 1, 2014 – May 31, 2018 (Period of Ver. 2: June 1, 2016 – May 31, 2018)

Main strategies newly added

Build a stable business earnings structure

- ▶ Increase earnings potential by strengthening promotion of productivity reform in Transportation Systems segment
- ▶ Stabilize earnings potential by establishing medium- to long-term vision of business structure in Industrial Systems segment

Restructure production system

- ▶ Strengthen production capacity based on productivity reform in Transportation Systems segment
- ▶ Integrate production system based on vision of business structure in Industrial Systems segment

Management Plan “NEXT 100: Beyond 100 years”

management foundation in order to become a Group well adapted to the new era in anticipation of the year of our

Gist

While maintaining the fundamental policy of the initially formulated plan, the Toyo Denki Group will set “building a stable business earnings structure” and “restructuring production system” as key policies, and newly add and promote strategies where both of these key policies are interrelated.

Furthermore, as a major pillar of “restructure production system,” New Shiga Factory is scheduled to start operations in the first half of 2018, the year of the 100th anniversary of Toyo Denki’s foundation. Aiming to complete the related strategies by this time, the Toyo Denki Group will revise the period of the plan.



Photo: Area around Shiga Ryuoh Industrial Facility. Planned location of construction of our new factory is indicated with the red line.

Numerical Management Targets (Consolidated)

(Unit: Billion yen)

	NEXT 100			
	Ver. 1		Ver. 2	
	Fiscal 2014 (Actual Results for the First Year)	Fiscal 2015 (Actual Results)	Fiscal 2016 (Forecast)	Fiscal 2017 (Forecast for the Final Year)
Net sales	39.61	39.74	43.00	46.00
Operating income (Operating income ratio)	1.59 (4.0%)	1.63 (4.1%)	1.90 (4.3%)	2.40 (5.2%)
Ordinary income	2.05	1.49	1.80	2.50
Net income	1.10	0.88	1.20	1.70
Overseas net sales (Overseas net sales ratio)	15.06 (38.0%)	12.65 (32.0%)	—	23.00 (50.0%)