

Financial Results Briefing

Fiscal 2010 (Ended May 2011)

July 13, 2011

Toyo Denki Seizo K.K.



- Briefing on Financial Results:
About 25 minutes
 1. Overview of Financial Results for Fiscal 2010
 2. Outlook for Financial Results for Fiscal 2011
 3. Outlook for Individual Business Segments
 4. Other Topics
- Q&A: 30 minutes

The Toyo Denki Group would like to express its deepest sympathy to all those who have suffered as a result of the Great East Japan Earthquake. The Group also offers its sincere wish for a complete and swift recovery.

1. Overview of Financial Results for Fiscal 2010

1-1. Key Points

Overall:

Increase in revenues, substantial increase in earnings

- Net sales YoY +7.0% (+ ¥2,464 million)
- Operating income YoY +54.2% (+ ¥528 million)

Transportation Systems:

Increase in revenues, increase in earnings

- Net sales YoY +8.2% (+ ¥1,951 million)
- Segment income YoY +5.8% (+ ¥167 million)

Industrial Systems:

Increase in revenues, returned to profit

- Net sales YoY +23.3% (+ ¥2,100 million)
- Segment income YoY: Returned to profit (+ ¥293 million)

1-2. The Major Effects of the Great East Japan Earthquake

The status of injury and damage to employees	None
Loss owing mainly to the suspension of operations	Approx. ¥14 million
Other overhead expenses	Approx. ¥1 million
Donations	¥10 million
Total	Approx. ¥25 million

1-3. Overview of Consolidated Financial Results

(Millions of yen)

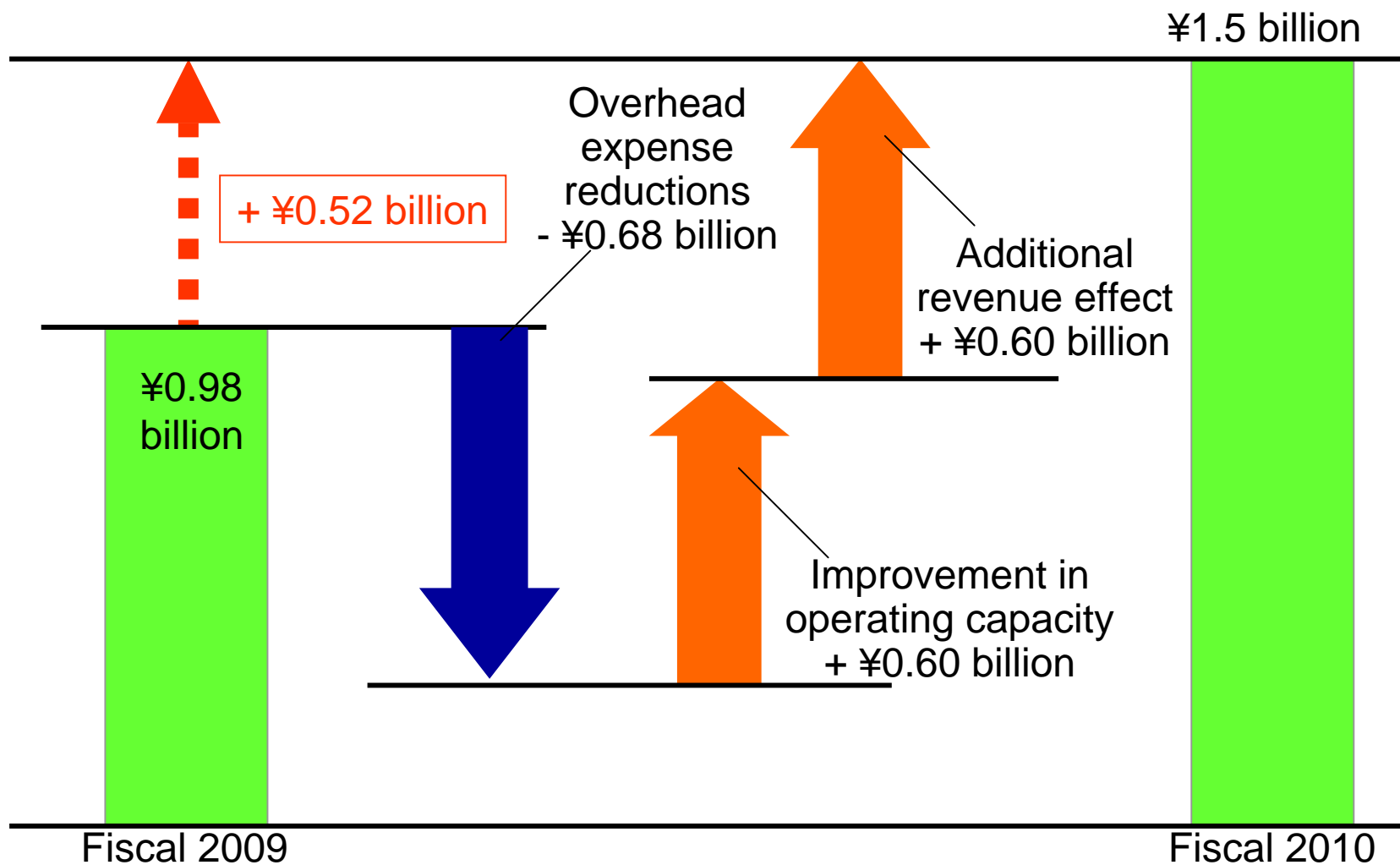
	Fiscal 2009	Fiscal 2010	YoY change	Fiscal 2010 Forecast	Difference
Orders received	37,954	34,850	-3,104	42,000	-7,150
Net sales	35,429	37,893	+2,464	36,000	+1,893
Operating income	975	1,503	+528	1,600	-97
%	2.8%	4.0%	+1.2%	4.4%	-0.4%
Ordinary income	982	1,577	+595	1,500	+77
%	2.8%	4.2%	+1.4%	4.2%	-0.1%
Net income	512	678	+166	800	-122
%	1.4%	1.8%	+0.4%	2.2%	-0.4%
Net income per share (yen)	11.63	14.86	+3.23	18.17	-3.31

1-4. Overview of Business Segment Results

(Millions of yen)

		Transportation Systems	Industrial Systems	Information Systems	Adjustment and other amounts	Total
Orders received	Fiscal 2009	26,644	9,172	2,137	--	37,954
	Fiscal 2010	21,756	11,988	1,105	--	34,850
	YoY change	-4,888	+2,816	-1,032		-3,104
Net sales	Fiscal 2009	23,706	8,995	2,727	--	35,429
	Fiscal 2010	25,657	11,095	1,133	6	37,893
	YoY change	+1,951	+2,099	-1,594		+2,463
Segment income	Fiscal 2009	2,888	-129	134	-1,920	975
	Fiscal 2010	3,055	164	101	-1,818	1,503
	YoY change	+167	+293	-33	+102	+528

1-5. Factors Contributing to Changes in Operating Income



1-6. Consolidated Financial Position

(Millions of yen)

	May 31, 2010	May 31, 2011	YoY change	Notes
Total assets	34,385	36,892	+2,507	
Current assets	20,697	21,621	+924	
Fixed assets	13,687	15,270	+1,583	
Total liabilities	21,799	22,623	+824	
Of which, interest-bearing debt	7,175	6,535	-640	
Net assets	12,585	14,268	+1,683	
Equity ratio	36.6%	38.7%	+2.1%	
Net assets per share (yen)	285.86	295.89	+10.03	

1-7. 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 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011 (Forecast)
Annual dividend per share	6.00	6.00	6.00	6.00	6.00

2. Outlook for Financial Results for Fiscal 2011

2-1. Key Fiscal 2011 Forecast Points

Overall:

Increase in revenues, increase in earnings

- Net sales YoY approx. + ¥2,900 million
- Operating income YoY approx. + ¥1,100 million

Industrial Systems:

Unchanged year on year

- Net sales YoY approx. - ¥1,400 million
- Segment income YoY approx. - ¥50 million

Transportation Systems:

Significant increase in revenues, increase in earnings

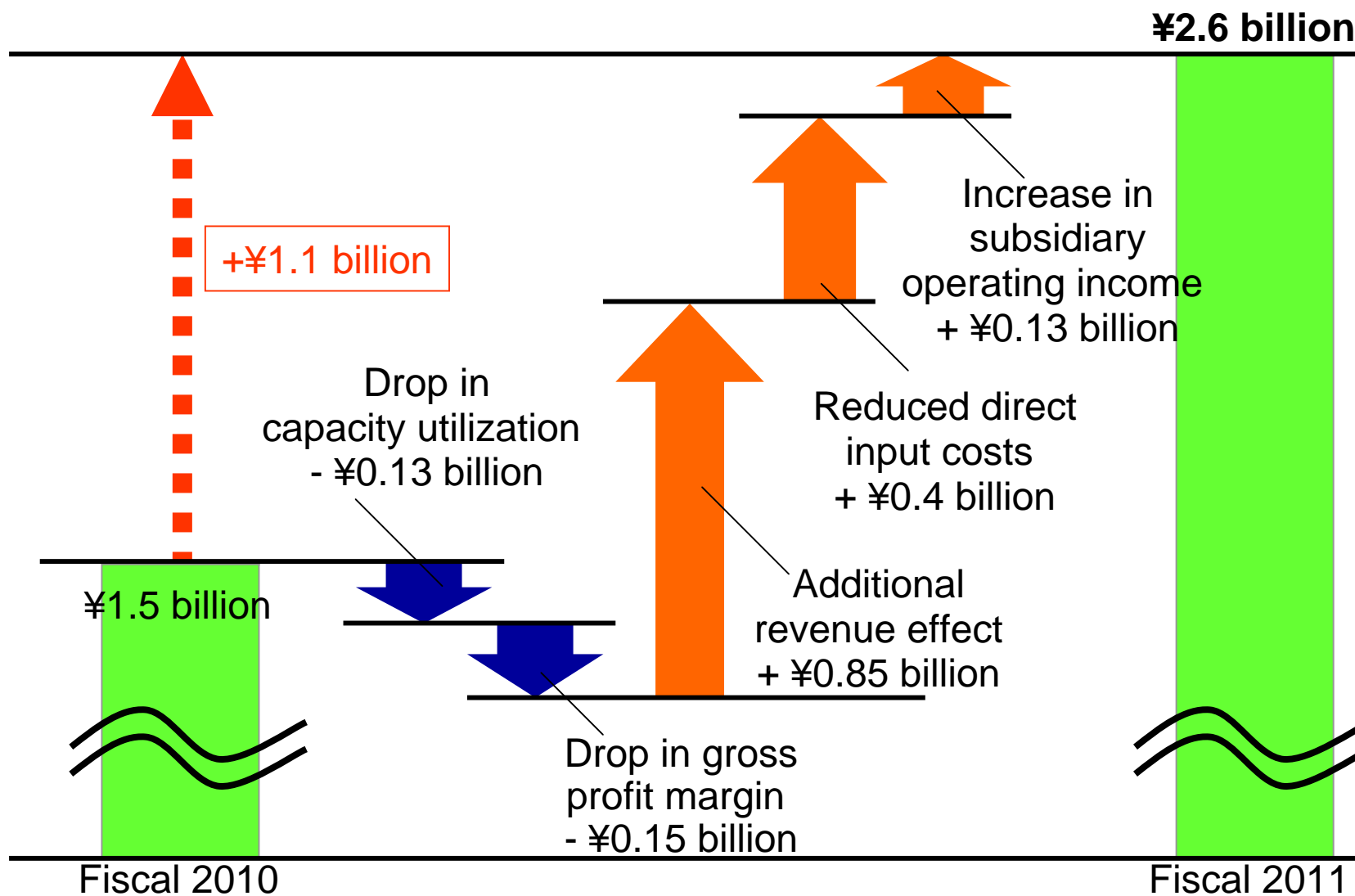
- Net sales YoY approx. + ¥3,300 million
- Segment income YoY approx. + ¥1,000 million

2-2. Outlook for Consolidated Financial Results for Fiscal 2011

(Millions of yen)

	Fiscal 2010	Fiscal 2011 (Forecast)	YoY change	Target in Mid-term Mgmt Plan
Orders received	34,850	40,500	+5,650	
Net sales	37,893	40,800	+2,907	42,000
Operating income	1,503	2,600	+1,097	3,000
%	4.0%	6.4%	+2.4%	7.2%
Ordinary income	1,577	2,600	+1,023	2,800
%	4.2%	6.4%	+1.7%	
Net income	678	1,300	+622	1,500
%	1.8%	3.2%	+1.4%	
Net income per share (yen)	14.86	28.48	+13.62	

2-3. Factors Contributing to Forecast Changes in Operating Income



3. Outlook for Individual Business Segments

3-1. Order Environment by Business Segment

	Comments
Market overall	(1) Domestic economy to recover from early autumn 2011 (2) Infrastructure investment to progress at a high level in China and developing countries
Transportation Systems	(1) Downward trend in Japan (2) Railway investment to progress at a high level overseas
Industrial Systems	(1) Recovery in capital investment mainly in the automobile industry (2) Infrastructure and capital investment to progress at a high level in China and developing countries
Information Systems	(1) Growth in IC card-compatible equipment relating particularly to railway station operations (2) Energy efficient remote control systems to drive market growth

3-2. Performance Forecasts by Business Segment

(Millions of yen)

		Transportation Systems	Industrial Systems	Information Systems	New Business	Adjustment and other amounts	Total
Orders received	Fiscal 2010	21,756	11,581	1,105	407	--	34,850
	Fiscal 2011 (Forecast)	23,100	14,200	2,300	900	--	40,500
	YoY change	+1,344	+2,619	+1,195	+493	--	+5,650
Net sales	Fiscal 2010	25,657	10,775	1,133	320	6	37,893
	Fiscal 2011 (Forecast)	24,200	13,600	2,200	800	10	40,800
	YoY change	-1,457	+2,825	+1,067	+480		+2,907
Segment income	Fiscal 2010	3,055	291	101	-127	-1,818	1,503
	Fiscal 2011 (Forecast)	3,000	1,200	330	0	-1,930	2,600
	YoY change	-55	+909	+229	+127	-112	1,097

3-3. Transportation Systems

(1) Consolidated financial results for fiscal 2010

	Fiscal 2009	Fiscal 2010	YoY change
Orders received	26,644	21,756	-4,888
Net sales	23,706	25,657	+1,951
Segment income	2,888	3,055	+167
%	12.2%	11.9%	-0.3%

(2) Consolidated results forecast for fiscal 2011

(Millions of yen)

	Fiscal 2011 (Forecast)	YoY change
Orders received	23,100	+1,344
Net sales	24,200	-1,457
Segment income	3,000	-55
%	12.4%	+0.5%

3-4. Industrial Systems

(1) Consolidated financial results for fiscal 2010

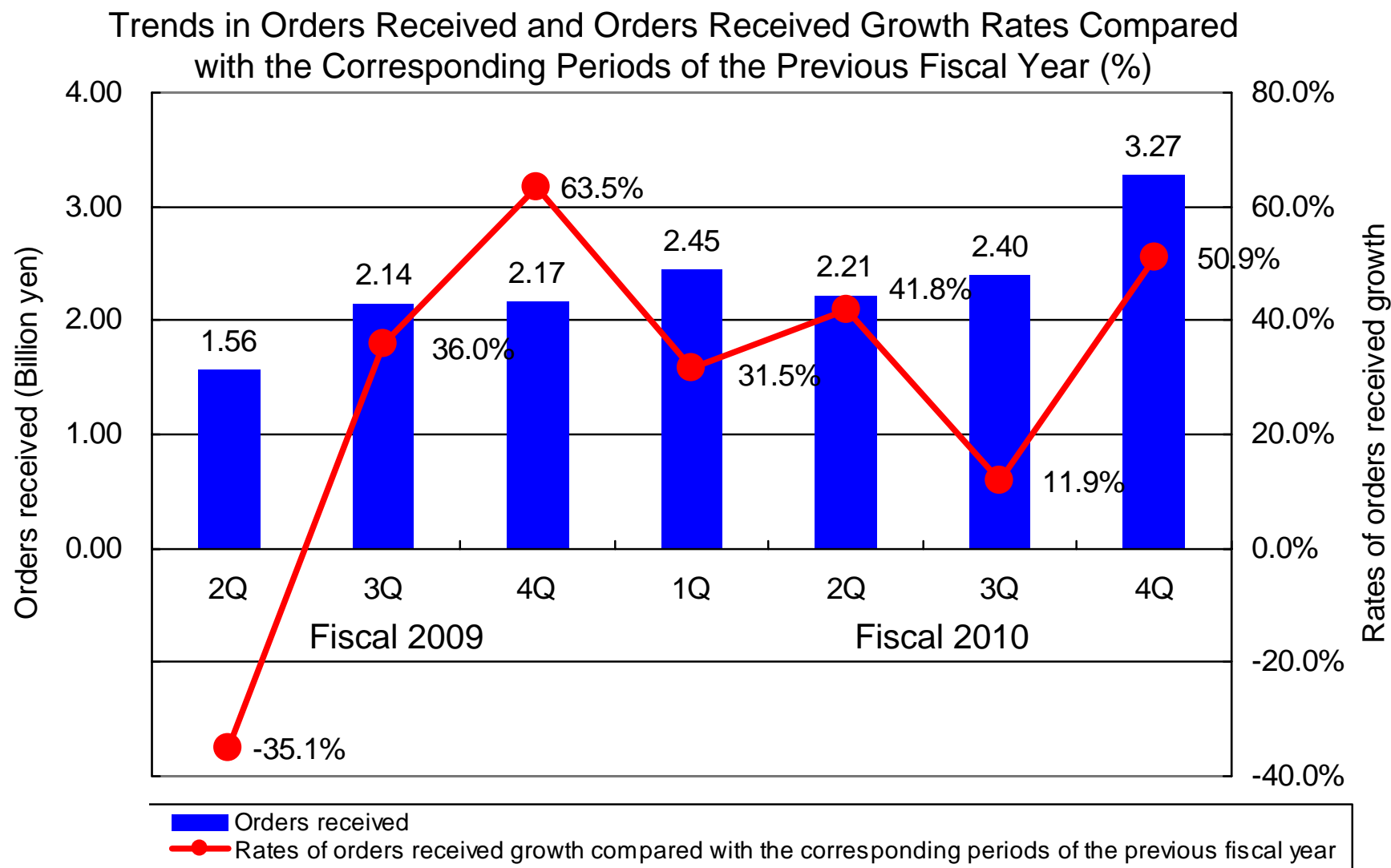
	Fiscal 2009	Fiscal 2010	YoY change
Orders received	8,919	11,581	+2,662
Net sales	8,782	10,775	+1,993
Segment income	-22	291	+313
%	--	2.7%	--

(2) Consolidated results forecast for fiscal 2011

(Millions of yen)

	Fiscal 2011 (Forecast)	YoY change
Orders received	14,200	+2,619
Net sales	13,600	+2,825
Segment income	1,200	+909
%	8.8%	+6.1%

3-5. Trends in Industrial Systems Orders



3-6. Information Systems

(1) Consolidated financial results for fiscal 2010

	Fiscal 2009	Fiscal 2010	YoY change
Orders received	2,137	1,105	-1,032
Net sales	2,727	1,133	-1,594
Segment income	134	101	-33
%	4.9%	8.9%	+4.0%

(2) Consolidated results forecast for fiscal 2011

(Millions of yen)

	Fiscal 2011 (Forecast)	YoY change
Orders received	2,300	+1,195
Net sales	2,200	+1,067
Segment income	330	+229
%	15.0%	+6.1%

3-7. New Business

(1) Consolidated financial results for fiscal 2010

	Fiscal 2009	Fiscal 2010	YoY change
Orders received	253	407	+154
Net sales	213	320	+107
Segment income	-107	-127	-20
%	--	--	

(2) Consolidated results forecast for fiscal 2011

(Millions of yen)

	Fiscal 2011 (Forecast)	YoY change
Orders received	900	+493
Net sales	800	+480
Segment income	0	+127
%	--	

4. Other Topics

4-1. Overseas Alliance Regarding Electrical Equipment Used in Rail Vehicles

Business alliance with Fuji Electric Co., Ltd.

- ◇ Joint development of train information communication systems
Jointly develop information communication systems that comply with international standards; target China's subway and the domestic railway markets (completion in spring 2012)
- ◇ Contract manufacturing of electrical equipment used in rail vehicles in the United States
Toyo Denki USA, Inc. to manufacture on a contract basis linear door system drive gear units and auxiliary power supply apparatus for 364 subway cars in cooperation with Fuji Electric Co., Ltd., who received an order for electric equipment for railway vehicles from the Washington Metropolitan Area Transit Authority in 2011

Business and capital alliance with Hitachi, Ltd.

- ◇ Discussions in progress regarding the structure of cooperation across sectional meetings
Progress across sectional meetings encompassing such wide-ranging themes as market development, joint development and joint procurement; organizing arrangement with respect to complementary product systems, overseas market alliance and promotion structures
- ◇ Joint development of new overseas markets
Joint development of the India market

4-2. Delivery of Electrical Equipment for the Beijing Subway Network

July 2009

Received simultaneous orders for three lines within the Beijing Subway network

●●●● (Delivery in 2010)

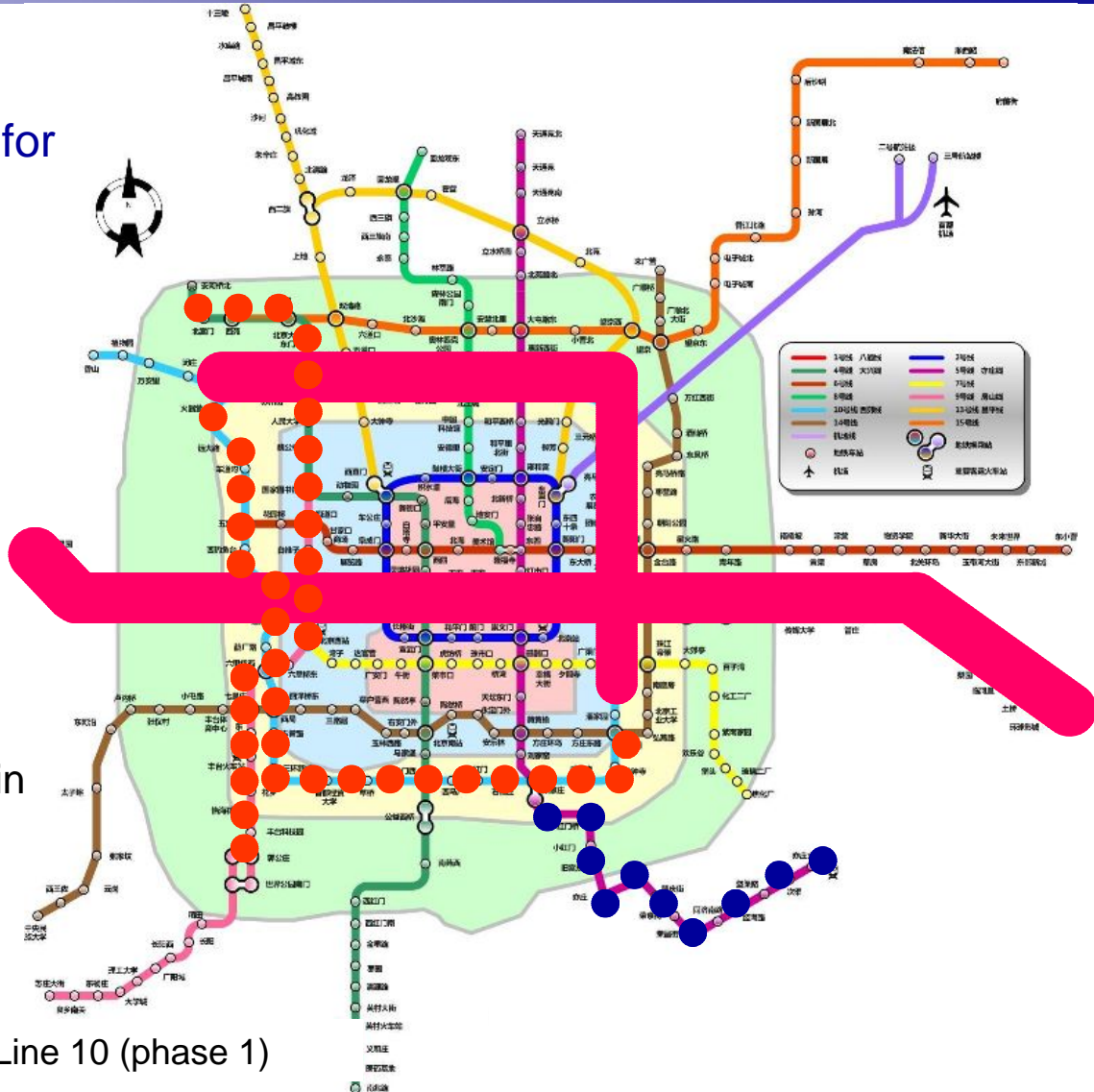
- Yizhuang Line

●●●● (In the process of delivery)

- Line 9

- Line 10 (Phase 2)

Scheduled delivery completion in spring 2012



Delivered: Line 1 and Line 10 (phase 1)

4-3. New Vehicle Delivery Performance

2000-type (Seaside Line) Yokohama New Transit Co., Ltd.



- ◇ Products delivered
 - VVVF inverters
 - Auxiliary power supplies
 - Traction motors
 - Pantographs
 - Master controllers
 - Door operating equipment

- ◇ Number of vehicles delivered
 - 5 cars (1 train)

- ◇ Deliveries planned
 - Plans to deliver electrical equipment for 80 cars (all 16 trains) by 2015

4-4. 新造車への納入実績

New type vehicles 12000 series limited express SOUTHERN
Nankai Electric Railway Co., Ltd.



- ◇ Products delivered
 - Auxiliary power supplies (static inverters)
 - Pantographs
 - Other
 - Door operating safety equipment;
 - speed generator

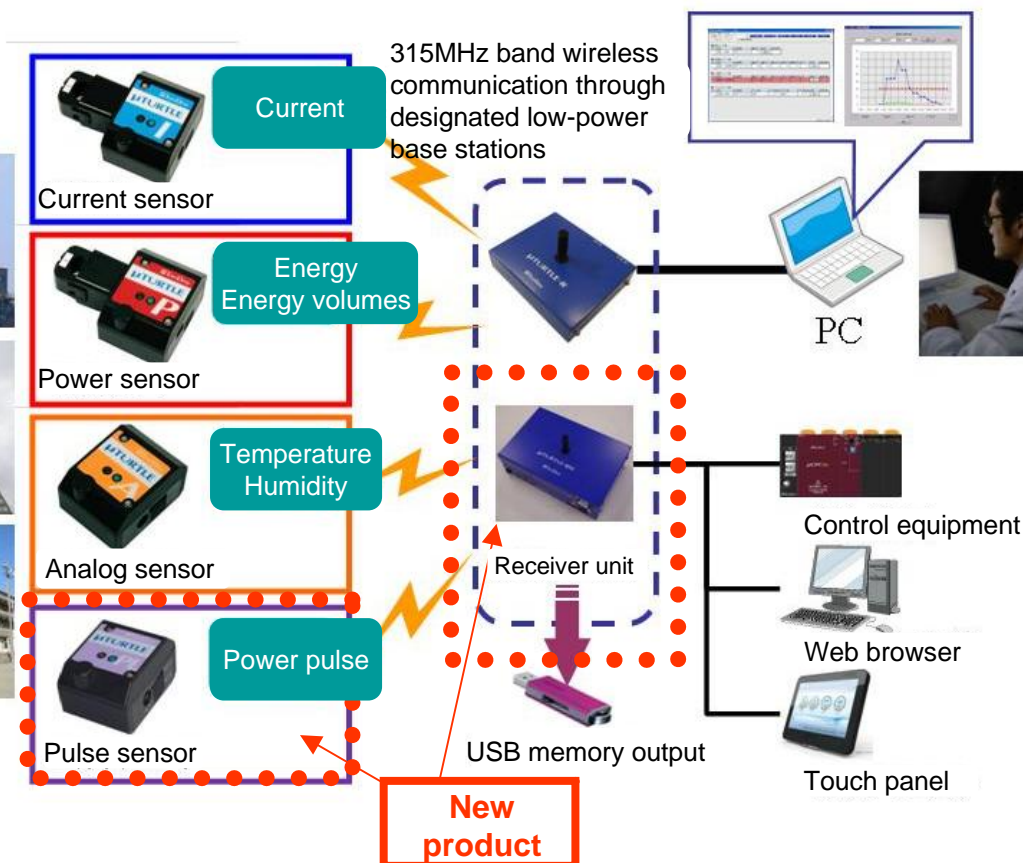
- ◇ Number of vehicles delivered
 - 4 cars train x 2 trains

4-5. Toyo Wireless Measurement Systems

Upgrading and expanding the lineup of Toyo Wireless Measurement Systems



Applied by the Company as a part of efforts to reduce energy consumption at plants



4-6. Alliance in the Industrial Machinery Motor and Inverter Business

Strategic alliance involving both capital and operations with Toyota Industries Corporation

◇ February 21, 2011

Basic agreement to enter into a strategic alliance involving both capital and operations focused on the industrial machinery motor and inverter business

◇ March 22, 2011

Completion of payment of new shares issued (2,100,000 shares) by way of third-party allocation

◇ May 16, 2011

Establishment of a joint-venture company ELETT CORPORATION

Business activities: Development, manufacture and sale of industrial machinery such as motors and inverters as well as electric drive systems

Capital: ¥225 million (amount of investment ¥450 million)

Equity interest: Toyota Industries Corporation 60%, Toyo Denki Seizo K.K. 40%

Outlook

Work toward addressing the steady conversion of large-scale forklifts and construction machinery to electric and hybrid electric vehicles.

Thank you for your interest.

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

Inquiries

PR, IR, and CSR Department, Planning Division

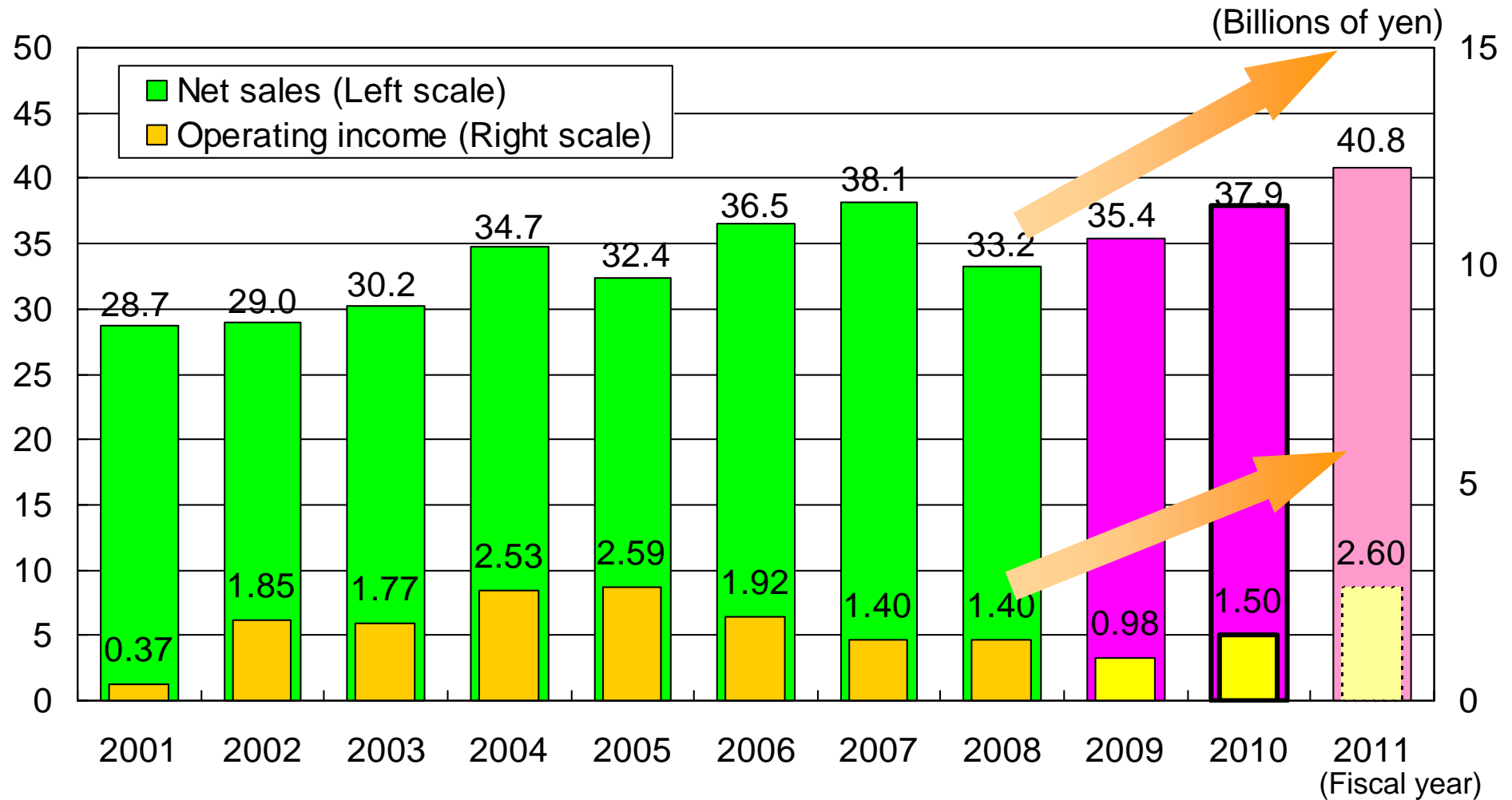
Toyo Denki Seizo K.K.

Phone: 03-3535-0633

Email: kikaku@toyodenki.co.jp



Reference: Changes in Consolidated Net Sales and Operating Income, and Forecast



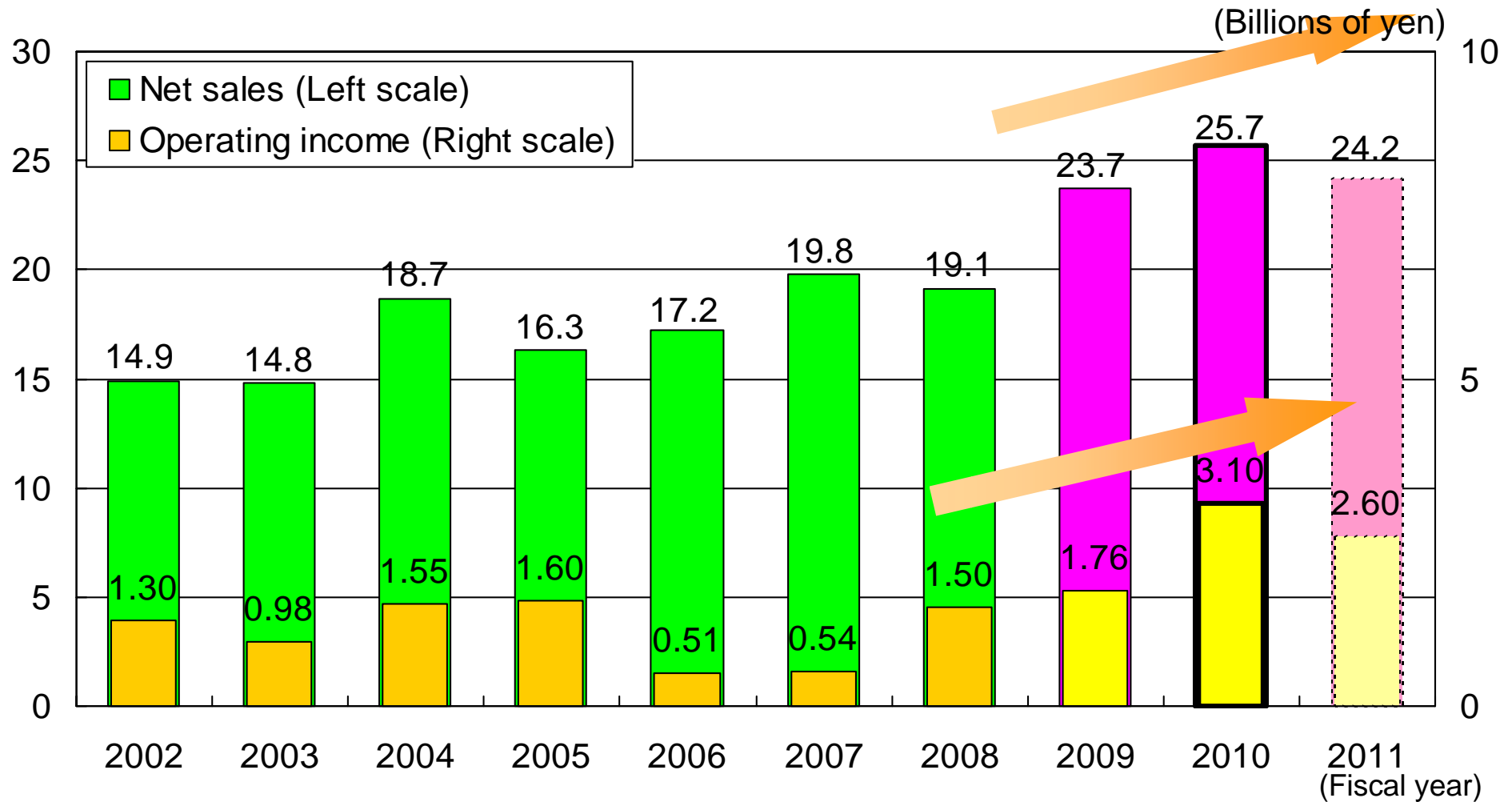
(Project 0)

Grow Up 123

Innovation 90

Challenge Up Plan

Reference: Performance Trends in Transportation Systems, and Forecast



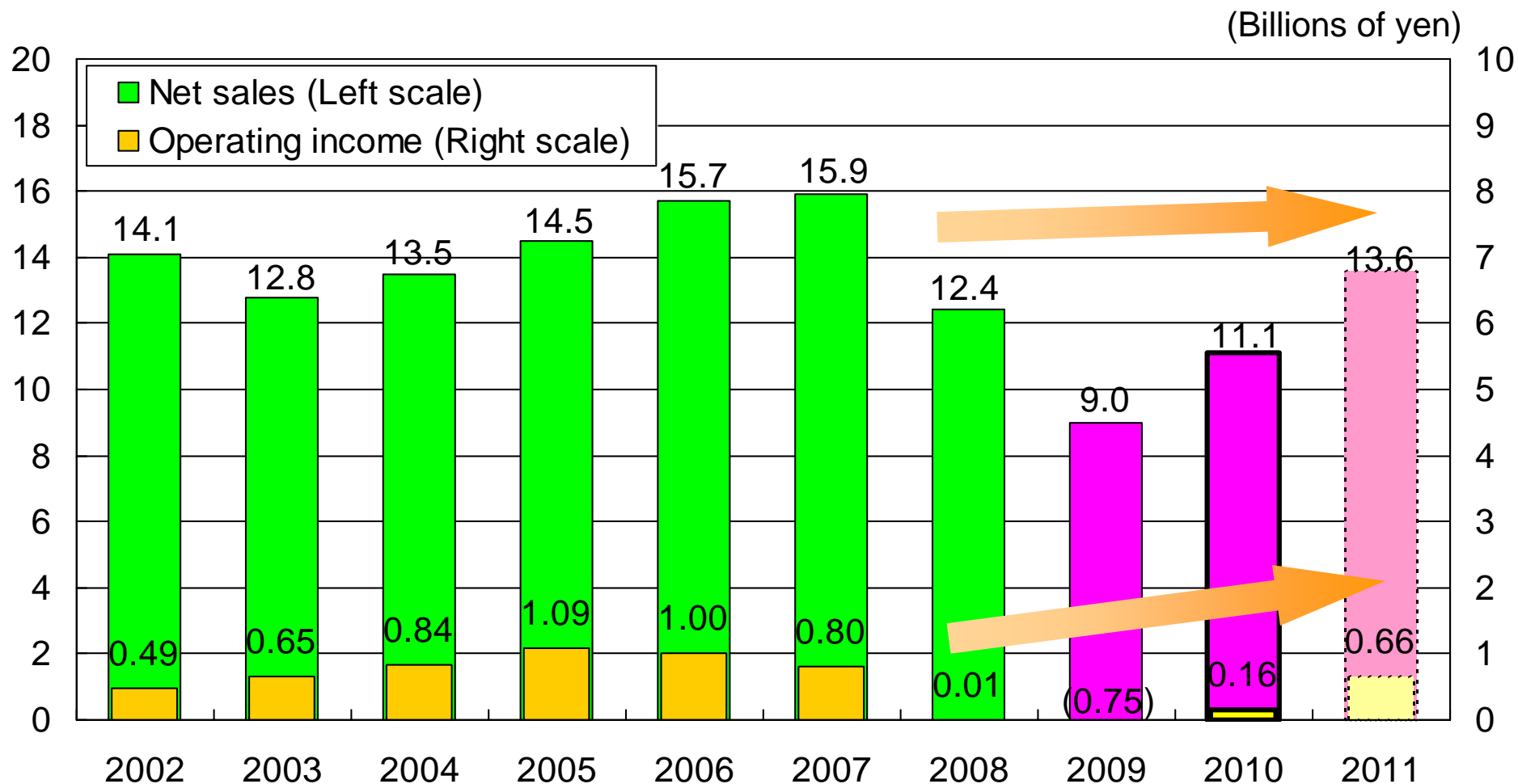
(Project 0)

Grow Up 123

Innovation 90

Challenge Up Plan

Reference: Performance Trends in Industrial Systems, and Forecast



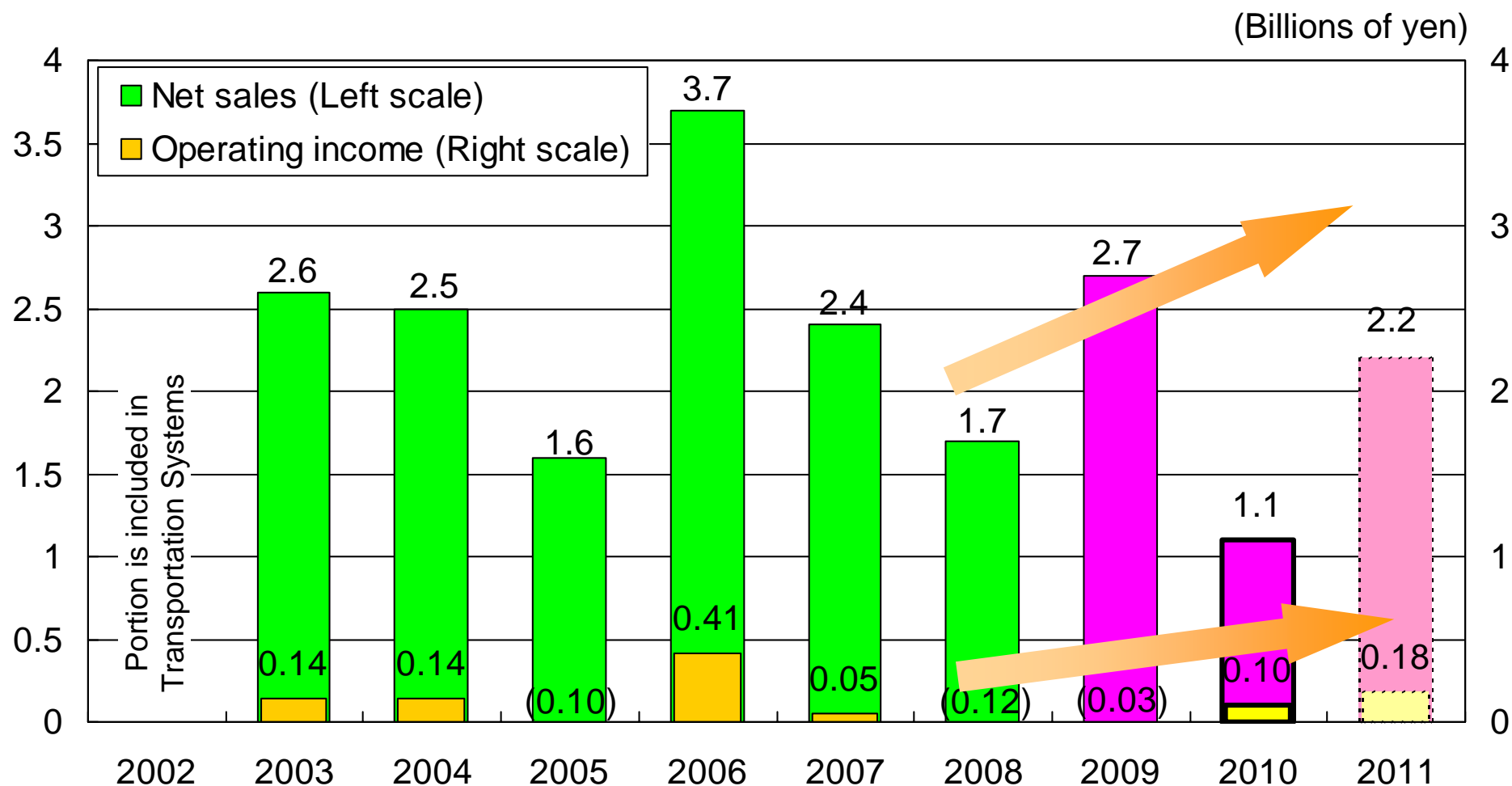
(Project 0)

Grow Up 123

Innovation 90

Challenge Up Plan

Reference: Performance Trends in Information Systems, and Forecast



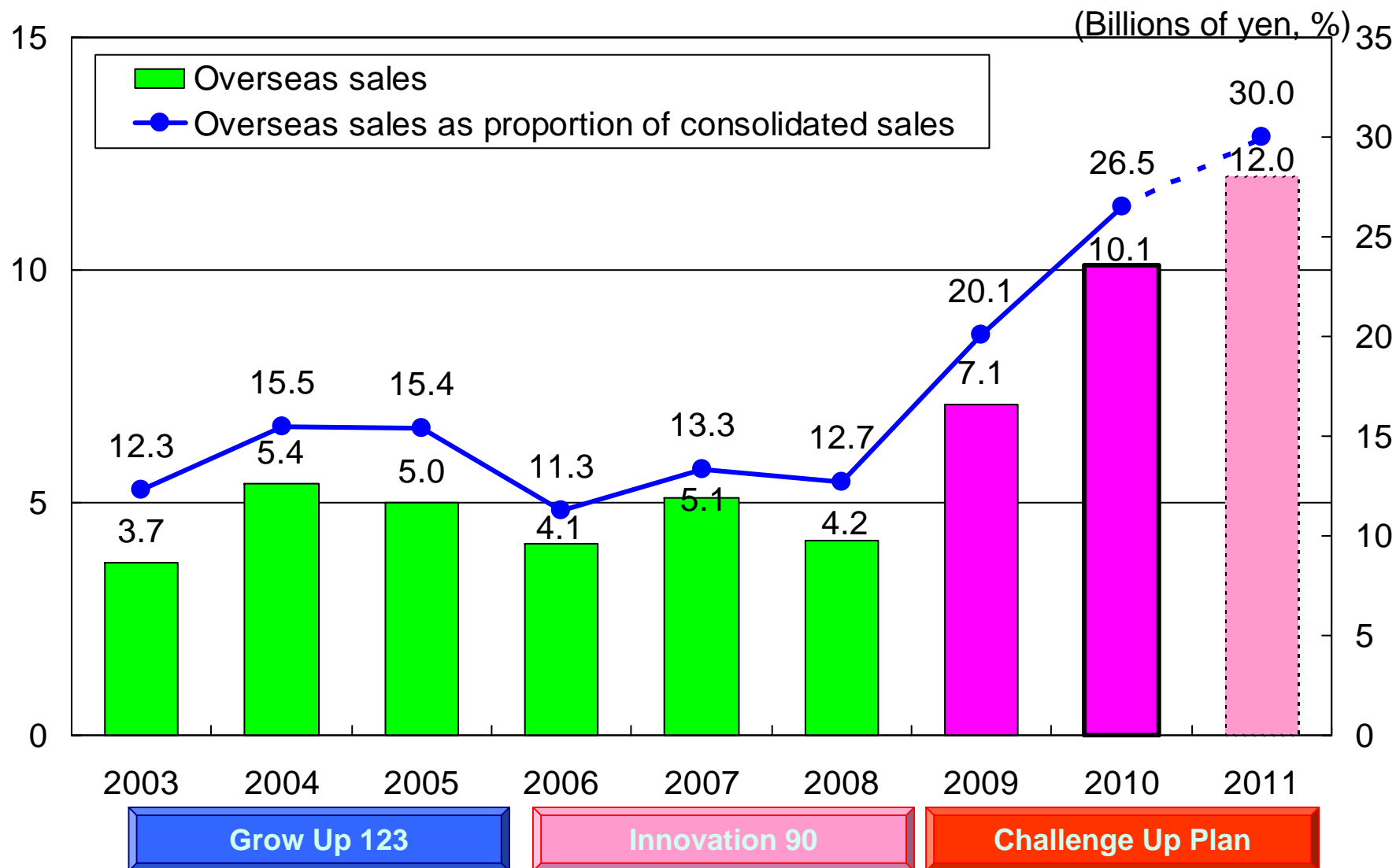
(Project 0)

Grow Up 123

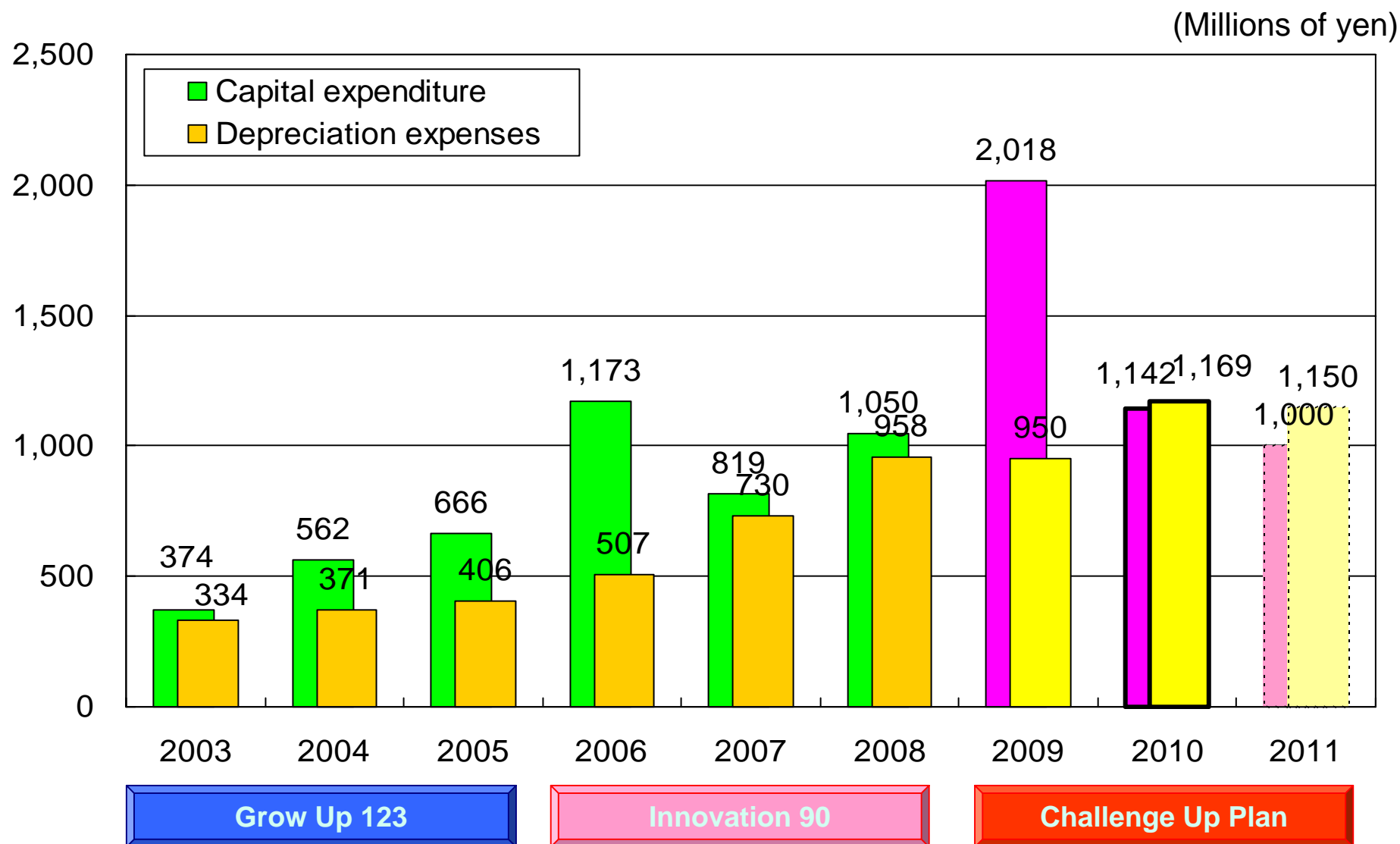
Innovation 90

Challenge Up Plan

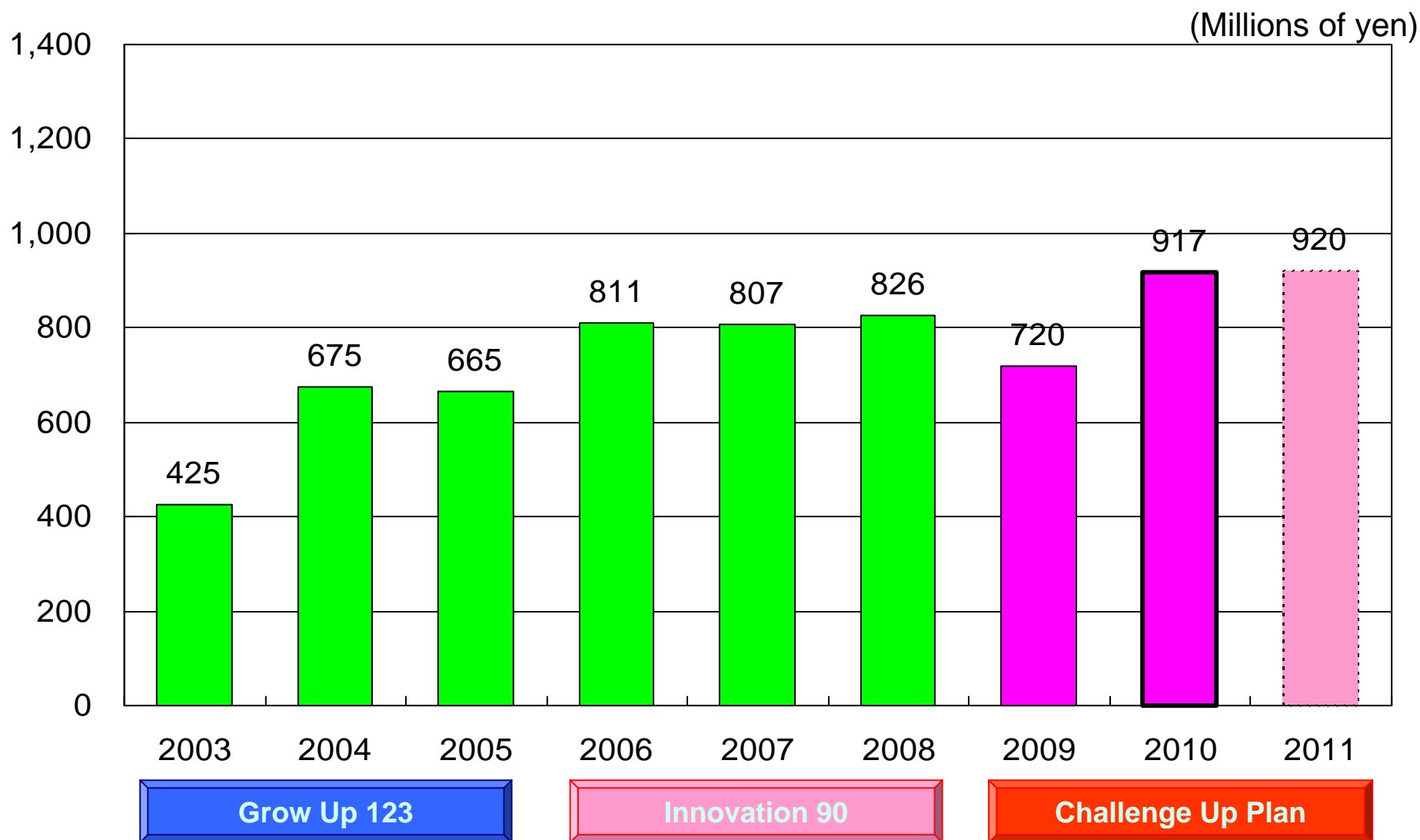
Reference: Trends in Overseas Sales, and Forecast



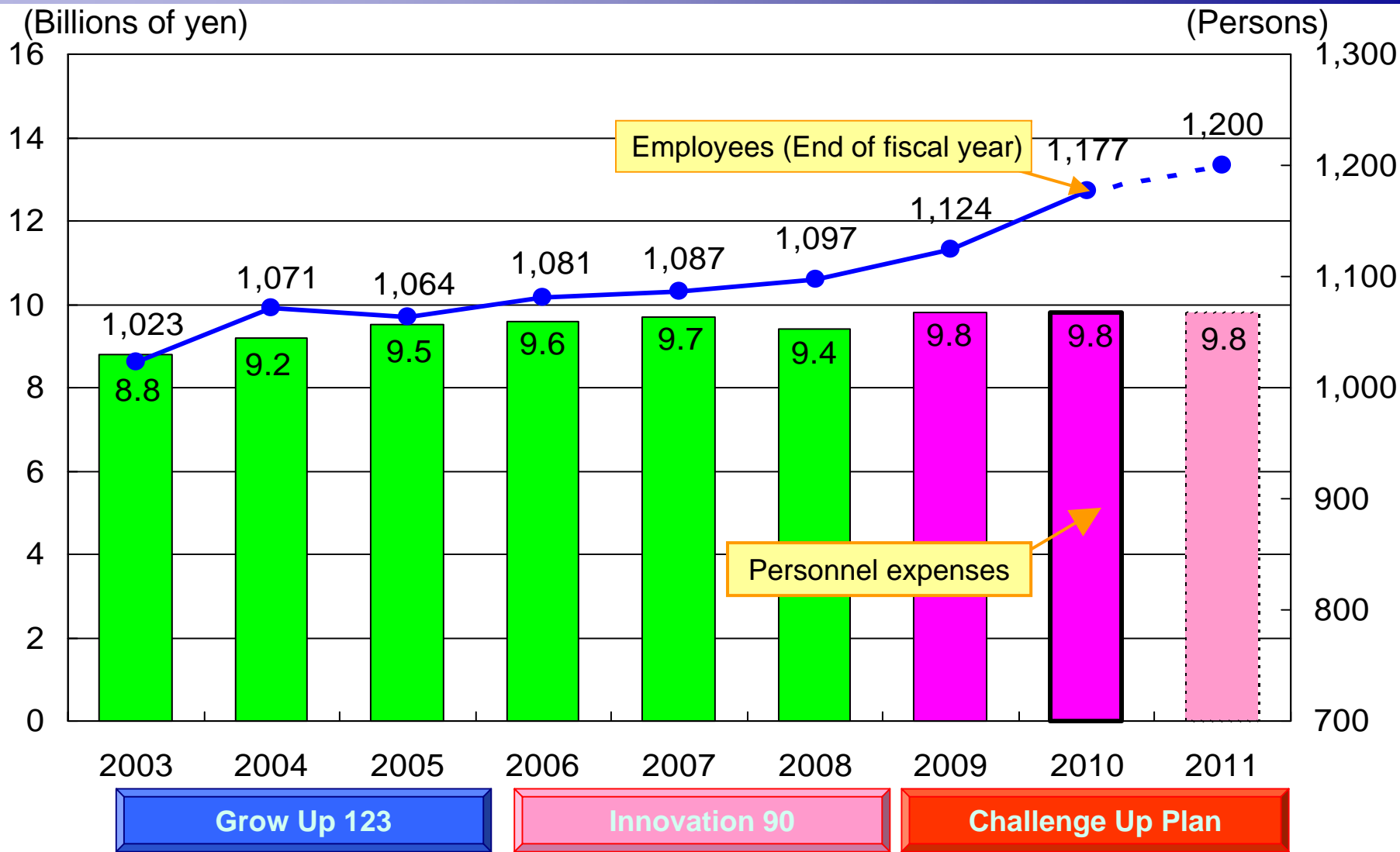
Reference: Changes in Consolidated Capital Expenditure and Depreciation Expenses, and Forecast



Reference: Changes in Consolidated Research and Development Expenses, and Forecast



Reference: Changes in Consolidated Personnel Expenses and Number of Employees, and Forecast



Note: Includes approximately 50 contract and fixed-term employees

Disclaimer

- Statements concerning financial results forecasts are based on data available as of the date of publication of this material and assumptions concerning the elements of uncertainty that will affect future business performance as of the date of publication of this material. Actual financial results may differ depending on a variety of factors.
- Forward-looking statements contained in this material are the judgments of the Toyo Denki Group based on data available at the time of publication of this material. Such statements and descriptions are by no means comprehensive.