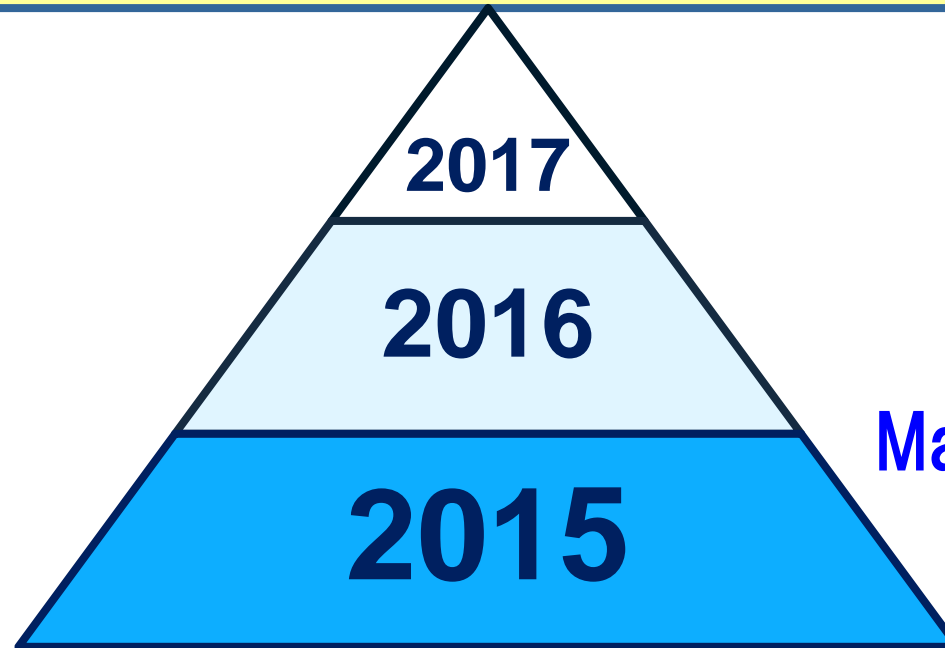


Mid-Term Management Plan (TOYO—330)



**TOYO
Machinery&Metal
Co.,Ltd.**

1. Mid-Term Management Plan

Summary of plan

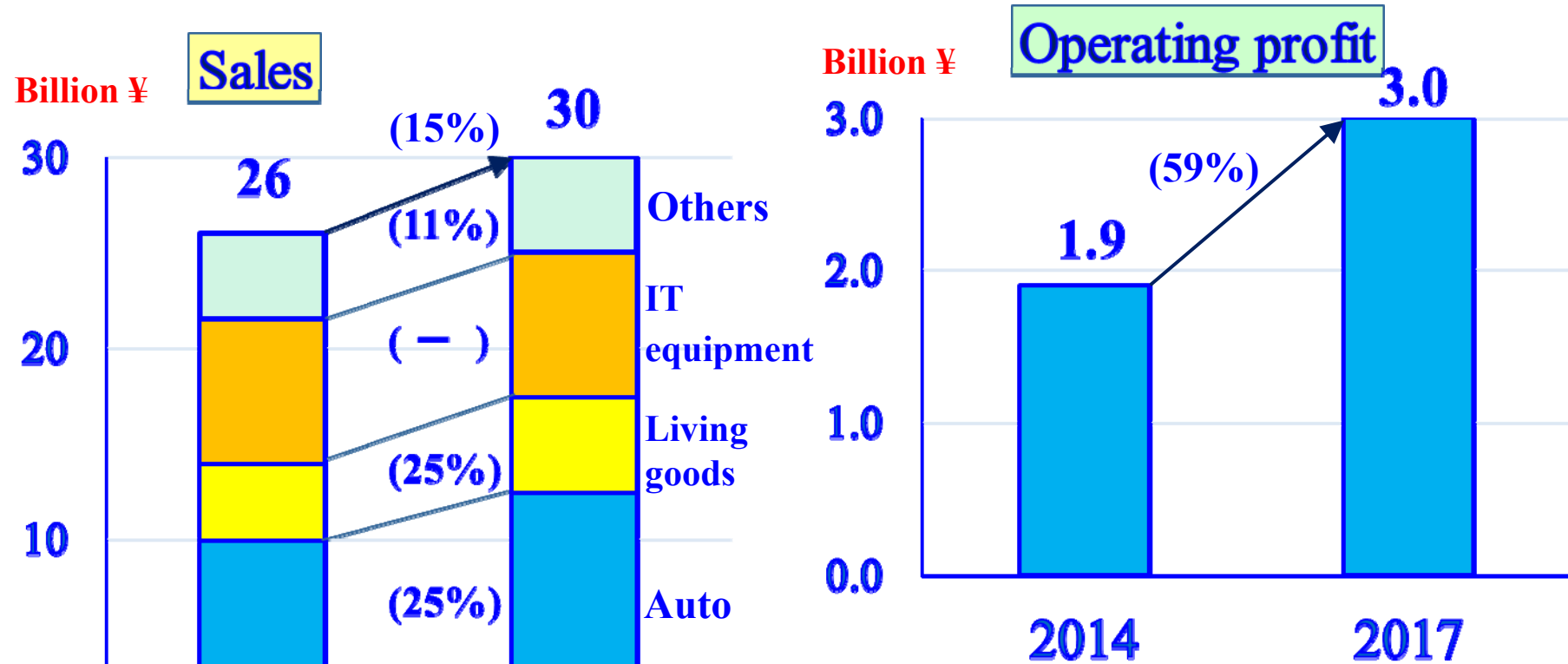
- ◎ Name : TOYO-330 (Sales:30Billion ¥, Profit:3Billion ¥)
- ◎ Principle : To aim at increasing corporate value with swift and strategic business development (ROE: 10% or higher)
- ◎ Term : 2015 through 2017 (3 years)

Challenges in achieving plan

- ◆ Sales : Developing global and stable markets
- ◆ Products : Increasing competitiveness of middle and large machines for needs of auto and living goods
- ◆ Production : Investment for streamlined production of middle and large machines

2. Planned Target

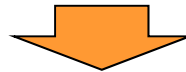
(%): Growth rate based on 2014



	2014	2017
Operating profit rate	7.3%	10%
ROE	13.5%	10% or higher

3. Business Strategy

Steady growth and foundation enhancement



Steady growth

◎ Targeted market sector

IT,
Electronics



Automotive
Living goods

◎ Targeted global market

- Automotive : China, S. & S. E. Asia, and Latin America
- Living goods : U.S.A, Europe, and Middle East

Foundation enhancement

◎ Product :

Enhancing competitiveness of middle to large machines

◎ Production system:

Small machine-oriented factory



Expansion for increased production of middle to large machines

Renovation of assembly factory
Expansion machining facility

4. Development of Global Sales

Europe and others

8%→10%

China
35%→31%

Japan
27%→25%

America
13%→15%
(Mexico: 2%→4%)

Asia
17%→19%
(India: 2%→4%)

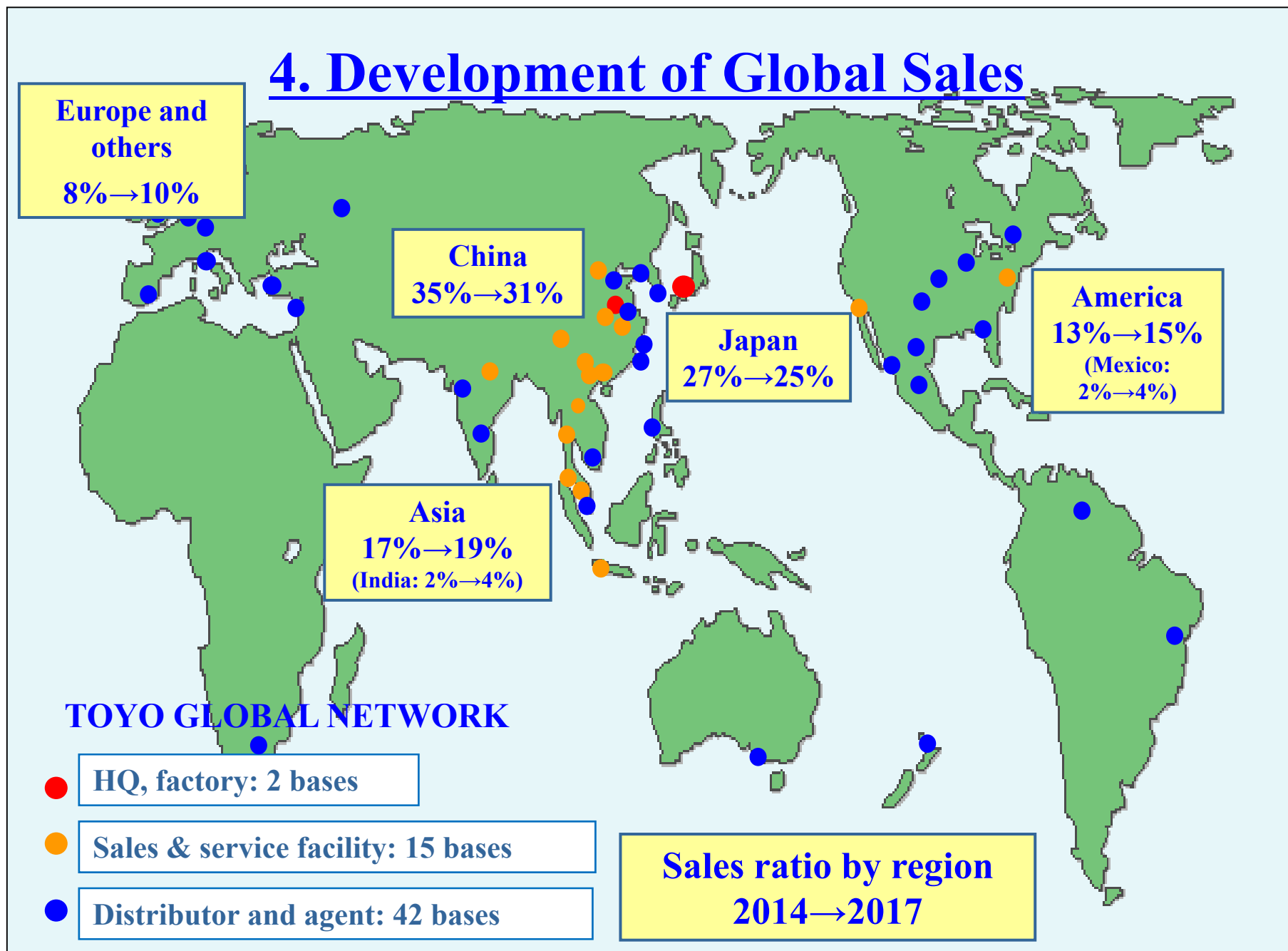
TOYO GLOBAL NETWORK

● HQ, factory: 2 bases

● Sales & service facility: 15 bases

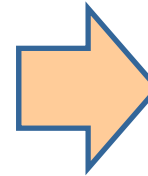
● Distributor and agent: 42 bases

Sales ratio by region
2014→2017



5. Product Plan

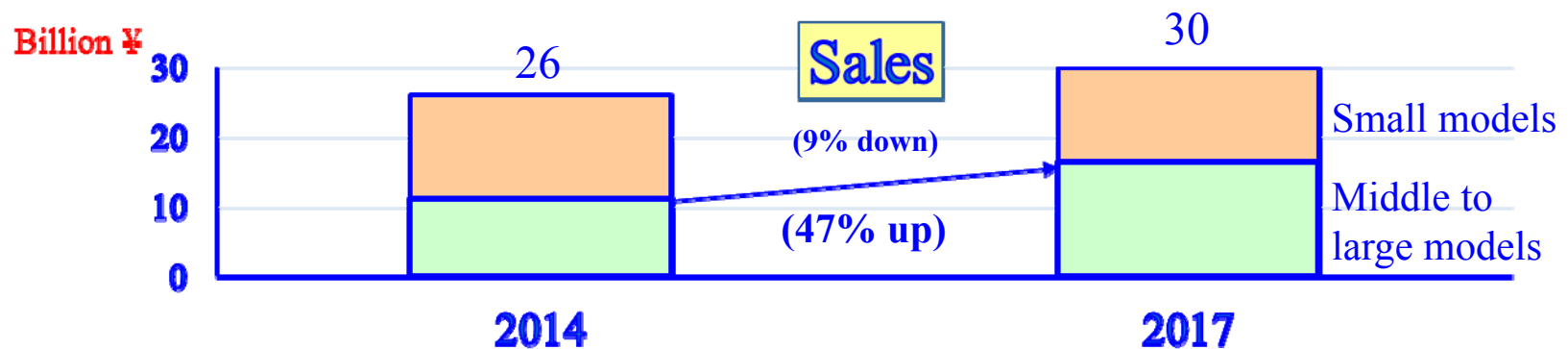
For markets of automotive and living goods



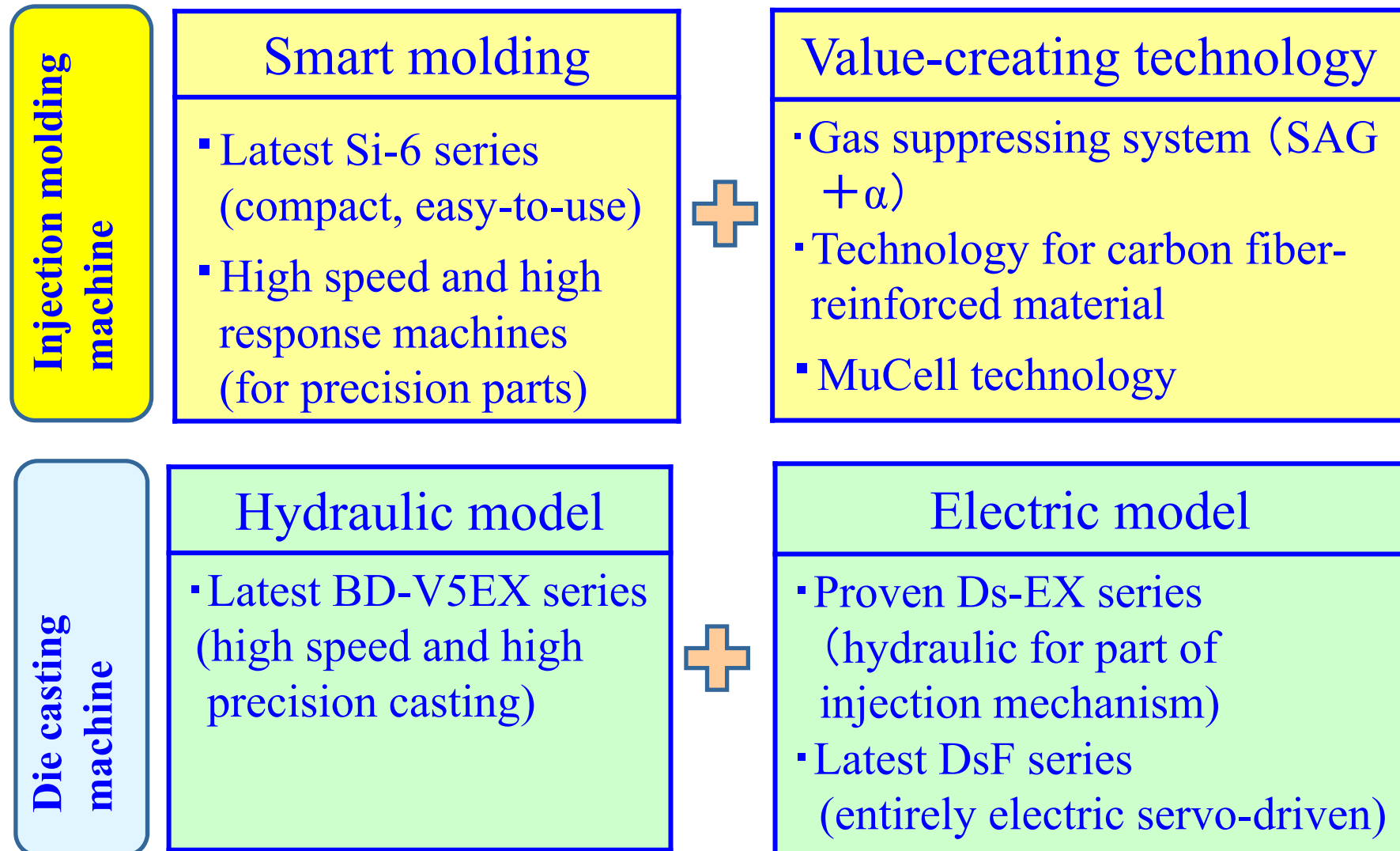
Increased production of middle to large machines

Nature of product

Product	Model (ton)	Market sector	Demand
Small	100 to 299	IT, electronics	Wide fluctuation
Mid-large	300 to 999	Auto, living goods	Relatively stable



6. Technologies for Target Markets



7. Streamlining of factory

— Smooth process flow and expansion of facility —

Expansion of production capacity by 30% :

- ① **Machining facility: Renovation of G7 building and expansion of machining equipment**
(for increased production of middle to large machines)
- ② **Assembly facility: Renovation of G8 building**
(for more space to assemble middle to large machines)
- ③ **Relocation of frame production line**
(for smooth flow of production process)
- ④ **In-house production of currently outsourcing parts**

Investment plan :

- **Building renovation: 2.5 billion yen (including anti-seismic reinforcement)**
- **Machining equipment: 2.5 billion yen**