

November 27th, 2014

Greetings to shareholders:

In the fiscal year ending in September 2014, the Bank of Japan continued a quantitative easing program aimed at an exit from deflation and the Japanese government implemented fiscal stimulus measures, which resulted in an improvement of corporate earnings and employment situation and in an overall increase in equity and asset prices. Despite a brief period of improvement in consumer demand prior to an increase in the consumption (value added) tax from 5 % to 8 % in April, its subsequent longer-than-expected downturn, coupled with the sharp depreciation of the Japanese yen, has triggered fear for the negative impact. Attention is focused on further growth measures by the government.

While the US economy continues to grow steadily, the European and Russian economies are still rather unstable, and the Chinese economic growth remains stable but at a somewhat lower rate despite high expectations.

Under such climate, we remain focused on “Measurement Technology,” concentrating on the R&D market. We contribute to the development of new technologies by the Japanese industry for future growth through introduction of advanced measurement technologies and instruments from Europe and the US and by offering a wider range of our own measurement systems based on the self-developed software. In an effort to reach a wider customer base, we are expanding our business in Asia, especially in China.

Our material analysis systems business continues to benefit from the strong needs for evaluation of electrical characteristics of various new materials for new sources of energy. The network evaluation and monitoring tools business moderately profited from the accelerated technology development for LTE, cloud computing, virtualization, and network security. We have observed a business expansion of marine and ocean measurement systems on the back of the active investments in ocean research by the Japanese government. The noise/vibration analysis business recorded satisfactory results for the main automobile industry, but was affected by the lack of growth in the railways and aerospace industries. The domestic market of EMC (electromagnetic compatibility) measurement systems remained sluggish, but large antenna projects contributed greatly to the revenue and increasing market awareness in China has started to bring in orders in the country.

As a result, the consolidated turnover rose by 18.9 % from FY 2013 to JPY 23,787 million, and the net profit increased by 18.7 % from FY 2013 to JPY 1,789 million.

The dividend is determined in proportion to the consolidated net profit. Sixty percent (60%) of the consolidated net profit is paid out as ordinary dividend. Based on this rule, the dividend for FY 2014 will be JPY 39 per share. Since an interim dividend of JPY 13 per share was already distributed among the shareholders in June 2014, the dividend per share at the end of FY 2014 will be JPY 26.

We sincerely ask for your continued support, and commit to you our best efforts in serving your interests.

Sincerely yours,

Masaru Gomi
President & CEO
TOYO Corporation

NOTICE of regular general meeting of shareholders

November 27th, 2014

TOYO Corporation

Notice is hereby given that the regular general meeting of shareholders of TOYO Corporation (the “Corporation”) will be held on Friday December 19th, 2014 at Belle Salle Yaesu Conference Rooms A – C at Yaesu First Financial Building (2nd Floor) at 3-7, Yaesu 1-chome, Chuo-ku, Tokyo, Japan, commencing at 10:00 a.m. for the following purposes:

Report-1) To receive the business report and consolidated financial statements for the FY 2014 (October 1, 2013 to September 30, 2014) as well as the reports from accounting auditors and the Board of Corporate Auditors regarding the consolidated financial statements;

Report-2) To receive the non-consolidated financial statements for the FY 2014 (October 1, 2013 to September 30, 2014);

Resolution-1) To approve the appropriation of retained earnings;

Resolution-2) To amend the Articles of Incorporation;

Resolution-3) To appoint six Directors; and

Resolution-4) To appoint two Corporate Auditors.

Should you be prevented from attending the meeting in person, you are invited to exercise your voting rights by way of the enclosed proxy form. The completed proxy form would need to be received at TOYO Corporation by 5:30 p.m. on Thursday December 18th, 2014.

Masaru Gomi

President and CEO

Important information for shareholders / Resolutions

1. Items to report

1) Consolidated balance sheets and consolidated statements of income for FY 2014 (October 1, 2013 to September 30, 2014)

Consolidated Balance Sheets

Toyo Corporation and Consolidated Subsidiaries September 30, 2014, 2013 and 2012

ASSETS	Thousands of yen		
	2014	2013	2012
CURRENT ASSETS:			
Cash and cash equivalents	¥ 4,880,933	¥ 4,885,512	¥ 4,261,062
Short-term investments	400,000		100,000
Marketable securities	4,846,165	6,281,902	7,754,855
Receivables:			
Trade notes and accounts	4,047,219	4,158,148	3,955,258
Other	40,376	7,802	43,430
Allowance for doubtful receivables	(400)	(800)	(800)
Inventories	1,095,328	836,430	819,038
Deferred tax assets	382,897	420,429	486,167
Prepaid expenses and other current assets	239,143	672,219	194,549
Total current assets	15,931,661	17,261,642	17,613,559
PROPERTY AND EQUIPMENT:			
Land	5,596,785	5,596,785	5,596,785
Buildings and structures	4,748,997	4,746,775	4,737,957
Equipment	3,027,208	2,997,533	2,966,450
Total	13,372,990	13,341,093	13,301,192
Accumulated depreciation	(4,957,282)	(4,860,093)	(4,764,081)
Net property and equipment	8,415,708	8,481,000	8,537,111
INVESTMENTS AND OTHER ASSETS:			
Investment securities	6,373,754	3,851,797	6,614,623
Investment securities to unconsolidated subsidiaries and associated companies	460,169	22,794	22,794
Accumulated insurance premiums	397,144	400,995	397,556
Prepaid pension cost	418,414	315,735	303,156
Long-term deposits	3,700,000	4,200,000	2,900,000
Deferred tax assets	87,759	88,830	274,501
Other assets	300,217	328,723	289,816
Allowance for doubtful receivables	(25,800)	(25,800)	(25,800)
Total investments and other assets	11,711,657	9,183,074	10,776,646
TOTAL	¥ 36,059,026	¥ 34,925,716	¥ 36,927,316

LIABILITIES AND EQUITY	Thousands of yen		
	2014	2013	2012
CURRENT LIABILITIES:			
Payables:			
Trade notes and accounts	¥ 1,540,815	¥ 1,805,581	¥ 1,552,414
Other	468,347	427,984	398,642
Income taxes payable	632,767	124,014	1,072,441
Accrued expenses	581,000	562,500	578,000
Other current liabilities	424,396	612,791	432,224
Total current liabilities	<u>3,647,325</u>	<u>3,532,870</u>	<u>4,033,721</u>
LONG - TERM LIABILITIES:			
Liability for retirement benefits	523,917	516,614	485,778
Other long-term liabilities	36,740	53,180	166,560
Total long-term liabilities	<u>560,657</u>	<u>569,794</u>	<u>652,338</u>
EQUITY:			
Common stock — authorized, 100,000,000 shares; issued 29,085,000 shares in 2014 and 2013, issued 30,637,000 shares in 2012	4,158,000	4,158,000	4,158,000
Additional paid-in capital	4,603,500	4,603,500	4,603,500
Stock acquisition rights	68,273	66,400	43,169
Retained earnings	24,837,680	23,896,953	25,232,320
Treasury stock — at cost 1,598,504 shares in 2014, 1,629,649 shares in 2013, 1,552,152 shares in 2012	(1,992,815)	(2,031,800)	(1,638,584)
Accumulated other comprehensive income:			
Net unrealized gain(loss) on available-for-sale securities	166,961	94,461	(154,824)
Deferred gain(loss) on derivatives under hedge accounting	26,006	15,683	(1,882)
Foreign currency translation adjustments	27,633	19,855	(442)
Defind retirement benefit plans	(44,194)		
Total equity	<u>31,851,044</u>	<u>30,823,052</u>	<u>32,241,257</u>
TOTAL	<u>¥ 36,059,026</u>	<u>¥ 34,925,716</u>	<u>¥ 36,927,316</u>

Consolidated Statements of Income

Toyo Corporation and Consolidated Subsidiaries Years Ended September 30, 2014, 2013 and 2012

	Thousands of yen		
	2014	2013	2012
NET SALES	¥ 23,787,734	¥ 20,004,990	¥ 20,884,205
COST OF SALES	14,207,218	10,949,876	10,805,839
Gross profit	9,580,516	9,055,114	10,078,366
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	6,943,555	6,789,089	6,988,049
Operating income	2,636,961	2,266,025	3,090,317
OTHER INCOME(EXPENSES):			
Interest and dividend income - net	132,121	134,209	179,671
Gain on sales or disposals of property and equipment - net	38,062	18,981	11,383
Gain(Loss) on sales of marketable and investment securities - net	(40,814)	111,357	76,159
Valuation loss on marketable and investment securities			(86,340)
Foreign exchange gain(loss) - net	96,895	(9,529)	86,652
Commission for purchase of treasury stock		(18,489)	
Equity in loss of associated companies			(17,919)
Loss on impairment of long-lived assets			(38,700)
Loss on disposition of foreign currency translation adjustment			(55,385)
Other - net	9,464	11,798	95,838
Other income - net	235,728	248,327	251,359
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	2,872,689	2,514,352	3,341,676
INCOME TAXES			
Current	1,066,734	905,000	1,572,000
Deferred	16,884	102,138	(123,095)
Total income taxes	1,083,618	1,007,138	1,448,905
NET INCOME BEFORE MINORITY INTERESTS	1,789,071	1,507,214	1,892,771
NET INCOME	¥ 1,789,071	¥ 1,507,214	¥ 1,892,771

2) Non-consolidated balance sheets and statements of income for FY 2014 (October 1, 2013 to September 30, 2014)

Non - Consolidated Balance Sheets

Toyo Corporation September 30, 2014, 2013 and 2012

ASSETS	Thousands of yen		
	2014	2013	2012
CURRENT ASSETS:			
Cash and cash equivalents	¥ 4,831,449	¥ 4,830,856	¥ 4,198,980
Short-term investments	400,000		100,000
Marketable securities	4,846,165	6,281,902	7,754,855
Receivable:			
Trade notes and accounts	4,040,729	4,158,908	3,957,027
Other	40,376	7,794	44,130
Allowance for doubtful receivables	(400)	(800)	(800)
Inventories	1,095,404	831,575	818,137
Advances to suppliers	59,137	507,764	105,316
Deferred tax assets	382,897	419,040	486,167
Prepaid expenses and other current assets	165,443	147,442	86,594
Total current assets	15,861,200	17,184,481	17,550,406
PROPERTY AND EQUIPMENT:			
Land	5,596,785	5,596,785	5,596,785
Buildings and structures	4,748,997	4,746,775	4,737,957
Equipment	3,017,931	2,990,375	2,960,924
Total	13,363,713	13,333,935	13,295,666
Accumulated depreciation	(4,949,992)	(4,854,859)	(4,761,738)
Net property and equipment	8,413,721	8,479,076	8,533,928
INVESTMENTS AND OTHER ASSETS:			
Investment securities	6,373,754	3,851,797	6,614,623
Investment securities to subsidiaries and associated companies	546,389	183,014	184,189
Allowance for doubtful investment securities in subsidiaries		(43,500)	(43,500)
Prepaid pension cost	454,431	315,735	303,156
Long-term deposits	3,700,000	4,200,000	2,900,000
Deferred tax assets	89,660	88,830	274,501
Other assets	694,208	716,810	681,126
Allowance for doubtful receivables	(25,800)	(25,800)	(25,800)
Total investments and other assets	11,832,642	9,286,886	10,888,295
TOTAL	¥ 36,107,563	¥ 34,950,443	¥ 36,972,629

LIABILITIES AND EQUITY	Thousands of yen		
	2014	2013	2012
CURRENT LIABILITIES:			
Payables:			
Trade notes and accounts	¥ 1,585,702	¥ 1,815,145	¥ 1,553,788
Other	466,989	427,425	398,244
Income taxes payable	632,767	124,014	1,072,441
Accrued expenses	581,000	562,500	578,000
Advances from customers on contracts	302,667	502,092	214,115
Other current liabilities	84,805	69,944	217,806
Total current liabilities	3,653,930	3,501,120	4,034,394
LONG - TERM LIABILITIES:			
Liability for retirement benefits	491,265	516,614	485,778
Other long-term liabilities	36,740	53,180	166,560
Total long-term liabilities	528,005	569,794	652,338
EQUITY:			
Common stock—authorized, 100,000,000 shares; issued 29,085,000 shares in 2014 and 2013, issued 30,637,000 shares in 2012	4,158,000	4,158,000	4,158,000
Additional paid-in capital	4,603,500	4,603,500	4,603,500
Stock acquisition rights	68,273	66,400	43,169
Retained earnings:			
Legal reserve	581,209	581,209	581,209
Retained earnings - unappropriated	24,314,494	23,392,076	24,695,309
Net unrealized gain(loss) on available-for-sale securities	166,961	94,460	(154,824)
Deferred gain(loss) on derivatives under hedge accounting	26,006	15,683	(1,882)
Treasury stock—at cost 1,598,504 shares in 2014, 1,629,649 shares in 2013, 1,552,152 shares in 2012	(1,992,815)	(2,031,799)	(1,638,584)
Total equity	31,925,628	30,879,529	32,285,897
TOTAL	¥ 36,107,563	¥ 34,950,443	¥ 36,972,629

Non - Consolidated Statements of Income

Toyo Corporation Years Ended September 30, 2014, 2013 and 2012

	Thousands of yen		
	2014	2013	2012
NET SALES	¥ 23,650,270	¥ 19,979,883	¥ 20,871,895
COST OF SALES	14,161,233	10,946,347	10,798,895
Gross profit	9,489,037	9,033,536	10,073,000
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	6,867,008	6,735,939	6,942,042
Operating income	2,622,029	2,297,597	3,130,958
OTHER INCOME(EXPENSES):			
Interest and dividend income - net	131,981	134,129	277,012
Gain on sales or disposals of property and equipment - net	38,062	18,981	11,479
Gain(Loss) on sales of marketable and investment securities - net	(40,814)	111,357	73,871
Valuation loss on marketable and investment securities			(86,340)
Foreign exchange gain(loss) - net	96,683	(7,217)	86,549
Loss on impairment of long-lived assets			(38,700)
Loss on valuation of investment securities in subsidiaries	(30,500)		
Loss on foreign currency exchange in capital reduction of subsidiaries			(82,483)
Other - net	9,176	(7,027)	80,406
Other income - net	204,588	250,223	278,294
INCOME BEFORE INCOME TAXES	2,826,617	2,547,820	3,409,252
INCOME TAX			
Current	1,066,734	905,000	1,572,000
Deferred	(10,879)	103,527	(123,095)
Total income taxes	1,055,855	1,008,527	1,448,905
NET INCOME	¥ 1,770,762	¥ 1,539,293	¥ 1,960,347

2. Resolutions

1) Proposal of Appropriation of Retained Earnings

The basic policy of TOYO Corporation is to increase the profitability to pay dividends to the shareholders in proportion to the profits, to build up retained earnings for an improved financial health which is the basis of our long-term growth, and to raise the corporate value. In view of the above, we propose to appropriate the retained earnings in FY 2014 as follows.

<End-of-term dividend>

Based on the dividend policy (Note 1) of TOYO Corporation below, the end-of-term dividend in FY 2014 will be as follows.

a) Type of dividend: Japanese yen

b) Calculation of the dividend and the aggregate amount of the dividend:

The end-of-term dividend will be JPY 26 per common share (Note 2).

The aggregate amount of the end-of-term dividend will be JPY 714,648,896.

c) The end-of-term dividend will be payable as of December 22nd, 2014.

(Note 1: Dividend policy)

For ordinary dividend, we established a policy of maintaining the dividend payout ratio of around 60% (based on the consolidated net profit).

The interim dividend for the current fiscal year corresponds to 40% of the ordinary dividend for the previous fiscal year. The interim dividend for FY 2014 was JPY 13 per share.

(Note 2: Dividend in FY 2014)

If this resolution is approved, the total dividend per share for FY 2014 will be JPY 39.

2) **Amendment of the Articles of Incorporation**

Existing Articles of Incorporation	Amended Articles of Incorporation
<p>Article 12</p> <p>President shall preside over a general meeting of the shareholders. Should the President be prevented from attending the meeting, another director shall preside over the meeting as prescribed by the Board of Directors.</p>	<p>Article 12</p> <p>President shall preside over a general meeting of the shareholders. Should the position of the President be vacant or should the President be prevented from attending the meeting, another director shall preside over the meeting as prescribed by the Board of Directors.</p>
<p>Article 15</p> <p>At a general meeting of the shareholders, only the items that the shareholders have been notified of can be deliberated on.</p>	<p>Article 15</p> <p>At a general meeting of the shareholders, only the resolutions that the shareholders have been notified of can be voted on.</p>
<p>Article 20</p> <ol style="list-style-type: none"> 1. (Omitted) 2. (Omitted) 3. The Board of Directors may by its resolution appoint one Chairman, one President, one Senior Vice President, Senior Managing Directors, Managing Directors, and Senior Corporate Counsellors. 	<p>Article 20</p> <ol style="list-style-type: none"> 1. (No change) 2. (No change) 3. The Board of Directors may by its resolution appoint one President, Senior Managing Directors, Managing Directors, and Senior Corporate Counsellors.
<p>Article 21</p> <ol style="list-style-type: none"> 1. The Chairman shall preside over a meeting of the Board of Directors. 2. (Omitted) 3. The Senior Vice President, Senior Managing Directors, Managing Directors, and other Directors shall assist the President in performing the daily operations. 4. Should the position of Chairman be vacant or should the Chairman be prevented from performing the duties, the President shall act 	<p>Article 21</p> <ol style="list-style-type: none"> 1. The President shall preside over a meeting of the Board of Directors. 2. (No change) 3. The Senior Managing Directors, Managing Directors, and other Directors shall assist the President in performing the daily operations. 4. Should the position of President be vacant or should the President be prevented from performing the duties, another Director shall act on behalf of the President pursuant to the

<p>on behalf of the Chairman. Should the President be prevented from performing the duties, another Director shall act on behalf of the President pursuant to the order prescribed by the Board of Directors.</p> <p>Article 22</p> <p>Unless otherwise stipulated by laws, the Chairman shall convene and preside over a meeting of the Board of Directors. Should the position of the Chairman be vacant or should the Chairman be prevented from performing the duties, another Director shall act on behalf of the Chairman pursuant to the order stipulated by a meeting of the Board of Directors.</p>	<p>order prescribed by the Board of Directors.</p> <p>Article 22</p> <p>Unless otherwise stipulated by laws, the President shall convene and preside over a meeting of the Board of Directors. Should the position of the President be vacant or should the President be prevented from performing the duties, another Director shall act on behalf of the President pursuant to the order stipulated by a meeting of the Board of Directors.</p>
--	---

3) Appointment of six Directors

Masaru Gomi
President and CEO since December 2010

Shuuzou Totoki
Managing Director since December 2013

Noriyuki Kato
Director since December 2010

Hideyuki Okazawa
Director since December 2010

Mitsuru Onodera
Executive Officer since January 2010

Nobuyoshi Akiyama
President of NTT-AT Techno Communications Corporation since June 2012

Senior Corporate Advisor of NTT-AT Techno Communications Corporation since June 2014

4) Appointment of two Corporate Auditors

Masaki Uchiyama
Corporate Auditor since December 2010

Kiyo Morikawa
Attorney-at-law since October 2001
Established Morikawa Law Firm in 2010

Proxy Form

TOYO Corporation

The undersigned shareholder of TOYO Corporation hereby appoints _____ as the nominee of the undersigned to attend and act for the undersigned at the meeting of shareholders of the Corporation held on December 19th, 2014 in Tokyo and at any adjournment of that meeting in the same manner and with the same power, including with respect to voting, as if the undersigned were present in person.

(Optional) The undersigned has instructed his/her nominee to exercise his/her voting rights as follows:

- | | | |
|---------------|-----------------------------|--------------------------------|
| Resolution 1) | <input type="radio"/> Agree | <input type="radio"/> Disagree |
| Resolution 2) | <input type="radio"/> Agree | <input type="radio"/> Disagree |
| Resolution 3) | <input type="radio"/> Agree | <input type="radio"/> Disagree |
| Resolution 4) | <input type="radio"/> Agree | <input type="radio"/> Disagree |

Dated: _____

Signature of shareholder: _____

Name of shareholder in print: _____

Number of shares: _____

Disclaimer

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. TOYO Corporation assumes no responsibility for this translation or for direct, indirect, or any other forms of damages arising from the translation.