

Fiscal Year Ended March 2024
(FY2023)

OUTLINE OF FINANCIAL RESULTS

May 15, 2024

Toyo Engineering Corporation

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Performance Summary

JPY billion

- ◆ Increase in revenue & each income level compared with the last fiscal year
- ◆ Dividend resumed after 7 periods

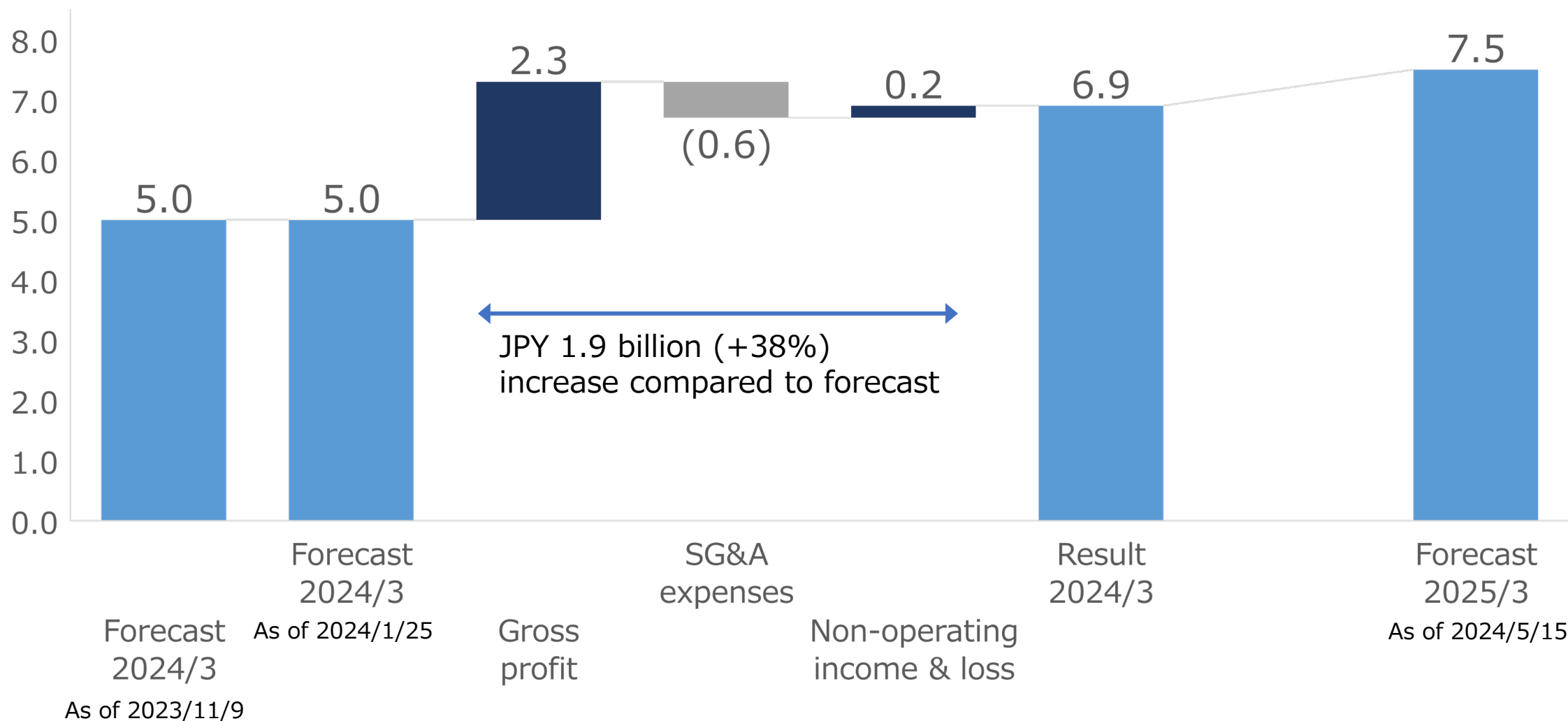
- ① Increased compared to the forecast, mainly due to increase of the backlog of ongoing projects and their construction progress
- ② Effect of increased net sales. The firm performance of non-EPC projects with relatively high gross profit margins. Additional revenues from some overseas projects.
- ③ JPY 1.9 billion (+38%) increase compared to the forecast
- ④ Recorded extraordinary income from transfer of real estate
- ⑤ Utilization of loss carried forwards. Decreased in tax expenses due to the recording of deferred income taxes.
- ⑥ Net income excluding extraordinary income & loss was JPY 5 billion (ROE 9.3%)
- ⑦ Exceeded the forecast
- ⑧ Dividend resumed after 7 periods
※Disclosed on 2024/3/21
※Achieved KGI aiming to resume dividends in the medium-term management plan (FY2021-FY2025)

	2023/3	2024/3	Difference	Forecast 2024/3 as of 2024/1/25	Difference	Achievement
Net sales	192.9	260.8	+67.9	250.0	+10.8 ①	104%
Gross profit	24.2	28.3	+4.1	26.0	+2.3 ②	109%
Gross profit margin	12.6%	10.9%	-1.7pt	10.4%	+0.5pt	
SG&A expenses	19.5	21.6	(2.1)	21.0	(0.6)	103%
Operating income	4.7	6.7	+2.0	5.0	+1.7	134%
Operating income margin	2.5%	2.6%	+0.1pt	2.0%	+0.6pt	
Non-operating income & expenses	(0.8)	0.2	+1.0	-	+0.2	-
Ordinary income	3.8	6.9 ③	+3.1	5.0	+1.9 ③	138%
Extraordinary income & loss	-	4.8 ④	+4.8	4.9	(0.1)	98%
Profit before income taxes	3.8	11.7	+7.9	9.9	+1.8	118%
Income taxes	2.2	1.9 ⑤	+0.3	2.0	+0.1	95%
Profit attributable to owners of parent	1.6	9.8 ⑥	+8.2	7.9	+1.9 ⑥	124%
New orders	211.0	159.8	(51.2)	120.0	+39.8 ⑦	133%
New orders including the equity method affiliates	254.2	462.3	+208.1	410.0	+52.3 ⑦	113%
Dividends per share	¥0	¥12	¥12	¥12 ⑧	-	-
Net assets	49.1	64.1	+15.0	59.6	+4.5	-
ROE	3.5%	17.4%	+13.9pt	14.6%	+2.8pt	119%

Ordinary income (Main business profit before income taxes)

- ◆ Dividend resources are not from real estate transfers, but from normalization of the main business

JPY billion

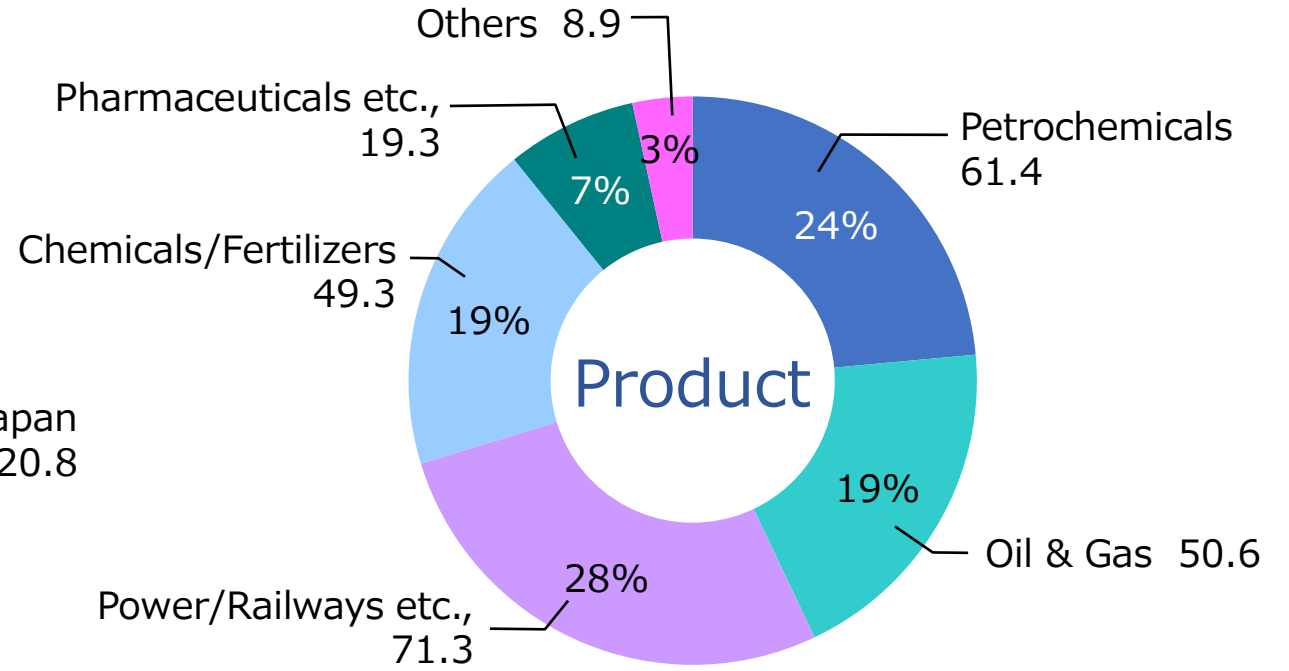
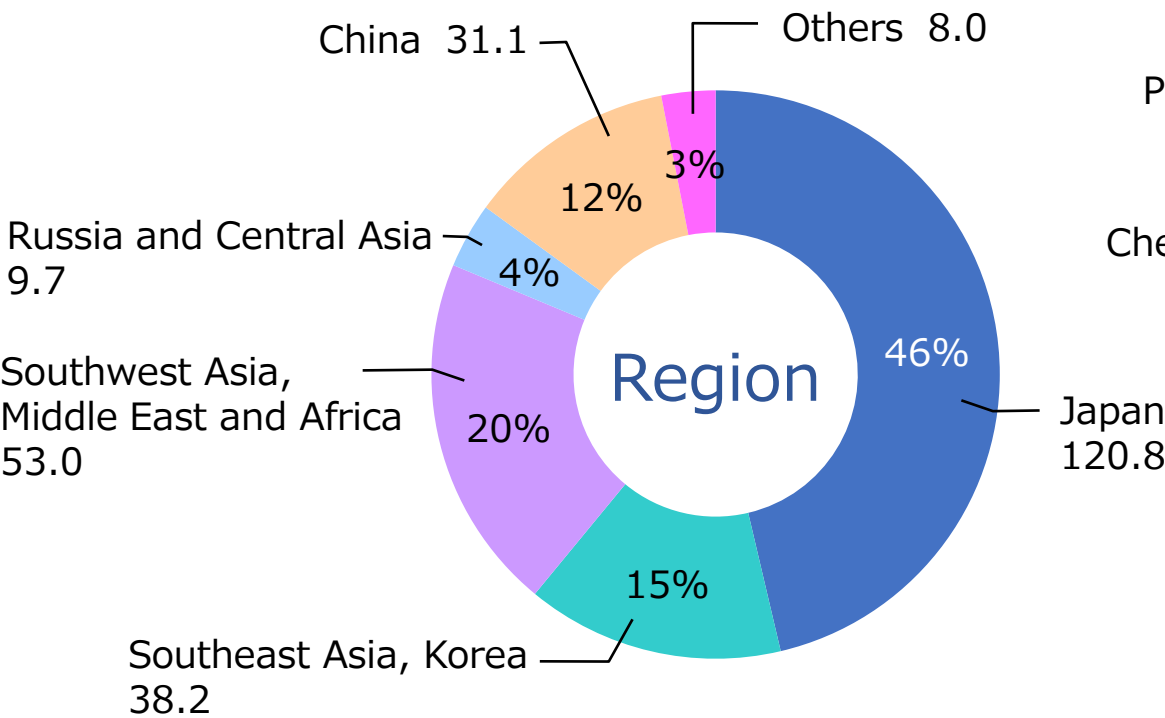


Net Sales

JPY billion



2024/3 Net sales : JPY 260.8 billion



Major Contracts	Over JPY 20 billion	Over JPY 15 billion	Over JPY 10 billion
	Petrochemical, JAPAN	Chemical/Fertilizer, CHINA	Oil & Gas, INDIA Power/Railways etc., JAPAN (4 projects)

Balance Sheet

JPY billion



Assets	2023/3	2024/3	Difference
Current assets	222.7	250.3	+27.6
Cash and deposits	108.5	119.8	+11.3 ①
Notes and accounts receivable	65.5	82.0	+16.5 ②
Work in progress	22.2	18.9	(3.3) ②
Other current assets	26.3	29.4	+3.1
Non-current assets	33.5	35.6	+2.1
Property, plant and equipment	12.8	6.9	(5.9) ③
Intangible assets	4.7	5.6	+0.9
Investments and other assets	16.0	23.1	+7.1 ④
Total assets	256.3	285.9	+29.6

Liabilities and net assets	2023/3	2024/3	Difference
Current liabilities	174.7	193.5	+18.8
Short-term interest bearing debt	12.6	17.6	+5.0
Notes and accounts payable	64.7	91.1	+26.4 ②
Advance receipts on uncompleted contracts	77.2	62.0	(15.2) ②
Other current liabilities	20.1	22.6	+2.5
Noncurrent liabilities	32.4	28.2	(4.2)
Long-term interest bearing debt	23.8	18.6	(5.2)
Other noncurrent liabilities	8.5	9.6	+1.1
Net assets	49.1	64.1	+15.0
Shareholder's equity	40.2	50.0	+9.8
Accumulated other comprehensive income	8.6	13.8	+5.2 ⑤
Non-controlling interests	0.1	0.2	+0.1
Total liabilities and net assets	256.3	285.9	+29.6

Equity ratio	19.1%	22.4%	+3.3pt
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① Increase mainly due to transfer of real estate

② Increase/decrease due to project progress

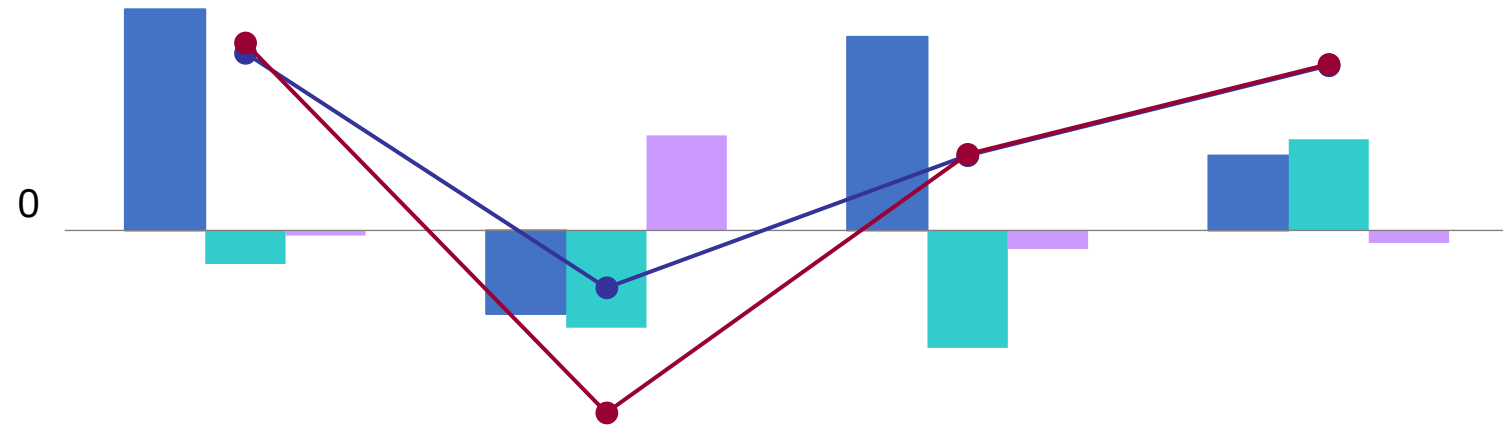
③ Decrease due to transfer of real estate

④ Increase in market value of defined benefit assets and investment securities due to rising stock prices and inclusion of equity method affiliates

⑤ Impact of yen's depreciation on foreign currency translation adjustments

Cash Flows

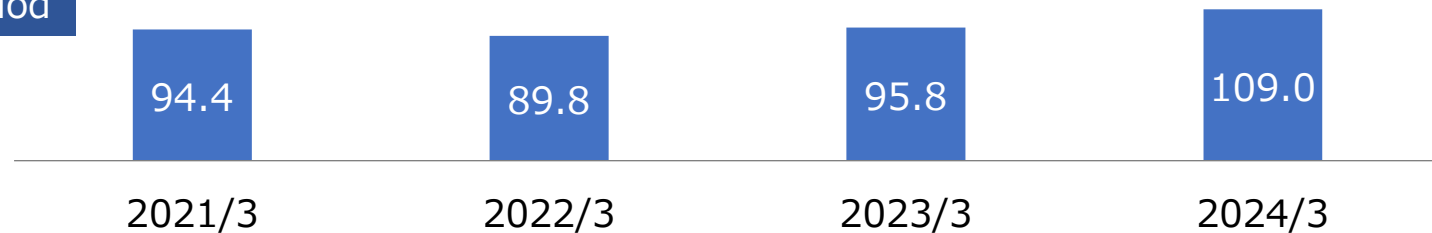
JPY billion



	2021/3	2022/3	2023/3	2024/3
Operating activities	17.7	(6.7)	15.5	6.0
Investing activities	(2.7)	(7.8)	(9.4)	7.3 ※
Financing activities	(0.4)	7.6	(1.5)	(1.0)
Net increase/decrease in cash	14.2	(4.6)	6.0	13.2
Free cash flow	15.0	(14.6)	6.1	13.3

※Increase mainly due to transfer of real estate

Cash and cash equivalents at the end of period

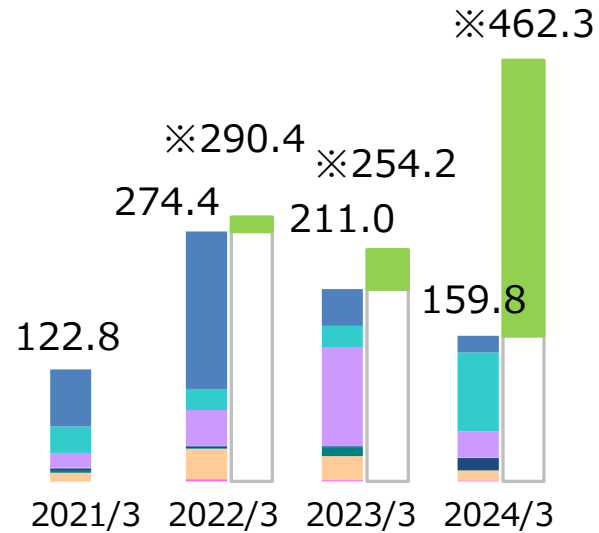


New Orders

JPY billion

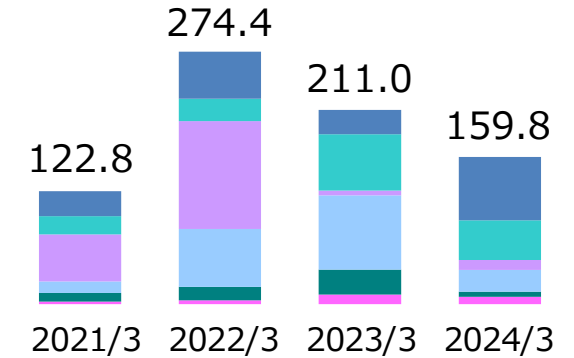
※ <Reference> Including the equity method affiliates

Region



Region	2021/3	2022/3	2023/3	2024/3
Japan	62.4	172.8	40.4	18.4
Southeast Asia, Korea	29.2	23.2	23.7	86.8
Southwest Asia, Middle East and Africa	16.3	39.6	107.9	28.0
Russia and Central Asia	0.4	0.3	0.3	1.2
North America	2.9	2.2	1.2	13.3
Central and South America	2.1	0.4	9.7	0.2
China	9.2	33.4	26.5	11.1
Others	0.3	2.5	1.3	0.8
New orders	122.8	274.4	211.0	159.8
The equity method affiliates		15.9	43.2	302.4
<Reference> New orders including the equity method affiliates		290.4	254.2	462.3

Product



Product	2021/3	2022/3	2023/3	2024/3
Petrochemicals	27.1	51.0	26.4	68.8
Oil & Gas	19.9	24.4	61.1	43.0
Power/Railways etc.	51.0	117.3	5.4	10.7
Chemicals/Fertilizers	12.8	62.9	80.5	23.8
Pharmaceuticals etc.	9.3	14.8	27.4	5.4
Others	2.7	4.0	10.2	8.1
New orders	122.8	274.4	211.0	159.8

2024/3 Major Contracts	Consolidated	The equity method affiliates
	Over JPY 20 billion Petrochemical, THAILAND	FPSO *1, GUYANA FPSO, BRAZIL
Over JPY 10 billion Oil & Gas, INDIA Petrochemical, KOREA		

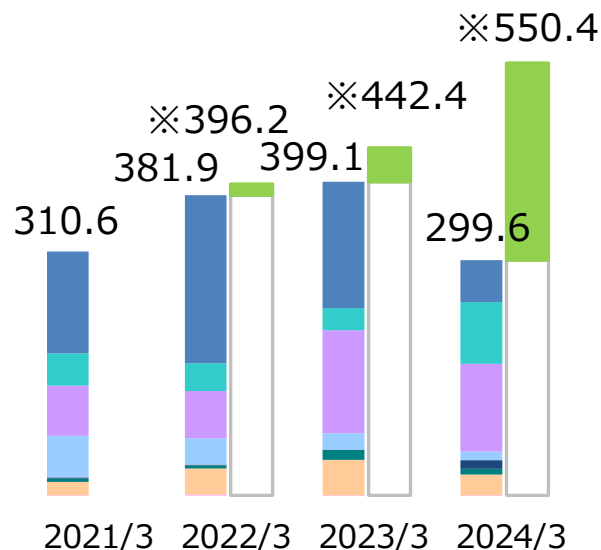
*1 : FPSO = Floating Production, Storage and Offloading

Backlog of Contracts

JPY billion

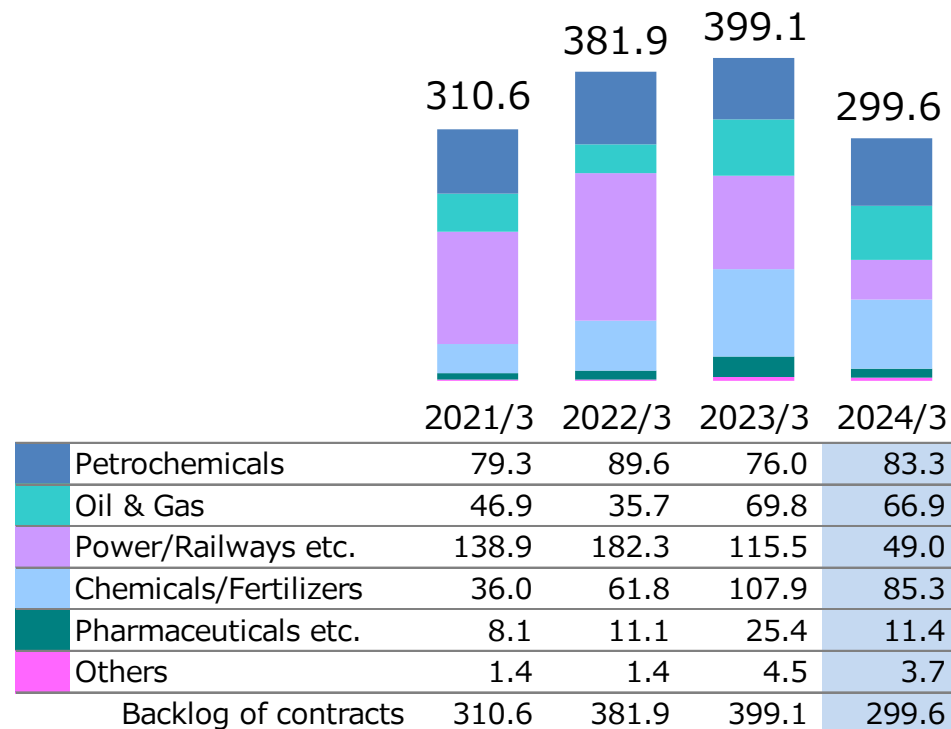
※<Reference>Including the equity method affiliates

Region



Region	2021/3	2022/3	2023/3	2024/3
Japan	129.8	213.4	160.9	53.4
Southeast Asia, Korea	41.0	35.8	28.0	78.7
Southwest Asia, Middle East and Africa	64.1	60.2	131.2	111.4
Russia and Central Asia	52.7	33.2	20.8	11.2
North America	1.5	0.9	0.3	10.8
Central and South America	4.2	4.0	12.7	7.4
China	17.1	33.4	44.9	26.4
Others	0.2	1.0	0.3	0.3
Backlog of contracts	310.6	381.9	399.1	299.6
The equity method affiliates		14.3	43.2	250.7
<Reference> Backlog of contracts including the equity method affiliates		396.2	442.4	550.4

Product



2024/3 Major Contracts

Consolidated

Over JPY 50 billion
Chemical/Fertilizer, NIGERIA
Over JPY 20 billion
Petrochemical, THAILAND

The equity method affiliates

FPSO, GUYANA
FPSO, BRAZIL

Forecast for 2025/3

JPY billion



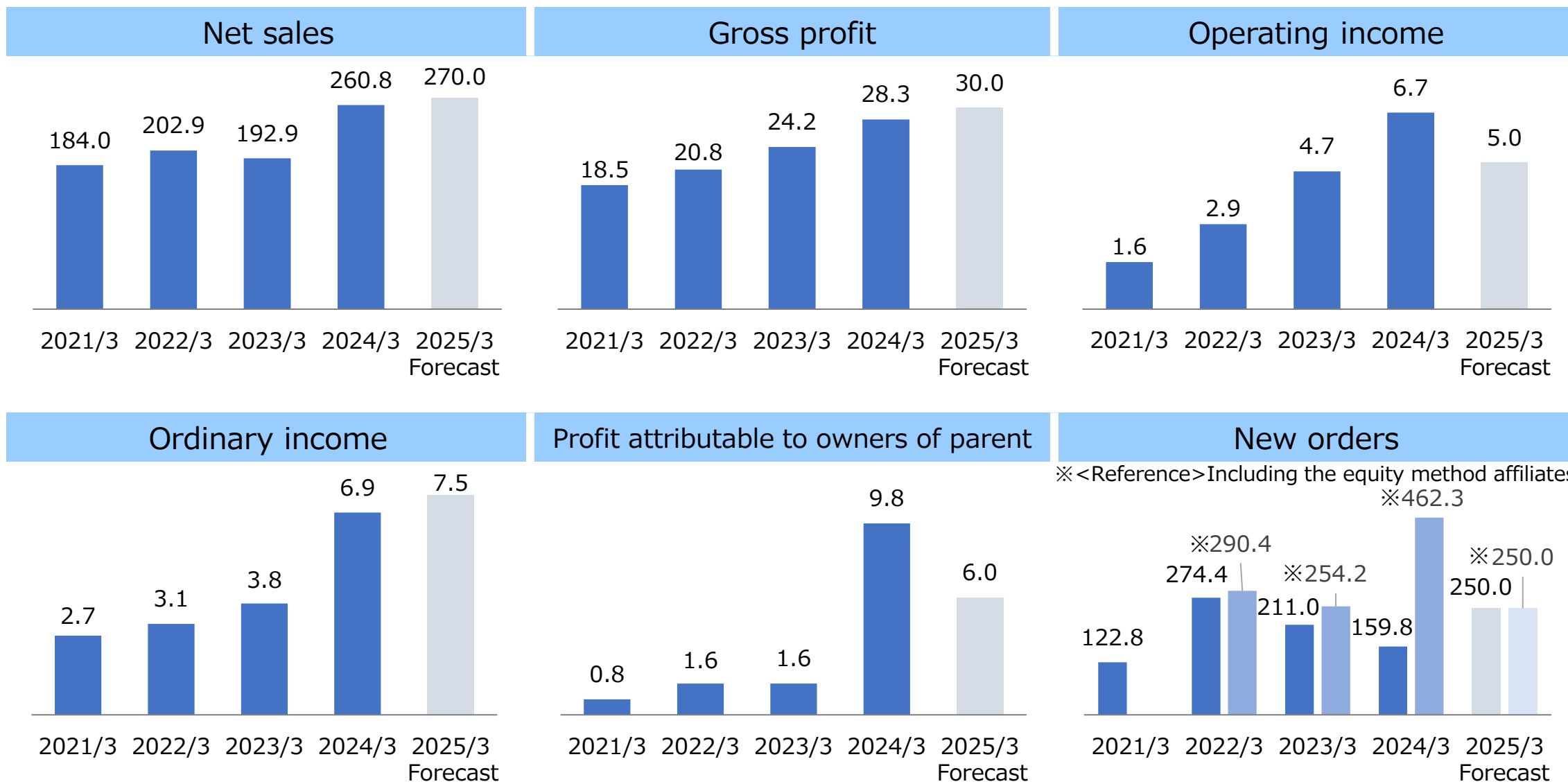
	2024/3 Result	2025/3 Forecast	Defference	
Net sales	260.8	270.0	+9.2	①
Gross profit	28.3	30.0	+1.7	①
Gross profit margin	10.9%	11.1%	+0.2pt	
SG&A expenses	21.6	25.0	(3.4)	②
Operating income	6.7	5.0	(1.7)	
Operating income margin	2.6%	1.9%	-0.7pt	
Non-operating income & expenses	0.2	2.5	+2.3	③
Ordinary income	6.9	7.5	+0.6	
Income taxes	1.9	1.5	+0.4	
Profit attributable to owners of parent	9.8	6.0	(3.8)	④
Net income excluding extraordinary income & loss	5.0	6.0	+1.0	④
New orders	159.8	250.0	+90.2	
New orders including the equity method affiliates	462.3	250.0	(212.3)	
Dividends per share	¥12	¥25	+¥13	⑤
Net assets	64.1	69.4	+5.3	
ROE	17.4%	9.0%	-8.4pt	

- ① Increase revenue due to the progress of some ongoing projects, conversion of the equity method affiliates in Brazil into subsidiaries, and steady execution of non-EPC projects.
- ② Japan head office relocation costs apply. Costs associated with conversion of the equity method affiliates into subsidiaries apply. Increase in personnel cost level for the entire group (Impact on proposal and R&D expenses)
- ③ Contribution by equity method affiliates.
- ④ Net income excluding extraordinary income and loss increased by JPY 1.0 billion.
- ⑤ Increase dividends

Exchange rate for the forecast 1US\$= ¥150

-Reference- Performance Trends

JPY billion



-Reference- Historical Data

		2021/3	2022/3	2023/3	2024/3	2025/3 Forecast
Net sales	JPY billion	184.0	202.9	192.9	260.8	270.0
Gross profit	JPY billion	18.5	20.8	24.2	28.3	30.0
Gross profit margin	%	10.1%	10.3%	12.6%	10.9%	11.1%
SG&A expenses	JPY billion	16.9	17.8	19.5	21.6	25.0
Operating income	JPY billion	1.6	2.9	4.7	6.7	5.0
Operating income margin	%	0.9%	1.5%	2.5%	2.6%	1.9%
Ordinary income	JPY billion	2.7	3.1	3.8	6.9	7.5
Income taxes	JPY billion	1.9	1.4	2.2	1.9	1.5
Profit attributable to owners of parent	JPY billion	0.8	1.6	1.6	9.8	6.0
Comprehensive income	JPY billion	4.0	4.4	4.5	15.0	
Interest bearing debt	JPY billion	28.1	36.6	36.5	36.2	
Debt equity ratio	Times	0.71	0.83	0.75	0.57	
Net debt	JPY billion	(66.3)	(53.1)	(71.9)	(72.7)	
Equity ratio	%	18.3%	18.4%	19.1%	22.4%	
Operating activities CF	JPY billion	17.7	(6.7)	15.5	6.0	
Investing activities CF	JPY billion	(2.7)	(7.8)	(9.4)	7.3	
Financing activities CF	JPY billion	(0.4)	7.6	(1.5)	(1.0)	
New orders	JPY billion	122.8	274.4	211.0	159.8	250.0
New orders including the equity method affiliates	JPY billion	(Not announced)	290.4	254.2	462.3	250.0
Backlog of contracts	JPY billion	310.6	381.9	399.1	299.6	
Backlog of contracts including the equity method affiliates	JPY billion	(Not announced)	396.2	442.4	550.4	
Dividends per share (Annual)	JPY	0.0	0.0	0.0	12.0	25.0
Net assets	JPY billion	40.0	44.5	49.1	64.1	69.4
ROE	%	2.2%	3.8%	3.5%	17.4%	9.0%



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The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.