

Second Quarter of Fiscal Year Ending March 2023

OUTLINE OF FINANCIAL RESULTS

November 10, 2022

Toyo Engineering Corporation

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Performance Summary

JPY billion



- ◆ Decrease in revenue and profit compared with the same period of the previous year, but increase in operating and ordinary income.

	2021/9	2022/9	Difference	Forecast 2023/3 as of 2022/11/10	Progress
Net sales	97.5	96.4	(1.1)	210.0	46%
Gross profit	10.7	13.3	+2.6	23.0 *	58%
Gross profit margin	11.0%	13.8%	+2.8pt	11.0% *	
SG&A expenses	8.3	10.2	(1.9)	21.0 *	49%
Operating income	2.3	3.0	+0.7	2.0	150%
Operating income margin	2.4%	3.2%	+0.8pt	1.0%	
Non-operating income & expenses	(0.0)	(0.5)	(0.5)	0.5	-100%
Ordinary income	2.2	2.5	+0.3	2.5	100%
Extraordinary income & loss	-	-	-	-	-
Profit before income taxes	2.2	2.5	+0.3	2.5	100%
Income taxes	0.8	1.2	(0.4)	1.0	120%
Profit attributable to owners of parent	1.4	1.2	(0.2)	1.5	80%
New orders	122.0	101.4	(20.6)	250.0	41%
New orders including the equity method affiliates (Not announced)		122.4	-	300.0	41%
Dividends per share	Interim ¥0	Interim ¥0	±¥0	Annual ¥0	-

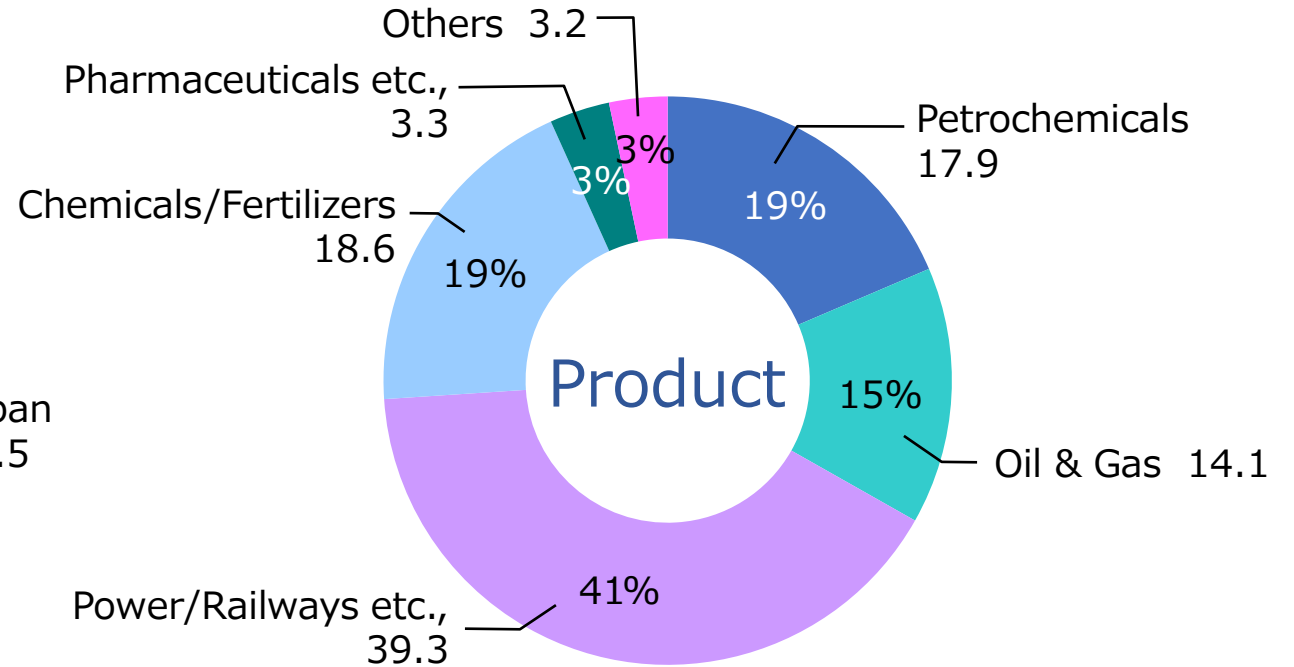
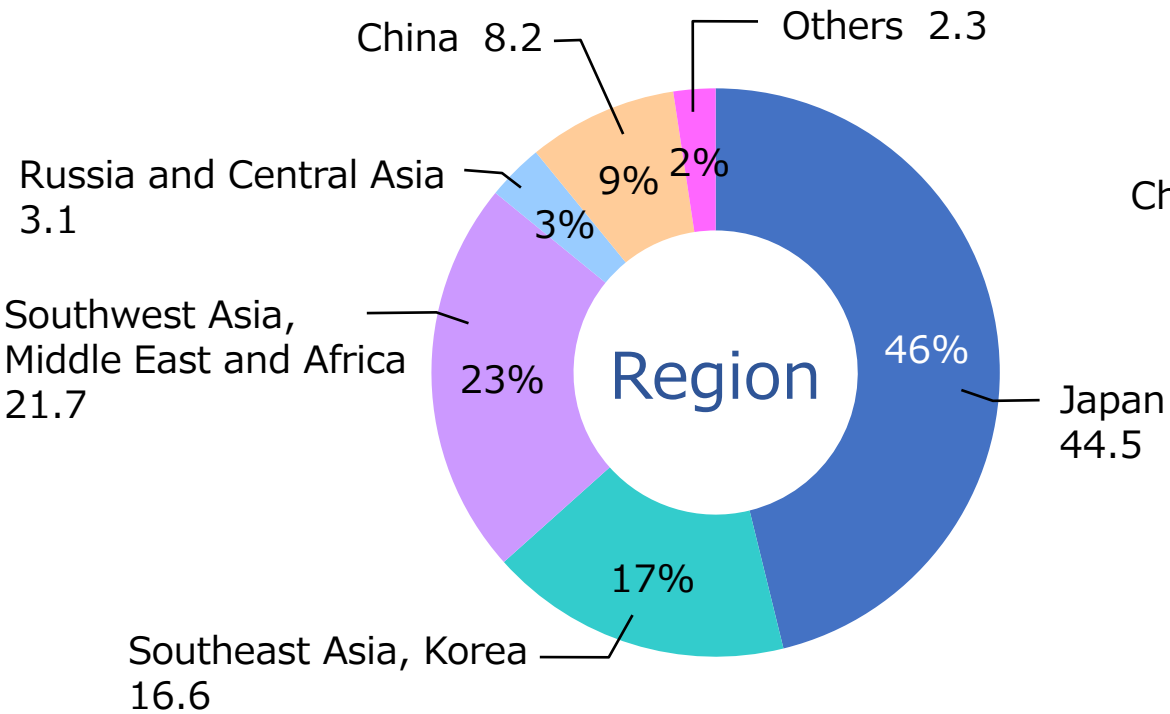
* Revised Forecast

Net Sales

JPY billion



2022/9 Net sales : JPY 96.4 billion



Major Contracts	Over JPY 10 billion	Over JPY 5 billion	Over JPY 3 billion
	Power/Railways etc., JAPAN	Power/Railway etc., JAPAN Chemical/Fertilizer, INDIA Petrochemical, INDIA	Power/Railway etc., JAPAN

Balance Sheet

JPY billion

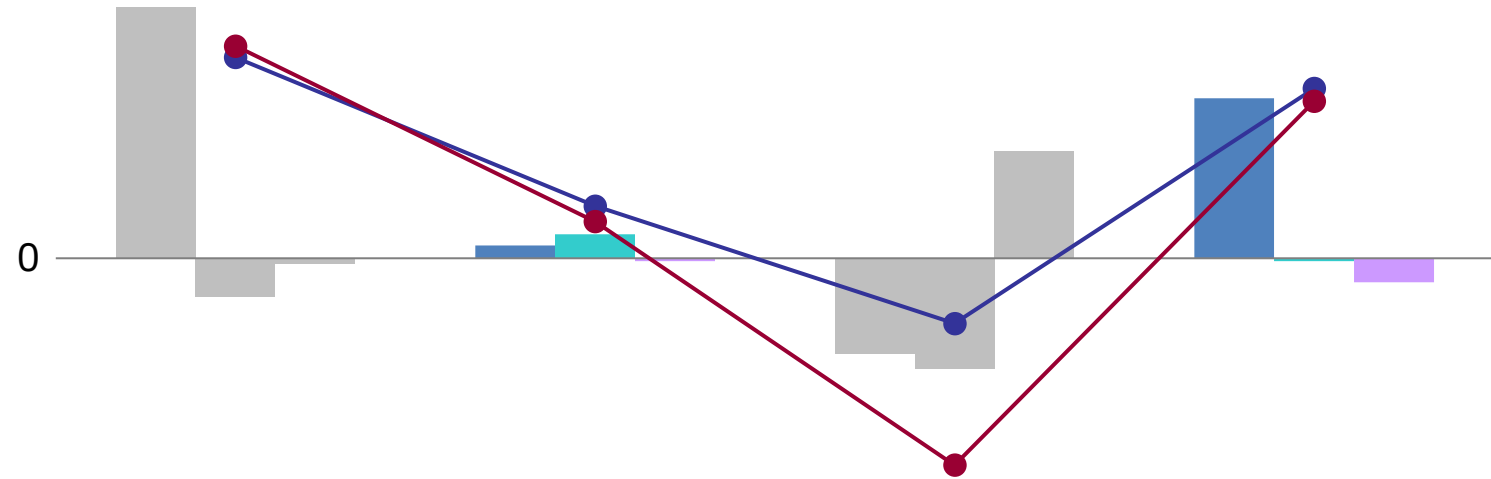


Assets	2022/3	2022/9	Difference
Current assets	206.8	220.0	+13.2
Cash and deposits	92.1	103.5	+11.4
Notes and accounts receivable	69.7	70.5	+0.8
Work in progress	19.7	21.1	+1.4
Other current assets	25.1	24.7	(0.4)
Non-current assets	34.0	35.7	+1.7
Property, plant and equipment	11.8	12.0	+0.2
Intangible assets	3.4	4.1	+0.7
Investments and other assets	18.6	19.5	+0.9
Total assets	240.8	255.7	+14.9

Liabilities and net assets	2022/3	2022/9	Difference
Current liabilities	159.2	175.3	+16.1
Short-term interest bearing debt	8.0	14.7	+6.7
Notes and accounts payable	72.5	61.3	(11.2)
Advance receipts on uncompleted contracts	60.9	81.3	+20.4
Other current liabilities	17.7	18.0	+0.3
Noncurrent liabilities	37.0	29.9	(7.1)
Long-term interest bearing debt	28.6	21.0	(7.6)
Other noncurrent liabilities	8.3	8.8	+0.5
Net assets	44.5	50.4	+5.9
Shareholder's equity	38.6	39.8	+1.2
Accumulated other comprehensive income	5.7	10.4	+4.7
Non-controlling interests	0.1	0.1	+0.0
Total liabilities and net assets	240.8	255.7	+14.9
Equity ratio	18.4%	19.7%	+1.3pt

Cash Flows

JPY billion



	2020/4~2021/3	2021/4~9	2021/4~2022/3	2022/4~9
Operating activities	17.7	0.9	(6.7)	11.3
Investing activities	(2.7)	1.7	(7.8)	(0.2)
Financing activities	(0.4)	(0.2)	7.6	(1.7)
Net increase/decrease in cash	14.2	3.7	(4.6)	12.0
Free cash flow	15.0	2.6	(14.6)	11.1

Cash and cash equivalents, end of the term



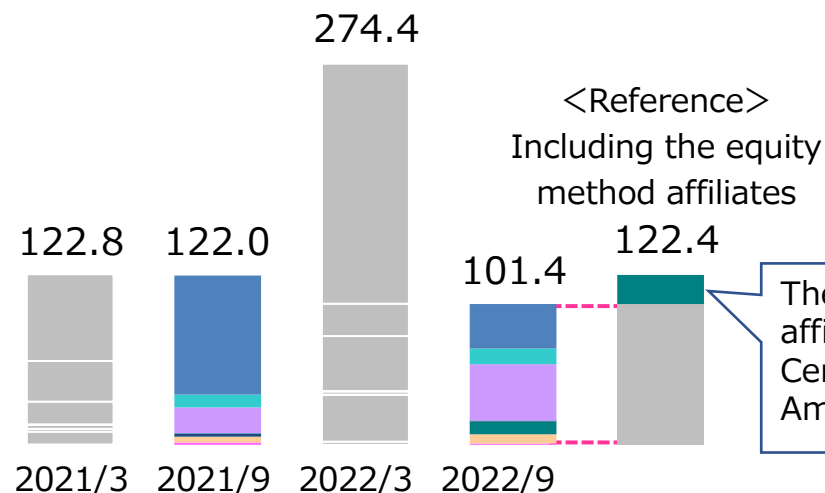
New Orders

New orders including the equity method affiliates :
2022/3 JPY 290.4 billion, 2022/9 JPY 122.4 billion

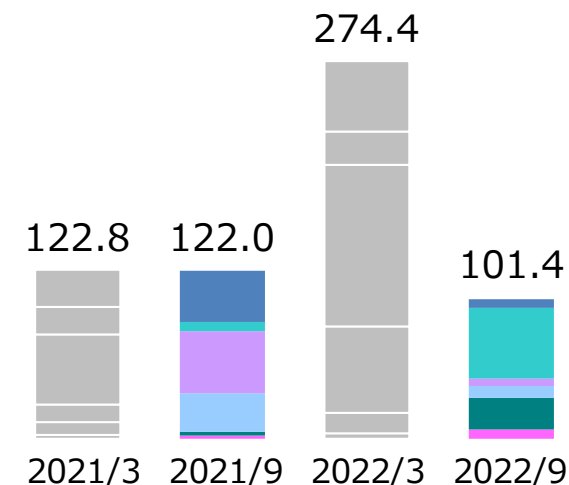
JPY billion



Region



Product



Region	2021/3	2021/9	2022/3	2022/9
Japan	62.4	85.8	172.8	32.1
Southeast Asia, Korea	29.2	9.2	23.2	11.2
Southwest Asia, Middle East and Africa	16.3	18.5	39.6	40.4
Russia and Central Asia	0.4	0.1	0.3	0.1
North America	2.9	2.3	2.2	0.6
Central and South America	2.1	0.3	0.4	9.3
China	9.2	4.2	33.4	6.8
Others	0.3	1.6	2.5	0.9
Total	122.8	122.0	274.4	101.4

Product	2021/3	2021/9	2022/3	2022/9
Petrochemicals	27.1	37.2	51.0	6.3
Oil & Gas	19.9	6.6	24.4	51.5
Power/Railways etc.	51.0	45.3	117.3	5.3
Chemicals/Fertilizers	12.8	27.9	62.9	8.5
Pharmaceuticals etc.	9.3	2.7	14.8	23.2
Others	2.7	2.3	4.0	6.6
Total	122.8	122.0	274.4	101.4

2022/9 Major Contracts

Over JPY 20 billion
Oil & Gas, INDIA

Over JPY 10 billion
Pharmaceutical etc., JAPAN
Oil & Gas, INDIA

Over JPY 5 billion
Oil & Gas, BRAZIL

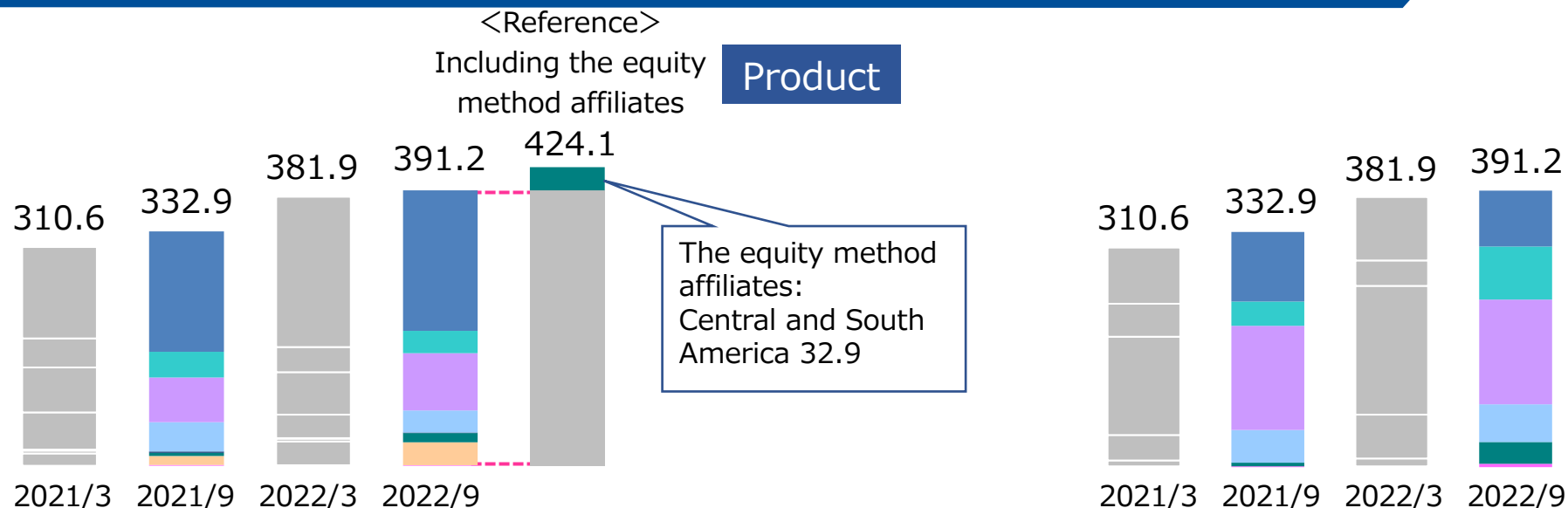
Backlog of Contracts

Backlog of contracts including the equity method affiliates :
 2022/3 JPY 396.2 billion, 2022/9 JPY 424.1 billion JPY billion



Region

Product



	2021/3	2021/9	2022/3	2022/9
Japan	129.8	171.2	213.4	199.5
Southeast Asia, Korea	41.0	36.2	35.8	31.8
Southwest Asia, Middle East and Africa	64.1	63.7	60.2	81.4
Russia and Central Asia	52.7	41.4	33.2	31.3
North America	1.5	2.2	0.9	0.6
Central and South America	4.2	4.1	4.0	13.1
China	17.1	12.9	33.4	32.8
Others	0.2	1.2	1.0	0.7
Total	310.6	332.9	381.9	391.2

	2021/3	2021/9	2022/3	2022/9
Petrochemicals	79.3	98.7	89.6	79.0
Oil & Gas	46.9	34.2	35.7	75.0
Power/Railways etc.	138.9	147.5	182.3	148.1
Chemicals/Fertilizers	36.0	46.2	61.8	53.4
Pharmaceuticals etc.	8.1	5.0	11.1	30.7
Others	1.4	1.3	1.4	5.0
Total	310.6	332.9	381.9	391.2

2022/9 Major Contracts	Over JPY 30 billion	Over JPY 25 billion	Over JPY 20 billion
	Petrochemical, JAPAN	Oil & Gas, INDIA Chemical/Fertilizer, CHINA	Power/Railways etc., JAPAN (3 projects)

Forecast for 2023/3

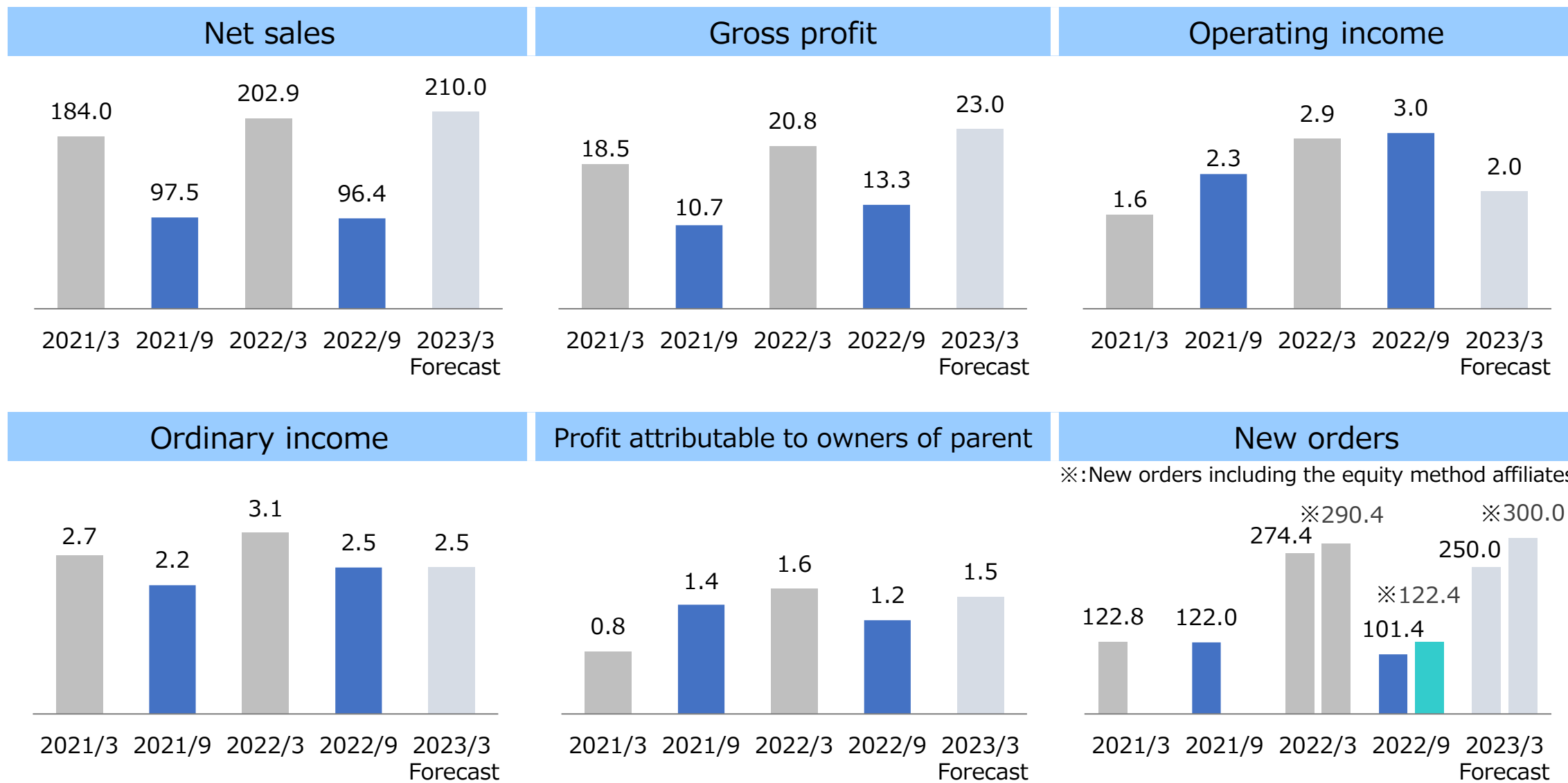
JPY billion

	2022/3	2Q:2022/9		2023/3 Forecast	
	Result	Result	Progress	Initial plan as of 2022/5/12	Revised plan as of 2022/11/10
Net sales	202.9	96.4	46%	210.0	210.0
Gross profit	20.8	13.3	58%	21.5	23.0
Gross profit margin	10.3%	13.8%		10.2%	11.0%
SG&A expenses	17.8	10.2	49%	19.5	21.0
Operating income	2.9	3.0	150%	2.0	2.0
Operating income margin	1.5%	3.2%		1.0%	1.0%
Non-operating income & expenses	0.1	(0.5)	-100%	0.5	0.5
Ordinary income	3.1	2.5	100%	2.5	2.5
Income taxes	1.4	1.2	120%	1.0	1.0
Profit attributable to owners of parent	1.6	1.2	80%	1.5	1.5
New orders	274.4	101.4	41%	250.0	250.0
New orders including the equity method affiliates	290.4	122.4	41%	300.0	300.0
Backlog of contracts	381.9	391.2	93%	421.9	421.9
Backlog of contracts including the equity method affiliates	396.2	424.1	90%	473.4	473.4
Dividends per share	Annual ¥0	Interim ¥0	-	Annual ¥0	Annual ¥0
Net assets	44.5	50.4		46.0	46.0
ROE	3.8%	-		3.3%	3.3%

Exchange rate for the forecast 1US\$= ¥145

-Reference- Performance Trends

JPY billion



-Reference- Historical Data

		2021/3	2021/9	2022/3	2022/9	2023/3 Forecast
Net sales	JPY billion	184.0	97.5	202.9	96.4	210.0
Gross profit	JPY billion	18.5	10.7	20.8	13.3	23.0
Gross profit margin	%	10.1%	11.0%	10.3%	13.8%	11.0%
SG&A expenses	JPY billion	16.9	8.3	17.8	10.2	21.0
Operating income	JPY billion	1.6	2.3	2.9	3.0	2.0
Operating income margin	%	0.9%	2.4%	1.5%	3.2%	1.0%
Ordinary income	JPY billion	2.7	2.2	3.1	2.5	2.5
Income taxes	JPY billion	1.9	0.8	1.4	1.2	1.0
Profit attributable to owners of parent	JPY billion	0.8	1.4	1.6	1.2	1.5
Comprehensive income	JPY billion	4.0	2.2	4.4	5.8	
Interest bearing debt	JPY billion	28.1	28.1	36.6	35.7	
Debt equity ratio	Times	0.71	0.67	0.83	0.71	
Net debt	JPY billion	(66.3)	(70.0)	(53.1)	(66.1)	
Equity ratio	%	18.3%	19.0%	18.4%	19.7%	
Operating activities CF	JPY billion	17.7	0.9	(6.7)	11.3	
Investing activities CF	JPY billion	(2.7)	1.7	(7.8)	(0.2)	
Financing activities CF	JPY billion	(0.4)	(0.2)	7.6	(1.7)	
New orders	JPY billion	122.8	122.0	274.4	101.4	250.0
New orders including the equity method affiliates	JPY billion	-	-	290.4	122.4	300.0
Backlog of contracts	JPY billion	310.6	332.9	381.9	391.2	421.9
Backlog of contracts including the equity method affiliates	JPY billion	-	-	396.2	424.1	473.4
Dividends per share	Yen	Annual 0.0	Interim 0.0	Annual 0.0	Interim 0.0	Annual 0.0
Net assets	JPY billion	40.0	42.3	44.5	50.4	46.0
ROE	%	2.2%	-	3.8%	-	3.3%



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