

Third Quarter of Fiscal Year Ending March 2023

# OUTLINE OF FINANCIAL RESULTS

February 9, 2023

Toyo Engineering Corporation

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# Performance Summary

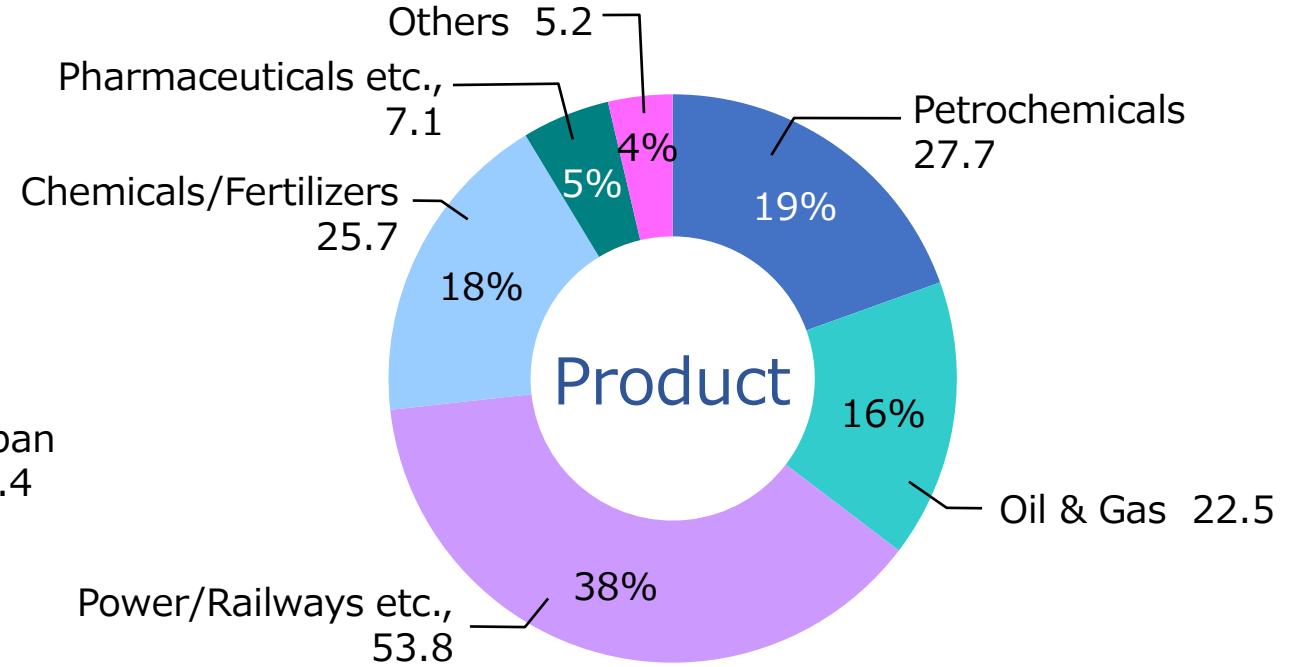
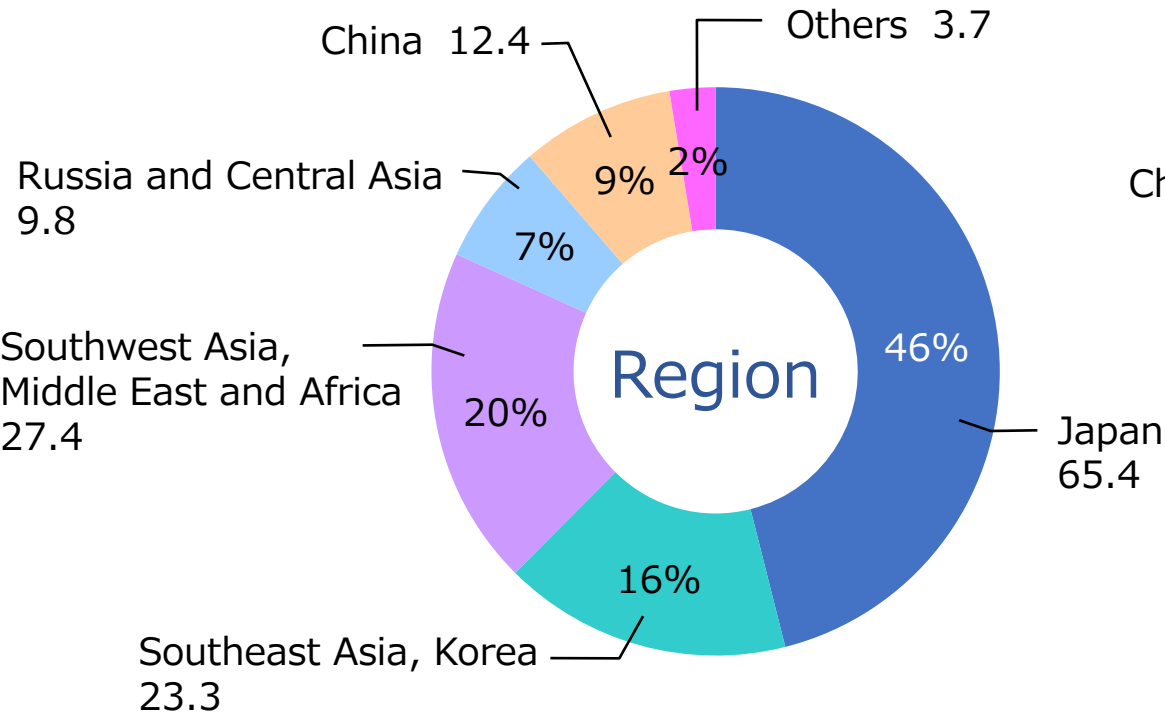
JPY billion



- ◆ Increase in revenue and profit compared with the same period of the previous year
- ◆ Revised the forecast for 2023/3

	2021/12	2022/12	Difference	Forecast 2023/3 as of 2023/2/9	Progress
Net sales	139.9	142.0	+2.1	200.0	71%
Gross profit	14.4	19.0	+4.6	25.0	76%
Gross profit margin	10.3%	13.4%	+3.1pt	12.5%	
SG&A expenses	13.0	14.6	(1.6)	21.0	70%
Operating income	1.4	4.4	+3.0	4.0	110%
Operating income margin	1.0%	3.1%	+2.1pt	2.0%	
Non-operating income & expenses	0.4	(1.2)	(1.6)	(1.0)	-
Ordinary income	1.8	3.2	+1.4	3.0	107%
Extraordinary income & loss	-	-	-	-	-
Profit before income taxes	1.8	3.2	+1.4	3.0	107%
Income taxes	0.5	1.6	(1.1)	1.5	107%
Profit attributable to owners of parent	1.2	1.5	+0.3	1.5	100%
New orders	177.9	121.6	(56.3)	250.0	49%
New orders including the equity method affiliates (Not announced)		160.6	-	300.0	54%

2022/12 Net sales : JPY 142.0 billion



Major Contracts

- Power/Railways etc., JAPAN (3 projects)
- Chemical/Fertilizer, INDIA
- Petrochemical, INDIA

# Balance Sheet

JPY billion



Assets	2022/3	2022/12	Difference
Current assets	206.8	207.3	+0.5
Cash and deposits	92.1	105.2	+13.1
Notes and accounts receivable	69.7	53.9	(15.8)
Work in progress	19.7	23.4	+3.7
Other current assets	25.1	24.7	(0.4)
Non-current assets	34.0	34.9	+0.9
Property, plant and equipment	11.8	11.9	+0.1
Intangible assets	3.4	4.3	+0.9
Investments and other assets	18.6	18.7	+0.1
<b>Total assets</b>	<b>240.8</b>	<b>242.2</b>	<b>+1.4</b>

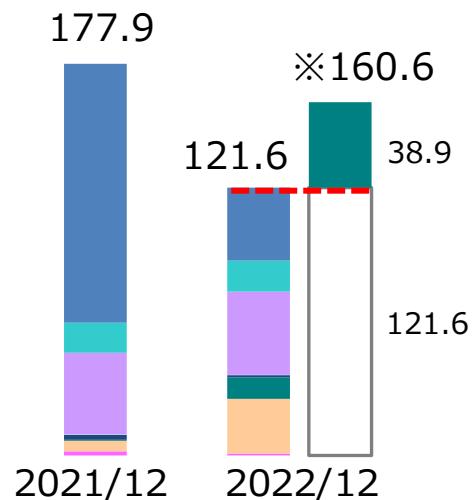
Liabilities and net assets	2022/3	2022/12	Difference
Current liabilities	159.2	165.2	+6.0
Short-term interest bearing debt	8.0	15.0	+7.0
Notes and accounts payable	72.5	57.0	(15.5)
Advance receipts on uncompleted contracts	60.9	76.9	+16.0
Other current liabilities	17.7	16.2	(1.5)
Noncurrent liabilities	37.0	28.7	(8.3)
Long-term interest bearing debt	28.6	20.4	(8.2)
Other noncurrent liabilities	8.3	8.2	(0.1)
Net assets	44.5	48.2	+3.7
Shareholder's equity	38.6	40.1	+1.5
Accumulated other comprehensive income	5.7	7.9	+2.2
Non-controlling interests	0.1	0.1	+0.0
<b>Total liabilities and net assets</b>	<b>240.8</b>	<b>242.2</b>	<b>+1.4</b>
Equity ratio	18.4%	19.9%	+1.5pt

# New Orders

JPY billion

※:<Reference>Including the equity method affiliates

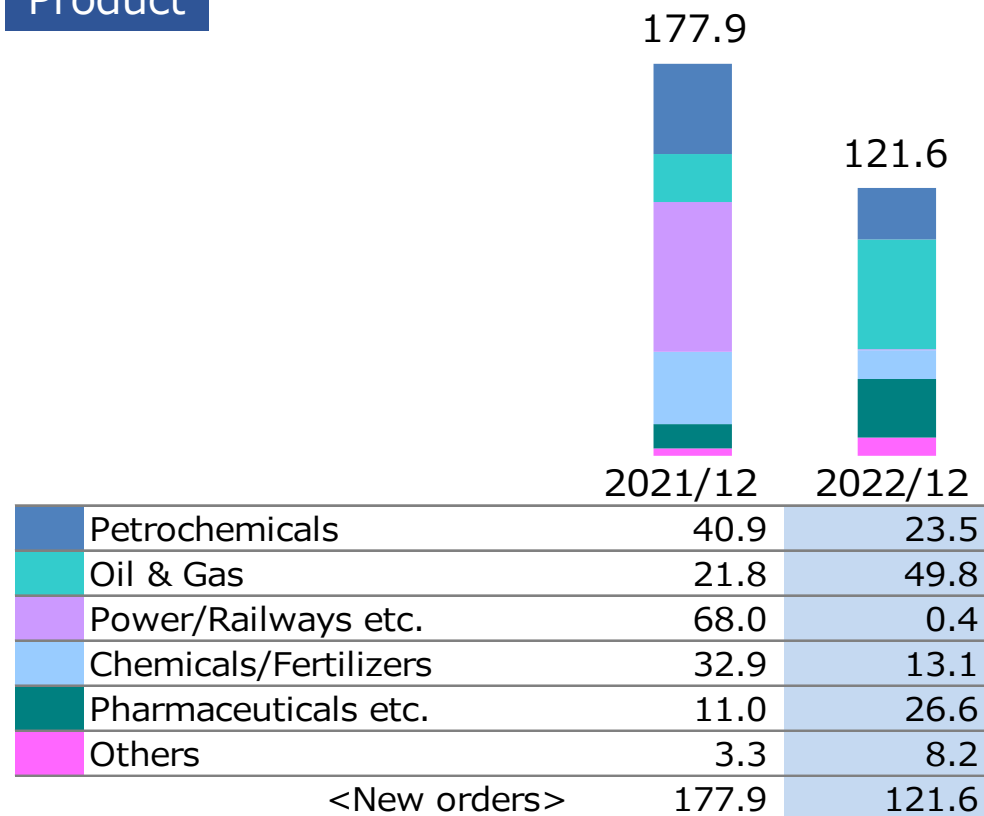
## Region



Japan	117.6	33.0
Southeast Asia, Korea	13.6	14.2
Southwest Asia, Middle East and Africa	37.0	37.7
Russia and Central Asia	0.3	0.2
North America	2.2	1.0
Central and South America	0.4	9.7
China	4.9	24.8
Others	1.9	1.0
<b>&lt;New orders&gt;</b>	<b>177.9</b>	<b>121.6</b>

The equity method affiliates: Central and South America	(Not announced)	38.9
<b>&lt;New orders including the equity method affiliates&gt;</b>	<b>(Not announced)</b>	<b>160.6</b>

## Product



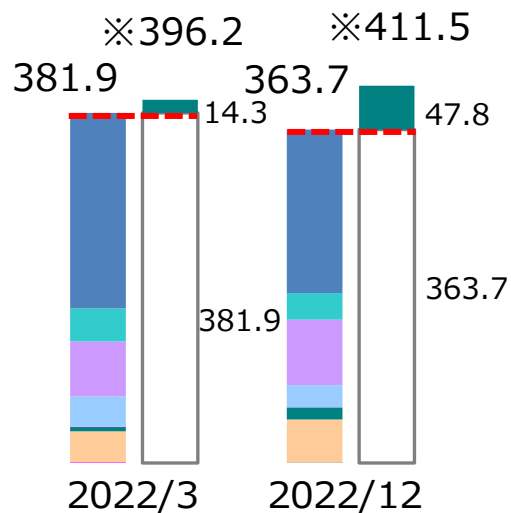
<b>2022/12 Major Contracts</b>	Oil & Gas, INDIA (2 projects)
	Pharmaceuticals etc., JAPAN
	Petrochemical, CHINA

# Backlog of Contracts

JPY billion

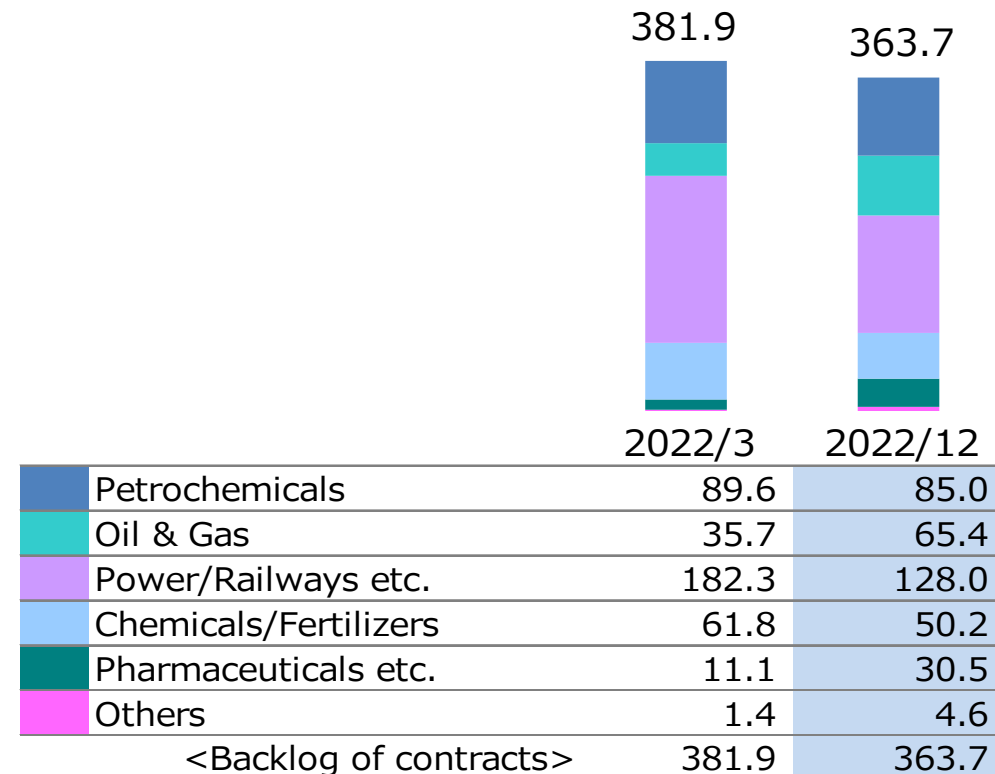
## Region

※: <Reference> Including the equity method affiliates



Japan	213.4	178.4
Southeast Asia, Korea	35.8	28.9
Southwest Asia, Middle East and Africa	60.2	71.6
Russia and Central Asia	33.2	24.0
North America	0.9	0.4
Central and South America	4.0	13.2
China	33.4	46.7
Others	1.0	0.5
<Backlog of contracts>	381.9	363.7
The equity method affiliates: Central and South America	14.3	47.8
<Backlog of contracts including the equity method affiliates>	396.2	411.5

## Product



Petrochemicals	89.6	85.0
Oil & Gas	35.7	65.4
Power/Railways etc.	182.3	128.0
Chemicals/Fertilizers	61.8	50.2
Pharmaceuticals etc.	11.1	30.5
Others	1.4	4.6
<Backlog of contracts>	381.9	363.7

## 2022/12 Major Contracts

Over JPY 25 billion

Petrochemical, JAPAN  
Chemical/Fertilizer, CHINA

Over JPY 20 billion

Oil & Gas, INDIA  
Power/Railways etc., JAPAN  
(2 projects)

# Forecast for 2023/3

◆ Revised the forecast for 2023/3

JPY billion



	2022/3 Result	2023/3 Forecast		
		Previous plan as of 2022/11/10	Revised plan as of 2023/2/9	Defference
Net sales	202.9	210.0	200.0	(10.0) *1
Gross profit	20.8	23.0	25.0	+2.0 *2
Gross profit margin	10.3%	11.0%	12.5%	+1.5pt
SG&A expenses	17.8	21.0	21.0	±0.0
Operating income	2.9	2.0	4.0	+2.0 *2
Operating income margin	1.5%	1.0%	2.0%	+1.0pt
Non-operating income & expenses	0.1	0.5	(1.0)	(1.5) *3
Ordinary income	3.1	2.5	3.0	+0.5 *4
Income taxes	1.4	1.0	1.5	(0.5) *5
Profit attributable to owners of parent	1.6	1.5	1.5	±0.0
New orders	274.4	250.0	250.0	±0.0
New orders including the equity method affiliates	290.4	300.0	300.0	±0.0
Dividends per share	¥0	¥0	¥0	±¥0
Net assets	44.5	46.0	46.0	±0.0
ROE	3.8%	3.3%	3.3%	±0.0pt

Exchange rate for the forecast 1US\$= ¥130

- \*1 Steady progress in ongoing projects  
Slight decrease in sales due to delays in receiving orders
- \*2 Mainly improved profitability of overseas subsidiary projects and effect of Japanese yen depreciation
- \*3 Foreign exchange (FX) loss  
Time lag in equity method investment income
- \*4 FX impact is neutral across the income statement
- \*5 Increase in tax expenses mainly due to improved profitability of subsidiaries





## Toyo Engineering Corporation

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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.