

Fiscal Year Ended March 2021

OUTLINE OF FINANCIAL RESULTS

May 13, 2021

Toyo Engineering Corporation

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Performance Summary

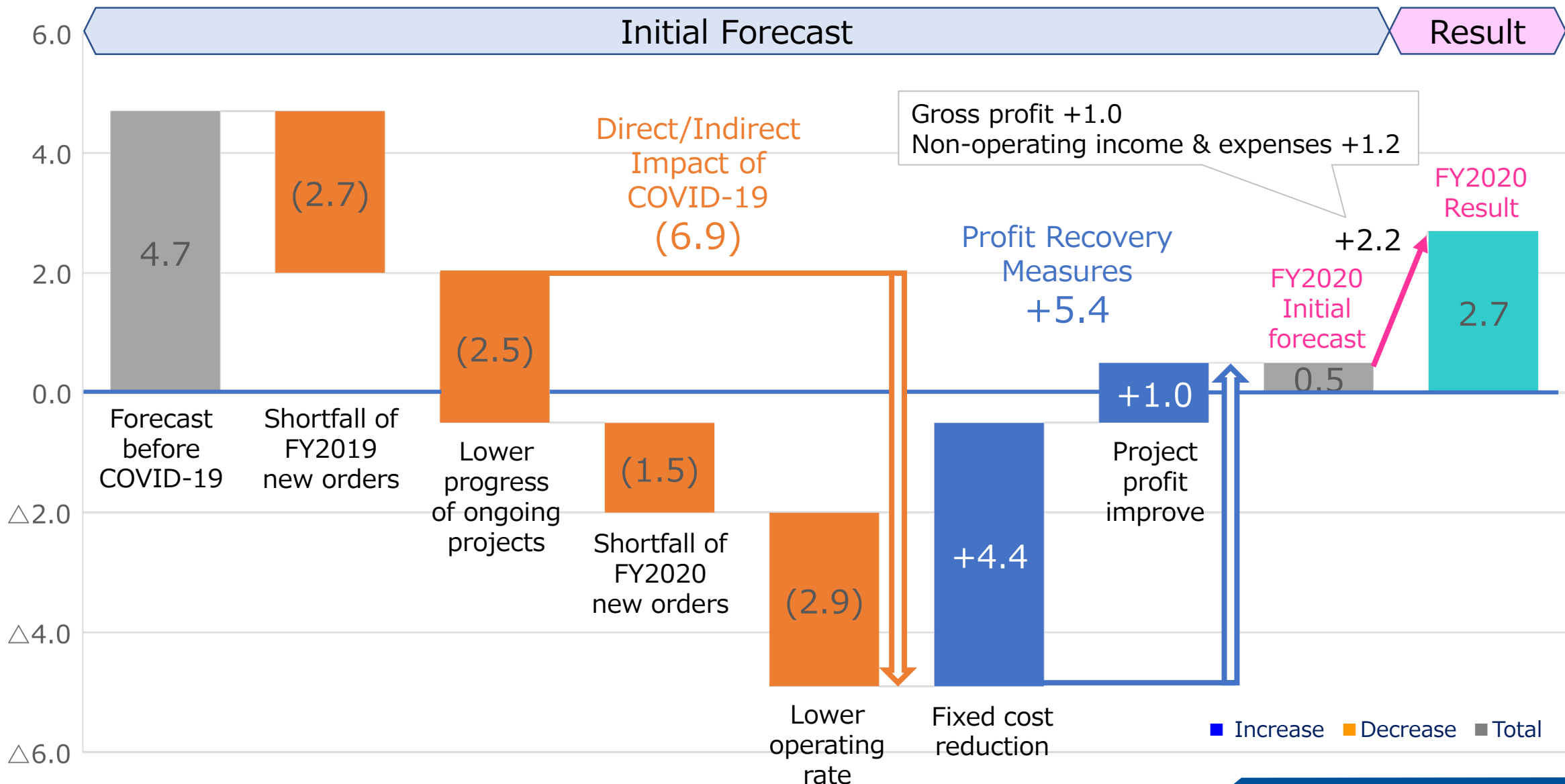
- ◆ Recorded a surplus against initial forecast including the impact of COVID-19
- ◆ Decrease in revenue and profit compared with the last fiscal year

	2020/3	2021/3	Difference	Initial Forecast	Revised Forecast	Difference	Difference
		(A)		as of Jun 18, 2020 (B)	as of Mar 25, 2021 (C)	(A-B)	(A-C)
Net sales	219.0	184.0	(35.0)	210.0	185.0	(26.0)	(1.0)
Gross profit	18.7	18.5	(0.2)	17.5	-	1.0	-
Gross profit margin	8.6%	10.1%	1.5%	8.3%	-	1.8%	-
SG&A expenses	16.8	16.9	(0.1)	17.0	-	0.1	-
Operating income	1.8	1.6	(0.2)	0.5	1.5	1.1	0.1
Operating income margin	0.9%	0.9%	0.0%	0.2%	0.8%	0.7%	0.1%
Non-operating income & expenses	0.5	1.1	0.6	0.0	-	1.1	-
Ordinary income	2.4	2.7	0.3	0.5	2.5	2.2	0.2
Extraordinary income	1.9	-	(1.9)	-	-	-	-
Profit before income taxes	4.4	2.7	(1.7)	-	-	-	-
Income taxes	2.7	1.9	0.8	-	-	-	-
Profit attributable to owners of parent	1.6	0.8	(0.8)	0.0	1.0	0.8	(0.2)
New orders	187.0	122.8	(64.2)	220.0	-	(97.2)	-
Dividends per share	¥0	¥0	¥0	¥0	-	¥0	-

Performance Summary Analysis on Ordinary Income for 2021/3



JPY billion

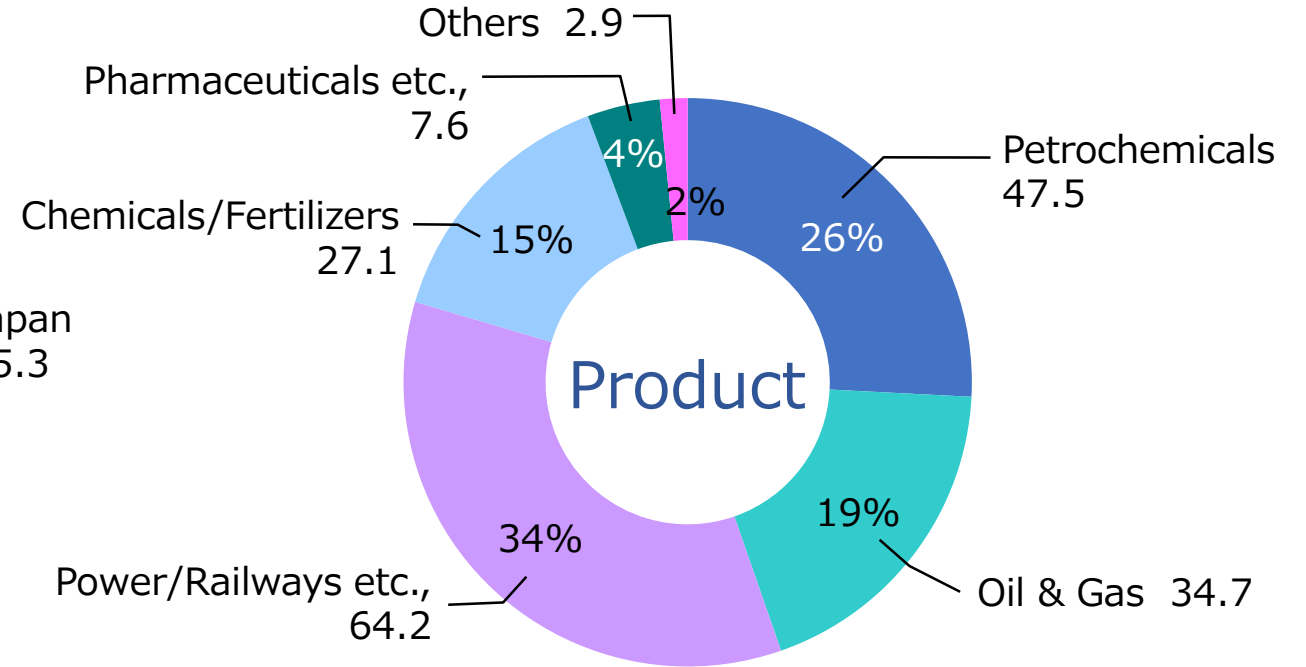
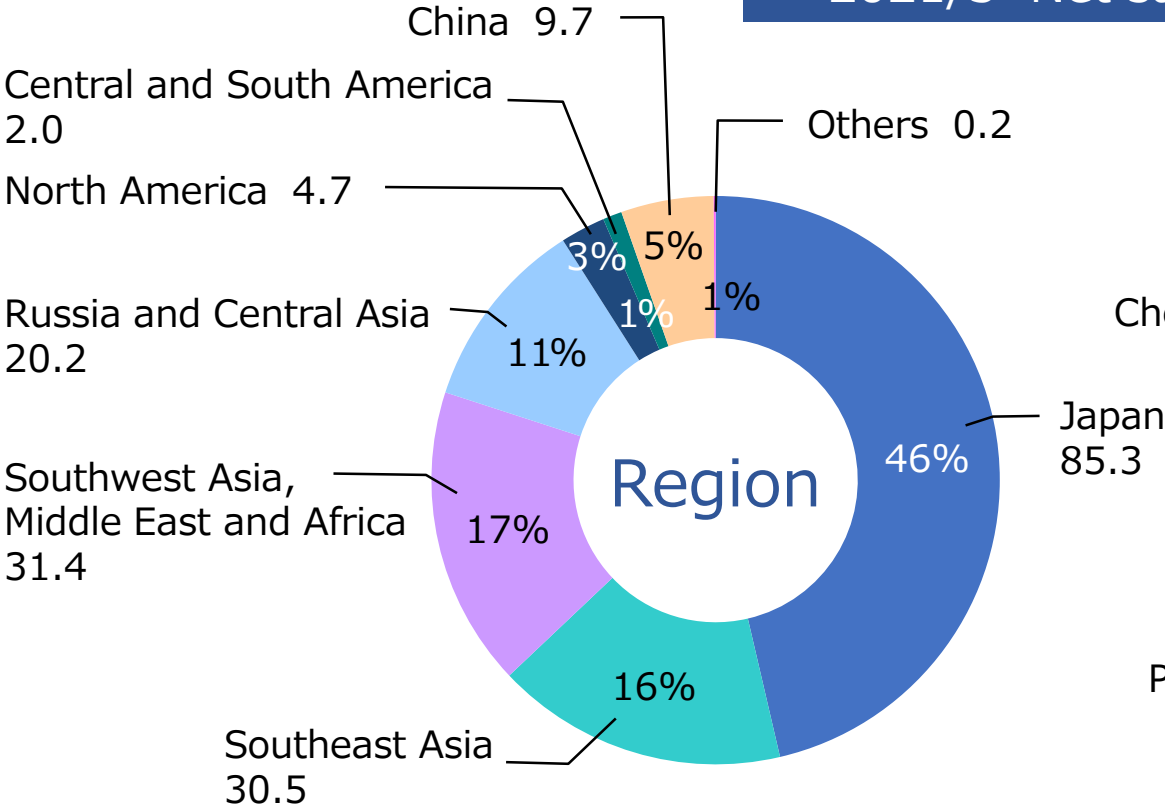


■ Increase ■ Decrease ■ Total

Net Sales

JPY billion

2021/3 Net sales : JPY 184.0 billion



Major Contracts	Over JPY 10 billion	Over JPY 8 billion	Over JPY 6 billion
	Chemical/Fertilizer, INDIA Petrochemical, RUSSIA Power/Railways etc., JAPAN (3 projects)	Power/Railway etc., JAPAN	Petrochemical, RUSSIA Chemical/Fertilizer, CHINA Power/Railway etc., JAPAN Oil & Gas, INDIA Petrochemical, THAILAND

Balance Sheet

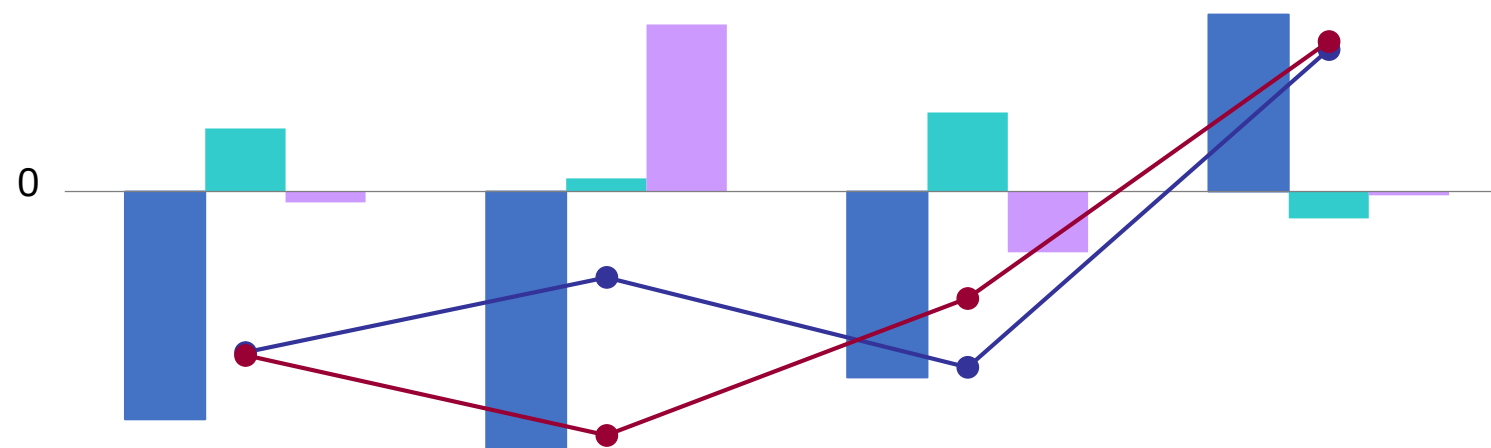
JPY billion

Assets	2020/3	2021/3	Difference
Current assets	187.8	194.3	6.5
Cash and deposits	81.9	97.6	15.7
Notes and accounts receivable	55.1	51.0	(4.1)
Work in progress	19.3	18.4	(0.9)
Other current assets	31.2	27.2	(4.0)
Non-current assets	20.9	23.8	2.9
Property, plant and equipment	11.5	11.6	0.1
Intangible assets	1.3	1.7	0.4
Investments and other assets	8.0	10.4	2.4
Total assets	208.7	218.2	9.5

Liabilities and net assets	2020/3	2021/3	Difference
Current liabilities	155.6	153.1	(2.5)
Short-term interest bearing debt	17.3	11.0	(6.3)
Notes and accounts payable	64.0	72.5	8.5
Advance receipts on uncompleted contracts	64.1	61.1	(3.0)
Other current liabilities	10.1	8.4	(1.7)
Noncurrent liabilities	17.0	24.9	7.9
Long-term interest bearing debt	10.3	17.1	6.8
Other noncurrent liabilities	6.7	7.8	1.1
Net assets	35.9	40.0	4.1
Shareholder's equity	36.1	36.9	0.8
Accumulated other comprehensive income	(0.3)	2.9	3.2
Non-controlling interests	0.1	0.1	0.0
Total liabilities and net assets	208.7	218.2	9.5
Equity ratio	17.2%	18.3%	1.1%

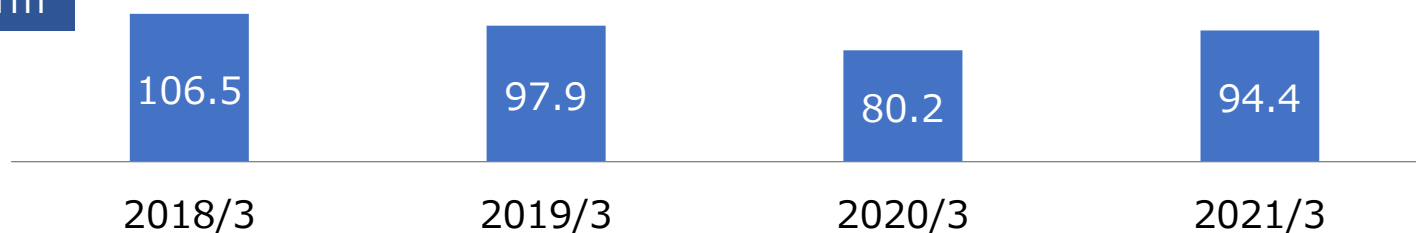
Cash Flows

JPY billion



	2018/3	2019/3	2020/3	2021/3
Operating activities	(22.8)	(25.8)	(18.6)	17.7
Investing activities	6.3	1.3	7.9	(2.7)
Financing activities	(1.1)	16.7	(6.1)	(0.4)
Net increase/decrease in cash	(16.1)	(8.6)	(17.6)	14.2
Free cash flow	(16.4)	(24.4)	(10.7)	15.0

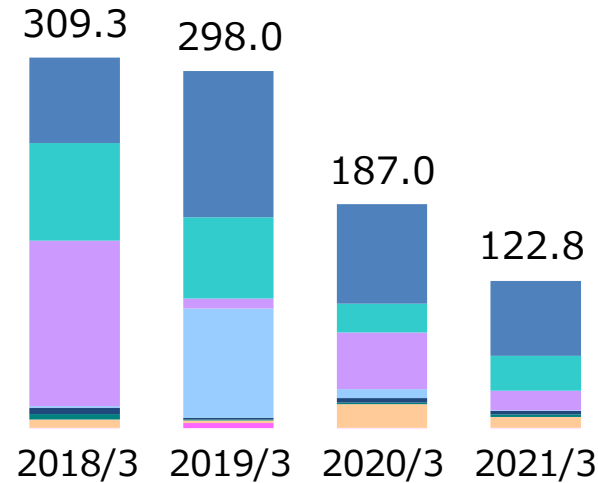
Cash and cash equivalents, end of the term



New Orders

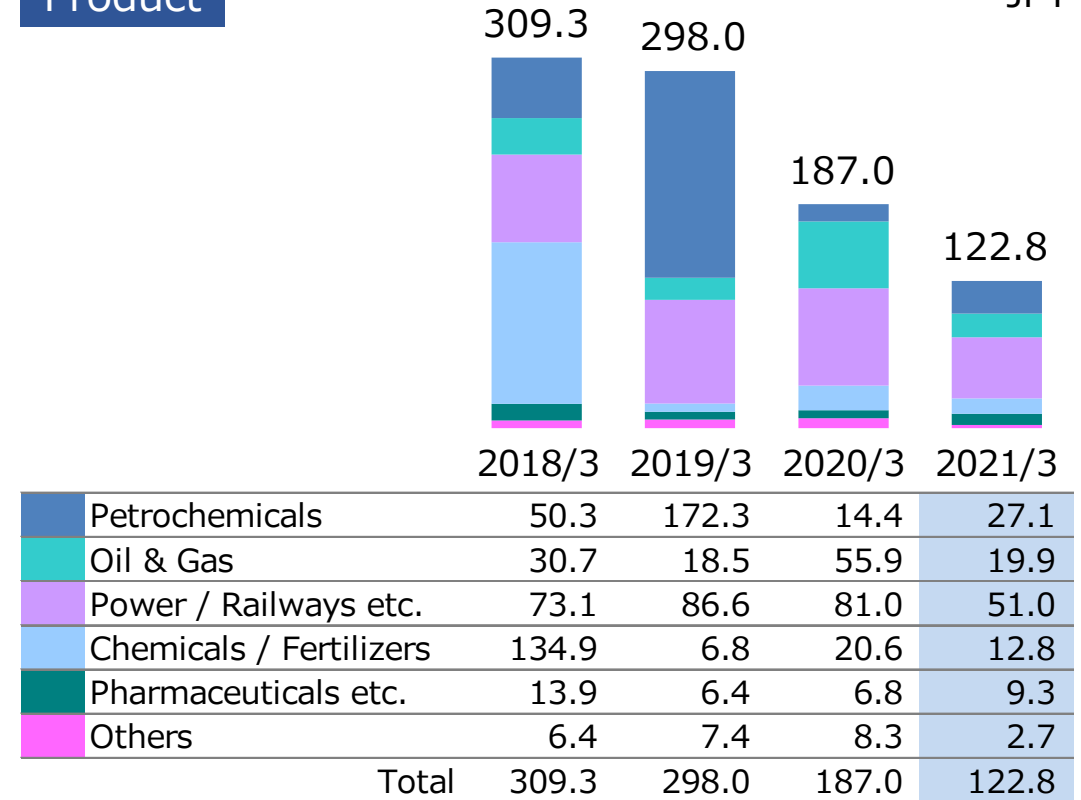
JPY billion

Region



Region	2018/3	2019/3	2020/3	2021/3
Japan	71.4	121.9	83.2	62.4
Southeast Asia	81.4	67.8	23.8	29.2
Southwest Asia, Middle East and Africa	138.0	8.5	47.5	16.3
Russia and Central Asia	1.5	91.3	7.5	0.4
North America	5.3	1.4	3.5	2.9
Central and South America	4.5	0.8	1.5	2.1
China	6.8	2.0	19.6	9.2
Others	0.4	4.3	0.4	0.3
Total	309.3	298.0	187.0	122.8

Product



Product	2018/3	2019/3	2020/3	2021/3
Petrochemicals	50.3	172.3	14.4	27.1
Oil & Gas	30.7	18.5	55.9	19.9
Power / Railways etc.	73.1	86.6	81.0	51.0
Chemicals / Fertilizers	134.9	6.8	20.6	12.8
Pharmaceuticals etc.	13.9	6.4	6.8	9.3
Others	6.4	7.4	8.3	2.7
Total	309.3	298.0	187.0	122.8

2021/3

Major Contracts

Over JPY 30 billion

Power/Railway etc., JAPAN

Over JPY 10 billion

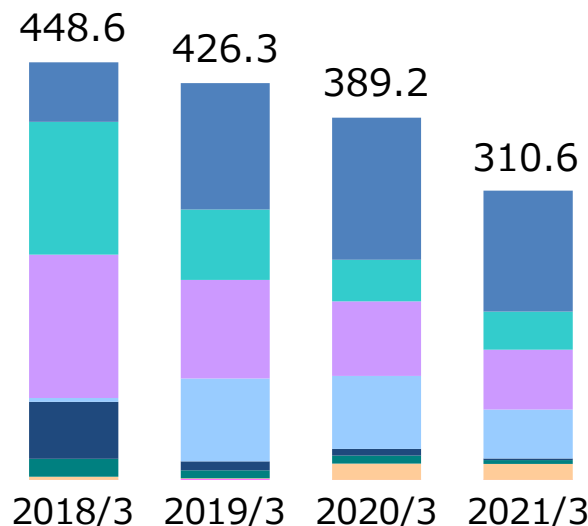
Petrochemical, INDIA

Over JPY 5 billion

Petrochemical, JAPAN

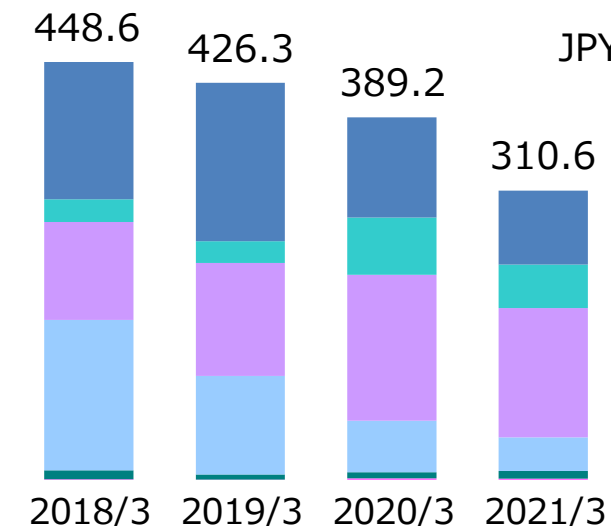
Backlog of Contracts

Region



Japan	64.1	135.9	152.7	129.8
Southeast Asia	142.6	75.4	44.6	41.0
Southwest Asia, Middle East and Africa	153.7	105.9	80.1	64.1
Russia and Central Asia	4.4	89.1	78.3	52.7
North America	61.1	9.5	7.3	1.5
Central and South America	19.2	8.6	8.6	4.2
China	3.3	0.7	17.5	17.1
Others	0.2	1.2	0.1	0.2
Total	448.6	426.3	389.2	310.6

Product



Petrochemicals	147.4	169.9	107.6	79.3
Oil & Gas	24.1	23.6	61.2	46.9
Power / Railways etc.	105.2	121.1	156.9	138.9
Chemicals / Fertilizers	161.6	105.8	55.4	36.0
Pharmaceuticals etc.	9.5	5.6	6.4	8.1
Others	0.8	0.3	1.7	1.4
Total	448.6	426.3	389.2	310.6

2021/3 Major Contracts

Over JPY 30 billion	Over JPY 20 billion	Over JPY 15 billion
Power/Railway etc., JAPAN	Petrochemical, RUSSIA Power/Railways etc., JAPAN (2 projects)	Petrochemical, RUSSIA Oil & Gas, INDIA

Forecast for 2022/3

	2020/3 Result	2021/3 Result (A)	2022/3 Forecast (B)	Defference (B-A)
Net sales	219.0	184.0	240.0	56.0
Gross profit	18.7	18.5	23.0	4.5
Gross profit margin	8.6%	10.1%	9.6%	-0.5%
SG&A expenses	16.8	16.9	20.5	(3.6)
Operating income	1.8	1.6	2.5	0.9
Operating income margin	0.9%	0.9%	1.0%	0.1%
Non-operating income & expenses	0.5	1.1	-	(1.1)
Ordinary income	2.4	2.7	2.5	(0.2)
Profit attributable to owners of parent	1.6	0.8	1.5	0.7
New orders	187.0	122.8	280.0	157.2
Backlog of contracts	389.2	310.6	350.6	40.0
Dividends per share	¥0	¥0	¥0	¥0
Net assets	35.9	40.0	41.5	1.5
Backlog of contracts	4.6%	2.2%	3.7%	1.5%

Exchange rate for the forecast 1US\$= ¥108

-Reference- Medium-term Management Plan (Excerpt)

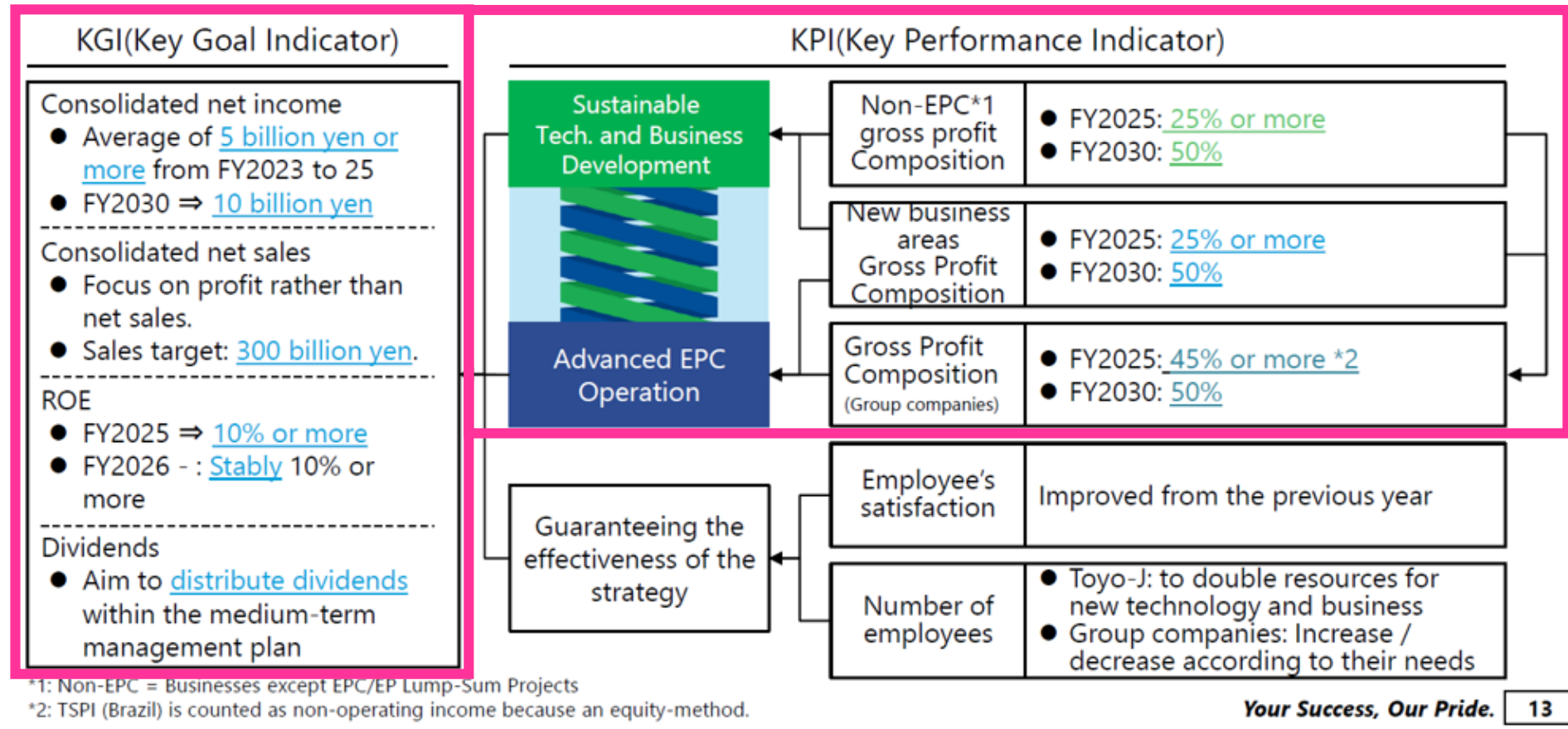


Excerpt:
 Medium-term Management Plan (FY2021–FY2025)
 Realization of Your Success, Our Pride
 As of March 25, 2021

Chapter 3: Medium-Term Management Plan and Numerical Targets

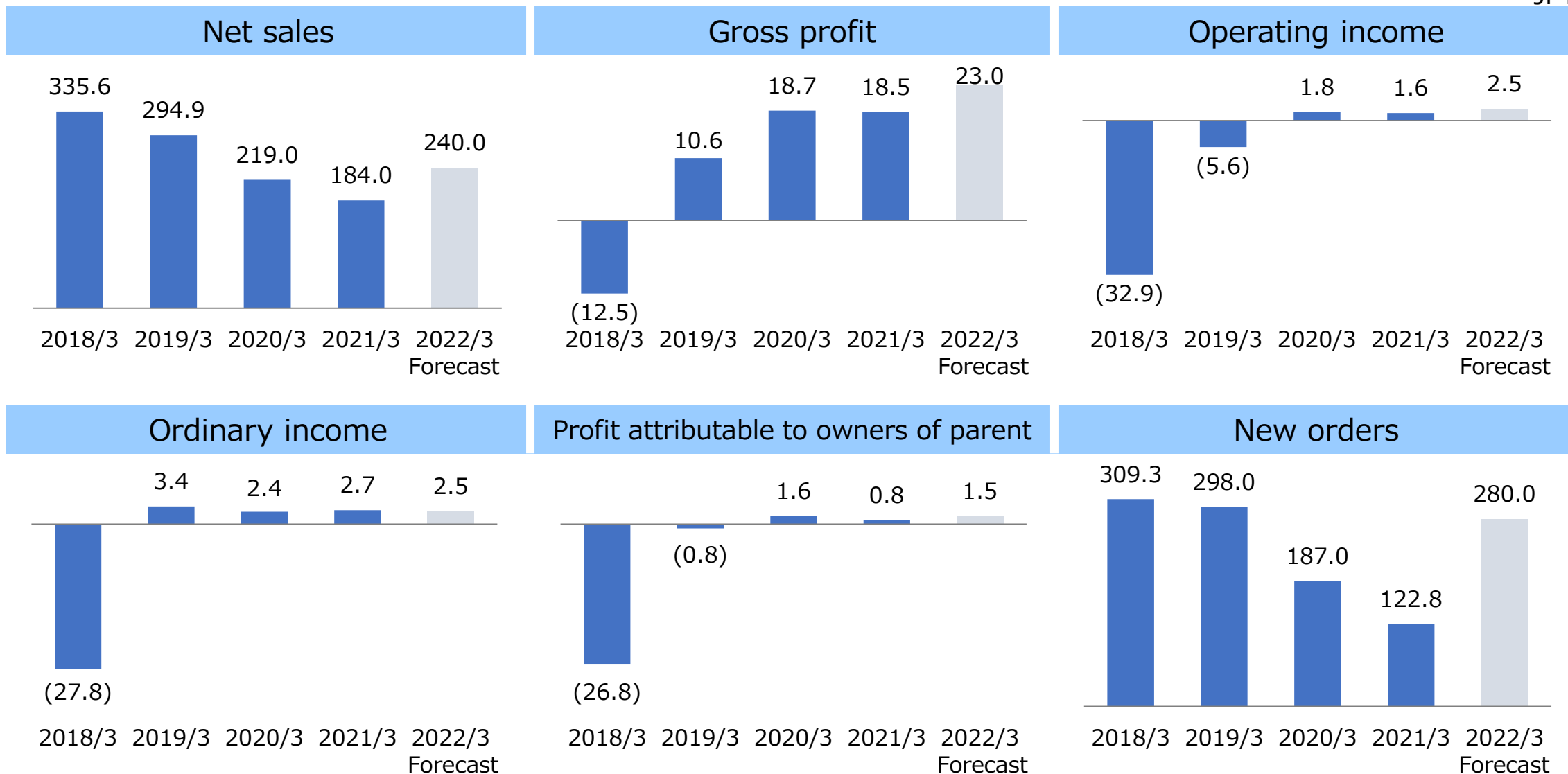
To get stable net income of 5 billion yen or more on average from FY2023 to FY2025

Company-wide quantitative targets



-Reference- Performance Trends

JPY billion



-Reference- Historical Data

		2018/3	2019/3	2020/3	2021/3	2022/3 Forecast
Net sales	JPY billion	335.6	294.9	219.0	184.0	240.0
Gross profit	JPY billion	(12.5)	10.6	18.7	18.5	23.0
Gross profit margin	%	-3.7%	3.6%	8.6%	10.1%	9.6%
SG&A expenses	JPY billion	20.4	16.2	16.8	16.9	20.5
Operating income	JPY billion	(32.9)	(5.6)	1.8	1.6	2.5
Operating income margin	%	-9.8%	-1.9%	0.9%	0.9%	1.0%
Ordinary income	JPY billion	(27.8)	3.4	2.4	2.7	2.5
Profit attributable to owners of parent	JPY billion	(26.8)	(0.8)	1.6	0.8	1.5
Comprehensive income	JPY billion	(25.7)	(3.8)	(0.0)	4.0	
Interest bearing debt	JPY billion	30.8	32.7	27.6	28.1	
Debt equity ratio	Times	1.23	0.90	0.77	0.71	
Net debt	JPY billion	(75.6)	(65.1)	(52.5)	(66.3)	
Equity ratio	%	10.0%	15.1%	17.2%	18.3%	
Operating activities CF	JPY billion	(22.8)	(25.8)	(18.6)	17.7	
Investing activities CF	JPY billion	6.3	1.3	7.9	(2.7)	
Financing activities CF	JPY billion	(1.1)	16.7	(6.1)	(0.4)	
New orders	JPY billion	309.3	298.0	187.0	122.8	280.0
Backlog of contracts	JPY billion	448.6	426.3	389.2	310.6	350.6
Dividends per share (Annual)	JPY	0.0	0.0	0.0	0.0	0.0



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