

Second Quarter of Fiscal Year Ending March 2022

OUTLINE OF FINANCIAL RESULTS

November 11, 2021

Toyo Engineering Corporation

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Performance Summary

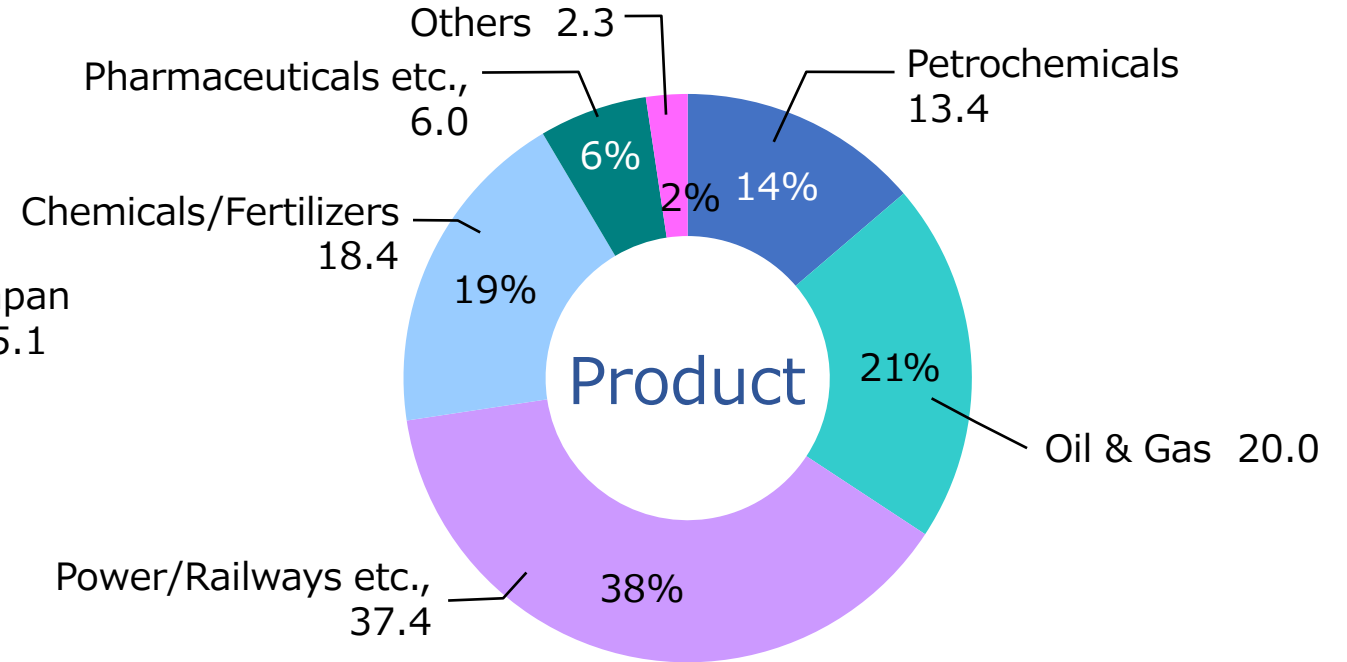
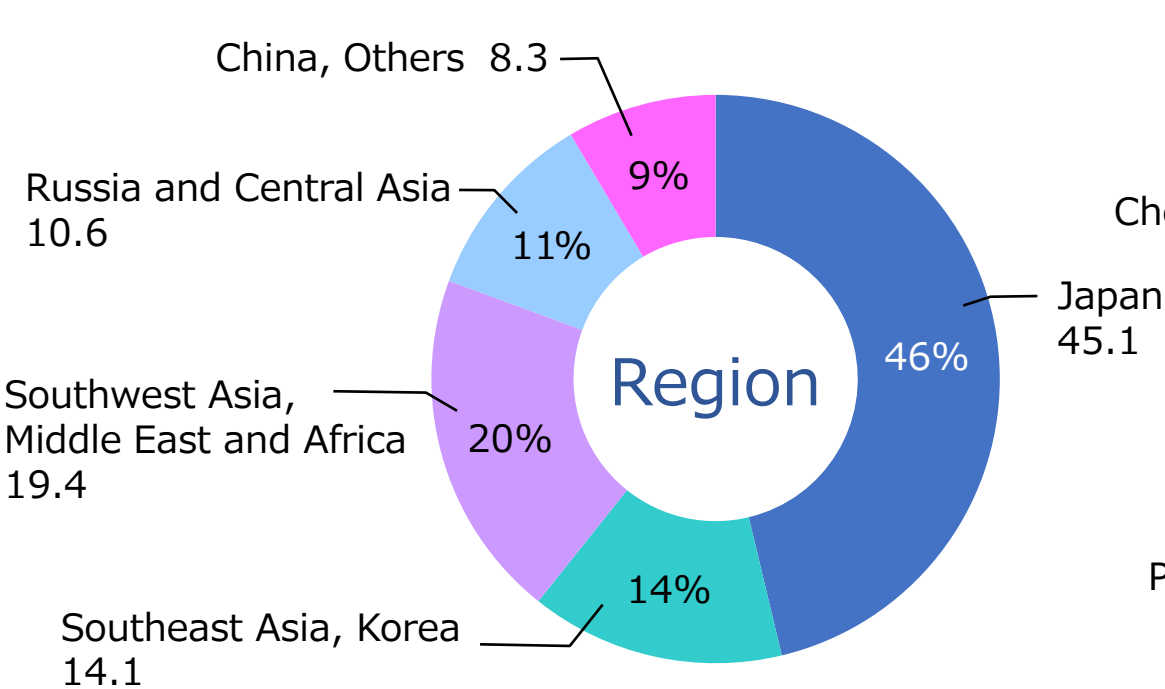
◆ Increase in revenue and profit compared with the same period of the previous year

JPY billion

	2020/9	2021/9	Difference	Forecast 2022/3	Progress
Net sales	89.7	97.5	7.8	240.0	41%
Gross profit	9.1	10.7	1.6	23.0	47%
Gross profit margin	10.2%	11.0%	0.8%	9.6%	
SG&A expenses	7.9	8.3	(0.4)	20.5	40%
Operating income	1.2	2.3	1.1	2.5	92%
Operating income margin	1.4%	2.4%	1.0%	1.0%	
Non-operating income & expenses	0.2	(0.0)	(0.2)	-	-
Ordinary income	1.4	2.2	0.8	2.5	88%
Extraordinary income	-	-	-	-	-
Profit before income taxes	1.4	2.2	0.8	-	-
Income taxes	0.6	0.8	(0.2)	-	-
Profit attributable to owners of parent	0.7	1.4	0.7	1.5	93%
New orders	59.3	122.0	62.7	280.0	44%
Dividends per share	Interim ¥0	Interim ¥0	-	Annual ¥0	-

Net Sales

2021/9 Net sales : JPY 97.5 billion



Major Contracts

Over JPY 7 billion

Petrochemical, RUSSIA

Over JPY 5 billion

Oil & Gas, INDIA
Power/Railway etc., JAPAN
Chemical/Fertilizer, CHINA

Over JPY 4 billion

Power/Railway etc., JAPAN
Chemical/Fertilizer, NIGERIA

Balance Sheet

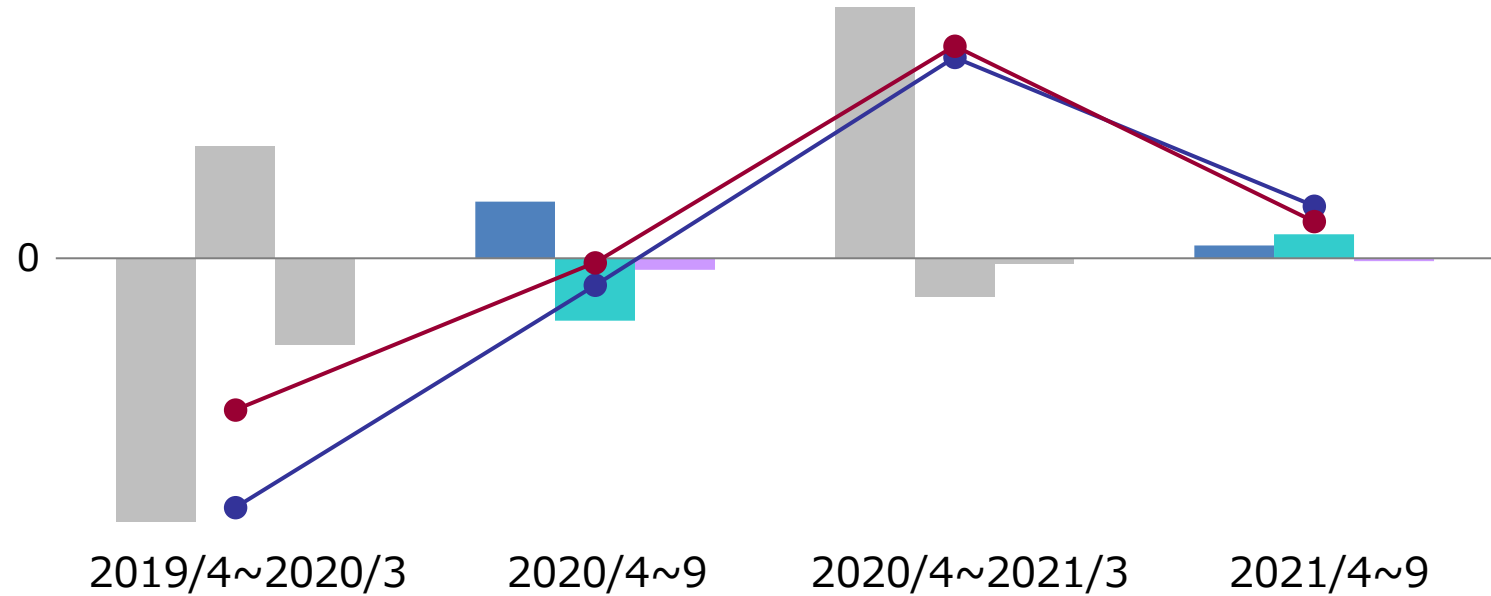
JPY billion

Assets	2021/3	2021/9	Difference
Current assets	194.3	197.0	2.7
Cash and deposits	97.6	98.5	0.9
Notes and accounts receivable	51.0	54.2	3.2
Work in progress	18.4	17.7	(0.7)
Other current assets	27.2	26.5	(0.7)
Non-current assets	23.8	25.1	1.3
Property, plant and equipment	11.6	11.6	0.0
Intangible assets	1.7	2.4	0.7
Investments and other assets	10.4	11.0	0.6
Total assets	218.2	222.2	4.0

Liabilities and net assets	2021/3	2021/9	Difference
Current liabilities	153.1	155.6	2.5
Short-term interest bearing debt	11.0	11.6	0.6
Notes and accounts payable	72.5	62.9	(9.6)
Advance receipts on uncompleted contracts	61.1	66.0	4.9
Other current liabilities	8.4	15.0	6.6
Noncurrent liabilities	24.9	24.2	(0.7)
Long-term interest bearing debt	17.1	16.5	(0.6)
Other noncurrent liabilities	7.8	7.7	(0.1)
Net assets	40.0	42.3	2.3
Shareholder's equity	36.9	38.4	1.5
Accumulated other comprehensive income	2.9	3.7	0.8
Non-controlling interests	0.1	0.1	0.0
Total liabilities and net assets	218.2	222.2	4.0
Equity ratio	18.3%	19.0%	0.7%

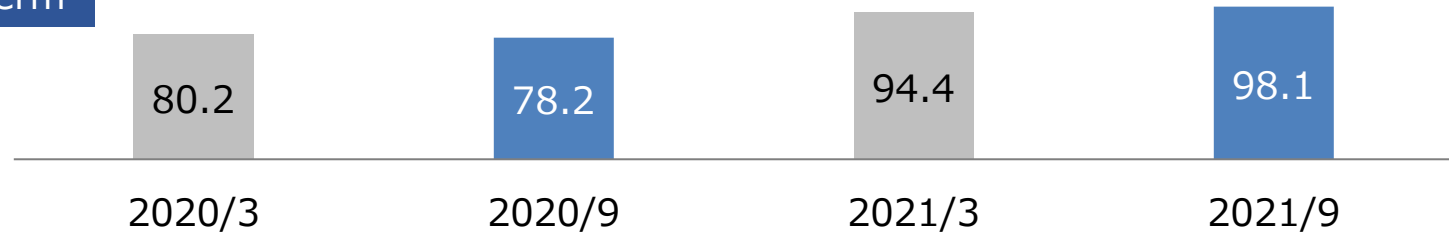
Cash Flows

JPY billion



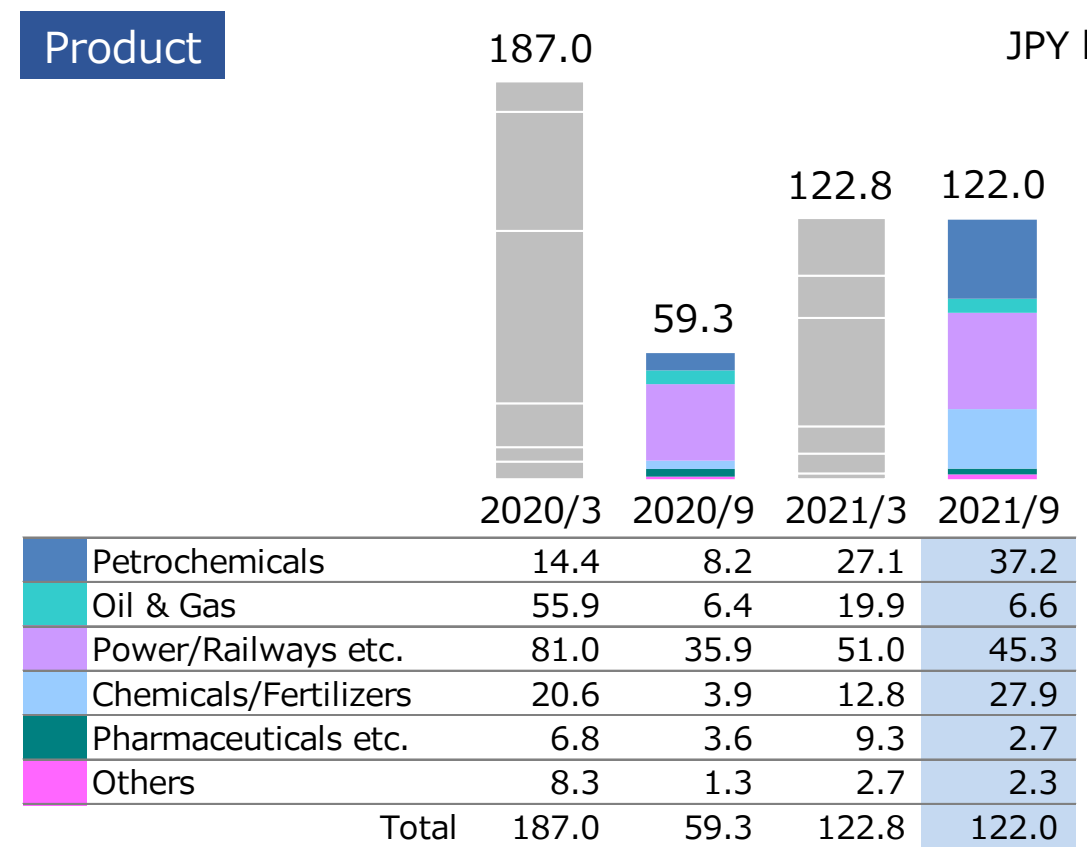
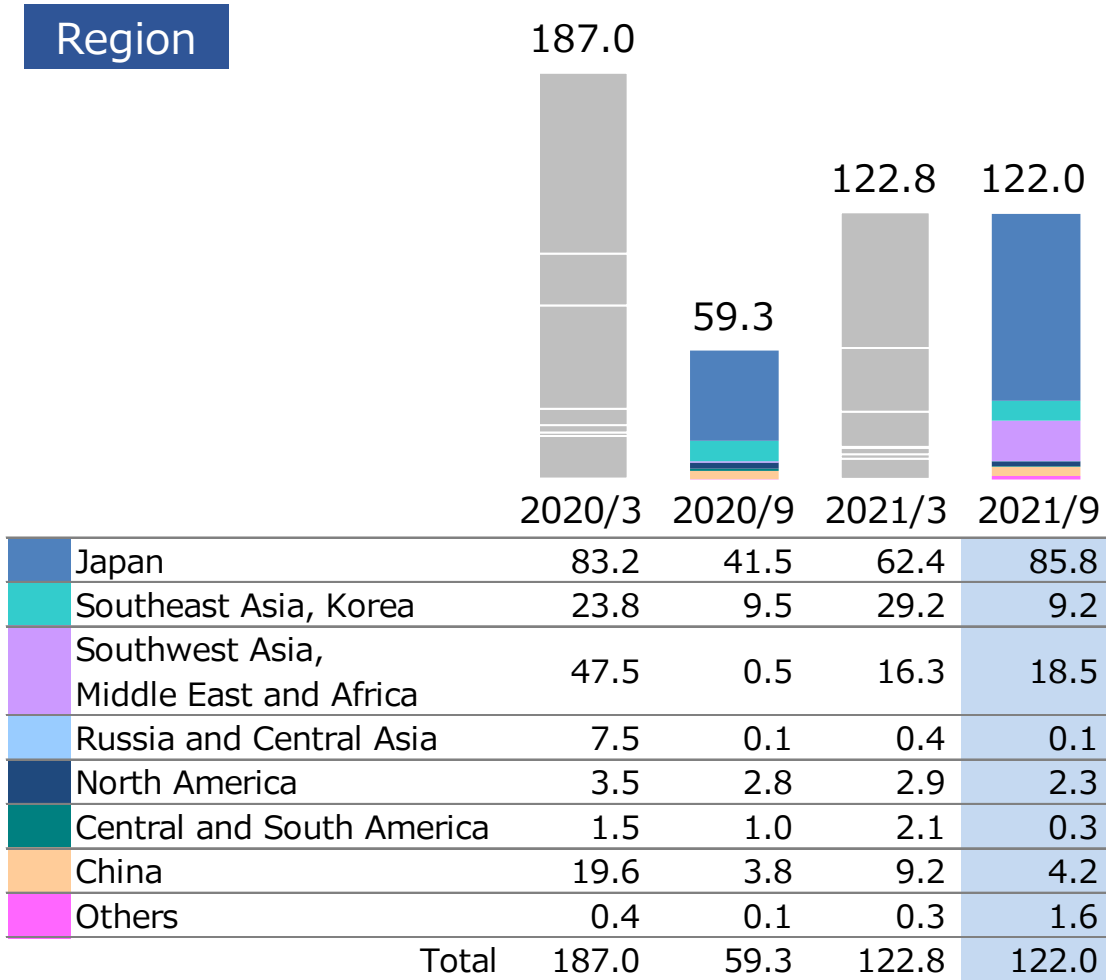
	2019/4~2020/3	2020/4~9	2020/4~2021/3	2021/4~9
Operating activities	(18.6)	4.0	17.7	0.9
Investing activities	7.9	(4.4)	(2.7)	1.7
Financing activities	(6.1)	(0.8)	(0.4)	(0.2)
Net increase/decrease in cash	(17.6)	(1.9)	14.2	3.7
Free cash flow	(10.7)	(0.3)	15.0	2.6

Cash and cash equivalents, end of the term



New Orders

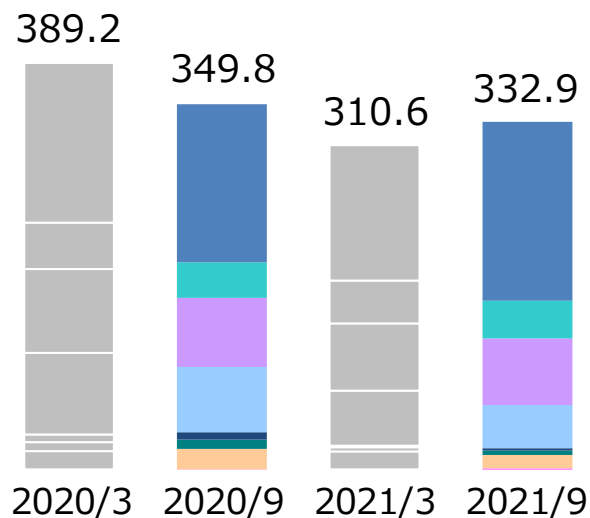
JPY billion



2021/9 Major Contracts	Over JPY 30 billion	Over JPY 10 billion	Over JPY 3 billion
	Petrochemical, JAPAN	Power/Railways etc., JAPAN (2 projects) Chemical/Fertilizer, INDIA	Chemical/Fertilizer, KOREA

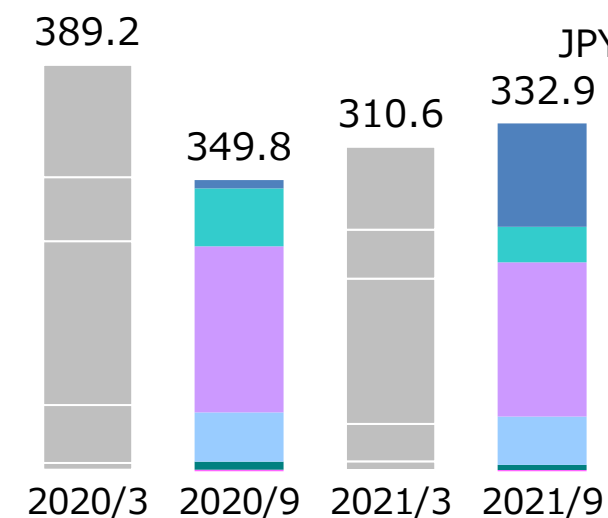
Backlog of Contracts

Region



Region	2020/3	2020/9	2021/3	2021/9
Japan	152.7	151.5	129.8	171.2
Southeast Asia, Korea	44.6	34.0	41.0	36.2
Southwest Asia, Middle East and Africa	80.1	66.1	64.1	63.7
Russia and Central Asia	78.3	62.3	52.7	41.4
North America	7.3	7.3	1.5	2.2
Central and South America	8.6	8.8	4.2	4.1
China	17.5	19.7	17.1	12.9
Others	0.1	0.1	0.2	1.2
Total	389.2	349.8	310.6	332.9

Product



Product	2020/3	2020/9	2021/3	2021/9
Petrochemicals	107.6	78.9	79.3	98.7
Oil & Gas	61.2	55.5	46.9	34.2
Power/Railways etc.	156.9	159.0	138.9	147.5
Chemicals/Fertilizers	55.4	47.1	36.0	46.2
Pharmaceuticals etc.	6.4	7.8	8.1	5.0
Others	1.7	1.5	1.4	1.3
Total	389.2	349.8	310.6	332.9

2021/9 Major Contracts

Over JPY 30 billion

Petrochemical, JAPAN

Over JPY 20 billion

Power/Railways etc., JAPAN
(3 projects)
Petrochemical, RUSSIA

Over JPY 10 billion

Power/Railways etc., JAPAN
(2 projects)
Petrochemical, RUSSIA

Chemical/Fertilizer, INDIA
Petrochemical, INDIA
Oil & Gas, INIDA

Forecast for 2022/3

◆ No change from initial forecast as of May 13, 2021

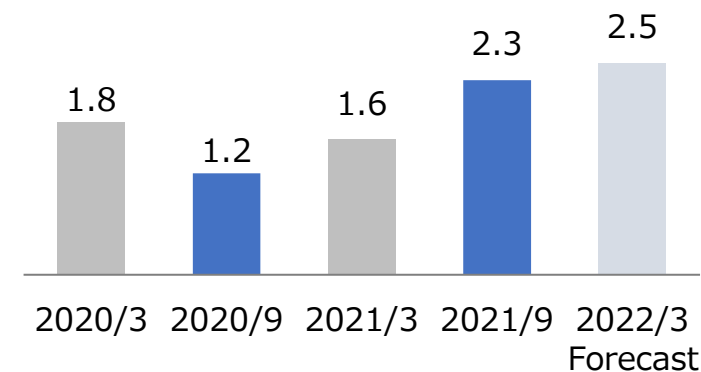
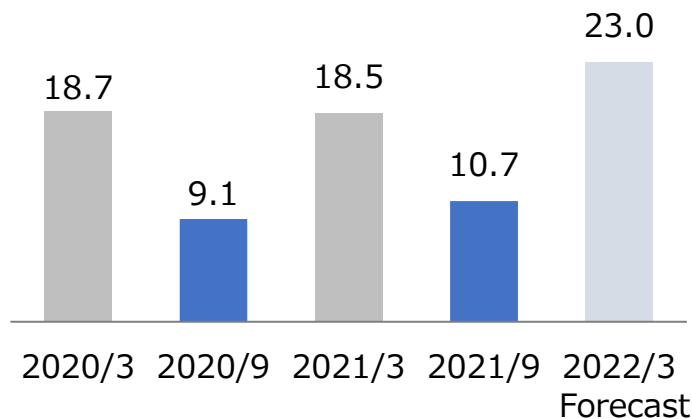
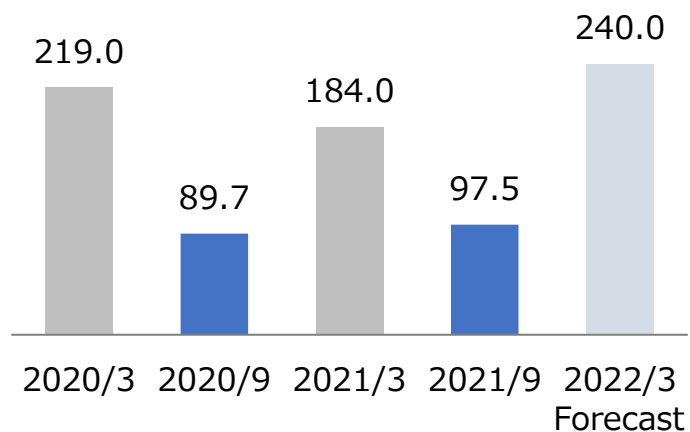
	2021/3 Result	1st Half Result	Progress	2nd Half Forecast	2022/3 Forecast
Net sales	184.0	97.5	41%	142.5	240.0
Gross profit	18.5	10.7	47%	12.3	23.0
Gross profit margin	10.1%	11.0%		8.6%	9.6%
SG&A expenses	16.9	8.3	40%	12.2	20.5
Operating income	1.6	2.3	92%	0.2	2.5
Operating income margin	0.9%	2.4%		0.1%	1.0%
Non-operating income & expenses	1.1	(0.0)	-	0.0	-
Ordinary income	2.7	2.2	-	0.3	2.5
Profit attributable to owners of parent	0.8	1.4	93%	0.1	1.5
New orders	122.8	122.0	44%	158.0	280.0
Dividends per share	Annual ¥0	Interim ¥0	-	-	Annual ¥0

Exchange rate for the forecast 1US\$= ¥113

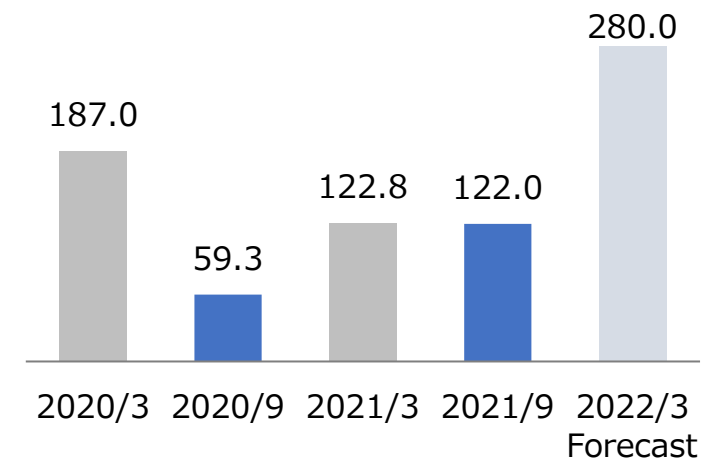
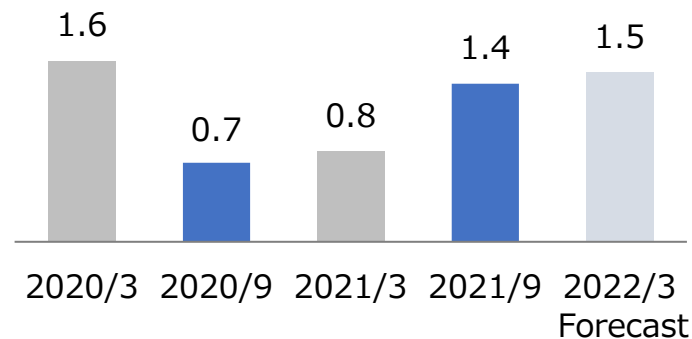
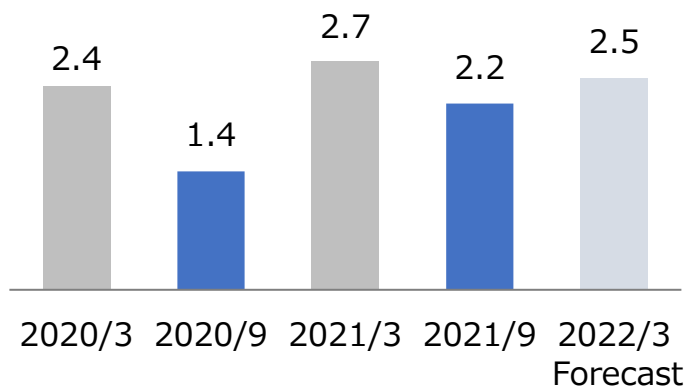
-Reference- Performance Trends

JPY billion

Net sales Gross profit Operating income



Ordinary income Profit attributable to owners of parent New orders



-Reference- Historical Data

		2020/3	2020/9	2021/3	2021/9	2022/3 Forecast
Net sales	JPY billion	219.0	89.7	184.0	97.5	240.0
Gross profit	JPY billion	18.7	9.1	18.5	10.7	23.0
Gross profit margin	%	8.6%	10.2%	10.1%	11.0%	9.6%
SG&A expenses	JPY billion	16.8	7.9	16.9	8.3	20.5
Operating income	JPY billion	1.8	1.2	1.6	2.3	2.5
Operating income margin	%	0.9%	1.4%	0.9%	2.4%	1.0%
Ordinary income	JPY billion	2.4	1.4	2.7	2.2	2.5
Profit attributable to owners of parent	JPY billion	1.6	0.7	0.8	1.4	1.5
Comprehensive income	JPY billion	(0.0)	(1.4)	4.0	2.2	
Interest bearing debt	JPY billion	27.6	27.2	28.1	28.1	
Debt equity ratio	Times	0.77	0.79	0.71	0.67	
Net debt	JPY billion	(52.5)	(51.0)	(66.3)	(70.0)	
Equity ratio	%	17.2%	16.7%	18.3%	19.0%	
Operating activities CF	JPY billion	(18.6)	4.0	17.7	0.9	
Investing activities CF	JPY billion	7.9	(4.4)	(2.7)	1.7	
Financing activities CF	JPY billion	(6.1)	(0.8)	(0.4)	(0.2)	
New orders	JPY billion	187.0	59.3	122.8	122.0	280.0
Backlog of contracts	JPY billion	389.2	349.8	310.6	332.9	350.6
Dividends per share	Yen	Annual 0.0	Interim 0.0	Annual 0.0	Interim 0.0	Annual 0.0



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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.