

Second Quarter of Fiscal Year Ending March 2025  
(FY2024-2Q)

# OUTLINE OF FINANCIAL RESULTS

November 14, 2024

Toyo Engineering Corporation

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# Performance Summary

JPY billion

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

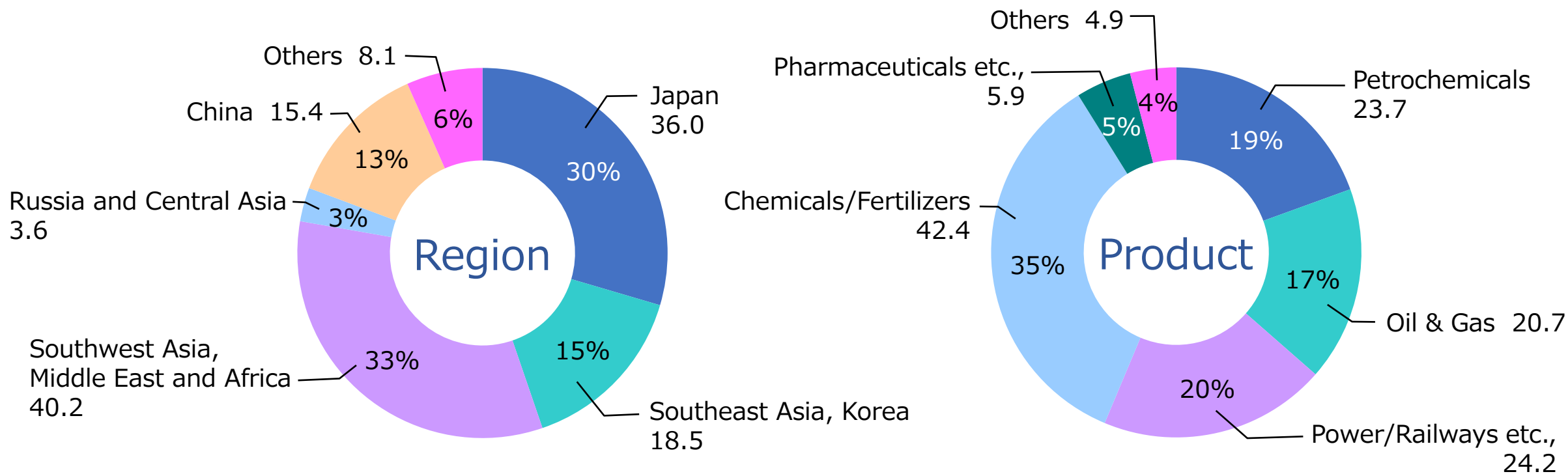
|                                                   | 2023/9        | 2024/9        | Difference | Forecast<br>2025/3<br>as of 2024/11/14 | Progress |
|---------------------------------------------------|---------------|---------------|------------|----------------------------------------|----------|
| Net sales                                         | 117.0         | 121.8         | +4.8 ①     | 270.0                                  | 45%      |
| Gross profit                                      | 13.2          | 12.8          | (0.4)      | 29.0                                   | 44%      |
| Gross profit margin                               | 11.3%         | 10.6%         | -0.7pt     | 10.7%                                  |          |
| SG&A expenses                                     | 10.0          | 10.8          | (0.8)      | 24.0                                   | 45%      |
| Operating income                                  | 3.2           | 2.0           | (1.2)      | 5.0                                    | 40%      |
| Operating income margin                           | 2.8%          | 1.7%          | -1.1pt     | 1.9%                                   |          |
| Non-operating income & expenses                   | 0.8           | 1.2 ②         | +0.4       | 2.5                                    | 48%      |
| Ordinary income                                   | 4.0           | 3.2           | (0.8)      | 7.5                                    | 43%      |
| Extraordinary income & loss                       | -             | 0.0 ③         | +0.0       | -                                      | -        |
| Profit before income taxes                        | 4.0           | 3.2           | (0.8)      | 7.5                                    | 43%      |
| Income taxes                                      | 1.6           | 1.5           | +0.1       | 1.5                                    | 100%     |
| Profit attributable to owners of parent           | 2.3           | 1.7           | (0.6)      | 6.0                                    | 28%      |
| New orders                                        | 70.3          | 51.6          | (18.7)     | 250.0                                  | 21%      |
| New orders including the equity method affiliates | 361.1         | 55.0          | (306.1)    | 250.0                                  | 22%      |
| Dividends per share                               | Interim<br>¥0 | Interim<br>¥0 | ±¥0        | Annual<br>¥25                          | -        |

① Increased in net sales compared with the same period of the previous year due to progress of on-going projects

② Includes equity in earnings of affiliates

③ Extraordinary income and loss were recorded due to conversion of the equity method affiliates in Brazil into consolidated subsidiaries

2024/9 Net sales : JPY 121.8 billion



| Major Contracts | Over JPY 20 billion          | Over JPY 6 billion                                       | Over JPY 4 billion                                                                                                |
|-----------------|------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
|                 | Chemical/Fertilizer, NIGERIA | Chemical/Fertilizer, CHINA<br>Power/Railways etc., JAPAN | Oil & Gas, INDIA<br>Power/Railway etc., JAPAN (2 projects)<br>Petrochemical, JAPAN<br>Pharmaceuticals etc., JAPAN |

# Balance Sheet

JPY billion

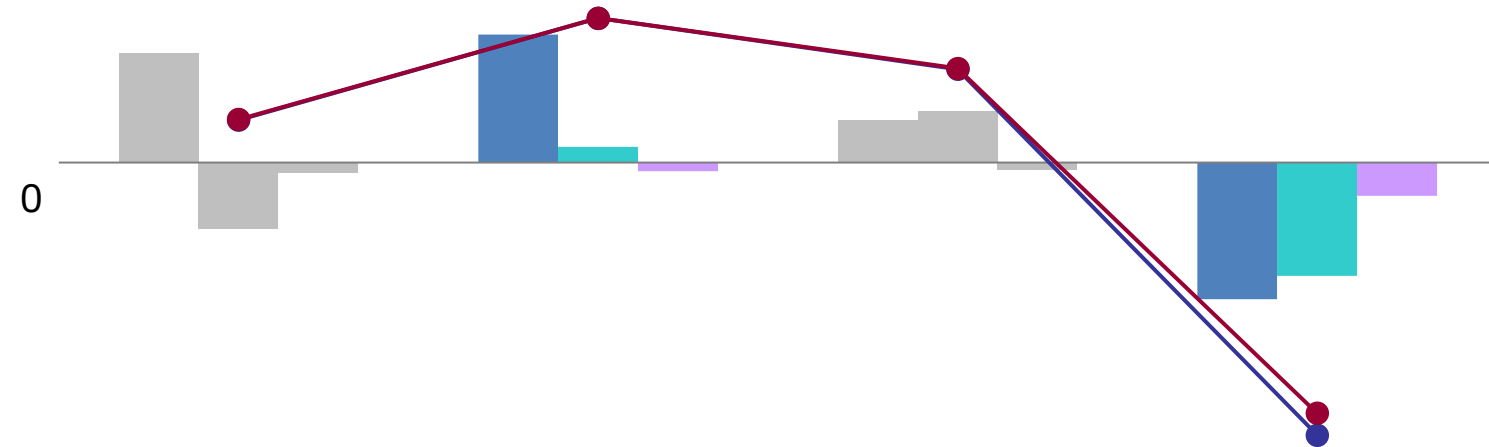
| Assets                        | 2024/3       | 2024/9       | Difference   |
|-------------------------------|--------------|--------------|--------------|
| Current assets                | 250.3        | 233.8        | (16.5)       |
| Cash and deposits             | 119.8        | 93.9         | (25.9) ①     |
| Notes and accounts receivable | 82.0         | 93.6         | +11.6 ①      |
| Work in progress              | 18.9         | 17.9         | (1.0)        |
| Other current assets          | 29.4         | 28.2         | (1.2)        |
| Non-current assets            | 35.6         | 43.1         | +7.5         |
| Property, plant and equipment | 6.9          | 10.3         | +3.4         |
| Intangible assets             | 5.6          | 5.5          | (0.1)        |
| Investments and other assets  | 23.1         | 27.2         | +4.1         |
| <b>Total assets</b>           | <b>285.9</b> | <b>276.9</b> | <b>(9.0)</b> |

| Liabilities and net assets                | 2024/3       | 2024/9       | Difference    |
|-------------------------------------------|--------------|--------------|---------------|
| Current liabilities                       | 193.5        | 178.9        | (14.6)        |
| Short-term interest bearing debt          | 17.6         | 22.3         | +4.7 ①        |
| Notes and accounts payable                | 91.1         | 85.9         | (5.2) ①       |
| Advance receipts on uncompleted contracts | 62.0         | 38.6         | (23.4) ①      |
| Other current liabilities                 | 22.6         | 31.8         | +9.2          |
| Noncurrent liabilities                    | 28.2         | 35.1         | +6.9          |
| Long-term interest bearing debt           | 18.6         | 25.3         | +6.7 ①        |
| Other noncurrent liabilities              | 9.6          | 9.8          | +0.2          |
| Net assets                                | 64.1         | 62.8         | (1.3)         |
| Shareholder's equity                      | 50.0         | 51.1         | +1.1          |
| Accumulated other comprehensive income    | 13.8         | 11.4         | (2.4) ②       |
| Non-controlling interests                 | 0.2          | 0.2          | +0.0          |
| <b>Total liabilities and net assets</b>   | <b>285.9</b> | <b>276.9</b> | <b>(9.0)</b>  |
| <b>Equity ratio</b>                       | <b>22.4%</b> | <b>22.6%</b> | <b>+0.2pt</b> |

- ① Increase/decrease mainly due to project progress  
 ② Accumulated other comprehensive income decreased due to conversion of the equity method affiliates in Brazil into consolidated subsidiaries

# Cash Flows

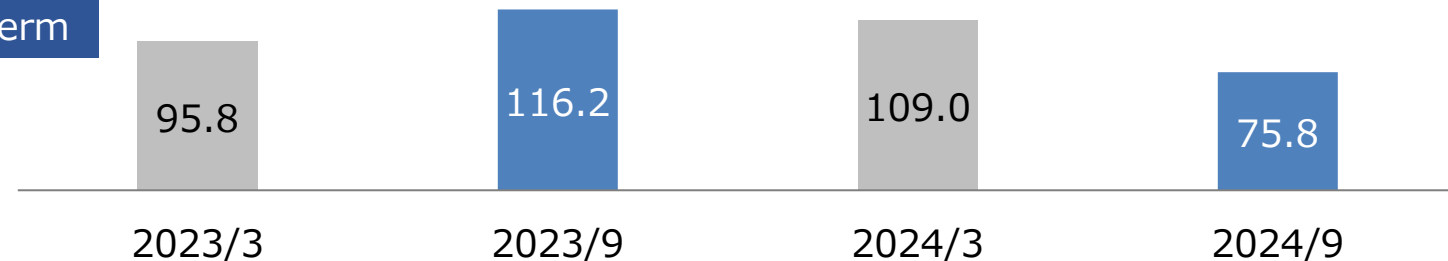
JPY billion



|                               | 2022/4~2023/3 | 2023/4~9 | 2023/4~2024/3 | 2024/4~9 |
|-------------------------------|---------------|----------|---------------|----------|
| Operating activities          | 15.5          | 18.1     | 6.0           | (19.3)   |
| Investing activities          | (9.4)         | 2.2      | 7.3 ※         | (16.0)   |
| Financing activities          | (1.5)         | (1.2)    | (1.0)         | (4.7)    |
| Net increase/decrease in cash | 6.0           | 20.4     | 13.2          | (38.5)   |
| Free cash flow                | 6.1           | 20.4     | 13.3          | (35.4)   |

※Increase mainly due to transfer of real estate

Cash and cash equivalents, end of the term

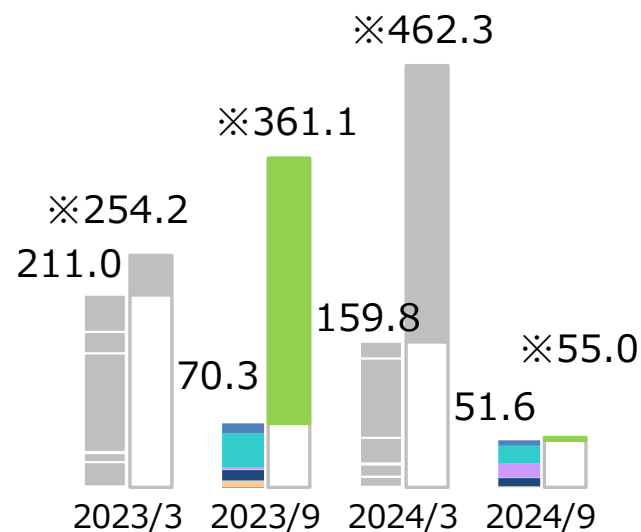


# New Orders

JPY billion

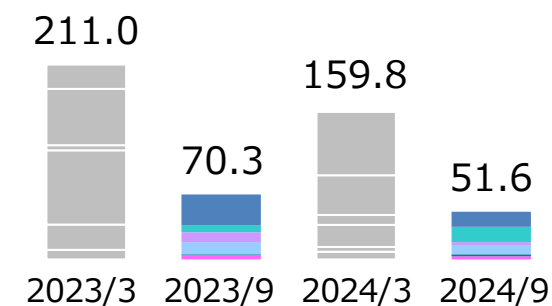
※<Reference>Including the equity method affiliates

## Region



|                                                                            |              |              |              |             |
|----------------------------------------------------------------------------|--------------|--------------|--------------|-------------|
| Japan                                                                      | 40.4         | 10.6         | 18.4         | 5.9         |
| Southeast Asia, Korea                                                      | 23.7         | 37.6         | 86.8         | 19.7        |
| Southwest Asia, Middle East and Africa                                     | 107.9        | 2.3          | 28.0         | 14.9        |
| Russia and Central Asia                                                    | 0.3          | 0.8          | 1.2          | 0.8         |
| North America                                                              | 1.2          | 11.3         | 13.3         | 8.9         |
| Central and South America                                                  | 9.7          | 0.1          | 0.2          | 0.2         |
| China                                                                      | 26.5         | 7.1          | 11.1         | 1.2         |
| Others                                                                     | 1.3          | 0.5          | 0.8          | 0.0         |
| <b>New orders</b>                                                          | <b>211.0</b> | <b>70.3</b>  | <b>159.8</b> | <b>51.6</b> |
| <b>The equity method affiliates</b>                                        | <b>43.2</b>  | <b>290.7</b> | <b>302.4</b> | <b>3.4</b>  |
| <b>&lt;Reference&gt; New orders including the equity method affiliates</b> | <b>254.2</b> | <b>361.1</b> | <b>462.3</b> | <b>55.0</b> |

## Product



|                       |              |             |              |             |
|-----------------------|--------------|-------------|--------------|-------------|
| Petrochemicals        | 26.4         | 33.7        | 68.8         | 16.5        |
| Oil & Gas             | 61.1         | 7.4         | 43.0         | 16.4        |
| Power/Railways etc.   | 5.4          | 10.6        | 10.7         | 4.0         |
| Chemicals/Fertilizers | 80.5         | 13.1        | 23.8         | 9.2         |
| Pharmaceuticals etc.  | 27.4         | 1.0         | 5.4          | 2.1         |
| Others                | 10.2         | 4.5         | 8.1          | 3.4         |
| <b>New orders</b>     | <b>211.0</b> | <b>70.3</b> | <b>159.8</b> | <b>51.6</b> |

## 2024/9 Major Contracts

### Consolidated

Over JPY 10 billion

Oil & Gas, INDIA

Over JPY 5 billion

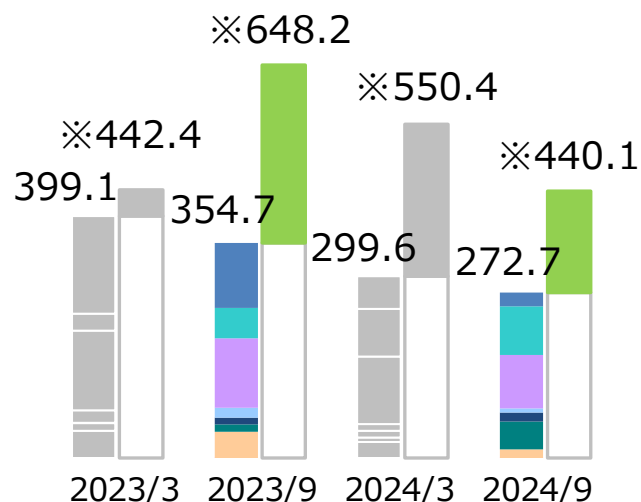
Petrochemical, INDONESIA

# Backlog of Contracts

JPY billion

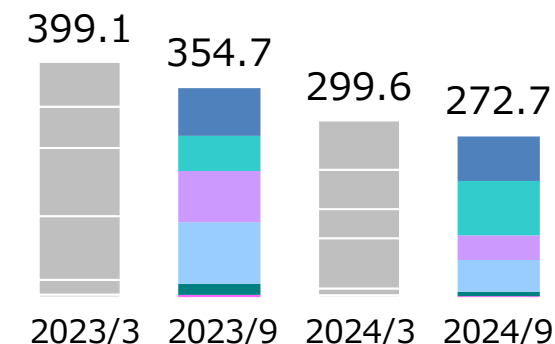
※ <Reference> Including the equity method affiliates

## Region



|                                                                         |       |       |       |         |
|-------------------------------------------------------------------------|-------|-------|-------|---------|
| Japan                                                                   | 160.9 | 107.2 | 53.4  | 22.6    |
| Southeast Asia, Korea                                                   | 28.0  | 50.0  | 78.7  | 80.2    |
| Southwest Asia, Middle East and Africa                                  | 131.2 | 114.3 | 111.4 | 87.7    |
| Russia and Central Asia                                                 | 20.8  | 16.3  | 11.2  | 7.1     |
| North America                                                           | 0.3   | 11.3  | 10.8  | 14.8    |
| Central and South America                                               | 12.7  | 12.0  | 7.4   | *1 45.8 |
| China                                                                   | 44.9  | 43.2  | 26.4  | 14.2    |
| Others                                                                  | 0.3   | 0.4   | 0.3   | 0.3     |
| Backlog of contracts                                                    | 399.1 | 354.7 | 299.6 | 272.7   |
| The equity method affiliates                                            | 43.2  | 293.4 | 250.7 | 167.4   |
| <Reference> Backlog of contracts including the equity method affiliates | 442.4 | 648.2 | 550.4 | 440.1   |

## Product



|                       |       |       |       |         |
|-----------------------|-------|-------|-------|---------|
| Petrochemicals        | 76.0  | 80.8  | 83.3  | 75.2    |
| Oil & Gas             | 69.8  | 59.6  | 66.9  | *1 92.3 |
| Power/Railways etc.   | 115.5 | 86.9  | 49.0  | *1 41.7 |
| Chemicals/Fertilizers | 107.9 | 104.0 | 85.3  | 53.8    |
| Pharmaceuticals etc.  | 25.4  | 19.1  | 11.4  | 7.6     |
| Others                | 4.5   | 4.3   | 3.7   | 2.1     |
| Backlog of contracts  | 399.1 | 354.7 | 299.6 | 272.7   |

## 2024/9 Major Contracts

| Consolidated                 | The equity method affiliates |
|------------------------------|------------------------------|
| Over JPY 20 billion          | FPSO, GUYANA *2              |
| Chemical/Fertilizer, NIGERIA | FPSO, BRAZIL                 |
| Petrochemical, THAILAND      |                              |
| Over JPY 15 billion          |                              |
| Oil & Gas, BRAZIL            |                              |
| Oil & Gas, INDIA             |                              |

\*1 : Including the backlog of contract of consolidated subsidiaries in Brazil from 2024/9

\*2 : FPSO = Floating Production, Storage and Offloading

# Forecast for 2025/3

◆ Revised the forecast for 2025/3  
(Gross profit & SG&A expenses)

JPY billion

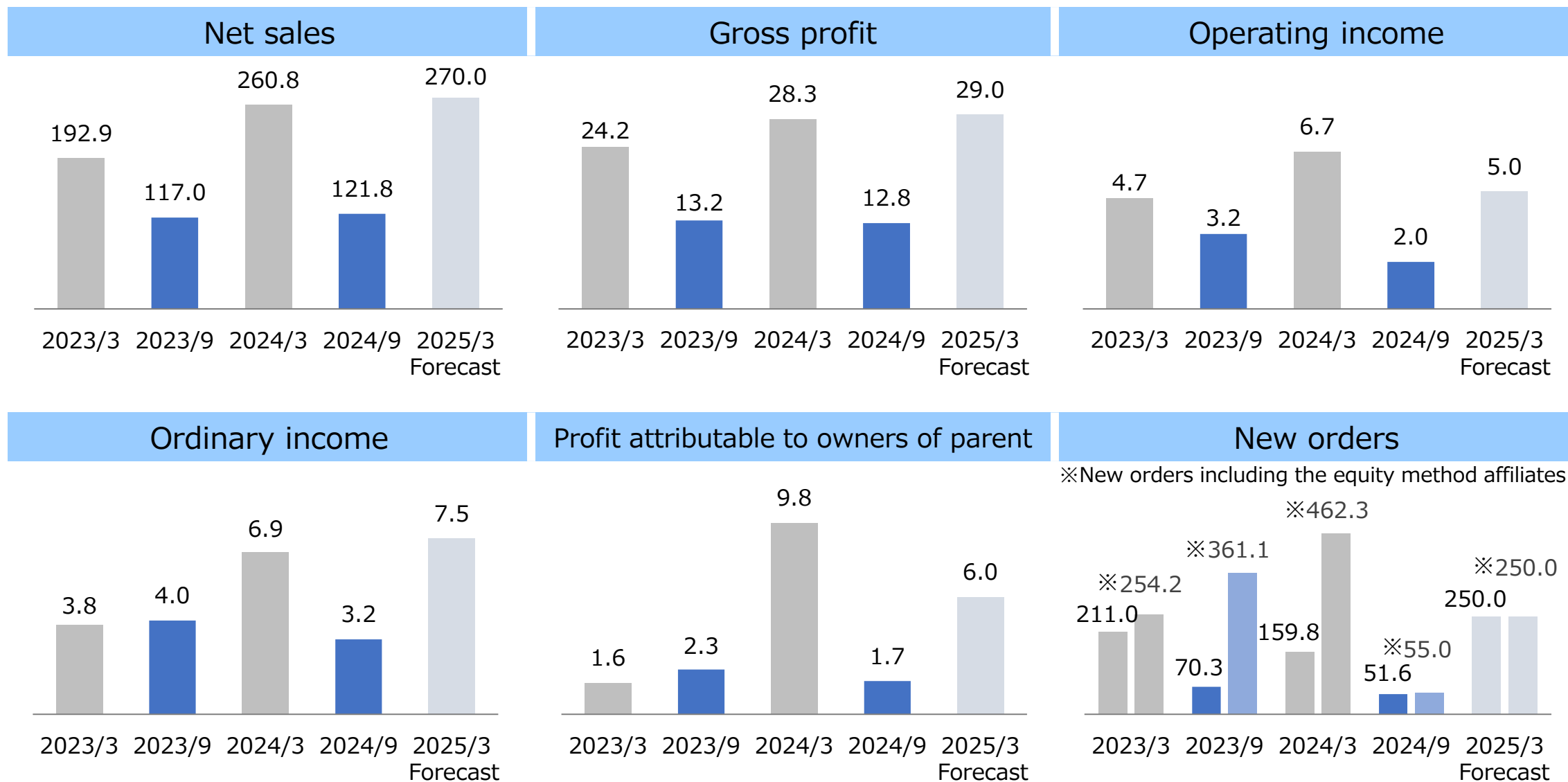


|                                                   | 2024/3        | 2Q:2024/9     |          | 2025/3 Forecast                 |                                  |            | <Reason for revision>                                                                          |
|---------------------------------------------------|---------------|---------------|----------|---------------------------------|----------------------------------|------------|------------------------------------------------------------------------------------------------|
|                                                   | Result        | Result        | Progress | Initial plan<br>as of 2024/5/15 | Current plan<br>as of 2024/11/14 | Difference |                                                                                                |
| Net sales                                         | 260.8         | 121.8         | 45%      | 270.0                           | 270.0                            | ±0.0       | ① Gross profit is expected to decrease due to delays in some domestic projects (JPY1.0billion) |
| Gross profit                                      | 28.3          | 12.8          | 44%      | 30.0                            | 29.0 ①                           | (1.0)      |                                                                                                |
| Gross profit margin                               | 10.9%         | 10.6%         |          | 11.1%                           | 10.7%                            | -0.4pt     |                                                                                                |
| SG&A expenses                                     | 21.6          | 10.8          | 45%      | 25.0                            | 24.0 ②                           | +1.0       |                                                                                                |
| Operating income                                  | 6.7           | 2.0           | 40%      | 5.0                             | 5.0                              | ±0.0       |                                                                                                |
| Operating income margin                           | 2.6%          | 1.7%          |          | 1.9%                            | 1.9%                             | ±0.0pt     | ② Reduction of SG&A expenses (JPY1.0billion)                                                   |
| Non-operating income & expenses                   | 0.2           | 1.2           | 48%      | 2.5                             | 2.5                              | ±0.0       |                                                                                                |
| Ordinary income                                   | 6.9           | 3.2           | 43%      | 7.5                             | 7.5                              | ±0.0       |                                                                                                |
| Income taxes                                      | 1.9           | 1.5           | 100%     | 1.5                             | 1.5                              | ±0.0       |                                                                                                |
| Profit attributable to owners of parent           | 9.8           | 1.7           | 28%      | 6.0                             | 6.0                              | ±0.0       |                                                                                                |
| Net income excluding extraordinary income & loss  | 5.0           | 1.7           | 28%      | 6.0                             | 6.0                              | ±0.0       |                                                                                                |
| New orders                                        | 159.8         | 51.6          | 21%      | 250.0                           | 250.0                            | ±0.0       |                                                                                                |
| New orders including the equity method affiliates | 462.3         | 55.0          | 22%      | 250.0                           | 250.0                            | ±0.0       |                                                                                                |
| Dividends per share                               | Annual<br>¥12 | Interim<br>¥0 | -        | Annual<br>¥25                   | Annual<br>¥25                    | ±¥0        |                                                                                                |
| Net assets                                        | 64.1          | 62.8          |          | 69.4                            | 67.0                             | (2.4)      |                                                                                                |
| ROE                                               | 17.4%         | -             |          | 9.0%                            | 9.2%                             | +0.2pt     |                                                                                                |

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

# -Reference- Performance Trends

JPY billion



# -Reference- Historical Data

|                                                             |             | 2023/3     | 2023/9      | 2024/3      | 2024/9      | 2025/3<br>Forecast |
|-------------------------------------------------------------|-------------|------------|-------------|-------------|-------------|--------------------|
| Net sales                                                   | JPY billion | 192.9      | 117.0       | 260.8       | 121.8       | 270.0              |
| Gross profit                                                | JPY billion | 24.2       | 13.2        | 28.3        | 12.8        | 29.0               |
| Gross profit margin                                         | %           | 12.6%      | 11.3%       | 10.9%       | 10.6%       | 10.7%              |
| SG&A expenses                                               | JPY billion | 19.5       | 10.0        | 21.6        | 10.8        | 24.0               |
| Operating income                                            | JPY billion | 4.7        | 3.2         | 6.7         | 2.0         | 5.0                |
| Operating income margin                                     | %           | 2.5%       | 2.8%        | 2.6%        | 1.7%        | 1.9%               |
| Ordinary income                                             | JPY billion | 3.8        | 4.0         | 6.9         | 3.2         | 7.5                |
| Income taxes                                                | JPY billion | 2.2        | 1.6         | 1.9         | 1.5         | 1.5                |
| Profit attributable to owners of parent                     | JPY billion | 1.6        | 2.3         | 9.8         | 1.7         | 6.0                |
| Comprehensive income                                        | JPY billion | 4.5        | 6.0         | 15.0        | (0.6)       |                    |
| Interest bearing debt                                       | JPY billion | 36.5       | 36.0        | 36.2        | 47.7        |                    |
| Debt equity ratio                                           | Times       | 0.75       | 0.66        | 0.57        | 0.76        |                    |
| Net debt                                                    | JPY billion | (71.9)     | (80.2)      | (72.7)      | (28.1)      |                    |
| Equity ratio                                                | %           | 19.1%      | 19.5%       | 22.4%       | 22.6%       |                    |
| Operating activities CF                                     | JPY billion | 15.5       | 18.1        | 6.0         | (19.3)      |                    |
| Investing activities CF                                     | JPY billion | (9.4)      | 2.2         | 7.3         | (16.0)      |                    |
| Financing activities CF                                     | JPY billion | (1.5)      | (1.2)       | (1.0)       | (4.7)       |                    |
| New orders                                                  | JPY billion | 211.0      | 70.3        | 159.8       | 51.6        | 250.0              |
| New orders including the equity method affiliates           | JPY billion | 254.2      | 361.1       | 462.3       | 55.0        | 250.0              |
| Backlog of contracts                                        | JPY billion | 399.1      | 354.7       | 299.6       | 272.7       |                    |
| Backlog of contracts including the equity method affiliates | JPY billion | 442.4      | 648.2       | 550.4       | 440.1       |                    |
| Dividends per share                                         | Yen         | Annual 0.0 | Interim 0.0 | Annual 12.0 | Interim 0.0 | Annual 25.0        |
| Net assets                                                  | JPY billion | 49.1       | 55.1        | 64.1        | 62.8        | 67.0               |
| ROE                                                         | %           | 3.5%       | -           | 17.4%       | -           | 9.2%               |



## 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.