



TOYO Corporation

(TSE Prime: 8151)

Presentation for financial results for Q3 FY9/25

August 6, 2025



TOYO Corporation

Quest for Precision

- 1. Financial results for Q3 FY9/25**
- 2. Orders & order backlog**
- 3. Full-year forecast for FY9/25**
- 4. Progress with "TY2027" Medium-term management plan**
- 5. Shareholder returns**

1. Financial results for Q3 FY9/25

Key highlights for Q3 FY9/25

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
Net sales	25,920	23,445	-2,475	-9.5%
Operating profit	2,952	1,080	-1,872	-63.4%
OPM	11.4%	4.6%	-6.8ppt	—
Ordinary profit	3,080	1,227	-1,853	-60.1%
Profit attributable to owners of parent	2,301	609	-1,692	-73.5%

Net sales: -9.5% YoY

- Sales in the Advanced Mobility segment fell sharply YoY as the booking of several large overseas orders planned for H2 were pushed back to the next FY
- Sales in ICT / Information Security and Software Quality & Productivity grew thanks to solid demand

OP: -63.4% YoY

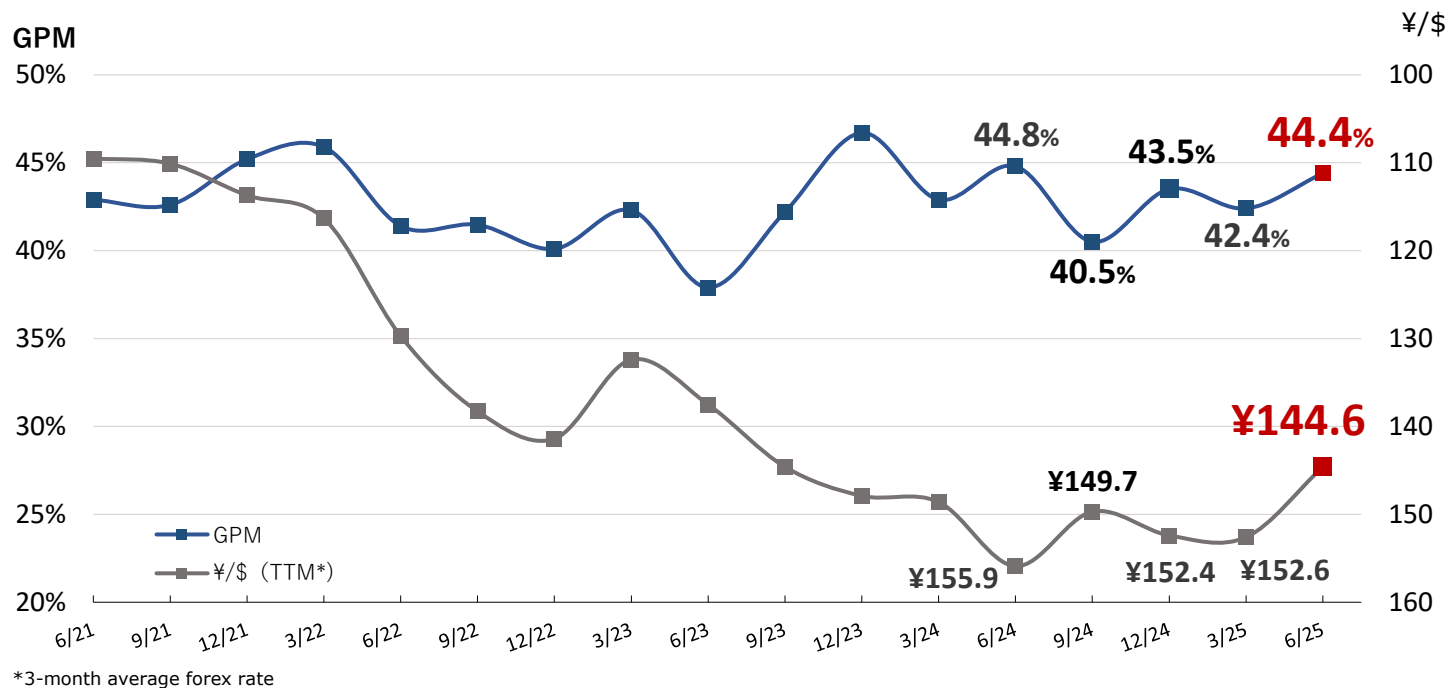
- OP fell due to lower sales, a decline in GPM, and increases in R&D and personnel expenses

Profit attributable to owners of the parent: -73.5% YoY

- The effective tax rate increased due to changes in the profit mix among operating companies which is higher than the statutory effective tax rate

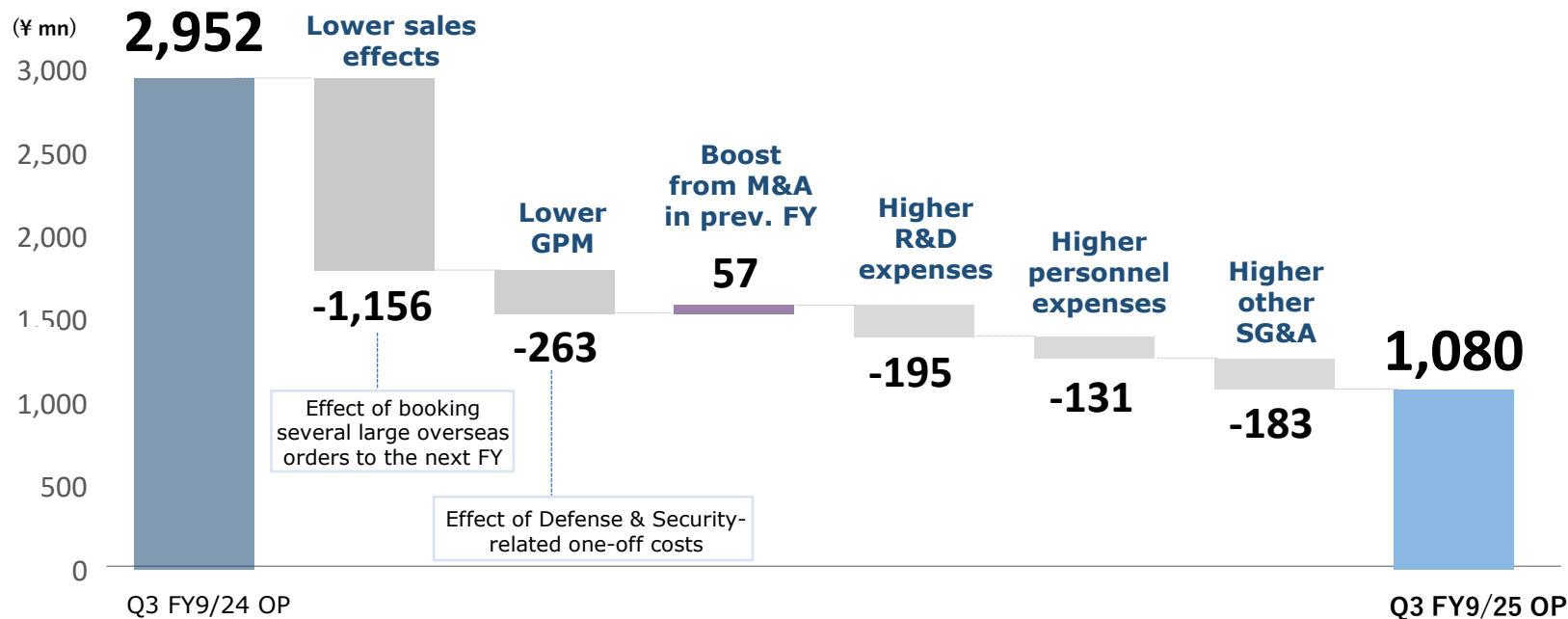
Forex and gross profit margins

Q3 FY9/25 GPM was **44.4%**, cumulative GPM for Q1-Q3 was 43.2% (-1.1ppt YoY)



Operating profit YoY variance

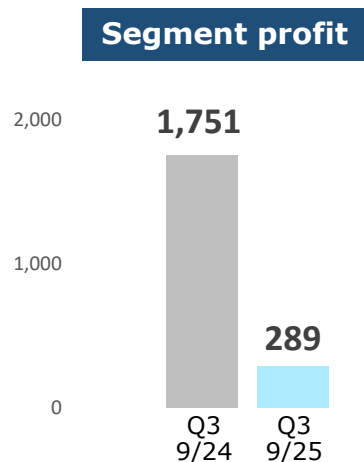
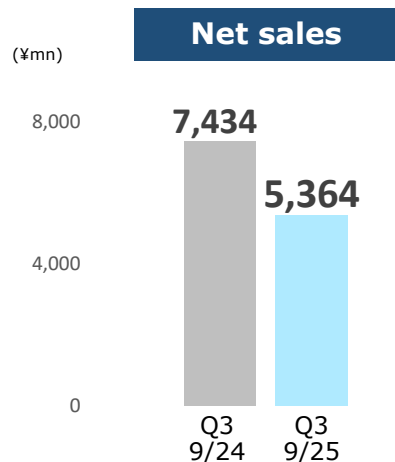
OP fell YoY due to effects of lower sales and decline in GPM



Analysis: Net sales and profit by segment

Advanced Mobility

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
Net sales	7,434	5,364	-2,070	-27.8%
Segment profit	1,751	289	-1,462	-83.5%



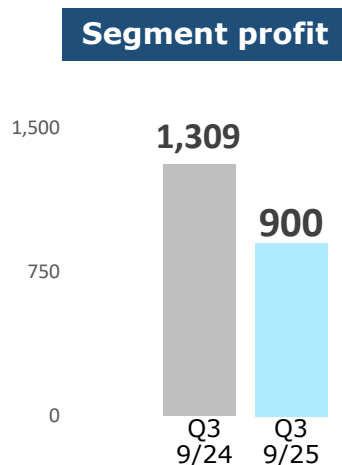
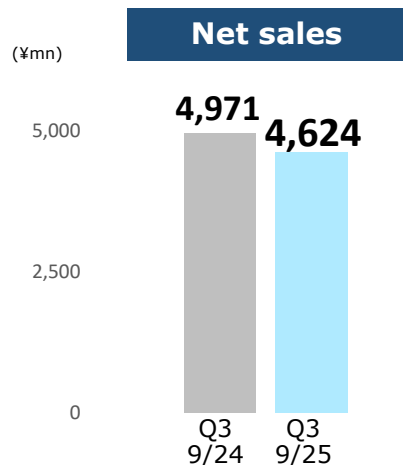
Notes

- While noise and vibration measurement-related products performed well, segment sales declined significantly as the booking of sales for several large overseas orders (already delivered) originally slated for H2 will now be recorded next FY due to construction delays for buildings and facilities at customers
- In addition to lower sales, the impact of large, low-margin projects also dragged down profits sharply. We expect the aforementioned large overseas orders to significantly lift profits in the next FY

Analysis: Net sales and profit by segment

Sustainable Energy

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
Net sales	4,971	4,624	-347	-7.0%
Segment profit	1,309	900	-409	-31.2%



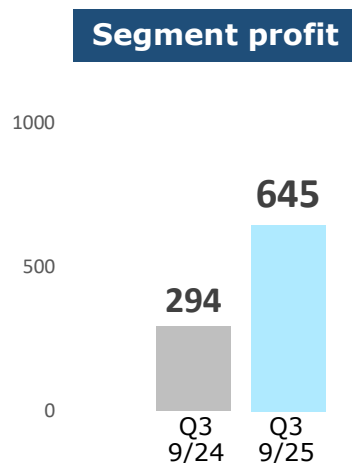
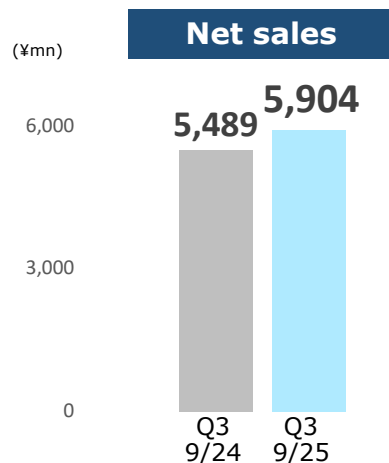
Notes

- Sales of ultra-low temperature and magnetic field measurement systems were solid, while electrochemical measurement systems were also above plan, bringing sales close to the strong levels of the previous year
- Segment profit declined due to higher SG&A expenses, including from increased investment in the hydrogen-related business, where even greater demand growth is anticipated

Analysis: Net sales and profit by segment

ICT / Information security

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
Net sales	5,489	5,904	+415	+7.6%
Segment profit	294	645	+351	+119.5%



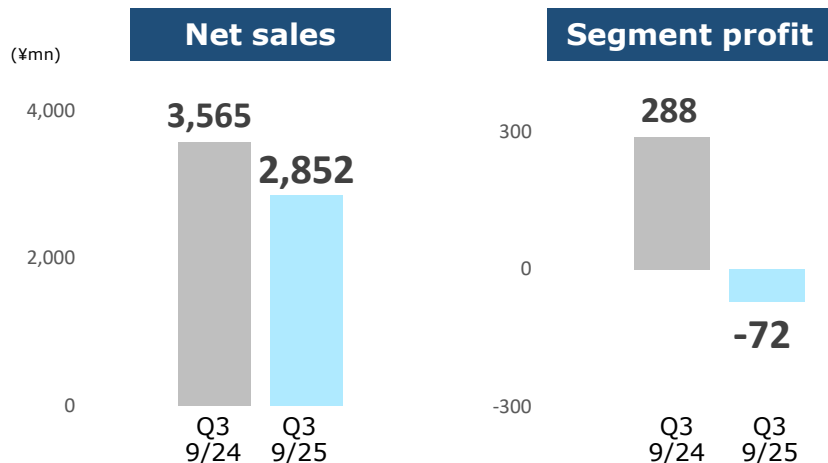
Notes

- In ICT, core network performance testing products for major communication carriers outperformed the plan, while vulnerability scanners, proprietary large-capacity packet capture systems and other products also showed YoY growth. In cybersecurity, service provider orders remained firm
- Optimization of human resources in ICT led to increased segment profits

Analysis: Net sales and profit by segment

EMC & Antenna Systems

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
Net sales	3,565	2,852	-713	-20.0%
Segment profit	288	-72	-360	— %



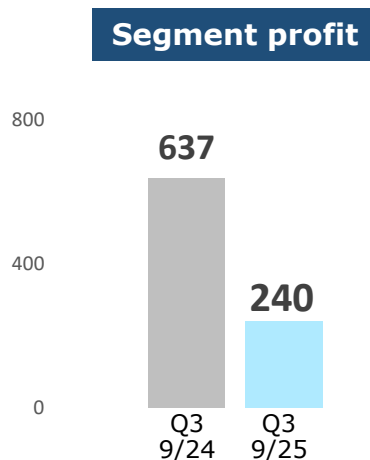
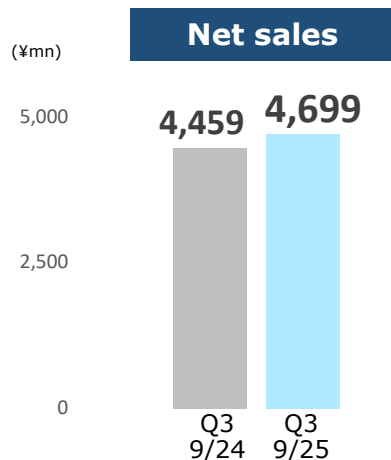
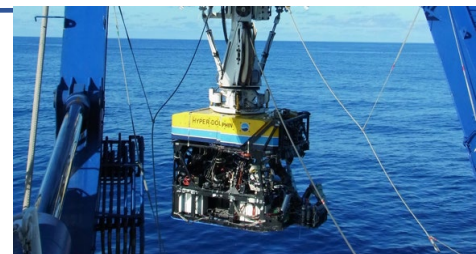
Notes

- Sales fell YoY due to a lower order backlog at the start of the year as well as delivery and inspection delays on some system projects as a result of customer-side factors
- The segment recorded a loss due to lower sales and booking of costs associated with new product development

Analysis: Net sales and profit by segment

Other businesses (Ocean / Defense & Security, Software Quality & Productivity, and Others)

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
Net sales	4,459	4,699	240	+5.4%
Segment profit	637	240	-397	-62.3%



Notes

- In the Ocean / Defense & Security business, sales rose due to growth in infrared cameras and underwater communication devices. However, the segment posted a loss due to one-off costs on large orders
- In Software Quality & Productivity, sales grew due to solid sales to gaming and automotive-related firms. Increased SG&A expenses from increased headcount for new business expansion, large projects with low margins, and the impact of a stronger GBP weighed down segment profits

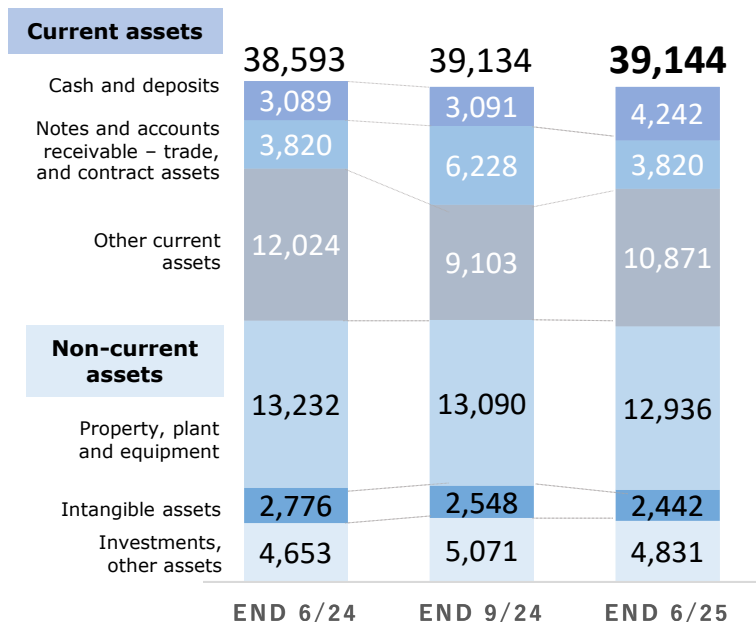
Consolidated balance sheet: Major items

Assets

Current assets: Increases in cash and deposits, merchandise and finished goods, and others. Decrease in notes and accounts receivable – trade, and contract assets

Non-current assets: Decrease in deferred tax assets

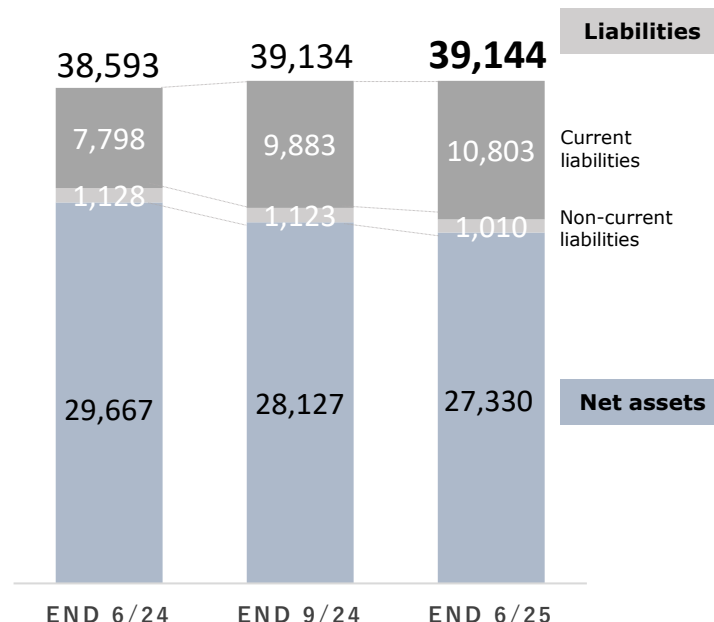
(¥mn)



Liabilities and net assets

Liabilities: Increases in contract liabilities and short-term borrowings. Decreases in provision for bonuses and income taxes payable

Net assets: Decrease in retained earnings



2. Orders & order backlog

Overview of new orders and order backlog

Solid progress with various growth strategies, order trends remain very positive

New orders: new record high of +¥31,337mn

- **Significant YoY growth** owing to several large project orders in the Ocean / Defense & Security segment, with **orders also up across all segments**

Order backlog: +¥7,617mn YoY

- Order backlog accumulated further from Q2, **remaining at high levels**

(¥mn)	Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY	
			Change	%
New orders	24,599	31,337	+6,738	+27.4%
Order backlog	17,307	24,924	+7,617	+44.0%

Orders & order backlog by segment

(¥mn)		Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY		Notes
				change	%	
Advanced Mobility	Orders	6,772	7,200	+428	+6.3%	<ul style="list-style-type: none"> • Orders strong for noise and vibration measurement products in automotive, aerospace, and defense fields, with orders for EV charging and fuel cell vehicle (FCV) development also robust • Some projects were pushed back to next fiscal year due to customer-side factors, keeping the backlog at a high level vs the previous year
	Backlog	5,069	6,655	+1,586	+31.3%	
Sustainable Energy	Orders	4,141	4,546	+405	+9.8%	<ul style="list-style-type: none"> • In addition to continued strong orders in hydrogen-related products, electrochemical-related orders also grew YoY • The order backlog, which was below prior-year levels in Q2, is now slightly up YoY
	Backlog	1,998	2,034	+36	+1.8%	
ICT / Information Security	Orders	5,834	6,353	+519	+8.9%	<ul style="list-style-type: none"> • In ICT, network performance testing product orders exceeded the plan, and a large order was booked in cybersecurity • The order backlog fell vs Q2 as progress was made in booking sales, but was much higher YoY
	Backlog	3,406	4,184	+778	+22.8%	

Orders & order backlog by segment

(¥mn)		Q3 FY9/24 Actual	Q3 FY9/25 Actual	YoY		Notes
				change	%	
EMC & Antenna Systems	Orders	2,740	3,986	+1,246	+45.4%	<ul style="list-style-type: none"> • Orders received were in line with plan due to large orders from automotive OEMs and auto parts makers • The order backlog increased due to order growth, as well as due to the pushing back of some order bookings to the next fiscal year
	Backlog	2,332	3,727	+1,395	+59.8%	
Other businesses	Orders	5,108	9,251	+4,143	+81.1%	<ul style="list-style-type: none"> • In the Ocean / Defense & Security segment, both orders and the backlog increased due to securing several large projects • Large orders were also booked in Software Quality & Productivity, driving growth in both orders and the backlog
	Backlog	4,501	8,322	+3,821	+84.9%	
	Orders	2,166	5,488	+3,322	+153.3%	
	Backlog	2,572	6,093	+3,521	+136.9%	

3. Full-year forecast for FY9/25

Full-year forecast for FY9/25

Revising forecast as booking of several large orders pushed back to next FY

- We revise our forecast as the booking of orders on multiple large overseas projects, originally planned for H2, will now be in next FY due to customer-side factors; one-time costs related to the Defense & Security-related business, and a higher effective tax rate (consolidated) than the statutory effective tax rate.
- **These overseas projects are expected to significantly contribute to next FY earnings. Underlying business in these large projects continue to be positive**

(¥mn)	FY9/25 forecast (initial)	FY9/25 forecast (revised)	Change	%	FY9/24 (Actual)
Net sales	33,000	32,000	-1,000	-3.0%	35,042
Operating profit	2,400	1,500	-900	-37.5%	3,366
OPM	7.3%	4.6%	-2.7ppt	—	9.6%
Ordinary profit	2,400	1,500	-900	-37.5%	3,375
Profit attributable to owners of the parent	1,750	800	-950	-54.3%	2,522

4. Progress with "TY2027" Medium-term management plan

“TY2027” Medium-term management plan

By promoting growth strategies, we aim to achieve net sales of **¥45.0bn (or at least ¥50.0bn incl. M&A)** and **OP of ¥4.5bn** in FY9/27

■ Business Strategies

1. **Focused Business Areas**
 - Advanced Mobility
 - **Defense & Security (Slide 21)**
 - **Sustainable Energy (Slide 22)**
2. **Differentiation by Offering High Value-Added Products**
 - Further expand recurring business
 - Expand business with in-house development
3. **Expansion of Overseas Businesses**
 - Establish offices to boost overseas sales
4. **M&A and New Businesses to Accelerate Growth Strategy (Slide 23)**

■ Financial & Capital Strategies

■ Sustainability Management (Slide 24)

1. Contribute to innovation & industrial growth
2. Promote environmental conservation
3. Establish a strong & sound management base

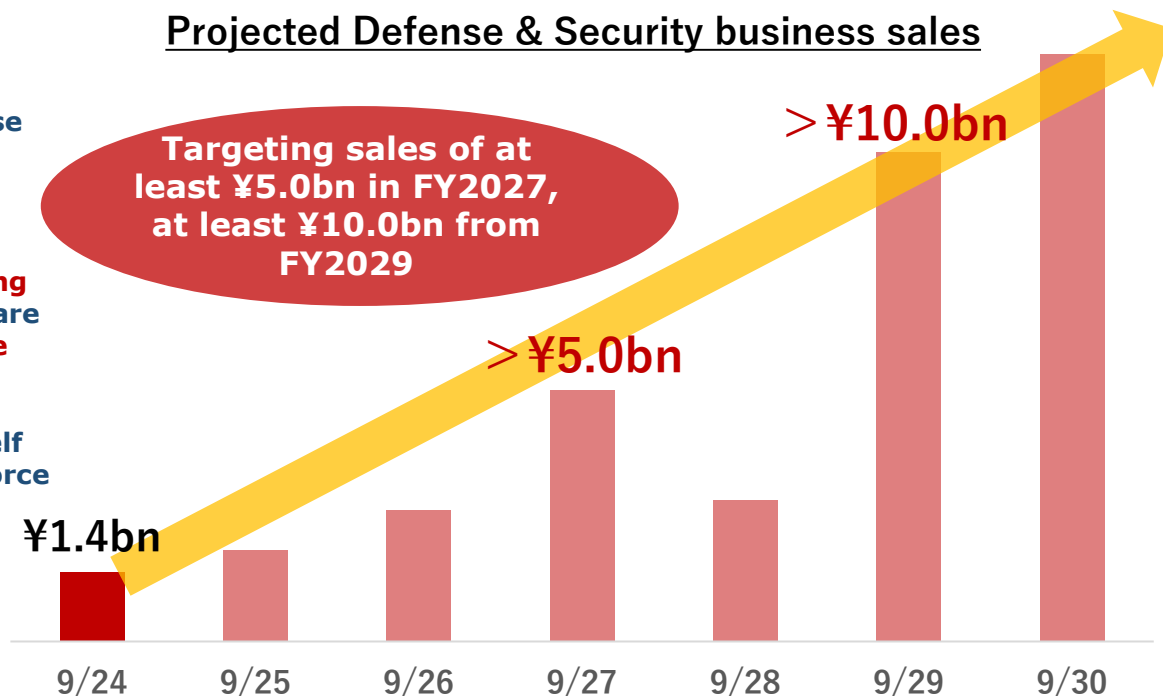
■ Management KPIs

Sales	¥45.0bn (¥50.0bn+ incl. new M&A)
OP	¥4.5bn
ROE	11%

Multiple large defense orders booked this FY. With continued large orders expected, we see this as **a growth business that will contribute significantly to earnings**

- In the Ocean/Defense & Security business, demand is firm in line with expanding defense budgets. **Multiple large orders were secured with the govt's Acquisition, Technology & Logistics Agency this year**
- **Some projects are expected to lead to ongoing large contracts as standard equipment, and are projected to contribute significantly to future revenue growth**
- **Expanding sales from the Japan Maritime Self Defense Force to the Ground Self-Defense Force and Air Self Defense Force**
- **We also aim to secure large defense-related projects (in the order of several billion yen) in the EMC & Antenna Systems business going forward**

Projected Defense & Security business sales



OEM supply of fuel cell and electrolyzer evaluation systems to BioLogic France

- In July 2025, **we began OEM supply of proprietary fuel cell and electrolyzer evaluation systems to BioLogic** in France,* a global leader in electrochemical measurement and charge-discharge systems
- We bolstered our mass production capabilities at L.Tail Co., Ltd, which we turned into a subsidiary last year. We plan for sales to Europe from July 2025 and in North America in 2026, **targeting sales of ¥1bn from OEM supply of these systems by FY 9/30.**



Our fuel cell evaluation system

*BioLogic Science Instruments SAS

China-wide distributor rights for BioLogic's battery testing system category

- We have **acquired China-wide distributor rights from July 2025** for BioLogic's battery testing system category
- This is a result of recognition of our track record in the South China market, for which we secured distributor rights in January 2024, and where many development facilities of global battery and EV makers are based. We aim to **expand share in the China market** through increased sales for automotive battery development



A modular battery testing system

Distribution agreement with Finland-based IQM Quantum Computers. Launching a quantum computing business

- **Toyo Corporation launched its quantum computer business**, becoming the domestic distributor of quantum computers for IQM, a global leader in the field of superconducting quantum computers*
- IQM offers cloud services currently becoming widespread, but also an **on-premises lineup, from global state-of-the-art, advanced models to entry-level models priced at about 200 million yen per unit**
- Help promote development of education and research environments in Japan through the sale of entry-level models. On-premises quantum computers, which offer superior security, are expected to see rising demand in the domestic market and **contribute to the social implementation of quantum technology.**
- With IQM's support, we plan to develop talent and accumulate know-how to **secure a competitive edge and expand the business in Japan.** We will also **enhance the value of products and services of existing businesses** that are highly compatible with quantum computing

*Quantum computer: A next-gen computer using quantum mechanics for advanced computation, with materials development, autonomous driving, quantum cryptography, defense, drug discovery, and environmental engineering applications, handling complex and large calculations beyond conventional computer capabilities



Large-scale, advanced quantum computer model with scalability



Entry-level model of quantum computer ideal for education and research applications

Newly-selected constituent of the FTSE Blossom Japan Index

- Toyo Corporation has been **newly selected as a constituent of the FTSE Blossom Japan Index**, designed by FTSE Russell to measure the performance of companies with strong ESG practices.
- We have also been **selected for the FTSE Blossom Japan Sector Relative Index for the third consecutive year**. Both indices are widely used in ESG-focused investment products, and they are also adopted by Japan's Government Pension Investment Fund (GPIF).
- The selection reflects our ongoing efforts to strengthen sustainability initiatives such as addressing climate change and promoting responsible sourcing, as well as active ESG disclosure. The company will **continue to advance sustainability-focused management**.



FTSE Blossom
Japan

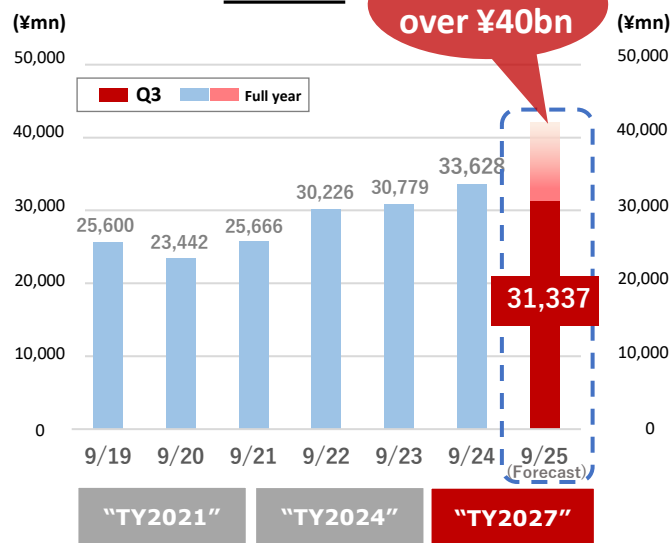


FTSE Blossom
Japan Sector
Relative Index

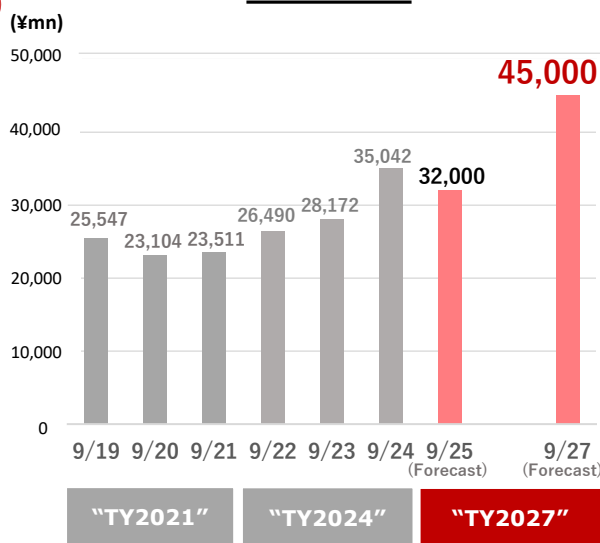
Progress towards "TY2027" targets

Despite an expected decline in sales and profit this FY, **orders are robust and are projected to significantly exceed last FY levels.** We aim to achieve the "TY2027" plan management targets through even greater order growth

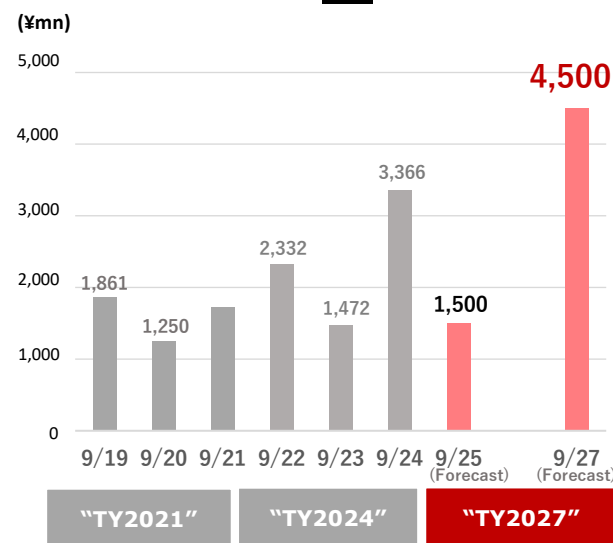
Orders



Net sales



OP



5. Shareholder returns

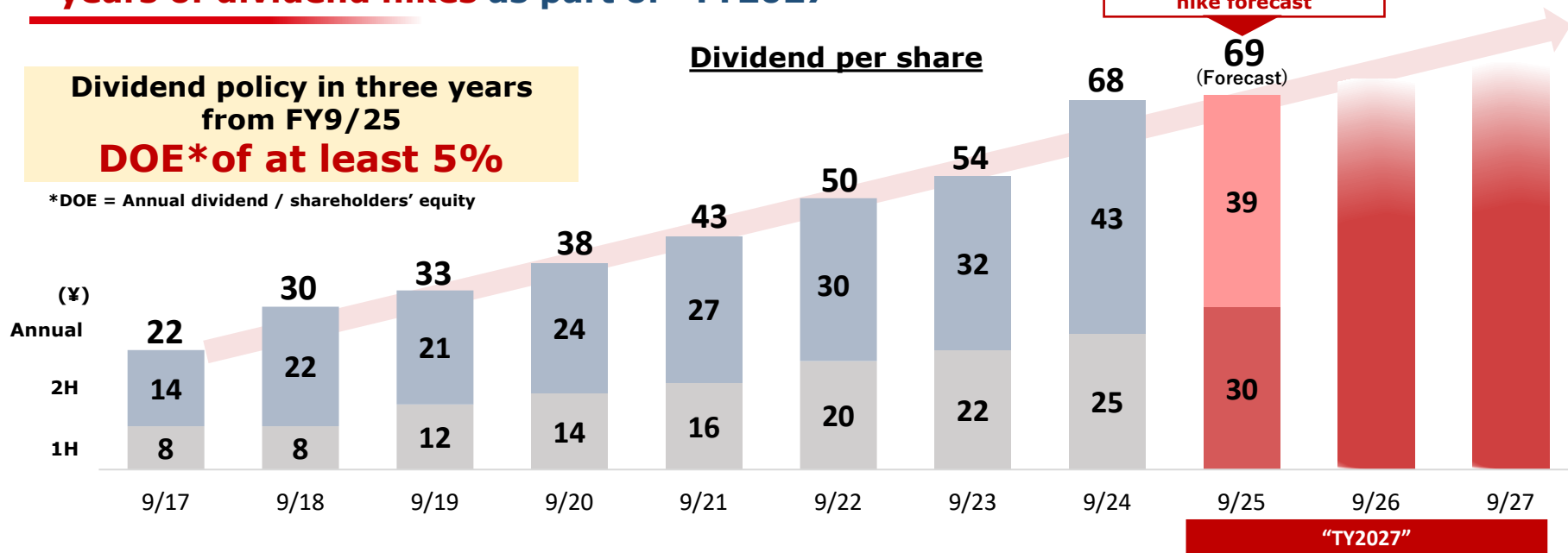
Shareholder Returns

We maintain our dividend forecast, which calls for an all-time high dividend this FY. We target 10 consecutive years of dividend hikes as part of "TY2027"

Dividend policy in three years from FY9/25

DOE* of at least 5%

*DOE = Annual dividend / shareholders' equity



Share buybacks: Will continue to consider the balance with growth investments as appropriate

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**Medium Term
Management Plan:
New plan now online**

TOYO's Vision for 2030

BreakThrough600

Challenge to exceed ¥60.0bn in net sales

Net Sales
¥60.0_{bn}
+α

OP
¥7.5_{bn}

ROE
15%

KPIs

In the final year of "BT2027" (FY ending September 2027), which is also the midpoint of "BT600-2030," we aim for ¥45.0 billion in net sales, ¥6.5 billion in OP, and 15% ROE through organic growth.
With addition of M&A, we aim for net sales of over ¥50.0 billion.



The data and future forecasts disclosed in this document are based on judgments made as of the date of publication of this document and available information, and are subject to change for a variety of reasons, including changes in economic conditions and market trends. Accordingly, this document is not a guarantee of the achievement of the stated targets, forecasts, or of future performance.

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 **TOYO Corporation**

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