

July 14, 2025

To Whom It May Concern

Company Name: Toyo Denki Seizo K.K.

Representative: Akira Watanabe,

President, Representative Director

(Stock Code: 6505 TSE Standard)

Inquiries: Seiichiro Yabui, Operating Officer, General
Manager, Corporate Planning Division

Tel.: +81-3-5202-8122

**Notice on Differences Between Consolidated Performance Forecast and Results for the Fiscal Year
Ended May 31, 2025, Recording of Income Taxes - Deferred (Gain), and Dividends of Surplus**

Toyo Denki Seizo K.K. (hereinafter “Toyo Denki”) hereby announces differences between the consolidated performance forecast for the fiscal year ended May 2025 disclosed on April 11, 2025, and the results for the same period disclosed today, together with the recording of income taxes - deferred (gain).

In addition, Toyo Denki hereby announces that it has resolved dividends of surplus with the record date of May 31, 2025, at the meeting of the Board of Directors held today. The proposal for this matter will be submitted to the 164th Annual General Meeting of Shareholders to be held on August 27, 2025.

1. Differences between the consolidated performance forecast and the results

- (1) Differences between the consolidated performance forecast and the results for the fiscal year ended May 31, 2025 (June 1, 2024, to May 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Millions of yen 38,000	Millions of yen 1,500	Millions of yen 1,800	Millions of yen 1,300	Yen 140.65
Results (B)	40,539	2,384	2,584	2,128	231.29
Change (B – A)	2,539	884	784	828	
Change (%)	6.7	58.9	43.6	63.8	
(Reference) Results for the previous fiscal year (fiscal year ended May 2024)	Millions of yen 32,140	Millions of yen 927	Millions of yen 1,487	Millions of yen 935	Yen 99.53

- (2) Reason for the differences

Net sales exceeded the previous forecast, mainly due to stronger-than-expected demand for maintenance parts in the Transportation Business. Operating profit, ordinary profit, and profit attributable to owners of parent exceeded the previous forecast mainly due to increased net sales and cost reduction initiatives that progressed better than expected, mainly in large projects for Indonesia.

2. Recording of income taxes - deferred (gain)

As a result of reviewing the recoverability of deferred tax assets based on the future outlook, Toyo Denki has decided to record a portion of deferred tax assets that is expected to be recoverable. As a result, income taxes - deferred (gain) of 410 million yen was recorded in the fiscal year ended May 2025.

3. Dividends of surplus

(1) Dividends

	Amount determined	Most recent dividend forecast (Announced on April 11, 2025)	Previous year results (FYE May 2024)
Record date	May 31, 2025	May 31, 2025	May 31, 2024
Dividend per share	70.00 yen	44.00 yen	30.00 yen
Total cash dividends	644 million yen	-	279 million yen
Effective date	August 28, 2025	-	August 29, 2024
Dividend resource	Retained earnings	-	Retained earnings

(2) Reason for the dividends

Toyo Denki's basic policy is to maintain a sustainable, stable dividend payout ratio of at least 30%.

In addition, as announced in "Action to Implement Management that is Conscious of Cost of Capital and Stock Price" dated July 12, 2024, Toyo Denki aims to increase dividends and enhance corporate value by expanding profits under Medium-Term Management Plan 2026.

Based on the differences between the consolidated performance forecast and the results for the fiscal year ended May 2025 disclosed today, and comprehensively taking into consideration Toyo Denki's dividend policy, financial position, and other factors, the year-end dividend was increased by 26 yen from the previous forecast of 44 yen per share to 70 yen per share.

(Reference) Breakdown of annual dividends

Record date	Dividend per share		
	Second quarter-end	Fiscal year-end	Annual
Current year results	0.00 yen	70.00 yen	70.00 yen
Previous year results (FYE May 2024)	0.00 yen	30.00 yen	30.00 yen