# TOYO Corporation

**(TSE Prime: 8151)**

# FY9/26 results presentation

**November 11, 2026**

TOYO Corporation

Quest for Precision

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# 1. FY9/26 results

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# FY9/26 highlights

| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| Net sales | 32,559 | 38,371 | +5,812 | +17.9% |
| Gross profit | 14,207 | 17,048 | +2,841 | +20.0% |
| Operating profit | 1,914 | 3,512 | +1,598 | +83.5% |
| OPM | 5.9% | 9.2% | +3.3ppt | – |
| Ordinary profit | 1,985 | 3,716 | +1,731 | +87.2% |
| Profit attributable to owners of parent | 1,195 | 2,397 | +1,202 | +100.5% |
| ROE | 4.3% | 8.6% | +4.3ppt | – |

## Record-high sales; OP up substantially

### ✓ Net sales: +17.9% YoY

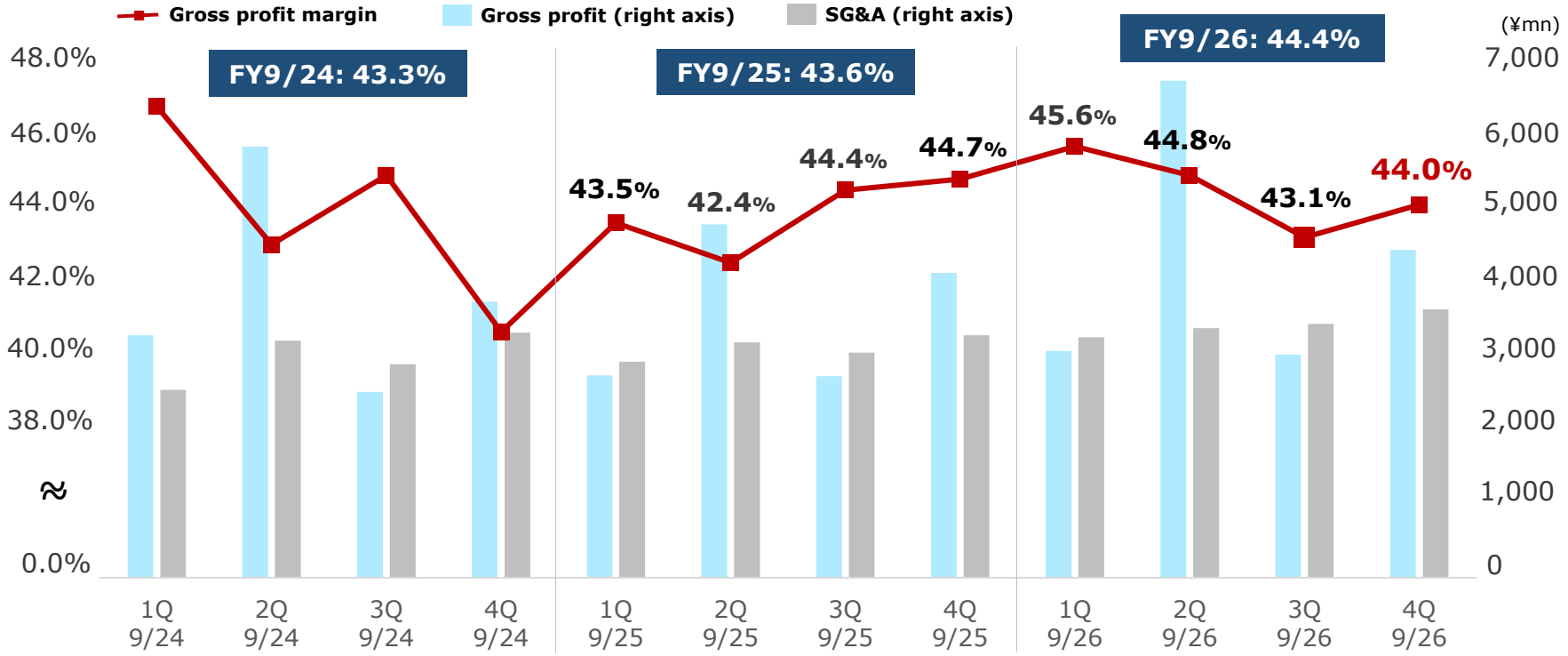
- Record-high order backlog steadily converted into sales; **nearly all businesses grew, incl. Advanced Mobility (up ~¥2.0bn YoY)**
- Consolidation of SONICGUARD, acquired in Jan 2026, also contributed

### ✓ OP: +83.5% YoY

- **Sharp profit growth** on sales growth, higher gross profit margin and other factors

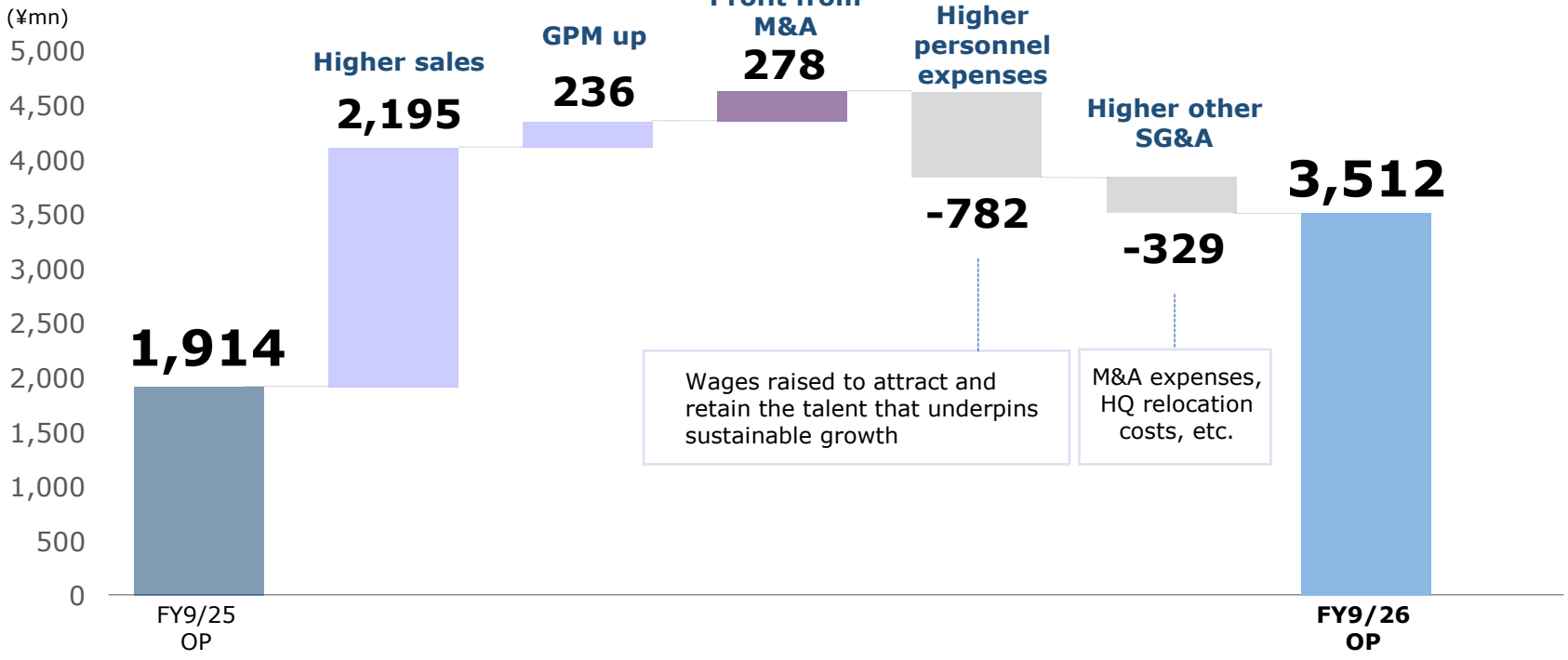
# GPM trends

## More high-margin projects lifted full-year GPM to 44.4% (+0.8ppt YoY)



# Operating profit YoY variance

## Sharp profit growth of 83.5%: increased sales, higher GPM, M&A boost

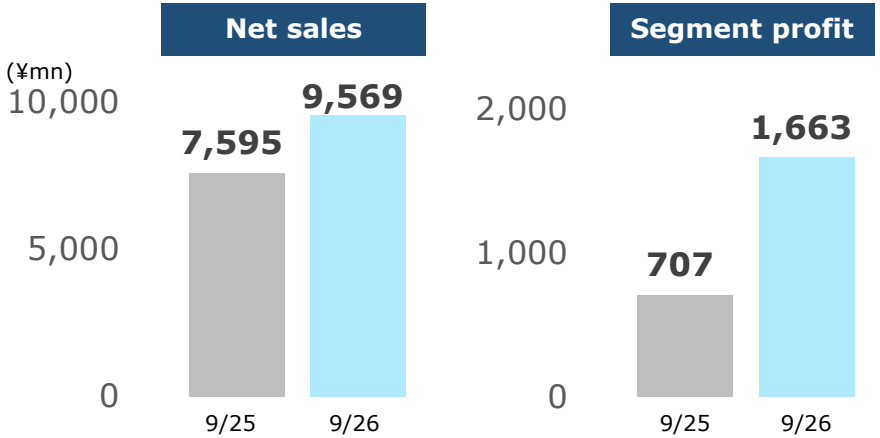


# Analysis: Net sales and profit by segment

## Advanced Mobility

| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| Net sales | 7,595 | 9,569 | +1,974 | +26.0% |
| Segment profit | 707 | 1,663 | +956 | +135.1% |









**Notes**

- Sales rose sharply: AD/ADAS* evaluation systems (mainly Rototest) booked part of the overseas projects planned for last FY and a large domestic project; a large EV charging project and growth in vibration/noise measurement for defense/aerospace also helped
- Segment profit also rose sharply on higher sales and more high-margin projects, including EV charging solution proposals

*AD/ADAS: Autonomous Driving / Advanced Driver-Assistance System

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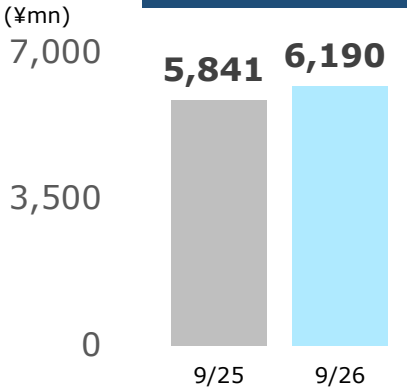
# Analysis: Net sales and profit by segment

## Sustainable Energy

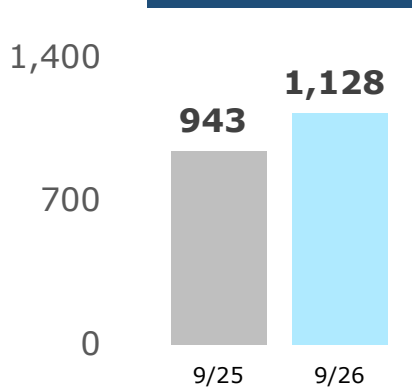
| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| Net sales | 5,841 | 6,190 | +349 | +6.0% |
| Segment profit | 943 | 1,128 | +185 | +19.6% |




**Net sales**




**Segment profit**




**Notes**

- Core electrochemical measurement and hydrogen-related systems lacked momentum, including in China, but cryogenic measurement systems for superconducting quantum computers grew; business was steady overall and sales increased
- Segment profit also up on lower SG&A

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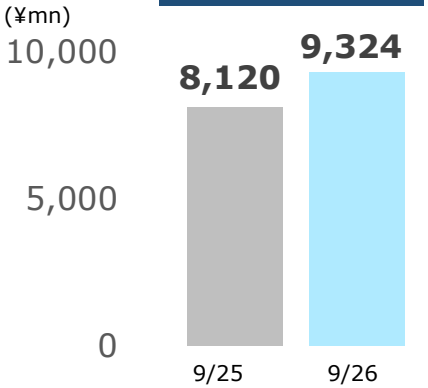
# Analysis: Net sales and profit by segment

## ICT / Information Security

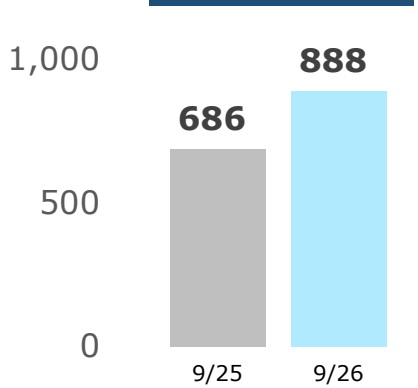
| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| Net sales | 8,120 | 9,324 | +1,204 | +14.8% |
| Segment profit | 686 | 888 | +202 | +29.4% |



**Net sales**




**Segment profit**




**Notes**

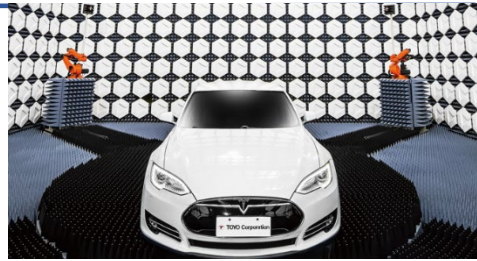
- Core network performance testing products for major telecommunications carriers performed as planned, and the in-house high-capacity packet capture system “SYNESIS” posted record-high sales. Newly consolidated subsidiary SONICGUARD also lifted results
- Cybersecurity products also grew, including a large project

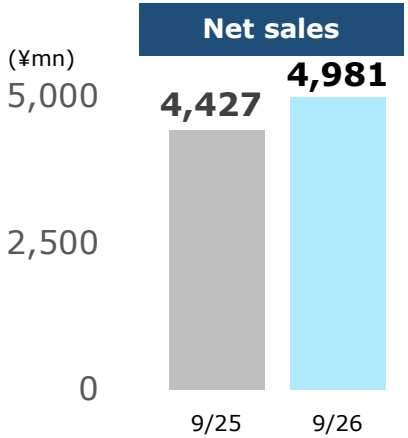
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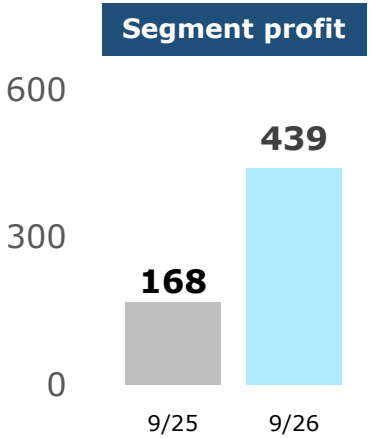
# Analysis: Net sales and profit by segment

## EMC & Antenna Systems

| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| Net sales | 4,427 | 4,981 | +554 | +12.5% |
| Segment profit | 168 | 439 | +271 | +160.4% |






**Notes**

- Sales rose on recognition of multiple large-scale projects, including for major domestic automakers
- Segment profit also rose on more large-scale projects and calibration projects and the absence of new-product development expenses booked in the previous year

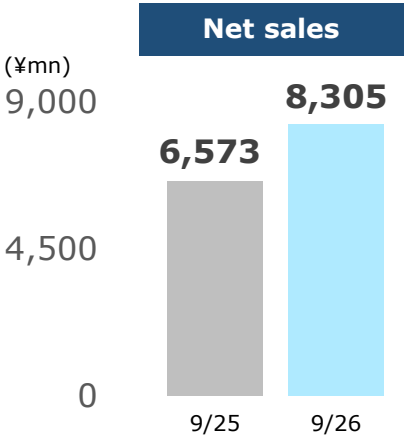
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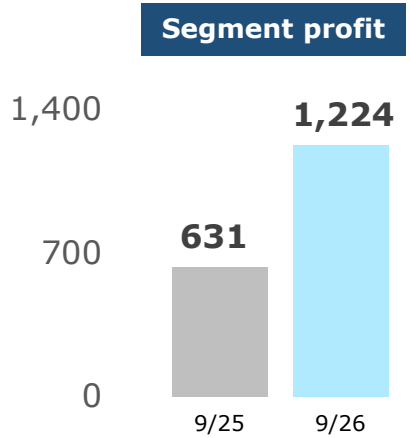
# Analysis: Net sales and profit by segment

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

| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| Net sales | 6,573 | 8,305 | +1,732 | +26.4% |
| Segment profit | 631 | 1,224 | +593 | +93.9% |






**Notes**

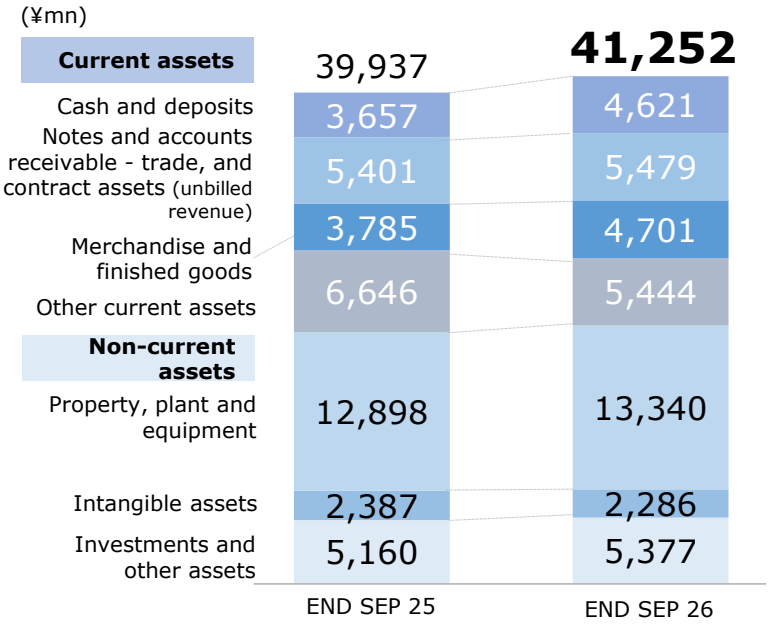
- Sales rose on multiple large defense-related projects in Defense & Security / Ocean and strong growth in materials science electron microscopes in Others
- Segment profit rose sharply on higher sales and a recovery in profitability, as one-time costs on large projects ordered in the previous year in Defense & Security / Ocean decreased

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# Consolidated balance sheet: Major items

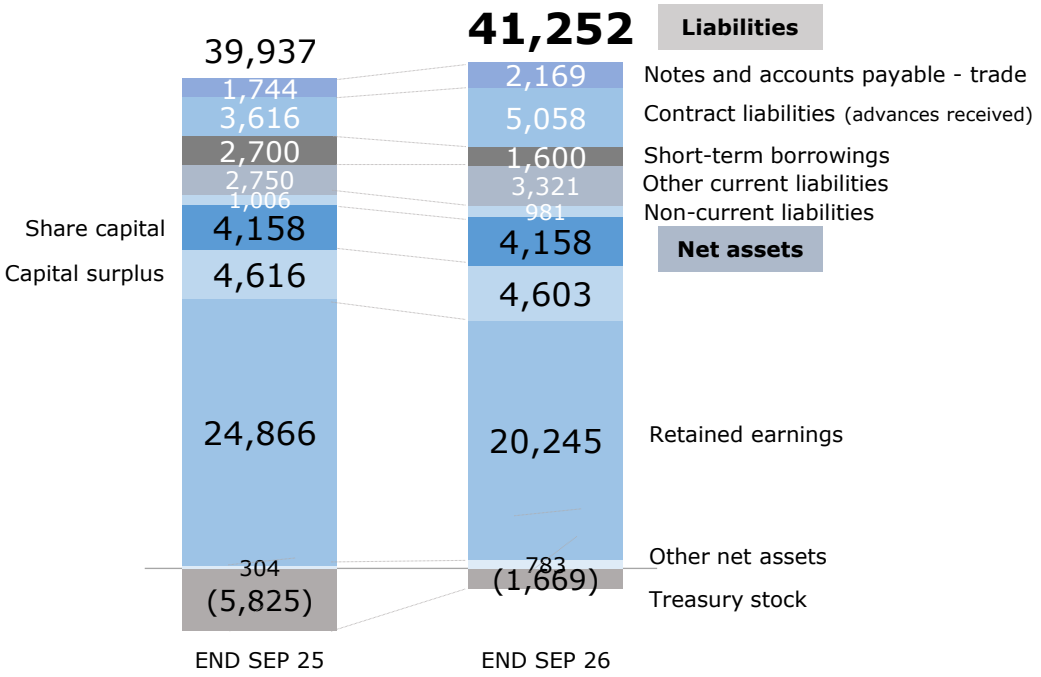
## Assets

Cash and deposits up on advances received for large projects, new M&A subsidiaries, deposit transfer




## Liabilities and net assets

Cancelling 4.0M treasury shares sharply reduced retained earnings



# 2. Orders & order backlog

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# Overview of new orders and order backlog

## New orders on par with record-high previous year; backlog also up

✓ **New orders: −1.4% YoY**

Auto customers (domestic/overseas) reviewing investment on US tariffs, EV policy shifts and rising material costs; several large projects delayed

Orders held near **previous year's level**, which had a special large defense order (FY9/27 sales)

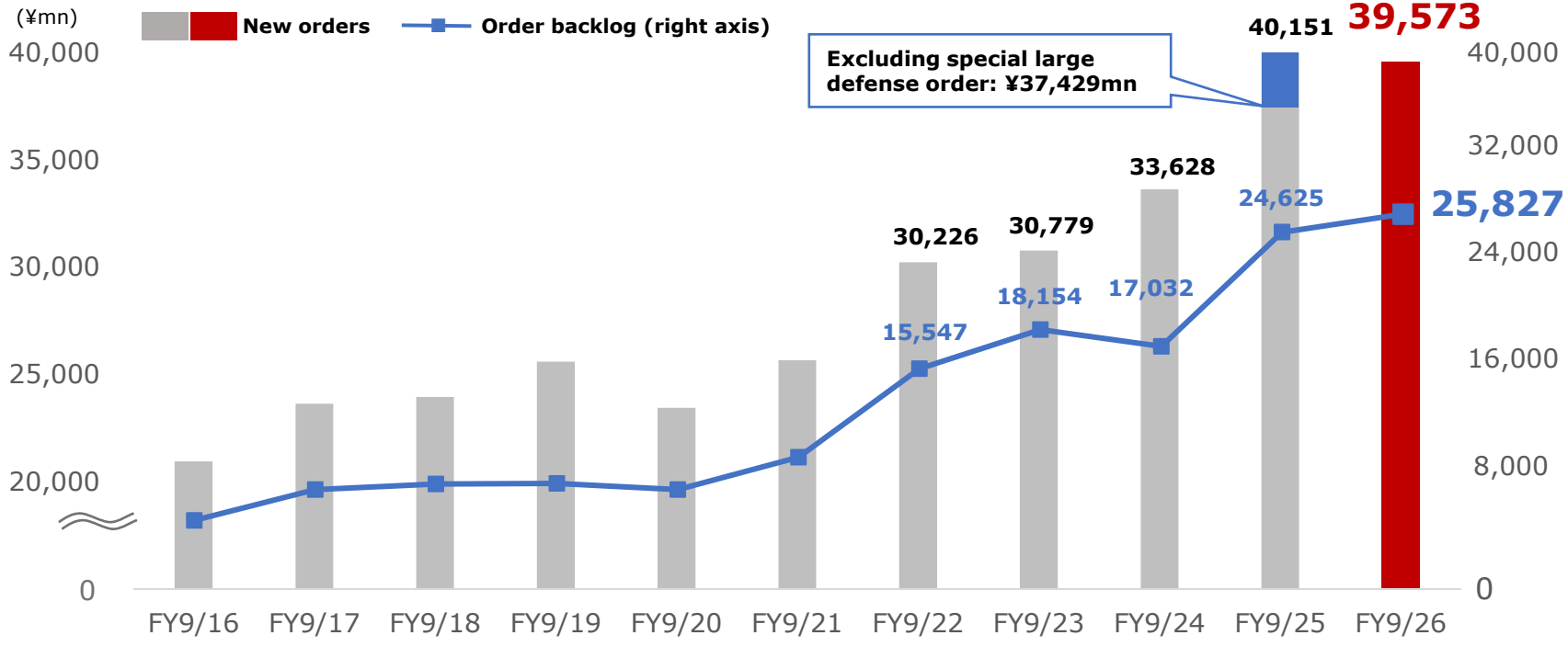
✓ **Order backlog: +4.9% YoY**

Orders exceeded sales, **lifting backlog above previous year-end**

| (¥mn) | FY9/25 Actual | FY9/26 Actual | YoY | |
|---|---|---|---|---|
| | | | Change | % |
| New orders | 40,151 | 39,573 | −578 | −1.4% |
| Order backlog | 24,625 | 25,827 | +1,202 | +4.9% |

# Recent trends – New orders & order backlog (year-end)

## New orders have trended sharply upward on more large projects and M&A



# Orders & order backlog by segment

| (¥mn) | | FY9/25 Actual | FY9/26 Actual | YoY | | Notes |
|---|---|---|---|---|---|---|
| | | | | Change | % | |
| **Advanced Mobility** | **Orders** | **9,762** | **8,672** | **−1,090** | **−11.2%** | ■ New orders fell as automakers reviewed investment in autonomous driving, EV charging and motor evaluation systems<br>■ Backlog fell as higher sales worked it down |
| | **Backlog** | **6,985** | **6,089** | **−896** | **−12.8%** | |
| **Sustainable Energy** | **Orders** | **6,359** | **6,607** | **+248** | **+3.9%** | ■ New orders rose: hydrogen-related products were hit by auto industry investment reviews, but low-temperature magnetic measurement was strong and core electrochemical measurement systems were steady<br>■ Higher 4Q orders lifted backlog further |
| | **Backlog** | **2,630** | **3,047** | **+417** | **+15.8%** | |
| **ICT / Information Security** | **Orders** | **7,817** | **11,096** | **+3,279** | **+41.9%** | ■ New orders rose sharply on strong ICT and cybersecurity performance and the contribution of newly consolidated SONICGUARD<br>■ Backlog also rose sharply, mainly in cybersecurity |
| | **Backlog** | **3,432** | **5,204** | **+1,772** | **+51.6%** | |

# Orders & order backlog by segment

| (¥mn) | | FY9/25 Actual | FY9/26 Actual | YoY | | Notes |
|---|---|---|---|---|---|---|
| | | | | Change | % | |
| **EMC & Antenna Systems** | **Orders** | **5,130** | **5,352** | **+222** | **+4.3%** | ■ New orders rose on large defense-related orders, despite timing slips of large automotive systems projects due to customer circumstances<br>■ Increase in new orders also lifted backlog |
| | **Backlog** | **3,296** | **3,666** | **+370** | **+11.2%** | |
| **Other businesses** (Defense & Security / Ocean, Software Quality & Productivity, Others) | **Orders** | **11,081** | **7,844** | **−3,237** | **−29.2%** | ■ Orders fell YoY, as the prior year had a large Defense & Security / Ocean order; Software Quality & Productivity and Others dipped slightly<br>■ Despite progress in booking sales, the large initial backlog kept the decline in backlog small |
| | **Backlog** | **8,279** | **7,818** | **−461** | **−5.6%** | |
| **(Defense & Security / Ocean)** | **Orders** | **6,120** | **3,307** | **−2,813** | **−46.0%** | ■ New orders fell from the previous year, which had two large orders including the largest-ever, but exceeded the initial plan<br>■ Proposals to customers for future large defense orders are progressing well |
| | **Backlog** | **5,582** | **5,325** | **−257** | **−4.6%** | |

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# 3. TY2027 medium-term management plan progress and FY9/27 forecast

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# TY2027 medium-term management plan

## TY2027 medium-term management plan (FY9/25-FY9/27) management KPIs and strategies

### ■ Management KPIs

(FY9/27) **Sales ¥45.0bn +α (M&A)** **OP ¥4.5bn** **ROE 11%**

### ■ Business strategies

**1. Focus business areas**
- Defense & Security
- Sustainable Energy
- Advanced Mobility

**2. Differentiation through value-added products**
- Further expand recurring business
- Expand in-house product business

**3. Expansion of overseas businesses**
- Establish offices to boost overseas sales

**4. M&A and new businesses to accelerate growth strategy**

### ■ Financial & capital strategies

### ■ Sustainability management

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# Business strategy – M&A and new businesses

**M&A / new business**

ALOKA

## Radiation measurement equipment maker
## Aloka becomes a subsidiary

- **Specialist maker of radiation measurement equipment** for government, local governments, medical and research institutions; high market shares and a **solid domestic position backed by technology and brand strength**
- Main products: environmental monitoring posts and RI monitors, plus maintenance services. **Stable demand expected, with business opportunities growing over the medium to long term**
- Becomes the Group's **largest subsidiary by business scale**; significant contribution to TY2027 goals of new businesses, proprietary products and recurring business, and overseas expansion
- Aim to leverage Group resources to expand Aloka products **overseas**, contribute to **next-generation radiation cancer treatment** and **develop new products for fusion power facilities**



**Environmental monitoring posts that continuously monitor environmental radiation on and around nuclear facility sites**



**RI monitor systems for comprehensive management of environment, people and goods at facilities using radioisotopes (RI)**

| | |
|---|---|
| Location | Musashino-shi, Tokyo |
| Business | Manufacture, sale and maintenance of radiation measurement equipment |
| Share capital | ¥100mn |
| Established | 2021 (founded 1950) |
| Employees | 252 (end Dec 2025) |
| Net sales | ¥7,936mn (FY12/25) |
| Operating profit | ¥948mn (FY12/25) |
| Acquisition price | To be disclosed after share acquisition |

# Business strategy – M&A and new businesses

## New business

### Decision to introduce two IQM quantum computers Installed at AIST's G-QuAT and Company R&D Center

- Decided to purchase superconducting quantum computer "IQM Radiance" from IQM (Finland) for installation at AIST's "G-QuAT*". **First installation at G-QuAT in Japan of a quantum computer funded by a private company.** Broad on-premises and cloud use, **mainly by Japanese companies and organizations, will be encouraged to create joint research and use cases**

- A second system, "IQM Spark," will be installed at the Company's R&D Center, **offering on-premises use** for talent training, algorithm demonstration and validation, and evaluation of components and related technologies

- **Both to start operating in spring 2027**. Two systems will support quantum technology from the "learn and try" stage to the "use" stage, **promoting its social implementation in Japan**

*G-QuAT: Global R&D Center for Business by Quantum-AI Technology



Exterior of G-QuAT



"IQM Radiance"




Image of installation at the Company's R&D Center




"IQM Spark"

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# Business strategy – M&A, new businesses / Focus areas

## New business

### Joint research on quantum sensing* begun with national institute and its spin-off

- Started joint research with QST (National Institutes for Quantum Science and Technology) and its spin-off **Type-I Technologies on core technology for diamond quantum sensors**
- **Developing and demonstrating quantum sensors and sensing equipment** toward commercialization

*Quantum sensing: Technology using quantum-mechanical properties to measure minute physical quantities such as magnetic and electric fields, temperature and pressure. Highly accurate, it is a next-generation technology for fields such as semiconductor failure analysis, EV motor magnetic field evaluation, biotech/medical and defense/aerospace

## Advanced Mobility

### Large project delivered: in-house ROTOTEST® Energy™



**Hub dynamometer "ROTOTEST® Energy™" made and sold by subsidiary Rototest.**

**Mounted on each drive wheel hub to measure vehicle power directly, enabling near-real-driving performance evaluation in the facility**

**(Photo courtesy of Futaba Industrial Co., Ltd.)**

- Delivered in-house hub **dynamometer "ROTOTEST® Energy™"** to Futaba Industrial, an automotive parts developer
- Improves accuracy of exhaust system noise and vibration evaluation under real driving conditions
- Also promoting VILS* integrated systems built around this product**, contributing to more efficient, advanced automotive R&D**

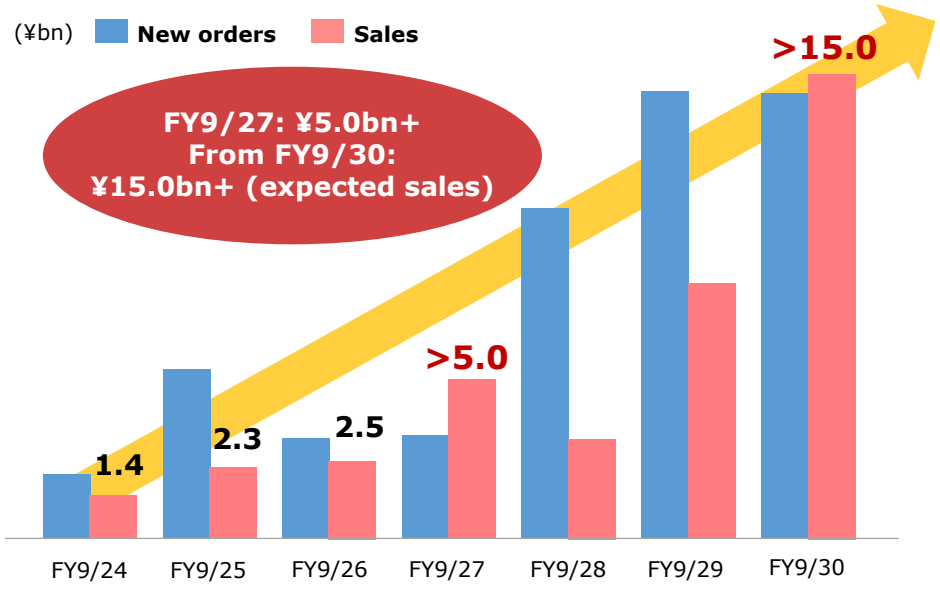
*VILS (Vehicle In the Loop Simulation): Technology linking real vehicles with simulation environments to evaluate and test performance under more realistic conditions

# Business strategy – Focus business areas

## Defense business

**FY9/27 sales expected to exceed ¥5.0bn on large project bookings. Continued large project wins expected across multiple segments, making this a core business of the Company**

### Defense & Security new orders and sales

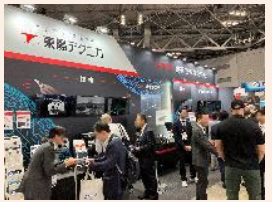



**TOPIC**

### ■Exhibited at SEECAT ’26

**Many defense-sector visitors; business opportunities expanded**

- Exhibited at SEECAT ’26 (Special Equipment Exhibition & Conference for Anti-Terrorism), Japan’s only counterterrorism-specialized exhibition, held from Wednesday, September 30
- Under the theme “**Port and Maritime Surveillance**,” presented **surveillance and exploration solutions** that protect safety at sea, underwater and in the air, including sensors, drones and systems for integrated monitoring
- Many defense-sector visitors will help expand future business opportunities, and TV and trade-magazine coverage raised the profile of the Company’s defense business



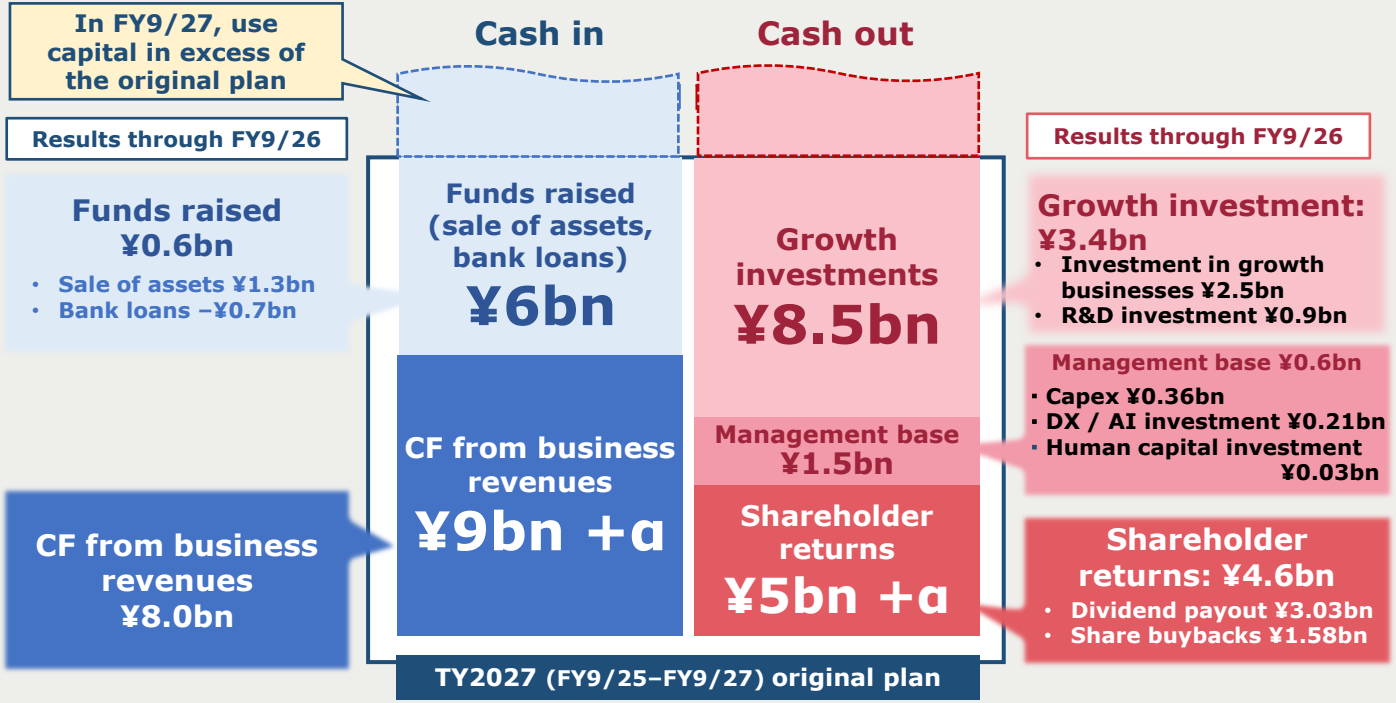
**The Company’s booth, which drew many visitors**

# Financial & capital strategies – Cash allocation

## Prioritizing growth investment while strengthening foundations and returning to shareholders

- FY9/27 (final year): **use external funding for growth investment to raise capital efficiency**

**In FY9/27, use capital in excess of the original plan**




### Basic capital allocation policy

**1 Prioritize growth investment**

Assess profitability and strategic fit, allocate to M&A, growth businesses, R&D

**2 Strengthen management base**

Invest in people, facilities and DX / AI to strengthen the foundation that supports growth

**3 Dividends and flexible returns**

Continue stable dividend increases; treasury stock acquisitions balanced with growth investment

### Target balance sheet approach

Policy of using external funding to actively pursue growth investment while maintaining financial soundness

# Sustainability Management

## Linking human capital investment & stronger governance to sustainable growth in corporate value

## ■ Investment in human capital

### Health & productivity management

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門

**Health & Productivity Management Outstanding Org. 2026 (Large Enterprise), first time certified**

- Health checkups and stress checks, with stronger follow-up
- Mental health measures; flu vaccination subsidies
- Flextime, telework and reduced hours

**⇒ Improve employee health and productivity**

### Other sustainability initiatives

| | |
|---|---|
| **Climate change** | Quantitative assessment and disclosure of financial impact of risks and opportunities |
| **Supply chain** | ESG survey extended to overseas suppliers |
| **Human rights** | Established human rights policy and conducted human rights due diligence |
| **External ratings** | CDP 2025 "Climate Change": B (3rd consecutive year)<br>Selected for 2 FTSE JPX Blossom Japan indexes |

## ■ Stronger governance

### Separation of management and execution

- In Oct 2025, changed the executive structure to **separate management decision-making and oversight functions from business execution**

### Sustainability metrics in executive pay

- **ESG-linked performance-based stock compensation plan introduced**
- GHG reduction results and external ESG ratings reflected in pay

### Stronger oversight of management by outside directors

- Before Board meetings, executive and outside directors hold a meeting to exchange views and clarify issues on important matters

**⇒ Enhance management transparency and credibility and lower cost of capital**

# FY9/27 full-year forecast

## TY2027 final year: sales and profit growth expected to exceed KPIs

- **Sales to rise substantially** on high order backlog at start of year, booking of large defense projects and consolidation of Aloka
- **OP also expected to rise substantially** on higher sales and better OPM; **KPIs, including ROE, expected to be achieved**

| (¥mn) | FY9/26 Actual | FY9/27 Forecast | YoY | | TY2027 KPIs |
|---|---|---|---|---|---|
| | | | Change | % | |
| Net sales | 38,371 | 50,000 | +11,629 | +30.3% | 45,000 +α |
| Operating profit | 3,512 | 5,000 | +1,488 | +42.3% | 4,500 |
| OPM | 9.2% | 10.0% | +0.8ppt | – | |
| Ordinary profit | 3,716 | 4,850 | +1,134 | +30.5% | |
| Profit attributable to owners of parent | 2,397 | 3,500 | +1,103 | +46.0% | |
| ROE | 8.6% | 12.0% | +3.4ppt | – | 11.0% |

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# 4. Shareholder returns

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# Financial & capital strategies – Dividend policy

## Dividend hikes continue; 10th straight hike planned for FY9/27

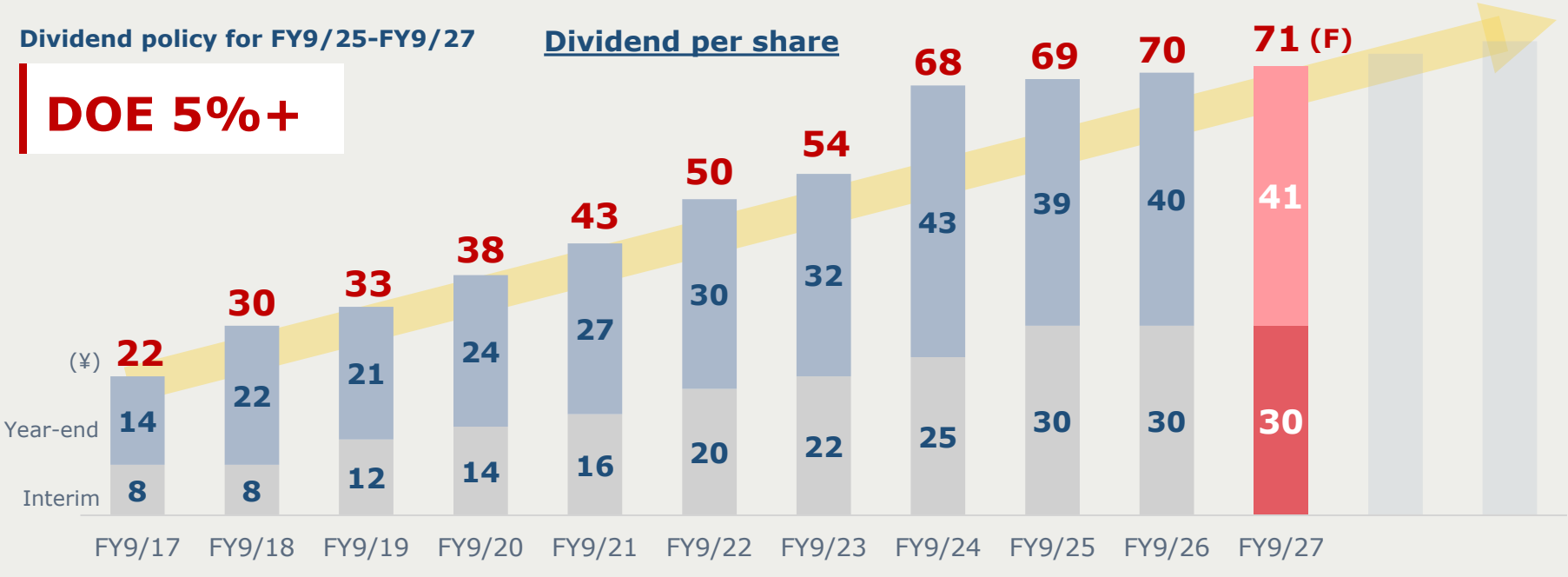
**Forecast 10th straight dividend hike in FY9/27; aiming for further hikes thereafter**

**DOE introduced under TY2027 to pay stable dividends unaffected by single-year results**

**Dividend policy for FY9/25-FY9/27**

**DOE 5%+**

**Dividend per share**



# Financial & capital strategies – Treasury stock & benefits

## Enhancing returns via flexible treasury stock acquisition and shareholder benefits

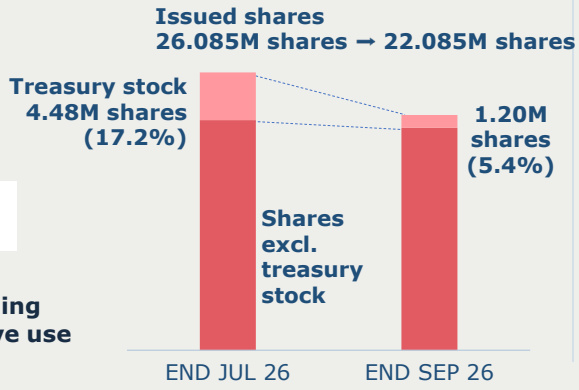
### ■ Treasury stock acquisition & cancellation

**Acquired Aug 2026**

**0.73M shares** | **Approx. ¥1.5bn**

**Acquisition period: Aug 6-Aug 24**
**Total acquisition cost:**
**¥1,499,862,104**

**Issued shares and treasury stock ratio**




**Cancelled in Sep 2026**

**4.00M shares**

**Cancelled 15.33% of total issued shares, while retaining shares for internal incentive use over the next few years**

### ■ Shareholder benefit program

**Announced in May 2026**

Shareholders holding 300+ shares at end-Sep each year receive Premium Yutai Club* points. 1 point is worth ¥1 and can be redeemed for about 5,000 types of benefit products







| Shares held | Points granted |
|---|---|
| 300-499 | 5,000 |
| 500-999 | 10,000 |
| 1,000+ | 15,000 |

*Premium Yutai Club: reg. trademark of Wills, Inc.

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# 5. Realizing management conscious of cost of capital and stock price

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# Current analysis

## ROE improved in FY9/26 on higher revenues. Aiming to widen the spread further

**Cost of equity**

**6.5–7.9%**

Estimated using CAPM and inverse of PER as of end Sep 2026

**ROE (FY9/26)**

**8.6%**

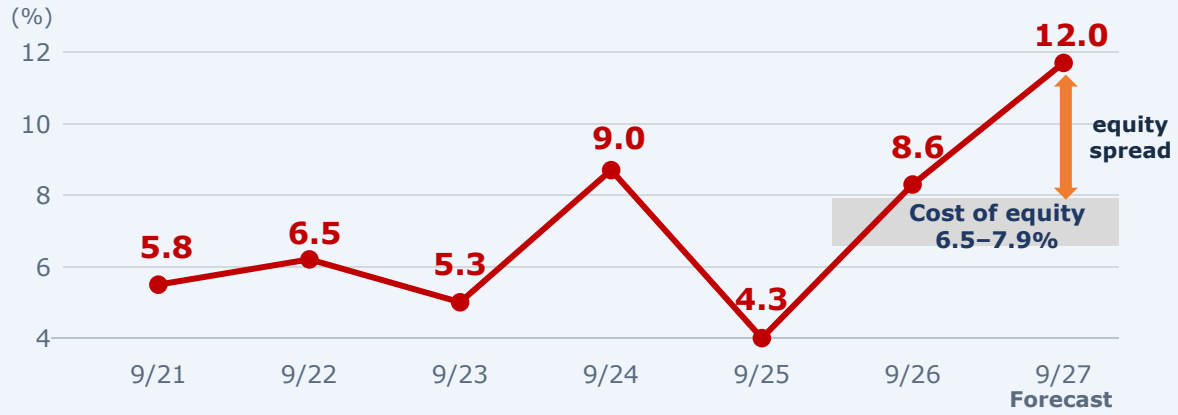
FY9/25 actual: 4.3%

**PBR (Sep 2026)**

**1.39x**

End Sep 2025: 1.23x

### ROE trend and cost of equity




### Factors behind changes

Cost of equity rose on higher bond yields, but **earnings growth lifted ROE above it** on steady progress through a high order backlog. Share price rose from ¥1,598 to ¥1,869 at year-end; **PBR also rose**

### Issues identified

ROE is only ~0.7pt above the top of the cost of equity range. **Targeting ROE of 12.0% in FY9/27** via higher-value projects and capital efficiency

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# Initiatives to improve PBR

## Raising ROE and PER through the TY2027 plan to drive sustained PBR improvement

PBR = ROE × PER

**PBR**

- **ROE**
  - 01 Improve profitability
  - 02 Optimize funding and use it for growth investment
- **PER**
  - 03 Build the management base to support growth

**TY2027**

### Business strategy

Growth businesses / higher value-added / Overseas expansion / M&A
(→ See slides 20-23)

### Financial and capital strategies

Effective use of external funding / Proactive growth investment / Enhanced shareholder returns
(→ See slides 24, 28, 29)

### Sustainability management

Human capital / stronger governance
Improving dialogue with investors and information disclosure
(→ See slides 25, 33)

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# Strengthening IR activities

## Broadening contact with shareholders and investors and reflecting their feedback in management

**IR meetings**

**1.9x** FY9/25: 39
FY9/26: 73

**Trading volume**

**4.8x** Sep 2025 avg: 36K shares, Sep 2026 avg: 174K shares

**Price (max)**

**1.4x** End FY9/25: ¥1,598
FY9/26 ¥2,232 (high)

### ■ Major IR activities (FY9/26 results)

| Activity | No. | Main respondents | Target audience and notes |
|---|---|---|---|
| IR meetings | 73x | CEO, CFO, IR staff | Domestic and overseas institutional investors, analysts |
| Results briefings | 2x | CEO, CFO, Exec. Officers | Domestic institutional investors, analysts, press organizations |
| IR briefing | 2x | CEO, CFO | Individual investors |
| IR site | – | – | Timely disclosure and email alerts to domestic and overseas investors, analysts, etc. |
| Shareholder letter | 2x | – | Annual web survey of shareholders |
| Sponsored research | 4x | CEO and IR staff handle interviews | Domestic and overseas institutional investors, analysts, individual investors |

### ■ Feedback received and response

**Quarterly OP fluctuates widely, so it is hard to judge progress**

➡ **From Q1, quarterly OP trend and forecast added to results presentation**

**How certain is the sales outlook for the defense business?**

➡ **Defense order outlook added to presentation to support sales probability**

**Are you considering acquiring and cancelling treasury stock?**

➡ **Treasury stock acquired and cancelled, considering capital efficiency, growth investment and share price**

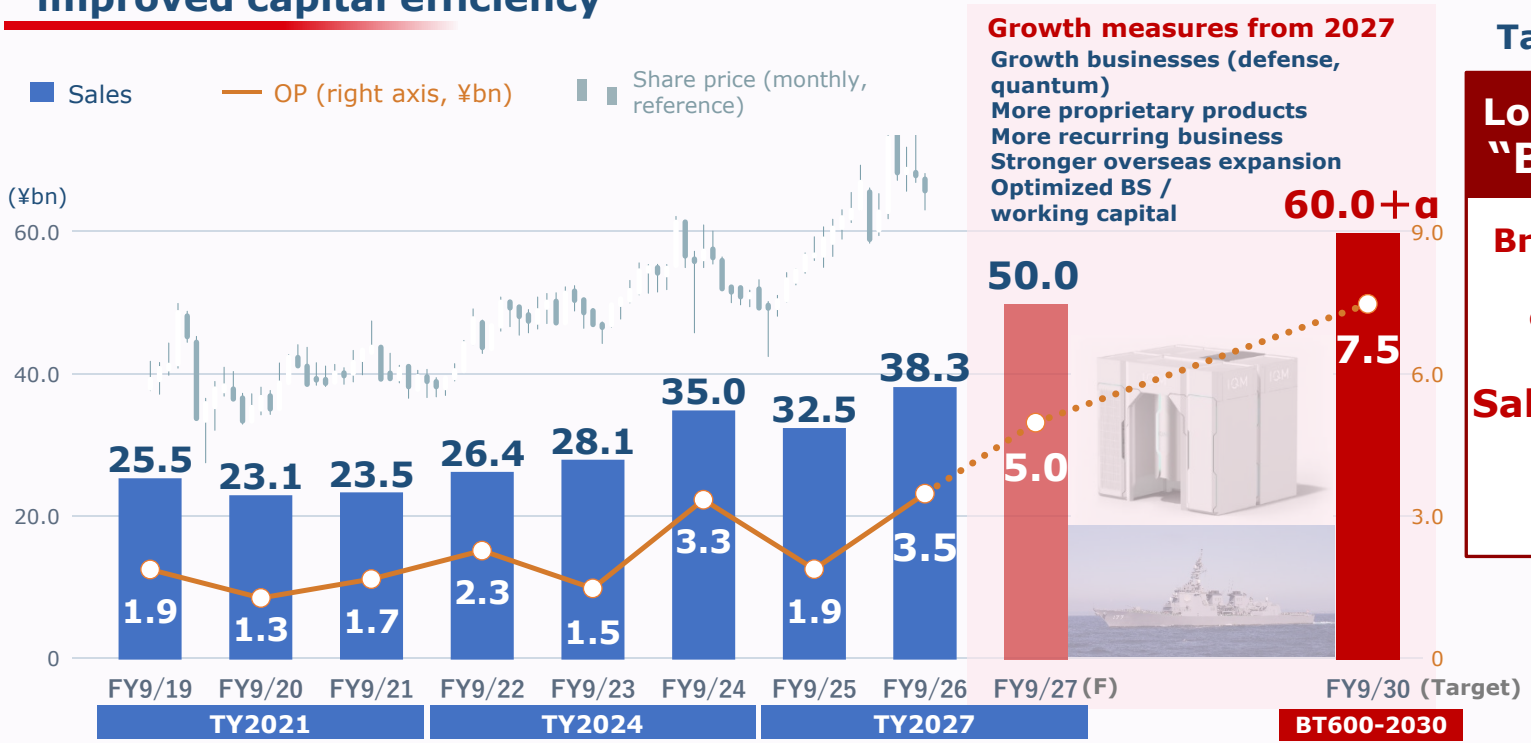
**Low liquidity deters investing**

➡ **Benefit program, active PR/IR boosted trading volume**

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# Raising corporate value in the long term

## Further increasing corporate value through growth investment and improved capital efficiency




**Growth measures from 2027**

- Growth businesses (defense, quantum)
- More proprietary products
- More recurring business
- Stronger overseas expansion
- Optimized BS / working capital

### Targets for 2030

**Long-term vision "BT600-2030"**

**BreakThrough600**
**Challenge to exceed ¥60bn**

**Sales ¥60.0bn +α**
**OP ¥7.5bn**
**ROE15%**

# IR News Alerts

https://www.toyo.co.jp/english/ir/mail-magazine/

Click here for IR news alert registration

**We send IR information by e-mail in a timely manner.**
**Please be sure to register.**

# IR Website

https://www.toyo.co.jp/english/ir/

**Watch the discussion between the President and a leading investor on the individual investor page (Japanese only)**




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