

Forecast growth in serving the market for bridge and other aging infrastructure preventive maintenance

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[341A TOYOKOH Sector : Construction]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2023	1,117	6.7	-185	-	-113	-	-114	-	-11.5	-22.6	0.0
Mar. 2024	1,095	-1.9	-189	-	-157	-	-158	-	-15.3	29.8	0.0
Mar. 2025 f	1,891	72.7	184	-	165	-	161	-	13.6	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending March 2025 is the company's forecasts.
It conducted 1:5 stock split on November 30, 2024. Per share indices are adjusted retroactively.

TOYOKOH Adds Growth-Potential CoolLaser Business to Stable Revenue of Source SOSEI Business

TOYOKOH's CoolLaser, which uses lasers to remove rust and paint from aging bridges, steel towers and other social infrastructure, is attracting attention.

The company launched the development of a laser cleaning method for outdoor use in 2008. Following demonstration testing, TOYOKOH released the first commercial model of the CoolLaser, the G19-6000 series, in February 2023. The CoolLaser business used to have a negative impact on the company's performance due to significant R&D investments, but in fiscal year ended March 2025 it began contributing to profits.

There is expected growth in the preventive maintenance market, which involves repairing aging infrastructure before problems arise. The CoolLaser business, making the most of the company's proprietary laser cleaning method, has high potential for growth.

Currently, the company's primary business is SOSEI, which involves spray coating slate roofs of aging buildings such as factories with a quick-hardening special resin to reinforce and repair them. The SOSEI business is a stable source of revenue and CoolLaser is expected to drive growth momentum.

CoolLaser is an unparalleled technology that applies high-power lasers, conventionally used for cutting and welding processes indoors at factories, for use in cleaning and removing thick rust and paint coating from bridges, steel towers and other infrastructure.

The SOSEI business involves spray coating quick-hardening special resin onto slate roofs of aging buildings such as factories to reinforce and repair them.

Unlike the replacement of slate roofing, the SOSEI method can be performed without stopping operations. It also leads to a reduction in running costs for the factory as the improved insulation boosts air conditioning efficiency, which in turn lowers electricity bills.

Financial Statements

Statement of income	Fiscal Year	Mar. 2023		Mar. 2024		Nine months to Dec.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,119	100.0	1,095	100.0	1,538	100.0
Cost of sales		758	67.7	789	72.1	873	56.8
Gross profit		361	32.3	305	27.9	664	43.2
Selling, general and administrative expenses		573	51.2	494	45.2	400	26.0
Operating profit		-212	-	-189	-	264	17.2
Non-operating income		103	-	59	-	2	-
Non-operating expenses		9	-	28	-	19	-
Ordinary profit		-117	-	-157	-	247	16.1
Profit before income taxes		-117	-	-157	-	247	16.1
Net profit		-119	-	-158	-	268	17.5

Balance sheet	Fiscal Year	Mar. 2023		Mar. 2024		Dec.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		759	56.4	1,327	69.1	2,060	67.1
Cash and deposits		258	19.2	797	41.5	1,365	44.5
Accounts receivable-trade		172	12.8	423	22.1	570	18.6
Inventories		126	9.4	87	4.6	113	3.7
Non-current assets		588	43.6	593	30.9	1,008	32.9
Property, plant and equipment		421	31.3	166	8.6	540	17.6
Investments and other assets		426	31.7	427	22.2	468	15.3
Total assets		1,348	100.0	1,920	100.0	3,068	100.0
Current liabilities		293	21.8	344	17.9	328	10.7
Accounts payable - trade		122	9.1	113	5.9	106	3.5
Short-term borrowings		-	-	50	2.6	-	-
Current portion of long-term borrowings		34	2.5	38	2.0	104	3.4
Withholdings		-	-	57	3.0	-	-
Non-current liabilities		1,269	94.2	1,247	65.0	1,433	46.7
Long-term borrowings		1,185	87.9	1,186	61.8	1,384	45.1
Lease Liability		20	1.5	12	0.6	-	-
Provision for loss on construction warranties		60	4.5	45	2.4	-	-
Net assets		-215	-	328	17.1	1,306	42.6
Owners' equity		-212	-	328	17.1	1,306	42.6

Statement of cash flows	Fiscal Year	Mar. 2023	Mar. 2024
		(mn yen)	(mn yen)
Cash flows from operating activities		-114	-176
Depreciation		22	17
Cash flows from investing activities		-9	-17
Payments for purchase of tangible fixed assets		-10	-53
Cash flows from financing activities		-44	744
Dividends paid		-	-
Net increase in cash and cash equivalents		-166	550
Cash and cash equivalents		256	794

Note: Consolidated for the fiscal year ending March 2023,

Non-consolidated from the fiscal year ending March 2024

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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