

Consolidated Financial Results for 1st Quarter of Fiscal Year Ended March 31, 2021



August 5, 2020



Mitsui E&S Holdings Co., Ltd.

1Q FYE Mar. 2021 Results

- ◆ New Orders 252.8 Billion yen (QoQ↑)
- ◆ Net Sales 160.8 Billion yen (QoQ↑)
- ◆ Ordinary Income (Loss) (13.9) Billion yen (QoQ↓)

FYE Mar. 2021 Forecast

- ◆ New Orders 550~750 Billion yen (→ compared to May 12, 2020)
- ◆ Net Sales 630 Billion yen (→ compared to May 12, 2020)
- ◆ Ordinary Income (Loss) (7.0) Billion yen (→ compared to May 12, 2020)

Topics

- ◆ Coal-fired power plant civil engineering construction projects in Indonesia
 - ✓ Construction work by Mitsui E&S have been suspending under the influence of COVID-19
 - ✓ We are currently discussing the resumption of construction.
- ◆ Progress on Business Revitalization Plan
 - ✓ Progress on restructuring of shipbuilding business
 - ✓ We announced the new Mid-term Business Plan in August 5, 2020

Summary of Results

(JPY: Billion)

	FYE Mar. 2020 1Q	FYE Mar. 2021 1Q	Var.
New Order	102.6	252.8	+150.2
Net Sales	160.1	160.8	+0.7
Operating Income (Loss)	2.2	(15.1)	(17.3)
OP ratio	1.4%	(9.4%)	—
Ordinary Income (Loss)	4.0	(13.9)	(17.9)
OD ratio	2.5%	(8.6%)	—
Profit attributable to owners	2.4	(8.5)	(10.9)

<Average FX>

USD/Yen	110.16 Yen	108.64 Yen
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Results Summary by Segment

(JPY: Billion)

	New Order			Net Sales		
	FYE Mar. 2020 1Q	FYE Mar. 2021 1Q	Var.	FYE Mar. 2020 1Q	FYE Mar. 2021 1Q	Var.
Ship	9.2	17.3	+8.1	23.0	22.7	(0.3)
Ocean Development	12.1	159.2	+147.1	58.2	80.6	+22.4
Machinery	52.7	45.1	(7.6)	39.8	32.3	(7.5)
Engineering	12.6	7.8	(4.8)	15.9	8.2	(7.7)
Other	16.0	23.4	+7.4	23.2	17.0	(6.2)
Total	102.6	252.8	+150.2	160.1	160.8	+0.7

Results Summary by Segment

(JPY: Billion)

	Operating Income (Loss)			Ordinary Income (Loss)		
	FYE Mar. 2020 1Q	FYE Mar. 2021 1Q	Var.	FYE Mar. 2020 1Q	FYE Mar. 2021 1Q	Var.
Ship	(1.6)	(0.2)	+1.4	(1.7)	(0.1)	+1.6
Ocean Development	0.2	(12.1)	(12.3)	1.8	(10.8)	(12.6)
Machinery	1.2	0.5	(0.7)	1.2	0.6	(0.6)
Engineering	1.2	(3.5)	(4.7)	1.0	(3.0)	(4.0)
Other	1.3	0.1	(1.2)	1.6	(0.7)	(2.3)
Total	2.2	(15.1)	(17.3)	4.0	(13.9)	(17.9)

- Status of large coal-fired power plant civil engineering construction projects (1Q of FYE Mar. 2021)

Project	Location	Progress toward Completion (%)		Contracted Delivery Date
		4Q FYE Mar. 2020	1Q FYE Mar. 2021	
A	Vietnam	99.9%	99.9%	FYE Mar. 2020
B	Indonesia	Approx. 79%	Approx. 79%	FYE Mar. 2021
C	Indonesia	Approx. 93%	Approx. 96%	FYE Mar. 2022

- A. Mainly due to remaining work by the partner, the project scheduled for completion and delivery in the 2Q of FYE March 31, 2021.
- B. Construction work by Mitsui E&S have been suspending under the influence of COVID-19. Currently, we are discussing the resumption of construction.
(Trend in reserve balance: 81.8 billion yen in 4Q of FYE Mar. 2020
→79.8 billion yen in 1Q of FYE Mar. 2021)
- C. Although there are impacts of the COVID-19, the construction proceeded according to plan through the end of 1Q of FYE March 31, 2021.

Summary of FYE Mar. 2021 Forecast

(JPY: Billion)

	Previous Forecast (May 12,2020)	New Forecast	Var.
New Order	550.0~ 750.0	550.0~ 750.0	0
Net Sales	630.0	630.0	0
Operating Income (Loss)	(10.0)	(10.0)	0
Ordinary Income (Loss)	(7.0)	(7.0)	0
Profit attributable to owners	0	0	0

- * No change from Previous Forecast
- * Exchange rate assumption: ¥110/USD
- * Impact that a ¥1 appreciation against the USD has on operating income: Positive impact of approximately ¥100 million.

Summary of FYE Mar. 2021 Forecast by Segment

(JPY: Billion)

	New Order	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)
Ship	90.0	90.0	(1.0)	0
Ocean Development	200.0~ 400.0	280.0	(20.0)	(13.0)
Machinery	180.0	170.0	10.0	10.0
Engineering	20.0	30.0	(1.0)	(4.0)
Other	60.0	60.0	2.0	0
Total	550.0~ 750.0	630.0	(10.0)	(7.0)

*No change from Previous Forecast

Appendix) Summary of Income Statement

(JPY: Billion)

	FYE Mar. 2020 1Q	FYE Mar. 2021 1Q	Var.	
Sales	160.1	160.8	+0.7	
Gross Profit	15.4	(4.3)	(19.7)	Decreased due to MODEC reserved costs for COVID-19
SG&A	13.2	10.8	(2.4)	
Operation Income	2.2	(15.1)	(17.3)	
Other Income	3.8	2.7	(1.1)	
Other Expenses	2.0	1.5	(0.5)	
Ordinary Income	4.0	(13.9)	(17.9)	
Extraordinary Gains	0	2.4	+2.4	Increased due to sale of Green Power Ichihara Co., Ltd.'s shares
Extraordinary Losses	0.4	3.2	+2.8	Increased due to restoration costs for the Chiba factory
Profit Before Taxes	3.6	(14.7)	(18.3)	
Income Taxes	1.3	(0.8)	(2.1)	
Non-Controlling Interest	(0.1)	(5.4)	(5.3)	
Profit attributable to owners of parent	2.4	(8.5)	(10.9)	

Appendix) Summary of Balance Sheet

(JPY: Billion)

	FYE Mar. 2020	FYE Mar. 2021 1Q	Var.	
Total Assets	840.4	796.8	(43.6)	
(Cash)	118.4	105.6	(12.8)	
(Receivables)	282.4	266.1	(16.3)	
(Fixed Assets)	187.8	169.3	(18.5)	Decreased due to sale of Chiba factory land
Total Liabilities	735.0	716.4	(18.6)	
(Advances by Customers)	84.0	98.5	+ 14.5	
(Provision for losses on construction contracts)	98.5	97.1	(1.4)	
(Debt (with interest))	173.9	153.3	(20.6)	
Net Assets	105.4	80.5	(24.9)	
(Own capital)	64.4	48.7	(15.7)	
Capital-to-asset ratio	7.7%	6.1%	-	
DE Raito	2.7	3.1	-	

New Ship (Mitsui E&S Shipbuilding Co., Ltd.)

(As of June 30, 2020)

	New Orders	Deliveries	Backlogs
Commercial Ship	0	6	5
Government Ship· Other Ship	1	0	8
Total	1	6	13

Marine Diesel Engines (Mitsui E&S Machinery Co., Ltd.)

(As of June 30, 2020)

	FYE Mar. 2020 1Q		FYE Mar. 2021 1Q		FYE Mar. 2021 Forecast	
	Unit	Horse Power (10Kps)	Unit	Horse Power (10Kps)	Unit	Horse Power (10Kps)
New Orders	87	162	64	118	—	—
Deliveries	54	109	35	75	—	—
Back logs	168	317	126	288	—	—
Production	55	104	38	92	165	375



MITSUMI E&S

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To continue working as a company trusted by society and individual through products and services we offer

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