

Consolidated Financial Results for 1st Quarter of Fiscal Year Ended March 31, 2022



August 4, 2021



Mitsui E&S Holdings Co., Ltd.

1Q FYE Mar. 2022 Results

◆ New Orders	96.3 Billion yen (QoQ ↓)
◆ Net Sales	185.9 Billion yen (QoQ ↑)
◆ Ordinary Income	6.7 Billion yen (QoQ ↑)

FYE Mar. 2022 Forecast

◆ New Orders	450~650 Billion yen (→ compared to May 11, 2021)
◆ Net Sales	670 Billion yen (→ compared to May 11, 2021)
◆ Ordinary Income	6 Billion yen (→ compared to May 11, 2021)

Topics

- ◆ Approach to Zero Emission
 - ✓ Starting project to Zero Emission of Crane for Container Yard
 - ✓ Participation into the project of studying ammonia as an alternative marine fuel

Summary of Results

(JPY: Billion)

	FYE Mar. 2021 1Q	FYE Mar. 2022 1Q	Var.
New Orders	252.8	96.3	(156.5)
Net Sales	160.8	185.9	+25.1
Operating Income (Loss)	(15.1)	2.8	+17.9
OP ratio	(9.4%)	1.5%	—
Ordinary Income (Loss)	(13.9)	6.7	+20.6
OD ratio	(8.6%)	3.6%	—
Profit attributable to owners	(8.5)	5.7	+14.2

<Average FX>

USD/Yen	108.64 Yen	110.70 Yen
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Results Summary by Segment

(JPY: Billion)

	New Orders			Net Sales		
	FYE Mar. 2021 1Q	FYE Mar. 2022 1Q	Var.	FYE Mar. 2021 1Q	FYE Mar. 2022 1Q	Var.
Ship	15.1	4.8	(10.3)	21.5	12.5	(9.0)
Ocean Development	159.2	45.8	(113.3)	80.6	119.9	+39.3
Machinery	45.1	37.2	(7.9)	32.3	38.2	+5.9
Engineering	7.8	0.2	(7.6)	8.1	2.7	(5.4)
Other	25.7	8.3	(17.4)	18.3	12.7	(5.6)
Total	252.8	96.3	(156.5)	160.8	185.9	+25.1

Results Summary by Segment

(JPY: Billion)

	Operating Income (Loss)			Ordinary Income (Loss)		
	FYE Mar. 2021 1Q	FYE Mar. 2022 1Q	Var.	FYE Mar. 2021 1Q	FYE Mar. 2022 1Q	Var.
Ship	(0.3)	0	+0.3	(0.3)	0.8	+1.1
Ocean Development	(12.1)	1.6	+13.7	(10.8)	4.4	+15.2
Machinery	0.5	0.6	+0.1	0.6	0.7	+0.1
Engineering	(3.5)	(0.2)	+3.3	(3.2)	(0.2)	+3.0
Other	0.3	0.8	+0.5	(0.3)	1.0	+1.3
Total	(15.1)	2.8	+17.9	(13.9)	6.7	+20.6

- Status of large coal-fired power plant civil engineering construction projects (1Q of FYE Mar. 2022)

Project	Location	Progress toward Completion (%)	
		4Q FYE Mar.2021	1Q FYE Mar.2022
1	Indonesia	approx. 79.7%	approx. 81.8%
	Trend in reserve balance	67.7 Bil. Yen	64.6 Bil. Yen
2	Indonesia	approx. 99.7%	approx. 99.8%

- * The spread of COVID-19 has been accelerated again in Indonesia since June 2021.
 - The construction works have been carried out by strengthening the infection prevention measures.
- * Profit and loss on construction of Project 1 is within the scope of the provision for additional loss recorded in 2Q of FYE Mar. 2020.

Summary of FYE Mar. 2022 Forecast

(JPY: Billion)

	Previous Forecast (May 11,2021)	New Forecast (Aug. 4,2021)	Var.
New Orders	450.0~ 650.0	450.0~ 650.0	0
Net Sales	670.0	670.0	0
Operating Income	5.0	5.0	0
Ordinary Income	6.0	6.0	0
Profit attributable to owners	3.0	3.0	0
Free CF	(123.0)	(123.0)	0
Debt (with interest)	230.0	230.0	0

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

Summary of FYE Mar. 2022 Forecast by Segment

(JPY: Billion)

	New Orders	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)
Ship	30.0	40.0	(3.0)	(2.0)
Ocean Development	200.0~ 400.0	400.0	0	6.0
Machinery	180.0	160.0	9.0	9.0
Engineering	0	20.0	(2.0)	(4.0)
Other	40.0	50.0	1.0	(3.0)
Total	450.0~ 650.0	670.0	5.0	6.0

*No change from Previous Forecast

■ Starting project to Zero Emission of Crane for Container Yard

- Completed in-factory test of Transtainer[®] powered by hydrogen fuel cell unit by FYE 2022.
- Starting joint study to introduce Hydrogen fuel port cargo handling machineries with Mitsui O.S.K. Lines. In advance of above, 2 set of near zero emission Transtainer[®] will be delivered to Kobe Int'l Container Terminal in the end of May 2022.



* Transtainer[®] is registered trademark of container yard crane owned by our subsidiary, PACECO Corp.

- Participation into the project of studying ammonia as an alternative marine fuel
 - Work with MAN Energy solutions to develop an ammonia fueled engine and targeting 1st delivery to customer in 2024.
 - Verifying the safety and reliability of the entire life cycle, including manufacturing and commissioning at the factory of the gas supply system.
 - Entering into joint study the 23 companies project of common issues on ammonia as an alternative marine fuel beyond industry boundaries.



Appendix) Summary of Income Statement

(JPY: Billion)

	FYE Mar. 2021 1Q	FYE Mar. 2022 1Q	Var.	
Net sales	160.8	185.9	+25.1	
Gross Profit	(4.3)	13.0	+17.3	Increased due to MODEC progress profit realization
Selling, general and administrative expenses	10.8	10.3	(0.5)	
Operating Income	(15.1)	2.8	+17.9	
Other income	2.7	5.2	+2.4	
Other expenses	1.5	1.3	(0.3)	
Ordinary Income	(13.9)	6.7	+20.6	
Extraordinary income	2.4	5.0	+2.6	Increased due to sale of Mitsui E&S Environmental Engineering Co.,Ltd.
Extraordinary losses	3.2	0.2	(2.9)	
Profit Before Income Taxes	(14.7)	11.4	+26.1	
Income taxes	(0.8)	4.4	+5.2	
Profit attributable to non-controlling interests	(5.4)	1.3	+6.7	
Profit attributable to owners of parent	(8.5)	5.7	+14.2	

Appendix) Summary of Balance Sheet

(JPY: Billion)

	FYE Mar. 2021	FYE Mar. 2022 1Q	Var.	
Total Assets	766.4	729.7	(36.8)	
(Cash and time deposits)	137.6	127.0	(10.7)	
(Trade receivables)	234.0	209.5	(24.5)	Decreased mainly due to collection of accounts receivable for existing works
(Fixed assets)	158.5	157.0	(1.5)	
Total Liabilities	670.5	621.9	(48.6)	
(Trade payables)	215.2	185.5	(29.7)	
(Advances from customers)	94.3	107.9	+13.5	
(Provision for losses on construction contracts)	77.0	72.1	(4.9)	
(Debt (with interest))	164.5	138.5	(26.0)	
Total Net Assets	95.9	107.8	+11.9	
(Own capital)	67.5	80.5	+13.0	
Capital-to-asset ratio	8.8%	11.0%	-	
Net DE Raito	0.4	0.1	-	

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

(As of June 30, 2021)

	New Orders	Deliveries	Backlogs
Commercial Ship	0	0	1
Government Ship· Other Ship	0	0	7
Total	0	0	8

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

(As of June 30, 2021)

	FYE Mar. 2021 1Q		FYE Mar. 2022 1Q		FYE Mar. 2021 Forecast	
	Unit	Horse Power (10Kps)	Unit	Horse Power (10Kps)	Unit	Horse Power (10Kps)
New Orders	64	118	28	108	—	—
Deliveries	35	75	35	83	—	—
Back logs	126	288	61	146	—	—
Production	38	92	30	70	125	300



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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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