

December 2, 2020

**To Those Shareholders with Voting Rights**

Masaru Gomi  
President and Chief Executive Officer  
TOYO Corporation  
1-6, Yaesu 1-chome, Chuo-ku, Tokyo

## **NOTICE OF THE 68<sup>th</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS**

- 1. Date and Time** 10:00 a.m., Thursday, December 24, 2020  
(Reception starts at 9:00 a.m.)
- 2. Place** Room 2-3, BELLESALLE Yaesu 3F  
(Yaesu First Financial Building)  
3-7, Yaesu 1-chome, Chuo-ku, Tokyo
- 3. Agenda of the Meeting:**  
**Matters to be reported:**
  1. Business Report and Consolidated Financial Statements for the 68<sup>th</sup> Fiscal Term (from October 1, 2019 to September 30, 2020) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
  2. Non-consolidated Financial Statements for the 68<sup>th</sup> Fiscal Term (from October 1, 2019 to September 30, 2020)

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Three Directors
- Proposal No. 3:** Election of One Corporate Auditor
- Proposal No. 4:** Election of One Substitute Corporate Auditor

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Matters relating to attached documents and Reference Documents for the General Meeting of Shareholders

If the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements or the Reference Documents for the General Meeting of Shareholders requires amendment, the information subject to amendment shall be published on the Company's website in its amended form.

The Company's website: <https://www.toyo.co.jp/ir/library/meeting/>

**<Voting methods>**

You are kindly requested to review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights. You can exercise your voting rights by any of the following three methods:

1. By attending the Ordinary General Meeting of Shareholders to be held on Thursday, December 24, 2020 at 10:00 a.m. (Japan Time)
2. By postal mail  
Deadline for exercise: Your ballot must reach us by post no later than 5:30 p.m. on Wednesday, December 23, 2020 (Japan Time).
3. Via the Internet  
Deadline for exercise: Enter your vote by no later than 5:30 p.m. on Wednesday, December 23, 2020 (Japan Time).

**<Instructions on filling out your Voting Rights Exercise Form>**

**Please indicate your approval or disapproval using the method shown below.**

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**Proposals 1, 3 and 4:**

- |                    |   |
|--------------------|---|
| If you approve:    | Put a circle in the box marked “賛” [Approve]    |
| If you disapprove: | Put a circle in the box marked “否” [Disapprove] |

**Proposal 2:**

- |   |  |
|---|--|
| If you approve all candidates:                    | Put a circle in the box marked “賛” [Approve]   |
| If you disapprove all candidates:                 | Put a circle in the box marked “否” [Disapprove]  |
| If you selectively disapprove certain candidates: | Put a circle in the box marked “賛” [Approve], and also write the candidate number for each candidate you disapprove. |

**<Matters decided for convocation>**

- (1) Handling of duplicated exercise of voting rights both in writing and via the Internet  
If you exercise your voting rights both in writing and via the Internet, the vote exercised via the Internet will be treated as valid.
- (2) Handling of duplicated exercise of voting rights via the Internet  
If you exercise your voting rights more than once via the Internet, the last vote will be treated as valid.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

TOYO Corporation (the “Company”) regards the return of profits to shareholders as an important management priority, and intends to positively distribute dividends with due regard for the business environment, while setting a minimum dividend payout ratio to approximately 60% of net income attributable to owners of parent based on maintaining a sound financial structure.

Based on this policy, the Company proposes that the appropriation of surplus in the current fiscal year be as follows.

#### Year-End Dividend

(1) Type of dividend property  
Cash

(2) Appropriation of dividend property to shareholders and total amount  
Payment of ¥24 per common share  
Total amount of dividend: ¥587,882,352

(3) Effective date of distribution of surplus  
December 25, 2020

(Note) Dividends for the fiscal year ended September 30, 2020

If this proposal is approved, combined with the interim dividend of ¥14 already disbursed, the total amount of the annual dividends for the fiscal year ended September 30, 2020 will be ¥38 per share.

**Proposal No. 2: Election of Three Directors**

Messrs. Masaru Gomi, Shuuzo Totoki, Noriyuki Kato, Mitsuru Onodera and Nobuyoshi Akiyama, the five (5) incumbent Directors of the Company, will complete their term of office at the closing of this General Meeting of Shareholders.

Consequently, the Company proposes the election of three (3) Directors.

The candidates for Directors are as follows:

Candidate No.	Name (Date of Birth)	Career summary and positions and areas of responsibility in the Company		Number of shares of the Company held
1 Reelection	Noriyuki Kato (March 24, 1960)  Term of office for Director: 10 years  Attendance at the Board of Directors meetings: 20/20 (100%)	April 1983 January 2005  October 2006  April 2008 <b>December 2010</b>  (Responsibilities in the Company) <b>Director, Mechatronics Measurement Solutions, and Ocean Measurement Technology Division</b>	Joined the Company Department Manager, Second Sales Department of the Company Chief, Nagoya Sales Office of the Company Executive Officer of the Company <b>Director of the Company (current position)</b>	10,000 shares
Reasons for nomination as candidate for Director	Mr. Noriyuki Kato has abundant business experience and extensive knowledge in the sales field, and has led performances, mainly in the divisions related to automobiles, contributing to improve sales capabilities and securing revenues, among others. As he can be expected to use his past experience to continue contributing to enhancing the Company's corporate value, the Company proposes his election as Director.			
2 Reelection	Mitsuru Onodera (May 18, 1962)  Term of office for Director: 6 years  Attendance at the Board of Directors meetings: 20/20 (100%)	September 1991 January 2005  January 2010 <b>December 2014</b>  (Responsibilities in the Company) <b>Director, Information, Communication and Computing Technologies, Software Solutions, and Life Science &amp; Materials</b>	Joined the Company Department Manager, Information and Communication Technologies 2nd. Sales Department of the Company Executive Officer of the Company <b>Director of the Company (current position)</b>	12,400 shares
Reasons for nomination as candidate for Director	Mr. Mitsuru Onodera has abundant business experience and extensive knowledge in the sales field, and has led performances, mainly in the divisions related to information and communication, contributing to improve sales capabilities and securing revenues, among others. As he can be expected to use his past experience to continue contributing to enhancing the Company's corporate value, the Company proposes his election as Director.			

Candidate No.	Name (Date of Birth)	Career summary and positions and areas of responsibility in the Company	Number of shares of the Company held
3 Reelection Outside Independent	Nobuyoshi Akiyama (December 13, 1949)  Term of office for Outside Director: 6 years  Attendance at the Board of Directors meetings: 20/20 (100%)	June 2004 Director of NTT Advanced Technology Corporation June 2009 President and Representative Director of NTT-AT SYSTEMS Corporation June 2012 President and Representative Director of NTT-AT Techno Communications Corporation June 2014 Senior Corporate Advisor of NTT-AT Techno Communications Corporation <b>December 2014 Outside Director of the Company (current position)</b> (Responsibilities in the Company) <b>Outside Director</b>	0 shares
Reasons for nomination as candidate for Outside Director	Mr. Nobuyoshi Akiyama, serving as Outside Director of the Company, has provided beneficial opinions and guidance on the Company's overall management and the information and communication technologies field based on his experience as Representative Director of an information and communication company and his profound insight. As he can be expected to continue providing appropriate opinions and guidance to the Company's management, the Company proposes his election as Outside Director.		

- Notes: 1. No conflict of interest exists between the Company and the above candidates for Directors.  
2. Mr. Nobuyoshi Akiyama is a candidate for Outside Director.  
3. The Company has registered Mr. Nobuyoshi Akiyama as an Independent Director pursuant to the rules of Tokyo Stock Exchange, Inc. If he is reelected, the Company intends to continue to designate him as an Independent Director.  
4. Mr. Nobuyoshi Akiyama is an incumbent Outside Director of the Company. He will have held the position of Outside Director for six (6) years at the closing of this General Meeting of Shareholders.  
5. If this proposal is approved, the number of the Company's Directors will be six (6) (of whom one (1) is Outside Director).

**Proposal No. 3: Election of One Corporate Auditor**

Mr. Kazuhiko Nozaki will complete his term of office at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of one (1) Corporate Auditor.

The consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidate for Corporate Auditor is as follows:

	Name (Date of Birth)	Career summary and positions in the Company		Number of shares of the Company held
Reelection Outside Independent	Kazuhiko Nozaki (January 17, 1955)  Attendance at the Board of Directors meetings: 19/20 (95%)  Attendance at the Board of Corporate Auditors meetings: 9/9 (100%)	April 1979 June 2009  June 2013  June 2015  <b>December 2016</b> [Positions in the Company]	Joined MITSUI & CO., LTD. President of Sumisho & Mitsuibussan Kenzei Co., Ltd. Standing Audit & Supervisory Board Member of World Hi-Vision Channel, Inc. Outside Director of COCO'S JAPAN CO., LTD. <b>Standing Outside Corporate Auditor of the Company (current position)</b>	0 shares
Reasons for nomination as candidate for Outside Corporate Auditor	Mr. Kazuhiko Nozaki, serving as Outside Corporate Auditor of the Company, has provided beneficial opinions and guidance based on abundant experience and broad knowledge as a corporate manager. As he can be expected to continue providing objective and appropriate opinions and guidance for the maintenance and improvement of the Company's compliance system, the Company proposes his election as Outside Corporate Auditor. The Company has judged that he is capable of appropriately executing his duties, based on comprehensive consideration of his knowledge and business experience mentioned above, among other factors.			

- Notes: 1. No conflict of interest exists between the Company and the above candidate for Corporate Auditor.  
2. Mr. Kazuhiko Nozaki is a candidate for Outside Corporate Auditor.  
3. The Company has registered Mr. Kazuhiko Nozaki as an Independent Corporate Auditor pursuant to the rules of Tokyo Stock Exchange, Inc. If he is reelected, the Company intends to continue to designate him as an Independent Corporate Auditor.  
4. Mr. Kazuhiko Nozaki is an incumbent Outside Corporate Auditor of the Company. He will have held the position of Outside Corporate Auditor for four (4) years at the closing of this General Meeting of Shareholders.  
5. If this proposal is approved, the number of the Company's Corporate Auditors will be three (3) (all of whom are Outside Corporate Auditors).

**Proposal No. 4: Election of One Substitute Corporate Auditor**

To prepare for a contingency in which the Company does not have the number of Corporate Auditors required by laws and regulations, the Company proposes the election of one (1) Substitute Corporate Auditor.

The consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidate for Substitute Corporate Auditor is as follows:

Name (Date of Birth)	Career summary	Number of shares of the Company held
Shigeo Yamazaki (October 13, 1951)	October 2002 Deputy Head, Corporate Auditors' Office of Japan Airlines Co., Ltd. April 2006 Branch Manager, Asahikawa Branch of Japan Airlines Corporation (currently Japan Airlines Co., Ltd.) July 2008 General Manager for Corporate Auditors of Japan Airlines International Co., Ltd. (currently Japan Airlines Co., Ltd.) September 2010 Joined the Company Division Manager, Audit Division of the Company	0 shares
Reasons for nomination as candidate for Substitute Corporate Auditor	Mr. Shigeo Yamazaki has abundant audit experience and extensive knowledge, and can be expected to provide appropriate opinions and guidance for compliance with laws and regulations and the Articles of Incorporation as well as for maintenance and improvement of the Company's compliance system. Therefore, the Company proposes his election as Substitute Corporate Auditor.	

Note: No conflict of interest exists between the Company and the above candidate for Substitute Corporate Auditor.

**<Reference>****Policies and procedures for the nomination of candidates for Director and Corporate Auditor**

The candidates for Director whom the Board of Directors nominate shall be suitable individuals possessing excellent character and insight who can be entrusted with a role in the management team.

The candidates for inside Director whom the Board of Directors nominate shall be persons who contribute benefit to the Company through their thorough knowledge of the Company's business operations and their involvement in the overall management of the Company. In addition, the candidates for Outside Director whom the Board of Directors nominate shall possess sufficient knowledge and experience that is suitable for reflecting opinions of outside the Company.

The candidates nominated for Corporate Auditor shall be persons with the knowledge and experience necessary to perform audits of the Directors' performance of duties fairly who can suitably provide such audit function.

If a Director or Corporate Auditor is negligent, behaves improperly, violates laws and regulations or the Company's internal rules, including the Articles of Incorporation, or is suspected of doing so, or if it would be difficult for a Director or Corporate Auditor to continue his or her responsibilities because of health reasons, the Board of Directors shall discuss dismissal of the Director or Corporate Auditor.

**Criteria for Independence of Outside Directors and Corporate Auditors of the Company**

At the Company, candidates for Independent Directors and Corporate Auditors are selected from among those who meet the requirements of independence of the Tokyo Stock Exchange, Inc. and possess broad operational experience and knowledge, expertise, and other qualities.

(Attached documents)

## Business Report

(From October 1, 2019 to September 30, 2020)

Business Overview of the Company and affiliated companies (the “Group”)

### Business Performance

#### Progress and Results of Operations

The Group has been focusing on the R&D market, while maintaining the business concept based on “Measurement Technology.” Also, the Group has been working to introduce the advanced measurement technologies and instruments mainly from Europe and the U.S. and to enhance self-developed systems centered on software, in order to play a part in “development of new technologies and products” which enables domestic industries to achieve new growth. Furthermore, the Group has been working to acquire new users of our products with a focus on expanding its business not only in Asian markets, mainly China, but also in the U.S. market. However, there is a strong mood of voluntary restraint concerning the spread of novel coronavirus disease (COVID-19) and deep concern over secondary waves of infection, leading to continuing uncertainty over the economic outlook for both Japan and the world as a whole.

As a result, in terms of the Group’s business performance, the impact of the spread of COVID-19 caused slower sales with consolidated net sales decreasing by 9.6% year on year to ¥23,104 million, which comprised domestic sales of ¥21,716 million and overseas sales, mainly to China and the U.S., of ¥1,387 million.

The operating income decreased by 32.8% year on year to ¥1,250 million, the ordinary income decreased by 22.3% year on year to ¥1,450 million, and the net income attributable to owners of parent increased by 26.0% year on year to ¥1,438 million.

The results by business segment were as follows:



(Information and Communication Technologies / Cyber Security)

In the Information and Communication Technologies business, strong sales were achieved in the Group's focus area of 5G (fifth generation technology standard for telecommunications) systems and local 5G systems for testers and verification systems to telecommunications carriers and equipment manufacturers. Increased sales to major telecommunications carriers were achieved for network performance test equipment and other products compatible with next-generation high-speed Ethernet. Our in-house developed products named "SYNESIS" attracted a wide range of customers, from telecommunications carriers to the enterprise-level market, and sales grew significantly. However, sales in the Information and Communication Technologies business declined due to the pullback from a large project in the previous fiscal year. In addition, loss on valuation of inventory held as a strategic investment was recorded, resulting in a decline in profit. In the Cyber Security business, expectations for an increase in sales were quashed by the impact of COVID-19, with some projects getting delayed, and sales remained at the same level as in the previous year. As a result, net sales for the segment decreased by 9.0% year on year to ¥6,388 million, while operating income decreased by 82.3% year on year to ¥78 million.

(Mechatronics / Noise & Vibration)

In the Mechatronics / Noise & Vibration business, automobile manufacturers curtailed their existing level of investment in areas of research and development such as vibration and noise, and there were also purchasing postponements and purchasing cancellations from customers due to COVID-19. The same impact was also to blame for delays in the deliveries of multiple large systems that had been ordered, resulting from delays in preparation by customers, and delays in delivery due to manufacturing delays at overseas suppliers. In the U.S., sales to national research institutes of large systems related to the development of autonomous driving vehicles did not offset the decline in sales in the conventional fields. Consequently, net sales decreased by 16.1% year on year to ¥4,911 million, while operating income decreased by 21.2% year on year to ¥948 million.

(Physics / Energies)

In the Physics / Energies business, demand for evaluation systems for next-generation batteries and power electronics for the automobile industry continued to be strong. In addition, negotiations for in-house developed systems for the area of basic research for batteries, an area of focus, further increased and orders received increased significantly. On the other hand, COVID-19 did have an effect with sales declining slightly due to delays in the shipments of several large projects. Consequently, net sales decreased by 7.9% year on year to ¥3,955 million, while operating income increased by 1.3% year on year to ¥570 million.

(EMC / Antenna Systems)

In the EMC business, sales of large-scale systems for domestic and overseas automotive manufacturers, the main customers, continued to be strong. In Antenna Systems, sales of wireless evaluation systems for 5G increased. Regarding delays in system installation that had been arising up until the third quarter due to COVID-19, sales in Japan and the U.S. are generally in line with plans but delays have not been fully eliminated in China because customers have not been able to develop installment environments. As a result, net sales increased by 20.6% year on year to ¥3,940 million, while operating income increased by 65.1% year on year to ¥289 million.

(Ocean / Defense & Security)

In the Ocean / Defense & Security business, orders received from the private sector, which had been steady in the first half of the fiscal year, were sluggish in the second half due to difficulties in conducting demonstrations due to COVID-19. Sales were also affected by COVID-19 related delays in deliveries from overseas suppliers in several projects. As a result, net sales decreased by 31.5% year on year to ¥1,395 million, while operating income decreased by 62.7% year on year to ¥224 million.

(Software Quality and Productivity)

In the Software Quality and Productivity business, sales of tools such as configuration management tools increased significantly in line with the increase in telework in the game industry. Subscription sales of enterprise-level security vulnerability testing tools were also strong. On the other hand, sales of software verification tools to the automotive industry decreased due to purchasing postponements by some automotive-related companies. As a result, net sales increased by 9.8% year on year to ¥1,483 million, while operating income increased by 48.8% year on year to ¥246 million.

(Life Science / Materials)

In the Life Science / Materials business, sales to medical institutions were strong in the chest image enhancing software and orthopedic digital planning tools, but sales of other products declined due to the effect of COVID-19. Business related to nano imaging also ended at a sluggish pace due to restrictions on customers' activities, such as the inability to measure samples due to the effect of COVID-19. As a result, net sales decreased by 40.2% year on year to ¥1,029 million, while operating loss was ¥95 million (compared with operating income of ¥82 million in the previous fiscal year).

Business segment	Net sales	Orders received
	Thousands of yen	Thousands of yen
Information and Communication Technologies / Cyber Security	6,388,101	6,619,680
Mechatronics / Noise & Vibration	4,911,892	4,426,076
Physics / Energies	3,955,500	4,688,196
EMC / Antenna Systems	3,940,596	3,897,328
Ocean / Defense & Security	1,395,523	1,284,872
Software Quality and Productivity	1,483,944	1,514,179
Life Science / Materials	1,029,021	1,012,115

(Note) The above amounts do not include consumption taxes.

**Consolidated Balance Sheet**

(As of September 30, 2020)

(Thousands of yen)

Account Title	Amount	Account Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>15,405,326</b>	<b>Current liabilities</b>	<b>3,507,873</b>
Cash and deposits	3,880,472	Notes and accounts payable - trade	1,246,731
Notes and accounts receivable - trade	4,216,040	Income taxes payable	426,689
Securities	5,218,677	Provision for bonuses	451,481
Merchandise and finished goods	1,612,361	Provision for directors' bonuses	74,700
Other	478,173	Other	1,308,271
Allowance for doubtful accounts	(400)	<b>Non-current liabilities</b>	<b>747,313</b>
<b>Non-current assets</b>	<b>19,114,324</b>	Net defined benefit liability	650,952
<b>Property, plant and equipment</b>	<b>8,432,358</b>	Other	96,360
Buildings and structures	2,065,114	<b>Total liabilities</b>	<b>4,255,187</b>
Vehicles	16,376	<b>Net assets</b>	
Tools, furniture and fixtures	742,927	<b>Shareholders' equity</b>	<b>29,740,527</b>
Land	5,607,940	Capital stock	4,158,000
<b>Intangible assets</b>	<b>1,088,049</b>	Capital surplus	4,603,500
Goodwill	109,906	Retained earnings	22,691,789
Software	812,251	Treasury stock	(1,712,762)
Software in progress	150,923	<b>Accumulated other comprehensive income</b>	<b>333,685</b>
Other	14,967	Valuation difference on available-for-sale securities	361,748
<b>Investments and other assets</b>	<b>9,593,916</b>	Deferred gains or losses on hedges	(1,964)
Investment securities	6,981,250	Foreign currency translation adjustments	(63,900)
Net defined benefit asset	592,510	Remeasurements of defined benefit plans	37,801
Deferred tax assets	726,184	<b>Subscription rights to shares</b>	<b>190,251</b>
Long-term time deposits	700,000		
Other	707,072	<b>Total net assets</b>	<b>30,264,463</b>
Allowance for doubtful accounts	(113,101)	<b>Total liabilities and net assets</b>	<b>34,519,650</b>
<b>Total assets</b>	<b>34,519,650</b>		

Note: Amounts are rounded down to the nearest thousand yen.

**Consolidated Statement of Income**

(From October 1, 2019 to September 30, 2020)

(Thousands of yen)

Account Title	Amount	
<b>Net sales</b>		<b>23,104,580</b>
<b>Cost of sales</b>		<b>13,456,945</b>
<b>Gross profit</b>		<b>9,647,634</b>
<b>Selling, general and administrative expenses</b>		<b>8,397,580</b>
<b>Operating income</b>		<b>1,250,053</b>
<b>Non-operating income</b>		
Interest income	106,634	
Dividend income	61,281	
Foreign exchange gain	27,120	
Other	29,829	224,866
<b>Non-operating expenses</b>		
Interest expenses	3,470	
Share of loss of entities accounted for using equity method	20,384	
Other	463	24,317
<b>Ordinary income</b>		<b>1,450,601</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	45,896	
Gain on sales of investment securities	733,500	779,396
<b>Extraordinary losses</b>		
Loss on disposal of non-current assets	6,900	6,900
<b>Income before income taxes</b>		<b>2,223,098</b>
Income taxes - current	784,217	
Income taxes - deferred	236	784,454
<b>Net income</b>		<b>1,438,644</b>
<b>Net income attributable to owners of parent</b>		<b>1,438,644</b>

Note: Amounts are rounded down to the nearest thousand yen.

### Consolidated Statement of Changes in Net Assets

(From October 1, 2019 to September 30, 2020)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	4,158,000	4,603,500	22,115,264	(1,722,992)	29,153,771
Changes of items during the period					
Dividends of surplus			(857,116)		(857,116)
Net income attributable to owners of parent			1,438,644		1,438,644
Purchase of treasury stock				(545)	(545)
Disposal of treasury stock			(5,002)	10,775	5,772
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	576,525	10,229	586,755
Balance at the end of current period	4,158,000	4,603,500	22,691,789	(1,712,762)	29,740,527

	Accumulated other comprehensive income					Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	657,189	17,117	(62,367)	(913)	611,026	142,301	29,907,099
Changes of items during the period							
Dividends of surplus							(857,116)
Net income attributable to owners of parent							1,438,644
Purchase of treasury stock							(545)
Disposal of treasury stock							5,772
Net changes of items other than shareholders' equity	(295,441)	(19,082)	(1,532)	38,714	(277,340)	47,949	(229,391)
Total changes of items during the period	(295,441)	(19,082)	(1,532)	38,714	(277,340)	47,949	357,363
Balance at the end of current period	361,748	(1,964)	(63,900)	37,801	333,685	190,251	30,264,463

Note: Amounts are rounded down to the nearest thousand yen.

**Non-consolidated Balance Sheet**

(As of September 30, 2020)

(Thousands of yen)

Account Title	Amount	Account Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>14,473,852</b>	<b>Current liabilities</b>	<b>3,053,688</b>
Cash and deposits	3,259,857	Notes payable - trade	80,107
Notes receivable - trade	175,611	Accounts payable - trade	1,000,915
Accounts receivable - trade	4,045,536	Accounts payable - other	333,677
Securities	5,218,677	Income taxes payable	426,411
Merchandise	1,386,521	Advances received	327,007
Advance payments - trade	223,249	Provision for bonuses	450,000
Other	164,798	Provision for directors' bonuses	74,700
Allowance for doubtful accounts	(400)	Other	360,868
<b>Non-current assets</b>	<b>19,662,178</b>	<b>Non-current liabilities</b>	<b>719,604</b>
<b>Property, plant and equipment</b>	<b>8,407,137</b>	Provision for retirement benefits	652,034
Buildings	2,055,717	Other	67,570
Structures	9,396		
Vehicles	16,376	<b>Total liabilities</b>	<b>3,773,292</b>
Tools, furniture and fixtures	717,706	<b>Net assets</b>	
Land	5,607,940	<b>Shareholders' equity</b>	<b>29,812,703</b>
<b>Intangible assets</b>	<b>984,814</b>	Capital stock	4,158,000
Software	816,846	Capital surplus	4,603,500
Software in progress	152,999	Legal capital surplus	4,603,500
Other	14,967	Retained earnings	22,763,966
<b>Investments and other assets</b>	<b>10,270,226</b>	Legal retained earnings	581,208
Investment securities	6,942,290	Other retained earnings	22,182,758
Shares of subsidiaries and associates	37,187	General reserve	17,000,000
Investments in capital of subsidiaries and associates	166,810	Retained earnings brought forward	5,182,758
Long-term loans receivable	85,416	Treasury stock	(1,712,762)
Long-term loans receivable from subsidiaries and associates	476,145	<b>Valuation and translation adjustments</b>	<b>359,783</b>
Insurance funds for directors	373,638	Valuation difference on available-for-sale securities	361,748
Prepaid pension cost	539,107	Deferred gains or losses on hedges	(1,964)
Deferred tax assets	735,795	<b>Subscription rights to shares</b>	<b>190,251</b>
Long-term time deposits	700,000		
Other	549,938		
Allowance for doubtful accounts	(336,101)	<b>Total net assets</b>	<b>30,362,739</b>
<b>Total assets</b>	<b>34,136,031</b>	<b>Total liabilities and net assets</b>	<b>34,136,031</b>

Note: Amounts are rounded down to the nearest thousand yen.

**Non-consolidated Statement of Income**

(From October 1, 2019 to September 30, 2020)

(Thousands of yen)

Account Title	Amount	
<b>Net sales</b>		<b>22,000,423</b>
<b>Cost of sales</b>		<b>12,577,699</b>
<b>Gross profit</b>		<b>9,422,724</b>
<b>Selling, general and administrative expenses</b>		<b>8,202,045</b>
<b>Operating income</b>		<b>1,220,679</b>
<b>Non-operating income</b>		
Interest income	3,346	
Interest on securities	102,586	
Dividend income	61,281	
Foreign exchange gain	23,634	
Other	26,592	217,441
<b>Non-operating expenses</b>		
Interest expenses	3,470	
Other	463	3,933
<b>Ordinary income</b>		<b>1,434,186</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	49,497	
Gain on sales of investment securities	733,500	782,998
<b>Extraordinary losses</b>		
Loss on disposal of non-current assets	6,900	
Loss on valuation of investments in capital of subsidiaries and associates	528,983	535,883
<b>Income before income taxes</b>		<b>1,681,301</b>
Income taxes - current	784,000	
Income taxes - deferred	607	784,607
<b>Net income</b>		<b>896,694</b>

Note: Amounts are rounded down to the nearest thousand yen.

**Non-consolidated Statement of Changes in Net Assets**

(From October 1, 2019 to September 30, 2020)

(Thousands of yen)

	Shareholders' equity							Total shareholders' equity
	Capital stock	Capital surplus		Retained earnings			Treasury stock	
		Legal capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
				General reserve	Retained earnings brought forward			
Balance at the beginning of current period	4,158,000	4,603,500	581,208	17,000,000	5,148,182	22,729,391	(1,722,992)	29,767,898
Changes of items during the period								
Dividends of surplus					(857,116)	(857,116)		(857,116)
Net income					896,694	896,694		896,694
Purchase of treasury stock							(545)	(545)
Disposal of treasury stock					(5,002)	(5,002)	10,775	5,772
Net changes of items other than shareholders' equity								
Total changes of items during the period	-	-	-	-	34,575	34,575	10,229	44,805
Balance at the end of current period	4,158,000	4,603,500	581,208	17,000,000	5,182,758	22,763,966	(1,712,762)	29,812,703

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at the beginning of current period	657,189	17,117	674,306	142,301	30,584,506
Changes of items during the period					
Dividends of surplus					(857,116)
Net income					896,694
Purchase of treasury stock					(545)
Disposal of treasury stock					5,772
Net changes of items other than shareholders' equity	(295,441)	(19,082)	(314,523)	47,949	(266,573)
Total changes of items during the period	(295,441)	(19,082)	(314,523)	47,949	(221,767)
Balance at the end of current period	361,748	(1,964)	359,783	190,251	30,362,739

Note: Amounts are rounded down to the nearest thousand yen.



# Voting Rights Exercise Form

TOYO Corporation

The undersigned shareholder of TOYO Corporation hereby appoints \_\_\_\_\_  
as the nominee of the undersigned to attend and act for the undersigned at the meeting of shareholders of the Corporation to be held on December 24<sup>th</sup>, 2020 in Tokyo and at any adjournment of that meeting in the same manner and with the same power, including with respect to voting, as if the undersigned were present in person.

(Optional) The undersigned has instructed his/her nominee to exercise his/her voting rights as follows:

Resolution 1)	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree
Resolution 2)	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree
Resolution 3)	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree
Resolution 4)	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree

Dated: \_\_\_\_\_

Signature of shareholder: \_\_\_\_\_

Name of shareholder in print: \_\_\_\_\_

Number of shares: \_\_\_\_\_

## Disclaimer

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