

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 67th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 67th Ordinary General Meeting of Shareholders of TOYO Corporation (the “Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:30 p.m., Wednesday, December 18, 2019.

- 1. Date and Time** 10:00 a.m., Thursday, December 19, 2019
(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 67th Fiscal Term (from October 1, 2018 to September 30, 2019) 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 67th Fiscal Term (from October 1, 2018 to September 30, 2019)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Three Directors
Proposal No. 4: Election of One Corporate Auditor
Proposal No. 5: Election of One Substitute Corporate Auditor
Proposal No. 6: Revision of the Amount of Remuneration for Directors

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- Notes: 1. If you plan to attend the meeting, please hand in your Voting Rights Exercise Form at the front desk when you arrive at the venue. Please bring this “Notice of Ordinary General Meeting of Shareholders” with you to save resources.
2. Subsequent amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements will be listed on the Company’s website (<https://www.toyo.co.jp>).

Please be aware that the Company will not provide gifts to shareholders attending the meeting. We would appreciate your understanding.

<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.

<Voting methods>

You are kindly requested to review the Reference Documents 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 at 10:00 a.m., December 19, 2019 (Japan Time)
2. By postal mail
Deadline for exercise: Your ballot must reach us by post no later than 5:30 p.m. on December 18, 2019 (Japan Time).
3. Via the Internet
Deadline for exercise: Enter your vote by no later than 5:30 p.m. on December 18, 2019 (Japan Time).

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

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 the 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 ¥21 per common share (Note)

Total amount of dividend: ¥514,197,432

(3) Effective date of distribution of surplus

December 20, 2019

(Note) Dividends for the fiscal year ended September 30, 2019

If this proposal is approved, combined with the interim dividend of ¥12 already disbursed, the total amount of the annual dividends for the fiscal year ended September 30, 2019 will be ¥33 per share.

Proposal No. 2: Partial Amendments to the Articles of Incorporation

(1) Reasons for the amendments

In consideration of the spread of the Internet, the Company proposes the new establishment of Article 16 to enable deemed disclosure of part of the matters to be stated in the Reference Documents for the General Meeting of Shareholders, among other information, via the Internet based on the provisions of the Ministry of Justice Order. In addition, along with the new establishment of such Article, the numbering of the following Articles shall be adjusted.

(2) The details of the amendments

The details of the amendments are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>Article 16</u> <u>When convening a general meeting of shareholders, the Company may be deemed to have provided shareholders with the information relating to the matters to be stated or indicated in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements, by disclosing such information via the Internet in accordance with the provisions of the Ministry of Justice Order.</u>
Article <u>16</u> to <u>41</u> (Omitted)	Article <u>17</u> to <u>42</u> (Unchanged)

Proposal No. 3: Election of Three Directors

Messrs. Toshiya Kohno, Yasushi Kumagawa and Nobuyuki Okubo, the three (3) 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 [Significant concurrent positions]	Number of shares of the Company held
1 Reelection	Toshiya Kohno (December 30, 1958)	<p>March 1989 Joined the Company</p> <p>October 2005 Division Manager, EMC & Microwave Systems of the Company</p> <p>April 2008 Executive Officer of the Company</p> <p>October 2010 Managing Director of TOYO Corporation China</p> <p>December 2013 Director of the Company</p> <p>December 2017 Director, Executive VP, COO of the Company (current position)</p> <p>(Responsibilities in the Company) Global Business, Global Business Promotion Division, EMC & Microwave Systems Division, Engineering Head Office, Marketing Communication Division, Information Systems Division, and One Technologies Company</p>	10,000 shares
Reason for election	Mr. Toshiya Kohno, after assuming office as Director in 2013, has led the Company's performances, contributing to improving sales capabilities, securing revenues and promoting global business, with his abundant business experience and extensive knowledge in the sales field. 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	Yasushi Kumagawa (January 25, 1960)	<p>March 2009 Joined the Company</p> <p>October 2015 Division Manager, Sensor Solutions of the Company</p> <p>October 2016 Division Manager, Sensor Solutions of the Company</p> <p>December 2017 Director of the Company (current position)</p> <p>(Responsibilities in the Company) Sensor Solutions and Physics and Chemistry Measurement Division</p>	12,400 shares
Reason for election	Mr. Yasushi Kumagawa has abundant business experience and extensive knowledge in the sales field, and has led performances, mainly in the divisions related to sensors, contributing to improving 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.		
3 New candidate	Masataka Kashiwa (July 4, 1954)	<p>April 1978 Joined Hitachi, Ltd.</p> <p>April 2012 Vice President and Executive Officer, Chief Executive for North America of Hitachi Transport System, Ltd. and President of Hitachi Transport System (America), Ltd.</p> <p>June 2015 Auditor of VANTEC CORPORATION</p> <p>April 2016 Corporate Auditor of Hitachi Solutions, Ltd.</p>	0 shares
Reason for election	Mr. Masataka Kashiwa has abundant experience and profound insight as a corporate manager and auditor. As he can be expected to provide appropriate opinions and guidance on the Company's overall 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. Masataka Kashiwa is a candidate for Outside Director.
 3. Mr. Masataka Kashiwa is a candidate for Independent Director pursuant to the rules of Tokyo Stock Exchange, Inc.
 4. If this proposal is approved, the number of the Company's Directors will be eight (8) (of whom two (2) are Outside Directors).

Proposal No. 4: Election of One Corporate Auditor

Mr. Shigehisa Horinokita 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 Board of Corporate Auditors has already approved this proposal.

The candidate for Corporate Auditor is as follows:

	Name (Date of Birth)	Career summary and positions in the Company [Significant concurrent positions]	Number of shares of the Company held
Reelection	Shigehisa Horinokita (December 29, 1951)	<p>August 1982 Registered as a certified public accountant</p> <p>June 2003 Representative Partner of Asahi & Co. (currently KPMG AZSA LLC)</p> <p>July 2014 Established CPA Shigehisa Horinokita Office (current position)</p> <p>June 2015 External Director of Sanyo Industries, Ltd.</p> <p>December 2015 Corporate Auditor of the Company (current position)</p> <p>May 2016 Outside Audit & Supervisory Board Member of SHIMAMURA Co., Ltd. (current position)</p> <p>June 2016 External Director (Audit and Supervisory Committee Member) of Sanyo Industries, Ltd. (current position)</p> <p>[Significant concurrent positions] Head of CPA Shigehisa Horinokita Office Outside Audit & Supervisory Board Member of SHIMAMURA Co., Ltd. External Director (Audit and Supervisory Committee Member) of Sanyo Industries, Ltd.</p>	0 shares
Reason for election	<p>Mr. Shigehisa Horinokita, serving as Outside Corporate Auditor of the Company, has provided beneficial opinions and guidance based on highly considerable expertise and abundant experience as a certified public accountant. As he can be expected to continue providing appropriate opinions and guidance for 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 a comprehensive consideration of his knowledge and business experience mentioned above, among other factors.</p>		

- Notes: 1. No conflict of interest exists between the Company and the above candidate for Corporate Auditor.
2. Mr. Shigehisa Horinokita is a candidate for Outside Corporate Auditor.
3. The Company has registered Mr. Shigehisa Horinokita 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. Shigehisa Horinokita 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. 5: 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 Board of Corporate Auditors has already approved this proposal.

The candidate for Substitute Corporate Auditor is as follows:

	Name (Date of Birth)	Career summary [Significant concurrent positions]	Number of shares of the Company held
Reelection	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
Reason for election	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.

Proposal No. 6: Revision of the Amount of Remuneration for Directors

The current amount of the remuneration for Directors was determined by resolution at the Company's 39th Ordinary General Meeting of Shareholders held on December 19, 1991, to be ¥250 million or less per year (excluding the amount of the employee salaries for Directors who concurrently serve as employees).

In consideration of various circumstances, including subsequent changes in economic conditions, the number of Directors being changed to ten (10) at the Company's 65th Ordinary General Meeting of Shareholders held on December 20, 2017 and the expected further increase in duties of Directors in the future, the Company proposes revising the amount of the remuneration for Directors to be ¥350 million or less per year (including ¥25 million or less per year for Outside Directors).

As in the past, the amount of the remuneration for Directors shall not include the amount of the employee salaries for Directors who concurrently serve as employees.

The current number of Directors is eight (8) (including two (2) Outside Directors). Even if Proposal No. 3 is approved as proposed, there will be no change to the number of Directors.

(Attached documents)

Business Report

(From October 1, 2018 to September 30, 2019)

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.

As a result of the above, consolidated net sales increased by 8.3% year on year to ¥25,547 million, of which the domestic sales were ¥24,329 million and the overseas sales mainly to China and the U.S. were ¥1,218 million.

The operating income increased by 30.4% year on year to ¥1,861 million, the ordinary income increased by 29.1% year on year to ¥1,865 million, and the net income attributable to owners of parent decreased by 6.5% year on year to ¥1,141 million.

The results by business segment were as follows:

In accordance with the review of business management segments and internal organization, the Group has combined and changed the names of some reportable segments from the current fiscal year as follows. The existing “Information and Communication Technologies” and “Security & Lab Company” were combined and renamed to “Information and Communication Technologies / Cyber Security.” In addition, the existing “Medical Systems” and “Nano Imaging” were combined and renamed to “Life Science / Materials.” Furthermore, part of the product line has been transferred from “Life Science / Materials” to “Physics / Energies.”

The segment information for the previous fiscal year has been prepared based on the new segments.

(Information and Communication Technologies / Cyber Security)

In the Information and Communication Technologies business, sales grew significantly as demand for testers that support 5th generation mobile communication system (5G) is on the rise. Furthermore, sales of IP network performance testers for carriers, which are our key products, and our in-house developed products named “SYNESIS” were favorable, and both sales and profit increased significantly. Meanwhile, for the provision of services in the Cyber Security business, expenses continued to precede as the launch of the service business is currently in progress. As a result, net sales increased by 32.4% year on year to ¥7,016 million, while operating income increased by 320.5% year on year to ¥442 million.

(Mechatronics / Noise & Vibration)

In the Mechatronics / Noise & Vibration-business, sales of sensors for automotive companies grew significantly. This has offset the increase in expenses for the development support system for autonomous driving vehicles, which is currently being developed in-house, and prior investment for new businesses in the U.S. Consequently, net sales increased by 4.5% year on year to ¥5,856 million, while operating income increased by 15.7% year on year to ¥1,204 million.

(Physics / Energies)

In the Physics / Energies business, sales of evaluation systems for next-generation batteries and power electronics for the automobile industry continued to be strong. In addition, sales of in-house developed systems for basic research fields of batteries continued to be favorable. Meanwhile, expenses for prior investment increased as the launch of a new business progressed behind schedule. Consequently, net sales increased by 4.5% year on year to ¥4,295 million, while operating income decreased by 14.3% year on year to ¥562 million.

(EMC / Antenna Systems)

In the EMC business, orders from Japanese and overseas automotive companies, our main customers, continued to be strong and order backlog has increased substantially. However, delivery of large-scale systems has been delayed mainly because of delays in the development of installment environment due to customer circumstances both in Japan and China. Meanwhile, operating income increased as investments made up to the previous fiscal year have been completed. As a result, net sales decreased by 2.8% year on year to ¥3,267 million, while operating income increased by 2,704.3% year on year to ¥175 million.

(Ocean / Defense & Security)

In the Ocean / Defense & Security business, although sales for the Ministry of Defense continued to be strong, sales decreased due to the absence of sales of large-scale systems, which were recorded in the previous fiscal year, and intensified price competition associated with commoditization of some products for private-sector institutions. As a result, net sales decreased by 5.3% year on year to ¥2,038 million, while operating income decreased by 7.9% year on year to ¥600 million.

(Software Quality & Productivity)

In the Software Quality & Productivity business, sales of static analysis tools for the automobile industry and security vulnerability assessment tools were strong. However, as orders for a large-scale project were postponed to the next fiscal year, sales declined and purchase costs increased. As a result, net sales decreased by 4.1% year on year to ¥1,351 million, while operating income decreased by 48.6% year on year to ¥165 million.

(Life Science / Materials)

In the Life Science / Materials business, sales of diagnostic imaging systems for medical institutions and medical equipment manufacturers and hardness meters for thin films used in industrial materials grew significantly. Meanwhile, the launch of a new electron microscope business for the material development industry is in progress. As a result, net sales increased by 4.2% year on year to ¥1,720 million, while operating

income increased by 166.5% year on year to ¥82 million.

Business segment	Sales	Orders received
	Thousands of yen	Thousands of yen
Information and Communication Technologies / Cyber Security	7,016,695	7,556,776
Mechatronics / Noise & Vibration	5,856,972	5,633,561
Physics / Energies	4,295,984	3,823,360
EMC / Antenna Systems	3,267,212	4,278,340
Ocean / Defense & Security	2,038,410	1,591,377
Software Quality & Productivity	1,351,893	1,400,851
Life Science / Materials	1,720,357	1,316,364

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

Consolidated Balance Sheets

(As of September 30, 2019)

(Thousands of yen)

Account Title	Amount	Account Title	Amount
(Assets)		(Liabilities)	
Current assets	14,193,098	Current liabilities	3,932,614
Cash and deposits	2,914,846	Notes and accounts payable - trade	1,394,479
Notes and accounts receivable - trade	4,245,941	Income taxes payable	572,454
Securities	4,163,519	Provision for bonuses	871,511
Merchandise and finished goods	2,100,617	Provision for directors' bonuses	83,000
Other	768,674	Other	1,011,169
Allowance for doubtful accounts	(500)	Non-current liabilities	718,116
Non-current assets	20,364,731	Net defined benefit liability	631,715
Property, plant and equipment	8,574,720	Other	86,400
Buildings and structures	2,138,578	Total liabilities	4,650,730
Vehicles	13,296	(Net assets)	
Tools, furniture and fixtures	814,904	Shareholders' equity	29,153,771
Land	5,607,940	Capital stock	4,158,000
Intangible assets	1,211,835	Capital surplus	4,603,500
Goodwill	132,197	Retained earnings	22,115,264
Software	994,902	Treasury stock	(1,722,992)
Software in progress	69,488	Accumulated other comprehensive income	611,026
Other	15,247	Valuation difference on available-for-sale securities	657,189
Investments and other assets	10,578,175	Deferred gains or losses on hedges	17,117
Investment securities	8,156,456	Foreign currency translation adjustments	(62,367)
Net defined benefit asset	533,587	Remeasurements of defined benefit plans	(913)
Deferred tax assets	604,695	Subscription rights to shares	142,301
Long-term time deposits	700,000	Total net assets	29,907,099
Other	699,811	Total liabilities and net assets	34,557,830
Allowance for doubtful accounts	(116,375)		
Total assets	34,557,830		

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

Consolidated Statements of Income

(From October 1, 2018 to September 30, 2019)

(Thousands of yen)

Account Title	Amount	
Net sales		25,547,525
Cost of sales		14,447,144
Gross profit		11,100,381
Selling, general and administrative expenses		9,239,203
Operating income		1,861,177
Non-operating income		
Interest income	75,832	
Dividend income	52,699	
Gain on sales of securities	2,450	
Other	47,251	178,233
Non-operating expenses		
Interest expenses	3,410	
Foreign exchange losses	26,409	
Share of loss of entities accounted for using equity method	77,395	
Settlement package	65,661	
Other	650	173,526
Ordinary income		1,865,884
Extraordinary income		
Gain on sales of non-current assets	20,783	
Gain on sales of investment securities	57,954	78,737
Extraordinary losses		
Loss on disposal of non-current assets	1,908	
Impairment loss	36,931	38,840
Income before income taxes		1,905,781
Income taxes - current	879,279	
Income taxes - deferred	(115,310)	763,969
Net income		1,141,812
Net income attributable to owners of parent		1,141,812

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

Consolidated Statements of Changes in Net Assets

(From October 1, 2018 to September 30, 2019)

(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	21,823,583	(1,532,438)	29,052,644
Changes of items during the period					
Dividends of surplus			(837,740)		(837,740)
Net income attributable to owners of parent			1,141,812		1,141,812
Purchase of treasury stock				(231,158)	(231,158)
Disposal of treasury stock			(12,390)	40,604	28,213
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	291,681	(190,554)	101,127
Balance at the end of current period	4,158,000	4,603,500	22,115,264	(1,722,992)	29,153,771

	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	971,836	13,219	(50,275)	(6,783)	927,997	142,430	30,123,073
Changes of items during the period							
Dividends of surplus							(837,740)
Net income attributable to owners of parent							1,141,812
Purchase of treasury stock							(231,158)
Disposal of treasury stock							28,213
Net changes of items other than shareholders' equity	(314,647)	3,897	(12,091)	5,870	(316,971)	(129)	(317,100)
Total changes of items during the period	(314,647)	3,897	(12,091)	5,870	(316,971)	(129)	(215,973)
Balance at the end of current period	657,189	17,117	(62,367)	(913)	611,026	142,301	29,907,099

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

Non-consolidated Balance Sheets

(As of September 30, 2019)

(Thousands of yen)

Account Title	Amount	Account Title	Amount
(Assets)		(Liabilities)	
Current assets	13,655,771	Current liabilities	3,732,207
Cash and deposits	2,617,748	Notes payable - trade	104,471
Notes receivable - trade	325,025	Accounts payable - trade	1,264,836
Accounts receivable - trade	4,068,262	Accounts payable - other	491,123
Securities	4,163,519	Income taxes payable	571,354
Merchandise	1,960,567	Advances received	271,879
Advance payments - trade	222,792	Provision for bonuses	870,000
Other	298,355	Provision for directors' bonuses	83,000
Allowance for doubtful accounts	(500)	Other	75,541
Non-current assets	21,359,641	Non-current liabilities	698,698
Property, plant and equipment	8,551,862	Provision for retirement benefits	635,148
Buildings	2,128,146	Other	63,550
Structures	10,431		
Vehicles	13,296	Total liabilities	4,430,905
Tools, furniture and fixtures	792,046		
Land	5,607,940	(Net assets)	
Intangible assets	1,089,603	Shareholders' equity	29,767,898
Software	1,004,360	Capital stock	4,158,000
Software in progress	69,994	Capital surplus	4,603,500
Other	15,247	Legal capital surplus	4,603,500
Investments and other assets	11,718,176	Retained earnings	22,729,391
Investment securities	8,097,628	Legal retained earnings	581,208
Shares of subsidiaries and associates	36,787	Other retained earnings	22,148,182
Investments in capital of subsidiaries and associates	695,793	General reserve	17,000,000
Long-term loans receivable	88,690	Retained earnings brought forward	5,148,182
Long-term loans receivable from subsidiaries and associates	485,820	Treasury stock	(1,722,992)
Insurance funds for directors	360,618	Valuation and translation adjustments	674,306
Prepaid pension cost	538,336	Valuation difference on available-for-sale securities	657,189
Deferred tax assets	597,591	Deferred gains or losses on hedges	17,117
Long-term time deposits	700,000	Subscription rights to shares	142,301
Other	233,284		
Allowance for doubtful accounts	(116,375)	Total net assets	30,584,506
Total assets	35,015,412	Total liabilities and net assets	35,015,412

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

Non-consolidated Statements of Income

(From October 1, 2018 to September 30, 2019)

(Thousands of yen)

Account Title	Amount	
Net sales		24,768,111
Cost of sales		13,985,388
Gross profit		10,782,722
Selling, general and administrative expenses		8,691,148
Operating income		2,091,573
Non-operating income		
Interest income	17,970	
Interest on securities	72,376	
Dividend income	52,699	
Gain on sales of securities	2,450	
Foreign exchange gain	13,750	
Other	45,616	204,863
Non-operating expenses		
Interest expenses	3,302	
Settlement package	65,661	
Other	542	69,506
Ordinary income		2,226,931
Extraordinary income		
Gain on sales of non-current assets	20,783	
Gain on sales of investment securities	57,954	78,737
Extraordinary losses		
Loss on disposal of non-current assets	1,908	
Impairment loss	36,931	
Loss on valuation of shares of subsidiaries and associates	209,123	247,963
Income before income taxes		2,057,704
Income taxes - current	878,000	
Income taxes - deferred	(111,854)	766,145
Net income		1,291,558

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

Non-consolidated Statement of Changes in Net Assets

(From October 1, 2018 to September 30, 2019)

(Thousands of yen)

	Shareholders' equity							
	Capital stock	Capital surplus		Retained earnings			Treasury stock	Total shareholders' equity
		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	4,706,755	22,287,963	(1,532,438)	29,517,025
Changes of items during the period								
Dividends of surplus					(837,740)	(837,740)		(837,740)
Net income					1,291,558	1,291,558		1,291,558
Purchase of treasury stock							(231,158)	(231,158)
Disposal of treasury stock					(12,390)	(12,390)	40,604	28,213
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	—	—	441,427	441,427	(190,554)	250,873
Balance at the end 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

	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	971,836	13,219	985,056	142,430	30,644,512
Changes of items during the period					
Dividends of surplus					(837,740)
Net income					1,291,558
Purchase of treasury stock					(231,158)
Disposal of treasury stock					28,213
Net changes of items other than shareholders' equity	(314,647)	3,897	(310,749)	(129)	(310,878)
Total changes of items during the period	(314,647)	3,897	(310,749)	(129)	(60,005)
Balance at the end of current period	657,189	17,117	674,306	142,301	30,584,506

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 19th, 2019 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
Resolution 5)	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree
Resolution 6)	<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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