

2020/03 First Quarter Financial Results



31 July, 2019



Mitsui E&S Holdings Co., Ltd.

<p>2020/03 1st Quarter Result</p>	<ul style="list-style-type: none">◆ New Order 102.6 Billion Yen (YoY ↓)◆ Net Sales 160.1 Billion Yen (YoY ↑)◆ Ordinary Income 4.0 Billion Yen (YoY ↑)
<p>2020/03 Forecast</p>	<ul style="list-style-type: none">◆ New Order 800~1,000 Billion Yen (V.S. Initial Forecast →)◆ Net Sales 840 Billion Yen (V.S. Initial Forecast →)◆ Ordinary Income 17 Billion Yen (V.S. Initial Forecast →)
<p>The loss of Coal- fired power plant civil engineering construction</p>	<ul style="list-style-type: none">◆ Currency fluctuations have reduced costs, which has a positive impact on construction profit◆ Mainly CW tube progressing

✓ We will announce each measure of business reveal plan as soon as it becomes possible to disclose

2020/03 1st Quarter Summary of Results

(JPY : Billion)

	2018/06	2019/06	Var.
Order intake	134.6	102.6	▲32.0
Sales	152.9	160.1	+7.2
Operating Income	1.1	2.2	+1.1
(OP ratio)	(0.7%)	(1.4%)	—
Ordinary Income	3.0	4.0	+1.0
(OD ratio)	(2.0%)	(2.5%)	—
Profit attributable to owners	0.5	2.4	+1.9

<Average FOREX Rate >

US\$/Yen	108.16 Yen	110.16 Yen
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2020/03 1st Quarter Results Summary by Segment

(JPY : Billion)

	New Order			Net Sales		
	2018/06	2019/06	Var.	2018/06	2019/06	Var.
Ship	13.6	9.2	▲4.4	22.6	23.0	+0.4
Ocean Development	30.0	12.1	▲17.9	46.9	58.2	+11.3
Machinery	54.2	54.8	+0.6	43.7	46.0	+2.3
Engineering	23.4	12.6	▲10.8	22.2	15.9	▲6.3
Other	13.4	13.9	+0.5	17.5	17.1	▲0.4
Total	134.6	102.6	▲32.0	152.9	160.1	+7.2

2020/03 1st Quarter Results Summary by Segment

(JPY : Billion)

	Operating Income			Ordinary Income (*)		
	2018/06	2019/06	Var.	2018/06	2019/06	Var.
Ship	▲0.8	▲1.6	▲0.8	▲0.5	▲1.7	▲1.2
Ocean Development	1.4	0.2	▲1.2	2.5	1.8	▲0.7
Machinery	1.4	1.3	▲0.1	1.7	1.5	▲0.2
Engineering	▲1.1	1.2	+2.3	▲1.0	1.0	+2.0
Other	0.2	1.1	+0.9	0.2	1.3	+1.1
Total	1.1	2.2	+1.1	3.0	4.0	+1.0

(*) No audit. Our internal amount.

- The loss contract of Coal-fired power plant civil engineering construction

<Construction progress >

- Undersea work (dredging, piling) is progressing
for CW(*) tube installation work
- CW tube production is in progress, and some have been delivered to the site
(*)CW (Cooling Water)

- list of Coal-fired power plant civil engineering construction

Projects	Area	Work Progress	Delivery Year
A	Vietnam	97%	2019
B	Indonesia	71%	2020
C	Indonesia	81%	2021

- A Construction is already in the commissioning stage, and will be completed in the second half of FY2019
- B As above
- C Construction is going well

(JPY : Billion)

	Previous Forecast (10 May,2019)	Current Forecast (2020/03)	Var.
New Order	800.0~ 1,000.0	800.0~ 1,000.0	0.0
Net Sales	840.0	840.0	0.0
Operating Income	12.0	12.0	0.0
Ordinary Income	17.0	17.0	0.0
Profit attributable to owners	3.0	3.0	0.0

※ Forecast FX Rate US\$/Yen 110

※ Almost no effect to FX rates by currency on operating profit

※ No change from previous announcement

(JPY : Billion)

	New Order	Net Sales	Operating Income	Ordinary Income
Ship	110.0	120.0	▲2.0	▲2.0
Ocean Development	300.0~ 500.0	350.0	8.0	15.0
Machinery	200.0	200.0	8.0	8.0
Engineering	90.0	80.0	▲4.0	▲4.0
Other	100.0	90.0	2.0	0.0
Total	800.0~ 1,000.0	840.0	12.0	17.0

※ No change from previous announcement

(JPY: Billion)

	2018/06	2019/06	Var.	
Sales	152.9	160.1	+7.2	Progress of FPSO construction work by MODEC
Gross Profit	13.9	15.4	+1.5	Increased due to currency fluctuations have reduced costs, which has a positive impact on construction profit
SG&A	12.8	13.2	+0.4	
Operation Income	1.1	2.2	+1.1	
Other Income	3.8	3.8	0.0	
Other Expenses	1.9	2.0	+0.1	
Ordinary Income	3.0	4.0	+1.0	
Extraordinary Gains	0.0	0.0	0.0	
Extraordinary Losses	0.4	0.4	0.0	
Profit Before Taxes	2.7	3.6	+0.9	
Income Taxes	1.6	1.3	▲0.3	
Non-Controlling Interest	0.6	▲0.1	▲0.7	
Profit attributable to owners of parent	0.5	2.4	+1.9	

(JPY: Billion)

	2018/06	2019/06	Var.	
Total Assets	999.1	999.4	+0.3	
(Cash)	100.9	124.2	+23.3	Increased due to the temporary retention of construction loan repayment from SPC by MODEC
(Receivables)	225.8	229.6	+3.8	
(Fixed Assets)	371.5	373.9	+2.4	
Total Liabilities	718.9	721.6	+2.7	
(Advances by Customers)	92.6	107.5	+14.9	Progress of FPSO construction work by MODEC
(Provision for losses on construction contracts)	61.0	53.3	▲7.7	Increased due to currency fluctuations have reduced costs, which has a positive impact on construction profit
(Debt (with interest))	204.6	201.1	▲3.5	
Net Assets	280.2	277.8	▲2.4	
(Own capital)	159.5	158.7	▲0.8	
Capital-to-asset ratio	16.0%	15.9%	▲0.1%	
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New Ship (Mitsui E&S Shipbuilding Co., Ltd.)

	New Orders	Deliveries	Backlogs
Commercial Ship	0	1	20
Government Ship・ Other Ship	0	0	9
Total	0	1	29

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

	2018/06		2019/06	
	Unit	House Power (10Kps)	Unit	House Power (10Kps)
New Orders	49	92	87	162
Deliveries	46	123	54	109
Back logs	136	320	168	317
Production	39	98	55	104



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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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