

Non-Consolidated Financial Statements [Summary]

(For the fiscal year ending March 31, 2003)

May 21, 2003



(URL: <http://www.toyo-eng.co.jp>)

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The following statements are an English-language translation from the original Japanese-language document.
(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

1. Business results for fiscal 2002 (April 1, 2002-March 31, 2003)

(1) Non-Consolidated financial results Note: All amounts are rounded down to the nearest million yen.

Year ended	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Mar 31, 2003	149,288	8.5	3,161	122.0	1,205	(47.5)
Mar 31, 2002	137,543	38.1	1,424	-	2,297	(5.0)

Year ended	Net income		Earnings per share	Earnings per share (diluted)	Return on equity	Ordinary income / total assets	Ordinary income/ net
	Millions of yen	%	Yen	Yen	%	%	%
Mar 31, 2003	(1,077)	-	(6.14)	-	(2.7)	0.7	0.8
Mar 31, 2002	(1,150)	-	(6.55)	-	(2.8)	1.2	1.7

Notes:

Average number of shares outstanding (non-consolidated):

Mar. 2003 term : 175,612,240 / Mar. 2002 term : 175,686,428

Change in accounting methods: None

Percentages for net sales, operating income, ordinary income and net income indicate changes from the previous term.

(2) Dividends

Year ended	Annual dividends per share			Total dividends (annual)	Payout ratio	Dividends / shareholders' equity
	Interim	Term-end				
	Yen	Yen	Yen	Millions of yen	%	%
Mar 31, 2003	0.00	0.00	0.00	0	0.0	0.0
Mar 31, 2002	0.00	0.00	0.00	0	0.0	0.0

(3) Non-consolidated financial position

	Total assets	Shareholder's equity	Shareholder's equity/total assets	Shareholder's equity per share
	Millions of yen	Millions of yen	%	Yen
Mar 31, 2003	173,035	39,772	23.0	226.60
Mar 31, 2002	171,392	41,135	24.0	234.16

Notes:

Number of shares outstanding at term-end (non-consolidated):

Mar.31, 2003 : 175,518,561 / Mar. 31, 2002 : 175,675,749

Number of shares repurchased at term-end:

Mar.31, 2003 : 173,978 / Mar.31, 2002 : 16,790

2. Forecast for fiscal 2003 (April 1, 2003-March 31, 2004)

	Net sales	Ordinary income	Net income	Annual dividends per share		
				Interim	Year-end	
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen	Yen
Interim term	65,000	(500)	(500)	0.00	-	-
Entire term	150,000	3,000	1,000	-	5.00	5.00

Reference: Estimated earnings per share (yen, fiscal 2003) **¥5.70**

Note : The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.

Non-Consolidated Balance Sheets

	March 31, 2003		March 31, 2002		Increase (decrease)
	Millions of yen	%	Millions of yen	%	Millions of yen
[ASSETS]					
Current assets					
1. Cash and deposits	35,670		35,413		257
2. Notes receivable	237		342		(104)
3. Accounts receivable	43,453		48,035		(4,582)
4. Marketable securities	-		500		(500)
5. Contract work in progress	38,030		30,989		7,041
6. Deferred tax assets	2,446		2,610		(163)
7. Other receivables	4,179		4,174		5
8. Other current assets	4,212		5,044		(832)
9. Allowance for doubtful receivables	(826)		(2,665)		1,839
Total current assets	127,404	73.6	124,443	72.6	2,961
Fixed assets					
1. Property, plant and equipment, at cost					
(1) Buildings and structures	6,959		7,401		(442)
(2) Furniture and fixtures	114		112		1
(3) Tools	213		250		(36)
(4) Land	13,494		13,494		-
Total property, plant and equipment, at cost	20,781	12.0	21,259	12.4	(477)
2. Intangible assets	352	0.2	394	0.2	(42)
3. Investments and other assets					
(1) Investment securities	7,145		8,823		(1,677)
(2) Investments in subsidiaries	9,718		9,183		534
(3) Long-term loans	4,343		4,439		(96)
(4) Long-term receivable	3,073		3,251		(178)
(5) Long-term deferred tax assets	2,221		1,819		401
(6) Long-term prepaid expenses	20		22		(2)
(7) Other investments and other assets	2,194		2,299		(104)
(8) Allowance for doubtful receivables	(4,220)		(4,544)		324
Total investments	24,496	14.2	25,295	14.8	(798)
Total fixed assets	45,630	26.4	46,949	27.4	(1,319)
Total assets	173,035	100.0	171,392	100.0	1,642
[LIABILITIES]					
Current liabilities					
1. Notes payable	852		848		3
2. Accounts payable	30,603		21,515		9,087
3. Short-term bank loans	36,227		41,322		(5,094)
4. Income taxes payable	342		8		333
5. Advance receipts on uncompleted contracts	32,026		31,408		617
6. Deposits	2,525		2,653		(127)
7. Reserve for bonuses	194		200		(6)
8. Reserve for compensation for completed works	94		87		7
9. Reserve for anticipated loss on completed works	321		293		27
10. Reserve for anticipated loss on closing of affiliates	31		-		31
11. Other current liabilities	2,151		1,427		723
Total current liabilities	105,370	60.9	99,765	58.2	5,605
Long-term liabilities					
1. Long-term debt	25,841		29,419		(3,577)
2. Reserve for retirement benefits	1,771		584		1,186
3. Reserve for directors' retirement bonuses	255		456		(201)
4. Reserve for anticipated loss on subsidiary's business closing	-		27		(27)
5. Other long-term liabilities	23		3		19
Total long-term liabilities	27,891	16.1	30,491	17.8	(2,599)
Total liabilities	133,262	77.0	130,257	76.0	3,005
[SHAREHOLDERS' EQUITY]					
Common stock	13,017	7.5	13,017	7.6	-
Additional paid-in capital					
Additional paid-in capital	15,592		15,592		-
Total additional paid-in capital	15,592	9.0	15,592	9.1	-
Retained earnings					
1. Legal reserve	1,771		1,771		-
2. Voluntary reserve					
(1) Reserve for anticipated loss on overseas investments	45		68		(23)
(2) Reserve for dividends	1,210		1,210		-
(3) Reserve for the floating exchange rate	3,600		3,600		-
(4) Other reserve	5,000		6,832		(1,832)
Total voluntary reserve	9,855		11,710		(1,855)
3. Unappropriated retained earnings (accumulated deficit)	104		(672)		777
[Net loss for the year]	[1,077]		[1,150]		[(72)]
Total retained earnings	11,731	6.8	12,809	7.5	(1,078)
Net unrealized loss on securities	(545)	(0.3)	(281)	(0.1)	(263)
Treasury stock	(24)	(0.0)	(2)	(0.0)	(22)
Total shareholders' equity	39,772	23.0	41,135	24.0	(1,363)
Total liabilities and shareholders' equity	173,035	100.0	171,392	100.0	1,642

Non-Consolidated Statements of Income

	March 31, 2003		March 31, 2002		Increase (decrease)
	Millions of yen	%	Millions of yen	%	Millions of yen
Net sales	149,288	100.0	137,543	100.0	11,744
Cost of sales	139,428	93.4	129,100	93.9	(10,327)
Gross profit	9,859	6.6	8,442	6.1	1,417
Selling, general and administrative expenses	6,698	4.5	7,018	5.1	319
Operating income	3,161	2.1	1,424	1.0	1,737
Non-operating income					
1. Interest and dividends	2,513		2,497		16
2. Other non-operating income	26		1,575		(1,548)
Total non-operating income	2,540	1.7	4,073	3.0	(1,532)
Non-operating expenses					
1. Interest expense	1,715		2,281		566
2. Other non-operating expenses	2,781		918		(1,862)
Total non-operating expenses	4,496	3.0	3,200	2.3	(1,296)
Ordinary income	1,205	0.8	2,297	1.7	(1,091)
Extraordinary gain					
1. Gain on sales of investment securities	-		535		(535)
2. Reversal of allowance for doubtful receivables in prior period	438		-		438
Total extraordinary gain	438	0.3	535	0.4	(97)
Extraordinary loss					
1. Loss on prior period adjustment	751		231		(519)
2. Loss on valuation of investment securities	1,533		1,977		444
3. Loss on liquidation of non-consolidated subsidiaries	123		63		(60)
4. Provision for doubtful receivables	-		2,050		2,050
Total extraordinary loss	2,408	1.6	4,322	3.2	1,914
Loss before income taxes	764	0.5	1,489	1.1	725
Income taxes (current)	343	0.2	6	0.0	(336)
Income taxes (deferred)	(29)	(0.0)	(346)	(0.3)	(316)
Net loss	1,077	0.7	1,150	0.8	72
Retained earnings at the beginning of the period	1,182		477		704
Unappropriated retained earnings (accumulated deficit)	104	0.1	(672)	(0.5)	777

New orders, Sales and Backlog of Contracts

Millions of yen

			Apr 1, 2002 Backlog	FY 2002 New orders	Total	FY 2002 Sales	Mar 31, 2003 Backlog
FY 2002	Overseas	Chemical fertilizer	69,587	1,453	71,040	12,621	58,283
		Petrochemical	75,888	61,046	136,935	56,100	79,051
		Refinery	81,134	12,704	93,839	36,393	37,135
		Energy-related	48,716	66,349	115,066	26,056	90,505
		General manufacturing facilities	771	2,405	3,176	295	2,867
		Information technology	-	6	6	6	-
		Others	138	1,450	1,588	835	741
	Total		276,237	145,416	421,653	132,310	268,585
	Domestic	Petrochemical	389	3,036	3,425	762	2,654
		Refinery	723	4,479	5,203	868	4,334
		Energy-related	15,036	5,795	20,831	8,374	10,717
		General manufacturing facilities	1,365	7,882	9,247	2,455	6,730
		Information technology	1,643	3,463	5,106	3,590	1,469
		Others	146	311	457	357	99
Total		19,304	24,967	44,272	16,409	26,006	
Ground total			20,088				(2,004)
			295,542	170,383	465,926	148,719	294,592
			Apr 1, 2001 Backlog	FY 2001 New orders	Total	FY 2001 Sales	Mar 31, 2002 Backlog
FY 2001	Overseas	Chemical fertilizer	63,737	24,212	87,950	17,041	69,587
		Petrochemical	124,440	18,546	142,986	61,980	75,888
		Refinery	67,283	32,682	99,966	20,822	81,134
		Energy-related	40,283	18,896	59,179	12,536	48,716
		General manufacturing facilities	1,315	1,323	2,638	1,992	771
		Information technology	-	22	22	22	-
		Others	133	550	683	542	138
	Total		297,194	96,232	393,427	114,938	276,237
	Domestic	Petrochemical	252	785	1,038	645	389
		Refinery	527	824	1,351	533	723
		Energy-related	13,740	7,826	21,566	6,347	15,036
		General manufacturing facilities	5,774	6,691	12,465	10,944	1,365
		Information technology	591	4,009	4,601	2,952	1,643
		Others	363	381	745	592	146
Total		21,250	20,519	41,769	22,017	19,304	
Ground total			13,186				20,088
			318,445	116,752	435,197	136,956	295,542

- Notes:
1. All amounts are rounded down to the nearest million yen.
 2. : Increase (decrease) due to changes in exchange rates.
 3. The above does not include figures related in "Real estate segment".