

Consolidated Financial Statements [Summary]

For the Fiscal Year Ended March 31, 2005

May 13, 2005



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

President and Chief Executive Officer, Yutaka Yamada
 Contacts: Hideaki Kinoshita, General Manager of Accounting Div.

TEL +81-47-454-1521

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 the fiscal year ended March 31, 2005

(1) Consolidated financial results

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

	Net sales		Operating income (loss)		Ordinary income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Apr. 1, 2004 - Mar. 31, 2005	197,945	16.1	4,539	-	3,921	-
Apr. 1, 2003 - Mar. 31, 2004	170,529	(4.8)	(3,257)	-	(3,476)	-

	Net income (loss)		Net income (loss) per share	Net income (loss) per share (diluted)	Return on equity	Ordinary income (loss) to total assets	Ordinary income (loss) to net sales
	Millions of yen	%	Yen	Yen	%	%	%
Apr. 1, 2004 - Mar. 31, 2005	3,597	-	20.51	-	13.5	1.9	2.0
Apr. 1, 2003 - Mar. 31, 2004	(6,491)	-	(37.00)	-	(23.9)	(1.7)	(2.0)

Notes:

- Equity in earnings of affiliates (millions of yen):
 Apr., 2004-Mar., 2005 : 18 / Apr., 2003-Mar., 2004 : 32
- Average number of outstanding shares (consolidated):
 Apr., 2004-Mar., 2005 : 175,448,961 / Apr., 2003-Mar., 2004 : 175,500,282
- Percentages for net sales, operating income (loss), ordinary income (loss) and net income (loss) indicate changes from those of the previous year.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2005	209,563	28,442	13.6	162.16
Mar. 31, 2004	201,133	24,724	12.3	140.88

Notes: Number of outstanding shares at end of term (consolidated):

Mar. 31, 2005: 175,401,017 / Mar. 31, 2004: 175,480,492

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents, end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Apr. 1, 2004 - Mar. 31, 2005	15,952	(2,099)	(12,198)	45,447
Apr. 1, 2003 - Mar. 31, 2004	17,577	(595)	(15,706)	43,615

(4) Scope of consolidation and application of the equity method

Consolidated subsidiaries: 15 companies

Non-consolidated subsidiaries accounted for by the equity method: none

Affiliated companies accounted for by the equity method: 1 company

(5) Changes in scope of consolidation and application of the equity method

Consolidated subsidiaries:

Increase: 2

Decrease: none

Equity-method companies:

Increase: none

Decrease: none

2. Forecast for fiscal 2005 (April 1, 2005-March 31, 2006)

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Apr.-Sep., 2005	75,000	500	0
Apr., 2005-Mar., 2006	200,000	4,000	3,500

Reference: Estimated earnings per share (fiscal 2005) ¥19.95

* Note: The forecast 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.

Consolidated Balance Sheets

	March 31, 2005		March 31, 2004		Increase (decrease)
	Millions of yen	%	Millions of yen	%	
[ASSETS]					
I Current assets					
1. Cash and deposits	45,971		44,097		1,873
2. Notes and accounts receivable	40,154		37,246		2,907
3. Contract work in progress	61,787		62,659		(871)
4. Deferred tax assets	2,111		1,135		975
5. Other current assets	12,631		6,328		6,302
6. Less: Allowance for doubtful receivables	(3,636)		(2,116)		(1,519)
Total current assets	159,020	75.9	149,352	74.3	9,667
II Fixed assets					
1. Property, plant and equipment, at cost					
(1) Buildings and structures	26,411		25,738		672
(2) Tools, furniture and fixtures	3,417		4,422		(1,005)
(3) Land	19,407		18,803		604
(4) Construction in progress	181				181
(5) Less: Accumulated depreciation	(15,185)		(15,758)		572
2. Intangible assets	2,012		1,699		313
3. Investments and other assets					
(1) Investment securities	9,085		9,391		(306)
(2) Long-term loans	1,393		3,238		(1,844)
(3) Long-term receivables	2,890		2,880		10
(4) Long-term deferred tax assets	1,113		1,728		(615)
(5) Other investments and assets	3,469		3,538		(69)
(6) Less: Allowance for doubtful receivables	(3,654)		(3,903)		249
Total fixed assets	50,543	24.1	51,780	25.7	(1,237)
Total assets	209,563	100.0	201,133	100.0	8,430
[LIABILITIES]					
I Current liabilities					
1. Notes and accounts payable	31,715		30,147		1,568
2. Short-term bank loans	17,622		26,470		(8,847)
3. Income taxes payable	243		528		(284)
4. Advance receipts on uncompleted contracts	73,756		61,915		11,841
5. Reserve for bonuses	513		569		(56)
6. Reserve for compensation for completed works	191		121		69
7. Reserve for anticipated loss on contract work	1,627		468		1,159
8. Reserve for repairs of real properties for rent			16		(16)
9. Other current liabilities	11,877		9,330		2,547
Total current liabilities	137,548	65.6	129,567	64.4	7,981
II Long-term liabilities					
1. Corporate bonds	3,000		1,000		2,000
2. Long-term debt	33,453		38,690		(5,236)
3. Long-term deferred tax liabilities	158		160		(2)
4. Reserve for retirement benefits	2,302		2,319		(17)
5. Reserve for directors' retirement allowances	173		340		(166)
6. Reserve for repairs of real properties for rent	117		86		31
7. Other long-term liabilities	2,486		2,374		111
Total long-term liabilities	41,692	19.9	44,971	22.4	(3,279)
Total liabilities	179,240	85.5	174,539	86.8	4,701
[MINORITY INTERESTS]					
Minority interests	1,880	0.9	1,869	0.9	10
[SHAREHOLDERS' EQUITY]					
I Common stock	13,017	6.2	13,017	6.4	-
II Additional paid-in capital	15,593	7.4	15,593	7.8	0
III Retained earnings	(605)	(0.3)	(4,278)	(2.1)	3,672
IV Net unrealized gain on securities	1,133	0.6	1,231	0.6	(97)
V Foreign currency translation adjustments	(638)	(0.3)	(804)	(0.4)	166
VI Treasury stock	(58)	(0.0)	(35)	(0.0)	(23)
Total shareholders' equity	28,442	13.6	24,724	12.3	3,718
Total liabilities, minority interests and shareholders' equity	209,563	100.0	201,133	100.0	8,430

Consolidated Statements of Income

	Apr., 2004-Mar., 2005		Apr., 2003-Mar., 2004		Increase (decrease)
	Millions of yen	%	Millions of yen	%	
I Net sales	197,945	100.0	170,529	100.0	27,416
II Cost of sales	180,175	91.0	161,889	94.9	(18,285)
Gross profit	17,769	9.0	8,639	5.1	9,130
III Selling, general and administrative expenses	13,230	6.7	11,897	7.0	(1,333)
Operating income	4,539	2.3	-	-	4,539
Operating loss	-	-	3,257	1.9	3,257
IV Non-operating income					
1. Interest income	1,135		1,671		(536)
2. Dividend income	89		70		18
3. Equity in earnings of affiliates	18		32		(13)
4. Other non-operating income	186		204		(17)
Total non-operating income	1,429	0.7	1,979	1.2	(549)
V Non-operating expenses					
1. Interest expense	1,390		1,719		328
2. Foreign exchange loss	405		252		(153)
3. Other non-operating expenses	251		226		(25)
Total non-operating expenses	2,048	1.0	2,198	1.3	149
Ordinary income	3,921	2.0	-	-	3,921
Ordinary loss	-	-	3,476	2.0	3,476
VI Extraordinary gain					
1. Gain on sales of investment securities	-		378		(378)
2. Gain on reversal of prior service liability of retirement	247		-		247
Total extraordinary gain	247	0.1	378	0.2	(130)
VII Extraordinary loss					
1. Loss on prior-period adjustment	162		117		(44)
2. Loss on retirement of property, plant and equipment	178		-		(178)
3. Loss on valuation of investment securities	130		480		350
4. Loss on liquidation of nonconsolidated subsidiaries	-		17		17
Total extraordinary loss	471	0.2	615	0.4	144
Income before income taxes and minority interests	3,697	1.9	-	-	3,697
Loss before income taxes and minority interests	-	-	3,713	2.2	3,713
Income taxes current	407	0.2	712	0.4	305
Income taxes deferred	(325)	(0.1)	1,882	1.1	2,208
Minority interests	18	0.0	182	0.1	163
Net income	3,597	1.8	-	-	3,597
Net loss	-	-	6,491	3.8	6,491

Consolidated Statements of Cash Flows

	Apr., 2004 - Mar., 2005	Apr., 2003 - Mar., 2004
	Millions of yen	Millions of yen
I Cash flows from operating activities		
Income (loss) before income taxes and minority interests	3,697	(3,713)
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:		
Depreciation and amortization	1,452	1,315
Allowance for doubtful receivables	1,269	424
Increase (decrease) in retirement benefits	(18)	299
Allowance for anticipated loss on contract work	1,159	146
Interest and dividend income	(1,224)	(1,742)
Interest expense	1,390	1,719
Foreign exchange (gain) loss	36	(299)
Equity in earnings of affiliated companies	(18)	(32)
Gain on sales of marketable and investment securities, net	(35)	(452)
Loss on valuation of investment securities	130	480
(Increase) decrease in notes and accounts receivable	(2,665)	14,663
(Increase) decrease in contract work in progress	1,280	(21,058)
Increase (decrease) in notes and accounts payable	1,358	(2,877)
Increase (decrease) in advance receipts on uncompleted contracts	11,286	23,227
Other, net	(2,158)	6,416
Subtotal	16,941	18,517
Interest and dividends received	1,379	1,782
Interest paid	(1,400)	(1,762)
Income taxes paid	(968)	(960)
Net cash provided by operating activities	15,952	17,577
II Cash flows from investing activities		
Purchases of property, plant and equipment	(2,095)	(240)
Purchases of intangible assets	(871)	(912)
Purchases of securities and investment securities	(20)	(138)
Proceeds from sales of securities and investment securities	99	1,014
Proceeds from collection of long-term loans	569	
Other, net	218	(318)
Net cash used in investing activities	(2,099)	(595)
III Cash flows from financing activities		
Decrease in short-term bank loans, net	(5,401)	(13,726)
Proceeds from long-term debt	6,038	12,050
Repayment of long-term debt	(14,770)	(14,862)
Proceeds from issuance of corporate bonds	2,000	1,000
Other, net	(64)	(167)
Net cash used in financing activities	(12,198)	(15,706)
IV Effect of exchange rate changes on cash and cash equivalents	121	(191)
V Net increase in cash and cash equivalents	1,775	1,084
VI Cash and cash equivalents, beginning of the year	43,615	42,530
VII Increase in cash and cash equivalents addition to consolidation	56	
VIII Cash and cash equivalents, end of the year	45,447	43,615

Segment Information

(1) Business Segments

Fiscal Year Ended March 31, 2005

	Millions of Yen				
	EPC Business	Real Estate	Total	Eliminations and Other	Consolidated
1. Net sales and operating income					
Net sales					
(1) Net sales to outside customers	195,654	2,290	197,945	-	197,945
(2) Inter-segment net sales	1	251	253	(253)	-
Total	195,656	2,542	198,198	(253)	197,945
Operating expenses	192,171	1,495	193,666	(260)	193,405
Operating income	3,485	1,047	4,532	7	4,539
2. Assets, depreciation and capital expenditures					
Assets	186,694	15,804	202,499	7,064	209,563
Depreciation	1,066	394	1,461	(0)	1,461
Capital expenditures	1,114	1,842	2,956	(0)	2,956

Notes:

1. The classification of the business segments adopted is based on the Company segmentation which is determined by the similarity of each business.
2. The Companies' reportable operating segments consist of the following two business groups:
 EPC Business - Engineering, procurement and construction for chemical fertilizer and petrochemical plants, energy-related business, general manufacturing facilities and information technology.
 Real Estate - Rent and administration of real estate
3. All administrative department expenses of the Company and consolidated subsidiaries are allocated to the corresponding business segments.
4. ¥7,349 million of "corporate" assets is included in "Eliminations and Other", which chiefly consists of the Company's investment securities attributed to its administrative department.

Fiscal Year Ended March 31, 2004

	Millions of Yen				
	EPC Business	Real Estate	Total	Eliminations and Other	Consolidated
1. Net sales and operating income (loss)					
Net sales					
(1) Net sales to outside customers	168,155	2,373	170,529	-	170,529
(2) Inter-segment net sales	2	255	257	(257)	-
Total	168,157	2,629	170,786	(257)	170,529
Operating expenses	172,606	1,418	174,024	(237)	173,786
Operating income (loss)	(4,448)	1,210	(3,237)	(19)	(3,257)
2. Assets, depreciation and capital expenditures					
Assets	178,270	15,219	193,489	7,643	201,133
Depreciation	914	395	1,310	0	1,310
Capital expenditures	855	10	865	(0)	865

Notes:

1. The classification of the business segments adopted is based on the Company segmentation which is determined by the similarity of each business.
2. The Companies' reportable operating segments consist of the following two business groups:
 EPC Business - Engineering, procurement and construction for chemical fertilizer and petrochemical plants, energy-related business, general manufacturing facilities and information technology.
 Real Estate - Rent and administration of real estate
3. All administrative department expenses of the Company and consolidated subsidiaries are allocated to the corresponding business segments.
4. ¥7,643 million of "corporate" assets is included in "Eliminations and Other", which chiefly consists of the Company's investment securities attributed to its administrative department.

(2) Geographic Segments
Fiscal Year Ended March 31, 2005

	Millions of Yen				
	Japan	Others	Total	Eliminations and Other	Consolidated
1. Net sales and operating income					
Net sales					
(1) Net sales to outside customers	190,446	7,498	197,945	-	197,945
(2) Inter-segment net sales	83	15,801	15,885	(15,885)	-
Total	190,530	23,299	213,830	(15,885)	197,945
Operating expenses	186,207	22,942	209,150	(15,744)	193,405
Operating income	4,323	357	4,680	(140)	4,539
2. Assets	200,822	17,337	218,160	(8,596)	209,563

Notes:

- Countries included in "Others":
Korea, Malaysia, India, Luxembourg, U.S.A., China PR
- Net sales and assets included in "Eliminations and Other" are mainly due to inter-segment transactions.

Fiscal Year Ended March 31, 2004

	Millions of Yen				
	Japan	Others	Total	Eliminations and Other	Consolidated
1. Net sales and operating income (loss)					
Net sales					
(1) Net sales to outside customers	160,216	10,312	170,529	-	170,529
(2) Inter-segment net sales	96	23,718	23,814	(23,814)	-
Total	160,313	34,030	194,344	(23,814)	170,529
Operating expenses	163,629	34,012	197,642	(23,856)	173,786
Operating income (loss)	(3,316)	17	(3,298)	41	(3,257)
2. Assets	189,531	21,875	211,407	(10,274)	201,133

Notes:

- Countries included in "Others":
Korea, Malaysia, India, Luxembourg, U.S.A.
- Net sales and assets included in "Eliminations and Other" are mainly due to inter-segment transactions.

(3) Sales to Foreign Customers

Fiscal Year Ended March 31, 2005

	Millions of Yen					
	Southeast Asia	Southwest Asia and Africa	Russia and Central Asia	Central and South America	Others	Total
Overseas sales	26,585	44,150	39,647	8,689	24,370	143,444
Consolidated sales						197,945
Overseas sales ratio to consolidated sales	13.5%	22.3%	20.0%	4.4%	12.3%	72.5%

1. "Overseas sales" represents the aggregate sales by the Company and its consolidated subsidiaries to the customers in countries or regions other than Japan, excluding inter-company transactions.
2. (1) Geographic segmentation is according to geographic proximity.
 (2) Countries significantly representing each segment are:
 - Southeast Asia: Indonesia, Malaysia
 - Southwest Asia and Africa: India, Iran, Saudi Arabia
 - Russia and Central Asia: Russia
 - Central and South America: Brazil
 - Others: China PR, Korea, European countries

Fiscal Year Ended March 31, 2004

	Millions of Yen					
	Southeast Asia	Southwest Asia and Africa	Russia and Central Asia	Central and South America	Others	Total
Overseas sales	12,328	45,258	43,805	12,211	19,844	133,448
Consolidated sales						170,529
Overseas sales ratio to consolidated sales	7.2%	26.6%	25.7%	7.2%	11.6%	78.3%

1. "Overseas sales" represents the aggregate sales by the Company and its consolidated subsidiaries to the customers in countries or regions other than Japan, excluding inter-company transactions.
2. (1) Geographic segmentation is according to geographic proximity.
 (2) Countries significantly representing each segment are:
 - Southeast Asia: Indonesia, Singapore, Thailand, Malaysia
 - Southwest Asia and Africa: India, Egypt, Iran, Saudi Arabia
 - Russia and Central Asia: Russia, Azerbaidjan
 - Central and South America: Brazil
 - Others: U.S.A., China PR, Korea, European countries

Production, Orders and Net Sales

(1) New Orders and Backlog of Contracts

New orders and backlog of contracts classified by the business segments follow:

	Millions of Yen			
	Apr. 1, 2004-Mar. 31, 2005		Apr. 1, 2003-Mar. 31, 2004	
	New Orders	Backlog	New Orders	Backlog
EPC Business	192,599	337,760	241,528	350,574
Real Estate	-	-	-	-
Total	192,599	337,760	241,528	350,574

(2) Net Sales

Sales classified by the business segments follow:

	Millions of Yen	
	Apr. 1, 2004-Mar. 31, 2005	Apr. 1, 2003-Mar. 31, 2004
EPC Business	195,654	168,155
Real Estate	2,290	2,373
Total	197,945	170,529

Notes:

1. Status of production is unlisted because of difficulty in defining production results for the TEC Group.
2. Inter-segment transactions are eliminated.
3. Amounts are rounded down to the nearest million yen and exclude Consumption Tax of Japan.

Nonconsolidated Financial Statements [Summary]

For the Fiscal Year Ended March 31, 2005

May 13, 2005



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

President and Chief Executive Officer, Yutaka Yamada

Contacts: Hideaki Kinoshita, General Manager of Accounting Div.

TEL +81-47-454-1521

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 the fiscal year ended March 31, 2005

(1) Nonconsolidated financial results

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

	Net sales		Operating income (loss)		Ordinary income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Apr. 1, 2004 - Mar. 31, 2005	175,641	22.9	3,214	-	3,014	-
Apr. 1, 2003 - Mar. 31, 2004	142,902	(4.3)	(4,781)	-	(4,571)	-

	Net income (loss)		Net income (loss) per share	Net income (loss) per share (diluted)	Return on equity	Ordinary income (loss) to total assets	Ordinary income (loss) to net sales
	Millions of yen	%	Yen	Yen	%	%	%
Apr. 1, 2004 - Mar. 31, 2005	3,110	-	17.73	-	8.5	1.7	1.7
Apr. 1, 2003 - Mar. 31, 2004	(6,455)	-	(36.78)	-	(17.3)	(2.6)	(3.2)

Notes:

1) Average number of outstanding shares (nonconsolidated):

Apr. 1, 2004-Mar. 31, 2005 : 175,448,961 / Apr. 1, 2003-Mar. 31, 2004 : 175,500,282

2) Change in accounting methods: **none**

3) Percentages for net sales, operating income (loss), ordinary income (loss) and net income (loss) indicate changes from those of the previous year.

(2) Dividends

	Annual dividends per share			Total dividends (annual)	Payout ratio	Dividends/ shareholders' equity
	Interim	Year-end				
	Yen	Yen	Yen	Millions of yen	%	%
Apr. 1, 2004 - Mar. 31, 2005	3.00	0.00	3.00	526	16.9	1.4
Apr. 1, 2003 - Mar. 31, 2004	0.00	0.00	0.00	0	0.0	0.0

(3) Nonconsolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2005	187,682	38,057	20.3	216.97
Mar. 31, 2004	175,624	35,067	20.0	199.84

Notes:

1) Number of outstanding shares at end of year (nonconsolidated):

Mar. 31, 2005: 175,401,017 / Mar. 31, 2004 : 175,480,492

2) Number of treasury stocks at end of year:

Mar. 31, 2005 : 291,522 / Mar. 31, 2004 : 212,047

2. Forecast for fiscal 2005 (April 1, 2005-March 31, 2006)

	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
Apr.-Sep., 2005	65,000	500	0	0.00	-	-
Apr. 1, 2005-Mar. 31, 2006	180,000	3,000	3,000	-	3.00	3.00

Reference: Estimated earnings per share (fiscal 2005) **¥17.10**

* Note: The forecast 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.

Nonconsolidated Balance Sheets

	Mar. 31, 2005		Mar. 31, 2004		Increase (decrease)
	Millions of yen	%	Millions of yen	%	
[ASSETS]					
I Current assets					
1. Cash and deposits	39,727		38,656		1,070
2. Notes receivable	152		43		109
3. Accounts receivable	32,841		30,132		2,708
4. Contract work in progress	60,206		56,087		4,119
5. Short-term loans	3,168		1,412		1,755
6. Deferred tax assets	1,507		688		819
7. Other receivables	8,475		3,118		5,357
8. Other current assets	1,764		1,560		203
9. Less: Allowance for doubtful receivables	(3,392)		(1,611)		(1,780)
Total current assets	144,451	77.0	130,088	74.1	14,363
II Fixed assets					
1. Property, plant and equipment					
(1) Buildings and structures	6,200		6,608		(408)
(2) Machinery and vehicles	38		106		(67)
(3) Tools, furniture and fixtures	167		191		(23)
(4) Land	13,494		13,494		-
	19,901	10.6	20,401	11.6	(499)
2. Intangible assets	737	0.4	591	0.3	145
3. Investments and others					
(1) Investment securities	8,734		9,065		(330)
(2) Investment in subsidiaries	10,124		9,733		390
(3) Long-term loans	1,437		3,287		(1,849)
(4) Long-term receivables	2,889		2,878		11
(5) Long-term deferred tax assets	1,029		1,471		(441)
(6) Long-term prepaid expenses	16		25		(9)
(7) Other investments and assets	2,003		1,975		27
4. Less: Allowance for doubtful receivables	(3,642)		(3,892)		249
Total investments and others	22,592	12.0	24,544	14.0	(1,952)
Total fixed assets	43,230	23.0	45,536	25.9	(2,305)
Total assets	187,682	100.0	175,624	100.0	12,057
[LIABILITIES]					
I Current liabilities					
1. Notes payable	875		1,646		(770)
2. Accounts payable	29,932		27,991		1,940
3. Short-term bank loans	14,009		22,604		(8,594)
4. Income taxes payable	61		192		(131)
5. Advance receipts on uncompleted contracts	68,622		52,820		15,802
6. Deposits received	9,459		6,000		3,458
7. Reserve for bonuses	164		172		(8)
8. Reserve for compensation for completed works	139		64		74
9. Reserve for anticipated loss on contract work	1,627		468		1,159
10. Other current liabilities	1,517		1,667		(149)
Total current liabilities	126,411	67.3	113,628	64.7	12,783
II Long-term liabilities					
1. Corporate bonds	3,000		1,000		2,000
2. Long-term debt	17,946		23,508		(5,561)
3. Reserve for retirement benefits	2,050		2,064		(13)
4. Reserve for directors' retirement allowances	150		312		(161)
5. Reserve for repairs for real properties for rent	59		39		19
6. Other long-term liabilities	6		4		1
Total long-term liabilities	23,213	12.4	26,929	15.3	(3,715)
Total liabilities	149,624	79.7	140,557	80.0	9,067
[SHAREHOLDERS' EQUITY]					
I Common stock					
	13,017	6.9	13,017	7.4	-
II Additional paid-in capital					
	15,593	8.3	15,593	8.9	0
III Retained earnings					
1. Voluntary reserve	4,232		9,843		(5,611)
2. Unappropriated retained earnings	4,154		-		4,154
Unappropriated accumulated deficit	-		4,567		(4,567)
Total retained earnings	8,387	4.5	5,276	3.0	3,110
IV Net unrealized gain on securities					
	1,117	0.6	1,215	0.7	(98)
V Treasury stock					
	(58)	(0.0)	(35)	(0.0)	(23)
Total shareholders' equity	38,057	20.3	35,067	20.0	2,989
Total liabilities and shareholders' equity	187,682	100.0	175,624	100.0	12,057

Nonconsolidated Statements of Income

	Apr., 2004-Mar., 2005		Apr., 2003-Mar., 2004		Increase (decrease)
	Millions of yen	%	Millions of yen	%	
I Net sales	175,641	100.0	142,902	100.0	32,738
II Cost of sales	163,937	93.3	140,594	98.4	(23,343)
Gross profit	11,703	6.7	2,308	1.6	9,395
III Selling, general and administrative expenses	8,489	4.9	7,089	5.0	(1,400)
Operating income	3,214	1.8	-	-	3,214
Operating loss	-	-	4,781	3.4	4,781
IV Non-operating income					
1. Interest and dividends	1,267		1,810		(543)
2. Other non-operating income	98		104		(6)
Total non-operating income	1,365	0.8	1,915	1.3	(550)
V Non-operating expenses					
1. Interest expense	1,030		1,319		288
2. Other non-operating expenses	534		386		(147)
Total non-operating expenses	1,564	0.9	1,705	1.2	140
Ordinary income	3,014	1.7	-	-	3,014
Ordinary loss	-	-	4,571	3.3	4,571
VI Extraordinary gain					
1. Gain on sales of investment securities			378		(378)
2. Gain on reversal of prior service liability of retirement	247				247
Total extraordinary gain	247	0.1	378	0.3	(130)
VII Extraordinary loss					
1. Loss on prior-period adjustment	157		117		(39)
2. Loss on retirement of property, plant and equipment	100				(100)
3. Loss on valuation of investment securities	130		468		338
4. Loss on liquidation of nonconsolidated subsidiaries			17		17
5. Loss on financial support to subsidiaries	125				(125)
Total extraordinary loss	512	0.2	603	0.4	90
Income before income tax	2,749	1.6	-	-	2,749
Loss before income taxes	-	-	4,796	3.4	4,796
Income taxes current	(23)	(0.0)	192	0.1	215
Income taxes deferred	(338)	(0.2)	1,465	1.0	1,804
Net income	3,110	1.8	-	-	3,110
Net loss	-	-	6,455	4.5	6,455
Earnings brought forward from previous year	1,043		116		927
Reversal of legal reserve			1,771		(1,771)
Unappropriated earnings carried forward to the following year	4,154				4,154
Unappropriated deficit carried forward to the following year			4,567		4,567

New Orders, Net Sales and Backlog of Contracts

(Millions of yen)

		Backlog Beginning of year	New Orders	Total	Net sales	Backlog End of year	
Apr., 2004 - Mar., 2005	Overseas	Chemical fertilizers	42,502	17,766	60,268	31,327	28,687
		Petrochemicals	45,211	18,956	64,168	34,739	27,507
		Refinery	15,601	393	15,995	9,092	6,701
		Energy-related	193,082	64,398	257,481	55,672	197,008
		General manufacturing facilities	4,537	4,343	8,881	4,090	4,749
		Information technology	73	-	73	72	0
		Others	878	1,477	2,355	1,017	946
		Subtotal	301,887	107,335	409,222	136,013	265,600
	Domestic	Petrochemicals	15,989	17,378	33,368	15,700	17,619
		Refinery	4,468	2,416	6,884	4,787	2,079
		Energy-related	7,440	18,304	25,745	2,724	23,000
		General manufacturing facilities	7,985	5,165	13,151	11,461	1,687
		Information technology	937	10,076	11,014	4,087	6,724
		Others	56	322	379	299	69
Subtotal		36,879	53,663	90,543	39,060	51,182	
Grand total		*(22,051)	160,999	499,765	175,074	*(12,549)	
Apr., 2003 - Mar., 2004	Overseas	Chemical fertilizers	58,283	300	58,583	15,825	42,502
		Petrochemicals	79,051	29,376	108,428	44,432	45,211
		Refinery	37,135	36	37,172	20,912	15,601
		Energy-related	90,505	150,674	241,180	38,669	193,082
		General manufacturing facilities	2,867	3,656	6,524	1,797	4,537
		Information technology	-	96	96	22	73
		Others	741	1,584	2,325	1,442	878
		Subtotal	268,585	185,725	454,311	123,102	301,887
	Domestic	Petrochemicals	2,654	17,138	19,793	3,801	15,989
		Refinery	4,334	764	5,099	590	4,468
		Energy-related	10,717	5,169	15,886	7,910	7,440
		General manufacturing facilities	6,730	4,266	10,997	3,011	7,985
		Information technology	1,469	3,105	4,575	3,635	937
		Others	99	228	327	280	56
Subtotal		26,006	30,672	56,679	19,231	36,879	
Grand total		*(2,004)	216,398	510,990	142,333	*(22,051)	

Notes:

1. Amounts are rounded down to the nearest million yen and exclude Consumption Tax of Japan.
2. Sales figures include effects of change in exchange rates upon the orders in currencies other than the Japanese Yen. Such effects are (¥5,213) million for Apr., 2004-Mar., 2005 and (¥7,875) million for Apr., 2003-Mar., 2004.
3. Decreased prices of orders awarded in prior years are deducted from the "backlog, end of year". The deducted amounts are ¥2,695 million for Apr., 2004-Mar., 2005 and ¥22,015 million for Apr., 2003-Mar., 2004.
4. Asterisks (*) represent increase (decrease) due to changes in exchange rates.
5. Differences between the net sales above and those of the nonconsolidated income statements are sales in Real Estate business segment (nonconsolidated basis), which amount to ¥567 million for Apr., 2004-Mar., 2005 and ¥569 million for Apr., 2003-Mar., 2004.