

Consolidated Financial Results for the First Quarter ended June 30, 2007

(for the fiscal year ending March 31, 2008)

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

Representative : Yutaka Yamada, President and Chief Executive Officer

Contacts : Kensuke Waki, 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. Financial Results for the first quarter of fiscal year 2007 (April 1, 2007 - June 30, 2007)

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

(1) Consolidated operating results (% of changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Apr. 1, 2007 - Jun. 30, 2007	76,750	167.0	1,971	-	2,405	-	1,156	-
Apr. 1, 2006 - Jun. 30, 2006	28,747	(21.7)	(796)	-	(528)	-	(536)	-
Apr. 1, 2006 - Mar. 31, 2007	223,843		6,889		7,212		5,293	

	Net income per share	Net income per share (diluted)
	Yen	Yen
Apr. 1, 2007 - Jun. 30, 2007	6.01	-
Apr. 1, 2006 - Jun. 30, 2006	(2.92)	-
Apr. 1, 2006 - Mar. 31, 2007	27.90	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
Apr. 1, 2007 - Jun. 30, 2007	282,516	52,669	17.7	260.68
Apr. 1, 2006 - Jun. 30, 2006	224,376	43,987	18.7	218.28
Apr. 1, 2006 - Mar. 31, 2007	282,814	51,559	17.4	255.50

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, end of the term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Apr. 1, 2007 - Jun. 30, 2007	11,863	(1,452)	(5,604)	80,691
Apr. 1, 2006 - Jun. 30, 2006	7,600	(2,934)	6,823	39,804
Apr. 1, 2006 - Mar. 31, 2007	50,980	(5,443)	1,461	75,655

2. Other information

- (1) Significant changes in scope of consolidation : No
 (2) Adoption of simplified accounting methods : Yes
 (3) Changes in accounting methodology from the previous fiscal year : No

3. Consolidated Quarterly Financial Statements (Summary)

(1) Consolidated Quarterly Balance Sheets (Summary)

(Millions of yen, %)

	June 30,2006	June 30,2007	Increase (Decrease)		(Ref.) March 31,2007
	Amount	Amount	Amount	% change	Amount
[ASSETS]					
I Current assets					
1. Cash and deposits	37,299	43,333	6,033		43,224
2. Notes and accounts receivable	23,255	22,410	(845)		31,823
3. Marketable securities	3,997	37,968	33,970		32,976
4. Contract work in progress	87,290	90,298	3,008		92,123
5. Other current assets	19,212	32,341	13,128		27,153
Total current assets	171,056	226,352	55,295	32.3	227,300
II Fixed assets					
1. Property, plant and equipment	35,554	36,976	1,422		36,973
2. Intangible assets	1,981	1,937	(43)		1,943
3. Investments and other assets	15,784	17,250	1,465		16,596
Total fixed assets	53,320	56,164	2,844	5.3	55,513
Total assets	224,376	282,516	58,140	25.9	282,814
[LIABILITIES]					
I Current liabilities					
1. Notes and accounts payable	23,473	31,059	7,585		38,006
2. Short-term borrowings	26,225	8,032	(18,193)		10,116
3. Bonds due within one year	3,000	—	(3,000)		2,000
4. Advance receipts on uncompleted contracts	97,277	140,885	43,607		134,510
5. Other current liabilities	9,742	17,775	8,032		13,862
Total current liabilities	159,719	197,751	38,032	23.8	198,495
II Long-term liabilities					
1. Corporate bonds	—	1,000	1,000		1,000
2. Long-term borrowings	15,171	25,123	9,952		25,980
3. Other long-term liabilities	5,498	5,971	473		5,778
Total long-term liabilities	20,670	32,095	11,425	55.3	32,759
Total liabilities	180,389	229,847	49,457	27.4	231,255
[NET ASSETS]					
I Shareholders' Equity					
1. Common stock	18,198	18,198	—		18,198
2. Capital surplus	20,760	20,760	0		20,760
3. Retained earnings	1,153	7,562	6,409		6,983
4. Treasury stock	(125)	(170)	(45)		(158)
Total shareholders' equity	39,986	46,351	6,365	15.9	45,784
II Valuation and Translation Adjustments					
1. Net unrealized gain on securities	2,427	3,461	1,034		3,323
2. Deferred hedge loss	(256)	(448)	(192)		(219)
3. Foreign currency translation adjustments	(165)	765	930		249
Total valuation and translation adjustments	2,005	3,778	1,773	88.4	3,353
III Minority Interest	1,995	2,539	543	27.3	2,421
Total net assets	43,987	52,669	8,682	19.7	51,559
Total liabilities and net assets	224,376	282,516	58,140	25.9	282,814

(2) Consolidated Quarterly Statements of Income (Summary)

(Millions of yen, %)

	April 1, 2006- June 30, 2006	April 1, 2007- June 30, 2007	Increase/Decrease		(Ref.) April 1, 2006- March 31, 2007
	Amount	Amount	Amount	% change	Amount
I Net sales	28,747	76,750	48,002	167.0	223,843
II Cost of sales	26,409	69,888	(43,478)		201,608
Gross profit	2,338	6,861	4,523	193.4	22,235
III Selling, general and administrative expenses	3,134	4,890	(1,755)		15,345
Operating income	(796)	1,971	2,767	—	6,889
IV Non-operating income	605	929	324		2,233
V Non-operating expenses	337	495	(158)		1,910
Ordinary income	(528)	2,405	2,933	—	7,212
VI Extraordinary gain	—	—	—		457
VII Extraordinary loss	—	—	—		297
Income before income taxes and minority interest	(528)	2,405	2,933	—	7,372
Income taxes	106	1,208	(1,102)		1,788
Minority interest income	(98)	40	(138)		290
Net income	(536)	1,156	1,692	—	5,293

(3) Consolidated Quarterly Statements of Cash Flows (Summary)

(Millions of yen)

	April 1, 2006- June 30, 2006	April 1, 2007- June 30, 2007	(Ref.) April 1, 2006- March 31, 2007
	Amount	Amount	Amount
I Cash flows from operating activities			
Income before income taxes and minority interest	(528)	2,405	7,372
(Increase) decrease in notes and accounts receivable	5,920	10,308	(2,370)
(Increase) decrease in contract work in progress	(13,392)	3,194	(17,855)
Increase (decrease) in notes and accounts payable	804	(7,288)	15,158
Increase (decrease) in advance receipts on uncompleted contracts	14,620	4,386	51,594
All other operating activities	176	(1,141)	(2,918)
Cash from operating activities	7,600	11,863	50,980
II Cash flows from investing activities	(2,934)	(1,452)	(5,443)
III Cash flows from financing activities	6,823	(5,604)	1,461
IV Effect of exchange rate changes on cash and cash equivalents	8	229	352
V Net increase (decrease) in cash and cash equivalents	11,499	5,035	47,350
VI Cash and cash equivalents, beginning of the term	28,305	75,655	28,305
VII Cash and cash equivalents, end of the term	39,804	80,691	75,655

(4) Consolidated New Orders (Summary)

(Millions of yen)

	April 1, 2006- June 30, 2006	April 1, 2007- June 30, 2007	(Ref.) April 1, 2006- March 31, 2007
	Amount	Amount	Amount
Business Segments			
EPC Business	74,279	127,106	354,983
Real Estate	—	—	—
Total	74,279	127,106	354,983

(5) Consolidated Statements of Changes in Net Assets

From April 1, 2007 through June 30, 2007

	Shareholders' equity				Total shareholders' equity	Valuation and translation adjustments			Total valuation and translation	Minority interest	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock		Net unrealized gain on securities	Deferred hedge loss	Foreign currency translation adjustments			
Balance at March 31, 2007 (Millions of yen)	18,198	20,760	6,983	(158)	45,784	3,323	(219)	249	3,353	2,421	51,559
Changes in the current period											
Dividends paid to shareholders*			(576)		(576)				—		(576)
Net income			1,156		1,156				—		1,156
Purchase of treasury stock				(12)	(12)				—		(12)
Sale of treasury stock		0		0	0				—		0
Changes of items other than shareholders' equity, net					—	138	(229)	515	425	117	542
Total changes in the current period (Millions of yen)		0	579	(12)	567	138	(229)	515	425	117	1,110
Balance at June 30, 2007 (Millions of yen)	18,198	20,760	7,562	(170)	46,351	3,461	(448)	765	3,778	2,539	52,669

*This item was resolved at the shareholder's meeting in June 2007.