

Consolidated Financial Results for the Third Quarter ended December 31, 2007

(for the fiscal year ending March 31, 2008)

L TOYO ENGINEERING CORPORATION(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. Financial Results for the third quarter of fiscal year 2007 (April 1, 2007 - December 31, 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 - Dec. 31, 2007	215,625	57.0	7,234	194.2	8,895	195.6	4,449	58.0
Apr. 1, 2006 - Dec. 31, 2006	137,357	(4.9)	2,459	0.4	3,009	27.9	2,816	19.2
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	Yen	Yen
Apr. 1, 2007 - Dec. 31, 2007	23.14	-	-	-
Apr. 1, 2006 - Dec. 31, 2006	14.91	-	-	-
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 - Dec. 31, 2007	281,528	54,845	18.6	271.83
Apr. 1, 2006 - Dec. 31, 2006	277,642	48,284	16.6	239.49
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 - Dec. 31, 2007	16,304	(5,322)	(7,074)	79,610
Apr. 1, 2006 - Dec. 31, 2006	35,868	(17,262)	4,162	51,432
Apr. 1, 2006 - Mar. 31, 2007	50,980	(5,443)	1,461	75,655

(4) Forecast of consolidated operating result for FY 2007 (April 1, 2007-March 31, 2008)

(% of changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Yearly	350,000	56.4	12,500	81.4	13,000	80.2	7,500	41.7	39.01	

2. Other information Significant changes in scope of consolidation : No

3. Consolidated Quarterly Financial Statements (Summary)

(1) Consolidated Quarterly Balance Sheets (Summary)

(Millions of yen, %)

	December 31,2006	December 31,2007	Increase (Decrease)		(Ref.) March 31,2007
	Amount	Amount	Amount	% change	Amount
[ASSETS]					
I Current assets					
1. Cash and deposits	43,021	39,407	(3,614)		43,224
2. Notes and accounts receivable	26,166	27,375	1,208		31,823
3. Marketable securities	19,987	40,969	20,982		32,976
4. Contract work in progress	102,510	79,387	(23,123)		92,123
5. Other current assets	30,603	37,399	6,795		27,153
Total current assets	222,289	224,538	2,248	1.0	227,300
II Fixed assets					
1. Property, plant and equipment	37,223	37,879	656		36,973
2. Intangible assets	1,948	1,915	(32)		1,943
3. Investments and other assets	16,181	17,194	1,013		16,596
Total fixed assets	55,352	56,990	1,637	3.0	55,513
Total assets	277,642	281,528	3,885	1.4	282,814
[LIABILITIES]					
I Current liabilities					
1. Notes and accounts payable	32,288	35,917	3,629		38,006
2. Short-term borrowings	22,293	10,674	(11,618)		10,116
3. Bonds due within one year	3,000	-	(3,000)		2,000
4. Advance receipts on uncompleted contracts	135,556	134,878	(677)		134,510
5. Other current liabilities	14,123	13,973	(149)		13,862
Total current liabilities	207,261	195,445	(11,816)	(5.7)	198,495
II Long-term liabilities					
1. Corporate bonds	-	1,000	1,000		1,000
2. Long-term borrowings	16,428	21,543	5,114		25,980
3. Other long-term liabilities	5,667	8,694	3,027		5,778
Total long-term liabilities	22,095	31,237	9,141	41.4	32,759
Total liabilities	229,357	226,682	(2,674)	(1.2)	231,255
[NET ASSETS]					
I Shareholders' equity					
1. Common stock	18,198	18,198	-		18,198
2. Capital surplus	20,760	20,761	0		20,760
3. Retained earnings	4,505	10,855	6,349		6,983
4. Treasury stock	(145)	(212)	(66)		(158)
Total shareholders' equity	43,320	49,603	6,283	14.5	45,784
II Valuation and translation adjustments					
1. Net unrealized gain on securities	2,778	2,094	(683)		3,323
2. Deferred hedge loss	(290)	(75)	214		(219)
3. Foreign currency translation adjustments	256	635	379		249
Total valuation and translation adjustments	2,743	2,654	(89)	(3.3)	3,353
III Minority interest	2,221	2,587	366	16.5	2,421
Total net assets	48,284	54,845	6,560	13.6	51,559
Total liabilities and net assets	277,642	281,528	3,885	1.4	282,814

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(2) Consolidated Quarterly Statements of Income (Summary)

(Millions of yen, %)

	April 1, 2006- December 31, 2006	April 1, 2007- December 31, 2007	Increase/Decrease		(Ref.) April 1, 2006- March 31, 2007
	Amount	Amount	Amount	% change	Amount
I Net sales	137,357	215,625	78,268	57.0	223,843
II Cost of sales	124,748	192,898	(68,150)		201,608
Gross profit	12,608	22,726	10,118	80.2	22,235
III Selling, general and administrative expenses	10,149	15,492	(5,342)		15,345
Operating income	2,459	7,234	4,775	194.2	6,889
IV Non-operating income	1,733	2,508	775		2,233
V Non-operating expenses	1,183	848	335		1,910
Ordinary income	3,009	8,895	5,885	195.6	7,212
VI Extraordinary gain	402	26	(375)		457
VII Extraordinary loss	73	831	(757)		297
Income before income taxes and minority interest	3,338	8,090	4,752	142.4	7,372
Income taxes	445	3,444	(2,998)		1,788
Minority interest income	75	197	(121)		290
Net income	2,816	4,449	1,632	58.0	5,293

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

(Millions of yen)

	April 1, 2006- December 31, 2006	April 1, 2007- December 31, 2007	(Ref.) April 1, 2006- March 31, 2007
	Amount	Amount	Amount
I Cash flows from operating activities			
Income before income taxes and minority interest	3,338	8,090	7,372
(Increase) decrease in notes and accounts receivable	3,293	4,853	(2,370)
(Increase) decrease in contract work in progress	(28,220)	13,367	(17,855)
Increase (decrease) in notes and accounts payable	9,437	(2,235)	15,158
Increase (decrease) in advance receipts on uncompleted contracts	52,813	(590)	51,594
All other operating activities	(4,793)	(7,181)	(2,918)
Cash flows operating activities	35,868	16,304	50,980
II Cash flows from investing activities	(17,262)	(5,322)	(5,443)
III Cash flows from financing activities	4,162	(7,074)	1,461
IV Effect of exchange rate changes on cash and cash equivalents	358	47	352
V Net increase (decrease) in cash and cash equivalents	23,126	3,954	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	51,432	79,610	75,655

(4) Consolidated New Orders (Summary)

(Millions of yen)

	April 1, 2006- December 31, 2006	April 1, 2007- December 31, 2007	(Ref.) April 1, 2006- March 31, 2007
	Amount	Amount	Amount
Business Segments			
EPC Business	257,234	207,587	354,983
Real Estate	-	-	-
Total	257,234	207,587	354,983

(5) Consolidated Statements of Changes in Net Assets

From April 1, 2007 through December 31, 2007

	Shareholders' equity				Total shareholders' equity	Valuation and translation adjustments				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	Total valuation and translation		
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			4,449		4,449				-		4,449
Purchase of treasury stock				(54)	(54)				-		(54)
Sale of treasury stock		0		0	1				-		1
Changes of items other than shareholders' equity, net					-	(1,229)	143	386	(699)	166	(533)
Total changes in the current period (Millions of yen)	-	0	3,872	(53)	3,819	(1,229)	143	386	(699)	166	3,286
Balance at December 31, 2007 (Millions of yen)	18,198	20,761	10,855	(212)	49,603	2,094	(75)	635	2,654	2,587	54,845