

Consolidated Financial Results for the Second Quarter ended September 30, 2008

For the Fiscal Year Ending March 31, 2009

November 12, 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. Business results for the second quarter of fiscal year 2008(April 1, 2008 - September 30, 2008)

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, 2008 - Sep. 30, 2008	179,317	-	6,869	-	7,916	-	3,806	-
Apr. 1, 2007 - Sep. 30, 2007	166,604	108.7	4,115	734.3	5,120	726.2	2,536	847.2

	Net income per share	Net income per share (diluted)
	Yen	Yen
Apr. 1, 2008 - Sep. 30, 2008	19.81	-
Apr. 1, 2007 - Sep. 30, 2007	13.19	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
As of Sep.30, 2008	242,144	59,111	23.3	293.52
As of Mar.31, 2008	280,138	57,331	19.5	283.98

(Reference) Equity at end of term (millions of yen):

Sep. 30, 2008: 56,389 Mar. 31, 2008: 54,591

2. Dividends

	Cash dividends per share				
	at first quarter end	at second quarter end	at third quarter end	at fiscal year end	Annual
FY2007	- Yen	0.00 Yen	- Yen	6.00 Yen	6.00 Yen
FY2008	-	3.00			7.00
FY2008 (Forecast)			-	4.00	

3. Forecast of consolidated operating results for FY2008

(% of changes from the corresponding periods of the previous 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
Apr.1, 2008-Mar.31,2009	330,000	0.8	15,000	9.2	16,500	3.1	8,500	5.9	44.24

4. Others

Number of shares issued

Number of shares issued at end of term (including treasury stocks)

Sep. 30, 2008: 192,792,539

Mar. 31, 2008: 192,792,539

Number of treasury stocks at end of term

Sep. 30, 2008: 674,937

Mar. 31, 2008: 553,293

Average number of stock outstanding during the period: Second quarter FY2008 and FY2007

Apr. 1, 2008 - Sep. 30, 2008 : 192,189,864

Apr. 1, 2007 - Sep. 30, 2007: 192,291,515

Notes:

*1 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.

*2 Effective from the fiscal year ending March 2009, the "Accounting Standard for Quarterly Financial Reporting "(ASBJ Statement No.12) and its Implementation Guidance, "Guidance on Accounting Standard for Quarterly Financial Reporting"(ASBJ Guidance No.14) have been applied. Quarterly consolidated financial statements have been prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting".

Consolidated Balance Sheets

	September 30, 2008		March 31, 2008	
	Millions of yen		Millions of yen	
	[ASSETS]			
I Current assets				
1 Cash and deposits		34,922		34,311
2 Notes and accounts receivable		34,191		36,312
3 Marketable securities		38,971		52,965
4 Work in progress		45,411		65,025
5 Deferred tax assets		3,741		3,772
6 Other receivables		27,520		28,326
7 Other		15,073		14,394
Less: Allowance for doubtful accounts		(11,792)		(8,813)
Total current assets		188,040		226,295
II Fixed assets				
(1) Property, plant and equipment				
1 Buildings and structures		29,833		31,696
2 Machinery, vehicles, tools, furniture and fixtures		3,904		4,066
3 Land		17,679		17,799
4 Leased assets		2,145		2,048
5 Construction in progress		16		23
6 Less: Accumulated depreciation		(17,843)		(18,692)
Total property, plant and equipment		35,735		36,941
(2) Intangible assets		2,022		1,950
(3) Investments and other assets				
1 Investment securities		11,313		9,617
2 Long-term loans		126		149
3 Long-term receivables		-		295
4 Deferred tax assets		514		364
5 Other		5,110		5,257
Less: Allowance for doubtful accounts		(718)		(734)
Total investments and other assets		16,345		14,951
Total fixed assets		54,104		53,843
Total assets		242,144		280,138
	[LIABILITIES]			
I Current liabilities				
1 Notes and accounts payable		40,303		42,276
2 Short-term loans payable		5,217		9,232
3 Income taxes payable		1,615		3,383
4 Advance receipts on uncompleted contracts		90,018		126,125
5 Reserve for bonuses		1,047		826
6 Reserve for compensation for completed works		854		1,079
7 Reserve for anticipated loss on contract work		1,553		683
8 Other		11,861		8,177
Total current liabilities		152,471		191,784
II Long-term liabilities				
1 Bonds payable		1,000		1,000
2 Long-term loans payable		20,851		21,038
3 Lease obligations		2,489		2,709
4 Deferred tax liabilities		35		85
5 Reserve for retirement benefits		3,478		3,243
6 Reserve for repairs		469		371
7 Other		2,238		2,575
Total long-term liabilities		30,561		31,023
Total liabilities		183,033		222,807
	[NET ASSETS]			
I Shareholders' Equity				
1 Capital stock		18,198		18,198
2 Capital surplus		20,765		20,761
3 Retained earnings		17,476		14,435
4 Treasury stock		(300)		(214)
Total shareholders' equity		56,140		53,181
II Valuation and Translation Adjustments				
1 Net unrealized gain on securities		984		1,248
2 Deferred gains or losses on hedges		(31)		(1)
3 Foreign currency translation adjustments		(704)		162
Total valuation and translation adjustments		249		1,409
III Minority Interests		2,722		2,739
Total net assets		59,111		57,331
Total liabilities and net assets		242,144		280,138

Consolidated Statements of Income

		April 1, 2008-September 30, 2008	
		Millions of yen	
I	Net sales		179,317
II	Cost of sales		160,739
	Gross profit		18,578
III	Selling, general and administrative expenses		11,708
	Operating income		6,869
IV	Non-operating income		
	1 Interest income	1,292	
	2 Dividends income	102	
	3 Equity in earnings of affiliates	220	
	4 Other	44	1,660
V	Non-operating expenses		
	1 Interest expenses	388	
	2 Foreign exchange losses	179	
	3 Other	44	613
	Ordinary income		7,916
VI	Extraordinary gain		
	1 Gain on sales of fixed assets	198	198
VII	Extraordinary loss		
	1 Loss on sales of investment securities	8	
	2 Loss on valuation of investment securities	1,277	1,285
	Income before income taxes and minority interests		6,829
	Income taxes		2,822
	Minority interests in income		200
	Net income		3,806

Consolidated Statements of Cash Flows

		April 1, 2008- September 30, 2008
		Millions of yen
I	Cash flows from operating activities	
	1 Income before income taxes and minority interests	6,829
	2 Depreciation and amortization	1,169
	3 Changes in allowance for doubtful accounts	2,971
	4 Changes in accrued retirement benefits	288
	5 Changes in allowance for anticipated loss on contract work	869
	6 Interest and dividends income	(1,395)
	7 Interest expenses	388
	8 Foreign exchange losses (gains)	15
	9 Equity in earnings of affiliated companies	(220)
	10 Gain on sales of property, plant and equipment	(198)
	11 Loss on valuation of investment securities	1,277
	12 (Increase) decrease in notes and accounts receivable	1,099
	13 (Increase) decrease in work in progress	18,842
	14 (Increase) decrease in other receivables	789
	15 Increase (decrease) in notes and accounts payable	(1,374)
	16 Increase (decrease) in advance receipts on uncompleted contracts	(34,842)
	17 Other, net	4,052
	subtotal	561
	18 Interest and dividends received	1,760
	19 Interest paid	(400)
	20 Income taxes paid	(4,814)
	Cash used for operating activities	(2,891)
II	Cash flows from investing activities	
	1 Payments into time deposit	(1,118)
	2 Proceeds from withdrawal of time deposits	350
	3 Purchases of property, plant and equipment	(231)
	4 Proceeds from sales of property, plant and equipment	773
	5 Purchases of intangible assets	(432)
	6 Purchases of investment securities	(2,662)
	7 Proceeds from sales of investment securities	48
	8 Payments of short-term loans	(846)
	9 Proceeds from collection of short-term loans	311
	10 Other, net	254
	Cash used for investing activities	(3,551)
III	Cash flows from financing activities	
	1 Increase (decrease) in short-term loans payable, net	(416)
	2 Proceeds from long-term loans payable	700
	3 Repayment of long-term loans payable	(4,483)
	4 Repayment of lease obligations	(322)
	5 Cash dividends paid	(1,153)
	6 Other, net	(141)
	Cash used for financing activities	(5,816)
IV	Effect of exchange rate changes on cash and cash equivalents	(567)
V	Net increase (decrease) in cash and cash equivalents	(12,828)
VI	Cash and cash equivalents, beginning of the year	86,532
VII	Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(1,262)
VIII	Cash and cash equivalents, end of the term	72,442

Segment Information

(1) Business Segments

April 1, 2008 - September 30, 2008

	Millions of yen				
	EPC Business	Real Estate	Total	Eliminations and Other	Consolidated
I Net sales and operating income					
Net sales					
(1) Net sales to outside customers	177,356	1,960	179,317	-	179,317
(2) Inter-segment net sales	3	133	136	(136)	-
Total	177,359	2,093	179,453	(136)	179,317
Operating income	6,109	756	6,865	3	6,869

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 and refinery plants, energy-related business, general manufacturing facilities and information technology.
 Real Estate - Rent and administration of real estate.

(2) Geographic Segments

April 1, 2008 - September 30, 2008

	Millions of yen				
	Japan	Others	Total	Eliminations and Other	Consolidated
I Net sales and operating income					
Net sales					
(1) Net sales to outside customers	169,108	10,209	179,317	-	179,317
(2) Inter-segment net sales	308	9,661	9,970	(9,970)	-
Total	169,416	19,870	189,287	(9,970)	179,317
Operating income	5,792	1,032	6,824	44	6,869

Notes:

1. Geographic segmentation is according to geographic proximity.
2. Countries included in "Others":
 Korea, Malaysia, India, Luxembourg, U.S.A., China PR

(3) Sales to Foreign Customers

April 1, 2008 - September 30, 2008

	Millions of yen					
	Southeast Asia	Southwest Asia and Africa	Russia and Central Asia	Central and South America	Others	Total
I Overseas sales	30,421	36,710	8,236	64,144	5,925	145,438
II Consolidated sales						179,317
III Overseas sales ratio to consolidated sales	16.9%	20.5%	4.6%	35.8%	3.3%	81.1%

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: Thailand, Singapore
 - Southwest Asia and Africa: India, Qatar, Saudi Arabia
 - Russia and Central Asia: Russia
 - Central and South America: Brazil, Venezuela
 - Others : China PR, Korea

<Reference data>

Consolidated Quarterly Statements of Income (April 1, 2007 - September 30, 2007)

		Apr. 1, 2007 - Sep. 30, 2007		
		Millions of yen	%	
I	Net sales		166,604	100.0
II	Cost of sales		152,677	91.6
	Gross profit		13,927	8.4
III	Selling, general and administrative expenses		9,811	5.9
	Operating income		4,115	2.5
IV	Non-operating income			
	1 Interest income	1,270		
	2 Dividends income	86		
	3 Equity in earnings of affiliates	172		
	4 Other	85	1,616	1.0
V	Non-operating expenses			
	1 Interest expenses	442		
	2 Foreign exchange losses	101		
	3 Other	67	611	0.4
	Ordinary income		5,120	3.1
VI	Extraordinary gain			
	1 Gain on sales of investment securities	26	26	0.0
VII	Extraordinary loss			
	1 Loss on impairment of fixed assets	700		
	2 Loss on sales of investment securities	107	807	0.5
	Income before income taxes and minority interests		4,338	2.6
	Income taxes current	2,814		
	Income taxes deferred	(1,040)	1,773	1.1
	Minority interests in income		28	0.0
	Net income		2,536	1.5

<Reference data>

Consolidated Quarterly Statements of Cash Flows (April 1, 2007 - September 30, 2007)

	Apr. 1, 2007 - Sep. 30, 2007
	Millions of yen
I Cash flows from operating activities	
1 Income before income taxes and minority interests	4,338
2 Depreciation and amortization	1,241
3 Loss on impairment of fixed assets	700
4 Changes in allowance for doubtful accounts	2,181
5 Changes in accrued retirement benefits	223
6 Changes in allowance for anticipated loss on contract work	98
7 Interest and dividends income	(1,357)
8 Interest expenses	442
9 Foreign exchange losses (gains)	3
10 Equity in earnings of affiliated companies	(172)
11 Gain on sales of marketable and investment securities, net	(26)
12 Loss on valuation of investment securities	4
13 (Increase) decrease in notes and accounts receivable	3,404
14 (Increase) decrease in work in progress	26,773
15 Increase (decrease) in notes and accounts payable	2,374
16 Increase (decrease) in advance receipts on uncompleted contracts	(14,797)
17 Other, net	(5,043)
subtotal	20,389
18 Interest and dividends received	1,473
19 Interest paid	(467)
20 Income taxes paid	(2,384)
Cash from operating activities	19,010
II Cash flows from investing activities	
1 Payments into time deposit	(837)
2 Purchases of property, plant and equipment	(491)
3 Purchases of intangible assets	(295)
4 Purchases of investment securities	(299)
5 Proceeds from sales of investment securities	226
6 Payments of short-term loans	(1,282)
7 Proceeds from collection of short-term loans	1
8 Other, net	22
Cash used for investing activities	(2,956)
III Cash flows from financing activities	
1 (Decrease) increase in short-term loans payable, net	(297)
2 Repayment of long-term loans payable	(4,285)
3 Redemption of bonds payable	(2,000)
4 Repayment of lease obligations	(308)
5 Cash dividends paid	(576)
6 Other, net	(101)
Cash (used for) from financing activities	(7,569)
IV Effect of exchange rate changes on cash and cash equivalents	198
V Net increase (decrease) in cash and cash equivalents	8,682
VI Cash and cash equivalents, beginning of the year	75,655
VII Cash and cash equivalents, end of the term	84,337

<Reference data>

Consolidated Quarterly Statements of Segment information (April 1, 2007 - September 30, 2007)

(1) Business Segments

	Millions of yen				
	EPC Business	Real Estate	Total	Eliminations and Other	Consolidated
Net sales					
(1) Net sales to outside customers	164,615	1,988	166,604	-	166,604
(2) Inter-segment net sales	12	151	163	(163)	-
Total	164,627	2,139	166,767	(163)	166,604
Operating expenses	161,169	1,487	162,656	(167)	162,489
Operating income	3,458	652	4,111	4	4,115

Notes:

- The classification of the business segments adopted is based on the Company segmentation which is determined by the similarity of each business.
- 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.
- All administrative department expenses of the Company and consolidated subsidiaries are allocated to the corresponding business segments.

(2) Geographic Segments

	Millions of yen				
	Japan	Others	Total	Eliminations and Other	Consolidated
Net sales					
(1) Net sales to outside customers	157,116	9,487	166,604	-	166,604
(2) Inter-segment net sales	50	9,789	9,840	(9,840)	-
Total	157,167	19,277	176,444	(9,840)	166,604
Operating expenses	154,086	18,537	172,624	(10,134)	162,489
Operating income	3,080	740	3,820	294	4,115

Notes:

- Geographic segmentation is according to geographic proximity.
- Countries included in "Others":
Korea, Malaysia, India, Luxembourg, U.S.A., China PR
- All administrative department expenses of the Company and consolidated subsidiaries are allocated to the corresponding business segments.

(3) Sales to Foreign Customers

	Millions of yen					
	Southeast Asia	Southwest Asia and Africa	Russia and Central Asia	Central and South America	Others	Total
I Overseas sales	12,849	34,584	20,426	58,157	12,260	138,279
II Consolidated sales						166,604
III Overseas sales ratio to consolidated sales	7.7%	20.7%	12.3%	34.9%	7.4%	83.0%

Notes:

- "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.
- (1) Geographic segmentation is according to geographic proximity.
(2) Countries significantly representing each segment are:
- Southeast Asia: Thailand, Singapore
- Southwest Asia and Africa: Saudi Arabia, Iran, Qatar, India
- Russia and Central Asia: Russia
- Central and South America: Brazil
- Others : China PR, Australia, European countries

Consolidated New Orders, Net Sales and Backlog of Contracts

			Millions of yen				
			Backlog Beginning of year	New Orders	Total	Net Sales	Backlog End of term
Apr. 1, 2007 - Sep. 30, 2007	Overseas	Chemical fertilizers	9,700	64,513	74,213	2,990	71,222
		Petrochemicals	165,706	7,331	173,038	32,230	141,763
		Oil refinery	59,172	2,342	61,515	9,677	52,594
		Energy-related	194,712	51,111	245,823	80,759	167,117
		General manufacturing facilities	10,107	4,712	14,819	11,302	3,719
		Information technology	33	237	271	148	122
		Others	352	1,158	1,511	1,159	428
		Subtotal	439,786	131,406	571,192	138,268	436,969
	Domestic	Petrochemicals	28,542	5,855	34,398	7,588	26,810
		Oil refinery	8,460	12,816	21,277	4,564	16,712
		Energy-related	12,116	1,618	13,735	1,058	12,677
		General manufacturing facilities	5,060	3,630	8,690	1,363	7,317
		Information technology	4,229	8,822	13,052	6,968	6,069
		Others	1,040	5,176	6,217	4,803	1,377
	Subtotal	59,450	37,920	97,371	26,346	70,964	
		*6,151				*10,195	
	Grand total	499,236	169,327	668,564	164,615	507,934	
Apr. 1, 2008 - Sep. 30, 2008	Overseas	Chemical fertilizers	67,618	15,915	83,533	6,159	77,133
		Petrochemicals	117,857	6,938	124,796	52,989	68,228
		Oil refinery	63,948	12,782	76,730	18,317	58,094
		Energy-related	117,965	7,840	125,806	64,313	72,241
		General manufacturing facilities	12,264	5,441	17,706	2,951	10,146
		Information technology	253	24	277	217	60
		Others	981	613	1,594	477	1,077
		Subtotal	380,889	49,556	430,446	145,427	286,982
	Domestic	Petrochemicals	18,814	7,662	26,476	9,150	17,278
		Oil refinery	20,916	5,657	26,573	4,625	21,934
		Energy-related	7,918	7,482	15,400	1,892	13,507
		General manufacturing facilities	9,074	2,329	11,404	3,929	7,975
		Information technology	5,263	8,362	13,626	7,469	5,526
		Others	1,556	4,626	6,182	4,862	1,320
	Subtotal	63,543	36,120	99,663	31,929	67,543	
		*(7,099)				*(9,385)	
	Grand total	444,433	85,676	530,110	177,356	354,526	
Apr. 1, 2007 - Mar. 31, 2008	Overseas	Chemical fertilizers	9,700	64,706	74,406	6,359	67,618
		Petrochemicals	165,706	27,931	193,637	73,740	117,857
		Oil refinery	59,172	27,309	86,482	22,920	63,948
		Energy-related	194,712	55,581	250,293	134,306	117,965
		General manufacturing facilities	10,107	18,223	28,331	16,255	12,264
		Information technology	33	471	504	251	253
		Others	352	3,367	3,720	2,802	981
		Subtotal	439,786	197,590	637,376	256,636	380,889
	Domestic	Petrochemicals	28,542	10,489	39,032	20,213	18,814
		Oil refinery	8,460	18,480	26,941	6,018	20,916
		Energy-related	12,116	4,381	16,498	8,580	7,918
		General manufacturing facilities	5,060	8,134	13,194	4,110	9,074
		Information technology	4,229	18,951	23,181	17,902	5,263
		Others	1,040	10,664	11,705	10,111	1,556
	Subtotal	59,450	71,101	130,552	66,938	63,543	
		*6,151				*(7,099)	
	Grand total	499,236	268,692	767,929	323,574	444,433	

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 Japanese Yen. Such effects are 4,178 million yen for Apr.1, 2007-Sep.30, 2007, 7,385 million yen for Apr.1, 2008-Sep.30, 2008 and 1,201 million yen for Apr.1, 2007-Mar.31, 2008.

3. Decreased prices of orders awarded in prior years are deducted from the "backlog, end of year". The deducted amounts are 192 million yen for Apr.1, 2007-Sep.30, 2007, 5,612 million yen for Apr.1, 2008-Sep.30, 2008 and 1,123 million yen for Apr.1, 2007-Mar.31, 2008.

4. Asterisks (*) represent increase (decrease) due to changes in exchange rates.

5. Differences between the sales above and those of the consolidated income statements are sales in Real Estate business segment (consolidated basis), which amounts to 1,988 million yen for Apr.1, 2007-Sep.30, 2007, 1,960 million yen for Apr.1, 2008-Sep.30, 2008 and 3,838 million yen for Apr.1, 2007-Mar.31, 2008.