

Consolidated Financial Results for the Third Quarter ended December 31, 2008

For the Fiscal Year Ending March 31, 2009

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(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 the third quarter of fiscal year 2008(April 1, 2008 - December 31, 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 - Dec. 31, 2008	248,388	-	9,836	-	10,966	-	4,778	-
Apr. 1, 2007 - Dec. 31, 2007	215,625	57.0	7,234	194.2	8,895	195.6	4,449	58.0

	Net income per share	Net income per share (diluted)
	Yen	Yen
Apr. 1, 2008 - Dec. 31, 2008	24.87	-
Apr. 1, 2007 - Dec. 31, 2007	23.14	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
As of Dec.31, 2008	218,784	57,511	25.3	288.17
As of Mar.31, 2008	280,138	57,331	19.5	283.98

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

Dec. 31, 2008: 55,364 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	-		
FY2008 (Forecast)				4.00	7.00

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	44.23

4. Others

Number of shares issued

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

Dec. 31, 2008: 192,792,539

Mar. 31, 2008: 192,792,539

Number of treasury stocks at end of term

Dec. 31, 2008: 664,663

Mar. 31, 2008: 553,293

Average number of stock outstanding during the period

Apr. 1, 2008 - Dec. 31, 2008 : 192,171,712

Apr. 1, 2007 - Dec. 31, 2007: 192,278,270

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

	December 31, 2008		March 31, 2008	
	Millions of yen		Millions of yen	
[ASSETS]				
I Current assets				
1 Cash and deposits		35,105		34,311
2 Notes and accounts receivable		29,509		36,312
3 Marketable securities		29,981		52,965
4 Work in progress		42,546		65,025
5 Deferred tax assets		3,617		3,772
6 Other receivables		19,873		28,326
7 Other		16,532		14,394
Less: Allowance for doubtful accounts		(10,506)		(8,813)
Total current assets		166,660		226,295
II Fixed assets				
(1) Property, plant and equipment				
1 Buildings and structures		29,092		31,696
2 Machinery, vehicles, tools, furniture and fixtures		3,336		4,066
3 Land		17,655		17,799
4 Leased assets		2,147		2,048
5 Construction in progress		18		23
6 Less: Accumulated depreciation		(16,959)		(18,692)
Total property, plant and equipment		35,291		36,941
(2) Intangible assets		2,108		1,950
(3) Investments and other assets				
1 Investment securities		9,410		9,617
2 Long-term loans		106		149
3 Long-term receivables		-		295
4 Deferred tax assets		950		364
5 Other		4,940		5,257
Less: Allowance for doubtful accounts		(683)		(734)
Total investments and other assets		14,723		14,951
Total fixed assets		52,123		53,843
Total assets		218,784		280,138
[LIABILITIES]				
I Current liabilities				
1 Notes and accounts payable		37,535		42,276
2 Short-term loans payable		5,045		9,232
3 Income taxes payable		388		3,383
4 Advance receipts on uncompleted contracts		75,784		126,125
5 Reserve for bonuses		496		826
6 Reserve for compensation for completed works		1,482		1,079
7 Reserve for anticipated loss on contract work		1,140		683
8 Other		9,160		8,177
Total current liabilities		131,032		191,784
II Long-term liabilities				
1 Bonds payable		1,000		1,000
2 Long-term loans payable		20,509		21,038
3 Lease obligations		2,340		2,709
4 Deferred tax liabilities		23		85
5 Reserve for retirement benefits		3,506		3,243
6 Reserve for repairs		488		371
7 Other		2,371		2,575
Total long-term liabilities		30,240		31,023
Total liabilities		161,273		222,807
[NET ASSETS]				
I Shareholders' Equity				
1 Capital stock		18,198		18,198
2 Capital surplus		20,760		20,761
3 Retained earnings		17,872		14,435
4 Treasury stock		(292)		(214)
Total shareholders' equity		56,539		53,181
II Valuation and Translation Adjustments				
1 Net unrealized gain on securities		195		1,248
2 Deferred gains or losses on hedges		(14)		(1)
3 Foreign currency translation adjustments		(1,355)		162
Total valuation and translation adjustments		(1,174)		1,409
III Minority Interests		2,146		2,739
Total net assets		57,511		57,331
Total liabilities and net assets		218,784		280,138

Consolidated Statements of Income

		April 1, 2008-December 31, 2008	
		Millions of yen	
I	Net sales		248,388
II	Cost of sales		224,004
	Gross profit		24,384
III	Selling, general and administrative expenses		14,547
	Operating income		9,836
IV	Non-operating income		
	1 Interest income	1,407	
	2 Dividends income	177	
	3 Equity in earnings of affiliates	364	
	4 Other	100	2,049
V	Non-operating expenses		
	1 Interest expenses	562	
	2 Foreign exchange losses	195	
	3 Other	160	919
	Ordinary income		10,966
VI	Extraordinary gain		
	Gain on sales of fixed assets	198	198
VII	Extraordinary loss		
	1 Loss on disposal of fixed assets	120	
	2 Loss on sales of investment securities.	8	
	3 Loss on valuation of investment securities	2,041	2,170
	Income before income taxes and minority interests		8,995
	Income taxes		4,011
	Minority interests in income		205
	Net income		4,778

Segment Information

(1) Business Segments

April 1, 2008 - December 31, 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	245,635	2,752	248,388	-	248,388
(2) Inter-segment net sales	4	199	204	(204)	-
Total	245,640	2,952	248,593	(204)	248,388
Operating income	8,833	998	9,832	4	9,836

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 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 - December 31, 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	235,011	13,377	248,388	-	248,388
(2) Inter-segment net sales	371	12,873	13,245	(13,245)	-
Total	235,383	26,250	261,634	(13,245)	248,388
Operating income	8,712	1,048	9,760	75	9,836

Notes:

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

(3) Sales to Foreign Customers

April 1, 2008 - December 31, 2008

	Millions of yen					
	Southeast Asia	Southwest Asia and Africa	Russia and Central Asia	Central and South America	Others	Total
I Overseas sales	39,417	51,658	16,396	85,667	8,055	201,195
II Consolidated sales						248,388
III Overseas sales ratio to consolidated sales	15.9%	20.8%	6.6%	34.5%	3.2%	81.0%

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

<Reference data>

(Summary) Consolidated Quarterly Statements of Income (April 1, 2007 - Dec 31, 2007)

		April 1, 2007- December 31, 2007
		Millions of yen
I	Net sales	215,625
II	Cost of sales	192,898
	Gross profit	22,726
III	Selling, general and administrative expenses	15,492
	Operating income	7,234
IV	Non-operating income	2,508
V	Non-operating expenses	848
	Ordinary income	8,895
VI	Extraordinary gain	26
VII	Extraordinary loss	831
	Income before income taxes and minority interest	8,090
	Income taxes	3,444
	Minority interest income	197
	Net income	4,449

(Summary) Consolidated Quarterly Statements of Cash Flows (April 1, 2007 - December 31, 2007)

		April 1, 2007- December 31, 2007
		Millions of yen
I	Cash flows from operating activities	
	Income before income taxes and minority interest	8,090
	(Increase) decrease in notes and accounts receivable	4,853
	(Increase) decrease in work in progress	13,367
	Increase (decrease) in notes and accounts payable	(2,235)
	Increase (decrease) in advance receipts on uncompleted contracts	(590)
	Other ,net	(7,181)
	Cash from operating activities	16,304
II	Cash used for investing activities	(5,322)
III	Cash used for financing activities	(7,074)
IV	Effect of exchange rate changes on cash and cash equivalents	47
V	Net increase (decrease) in cash and cash equivalents	3,954
VI	Cash and cash equivalents, beginning of the year	75,655
VII	Cash and cash equivalents, end of the term	79,610

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, 2008 - Dec. 31, 2008	Overseas	Chemical fertilizers	67,618	18,058	85,676	14,444	69,664
		Petrochemicals	117,857	8,073	125,931	67,353	50,938
		Oil refinery	63,948	12,641	76,589	25,780	45,857
		Energy-related	117,965	9,441	127,407	88,574	44,048
		General manufacturing facilities	12,264	6,099	18,364	4,038	9,667
		Information technology	253	137	390	252	132
		Others	981	1,079	2,061	737	1,205
		Subtotal	380,889	55,532	436,421	201,180	221,513
	Domestic	Petrochemicals	18,814	8,719	27,533	11,076	16,370
		Oil refinery	20,916	6,393	27,310	8,016	19,261
		Energy-related	7,918	9,060	16,979	2,460	14,517
		General manufacturing facilities	9,074	3,238	12,312	5,418	7,395
		Information technology	5,263	11,544	16,808	10,587	4,967
		Others	1,556	6,526	8,082	6,895	1,187
	Subtotal	63,543	45,482	109,026	44,455	63,700	
	Grand total	*(7,099)				*(18,622)	
	Grand total	444,433	101,014	545,448	245,635	285,213	
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	
	Grand total	*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. The effects of change in exchange rates upon the orders in currencies other than Japanese Yen are deducted from sales figures .
The deducted amounts are 8,160 million yen for Apr.1, 2008-Dec.31, 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 term". The deducted amounts are 6,437 million yen for Apr.1, 2008-Dec.31, 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 2,752 million yen for Apr.1, 2008-Dec.31, 2008 and 3,838 million yen for Apr.1, 2007-Mar.31, 2008.