



Fiscal year 2006 (Year ended March 31, 2007)

OUTLINE OF FINANCIAL RESULTS

 **TOYO ENGINEERING CORPORATION**

The logo for Toyo Engineering Corporation, featuring a stylized 'T' inside a circle with a leaf-like shape, followed by the company name in a bold, serif font.

May 14, 2007

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* Unit of amount figures shown in this material is billion yen with first decimal place on round down basis.

Performance summary



- *Consolidated net income marked record high.*

Increased in revenue and gain compared with last fiscal year, and targets were cleared.

- *New orders reached 354.9 billion yen*

Continued highest level in the past two fiscal years.

- *TOYO became substantial non debt management.*

Financial summary

< Billion yen >

	FY2005 Mar.2006	FY2006 Mar.2007	Difference	Forecast for FY2006	Difference
Net sales	195.5	223.8	+28.3	220.0	+3.8
Operating income	4.2	6.8	+2.6	6.0	+0.8
Ordinary income	4.2	7.2	+3.0	5.0	+2.2
Net income	3.3	5.2	+1.9	4.0	+1.2
New orders	257.8	354.9	+97.1	260.0	+94.9
Dividends per share (yen) (Non-consolidated)	¥3.0	¥3.0	¥0.0	¥3.0	¥0.0

Exchange rate for forecast

1US\$ = ¥110.00

1EUR = ¥140.00

<Reference> Non-consolidated

Net sales	161.9	186.5	+24.6	185.0	+1.5
Operating income	2.0	3.4	+1.4	3.5	(0.1)
Ordinary income	2.4	3.8	+1.4	3.0	+0.8
Net income	2.5	3.8	+1.3	3.0	+0.8
New orders	211.4	317.1	+105.7	235.0	+82.1

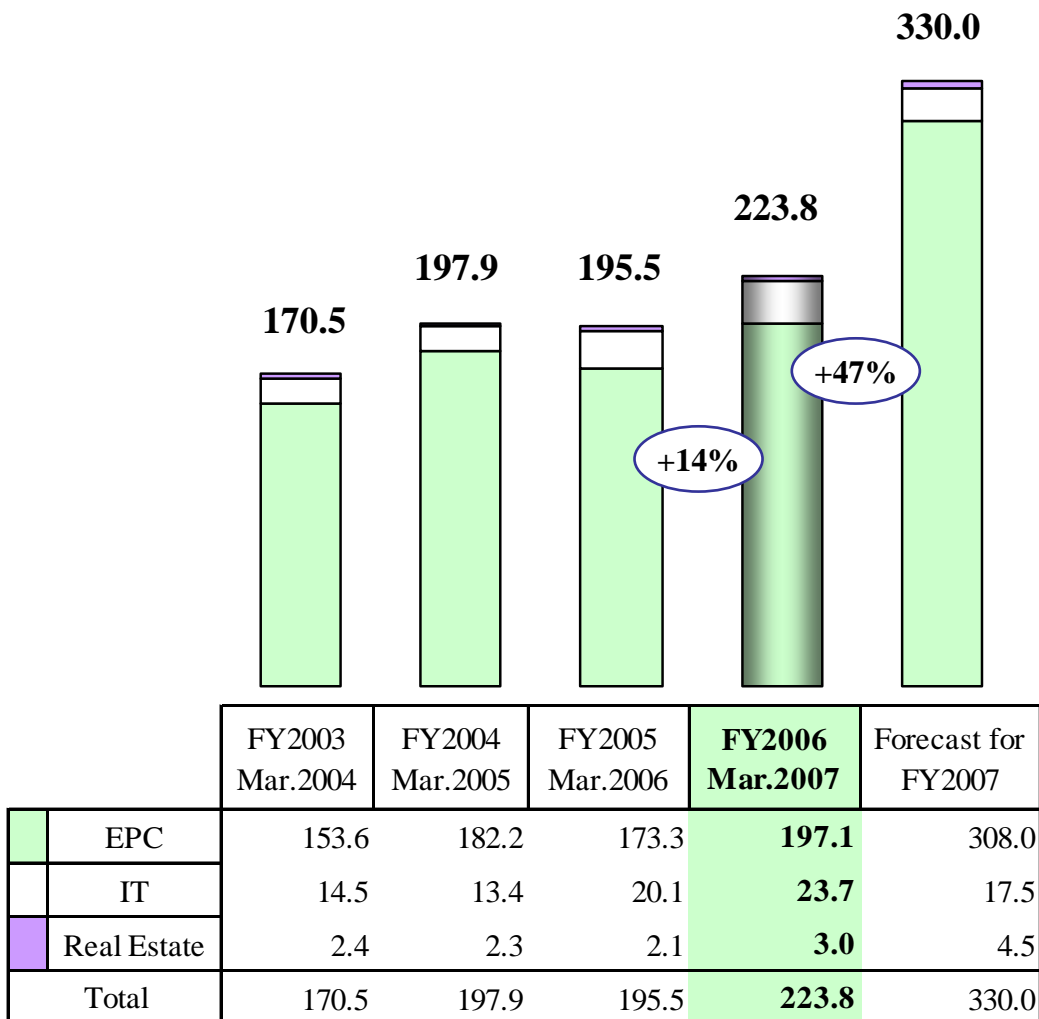
Income statement

< Billion yen >

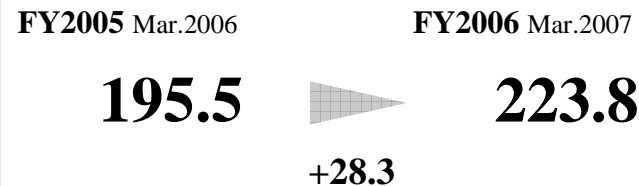
Consolidated	FY2005 Mar.2006		FY2006 Mar.2007		Difference	Forecast for FY2006	Difference
	Billions of yen	%	Billions of yen	%	Billions of yen		
Net sales	195.5	100.0	223.8	100.0	28.3	220.0	3.8
Cost of sales	177.7	90.9	201.6	90.1	(23.8)		
Gross profit	17.8	9.1	22.2	9.9	4.4		
Selling, general and administrative expenses	13.6	7.0	15.3	6.9	(1.7)		
Operating income	4.2	2.1	6.8	3.0	2.6	6.0	0.8
Non-operating income	1.6	0.9	2.2	1.0	0.6		
Non-operating expenses	1.5	0.8	1.9	0.8	(0.3)		
Total non-operating income and expenses	0.0		0.3		0.3		
Ordinary income	4.2	2.2	7.2	3.2	3.0	5.0	2.2
Extraordinary gain	0.8	0.4	0.4	0.2	(0.4)		
Extraordinary loss	0.7	0.4	0.2	0.1	0.4		
Total extraordinary gain and loss	0.1		0.1		0.0		
Income before income taxes and minority interests	4.3	2.2	7.3	3.3	3.0		
Current income taxes	0.7	0.4	1.7	0.8	(0.9)		
Deferred income taxes	0.0	0.0	0.0	0.0	0.0		
Minority interests	0.1	0.1	0.2	0.1	(0.1)		
Net income	3.3	1.7	5.2	2.4	1.9	4.0	1.2

Net sales

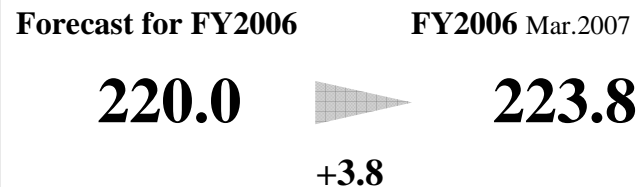
< Billion yen >



Compared with last fiscal year



Compared with forecast



Segment	Forecast	FY2006	Difference
EPC	199.0	197.1	(1.9)
IT	17.0	23.7	6.7
Real Estate	4.0	3.0	(1.0)
Total	220.0	223.8	3.8

Net sales

FY2006 (Mar.2007) Net sales : 223.8 billion yen

Breakdown by region

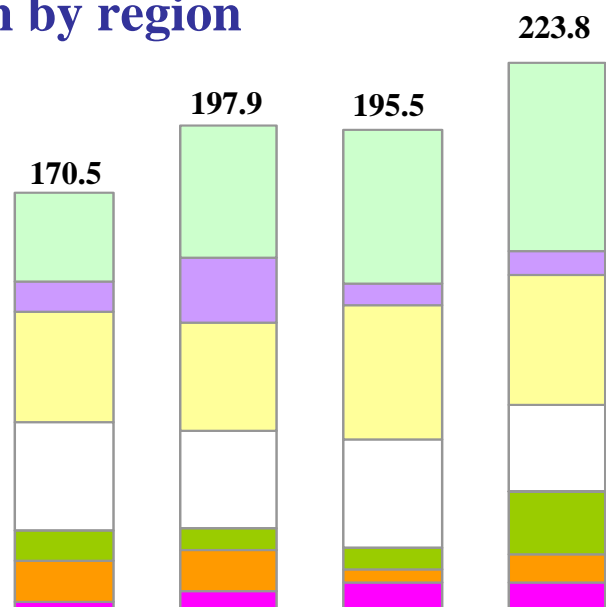
Japan 77.2 billion yen 35%		Overseas 146.6 billion yen 65%					
Japan 77.2 35%	10.5 5%	South Asia, Middle East and Africa 52.5 23%	Russia, Central Asia 36.0 16%	Central and Latin Americas 25.1 11%	China 12.3 5%	10.2 5%	
Major contracts Over 5 billion yen Petrochemical IT Refinery (2projects)		Major contracts Over 10 billion yen Energy-related, RUSSIA Petrochemical, SAUDI ARABIA Energy-related, BRAZIL			Over 5 billion yen Energy-related, IRAN Petrochemical, THAILAND Refinery, BRAZIL Energy-related, AUSTRALIA		Over 2 billion yen General manufacturing facilities, CHINA Petrochemical, CHINA Energy-related, QATAR Petrochemical, SINGAPORE
Over 2 billion yen Refinery Energy-related (2projects)		↑ Southeast Asia		EU, Korea, Others ↑			

Breakdown by segment details

6.5 3%	Petrochemical 57.2 25%	Refinery 27.6 12%	Energy-related 82.7 37%	10.3 5%	IT 23.7 11%	Others 12.8 6%
↑ Chemical fertilizer		General manufacturing facilities ↑			Real estate 3.0 1%	

Net sales

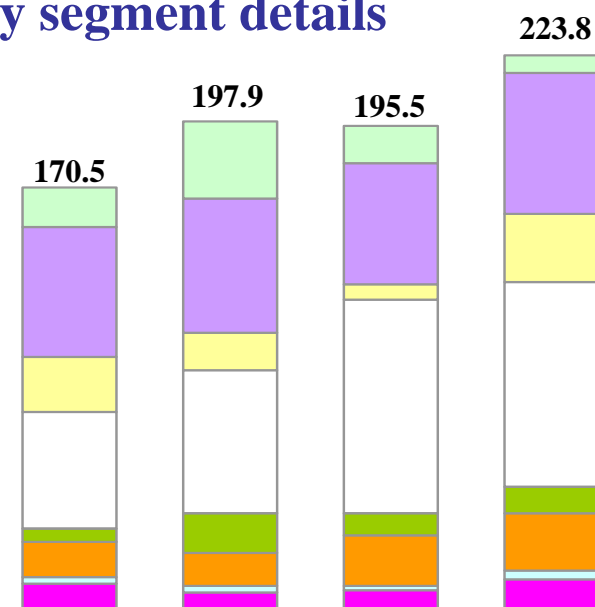
Breakdown by region



	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007
Japan	37.0	54.5	63.1	77.2
South-east Asia	12.3	26.5	8.4	10.5
South Asia, Middle East and Africa	45.2	44.1	54.7	52.5
Russia, Central Asia	43.8	39.6	44.9	36.0
Central and Latin Americas	12.2	8.6	8.1	25.1
China	17.4	17.4	5.8	12.3
Others	2.4	6.9	10.5	10.2
Total	170.5	197.9	195.5	223.8

Breakdown by segment details

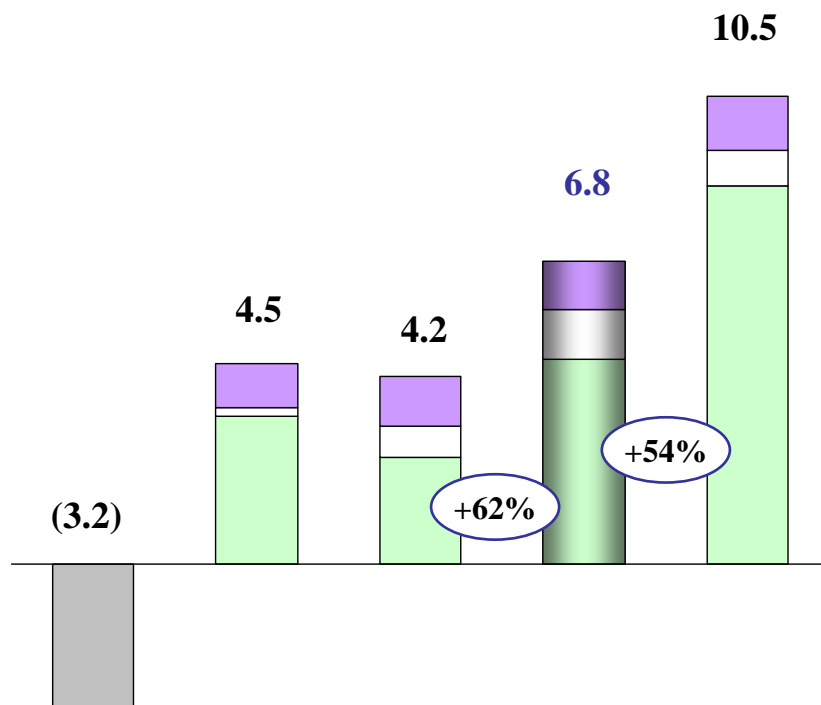
< Billion yen >



	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007
Chemical fertilizers	15.8	31.3	15.3	6.5
Petrochemicals	52.4	54.1	48.8	57.2
Refinery	22.7	15.1	5.8	27.6
Energy-related	46.6	58.4	86.4	82.7
General manufacturing facilities	5.2	15.6	9.1	10.3
IT	14.5	13.4	20.1	23.7
Real estate	2.4	2.3	2.1	3.0
Others	10.9	7.4	7.9	12.8
Total	170.5	197.9	195.5	223.8

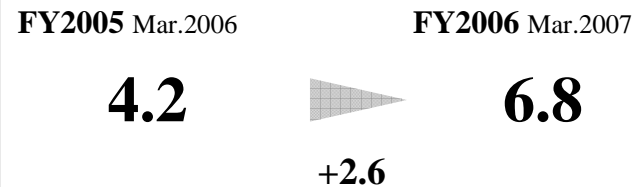
Operating income

< Billion yen >

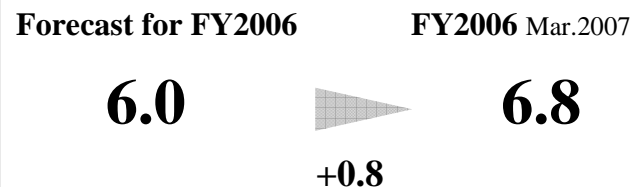


	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007	Forecast for FY2007
EPC	(4.5)	3.3	2.4	4.6	8.5
IT	0.3	0.2	0.7	1.1	0.8
Real Estate	0.9	1.0	1.1	1.1	1.2
Sub total	(3.2)	4.5	4.2	6.8	10.5

Compared with last fiscal year



Compared with forecast

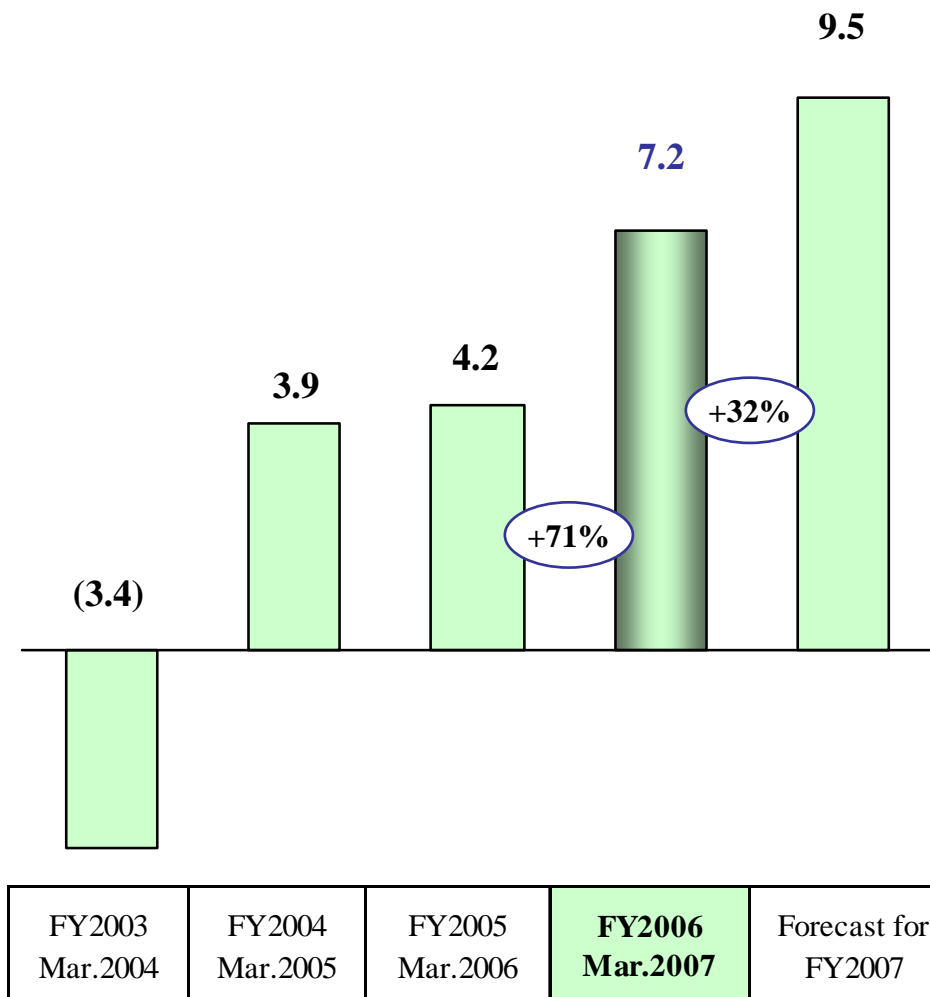


Segment	Forecast	FY2006	Difference
EPC	4.0	4.6	0.6
IT	0.7	1.1	0.4
Real Estate	1.3	1.1	(0.2)
Total	6.0	6.8	0.8

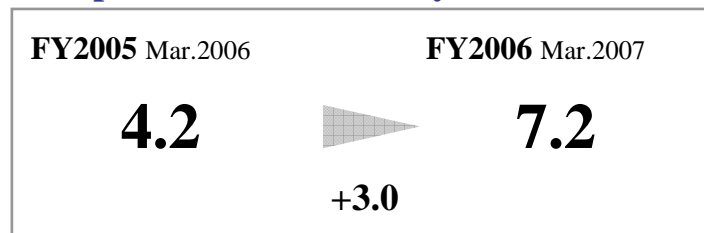
- **Increase in revenue : +0.4**
- Improving gross profit margins : +0.8**
- Increase in SG&A expenses : (0.3)**

Ordinary income

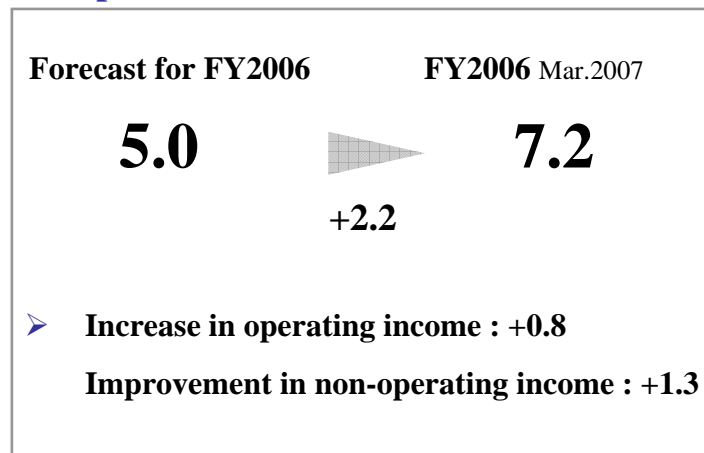
< Billion yen >



Compared with last fiscal year

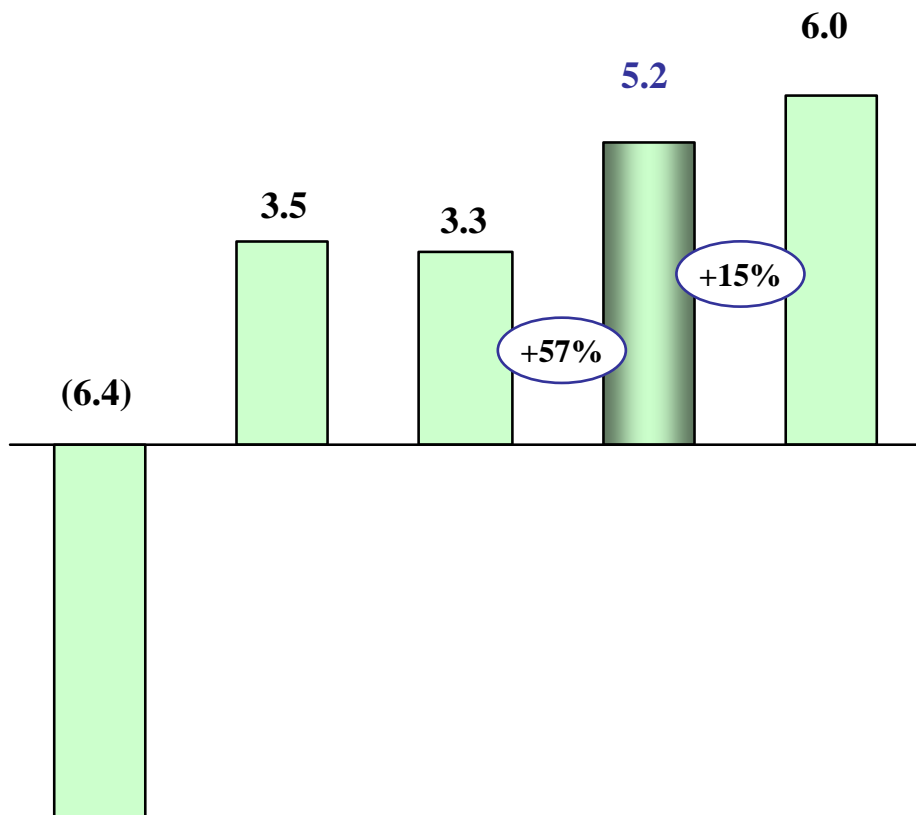


Compared with forecast



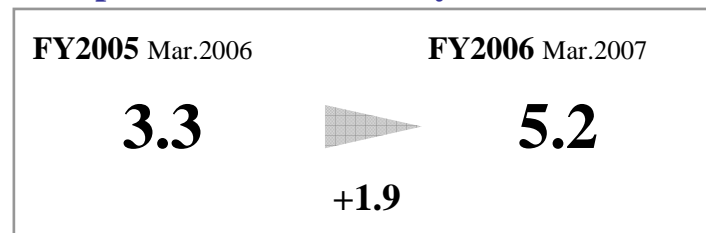
Net income

< Billion yen >

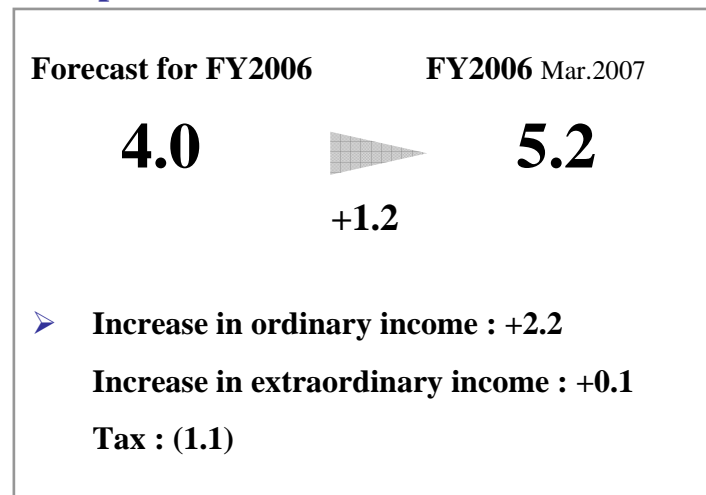


FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007	Forecast for FY2007
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Compared with last fiscal year



Compared with forecast



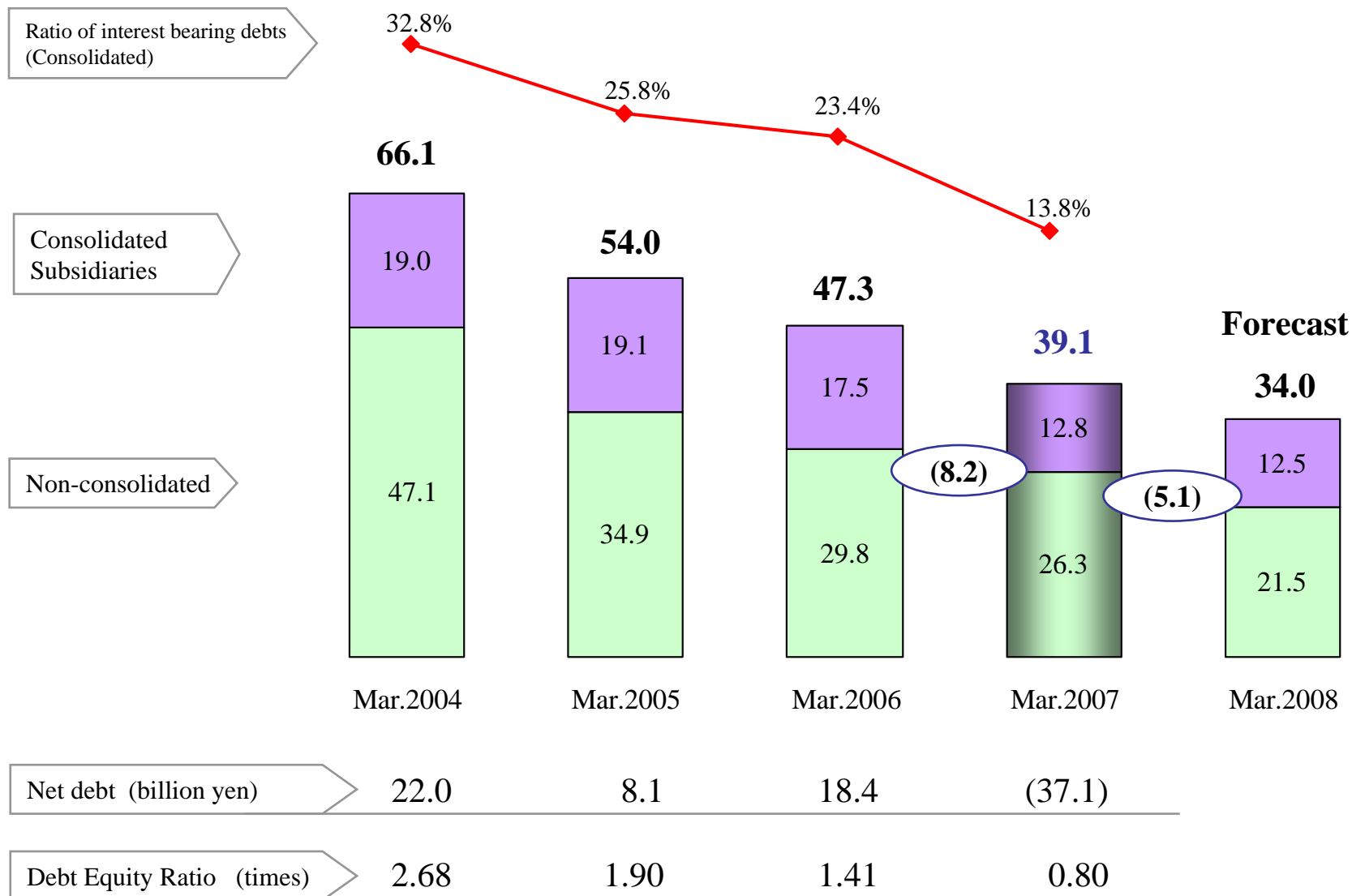
Balance sheet

< Billion yen >

Assets	Mar 31. 2006	Mar 31. 2007	Difference	Liabilities and net assets	Mar 31. 2006	Mar 31. 2007	Difference
Current assets	148.7	227.3	78.5	Current liabilities	141.6	198.4	56.8
Cash and deposits	28.8	43.2	14.3	Corporate bonds	1.0	2.0	1.0
Marketable securities	-	32.9	32.9	Short-term bank loans	26.3	10.1	(16.2)
Other current assets	16.5	27.1	10.6	Other current liabilities	8.6	13.8	5.1
<Operating assets>				<Operating liabilities>			
Notes and account receivable	29.2	31.8	2.5	Notes and account payable	22.6	38.0	15.3
Contract work in progress	74.0	92.1	18.0	Advance and other receipts	82.8	134.5	51.6
Fixed assets	53.9	55.5	1.5	Long-term liabilities	25.3	32.7	7.3
Property, plant and equipment	35.6	36.9	1.3	Corporate bonds	2.0	1.0	(1.0)
Intangible assets	2.0	1.9	(0.0)	Long-term debt	17.9	25.9	7.9
Investments and assets	16.2	16.5	0.2	Other long-term liabilities	5.3	5.7	0.3
				Minority interests	2.0	-	(2.0)
				Shareholders' equity	33.6	-	(33.6)
				Net assets	-	51.5	51.5
Total assets	202.6	282.8	80.1	Total liabilities and net assets	202.6	282.8	80.1

Interest bearing debt balance

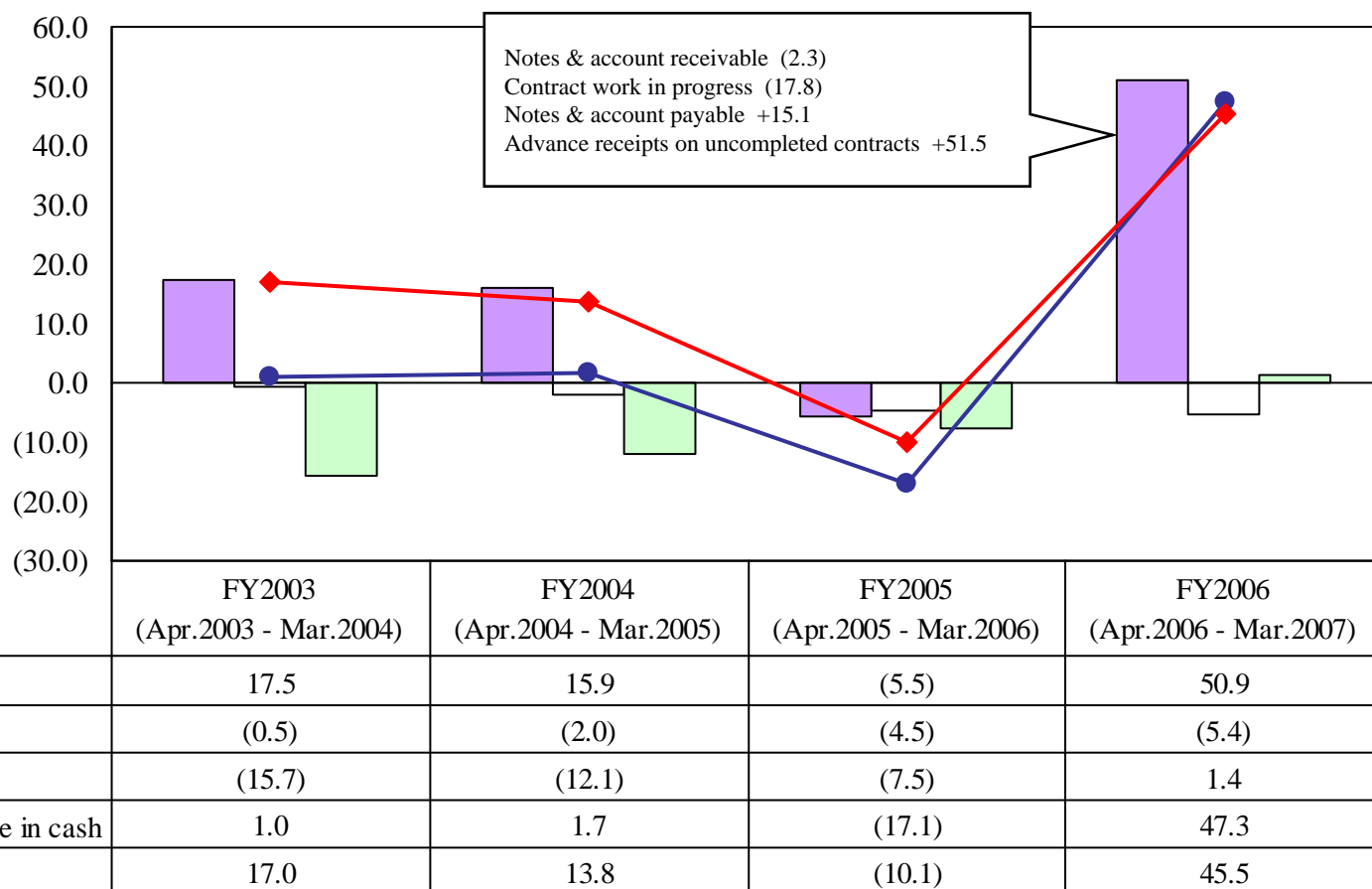
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Cash flows

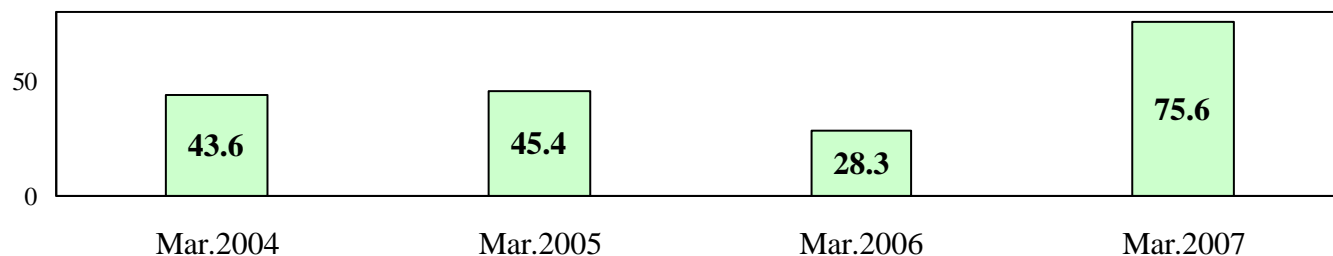
Cash flows

< Billion yen >



Cash, end of the fiscal

< Billion yen >

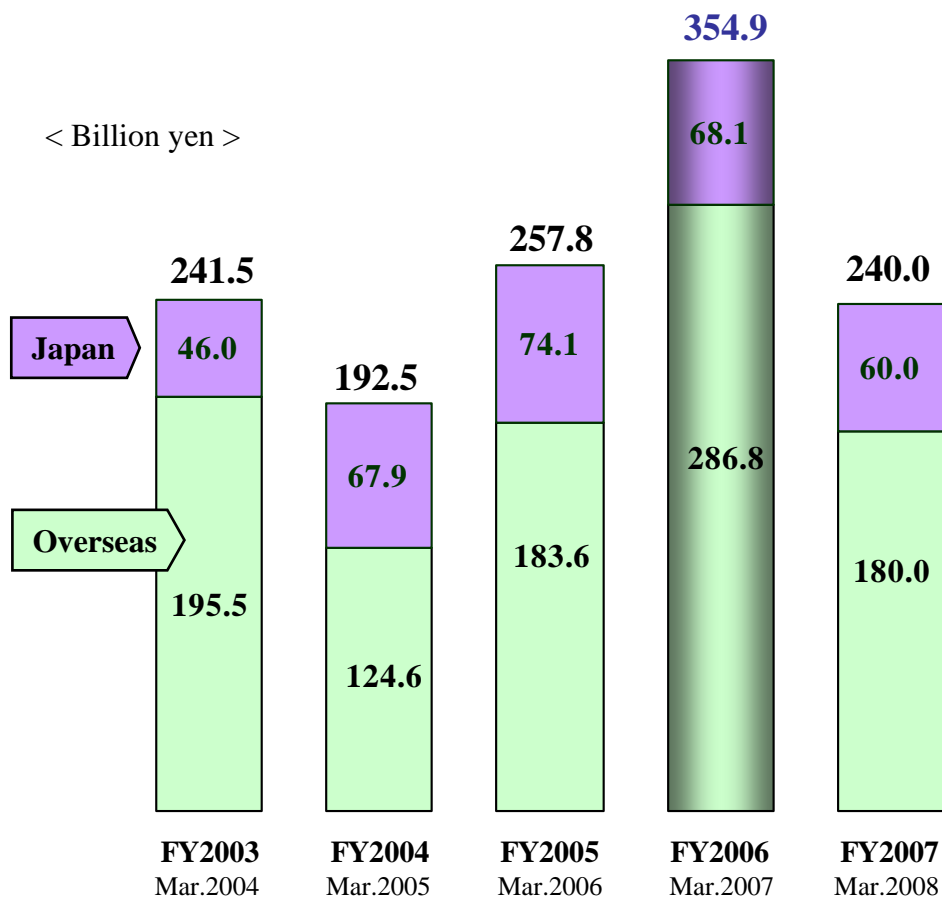


New orders

New orders reached 354.9 billions yen

- Continued highest level in the past two fiscal years.
- Received new order beyond FY2006 target of 260 billions yen.

< Billion yen >



Breakdown by contract price

- Over 30 billion yen
 - Energy-related, QATAR
 - Petrochemical, THAILAND
 - Petrochemical, INDIA
- Over 10 billion yen
 - Energy-related, RUSSIA
 - Petrochemical, THAILAND
 - Petrochemical, SINGAPORE
- Over 5 billion yen
 - General manufacturing facilities, CHINA
 - IT, JAPAN
 - Petrochemical, JAPAN (2Projects)

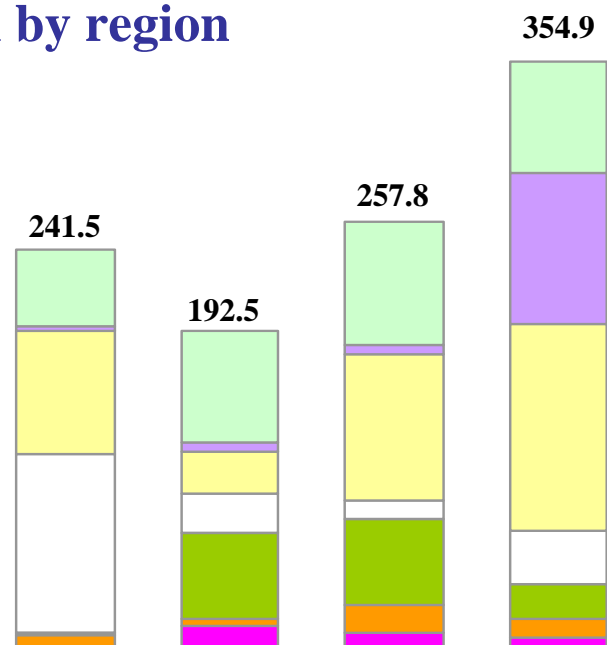
Breakdown by consolidated companies

- Toyo Engineering Corp. 316.1 billion yen
- Domestic subsidiaries 20.4 billion yen
- Overseas subsidiaries 18.4 billion yen

*The above does not include figures related to real estate segment.

New orders

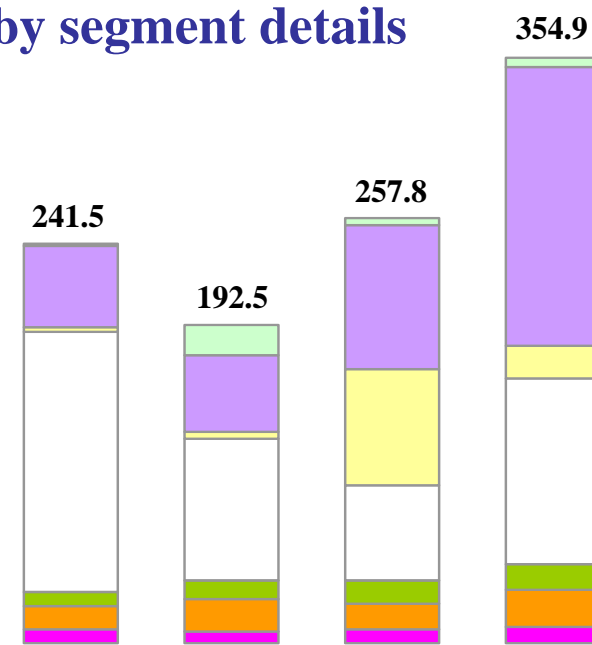
Breakdown by region



	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007
Japan	46.0	67.9	74.1	68.1
South-east Asia	3.8	4.6	4.9	89.9
South Asia, Middle East and Africa	73.9	25.3	89.1	124.8
Russia, Central Asia	108.3	23.9	11.4	32.9
Central and Latin Americas	0.4	52.3	51.7	21.0
China	7.6	4.6	16.4	11.1
Others	1.5	13.6	9.9	7.1
Total	241.5	192.5	257.8	354.9

Breakdown by segment details

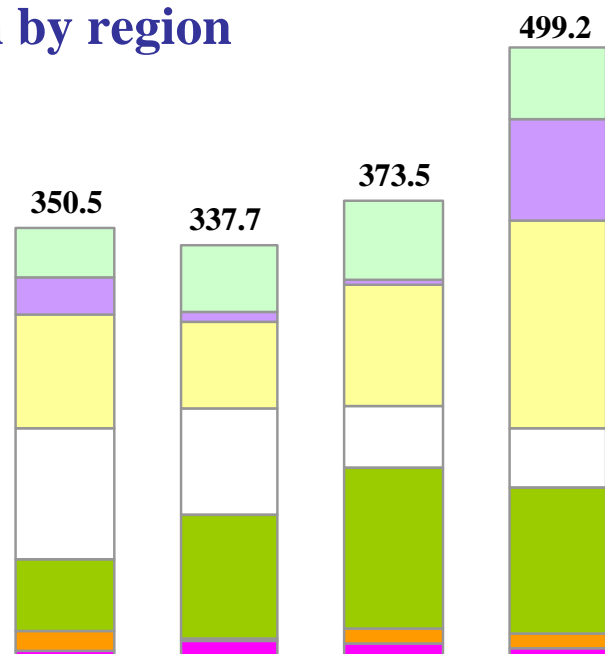
< Billion yen >



	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007
Chemical fertilizers	0.3	17.9	4.4	6.0
Petrochemicals	50.2	46.4	86.3	168.9
Refinery	3.0	4.3	71.4	19.4
Energy-related	157.4	85.1	57.9	112.7
General manufacturing facilities	8.0	11.8	13.5	15.5
IT	14.2	19.9	14.8	22.0
Others	8.4	6.8	9.1	10.4
Total	241.5	192.5	257.8	354.9

Backlog of contracts

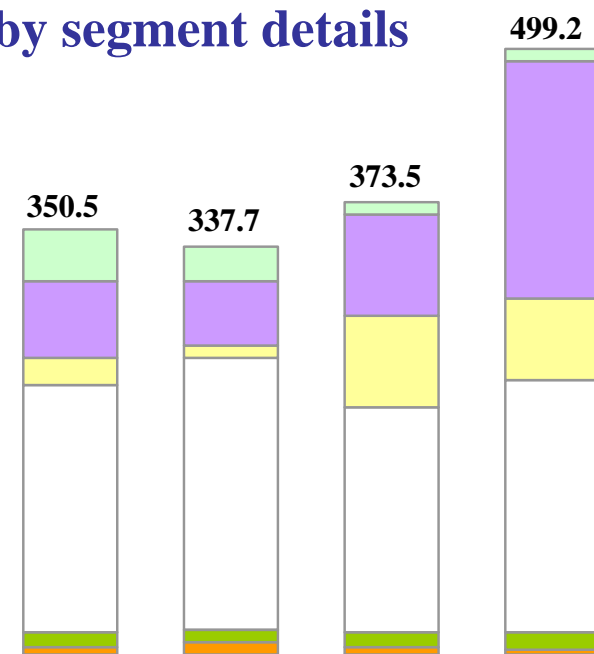
Breakdown by region



	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007
Japan	40.8	55.4	65.8	59.5
South-east Asia	29.5	7.0	3.3	82.7
South Asia, Middle East and Africa	94.1	71.1	99.5	171.0
Russia, Central Asia	106.6	89.1	50.0	48.9
Central and Latin Americas	58.2	100.2	131.7	118.2
China	17.0	2.9	13.6	12.4
Others	4.3	11.7	9.6	6.5
Total	350.5	337.7	373.5	499.2

Breakdown by segment details

< Billion yen >



	FY2003 Mar.2004	FY2004 Mar.2005	FY2005 Mar.2006	FY2006 Mar.2007
Chemical fertilizers	42.5	28.8	10.1	9.7
Petrochemicals	61.8	52.5	82.0	194.2
Refinery	22.0	10.6	75.7	67.6
Energy-related	203.9	223.8	185.6	206.8
General manufacturing facilities	12.6	8.7	11.7	15.2
IT	4.8	11.1	5.9	4.2
Others	2.9	1.8	2.1	1.4
Total	350.5	337.7	373.5	499.2

Forecast



< Billion yen >

	FY2006 Mar.2007	Forecast for FY2007 Mar.2008	
		Mid year	Full year
Net sales	223.8	170.0	330.0
Operating income	6.8	3.25	10.5
Ordinary income	7.2	3.0	9.5
Net income	5.2	1.5	6.0
New orders	354.9	-	240.0
Dividends per share (yen) (Non-consolidated)	¥3.0	-	¥6.0
Exchange rate for forecast	1US\$ = ¥115.00 1EUR = ¥150.00		

Forecast for breakdowns by segment

Net sales	Mid year	Full year
EPC	161.5	308.0
IT	6.2	17.5
Real estate	2.3	4.5
Total	170.0	330.0

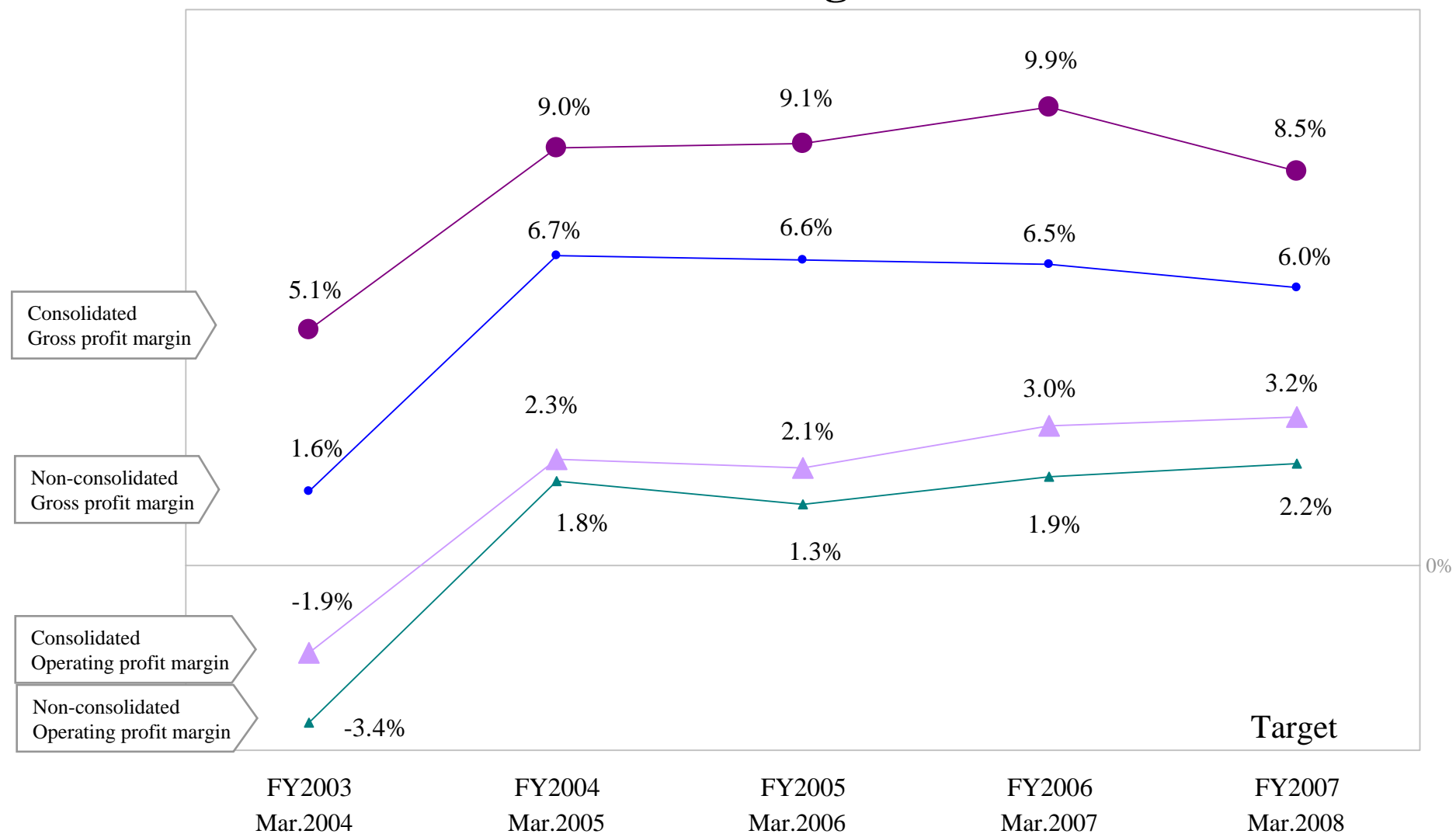
Operating income	Mid year	Full year
EPC	2.7	8.5
IT	0.0	0.8
Real estate	0.55	1.2
Total	3.25	10.5

<Reference> Non-consolidated

Net sales	186.5	150.0	290.0
Operating income	3.4	1.75	6.5
Ordinary income	3.8	1.75	6.5
Net income	3.8	0.95	4.5
New orders	317.1	-	180.0

- Reference -

Profit margin



- Reference -

Consolidated Subsidiaries Subsidiaries information

< Companies >

		Mar.2006	Increase	Decrease	Mar.2007
Number of companies consolidated	Consolidated subsidiaries	15	0	1	14
	Affiliated companies consolidated by equity method	1	0	0	1
	Total	16	0	1	15
(Reference)	All subsidiaries	27	2	2	27
Number of all subsidiaries & affiliated company	All affiliated companies	11	0	0	11
	Total	38	2	2	38

Results of major subsidiaries

Subsidiaries, affiliated companies	Business fields	Capital	Share	Mar.2007
				Net sales
Consolidated subsidiaries		Billion yen	%	Billion yen
Toy o Business Engineering Corporation	IT	0.7	51	13.1
TEC Estate, Ltd.	Real Estate	6.0	100	1.9
Suntec Corporation	Real Estate	0.5	100	1.1
Toy o Engineering Korea Ltd.	EPC	0.6	81	1.4
Toy o Engineering India Ltd.	EPC	0.3	74	9.0
Affiliated companies consolidated				
Toy o-Thai Corporation Ltd.	EPC	0.6	39	9.3

- Reference -



FY2003 / Mar.2004 FY2004 / Mar.2005 FY2005 / Mar.2006 FY2006 / Mar.2007 FY2007 FORECAST

		FY2003 / Mar.2004	FY2004 / Mar.2005	FY2005 / Mar.2006	FY2006 / Mar.2007	FY2007 FORECAST		
Consolidated	Net sales	Billion yen	170.5	197.9	195.5	223.8	330.0	
	Gross profit	Billion yen	8.6	17.7	17.8	22.2		
	Gross profit margin	%	5.1%	9.0%	9.1%	9.9%		
	Operating income	Billion yen	(3.2)	4.5	4.2	6.8	10.5	
	Operating income margin	%	-1.9%	2.3%	2.1%	3.0%	3.2%	
	Ordinary income	Billion yen	(3.4)	3.9	4.2	7.2	9.5	
	Net income	Billion yen	(6.4)	3.5	3.3	5.2	6.0	
	Interest bearing debt	Billion yen	66.1	54.0	47.3	39.1	34.0	
	Interest bearing debt ratio	%	32.8%	25.8%	23.4%	13.8%		
	Net debt	Billion yen	22.0	8.1	18.4	(37.1)		
	Debt equity ratio	times	2.68	1.90	1.41	0.80		
	Equity ratio	%	12.3%	13.6%	16.6%	17.4%		
	Operating activities CF	Billion yen	17.5	15.9	(5.5)	50.9		
	Investment activities CF	Billion yen	(0.5)	(2.0)	(4.5)	(5.4)		
	Finance activities DF	Billion yen	(15.7)	(12.1)	(7.5)	1.4		
	New orders	Billion yen	241.5	192.5	257.8	354.9	240.0	
	Backlog of contracts	Billion yen	350.5	337.7	373.5	499.2		
	Non-consolidated	Net sales	Billion yen	142.9	175.6	161.9	186.5	290.0
		Gross profit	Billion yen	2.3	11.7	10.6	12.1	
Gross profit margin		%	1.6%	6.7%	6.6%	6.5%		
Operating income		Billion yen	(4.7)	3.2	2.0	3.4	6.5	
Operating income margin		%	-3.4%	1.8%	1.3%	1.9%	2.2%	
Ordinary income		Billion yen	(4.5)	3.0	2.4	3.8	6.5	
Net income		Billion yen	(6.4)	3.1	2.5	3.8	4.5	
Interest bearing debt		Billion yen	47.1	34.9	29.8	26.3	21.5	
Interest bearing debt ratio		%	26.8%	18.6%	16.8%	10.3%		
Net debt		Billion yen	8.4	(4.7)	7.7	(44.3)		
Debt equity ratio		times	1.34	0.92	0.71	0.47		
Equity ratio		%	20.0%	20.3%	23.7%	21.8%		
New orders		Billion yen	216.3	160.9	211.4	317.1	180.0	
Backlog of contracts		Billion yen	338.7	316.7	339.5	463.6		
Dividends per share	yen	-	3.0	3.0	3.0	6.0		



For further questions on this material, please contact ;

 **TOYO ENGINEERING CORPORATION**

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

Kunihiko MIYAWAKI

IR Manager

Corporate Planning & Administration Unit

2-8-1 Akanehama, Narashino, Chiba, Japan 275-0024

TEL 81-47-454-1167

The forecasts 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.