



Third quarter of fiscal year 2010

(December 31, 2010)

# OUTLINE OF FINANCIAL RESULTS

 **TOYO ENGINEERING CORPORATION**

**February 10, 2011**

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\* In principle, unit of amount figures shown in this material is billion yen with first decimal place on round down basis.

# Performance summary



< Billion yen >

	2009/12	2010/12	Difference		Forecast 2011/3 (As of Feb 10,2011)	Achievement
<b>Net sales</b>	<b>132.2</b>	<b>113.7</b>	<b>(18.5)</b>	<b>-14%</b>	<b>160.0</b>	<b>71%</b>
<b>Gross profit</b>	<b>24.3</b>	<b>19.3</b>	<b>(5.0)</b>	<b>-21%</b>	<b>25.0</b>	<b>77%</b>
Gross profit rate	18.4%	17.0%	-1.4%		15.6%	
<b>Operating income</b>	<b>9.3</b>	<b>3.8</b>	<b>(5.5)</b>	<b>-59%</b>	<b>5.0</b>	<b>76%</b>
Operating income rate	7.0%	3.4%	-3.6%		3.1%	
<b>Ordinary income</b>	<b>10.5</b>	<b>4.0</b>	<b>(6.5)</b>	<b>-62%</b>	<b>4.5</b>	<b>89%</b>
<b>Net income</b>	<b>5.5</b>	<b>2.4</b>	<b>(3.1)</b>	<b>-56%</b>	<b>2.5</b>	<b>96%</b>
<b>New orders</b>	<b>112.4</b>	<b>158.0</b>	<b>45.6</b>	<b>+41%</b>	<b>280.0</b>	<b>56%</b>

Exchange rate for Forecast 1US\$= ¥80.00

# Breakdown of income



< Billion yen >

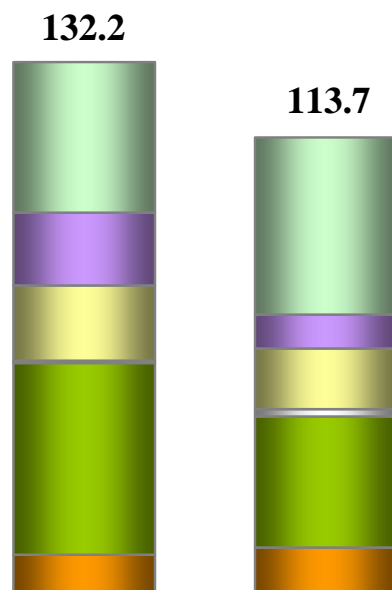
	2009/12	2010/12	Difference
<b>Gross profit</b>	<b>24.3</b>	<b>19.3</b>	<b>(5.0)</b>
Selling, general and administrative expenses	15.0	15.5	(0.5)
<b>Operating income</b>	<b>9.3</b>	<b>3.8</b>	<b>(5.5)</b>
Non-operating income	2.1	0.9	(1.2)
Non-operating expenses	0.8	0.7	0.1
Total non-operating income and expenses	1.2	0.1	(1.1)
<b>Ordinary income</b>	<b>10.5</b>	<b>4.0</b>	<b>(6.5)</b>
Extraordinary gain	0.1	-	(0.1)
Total extraordinary gain	0.1	-	(0.1)
Income before income taxes and minority interest	10.7	4.0	(6.7)
Current income taxes and Deferred income taxes	5.1	1.7	3.4
Minority interest income	0.0	(0.1)	0.1
<b>Net income</b>	<b>5.5</b>	<b>2.4</b>	<b>(3.1)</b>

# Net sales



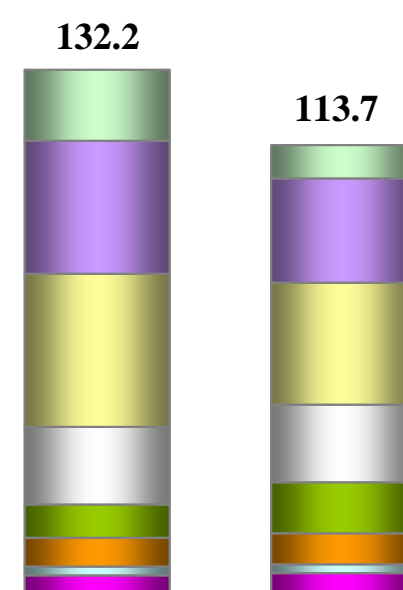
< Billion yen >

## Breakdown by region



	2009/12	2010/12
Japan	37.0	<b>43.6</b>
Southeast Asia	17.8	<b>8.0</b>
Southwest Asia, Middle East and Africa	18.3	<b>15.3</b>
Russia and Central Asia	0.8	<b>1.5</b>
Central and South America	46.8	<b>32.3</b>
China	10.9	<b>11.2</b>
Others	0.6	<b>1.8</b>
<b>Total</b>	<b>132.2</b>	<b>113.7</b>

## Breakdown by segment details



	2009/12	2010/12
Chemical fertilizers	17.4	<b>8.6</b>
Petrochemicals	33.2	<b>26.0</b>
Oil refinery	38.6	<b>30.2</b>
Energy-related	19.3	<b>19.7</b>
General manufacturing facilities	8.2	<b>12.6</b>
IT	7.2	<b>7.6</b>
Real estate	2.3	<b>2.2</b>
Others	6.0	<b>6.8</b>
<b>Total</b>	<b>132.2</b>	<b>113.7</b>

# Balance sheet



< Billion yen >

Assets	2010/3	2010/12	Difference
<b>Current assets</b>	<b>141.6</b>	<b>137.5</b>	<b>(4.1)</b>
Cash and deposits	36.8	36.7	(0.1)
Marketable securities	37.9	37.9	+0.0
Other current assets	17.7	10.1	(7.6)
<Operating assets>			
Notes and accounts receivable	27.3	30.4	+3.1
Contract work in progress	21.6	22.1	+0.5
<b>Fixed assets</b>	<b>48.4</b>	<b>50.5</b>	<b>+2.1</b>
Property, plant and equipment	32.4	31.5	(0.9)
Intangible assets	3.0	2.9	(0.1)
Investments and assets	13.0	15.9	+2.9
<b>Total assets</b>	<b>190.1</b>	<b>188.0</b>	<b>(2.1)</b>

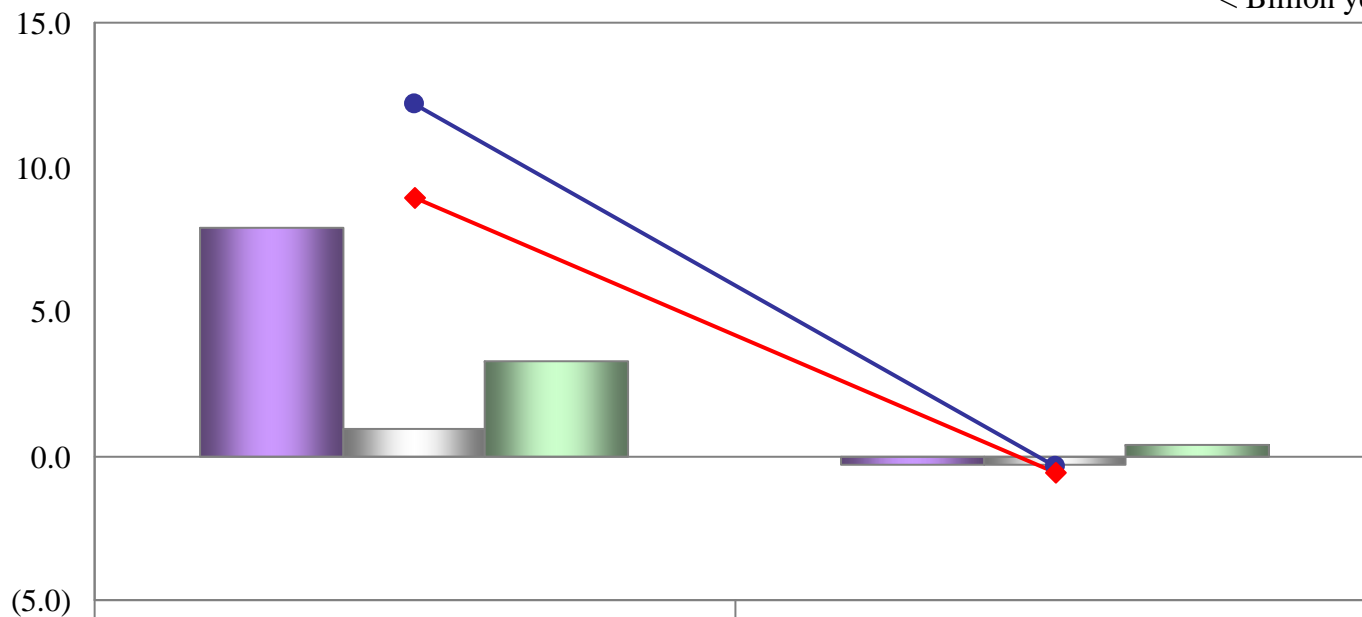
Liabilities and net assets	2010/3	2010/12	Difference
<b>Current liabilities</b>	<b>90.6</b>	<b>88.3</b>	<b>(2.3)</b>
Short-term interest bearing debt	8.2	9.6	+1.4
Other current liabilities	11.6	11.0	(0.6)
<Operating liabilities>			
Notes and accounts payable	35.0	40.8	+5.8
Advance receipts on uncompleted contracts	35.5	26.7	(8.8)
<b>Long-term liabilities</b>	<b>34.2</b>	<b>33.9</b>	<b>(0.3)</b>
Long-term interest bearing debt	23.6	23.6	+0.0
Other long-term liabilities	10.5	10.2	(0.3)
<b>Net assets</b>	<b>65.2</b>	<b>65.7</b>	<b>+0.5</b>
Shareholder's equity	64.1	65.6	+1.5
Valuation and translation adjustments	(0.8)	(1.6)	(0.8)
Minority interest	2.0	1.7	(0.3)
<b>Total liabilities and net assets</b>	<b>190.1</b>	<b>188.0</b>	<b>(2.1)</b>

# Cash flows



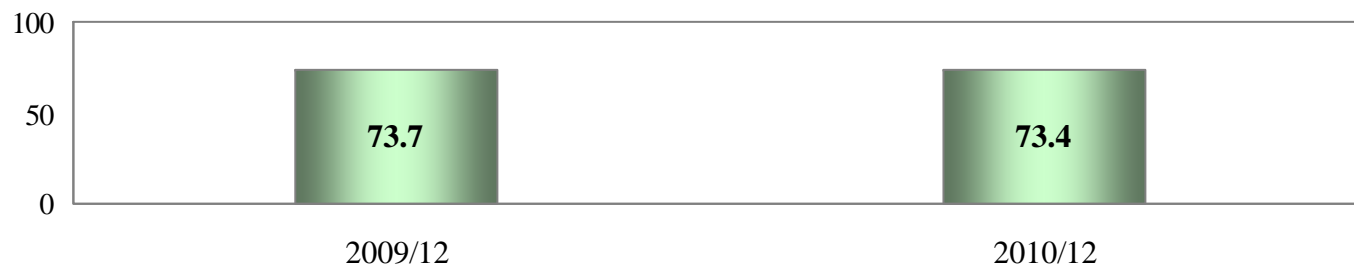
< Billion yen >

## Cash flows



	2009/4 - 12	2010/4 - 12
Operating activities	7.9	(0.3)
Investing activities	0.9	(0.3)
Financing activities	3.3	0.4
Net increase / decrease in cash	12.2	(0.4)
Free cash flow	8.9	(0.6)

## Cash and cash equivalents, end of the term

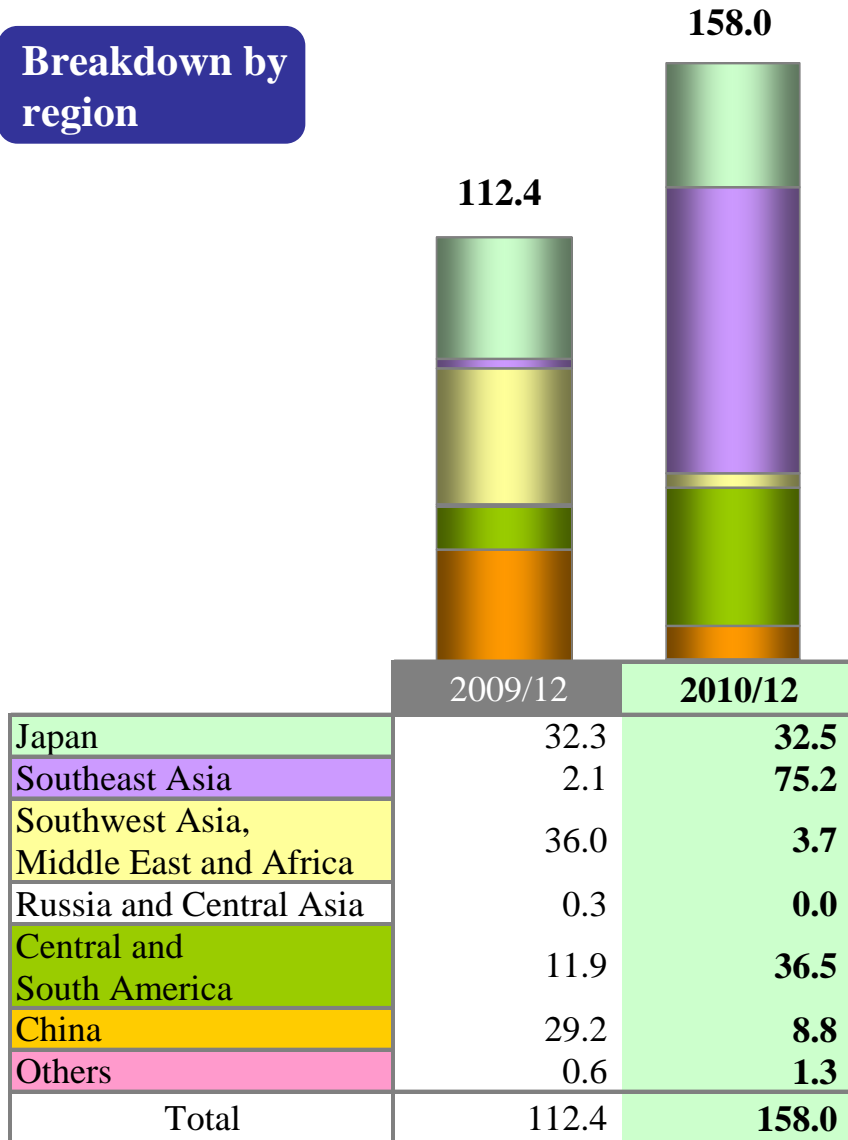


# New orders

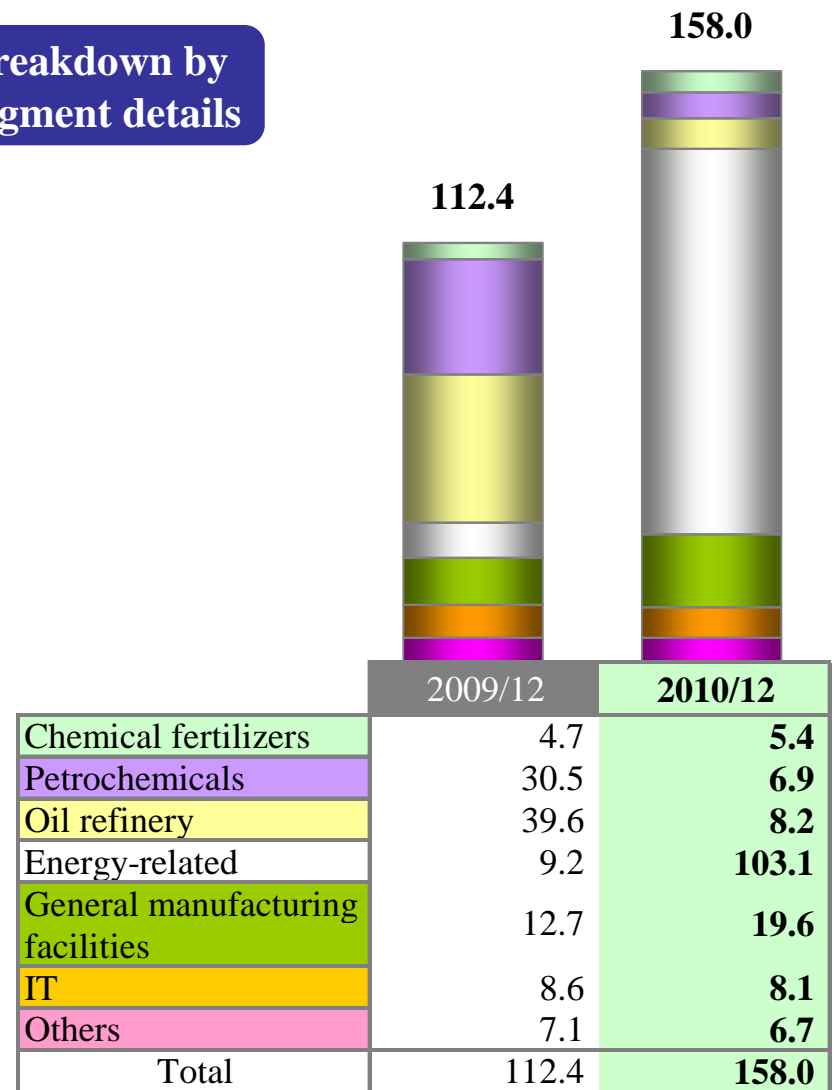


< Billion yen >

## Breakdown by region



## Breakdown by segment details

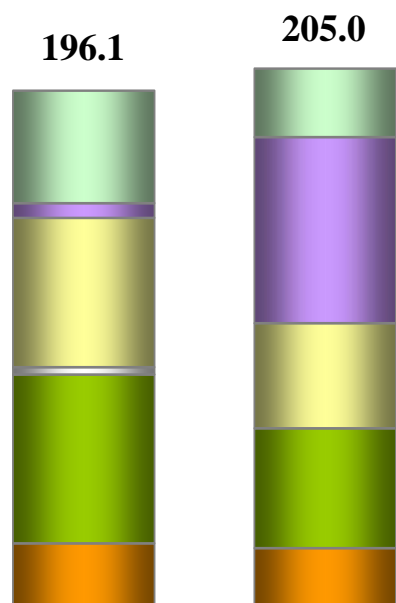




# Backlog of contracts

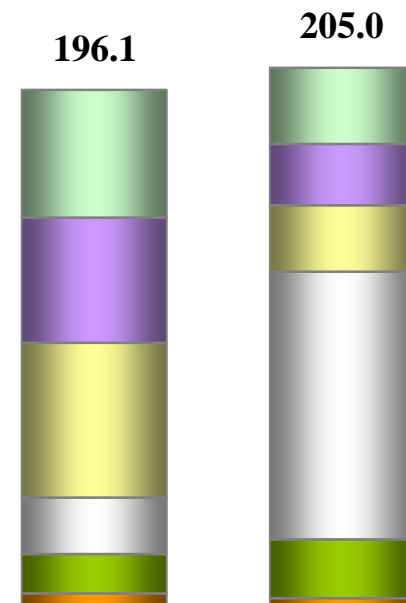
< Billion yen >

## Breakdown by region



	2009/12	2010/12
Japan	41.7	26.4
Southeast Asia	5.5	69.6
Southwest Asia, Middle East and Africa	56.3	40.1
Russia and Central Asia	2.8	0.1
Central and South America	63.7	44.5
China	25.1	23.1
Others	1.0	1.2
<b>Total</b>	<b>196.1</b>	<b>205.0</b>

## Breakdown by segment details



	2009/12	2010/12
Chemical fertilizers	47.5	28.6
Petrochemicals	46.9	23.4
Oil refinery	58.7	24.9
Energy-related	20.5	100.7
General manufacturing facilities	15.0	22.0
IT	4.4	3.6
Others	3.1	1.8
<b>Total</b>	<b>196.1</b>	<b>205.0</b>

# Forecast



< Billion yen >

	2010/3	Third quarter 2010/12	Forecast 2011/3	
			Initial plan	New plan
<b>Net sales</b>	173.9	113.7	160.0	160.0
<b>Gross profit</b>	32.9	19.3	24.0	25.0
<b>Gross profit rate</b>	19.0%	17.0%	15.0%	15.6%
Selling, general and administrative expenses	19.9	15.5	20.0	20.0
<b>Operating income</b>	13.0	3.8	4.0	5.0
<b>Operating income rate</b>	7.5%	3.4%	2.5%	3.1%
Non-operating income and expenses	1.3	0.1	(0.5)	(0.5)
<b>Ordinary income</b>	14.4	4.0	3.5	4.5
<b>Net income</b>	7.1	2.4	1.0	2.5
<b>New orders</b>	132.4	158.0	280.0	280.0
<b>Dividends per share (yen) (Non-consolidated)</b>	¥7.0	-	¥3.0	¥3.0

Exchange rate for Forecast 1US\$= ¥80.00



**For further questions on this material, please contact ;**

 **TOYO ENGINEERING CORPORATION**

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

**Kazuhiro SAKUMA**

**IR Manager**

**Corporate Communications Division**

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

**TEL 81-47-454-1681**

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.