



Fiscal year 2010

(March 31, 2011)

# OUTLINE OF FINANCIAL RESULTS

 **TOYO ENGINEERING CORPORATION**

May 13, 2011

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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

- *Compared with last fiscal year :  
Decreased in revenue and income, but increased in new orders.*
- *Compared with the target :  
Decreased in revenue but increased in income and dividend.*

< Billion yen >

	2010/3	2011/3	Difference		Forecast 2011/3	Difference	Achievement
<b>Net sales</b>	<b>173.9</b>	<b>155.6</b>	<b>(18.3)</b>	<b>-11%</b>	<b>160.0</b>	<b>(4.4)</b>	<b>97%</b>
<b>Gross profit</b>	<b>32.9</b>	<b>26.5</b>	<b>(6.4)</b>	<b>-19%</b>	<b>25.0</b>	<b>1.5</b>	<b>106%</b>
Gross profit rate	19.0%	17.1%	-1.9%		15.6%	1.5%	
<b>Operating income</b>	<b>13.0</b>	<b>6.8</b>	<b>(6.2)</b>	<b>-48%</b>	<b>5.0</b>	<b>1.8</b>	<b>136%</b>
Operating income rate	7.5%	4.4%	-3.1%		3.1%	1.3%	
<b>Ordinary income</b>	<b>14.4</b>	<b>7.0</b>	<b>(7.4)</b>	<b>-51%</b>	<b>4.5</b>	<b>2.5</b>	<b>156%</b>
<b>Net income</b>	<b>7.1</b>	<b>3.7</b>	<b>(3.4)</b>	<b>-48%</b>	<b>2.5</b>	<b>1.2</b>	<b>148%</b>
<b>New orders</b>	<b>132.4</b>	<b>222.5</b>	<b>90.1</b>	<b>+68%</b>	<b>280.0</b>	<b>(57.5)</b>	<b>79%</b>
<b>Dividends per share (yen) (Non-consolidated)</b>	<b>¥7.0</b>	<b>¥5.0</b>	<b>(¥2.0)</b>		<b>¥3.0</b>	<b>¥2.0</b>	<b>167%</b>

Exchange rate for Forecast 1US\$= ¥80.00

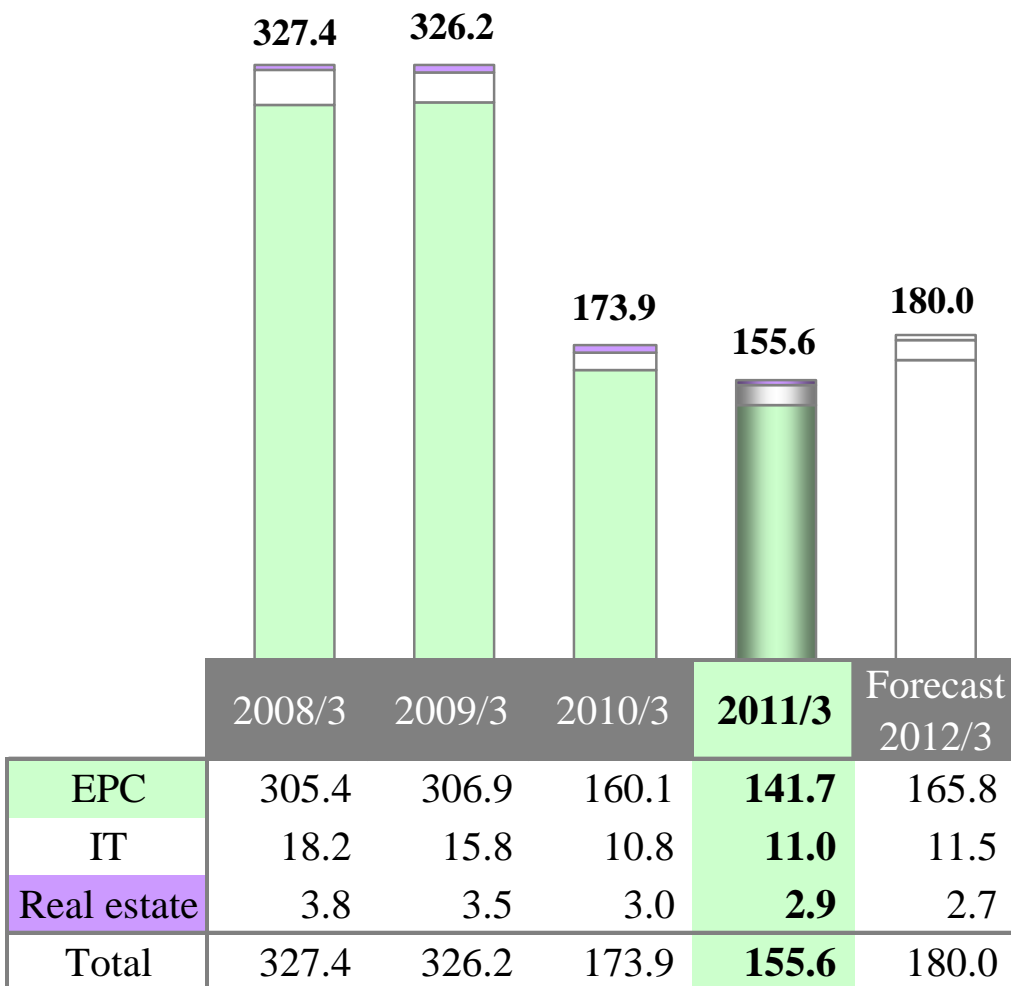
# Income statement

< Billion yen >

	2010/3		2011/3		Difference	Forecast 2011/3	Difference
	Billions of yen	%	Billions of yen	%	Billions of yen		
<b>Net sales</b>	<b>173.9</b>	100.0	<b>155.6</b>	100.0	<b>(18.3)</b>	<b>160.0</b>	<b>(4.4)</b>
Cost of sales	140.9	81.0	129.1	83.0	11.8		
<b>Gross profit</b>	<b>32.9</b>	19.0	<b>26.5</b>	17.1	<b>(6.4)</b>	<b>25.0</b>	<b>1.5</b>
Selling, general and administrative expenses	19.9	11.4	19.7	12.7	0.2		
<b>Operating income</b>	<b>13.0</b>	7.5	<b>6.8</b>	4.4	<b>(6.2)</b>	<b>5.0</b>	<b>1.8</b>
Non-operating income	2.3	1.3	1.3	0.8	(1.0)		
Non-operating expenses	0.9	0.5	1.1	0.7	(0.2)		
Total non-operating income and expenses	1.3		0.1		(1.2)		
<b>Ordinary income</b>	<b>14.4</b>	8.3	<b>7.0</b>	4.5	<b>(7.4)</b>	<b>4.5</b>	<b>2.5</b>
Extraordinary gain	1.0	0.6	-	-	-		
Extraordinary loss	1.2	0.7	0.0	0.0	1.2		
Total extraordinary gain and loss	(0.2)		(0.0)		0.2		
Income before income taxes and minority interest	14.2	8.2	6.9	4.4	(7.3)		
Current income taxes and Deferred income taxes	6.9	4.0	3.2	2.1	3.7		
Minority interest income	0.1	0.1	(0.1)	-0.1	0.2		
<b>Net income</b>	<b>7.1</b>	4.1	<b>3.7</b>	2.4	<b>(3.4)</b>	<b>2.5</b>	<b>1.2</b>

# Net sales

< Billion yen >



## Compared with forecast for 2011/3

	2011/3		Difference	Achievement
	Forecast	Result		
EPC	146.0	141.7	(4.3)	97%
IT	11.1	11.0	(0.1)	99%
Real estate	2.9	2.9	0.0	100%
<b>Total</b>	<b>160.0</b>	<b>155.6</b>	<b>(4.4)</b>	<b>97%</b>

## Compared with last fiscal year

	2010/3	2011/3	Difference	
EPC	160.1	141.7	(18.4)	-11%
IT	10.8	11.0	+0.2	+2%
Real estate	3.0	2.9	(0.1)	-3%
<b>Total</b>	<b>173.9</b>	<b>155.6</b>	<b>(18.3)</b>	<b>-11%</b>

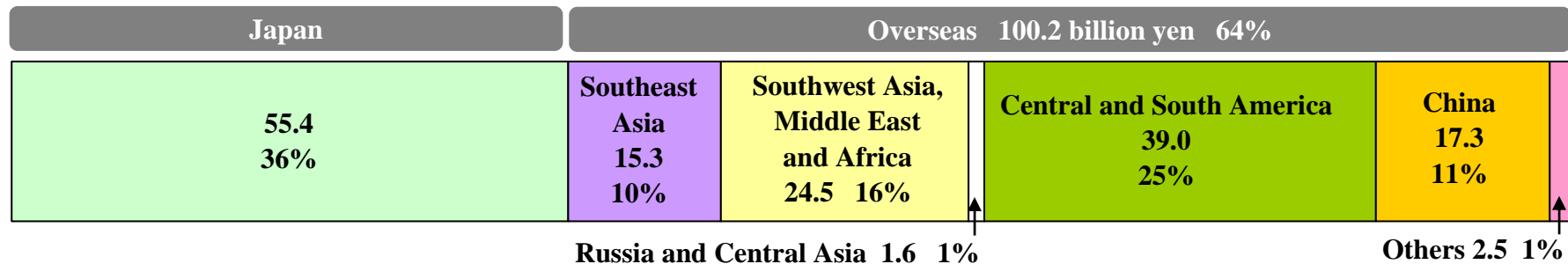
	2010/3	2011/3	Difference
Japan	50.9	55.4	+4.5
%	29%	36%	+7%
Overseas	123.0	100.2	(22.8)
%	71%	64%	-7%
<b>Total</b>	<b>173.9</b>	<b>155.6</b>	<b>(18.3)</b>

# Net sales

**2011/3 Net sales : 155.6 billion yen**

< Billion yen >

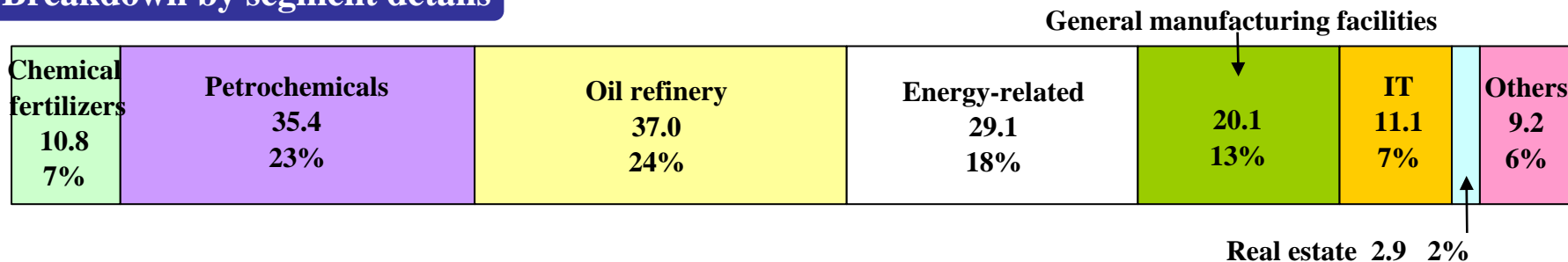
## Breakdown by region



## Major contracts

Over 10 billion yen	Over 5 billion yen	Over 3 billion yen
General manufacturing facility, JAPAN Oil refinery, BRAZIL	Petrochemical, JAPAN Energy-related, THAILAND Chemical fertilizer, VENEZUELA Energy-related, BRAZIL Petrochemical, CHINA	Oil refinery, JAPAN Petrochemical, JAPAN Energy-related, QATAR Petrochemical, CHINA

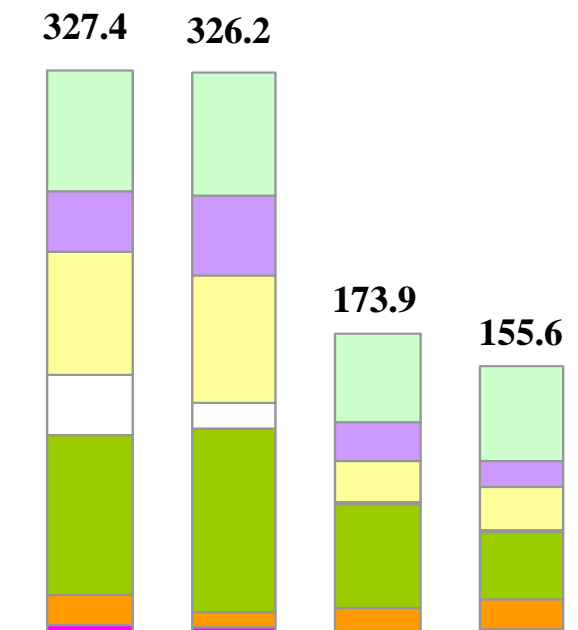
## Breakdown by segment details



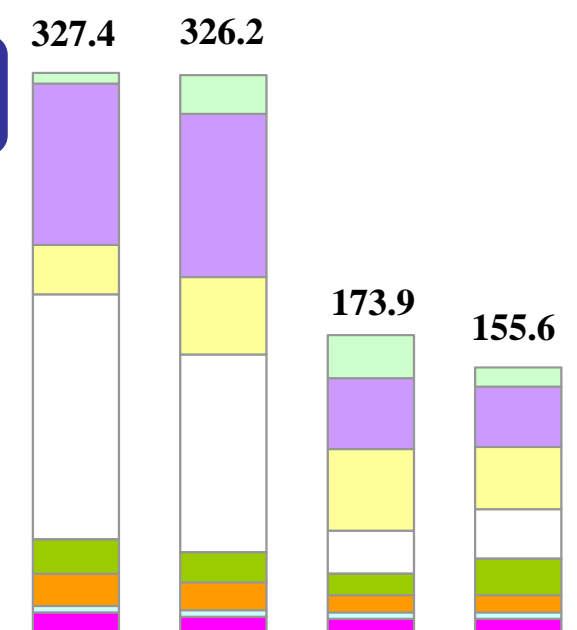
# Net sales

< Billion yen >

## Breakdown by region



## Breakdown by segment details

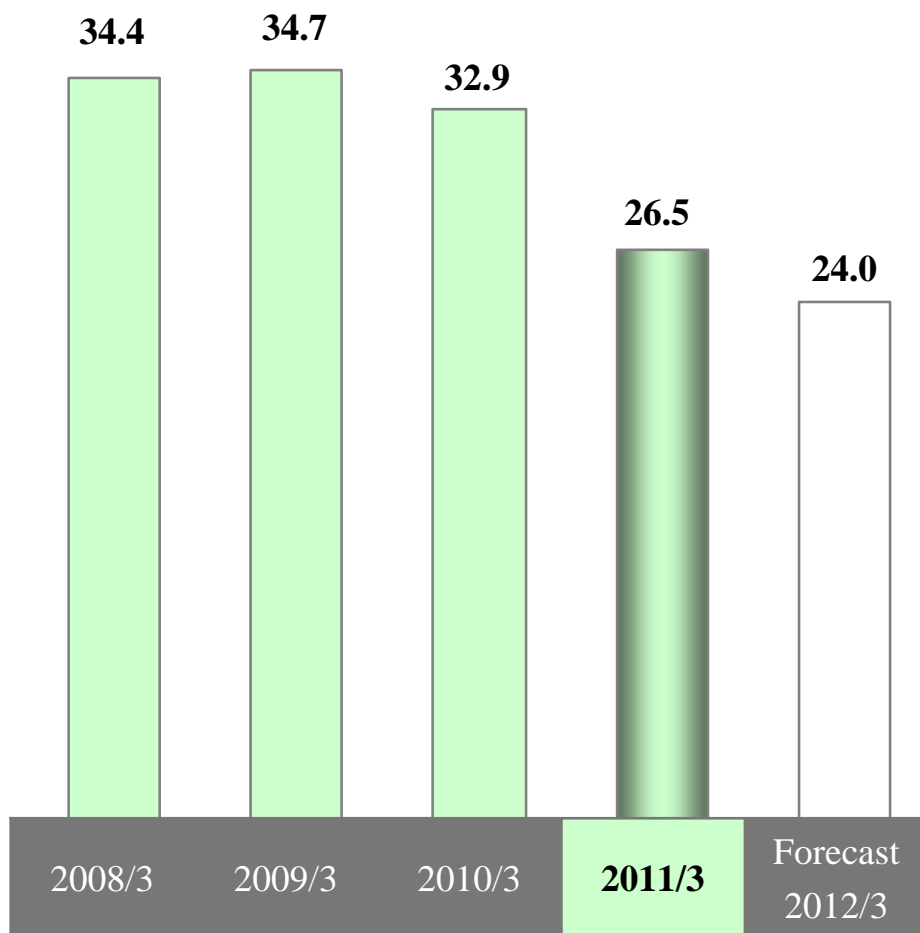


	2008/3	2009/3	2010/3	2011/3
Japan	70.8	71.7	50.9	55.4
Southeast Asia	34.1	45.8	22.2	15.3
Southwest Asia, Middle East and Africa	71.6	74.4	23.7	24.5
Russia and Central Asia	35.3	15.7	2.4	1.6
Central and South America	92.8	106.3	59.8	39.0
China	17.5	8.0	13.7	17.3
Others	5.3	4.3	1.2	2.5
<b>Total</b>	<b>327.4</b>	<b>326.2</b>	<b>173.9</b>	<b>155.6</b>

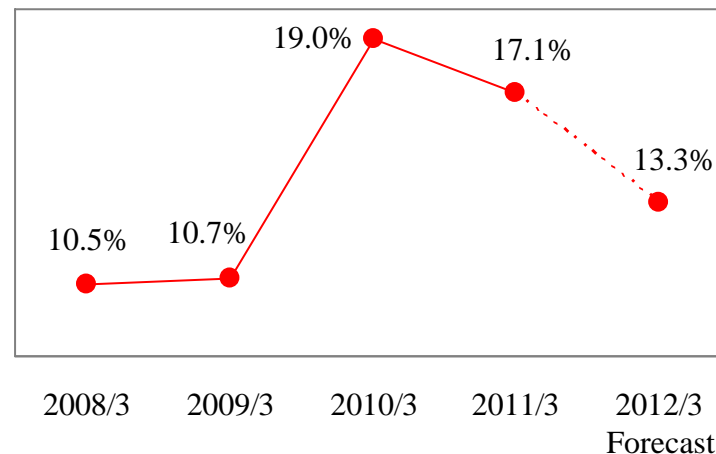
	2008/3	2009/3	2010/3	2011/3
Chemical fertilizers	6.4	22.5	24.3	10.8
Petrochemicals	94.0	95.4	41.5	35.4
Oil refinery	28.9	45.7	48.0	37.0
Energy-related	142.9	114.4	25.0	29.1
General manufacturing facilities	20.3	18.7	12.1	20.1
IT	18.2	15.8	10.8	11.1
Real estate	3.8	3.5	3.0	2.9
Others	12.9	10.2	9.2	9.2
<b>Total</b>	<b>327.4</b>	<b>326.2</b>	<b>173.9</b>	<b>155.6</b>

# Gross profit

< Billion yen >



## Gross profit rate



## Compared with forecast for 2011/3

2011/3		Difference	Achievement
Forecast	Result		
25.0	26.5	+1.5	106%

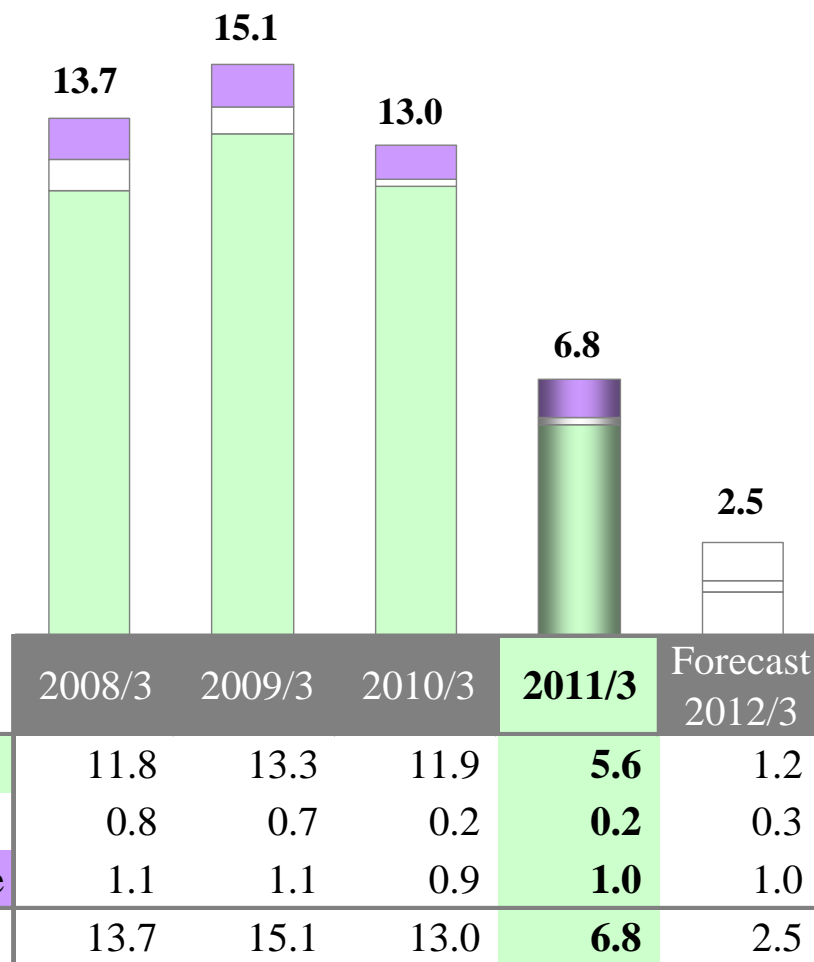
## Compared with last fiscal year

2010/3	2011/3	Difference	
32.9	26.5	(6.4)	-19%

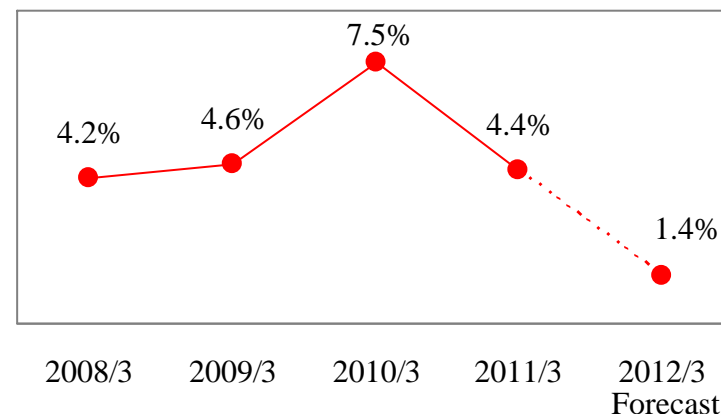


# Operating income

< Billion yen >



## Operating income rate



## Compared with forecast for 2011/3

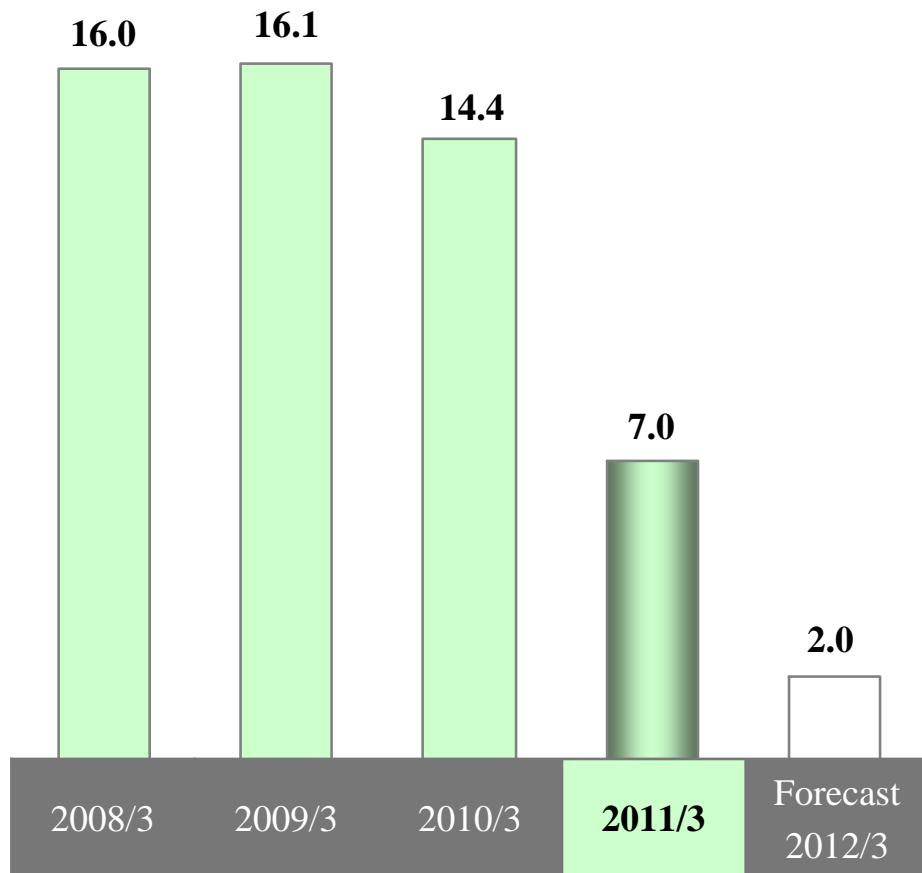
	2011/3		Difference	Achievement
	Forecast	Result		
EPC	3.7	5.6	1.9	151%
IT	0.2	0.2	0.0	100%
Real estate	1.1	1.0	(0.1)	91%
<b>Total</b>	5.0	6.8	1.8	136%

## Compared with last fiscal year

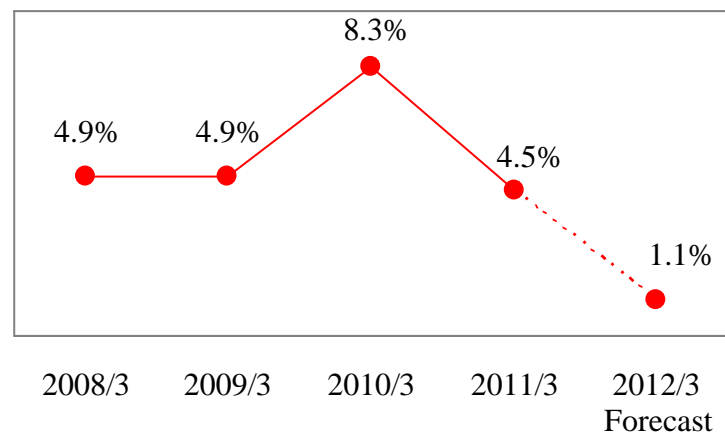
	2010/3	2011/3	Difference	
EPC	11.9	5.6	(6.3)	-53%
IT	0.2	0.2	+0.0	+0%
Real estate	0.9	1.0	+0.1	+11%
<b>Total</b>	13.0	6.8	(6.2)	-48%

# Ordinary income

< Billion yen >



## Ordinary income rate



## Compared with forecast for 2011/3

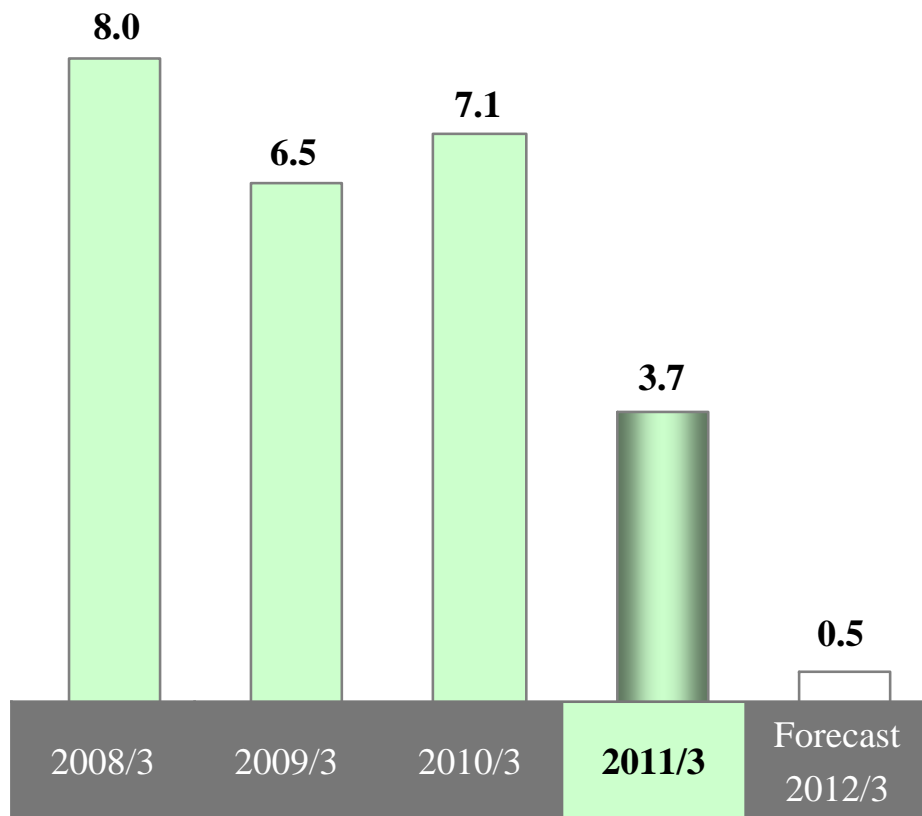
2011/3		Difference	Achievement
Forecast	Result		
4.5	7.0	+2.5	156%

## Compared with last fiscal year

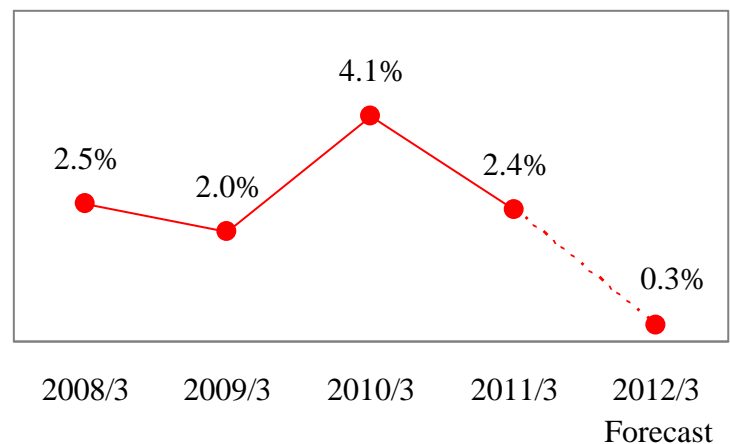
2010/3	2011/3	Difference	
14.4	7.0	(7.4)	-51%

# Net income

< Billion yen >



## Net income rate



## Compared with forecast for 2011/3

2011/3		Difference	Achievement
Forecast	Result		
2.5	3.7	+1.2	148%

## Compared with last fiscal year

2010/3	2011/3	Difference	
7.1	3.7	(3.4)	-48%

## Net income per share

41.76 yen	33.91 yen	37.12 yen	<b>19.65 yen</b>	2.61 yen
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# Balance sheet

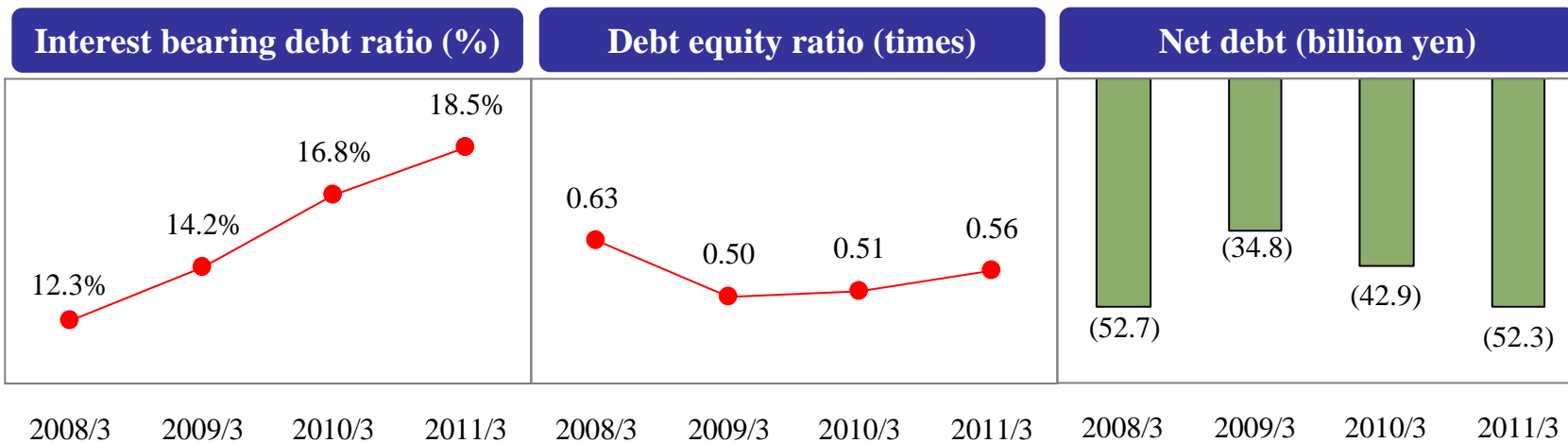
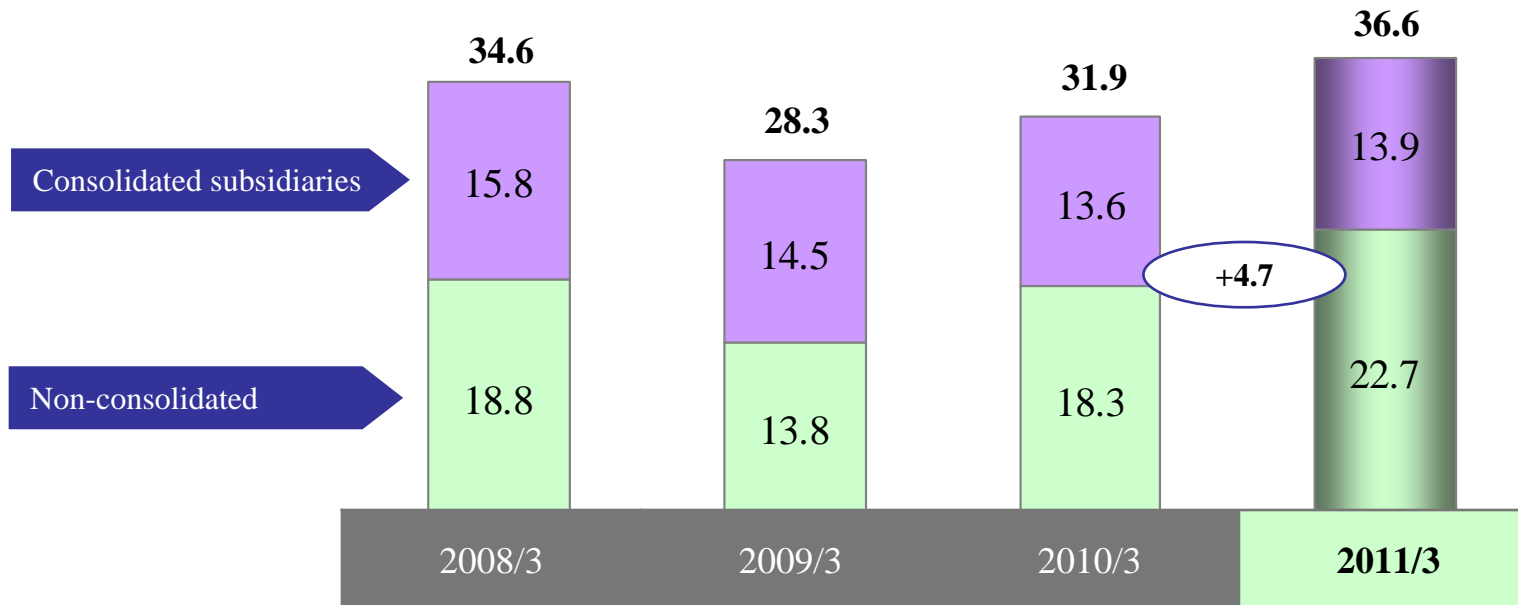
< Billion yen >

Assets	2010/3	2011/3	Difference
<b>Current assets</b>	<b>141.6</b>	<b>148.6</b>	<b>+7.0</b>
Cash and deposits	36.8	45.0	+8.2
Marketable securities	37.9	43.9	+6.0
Other current assets	17.7	10.1	(7.6)
<Operating assets>			
Notes and accounts receivable	27.3	30.7	+3.4
Contract work in progress	21.6	18.7	(2.9)
<b>Fixed assets</b>	<b>48.4</b>	<b>49.6</b>	<b>+1.2</b>
Property, plant and equipment	32.4	31.5	(0.9)
Intangible assets	3.0	4.7	+1.7
Investments and assets	13.0	13.4	+0.4
<b>Total assets</b>	<b>190.1</b>	<b>198.3</b>	<b>+8.2</b>

Liabilities and net assets	2010/3	2011/3	Difference
<b>Current liabilities</b>	<b>90.6</b>	<b>105.2</b>	<b>+14.6</b>
Short-term interest bearing debt	8.2	20.2	+12.0
Other current liabilities	11.6	10.2	(1.4)
<Operating liabilities>			
Notes and accounts payable	35.0	40.8	+5.8
Advance receipts on uncompleted contracts	35.5	33.9	(1.6)
<b>Long-term liabilities</b>	<b>34.2</b>	<b>26.0</b>	<b>(8.2)</b>
Long-term interest bearing debt	23.6	16.4	(7.2)
Other long-term liabilities	10.5	9.5	(1.0)
<b>Net assets</b>	<b>65.2</b>	<b>67.0</b>	<b>+1.8</b>
Shareholder's equity	64.1	67.0	+2.9
Accumulated other comprehensive income	(0.8)	(1.7)	(0.9)
Minority interest	2.0	1.7	(0.3)
<b>Total liabilities and net assets</b>	<b>190.1</b>	<b>198.3</b>	<b>+8.2</b>

# Interest bearing debt balance

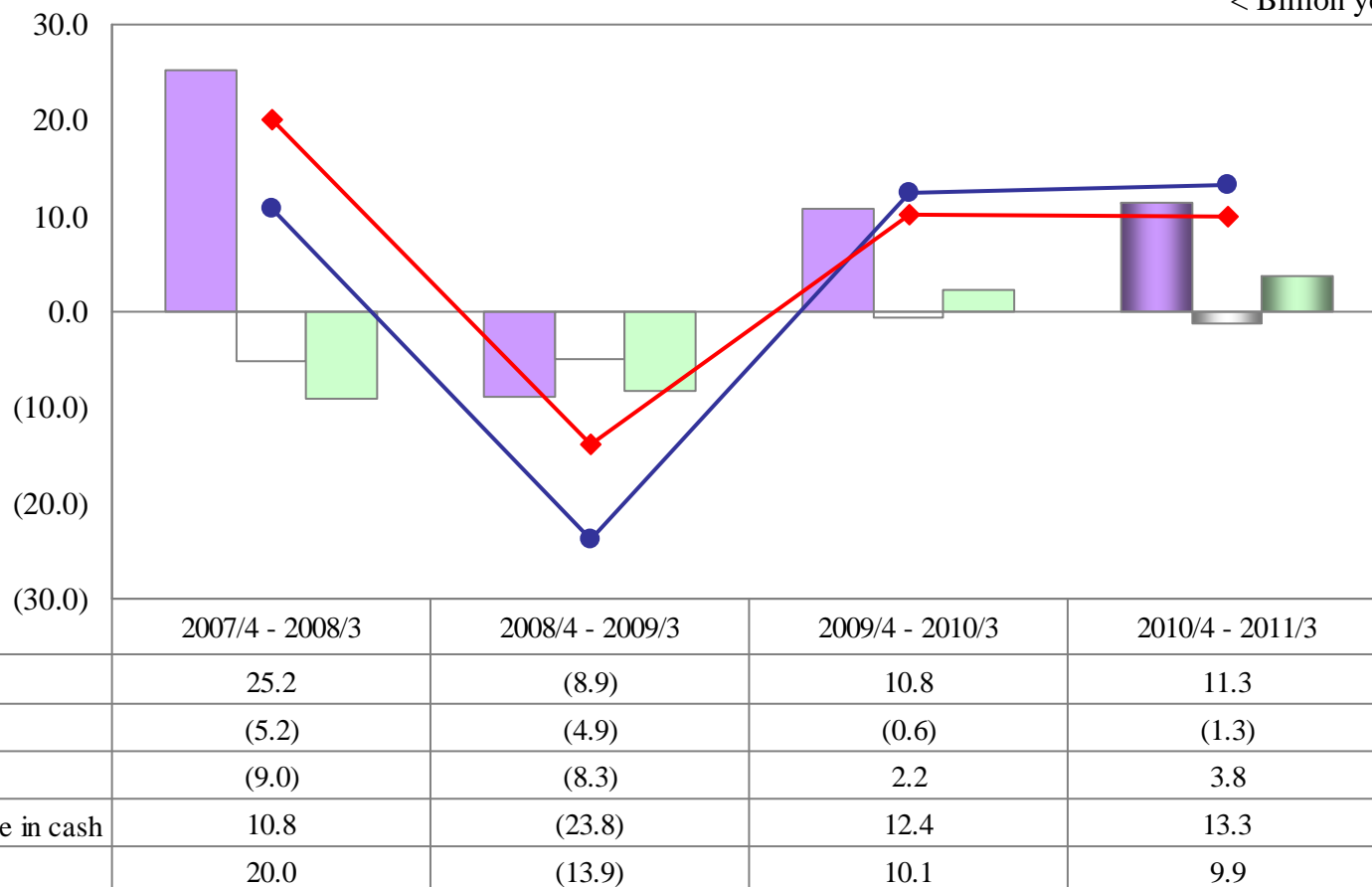
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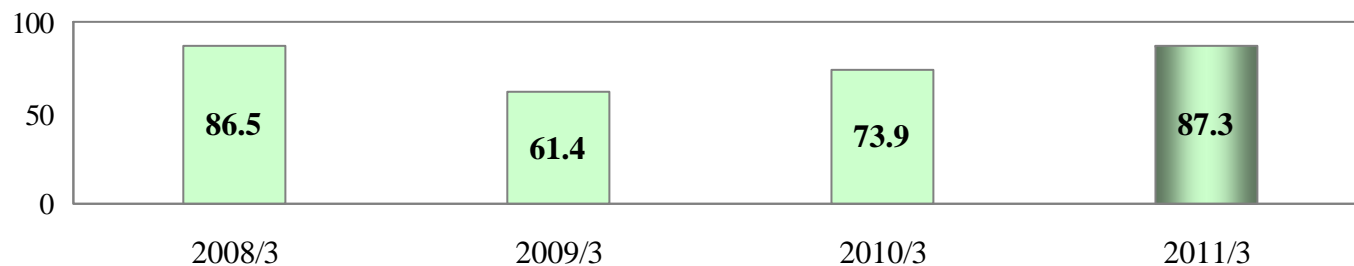
# Cash flows

< Billion yen >

## Cash flows

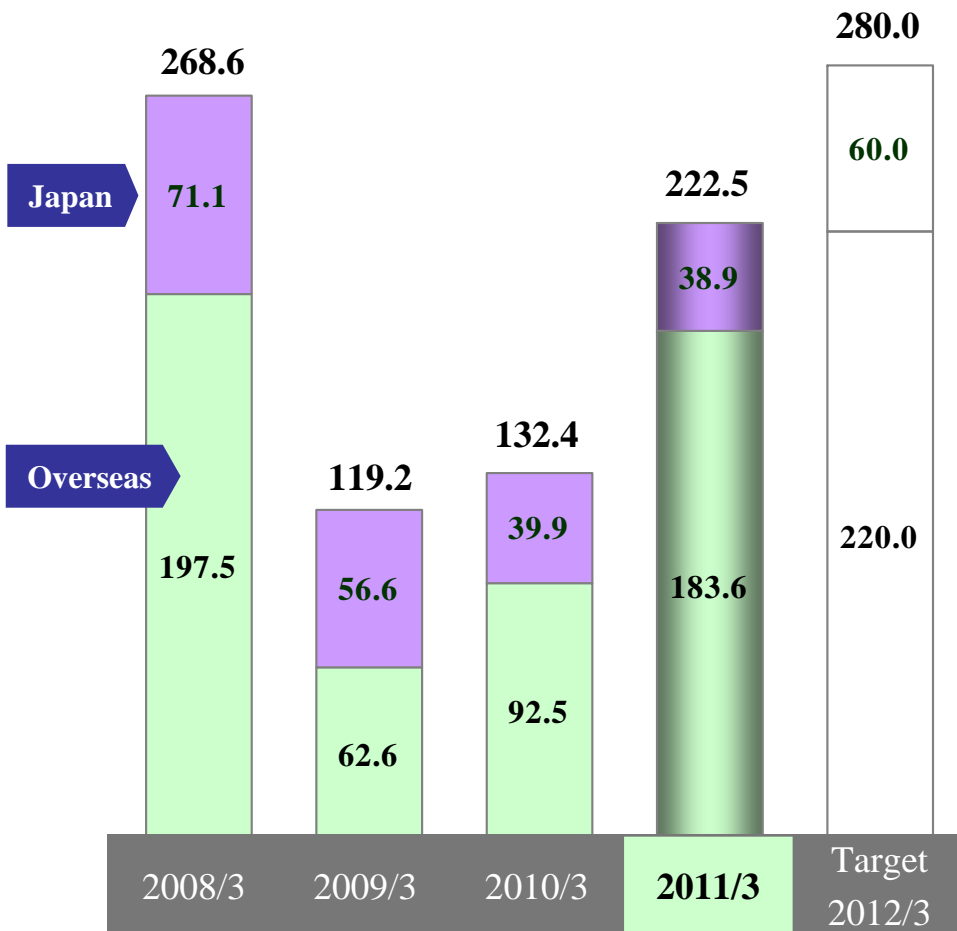


## Cash and cash equivalents, end of the fiscal



# New orders

< Billion yen >



**2011/3 New orders : 222.5 billion yen**

**Compared with target for 2011/3**

	2011/3		Difference	Achievement
	Target	Result		
Japan	56.0	<b>38.9</b>	(17.1)	69%
Overseas	224.0	<b>183.6</b>	(40.4)	82%
Total	280.0	<b>222.5</b>	(57.5)	79%

## Major contracts

**Over 10 billion yen**

Energy-related, THAILAND  
 Chemical fertilizer, INDONESIA  
 Energy-related, BRAZIL  
 General manufacturing facility, INDONESIA

**Over 5 billion yen**

Energy-related, AZERBAIJAN  
 Oil refinery, BRAZIL

**Over 3 billion yen**

Chemical fertilizer, VENEZUELA  
 General manufacturing facility, CHINA

## Breakdown by consolidated companies

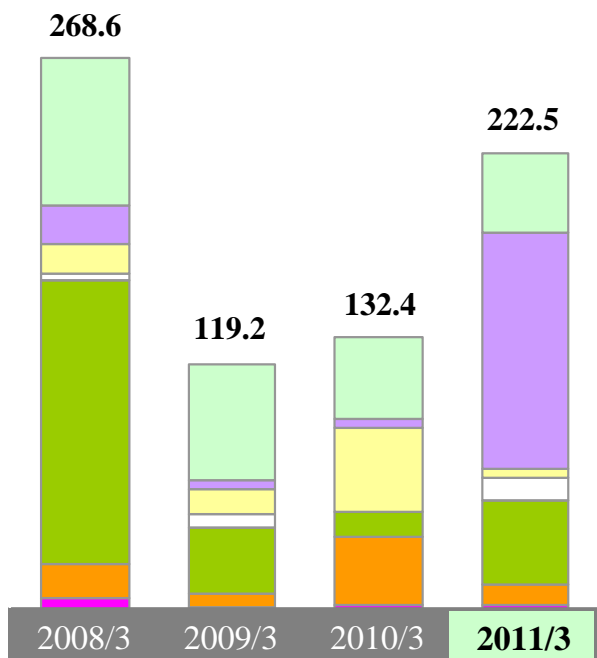
Toyo Engineering Corp.	193.3 billion yen
Domestic subsidiaries	18.7 billion yen
Overseas subsidiaries	10.5 billion yen

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

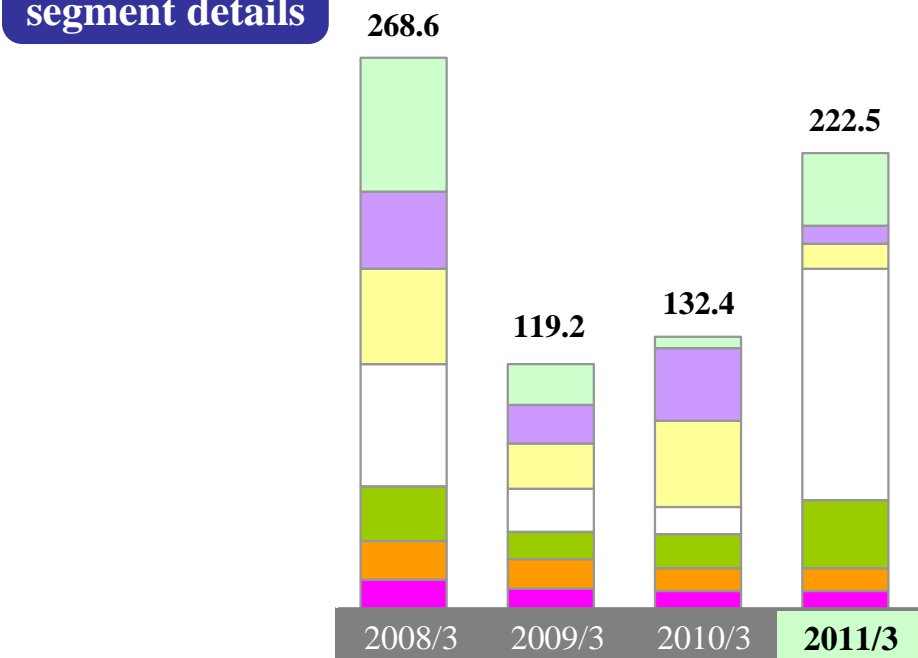
# New orders

< Billion yen >

**Breakdown by region**



**Breakdown by segment details**

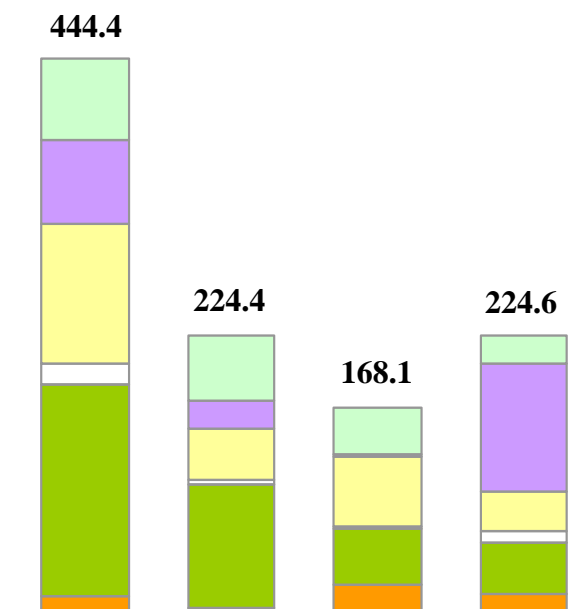




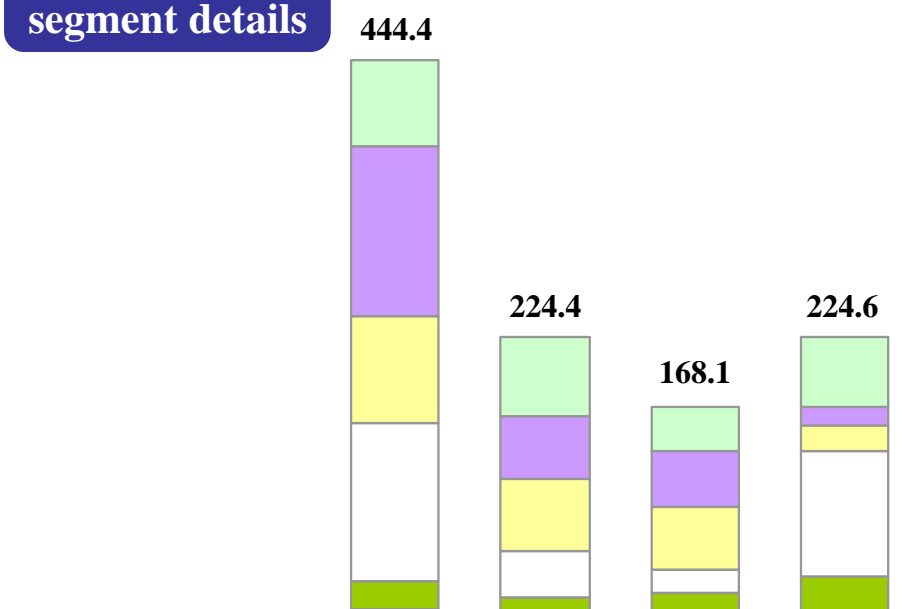
# Backlog of contracts

< Billion yen >

## Breakdown by region



## Breakdown by segment details



	2008/3	2009/3	2010/3	2011/3
Japan	63.5	51.1	36.2	21.3
Southeast Asia	67.6	22.6	2.8	101.8
Southwest Asia, Middle East and Africa	110.9	39.7	56.2	30.6
Russia and Central Asia	16.4	3.3	1.5	10.6
Central and South America	168.2	99.1	43.3	40.5
China	12.6	7.5	26.3	18.6
Others	5.2	1.1	1.8	1.2
<b>Total</b>	<b>444.4</b>	<b>224.4</b>	<b>168.1</b>	<b>224.6</b>

	2008/3	2009/3	2010/3	2011/3
Chemical fertilizers	67.6	62.4	33.9	55.4
Petrochemicals	136.7	51.4	44.4	15.6
Oil refinery	84.9	56.4	50.3	20.0
Energy-related	125.9	37.8	19.0	101.0
General manufacturing facilities	21.3	11.3	15.1	28.1
IT	5.5	3.1	3.4	3.4
Others	2.5	2.0	2.0	1.1
<b>Total</b>	<b>444.4</b>	<b>224.4</b>	<b>168.1</b>	<b>224.6</b>

# Forecast

< Billion yen >

	2011/3	Forecast for 2012/3	
		First half	Full year
<b>Net sales</b>	<b>155.6</b>	<b>80.0</b>	<b>180.0</b>
<b>Gross profit</b>	<b>26.5</b>	<b>9.5</b>	<b>24.0</b>
Gross profit rate	17.1%	11.9%	13.3%
<b>Operating income</b>	<b>6.8</b>	<b>(1.5)</b>	<b>2.5</b>
Operating income rate	4.4%	-1.9%	1.4%
<b>Ordinary income</b>	<b>7.0</b>	<b>(2.0)</b>	<b>2.0</b>
<b>Net income</b>	<b>3.7</b>	<b>(3.0)</b>	<b>0.5</b>
<b>New orders</b>	<b>222.5</b>	<b>-</b>	<b>280.0</b>
<b>Dividends per share (yen) (Non-consolidated)</b>	<b>¥5.0</b>	<b>¥0.0</b>	<b>¥3.0</b>

**Forecast for breakdowns by segment**

Net sales	First half	Full year
EPC	73.1	165.8
IT	5.5	11.5
Real estate	1.4	2.7
<b>Total</b>	<b>80.0</b>	<b>180.0</b>

Operating income	First half	Full year
EPC	(2.1)	1.2
IT	0.0	0.3
Real estate	0.6	1.0
<b>Total</b>	<b>(1.5)</b>	<b>2.5</b>

Exchange rate for Forecast 1US\$= ¥80.00

# - Reference - Subsidiaries information

## Results of major subsidiaries and affiliates

		Business fields	Capital	Share	Net sales 2011/3
			Billion yen	%	Billion yen
<b>Consolidated subsidiaries</b>					
Japan	Toyo Business Engineering Corporation	IT	0.7	51	11.1
Japan	TEC Estate, Ltd.	Real Estate	2.7	100	1.9
Japan	Suntec Corporation	Real Estate	0.4	100	1.5
Korea	Toyo Engineering Korea Ltd.	EPC	0.5	100	3.4
India	Toyo Engineering India Ltd.	EPC	0.3	74	14.5
<b>Equity method affiliates</b>					
Thailand	Toyo-Thai Corporation Public Company Ltd.	EPC	1.6	26	14.0

<Companies>

## Consolidated Subsidiaries / Equity method affiliates

		2008/3	2009/3	2010/3	2011/3
Consolidated subsidiaries		14	12	12	13
Equity method affiliates		1	2	2	3
<b>Total</b>		<b>15</b>	<b>14</b>	<b>14</b>	<b>16</b>
Japan		7	8	8	8
Overseas		8	6	6	8
<b>Total</b>		<b>15</b>	<b>14</b>	<b>14</b>	<b>16</b>

## - Reference - Historical data

		2008/3	2009/3	2010/3	2011/3	Forecast 2012/3
Net sales	Billion yen	327.4	326.2	173.9	155.6	180.0
Gross profit	Billion yen	34.4	34.7	32.9	26.5	24.0
Gross profit rate	%	10.5%	10.7%	19.0%	17.1%	13.3%
Operating income	Billion yen	13.7	15.1	13.0	6.8	2.5
Operating income rate	%	4.2%	4.6%	7.5%	4.4%	1.4%
Ordinary income	Billion yen	16.0	16.1	14.4	7.0	2.0
Net income	Billion yen	8.0	6.5	7.1	3.7	0.5
Interest bearing debt	Billion yen	34.6	28.3	31.9	36.6	
Interest bearing debt ratio	%	12.3%	14.2%	16.8%	18.5%	
Net debt	Billion yen	(52.7)	(34.8)	(42.9)	(52.3)	
Debt equity ratio	times	0.63	0.50	0.51	0.56	
Equity ratio	%	19.5%	28.4%	33.3%	32.9%	
Operating activities CF	Billion yen	25.2	(8.9)	10.8	11.3	
Investment activities CF	Billion yen	(5.2)	(4.9)	(0.6)	(1.3)	
Finance activities CF	Billion yen	(9.0)	(8.3)	2.2	3.8	
New orders	Billion yen	268.6	119.2	132.4	222.5	280.0
Backlog of contracts	Billion yen	444.4	224.4	168.1	224.6	327.3
Dividends per share (Non-consolidated)	yen	6.0	7.0	7.0	5.0	3.0



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

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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.