



First quarter of fiscal year 2010

(June 30, 2010)

# OUTLINE OF FINANCIAL RESULTS

 **TOYO ENGINEERING CORPORATION**

August 6, 2010

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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 >

	2009/6	2010/6	Difference		Forecast 2010/9	Achieve- ment
<b>Net sales</b>	<b>47.0</b>	<b>34.4</b>	<b>(12.6)</b>	<b>-27%</b>	<b>80.0</b>	<b>43%</b>
<b>Gross profit</b>	<b>6.7</b>	<b>6.4</b>	<b>(0.3)</b>	<b>-4%</b>	<b>11.0</b>	<b>58%</b>
Gross profit rate	14.2%	18.8%	4.6%		13.8%	
<b>Operating income</b>	<b>2.2</b>	<b>0.3</b>	<b>(1.9)</b>	<b>-86%</b>	<b>0.5</b>	<b>60%</b>
Operating income rate	4.7%	1.0%	-3.7%		0.6%	
<b>Ordinary income</b>	<b>3.0</b>	<b>0.4</b>	<b>(2.6)</b>	<b>-87%</b>	<b>0.5</b>	<b>80%</b>
<b>Net income</b>	<b>2.5</b>	<b>(0.0 )</b>	<b>(2.5)</b>	<b>-102%</b>	<b>0.0</b>	<b>-</b>
<b>New orders</b>	<b>35.7</b>	<b>21.9</b> *	<b>(13.8)</b>	<b>-39%</b>	* Reached 8% of target for 2011/3	

Exchange rate for Forecast 1US\$= ¥90.00

# Breakdown of income



< Billion yen >

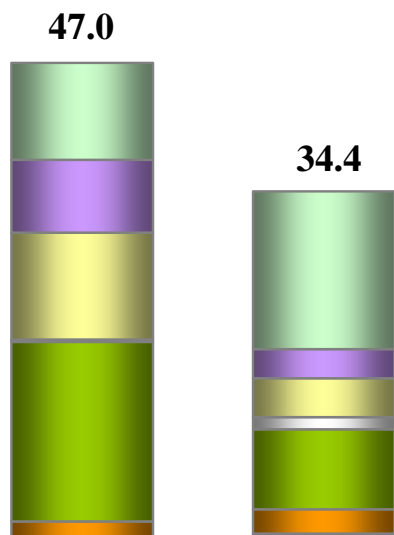
	2009/6	2010/6	Difference
<b>Gross profit</b>	<b>6.7</b>	<b>6.4</b>	<b>(0.3)</b>
Selling, general and administrative expenses	4.4	6.1	(1.7)
<b>Operating income</b>	<b>2.2</b>	<b>0.3</b>	<b>(1.9)</b>
Non-operating income	1.0	0.3	(0.7)
Non-operating expenses	0.2	0.2	0.0
Total non-operating income and expenses	0.8	0.1	(0.7)
<b>Ordinary income</b>	<b>3.0</b>	<b>0.4</b>	<b>(2.6)</b>
Extraordinary gain	0.1	-	-
Extraordinary loss	0.0	-	-
Total extraordinary gain and loss	0.1	-	-
Income before income taxes and minority interest	3.2	0.4	(2.8)
Current income taxes and Deferred income taxes	0.8	0.5	0.3
Minority interest income	(0.1)	(0.0)	(0.1)
<b>Net income</b>	<b>2.5</b>	<b>(0.0)</b>	<b>(2.5)</b>

# Net sales



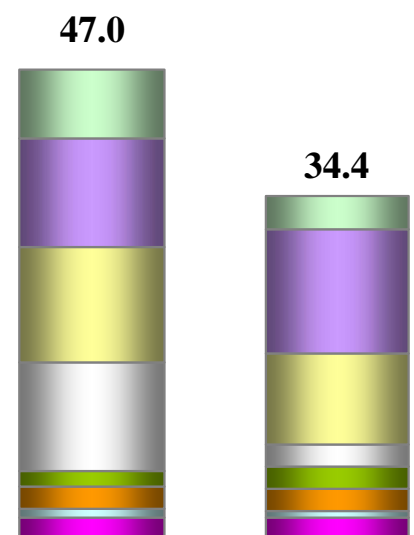
< Billion yen >

## Breakdown by region



	2009/6	2010/6
Japan	9.5	15.7
Southeast Asia	7.2	2.8
Southwest Asia, Middle East and Africa	10.6	3.8
Russia and Central Asia	0.1	1.1
Central and South America	17.8	7.8
China	1.6	2.5
Others	0.2	0.7
<b>Total</b>	<b>47.0</b>	<b>34.4</b>

## Breakdown by segment details



	2009/6	2010/6
Chemical fertilizers	6.9	3.3
Petrochemicals	10.8	12.6
Oil refinery	11.6	8.9
Energy-related	10.9	2.3
General manufacturing facilities	1.5	2.3
IT	2.3	2.1
Real estate	0.8	0.7
Others	2.2	2.2
<b>Total</b>	<b>47.0</b>	<b>34.4</b>

# Balance sheet



< Billion yen >

Assets	2010/3	2010/6	Difference
<b>Current assets</b>	<b>141.6</b>	<b>130.5</b>	<b>(11.1)</b>
Cash and deposits	36.8	31.4	(5.4)
Marketable securities	37.9	37.9	+0.0
Other current assets	17.7	14.8	(2.9)
<Operating assets>			
Notes and accounts receivable	27.3	28.0	+0.7
Contract work in progress	21.6	18.2	(3.4)
<b>Fixed assets</b>	<b>48.4</b>	<b>47.5</b>	<b>(0.9)</b>
Property, plant and equipment	32.4	32.1	(0.3)
Intangible assets	3.0	3.0	+0.0
Investments and assets	13.0	12.3	(0.7)
<b>Total assets</b>	<b>190.1</b>	<b>178.0</b>	<b>(12.1)</b>

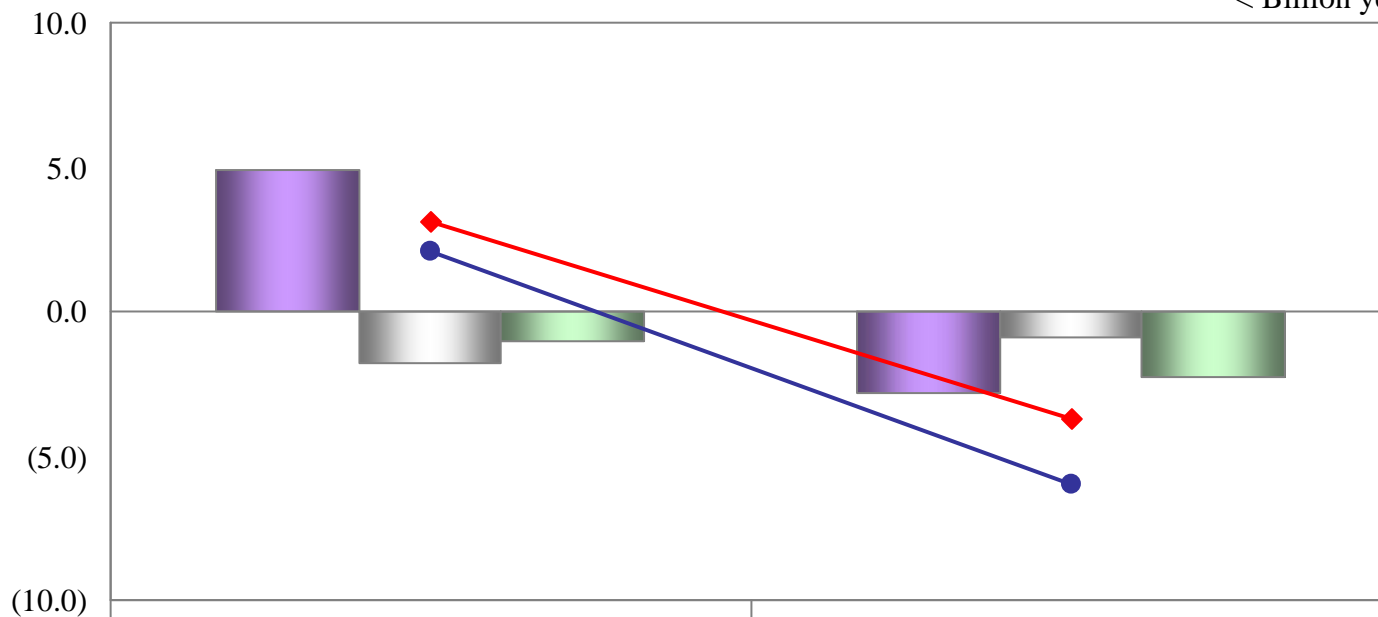
Liabilities and net assets	2010/3	2010/6	Difference
<b>Current liabilities</b>	<b>90.6</b>	<b>81.4</b>	<b>(9.2)</b>
Short-term interest bearing debt	8.2	7.7	(0.5)
Other current liabilities	11.6	11.9	+0.3
<Operating liabilities>			
Notes and accounts payable	35.0	33.2	(1.8)
Advance receipts on uncompleted contracts	35.5	28.4	(7.1)
<b>Long-term liabilities</b>	<b>34.2</b>	<b>32.8</b>	<b>(1.4)</b>
Long-term interest bearing debt	23.6	22.6	(1.0)
Other long-term liabilities	10.5	10.2	(0.3)
<b>Net assets</b>	<b>65.2</b>	<b>63.6</b>	<b>(1.6)</b>
Shareholder's equity	64.1	63.2	(0.9)
Valuation and translation adjustments	(0.8)	(1.4)	(0.6)
Minority interest	2.0	1.8	(0.2)
<b>Total liabilities and net assets</b>	<b>190.1</b>	<b>178.0</b>	<b>(12.1)</b>

# Cash flows



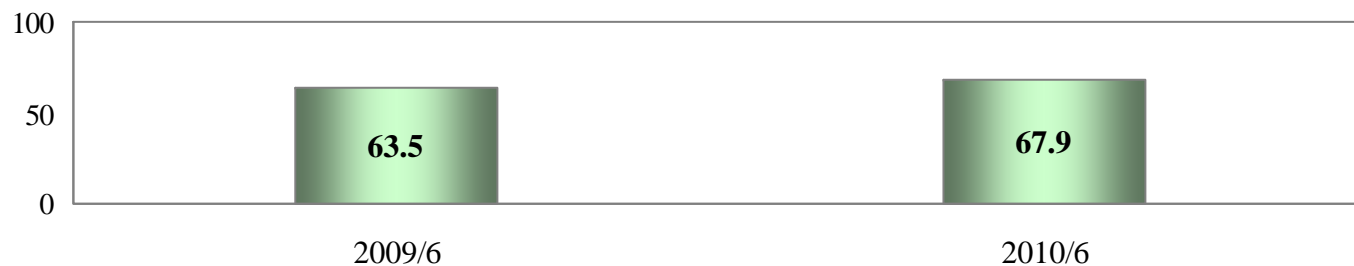
< Billion yen >

## Cash flows



	2009/4 - 6	2010/4 - 6
Operating activities	4.9	(2.8)
Investing activities	(1.8)	(0.9)
Financing activities	(1.0)	(2.3)
Net increase / decrease in cash	2.1	(6.0)
Free cash flow	3.1	(3.7)

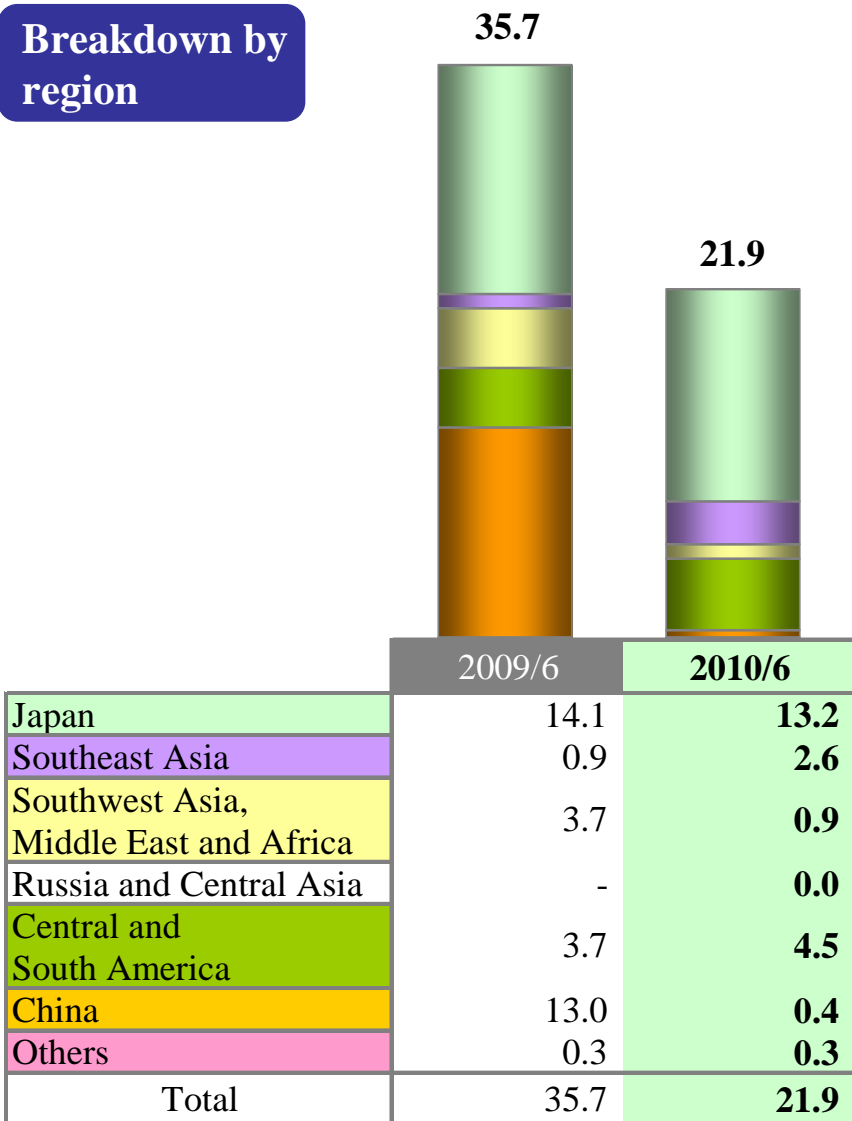
## Cash and cash equivalents, end of the term



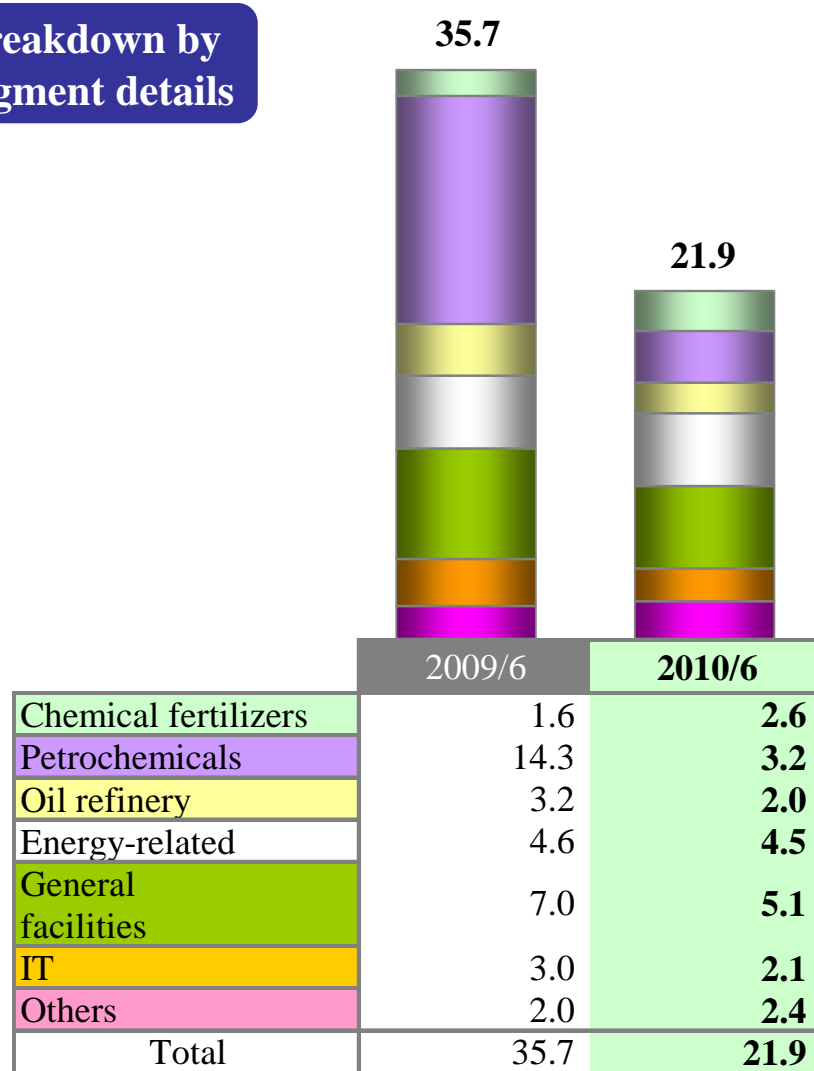
# New orders

< Billion yen >

## Breakdown by region



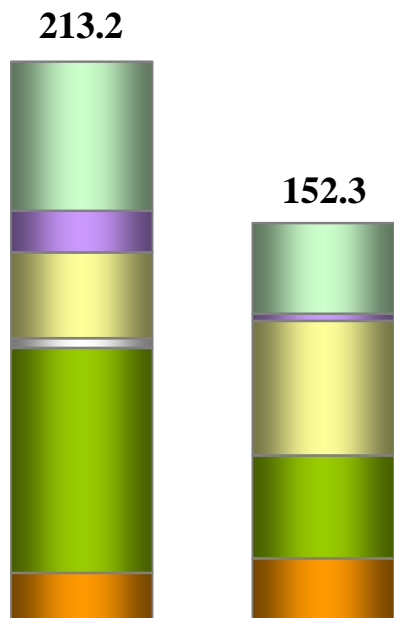
## Breakdown by segment details



# Backlog of contracts

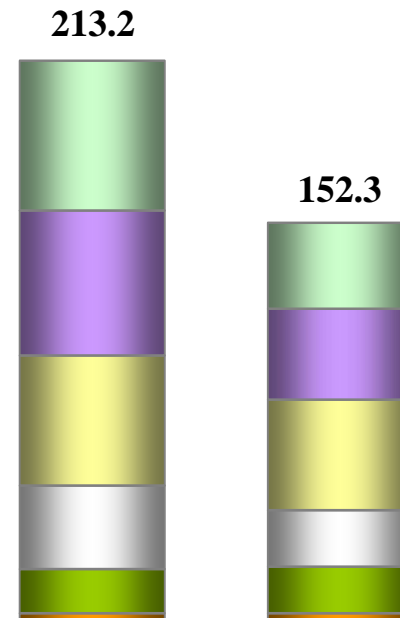
< Billion yen >

## Breakdown by region



	2009/6	2010/6
Japan	56.4	34.4
Southeast Asia	15.8	2.5
Southwest Asia, Middle East and Africa	32.4	50.6
Russia and Central Asia	3.1	0.5
Central and South America	85.6	38.8
China	18.8	24.1
Others	1.1	1.4
<b>Total</b>	<b>213.2</b>	<b>152.3</b>

## Breakdown by segment details



	2009/6	2010/6
Chemical fertilizers	56.3	32.4
Petrochemicals	54.2	34.3
Oil refinery	49.1	41.3
Energy-related	31.3	21.0
General manufacturing facilities	16.7	17.9
IT	3.8	3.4
Others	1.8	2.0
<b>Total</b>	<b>213.2</b>	<b>152.3</b>

# Forecast



\* Not change by forecast as of May 2010.

< Billion yen >

	2010/3	First quarter 2010/6	Forecast	
			First half 2010/9	Full year 2011/3
<b>Net sales</b>	173.9	34.4	80.0	160.0
<b>Gross profit</b>	32.9	6.4	11.0	24.0
Gross profit rate	19.0%	18.8%	13.8%	15.0%
Selling, general and administrative expenses	19.9	6.1	10.5	20.0
<b>Operating income</b>	13.0	0.3	0.5	4.0
Operating income rate	7.5%	1.0%	0.6%	2.5%
Non-operating income and expenses	1.3	0.1	0.0	(0.5)
<b>Ordinary income</b>	14.4	0.4	0.5	3.5
<b>Net income</b>	7.1	(0.0)	0.0	1.0
<b>New orders</b>	132.4	21.9	-	280.0
<b>Dividends per share (yen) (Non-consolidated)</b>	¥7.0	-	¥0.0	¥3.0

Exchange rate for Forecast 1US\$=¥90.00



**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.