

November 14, 2011

**Results Briefing for the Second Quarter  
Ended September 30, 2011**



This report contains forward-looking statements regarding Toda Corporation and the Group's corporate plans, strategies, and business forecasts.

These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to potential risks and uncertainties.

Therefore, the actual results or developments may differ from those presented in these forward-looking statements due to changes in various factors.

# **1. Summary of Financial Results and Progress of Medium-Term Management Plan**

- President Shunzo Inoue

# **2. Details of Financial Results**

- Executive Manager Toshiro Oka

# **1. Summary of Financial Results and Progress of Medium-Term Management Plan**

President Shunzo Inoue

# **1-1. Summary of Financial Results for the Second Quarter**

\*Six Months from April 1, 2011 to September 30, 2011

■ **Consolidated Net Sales: ¥181.4 billion (down 4.5% year-on-year)**

- ∴ Net sales of completed construction contracts decreased both for architectural construction and civil engineering. Net sales were below the initial projection for reasons including the fact that the progress based on percentage of completion was lower than the original forecast and some completed construction contracts were delayed to the second half.

■ **Operating Income: ¥(0.07) billion**

- ∴ An operating loss was recognized due to a decrease in net sales and reduction of the gross profit margin (7.1% → 6.2%).

■ **Orders Received (non-consolidated): ¥205.6 billion (up 14.0% year-on-year)**

- ∴ Orders were received for large-scale logistics facilities and soil contamination countermeasure works in addition to the priority areas (medical and welfare facilities, educational facilities, offices, production facilities and urban infrastructures).

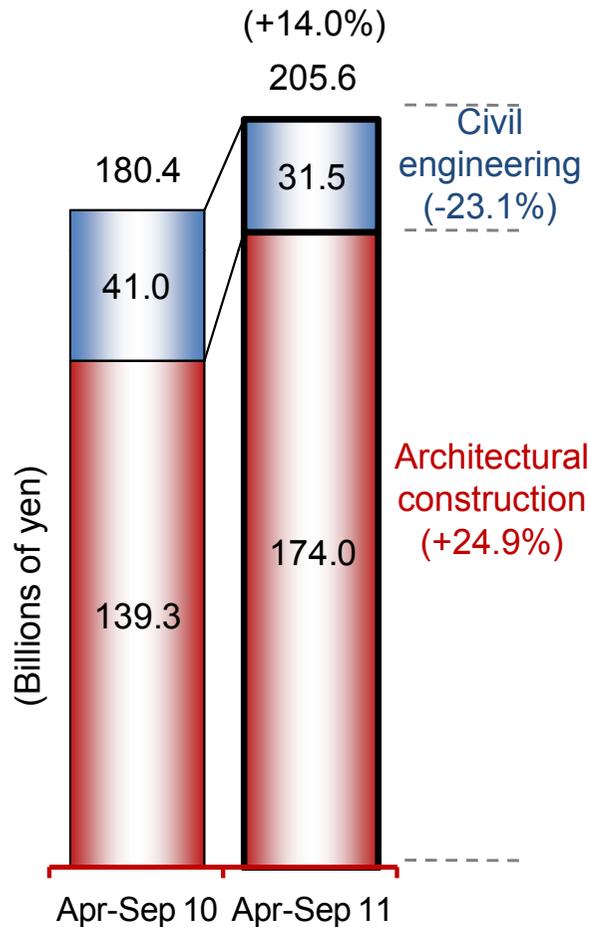
# Summary: FY2011 2Q

(Millions of yen)

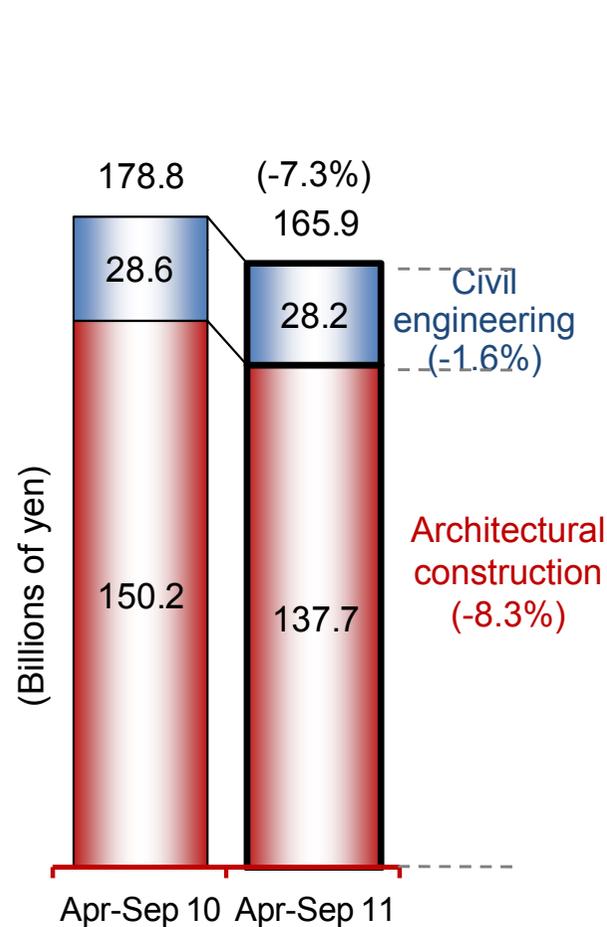
	Apr-Sep FY2010	Apr-Sep FY2011			
		<i>Original Forecast</i>	Actuals	<i>Change (year on year)</i>	<i>Difference (vs. forecast)</i>
Consolidated net sales	189,905	206,400	181,434	-4.5%	-24,965
Operating income	1,620	500	(76)	—	-576
Ordinary income	2,200	1,100	672	-69.4%	-427
Net income	1,104	500	48	-95.6%	-451
Orders received (Non-consolidated)	180,438	170,000	205,644	+14.0%	+35,644

# Construction Business Performance (Non-consolidated)

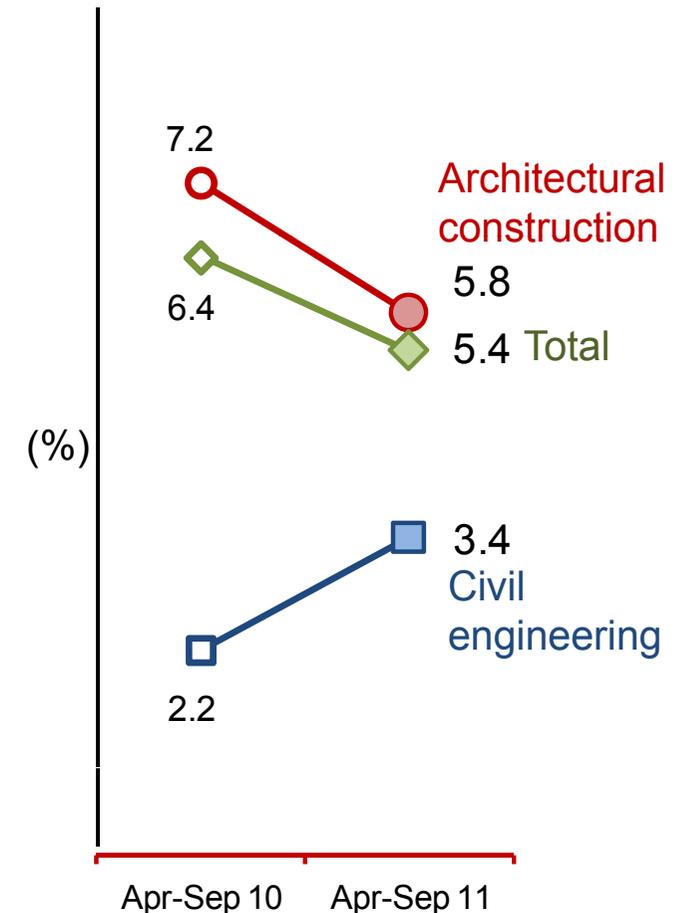
Orders Received for Construction



Net Sales of Completed Construction Contracts

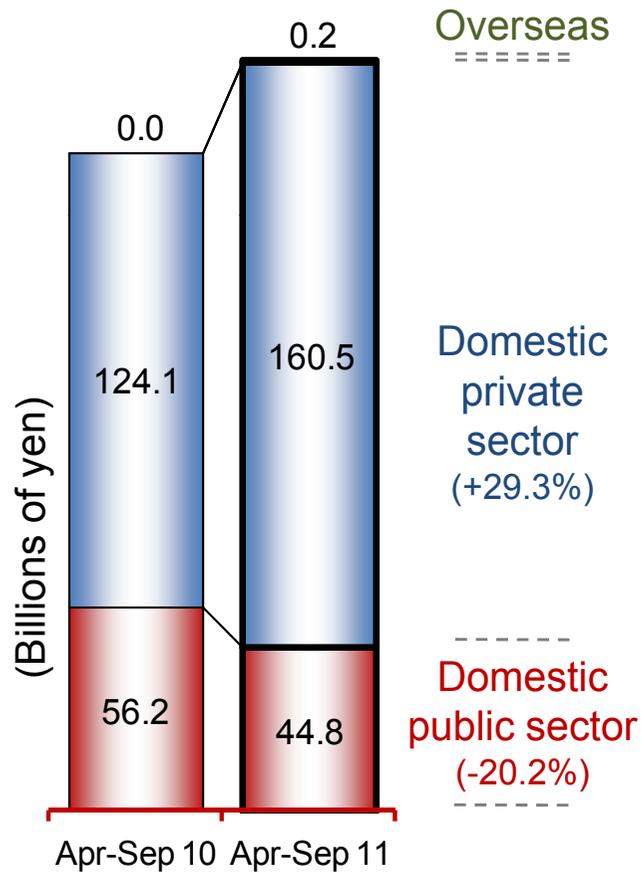


Gross Profit Margin on Completed Construction Contracts

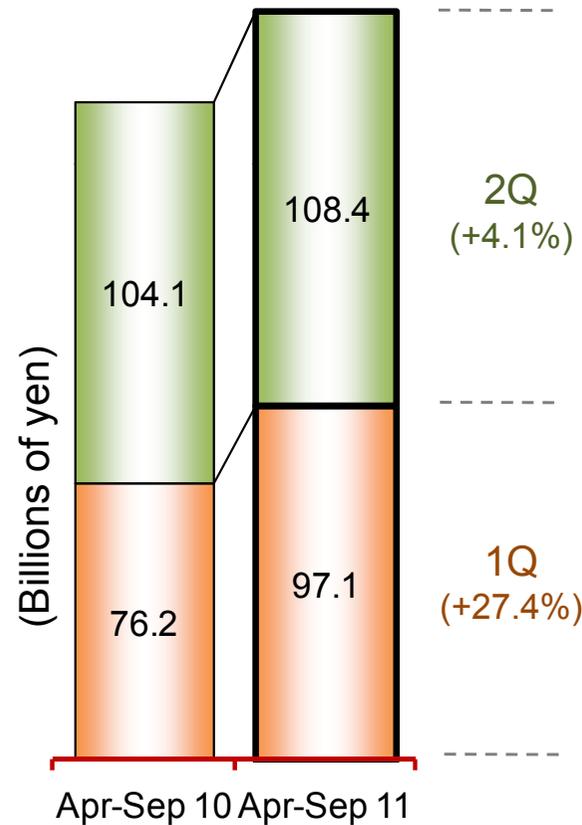


# Breakdown of Orders Received (Non-consolidated)

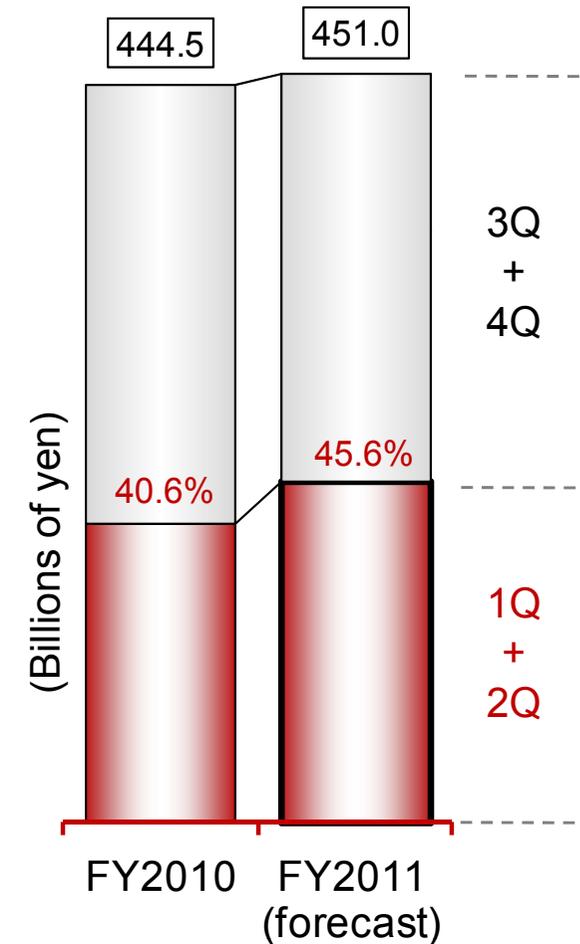
Breakdown by Client



By Quarter



(Reference) Progress



# Main Orders Received

	Ordering Parties	Name of Works
Architectural construction	Yamato Transport Co., Ltd.	Atsugi Logistics Terminal
	Otsuma Gakuin	Reconstruction of Chiyoda School Building
	National Printing Bureau	Annex of Takinogawa Plant
	Fukuoka City Hospital Organization	Development of New Hospital, etc.
	Urban Redevelopment Association	Kita Toda Station East 1 District (Redevelopment)
	Urban Redevelopment Association	Ichiban-cho, 2-chome, 4 District (Redevelopment)
Civil engineering	Chugoku Regional Development Bureau	Fukube Sand Dunes Tunnel, Shichiyama Bypass
	Tokyo Metropolitan Government	Soil Contamination Countermeasure Work at the New Toyosu Market

\*Honorific prefixes are omitted. Work names are abbreviations.

# Main Works Completed

	Ordering Parties	Name of Works
Architectural construction	Azabu Jyui Gakuen	Architectural Construction for New Building No.3, etc.
	Toyo University	Construction of Itabashi-ku, Shimizu-cho Campus
	Tokyo University of Agriculture	Construction of New Lecture Building
	Aoyamashinaikai	Reconstruction of Aoyamashinai Hospital
	Toyo Bunko	Construction of New Main Building
	Japanese Red Cross Society	Construction of Blood Center, Saitama Laboratory
Civil engineering	Chubu Regional Development Bureau	Kisei Expressway, Furusato No.2 Tunnel
	Kanto Regional Development Bureau	Improvements to Mobara Chonan Interchange

\*Honorific prefixes are omitted. Work names are abbreviations.

The “Disaster Restoration Office” has been expanded in response to the full-scale restoration demand.

(Millions of yen)

Apr-Sep FY2011	Orders Received	Details of Main Works
Architectural construction	7,053	<ul style="list-style-type: none"> <li>• Restoration and repair works (structures, ceilings, facilities, external walls, etc.)</li> <li>• Building research, measures for aftershocks</li> </ul>
Civil engineering	932	<ul style="list-style-type: none"> <li>• Restoration and repair works (roads, sewerage systems, railways, etc.)</li> <li>• Debris removal</li> <li>• Development of land reclamation for temporary housing</li> </ul>
Total	7,985	

Orders received after October

Disposal of disaster waste: Watari area Total: ¥51,740 million (JV)

## **1-2. Progress of Medium-Term Management Plan**

\* Planned period: FY2009 - FY2011

# Recognition of Business Conditions (Forecasts)

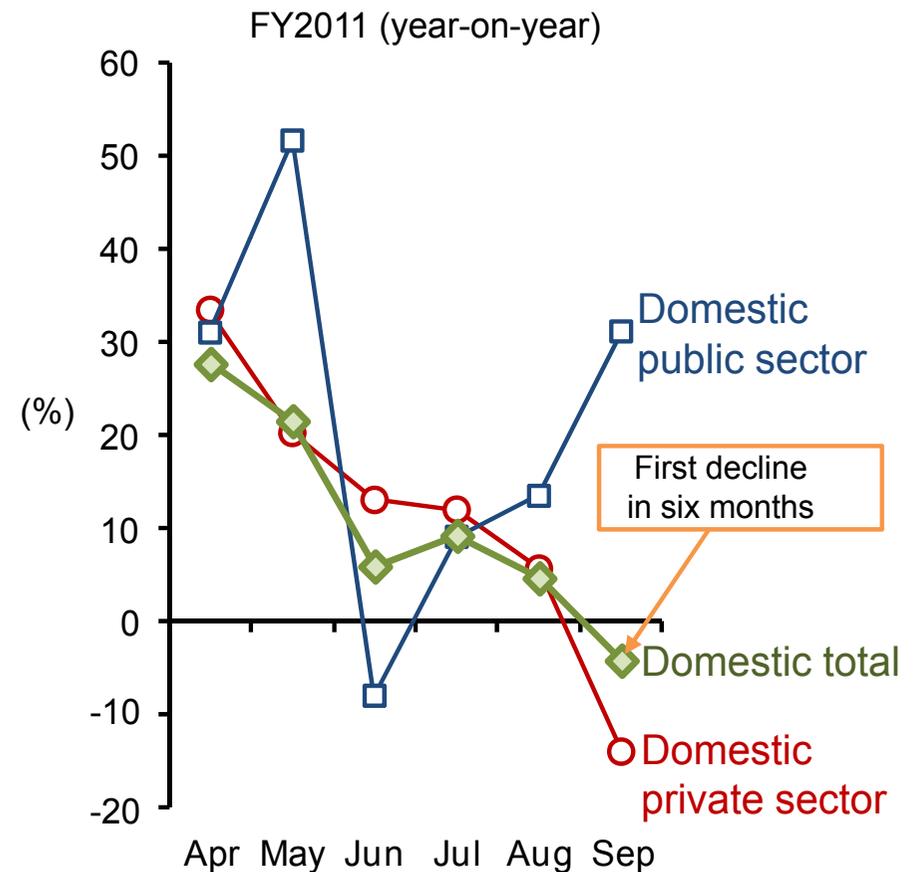
## Domestic Economy

- Downward risk is increasing due to the rapid appreciation of the yen and slowdown of the global economy.

## Investment in Construction

- While a fully-scale recovery from the disaster is expected, there are concerns over the delay in recovery of construction works in the domestic private sector.
- Investment appetite for emerging countries remains strong.

## Change in Orders for Construction Works Received by Top 50 Construction Companies



\*Source: Ministry of Land, Infrastructure, Transport and Tourism

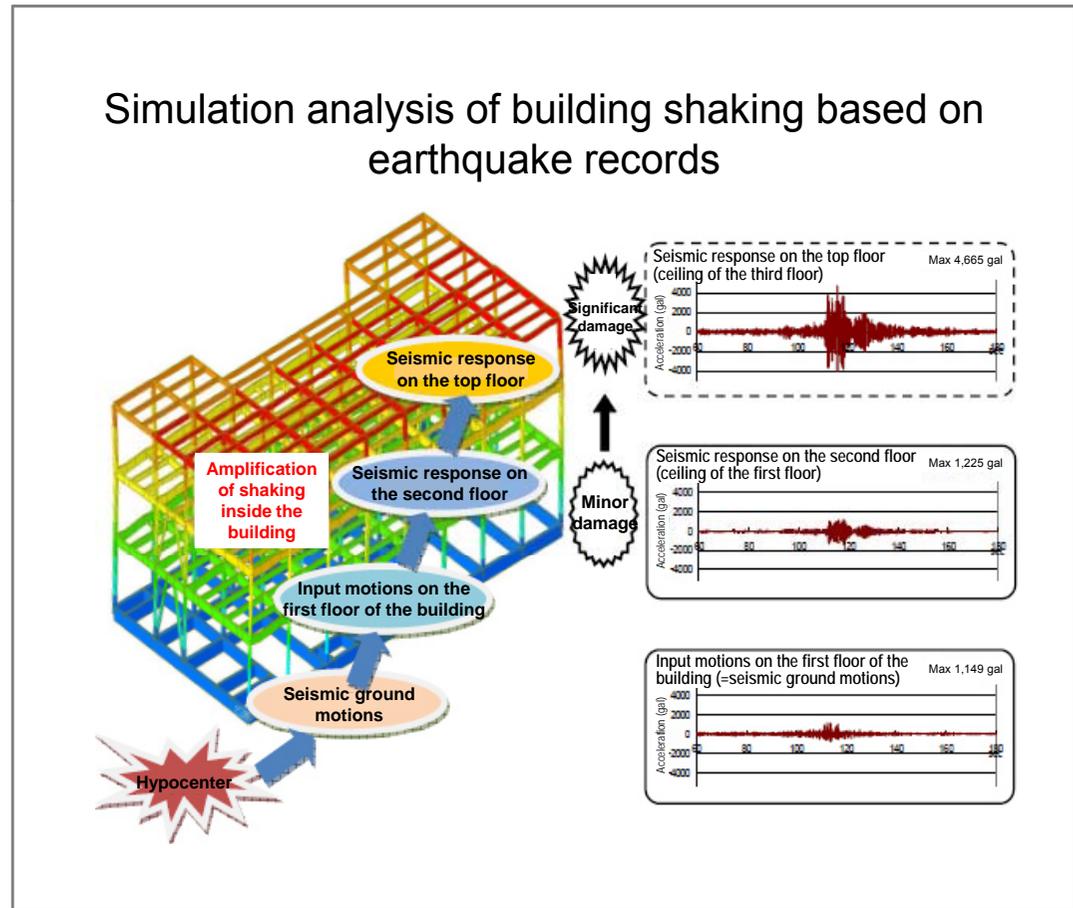
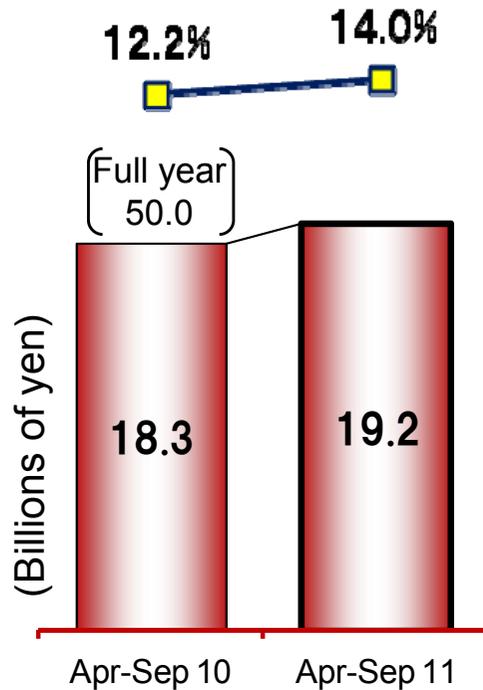
# (Reference) Implementing Measures

Index	Target FY2011
Ratio of renovations to completions	25%
Ratio of orders in the priority areas	70%
Overseas orders received (consolidated)	¥20.0 billion
Real estate investment (cumulative total for the period of the plan)	¥23.0 billion + $\alpha$
Ratio of sales in the Tokyo metropolitan area	60%

## Prepared Guidelines for Earthquake Resistance Measures for Production Facilities

### Sales of Completions in Architectural Remodeling Construction

- \* The line charts shows the ratio of completions in architectural remodeling construction to the total sales of building construction.
- \* Disaster-related works are not included.



# Priority Areas (Types of Works)

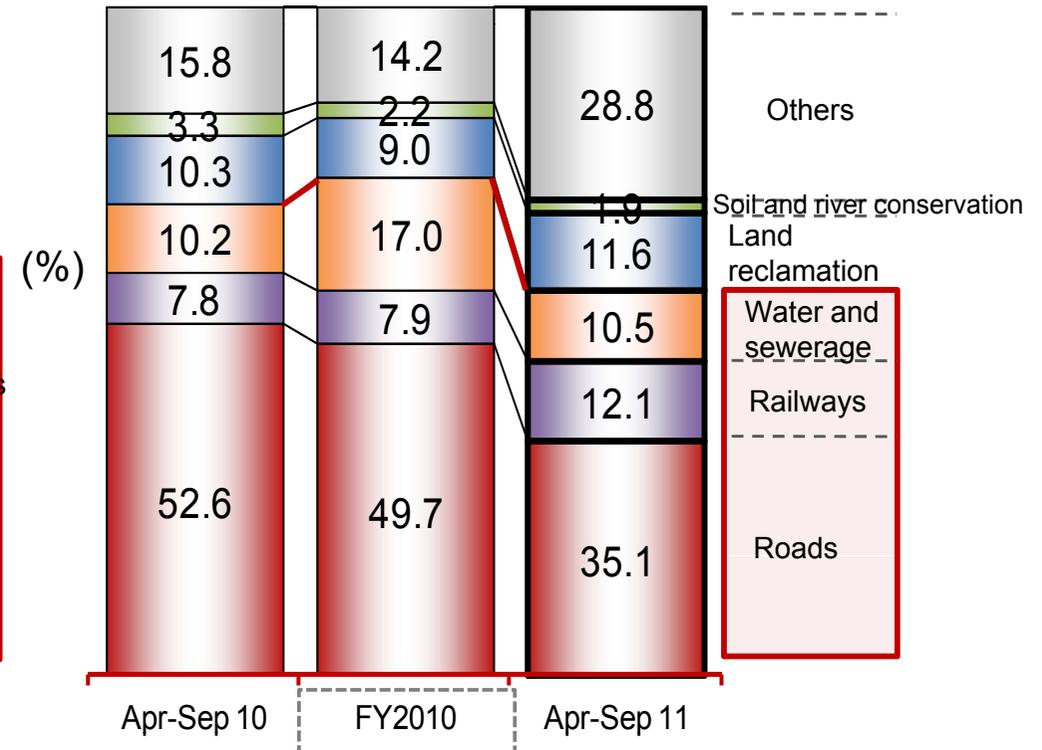
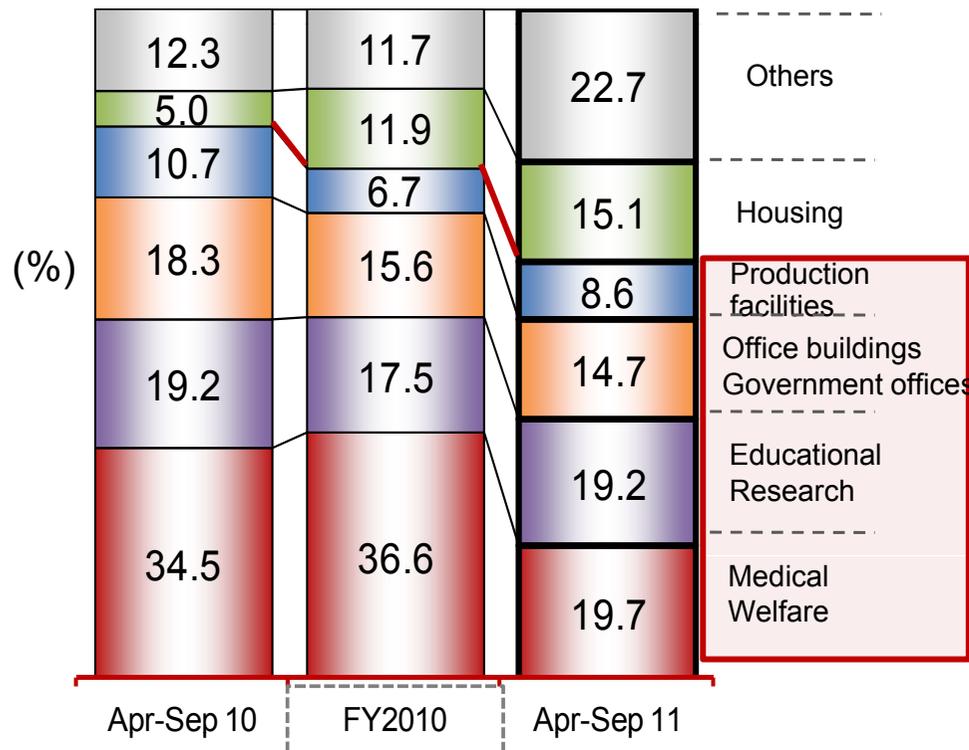
The ratios of “Others” increased as a result of orders received for logistics facilities and soil contamination countermeasures.

Orders received for architectural construction

Ratio in the priority areas: 62.2%

Orders received for civil engineering

Ratio in the priority areas: 57.7%



## Initiatives for Office Buildings (Design and Construction)

### Kyobashi East Building (To be completed in April 2013)

Proposal of solutions for CO<sub>2</sub> reductions



### TODA Building Aoyama (Completed in March 2011)



## Initiatives Toward Renewable Energy

### Date Wind Farm (To be completed in December 2011)

Design and construction project related to  
wind power generation

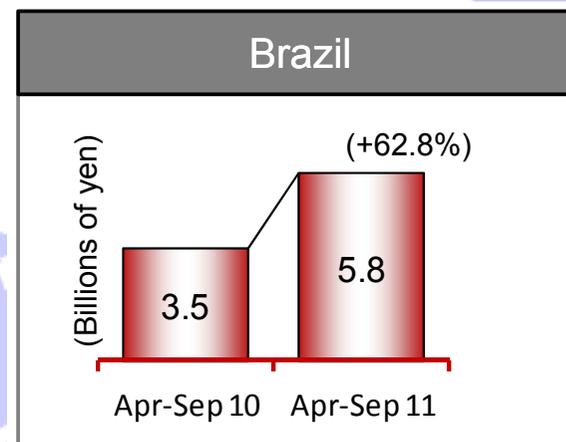
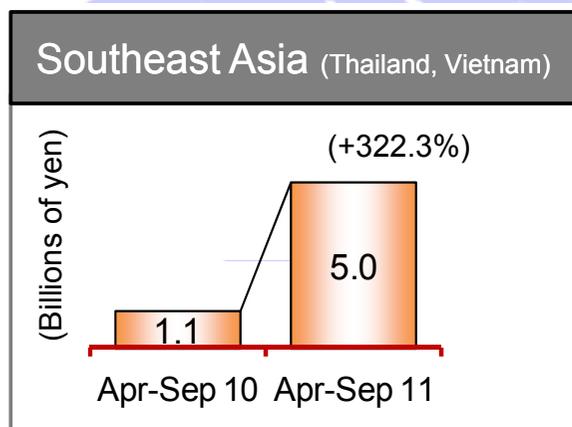
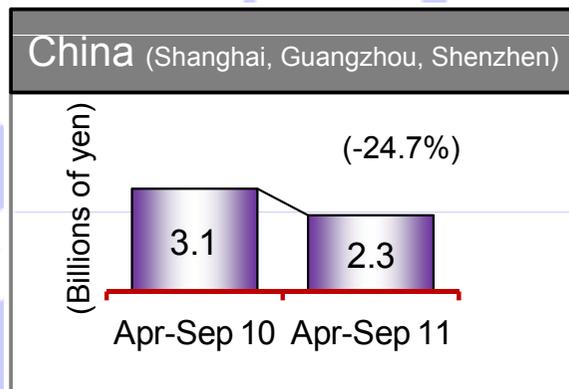


# Overseas Business

\* For overseas subsidiaries; based on the cumulative operating results for nine months from January to September 2011, reference figures based on the plan rates at beginning of period.



**With solid results in Brazil and Southeast Asia, overseas orders of ¥20 billion have come within the possible range.**



Plan rates... Apr-Sep 10 1 USD = ¥90.0, 1 BRL = ¥51.0, 1 CNY = ¥13.0, 1 THB = ¥2.7  
 Apr-Sep 11 1 USD = ¥83.0, 1 BRL = ¥49.0, 1 CNY = ¥12.0, 1 THB = ¥2.8

## Reinforcement of Business Foundations in Southeast Asia

- A subsidiary was established in the Philippines where an increasing number of Japanese companies are expected to have businesses in the future.

Company name:	TODA Philippines, Inc.
Location:	Makati, Philippines
Operation commenced in:	October 2011
Capital:	10 million pesos
Investment ratio:	Approx. 40% by Toda Corporation



# 1-3. Performance Forecasts

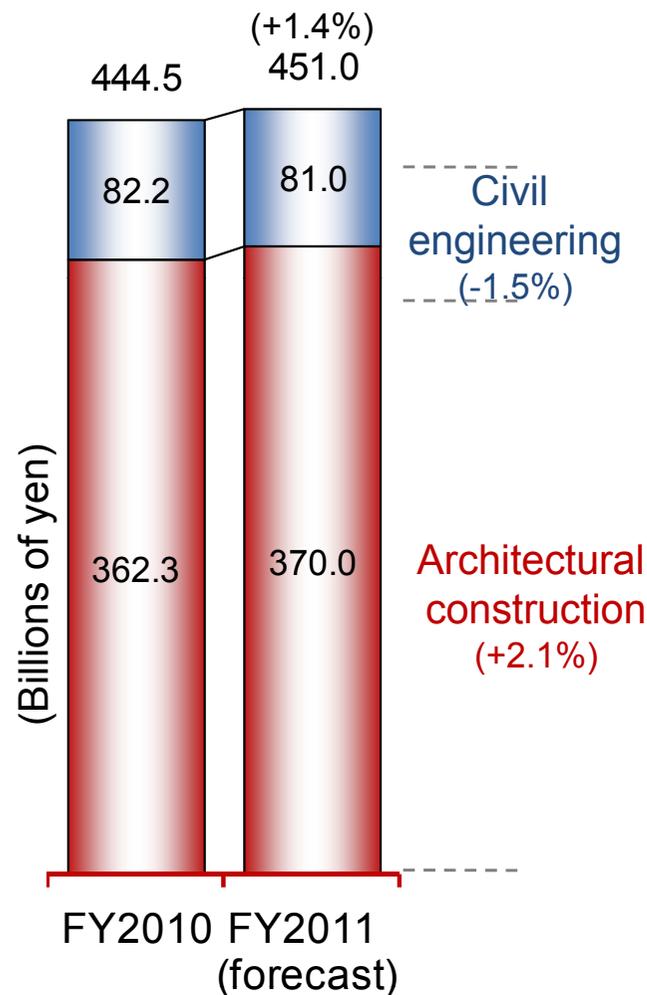
# Forecasts for FY2011

(Millions of yen)

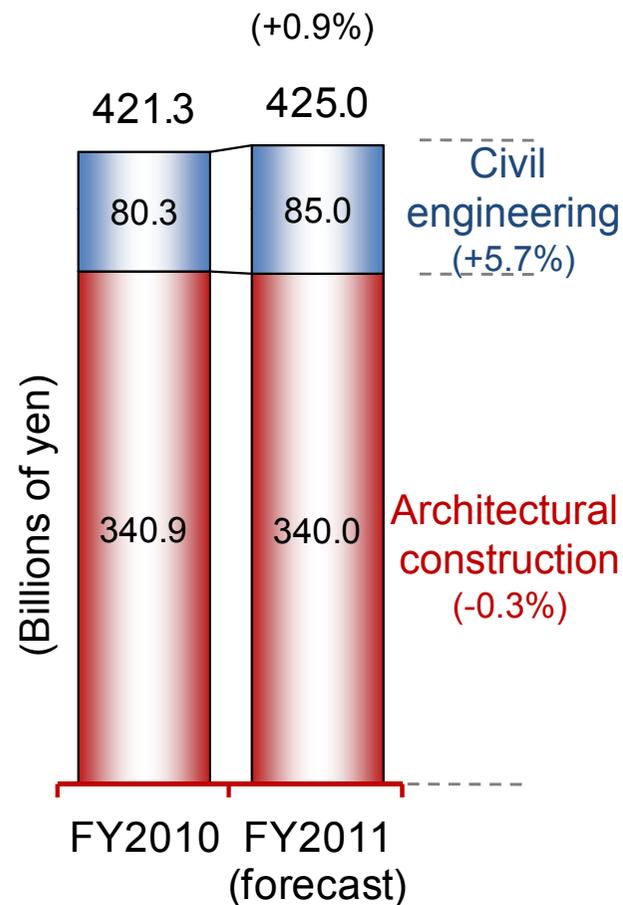
	FY2010	FY2011		
		<i>Original Forecast</i>	<b>New Forecast</b>	<i>Change (year on year)</i>
Consolidated net sales	452,762	463,500	463,500	+2.4%
Operating income	6,004	8,900	8,900	+48.2%
Ordinary income	7,478	10,000	10,000	+33.7%
Net income	3,774	5,000	4,600	+21.9%
Orders received (Non-consolidated)	444,573	451,000	451,000	+1.4%

# Forecasts for Construction Business (Non-consolidated)

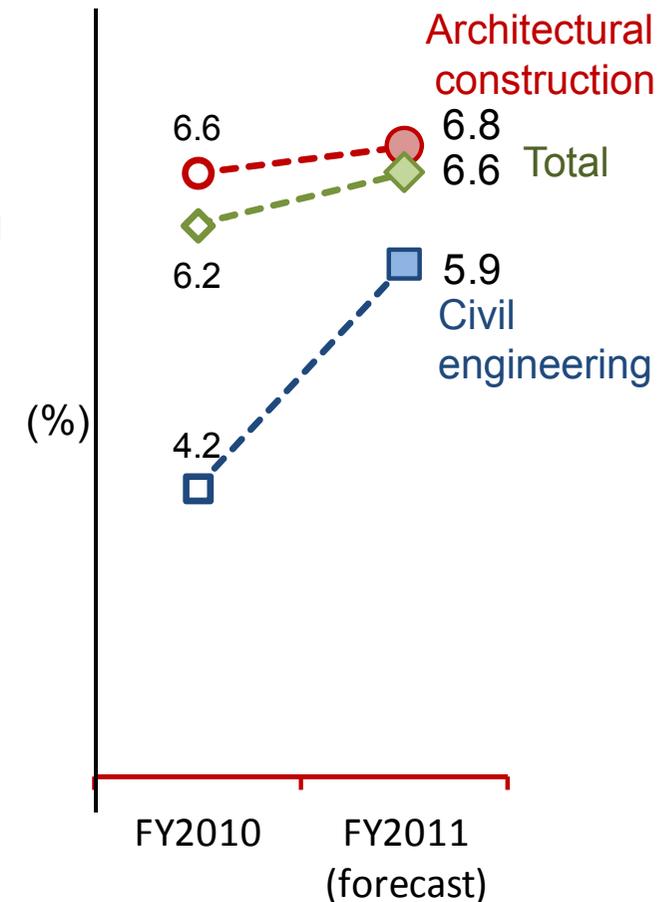
Orders Received for Construction



Net Sales of Completed Construction Contracts



Gross Profit Margin on Completed Construction Contracts



## **2. Details of Financial Results**

Executive Manager Toshiro Oka

# (Consolidated) Toda Group

Business		Subsidiaries in Japan: 10 companies	Overseas Subsidiaries : 7 companies	17 Companies
Construction	Architectural construction	<p>Toda Reform Co., Ltd.</p> <p>SIPCO Co., Ltd.</p> <p>Apec Engineering Co., Ltd.</p> <p>Chiyoda Kenkou Co., Ltd.</p>	<p>Construtora Toda do Brazil S/A</p> <p>Toda Construction (Shanghai) Co., Ltd.</p> <p>Thai Toda Corporation Ltd.</p> <p>Toda Vietnam Co., Ltd.</p> <p>TODA Philippines, Inc.    ABTD,inc.</p>	10 companies
	Civil engineering	<p>Toda Road Co., Ltd.</p>		1 company
Real estate		<p>Chiyoda Tochi Tatemono Co., Ltd.</p> <p>Yachiyo Urban Co., Ltd.</p>	<p>Toda America, Inc.</p>	3 companies
Others		<p>Toda Finance Co., Ltd.</p> <p>Chiyoda Staff Service Co., Ltd.</p> <p>Towa Kanko Kaihatsu Co., Ltd.</p>		3 companies

# (Consolidated) Summary of Group Performance



Apr-Sep 11 Billions of yen	Toda Corporation		Subsidiaries total		Consolidated		Ratio of consolidated results to non-consolidated results
		%		%		%	
Net sales	168.7		24.5		181.4		1.08
Gross profit	10.0	6.0	1.4	6.0	11.2	6.2	1.12
Selling, general and administrative expenses	10.2		1.3		11.3		
Operating income (loss)	(0.1)	-0.1	0.1	0.6	(0.0)	0.0	0.57
Non-operating income	0.6		0.0		0.7		
Ordinary income	0.4	0.3	0.2	1.0	0.6	0.4	1.35
Extraordinary income (loss)	(0.6)		0.0		(0.6)		
Income (loss) before income taxes	(0.1)		0.2		0.0		
Income taxes	(0.0)		0.0		(0.0)		
Net income (loss)	(0.0)	0.0	0.1	0.8	0.0	0.0	-0.73

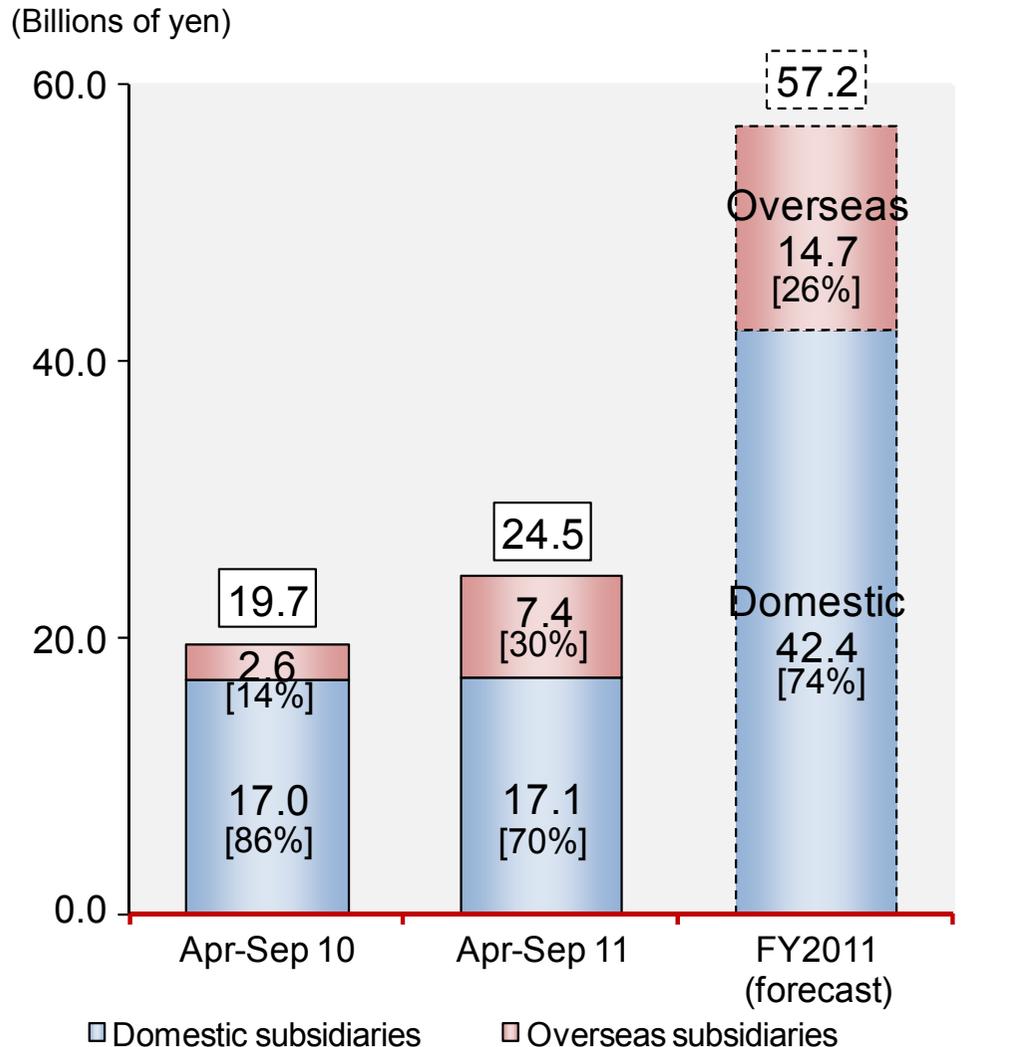
# (Consolidated) Net Sales by Subsidiaries (Japan and Overseas)



\* Before intercompany elimination

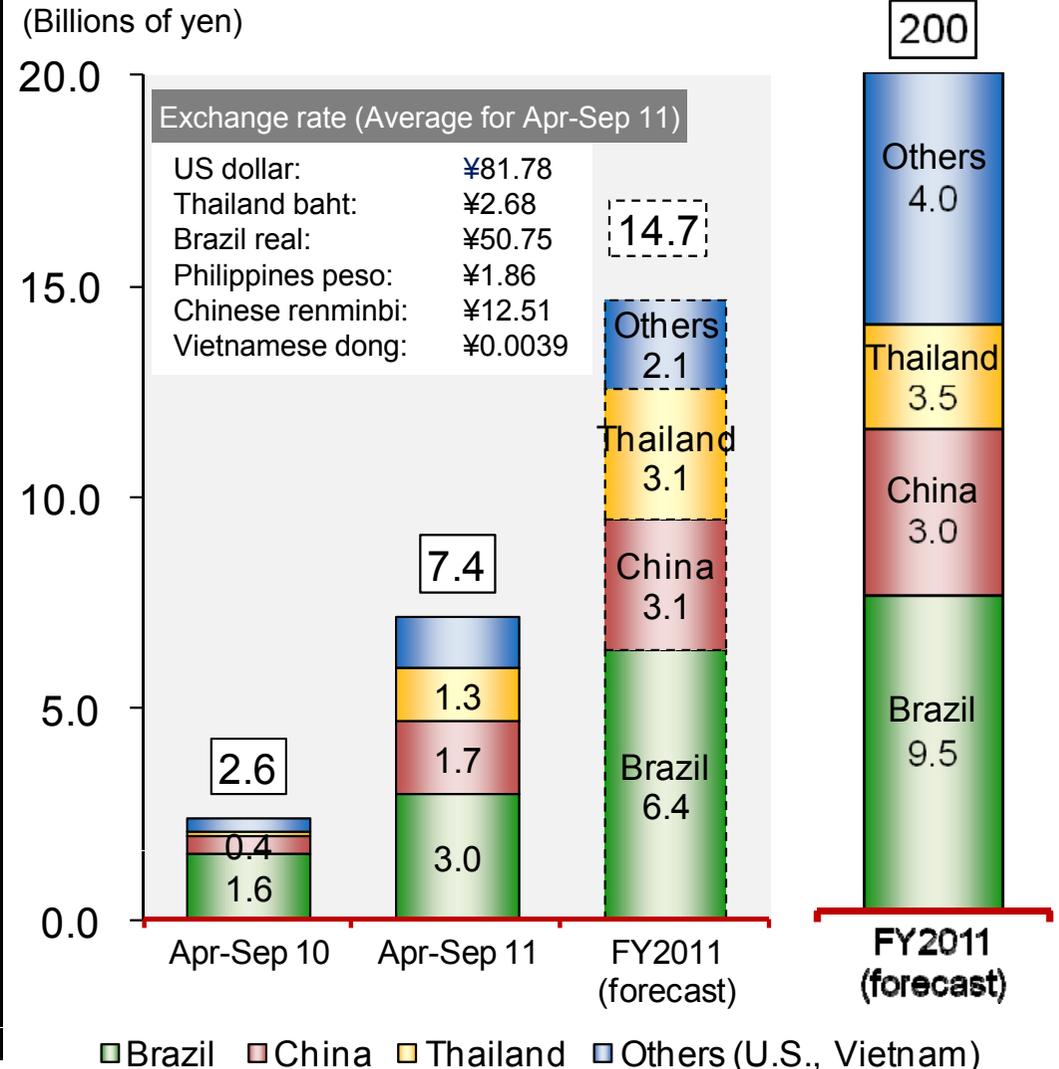
## Sales in Japan and Overseas

Figures in [ ] are percentages of total net sales.



## Overseas Sales by Region

<Forecast of orders to be received>

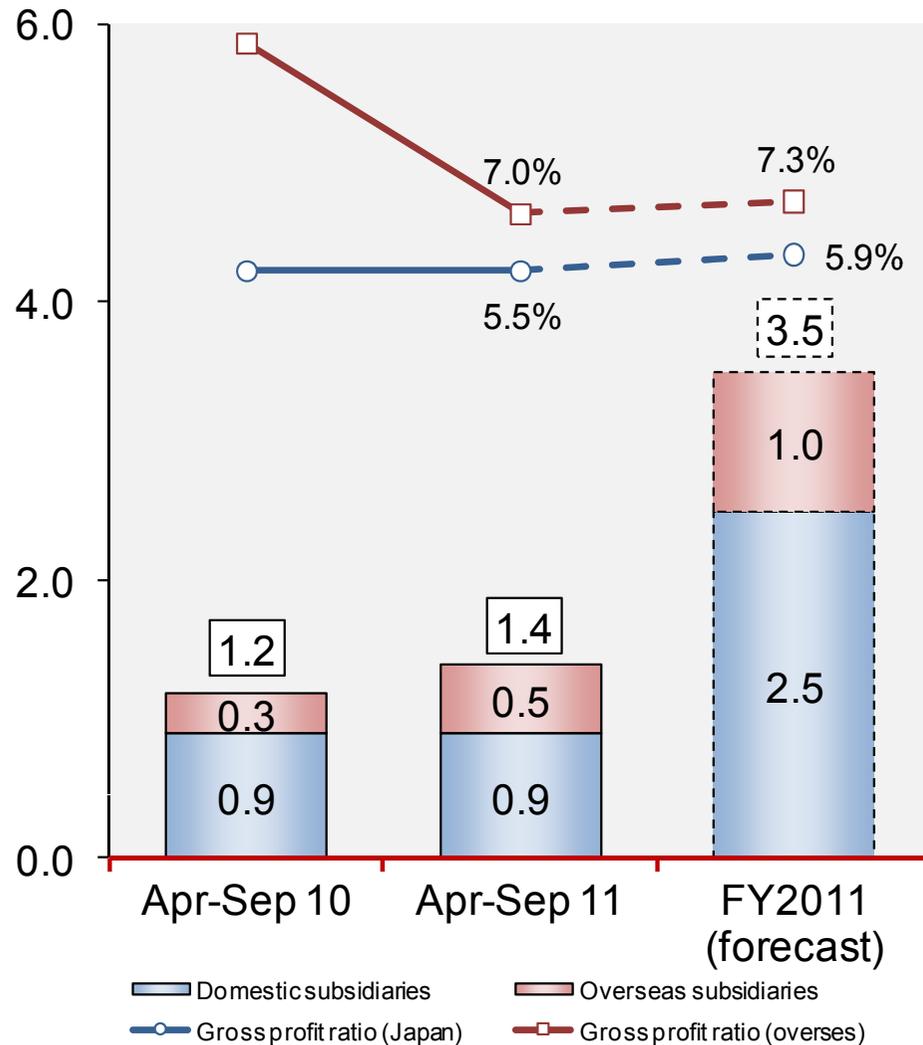


# (Consolidated) Gross Profit by Subsidiaries (Japan and Overseas)

\* Before intercompany elimination

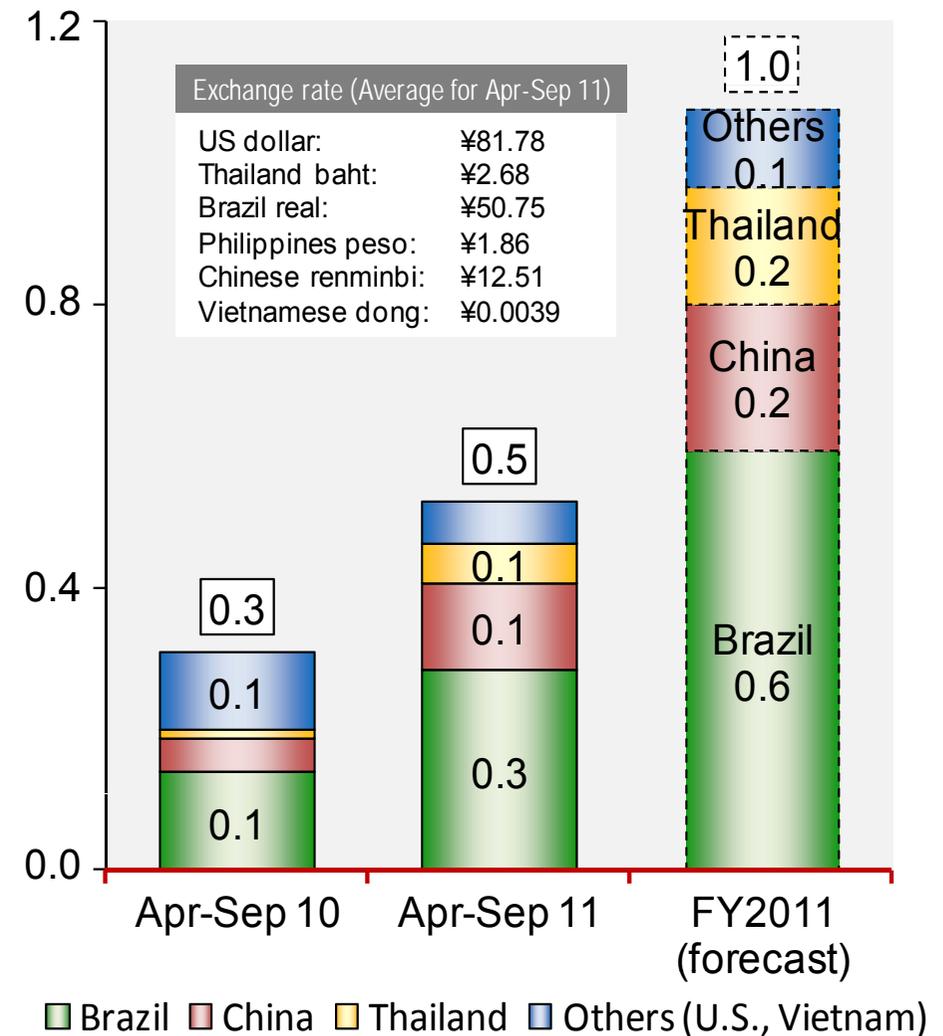
## Gross Profit in Japan and Overseas

(Billions of yen)



## Overseas Gross Profit by Region

(Billions of yen)



## **2-1. Consolidated Statements of Income**

# (Consolidated) Statements of Income

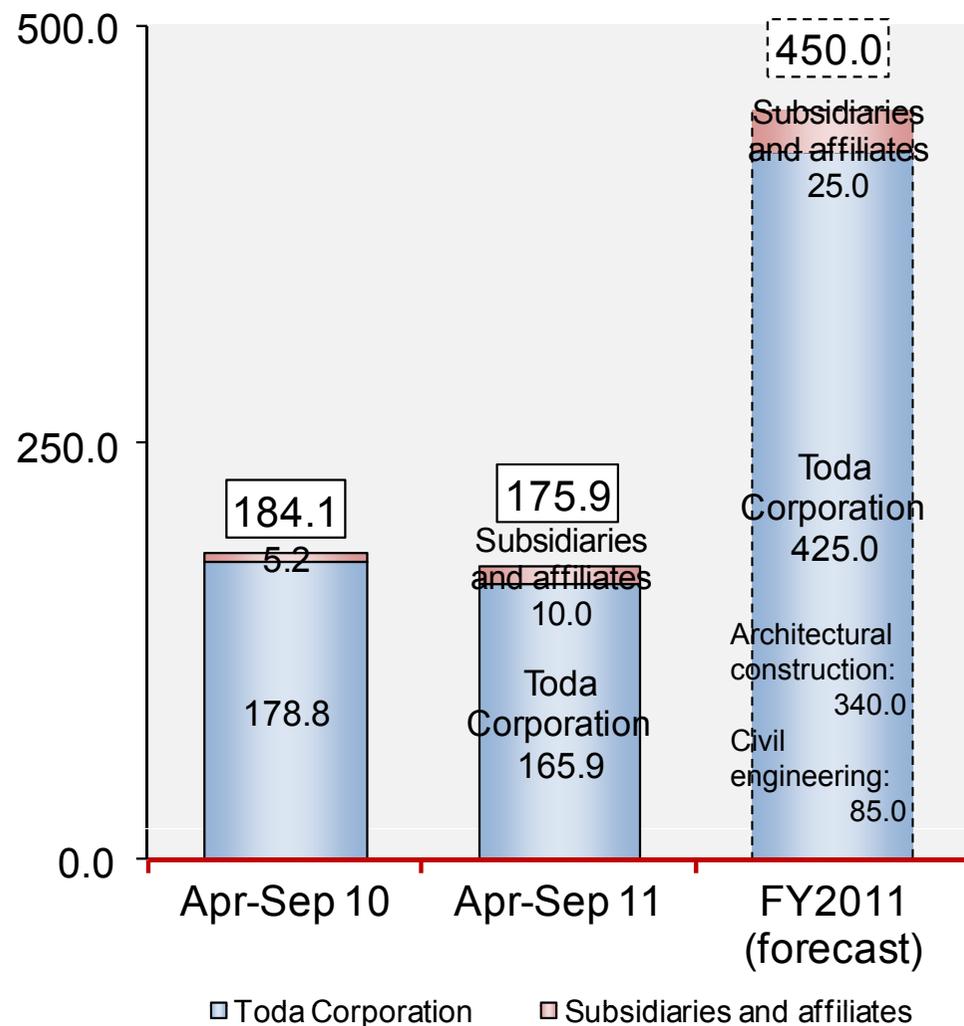


Billions of yen	Apr-Sep 10 (Actual)		Apr-Sep 11 (Actual)		Change	FY2011 (Forecast)	
		%		%	%		%
Net sales	189.9		181.4		-4.5	463.5	
Gross profit	13.5	7.1	11.2	6.2	-16.9	33.2	7.2
Selling, general and administrative expenses	11.9		11.3			24.3	
Operating income (loss)	1.6	0.9	(0.0)	-0.0	—	8.9	1.9
Non-operating income	0.5		0.7			1.1	
Ordinary income	2.2	1.2	0.6	0.4	-69.5	10.0	2.2
Extraordinary income (loss)	(0.0)		(0.6)			(0.8)	
Income before income taxes	2.1		0.0			9.2	
Income taxes	1.0		(0.0)			4.6	
Net income	1.1	0.6	0.0	0.0	-95.6	4.6	1.0

# (Consolidated) Change in Net Sales by Business

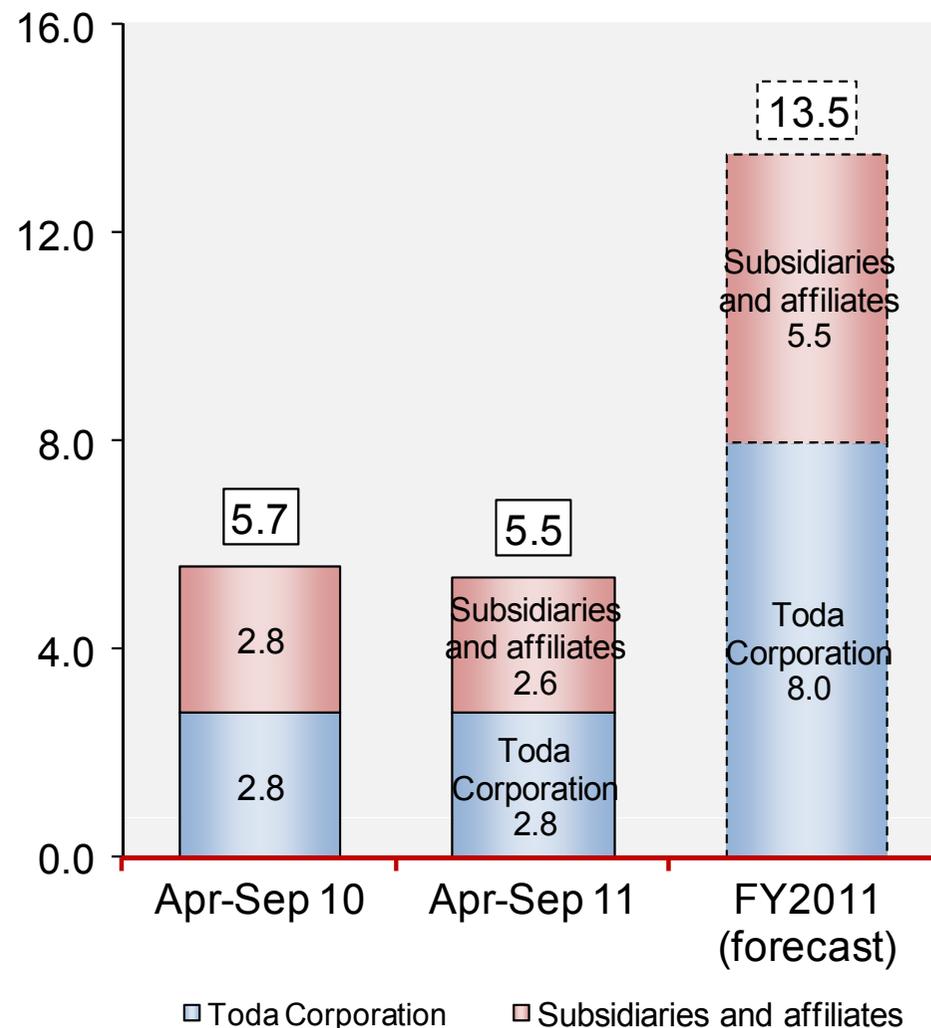
## Construction

(Billions of yen)



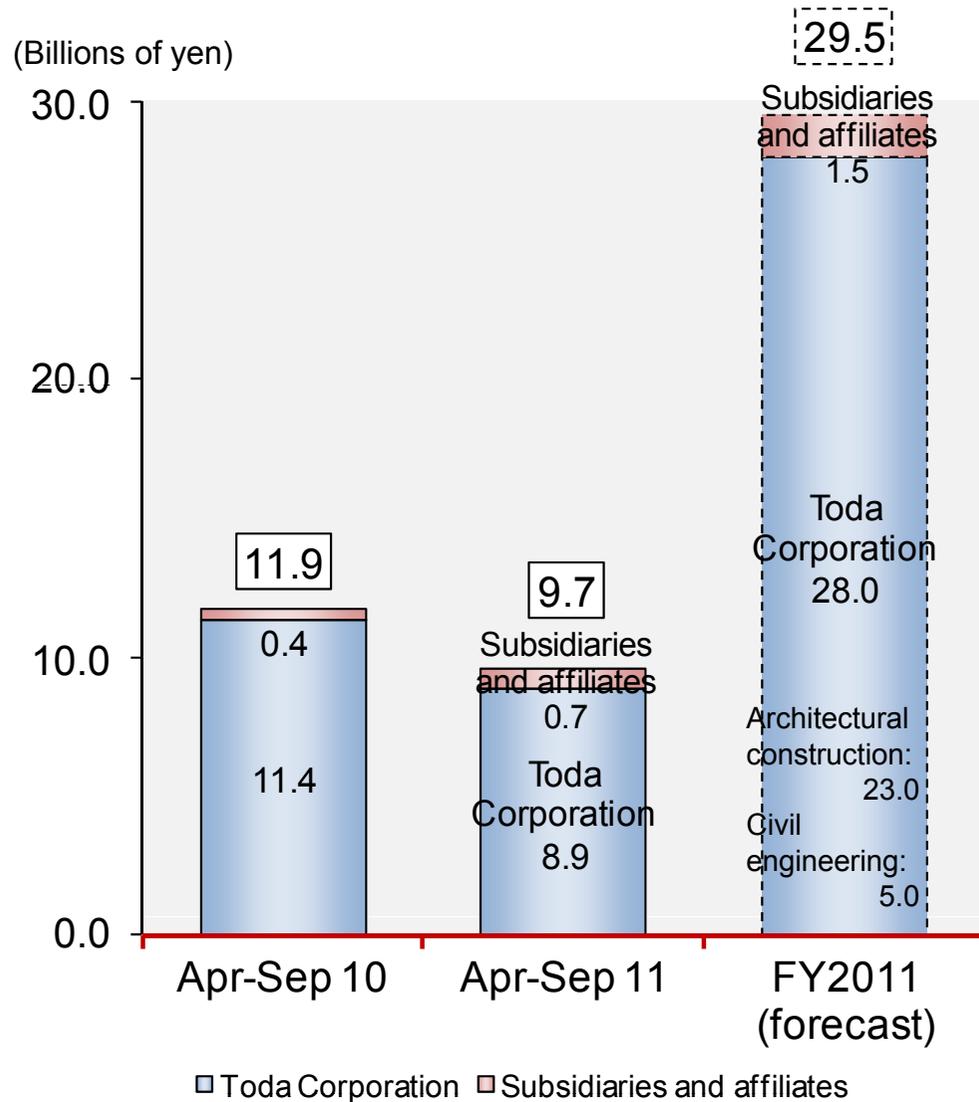
## Real Estate and Others

(Billions of yen)

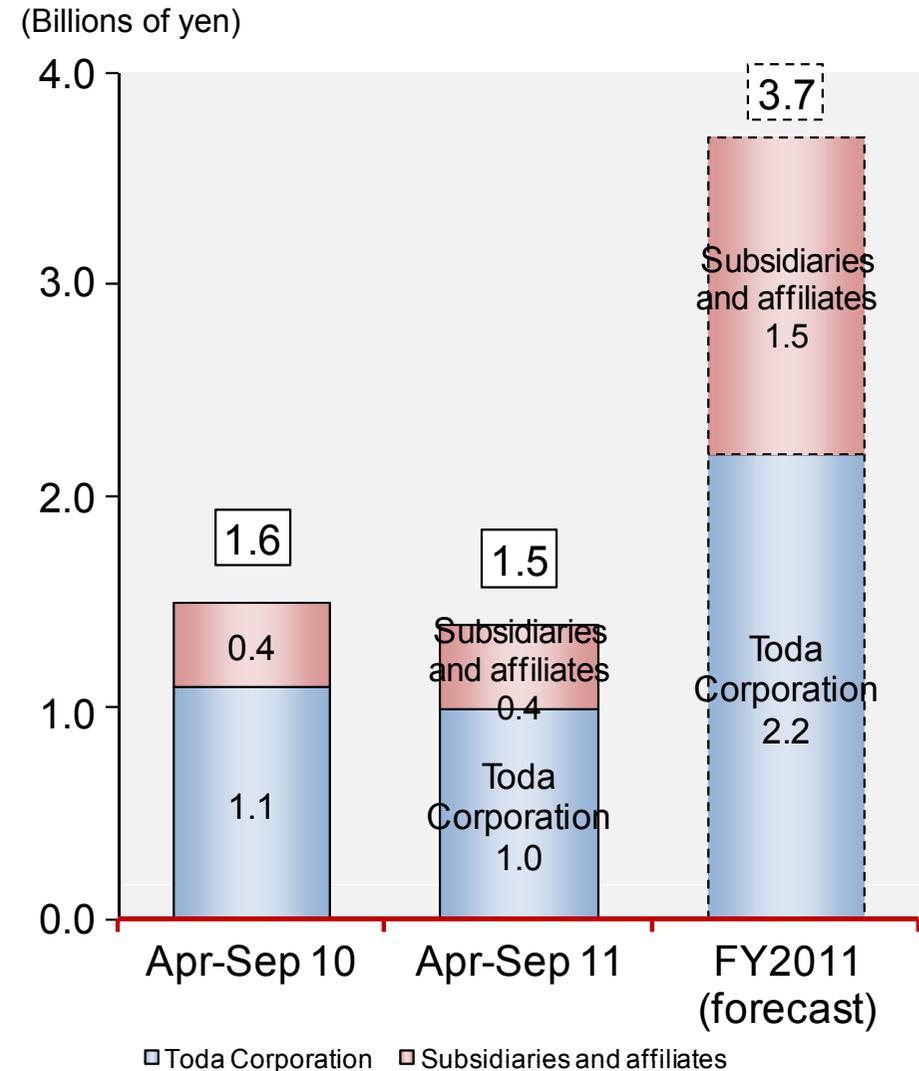


# (Consolidated) Change in Gross Profit by Business

## Construction

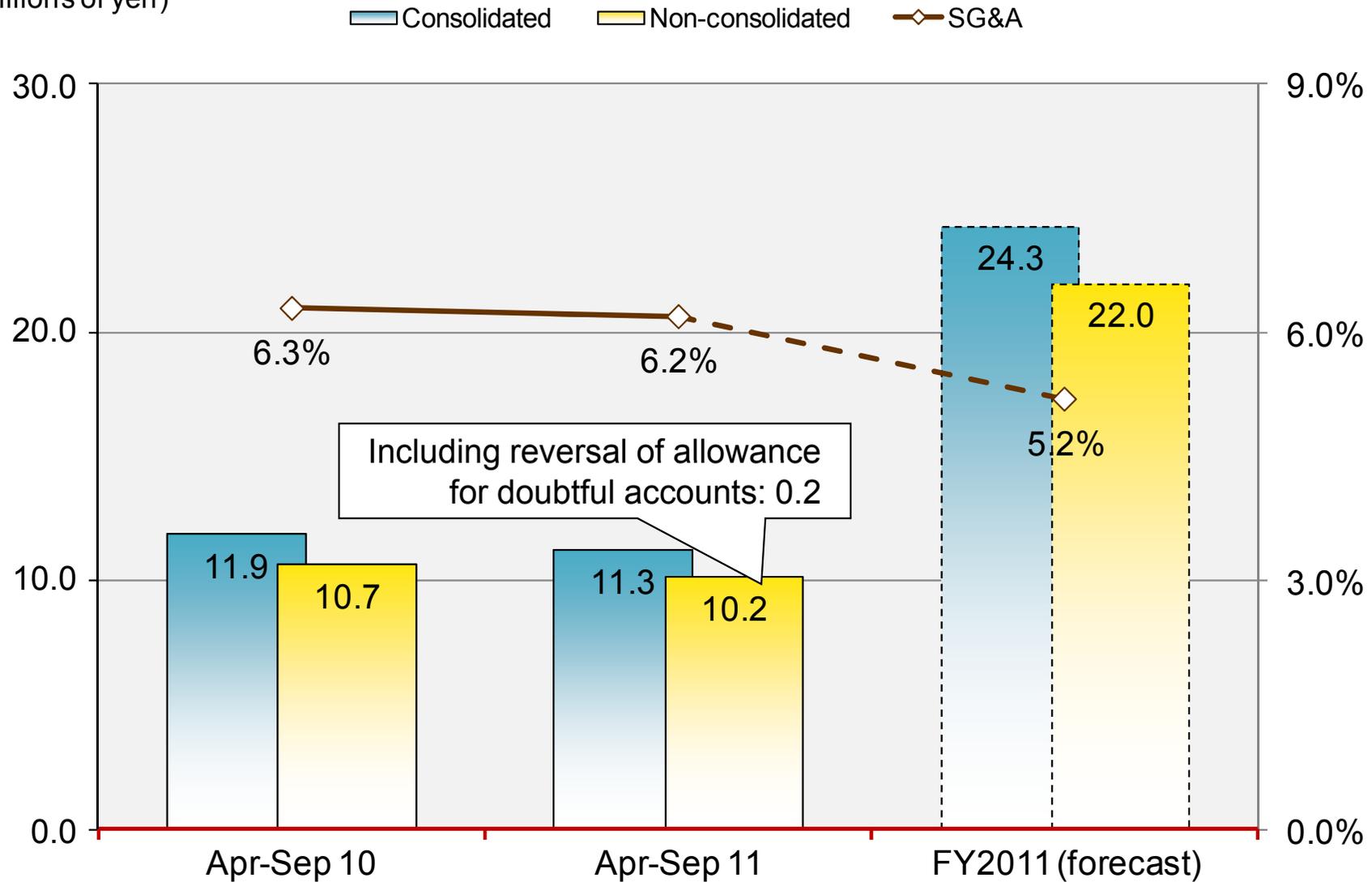


## Real Estate and Others

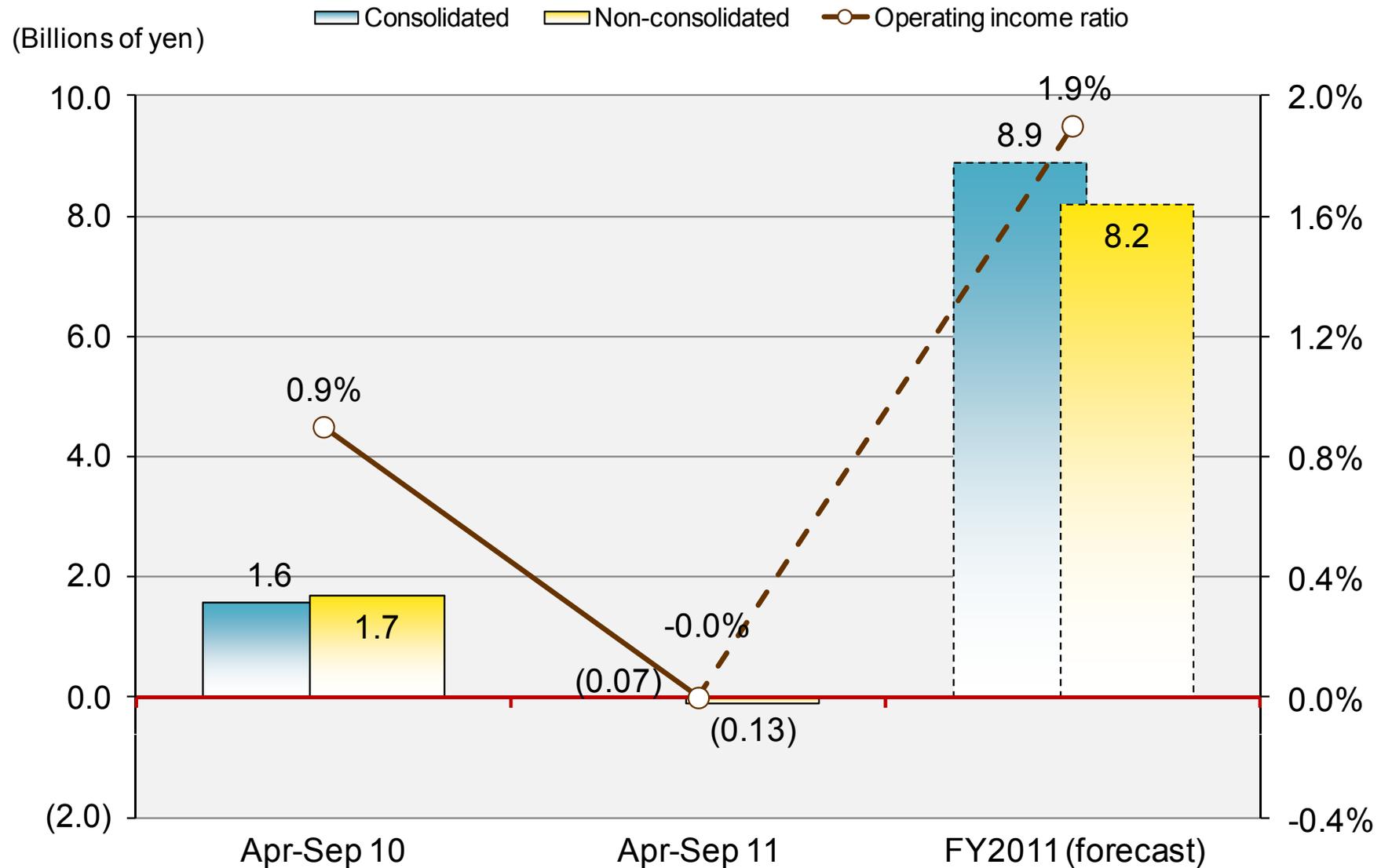


# (Consolidated) Change in SG&A

(Billions of yen)



# (Consolidated) Change in Operating Income (loss)



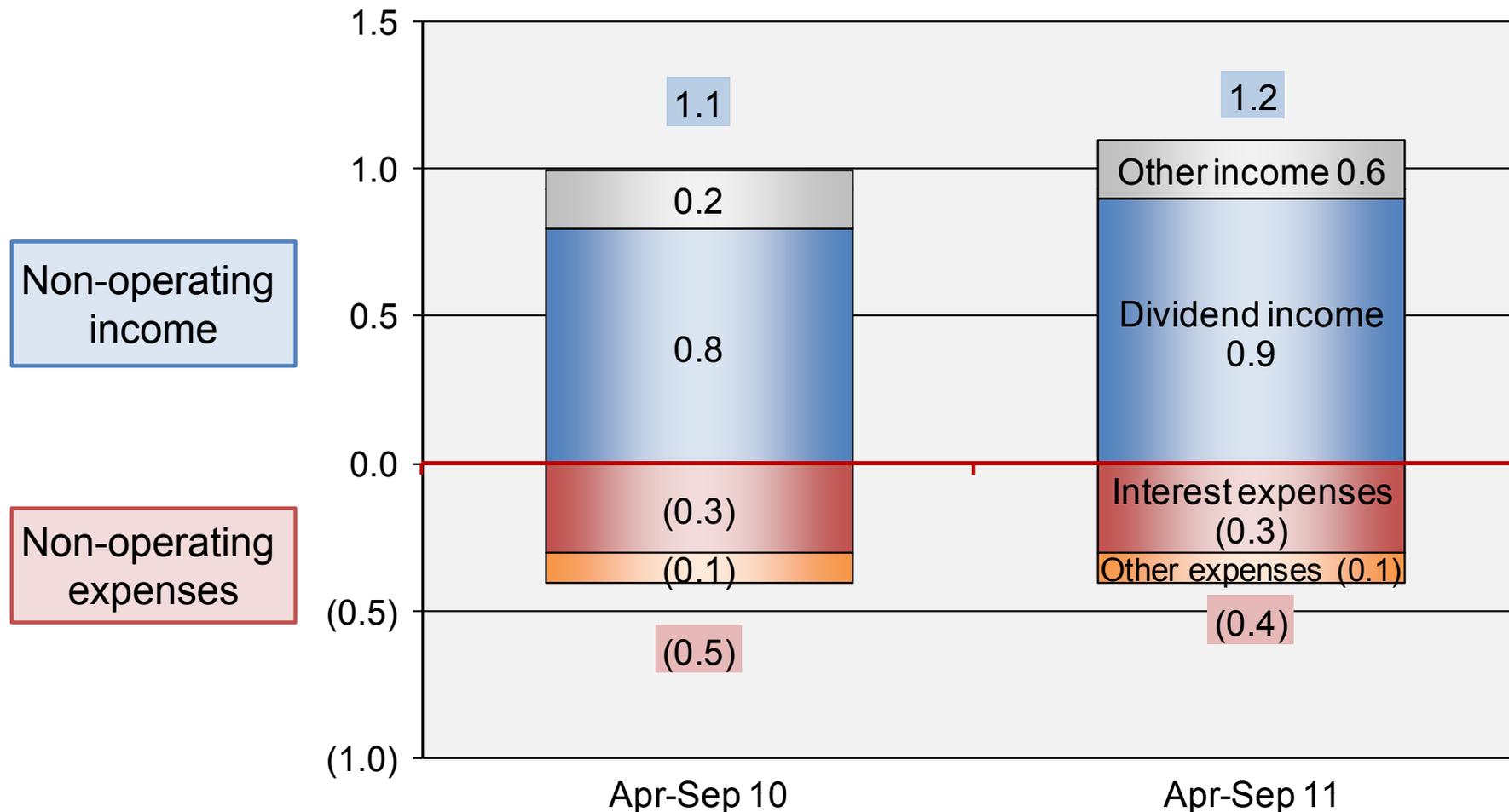
# (Consolidated)

## Change in Non-Operating Income (Loss)

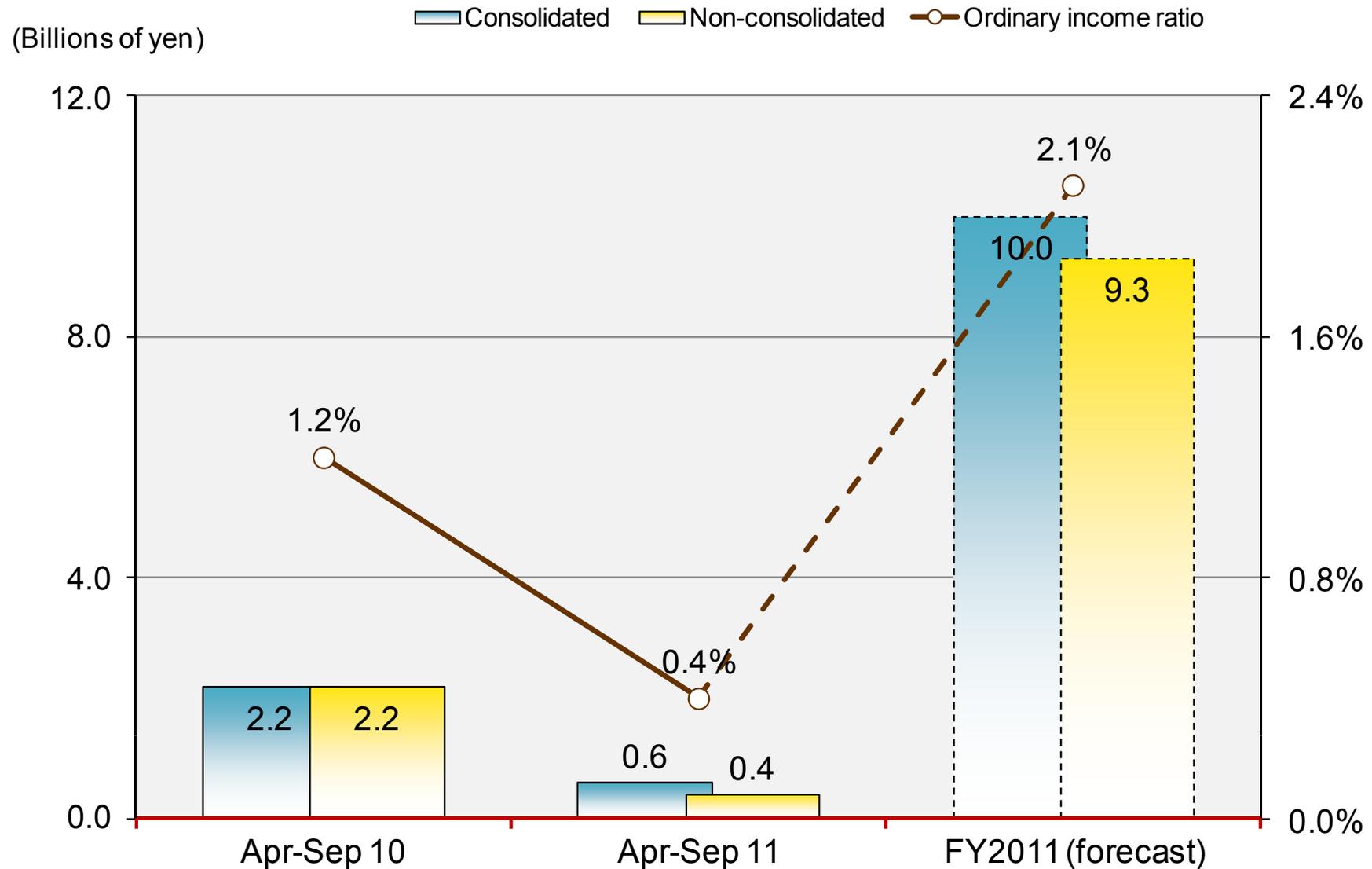


Account Balance	0.5	0.7
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(Billions of yen)



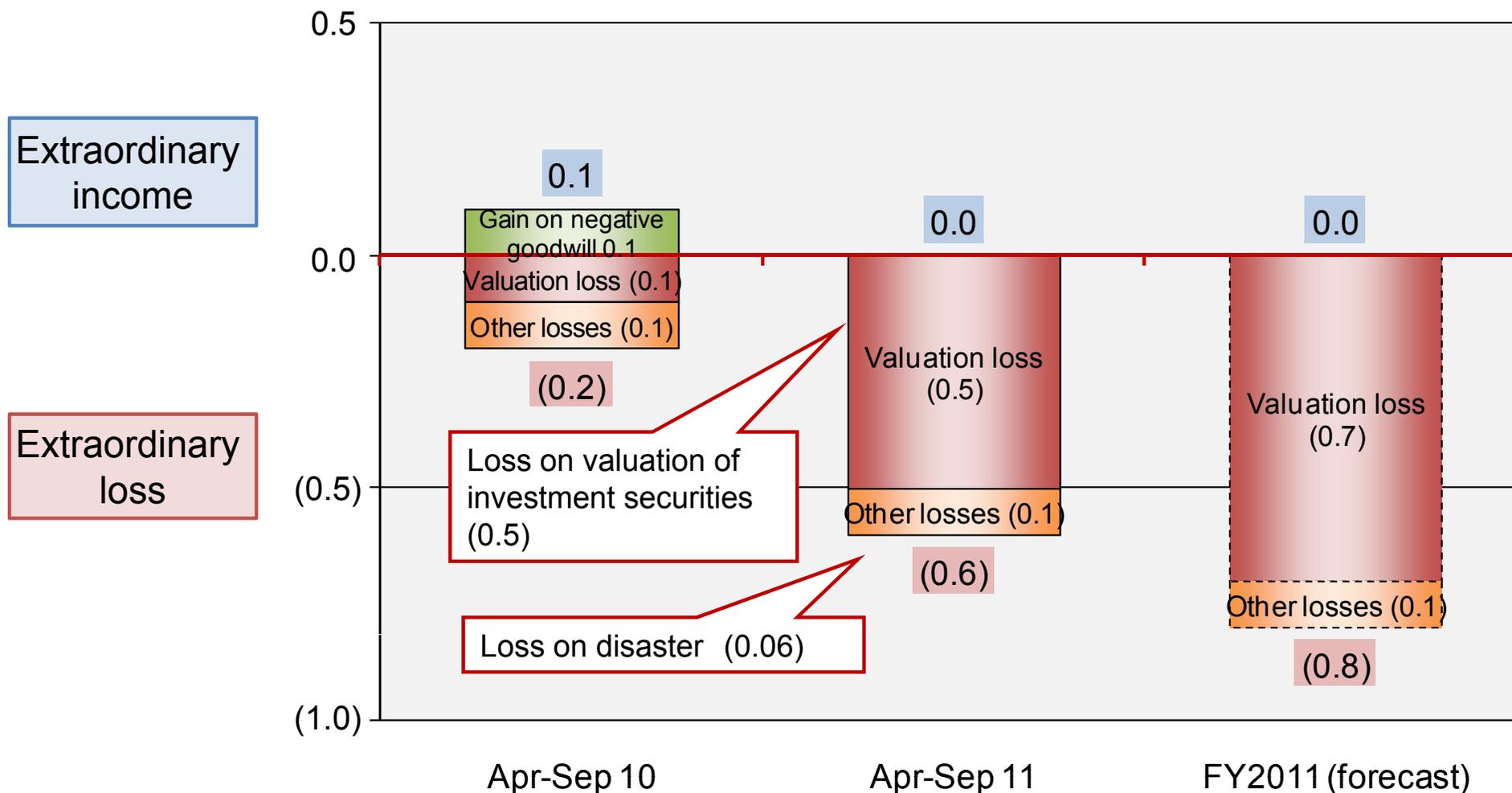
# (Consolidated) Change in Ordinary Income



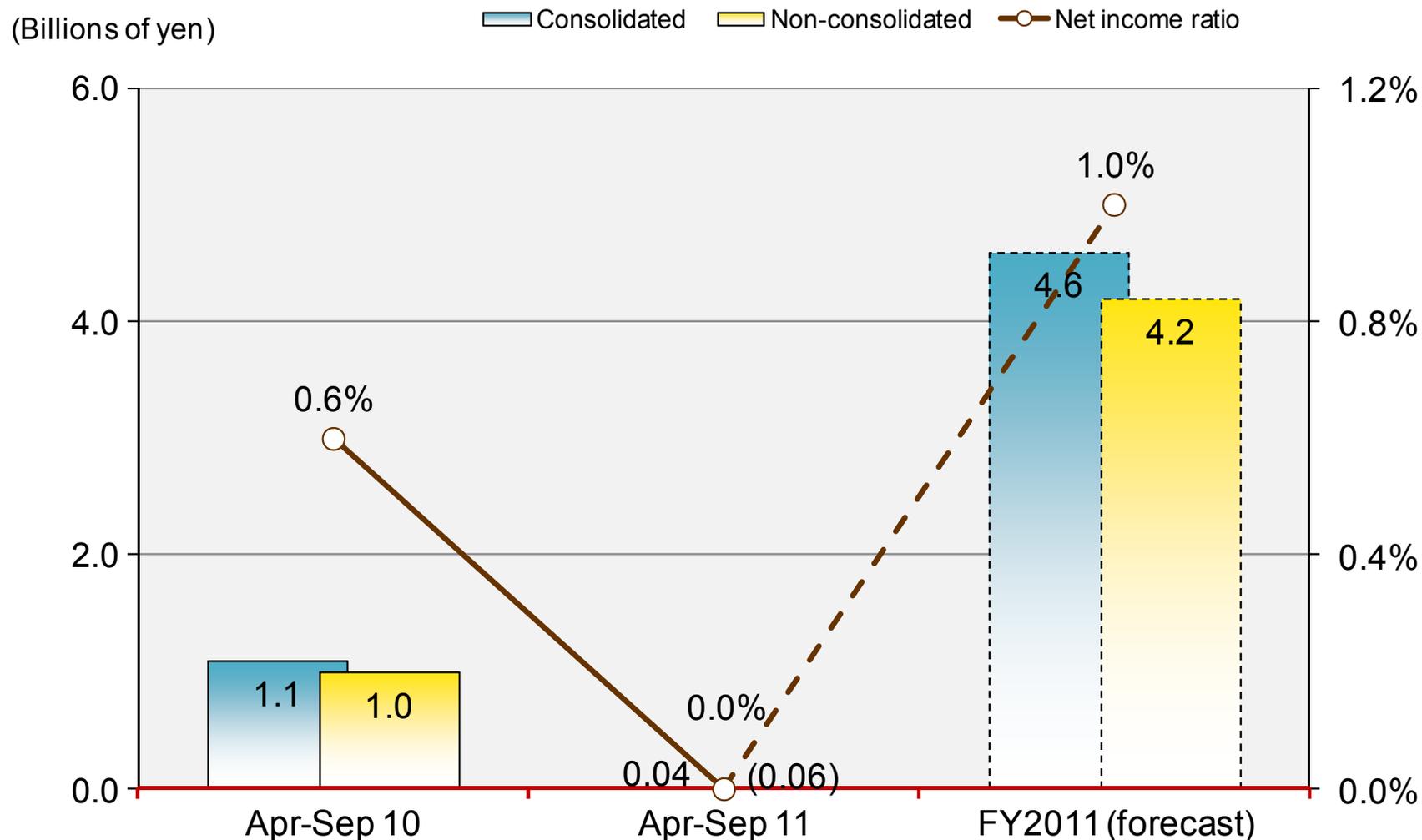
# (Consolidated) Change in Extraordinary Income (Loss)

Account Balance	(0.0)	(0.6)	(0.8)
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(Billions of yen)



# (Consolidated) Change in Net Income (loss)



Net income per share

3.5 yen

0.2 yen

14.9 yen

# (Consolidated) Comprehensive Income



(Millions of yen)

Consolidated Statements of Comprehensive Income	Apr-Sep 10	Apr-Sep 11
Income before minority interest	1,079	63
Other comprehensive income:		
Valuation difference on available-for-sale securities	(8,338)	(6,139)
Deferred gains or losses on hedges	(15)	(9)
Foreign currency translation adjustment	(186)	(14)
Total other comprehensive income	(7,460)	(6,099)

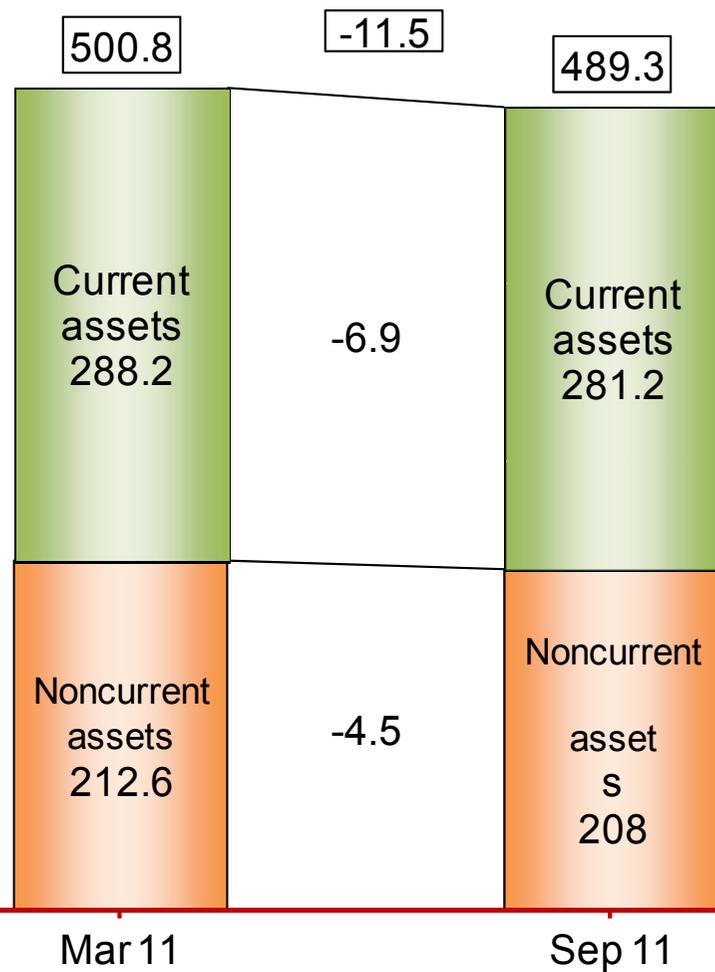
	Apr-Sep 10	Apr-Sep 11	Change
Nikkei Stock Average (yen)	9,369	8,700	-7%

## **2-2. Consolidated Balance Sheets**

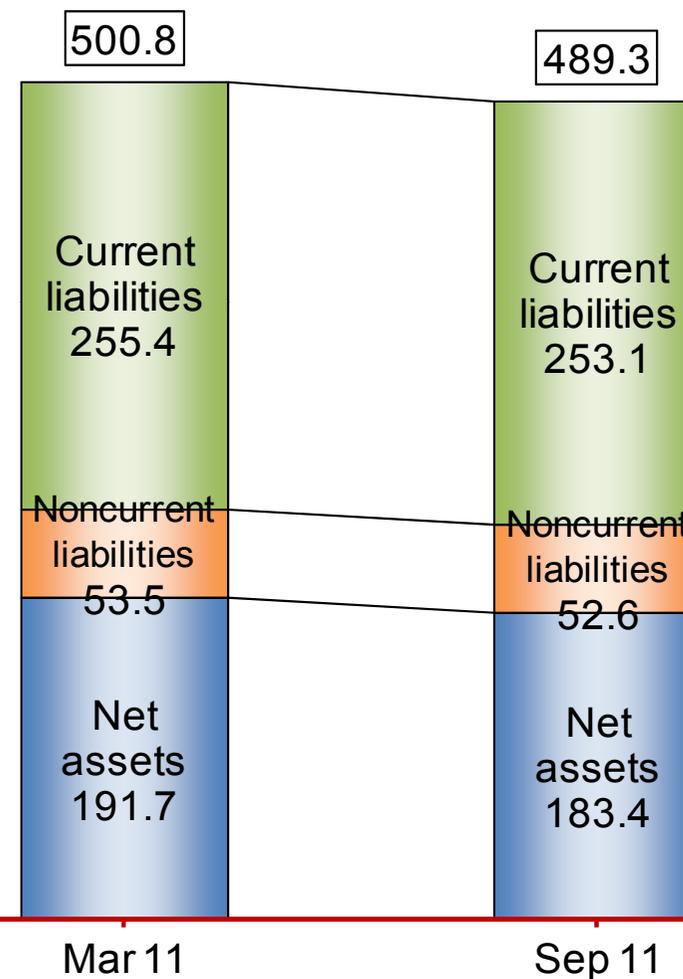
# (Consolidated) Balance Sheets

## Assets

(Billions of yen)



## Liabilities and Net Assets



# (Consolidated) Detailed Consolidated Balance Sheets



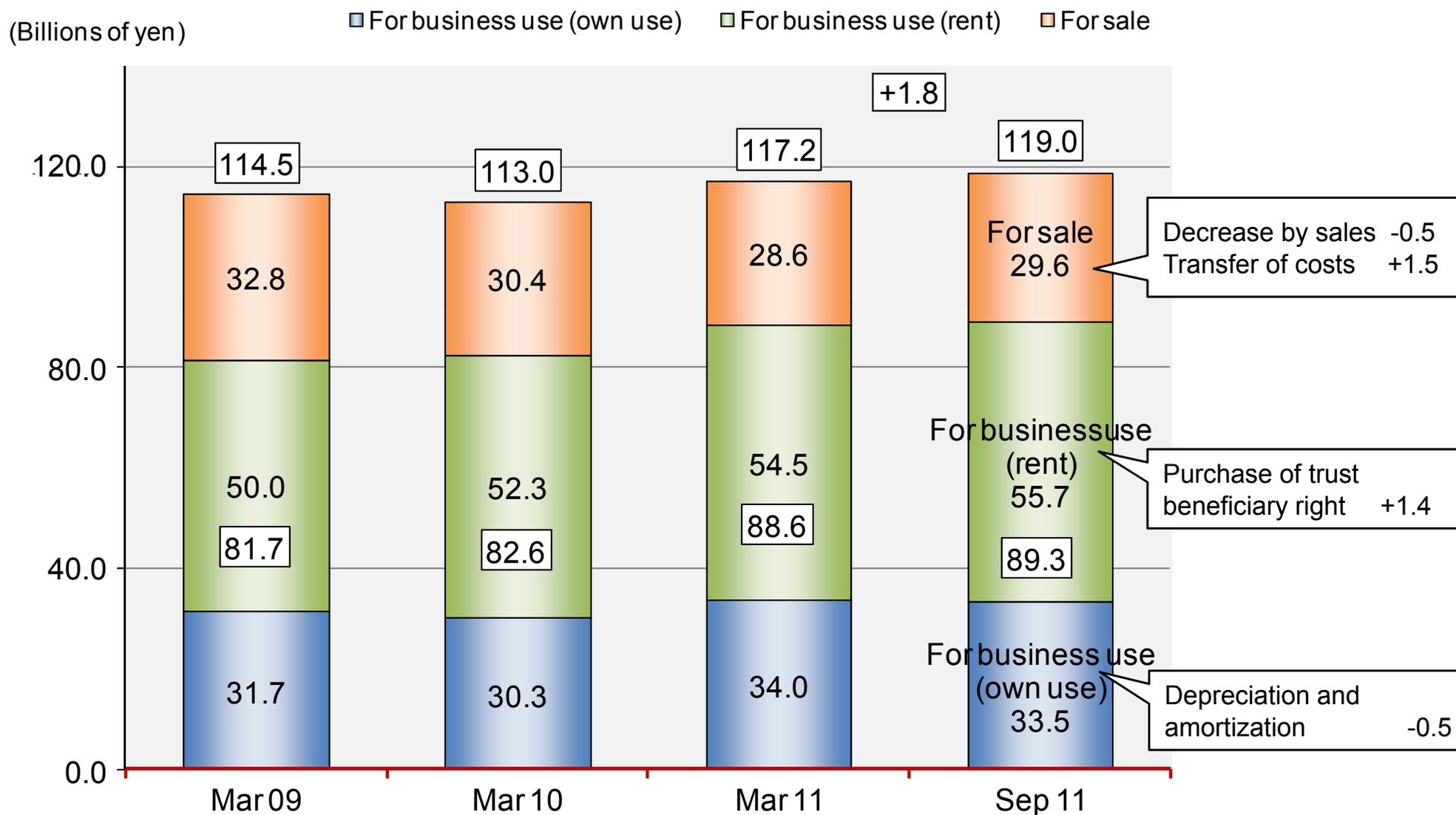
Billions of yen	Mar 11	Sep 11	Remarks
			Figures in ( ) are changes from the previous year.
(Assets)			
Current assets	288.2	281.2	<div style="border: 1px solid black; padding: 5px;"> <p>Notes receivable, accounts receivable from completed construction contracts and other 116.8 (-16.6)</p> <p>Costs on uncompleted construction contracts 70.6 (+18.8)</p> <p>Real estate for sale 29.6 (+1.0)</p> <p>Deferred tax assets 7.5 (+0.2)</p> </div>
Noncurrent assets	212.6	208.0	
Property, plant and equipment	89.1	90.0	<div style="border: 1px solid black; padding: 5px;"> <p>Buildings and structures 18.8 (+0.6)</p> <p>Land 69.1 (-0.0)</p> </div>
Intangible assets	2.2	2.4	
Investments and other assets	121.2	115.6	<div style="border: 1px solid black; padding: 5px;"> <p>Investment securities 100.4 (-9.7)</p> </div>
<b>Total Assets</b>	<b>500.8</b>	<b>489.3</b>	

# (Consolidated) Detailed Consolidated Balance Sheets



Billions of yen	Mar 11	Sep 11	Remarks
			Figures in ( ) are changes from the previous year.
(Liabilities)			
Current liabilities	255.4	253.1	<div style="border: 1px solid black; padding: 5px;">                     Notes payable and other accounts payable 98.9 (-19.1)                      Short-term loans payable 45.5 (+1.6)                      Advances received on uncompleted construction contracts 69.0 (+14.0)                      Provision for loss on construction contracts 9.3 (+0.0)                 </div>
Noncurrent liabilities	53.5	52.6	<div style="border: 1px solid black; padding: 5px;">                     Long-term loans payable 12.9 (-1.2)                      Provision for retirement benefits 22.9 (+0.2)                 </div>
(Net Assets)			
Shareholders' equity	169.4	167.2	<div style="border: 1px solid black; padding: 5px;">                     Total interest-bearing liabilities 58.5 (+0.4)                      58.1 (Mar 11) → 58.5 (Sep 11)                 </div>
Valuation and translation adjustments	18.3	12.1	<div style="border: 1px solid black; padding: 5px;">                     Valuation difference on available-for-sale securities 9.4 (-6.1)                 </div>
<b>Total Liabilities and Net Assets</b>	<b>500.8</b>	<b>489.3</b>	

# (Consolidated) Change in Real Estate Holdings



# (Consolidated) Capital Investments



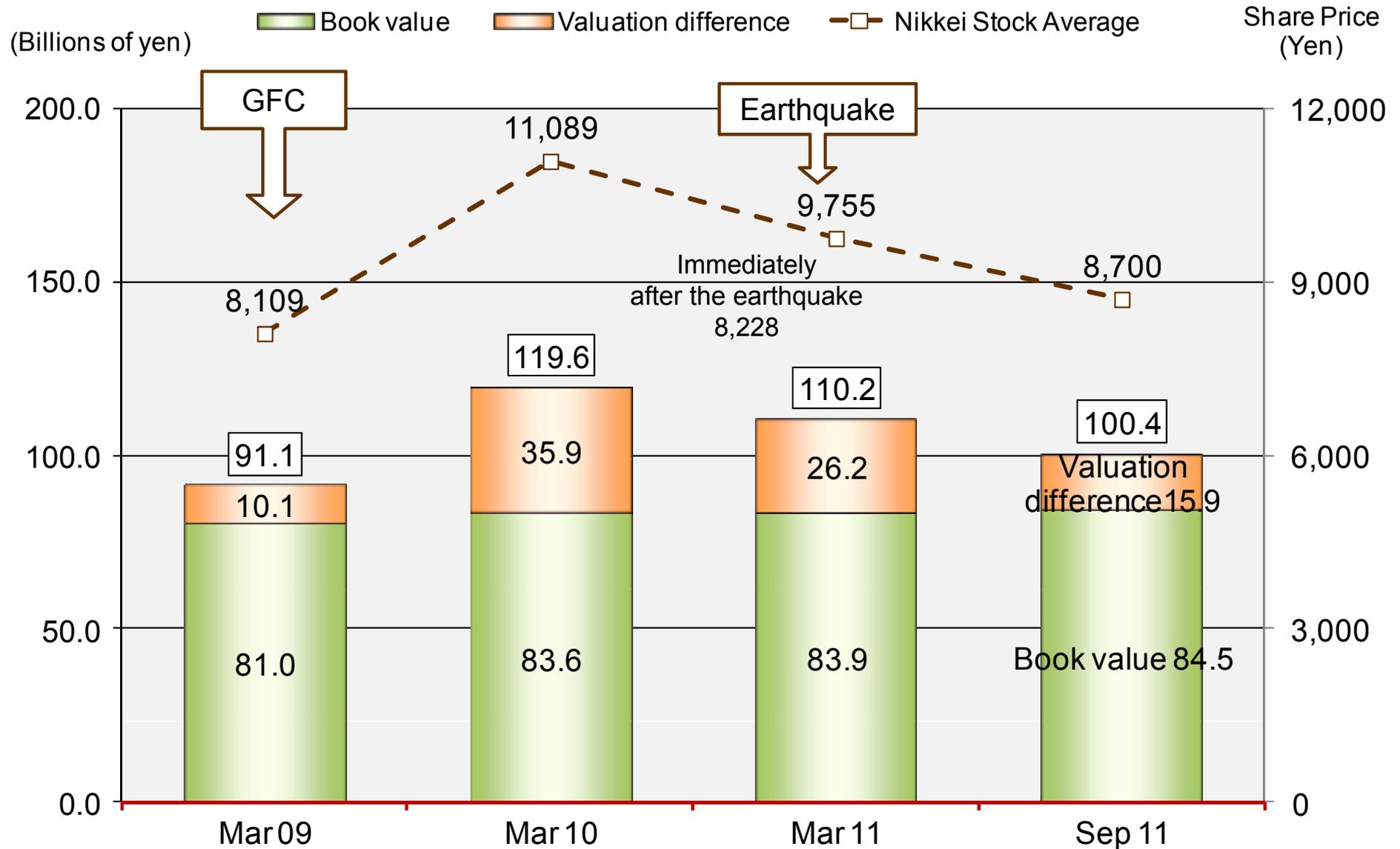
(Billions of yen)

Capital investments	Mar 11	Sep 11	Mar 12 (forecast)
Property, plant and equipment	5.1	1.7	4.2
Intangible assets	0.3	0.3	1.3
Total	5.4	2.1	5.5

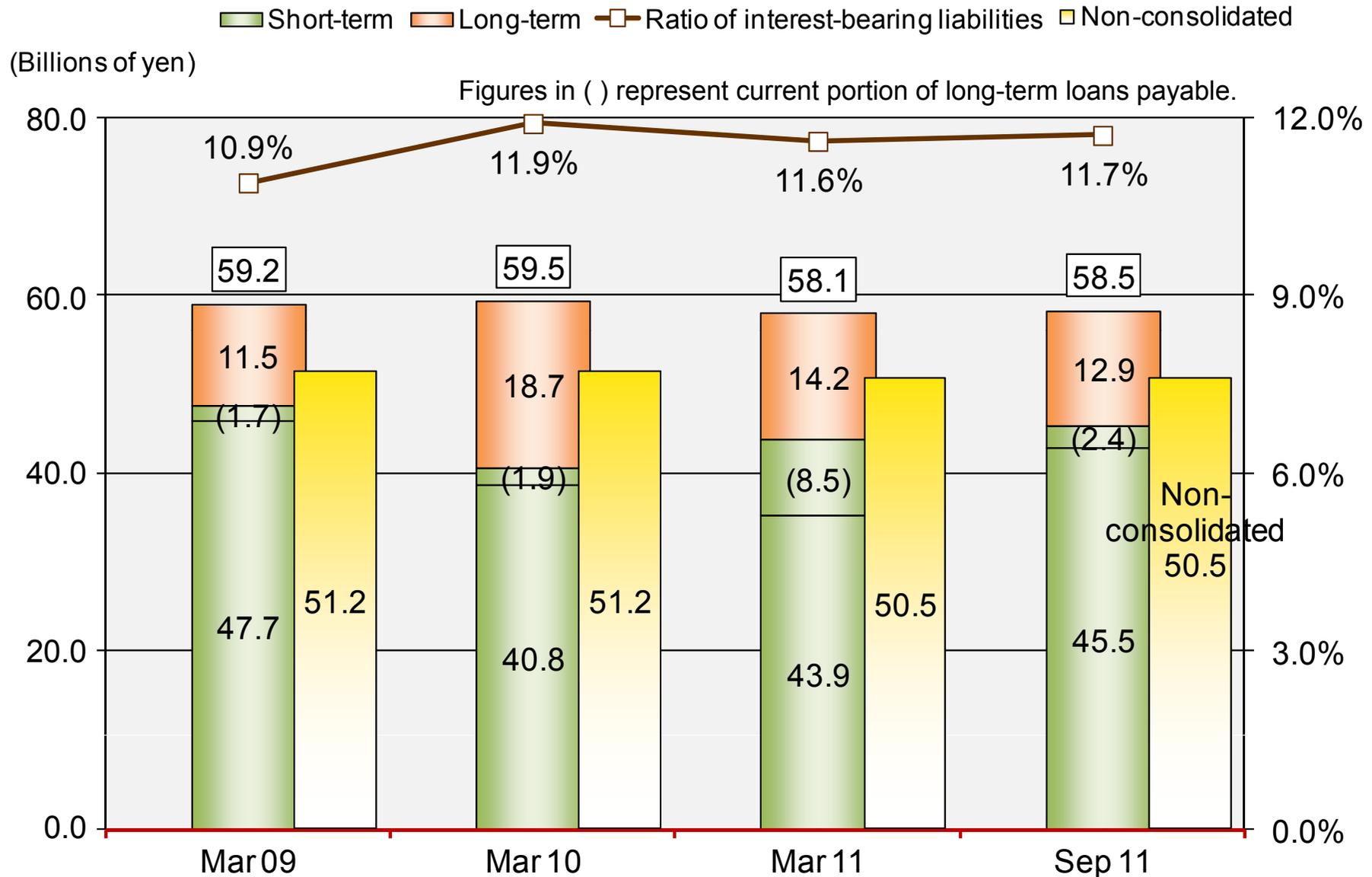
(Billions of yen)

	Mar 11	Sep 11	Mar 12 (forecast)
Depreciation and amortization	2.0	1.0	2.0
R & D expenses	1.9	0.9	1.9

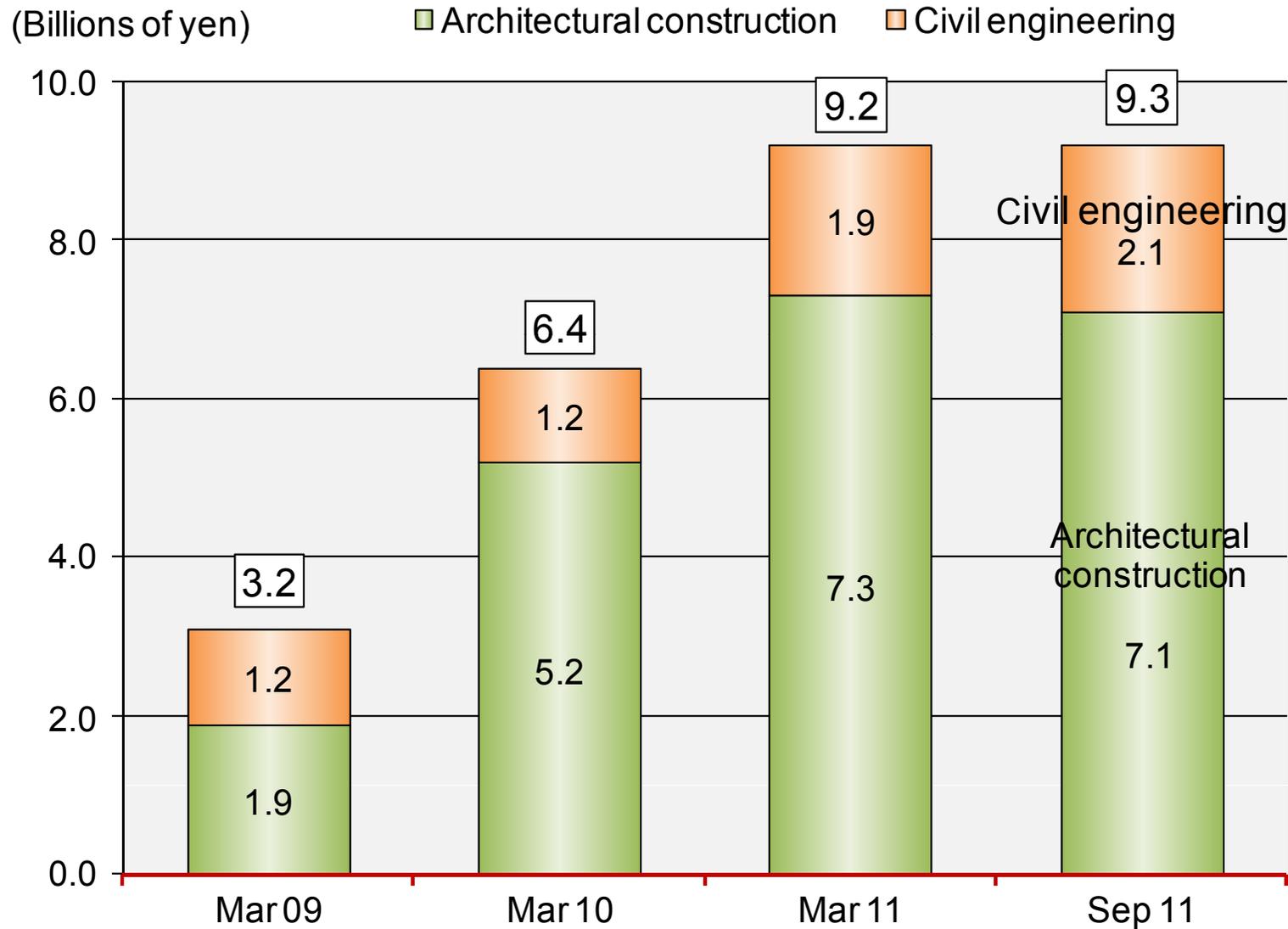
# (Consolidated) Change in Investment Securities



# (Consolidated) Change in Interest-Bearing Liabilities



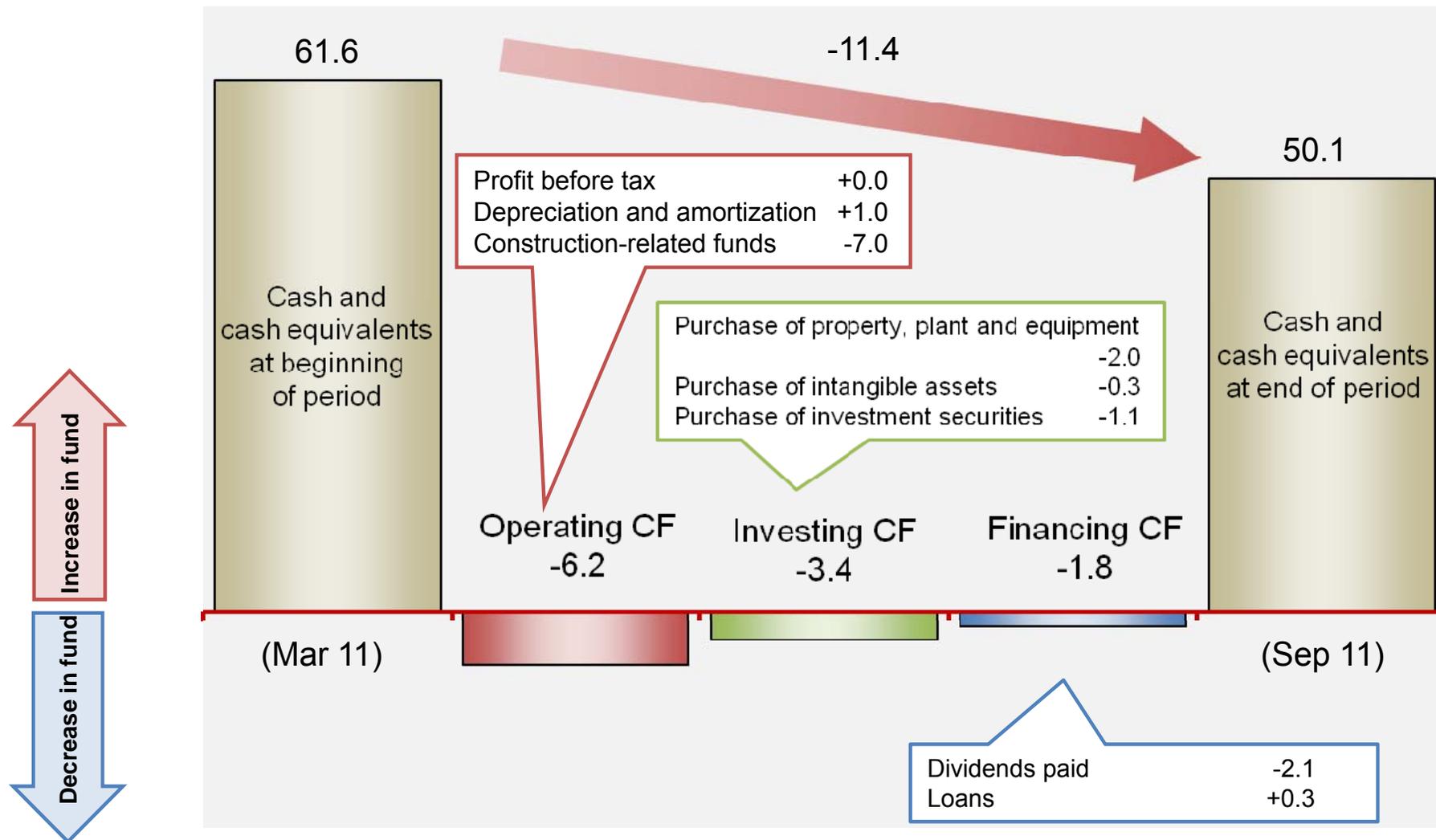
# (Consolidated) Change in Provision for Loss on Construction Contracts



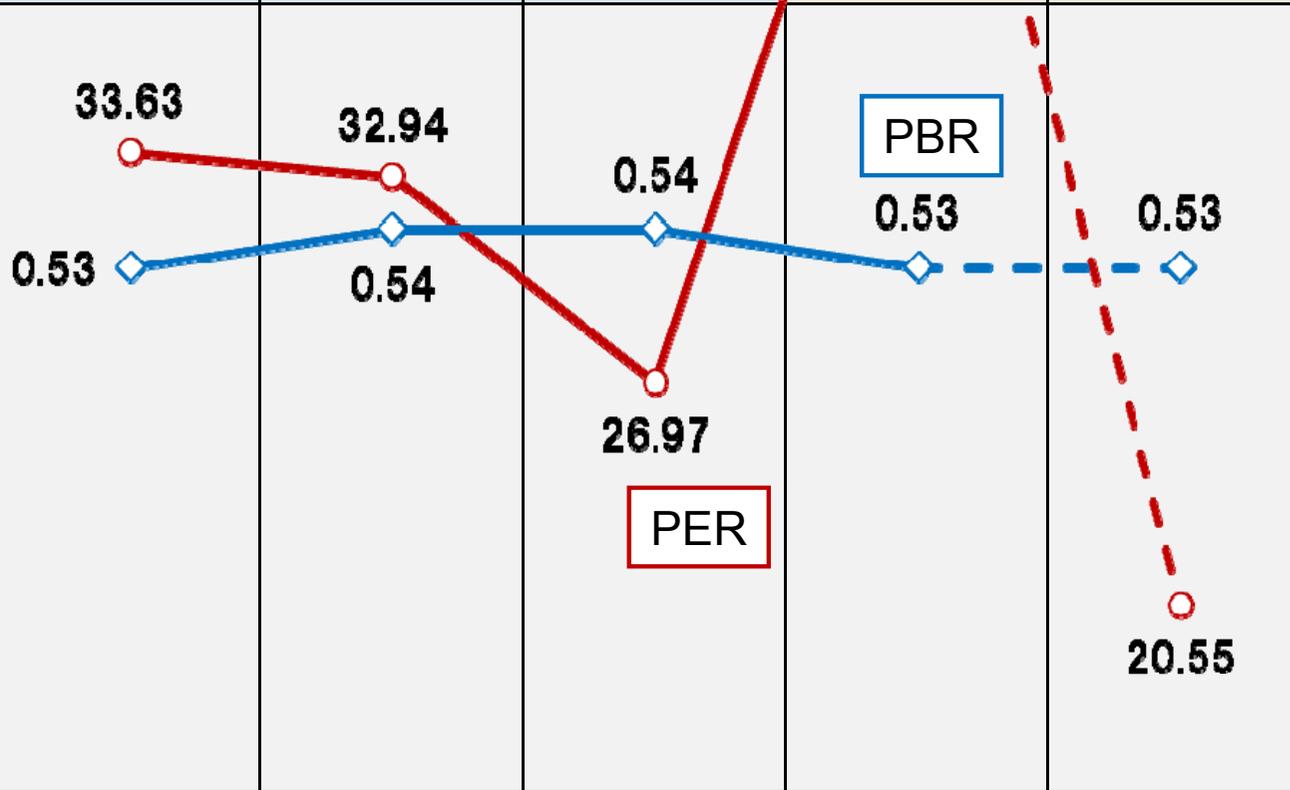
## **2-3. Consolidated Statements of Cash Flow**

# (Consolidated) Statements of Cash Flow

(Billions of yen)



# (Reference) Share Price and Other Indices (Consolidated)

	Mar 2009	Mar 2010	Mar 2011	Sep 2011	Mar 12 (forecast)																		
Share price (Yen)	303	337	329	306	306																		
Net assets per share (Yen)	567.37	621.93	607.54	580.82	580.82																		
Net income per share (Yen)	9.01	10.23	12.20	0.16	14.89																		
<p><b>PER:</b> Price earning ratio (times)</p> <p><b>PBR:</b> Price-book value ratio (times)</p>	 <table border="1"> <caption>PER and PBR Ratios</caption> <thead> <tr> <th>Period</th> <th>PER (times)</th> <th>PBR (times)</th> </tr> </thead> <tbody> <tr> <td>Mar 2009</td> <td>33.63</td> <td>0.53</td> </tr> <tr> <td>Mar 2010</td> <td>32.94</td> <td>0.54</td> </tr> <tr> <td>Mar 2011</td> <td>26.97</td> <td>0.54</td> </tr> <tr> <td>Sep 2011</td> <td>-</td> <td>0.53</td> </tr> <tr> <td>Mar 12 (forecast)</td> <td>20.55</td> <td>0.53</td> </tr> </tbody> </table>					Period	PER (times)	PBR (times)	Mar 2009	33.63	0.53	Mar 2010	32.94	0.54	Mar 2011	26.97	0.54	Sep 2011	-	0.53	Mar 12 (forecast)	20.55	0.53
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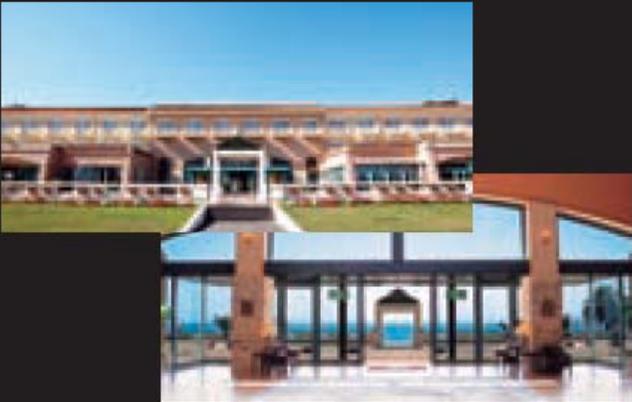
# (Reference) Introduction of Hospitality Program for Shareholders

- Purpose of the introduction: To increase the attractiveness of Toda Corporation stock
- Outline of the program:

Record date: Hospitality tickets are sent every December to shareholders who own shares as of the end of September each year.

Details:

- Accommodation discount tickets for Hotel & Resort Sunshine Sazanseto (Oshima-cho, Yamaguchi Prefecture) owned and operated by the Toda Corporation Group. (Discounts up to 30%)
- The ticket is valid for one-night stay per room (no limit to the number of guests per room).
- Two tickets are provided to shareholders who own 1,000 shares or more and four tickets to those who own 5,000 shares or more.

<p>株主ご優待</p>  <p>ご利用方法は裏面をご覧ください。</p>	No.			
	<p>Hotel &amp; Resort <i>Sunshine Sazanseto</i></p> <p>ご宿泊割引利用券</p> <table border="1"><tr><td>平日 (日~木)</td><td>30%割引</td></tr><tr><td>休前日 (金・土・祝前日)</td><td>20%割引</td></tr></table> <p>有効期限 平成24年12月31日まで</p> <p> 戸田建設株式会社</p>	平日 (日~木)	30%割引	休前日 (金・土・祝前日)
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