

Consolidated Financial Results for the Third Quarter Ended December 31, 2010



1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Third Quarter of FY2010 (As of December 31, 2010)	FY2009 (As of March 31, 2010) Condensed
Assets		
Current assets		
Cash and deposits	26,383	44,334
Notes receivable, accounts receivable from completed construction contracts and other	119,230	98,160
Short-term investment securities		17,000
Real estate for sale	29,710	30,417
Costs on uncompleted construction contracts	71,392	77,567
Other inventories	2,035	1,589
Deferred tax assets	17,172	17,018
Other	6,038	2,808
Allowance for doubtful accounts	(692)	(585)
Total current assets	271,270	288,310
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	41,472	40,836
Machinery, vehicles, tools, furniture and fixtures	10,059	10,378
Land	65,661	64,879
Lease assets	353	203
Construction in progress	931	643
Accumulated depreciation	(33,468)	(32,533)
Total property, plant and equipment	85,010	84,408
Intangible assets		
Goodwill	441	483
Other	3,753	3,642
Total intangible assets	4,194	4,125
Investments and other assets		
Investment securities	114,624	119,615
Long-term loans receivable	1,379	1,433
Deferred tax assets	296	—
Other	7,684	7,840
Allowance for doubtful accounts	(3,277)	(3,328)
Total investments and other assets	120,707	125,561
Total noncurrent assets	209,912	214,095
Total assets	481,182	502,405

	(Millions of yen)	
	Third Quarter of FY2010 (As of December 31, 2010)	FY2009 (As of March 31, 2010) Condensed
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	75,323	100,630
Short-term loans payable	37,583	40,819
Income taxes payable	1,598	594
Advances received on uncompleted construction contracts	70,222	62,168
Provision for bonuses	1,720	3,352
Provision for warranties for completed construction	1,047	1,007
Provision for loss on construction contracts	9,730	6,434
Deposits received	16,919	15,353
Other	7,689	9,713
Total current liabilities	221,835	240,074
Noncurrent liabilities		
Long-term loans payable	20,999	18,770
Deferred tax liabilities	4,112	5,775
Deferred tax liabilities for land revaluation	11,926	11,926
Provision for retirement benefits	25,011	24,567
Provision for directors' retirement benefits	188	143
Asset retirement obligations	125	—
Other	4,172	4,326
Total noncurrent liabilities	66,536	65,509
Total liabilities	288,371	305,583
Net assets		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus	25,595	25,595
Retained earnings	125,765	126,052
Treasury stock	(6,616)	(6,478)
Total shareholders' equity	167,745	168,170
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	18,491	21,334
Deferred gains or losses on hedges	(49)	(28)
Revaluation reserve for land	4,370	4,397
Foreign currency translation adjustment	(1,701)	(1,318)
Total valuation and translation adjustments	21,110	24,384
Minority interests	3,954	4,266
Total net assets	192,811	196,821
Total liabilities and net assets	481,182	502,405

(2) Consolidated Statements of Income

[Nine Months of FY2009 and FY2010]

(Millions of yen)

	Nine Months of FY2009 (From April 1, 2009, to December 31, 2009)	Nine Months of FY2010 (From April 1, 2010, to December 31, 2010)
Net sales		
Net sales of completed construction contracts	254,000	286,713
Net sales of real estate business and other	8,858	9,516
Total net sales	262,858	296,229
Cost of sales		
Cost of sales of completed construction contracts	237,756	268,898
Cost of sales on real estate business and other	6,041	7,460
Total cost of sales	243,797	276,359
Gross profit		
Gross profit on completed construction contracts	16,243	17,815
Gross profit on real estate business and other	2,817	2,055
Total gross profit	19,060	19,870
Selling, general and administrative expenses	18,370	17,908
Operating income	690	1,961
Non-operating income		
Interest income	178	149
Dividends income	1,453	1,545
Other	217	277
Total non-operating income	1,850	1,972
Non-operating expenses		
Interest expenses	628	597
Other	114	179
Total non-operating expenses	743	776
Ordinary income	1,797	3,157
Extraordinary income		
Reversal of allowance for doubtful accounts	488	58
Gain on sales of noncurrent assets	161	10
Gain on sales of investment securities	10	1
Gain on negative goodwill	—	386
Other	0	—
Total extraordinary income	660	456
Extraordinary loss		
Loss on abandonment of noncurrent assets	12	—
Loss on sales of investment securities	241	—
Loss on valuation of investment securities	183	75
Loss on valuation of golf club membership	8	—
Impairment loss	—	91
Provision of allowance for doubtful accounts	1,051	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	83
Surcharges	13	—
Other	42	36
Total extraordinary losses	1,554	287
Income before income taxes and minority interests	904	3,326
Income taxes	512	1,466
Income before minority interests	—	1,860
Minority interests in income	54	7
Net income	337	1,852

[Three Months of FY2009 and FY2010]

(Millions of yen)

	Three Months of FY2009 (From October 1, 2009, to December 31, 2009)	Three Months of FY2010 (From October 1, 2010, to December 31, 2010)
Net sales		
Net sales of completed construction contracts	122,661	102,541
Net sales of real estate business and other	2,885	3,783
Total net sales	125,546	106,324
Cost of sales		
Cost of sales of completed construction contracts	114,148	96,653
Cost of sales on real estate business and other	1,966	3,338
Total cost of sales	116,115	99,991
Gross profit		
Gross profit on completed construction contracts	8,512	5,888
Gross profit on real estate business and other	918	444
Total gross profit	9,430	6,332
Selling, general and administrative expenses	6,046	5,991
Operating income	3,384	341
Non-operating income		
Interest income	41	58
Dividends income	617	676
Other	76	119
Total non-operating income	734	854
Non-operating expenses		
Interest expenses	163	198
Other	35	39
Total non-operating expenses	199	238
Ordinary income	3,919	957
Extraordinary income		
Gain on sales of noncurrent assets	52	0
Gain on sales of investment securities	9	1
Reversal of allowance for doubtful accounts	25	16
Gain on negative goodwill	—	281
Gain on reversal of loss on valuation of investment securities	125	68
Other	0	—
Total extraordinary income	213	367
Extraordinary loss		
Loss on sales of investment securities	241	—
Loss on abandonment of noncurrent assets	11	—
Loss on valuation of golf club membership	8	—
Impairment loss	—	91
Other	23	14
Surcharges	13	—
Total extraordinary losses	298	105
Income before income taxes and minority interests	3,834	1,219
Income taxes	1,866	438
Income before minority interests	1,968	780
Minority interests in income	—	33
Net income	1,914	747

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine Months of FY2009 (From April 1, 2009, to December 31, 2009)	Nine Months of FY2010 (From April 1, 2010, to December 31, 2010)
Net cash provided by (used in) operating activities	3,749	(29,367)
Net cash provided by (used in) investing activities	(7,439)	(2,029)
Net cash provided by (used in) financing activities	(1,732)	(3,260)
Effect of exchange rate change on cash and cash equivalents	22	(104)
Net increase (decrease) in cash and cash equivalents	(5,400)	(34,760)
Cash and cash equivalents at beginning of period	39,302	60,459
Cash and cash equivalents at end of period	33,902	25,698

2. (Reference) Nonconsolidated Financial Statements
(1) Non-consolidated Balance Sheets

	(Millions of yen)	
	Third Quarter of FY2010 (As of December 31, 2010)	FY2009 (As of March 31, 2010) Condensed
Assets		
Current assets		
Cash and deposits	15,579	31,724
Notes receivable, accounts receivable from completed construction contracts and other	111,292	89,197
Short-term investment securities		17,000
Real estate for sale	29,571	30,272
Costs on uncompleted construction contracts	65,931	72,156
Costs on real estate business	1,508	907
Other	22,471	19,737
Allowance for doubtful accounts	(675)	(545)
Total current assets	245,680	260,450
Noncurrent assets		
Property, plant and equipment	77,529	77,508
Intangible assets	3,777	3,653
Investments and other assets		
Investment securities	112,801	117,774
Other	13,118	13,216
Allowance for doubtful accounts	(3,258)	(3,325)
Total investments and other assets	122,661	127,665
Total noncurrent assets	203,968	208,827
Total assets	449,649	469,278

(Millions of yen)

	Third Quarter of FY2010 (As of December 31, 2010)	FY2009 (As of March 31, 2010) Condensed
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	66,163	90,401
Short-term loans payable	29,818	32,492
Advances received on uncompleted construction contracts	68,658	61,518
Income taxes payable	1,544	296
Provision for warranties for completed construction	1,027	978
Provision for loss on construction contracts	9,720	6,429
Deposits received from employees	5,676	5,692
Other	19,681	21,192
Total current liabilities	202,292	219,002
Noncurrent liabilities		
Long-term loans payable	20,999	18,770
Provision for retirement benefits	24,233	23,791
Asset retirement obligations	113	—
Other	19,369	21,443
Total noncurrent liabilities	64,715	64,006
Total liabilities	267,008	283,008
Net assets		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus		
Legal capital surplus	25,573	25,573
Total capital surpluses	25,573	25,573
Retained earnings		
Legal retained earnings	5,750	5,750
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	3,992	3,992
General reserve	104,274	104,274
Retained earnings brought forward	3,099	3,822
Total retained earnings	117,117	117,839
Treasury stock	(5,875)	(5,852)
Total shareholders' equity	159,816	160,561
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	18,504	21,338
Deferred gains or losses on hedges	(49)	(28)
Revaluation reserve for land	4,370	4,397
Total valuation and translation adjustments	22,824	25,707
Total net assets	182,640	186,269
Total liabilities and net assets	449,649	469,278

(2) Non-consolidated Statements of Income

(Millions of yen)

	Nine Months of FY2009 (From April 1, 2009, to December 31, 2009)	Nine Months of FY2010 (From April 1, 2010, to December 31, 2010)
Net sales		
Net sales of completed construction contracts	245,506	276,867
Net sales of real estate business and other	4,708	5,494
Total net sales	250,215	282,361
Cost of sales		
Cost of sales of completed construction contracts	230,193	260,254
Cost of sales on real estate business and other	2,893	3,863
Total cost of sales	233,087	264,118
Gross profit		
Gross profit on completed construction contracts	15,312	16,612
Gross profit-real estate business	1,815	1,631
Total gross profit	17,128	18,243
Selling, general and administrative expenses	16,514	16,205
Operating income	613	2,037
Non-operating income		
Interest income	138	99
Dividends income	1,444	1,569
Other	209	237
Total non-operating income	1,792	1,906
Non-operating expenses		
Interest expenses	670	713
Other	144	150
Total non-operating expenses	814	863
Ordinary income	1,591	3,080
Extraordinary income		
Reversal of allowance for doubtful accounts	467	46
Gain on sales of noncurrent assets	160	9
Other	0	1
Total extraordinary income	628	56
Extraordinary loss		
Loss on sales of investment securities	241	—
Loss on valuation of investment securities	181	73
Impairment loss		91
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	74
Provision of allowance for doubtful accounts	1,051	—
Other	62	36
Total extraordinary losses	1,537	276
Income before income taxes	682	2,861
Income taxes	349	1,430
Net income	333	1,431

3. Supplementary Information

(1) Summary of Consolidated Results and Forecasts

(Millions of yen)

	Nine Months		Full Year	
	FY2009	FY2010	FY2009	FY2010
	Actual YoY %	Actual YoY %	Actual YoY %	Forecast YoY %
Net sales	262,858 2.6	296,229 12.7	475,055 2.0	467,000 (1.7)
Construction business	254,000 2.8	286,713 12.9	463,369 2.4	453,000 (2.2)
Real Estate business	8,858 (0.4)	9,516 (7.4)	11,686 (12.1)	14,000 19.8
Gross profit	19,060 28.4	19,870 4.2	31,321 4.9	31,800 1.5
Profit margin	7.3%	6.7%	6.6%	6.8%
Construction business	16,243 38.1 6.4%	17,815 9.7 6.2%	28,371 9.4 6.1%	28,000 (1.3) 6.2%
Real estate business	2,817 (8.8)	2,055 (27.0)	2,950 (24.9)	3,800 28.8
SG&A expenses	18,370 (0.2)	17,908 (2.5)	24,912 (2.5)	24,700 (0.9)
Operating income (loss)	690 —	1,961 184.2	6,408 49.0	7,100 10.8
Non-operating income (loss)	1,107 (22.0)	1,195 8.0	1,315 (11.0)	1,100 (16.4)
Ordinary income (loss)	1,797 —	3,157 75.6	7,724 33.6	8,200 6.2
Extraordinary income (loss)	(893) —	169 —	(1,559) —	— —
Income (loss) before income taxes and minority interests	904 —	3,326 268.0	6,164 19.1	8,200 33.0
Income taxes and minority interests	566 —	1,474 160.1	2,989 26.7	4,200 40.5
Net income (loss)	337 —	1,852 449.4	3,175 12.7	4,000 26.0

Note: These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

(2) Summary of Non-consolidated Results and Forecasts

(Millions of yen)

	Nine Months		Full Year	
	FY2009	FY2010	FY2009	FY2010
	Actual YoY %	Actual YoY %	Actual YoY %	Forecast YoY %
Orders received	233,986 (16.8)	330,841 41.4	402,755 (7.3)	428,500 6.4
Construction business	229,277 (17.1)	325,347 41.9	396,545 (7.1)	420,000 5.9
Architectural construction	187,156 (16.7)	260,357 39.1	326,365 (5.8)	340,000 4.2
Civil engineering	42,120 (18.9)	64,989 54.3	70,180 (12.6)	80,000 14.0
Real estate business	4,708 1.5	5,494 16.7	6,210 (19.6)	8,500 36.9
*Overseas construction thereof:	1,316	1,488	1,269	3,000
Net sales	250,215 3.9	282,361 12.8	452,590 3.1	438,500 (3.1)
Construction business	245,506 4.0	276,867 12.8	446,380 3.5	430,000 (3.7)
Architectural construction	194,494 (2.6)	230,166 18.3	348,444 3.3	345,000 (1.0)
Civil engineering	51,012 40.3	46,700 (8.5)	97,936 4.2	85,000 (13.2)
Real estate business	4,708 1.5	5,494 16.7	6,210 (19.6)	8,500 36.9
*Overseas construction thereof:	1,122	53	2,221	53
Gross profit	17,128 34.4	18,243 6.5	28,144 5.3	28,200 0.2
Profit margin	6.8%	6.5%	6.2%	6.4%
Construction business	15,312 42.3	16,612 8.5	26,536 9.5	26,000 (2.0)
Architectural construction	13,841 53.5	15,772 14.0	22,053 17.3	22,000 (0.2)
Civil engineering	1,471 (15.5)	839 (42.9)	4,483 (17.2)	4,000 (10.8)
Real estate business	1,815 (8.4)	1,631 (10.1)	1,607 (36.1)	2,200 36.8
SG&A expenses	16,514 (0.8)	16,205 (1.9)	22,412 (3.7)	22,200 (0.9)
Operating income (loss)	613 —	2,037 232.3	5,732 65.2	6,000 4.7
Non-operating income (loss)	978 (31.2)	1,042 6.6	1,141 (23.8)	1,000 (12.4)
Ordinary income (loss)	1,591 —	3,080 93.6	6,873 38.4	7,000 1.8
Extraordinary income (loss)	(908) —	(219) —	(1,545) —	— —
Income (loss) before income taxes	682 —	2,861 319.2	5,327 24.9	7,000 31.4
Income taxes	349 —	1,430 309.3	2,673 55.1	3,500 30.9
Net income (loss)	333 —	1,431 329.6	2,654 4.4	3,500 31.9
Dividend per share	—	—	¥7.0	¥7.0

Note: These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

(3) Orders Received, Net Sales and Balance Brought Forward (non-consolidated)

1) Orders Received

(Millions of yen)

Business Segment/Classification	Nine Months from Apr. 1, 2009 to Dec. 31, 2009		Nine Months from Apr. 1, 2010 to Dec. 31, 2010		Change		Previous Fiscal Year from Apr. 1, 2009 to Mar. 31, 2010	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage	Amount	Ratio (%)
I Construction business								
(A) Architectural construction								
Domestic public sector	32,396	13.8	48,084	14.5	15,687	48.4	56,389	14.0
Domestic private sector	153,443	65.6	211,152	63.8	57,709	37.6	268,706	66.7
Overseas	1,316	0.6	1,121	0.3	(195)	(14.9)	1,269	0.3
Subtotal	187,156	80.0	260,357	78.7	73,201	39.1	326,365	81.0
(B) Civil Engineering								
Domestic public sector	28,492	12.2	52,483	15.9	23,990	84.2	51,949	12.9
Domestic private sector	13,627	5.8	12,138	3.7	(1,488)	(10.9)	18,230	4.5
Overseas	—	—	367	0.1	367	—	—	—
Subtotal	42,120	18.0	64,989	19.6	22,868	54.3	70,180	17.4
(C) Total (A)+(B)								
Domestic public sector	60,889	26.0	100,567	30.4	39,678	65.2	108,339	26.9
Domestic private sector	167,070	71.4	223,291	67.5	56,220	33.7	286,937	71.2
Overseas	1,316	0.6	1,488	0.4	171	13.0	1,269	0.3
Subtotal	229,277	98.0	325,347	98.3	96,070	41.9	396,545	98.5
II Real estate business	4,708	2.0	5,494	1.7	785	16.7	6,210	1.5
III Total (I + II)	233,986	100.0	330,841	100.0	96,855	41.4	402,755	100.0

2) Net Sales

(Millions of yen)

Business Segment/Classification	Nine Months from Apr. 1, 2009 to Dec. 31, 2009		Nine Months from Apr. 1, 2010 to Dec. 31, 2010		Change		Previous Fiscal Year from Apr. 1, 2009 to Mar. 31, 2010	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage	Amount	Ratio (%)
I Construction business								
(A) Architectural construction								
Domestic public sector	27,893	11.1	45,771	16.2	17,877	64.1	65,334	14.4
Domestic private sector	165,477	66.1	184,341	65.3	18,863	11.4	280,888	62.1
Overseas	1,122	0.4	53	0.0	(1,068)	(95.2)	2,221	0.5
Subtotal	194,494	77.7	230,166	81.5	35,672	18.3	348,444	77.0
(B) Civil Engineering								
Domestic public sector	26,946	10.8	33,055	11.7	6,108	22.7	58,310	12.9
Domestic private sector	24,065	9.6	13,644	4.8	(10,420)	(43.3)	39,625	8.8
Overseas	—	—	—	—	—	—	—	—
Subtotal	51,012	20.4	46,700	16.5	(4,311)	(8.5)	97,936	21.6
(C) Total (A)+(B)								
Domestic public sector	54,840	21.9	78,827	27.9	23,986	43.7	123,644	27.3
Domestic private sector	189,543	75.8	197,986	70.1	8,443	4.5	320,514	70.8
Overseas	1,122	0.4	53	0.0	(1,068)	(95.2)	2,221	0.5
Subtotal	245,506	98.1	276,867	98.1	31,360	12.8	446,380	98.6
II Real estate business	4,708	1.9	5,494	1.9	785	16.7	6,210	1.4
III Total (I + II)	250,215	100.0	282,361	100.0	32,146	12.8	452,590	100.0

3) Balance Brought Forward

(Millions of yen)

Business Segment/Classification	FY2009 3Q (As of Dec. 31, 2009)		FY2010 3Q (As of Dec. 31, 2010)		Change		Previous Fiscal Year (As of Mar. 31, 2010)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage	Amount	Ratio (%)
I Construction business								
(A) Architectural construction								
Domestic public sector	126,788	20.4	126,123	19.9	(664)	(0.5)	113,341	19.3
Domestic private sector	320,790	51.7	336,984	53.1	16,194	5.0	320,643	54.7
Overseas	2,396	0.4	2,317	0.4	(79)	(3.3)	1,250	0.2
Subtotal	449,975	72.5	465,426	73.3	15,450	3.4	435,234	74.2
(B) Civil Engineering								
Domestic public sector	115,679	18.6	127,200	20.0	11,521	10.0	107,772	18.4
Domestic private sector	54,636	8.8	42,172	6.6	(12,463)	(22.8)	43,677	7.4
Overseas	—	—	367	0.1	367	—	—	—
Subtotal	170,315	27.5	169,739	26.7	(575)	(0.3)	151,450	25.8
(C) Total (A)+(B)								
Domestic public sector	242,467	39.1	253,324	39.9	10,856	4.5	221,114	37.7
Domestic private sector	375,426	60.5	379,156	59.7	3,730	1.0	364,321	62.1
Overseas	2,396	0.4	2,684	0.4	287	12.0	1,250	0.2
Subtotal	620,291	100.0	635,165	100.0	14,874	2.4	586,685	100.0
II Real estate business	—	—	—	—	—	—	—	—
III Total (I + II)	620,291	100.0	635,165	100.0	14,874	2.4	586,685	100.0