

# Aiming to restore profitability, then to realize sustainable growth

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# Aiming to restore profitability, then to realize sustainable growth

—An interview with new TOYO president, Yutaka Yamada, about his plans for the future



Toyo Engineering Corporation  
President and Chief Executive Officer

**Yutaka Yamada**

on "his plans for the future"

Aiming to restore profitability,  
then to realize sustainable growth

## Accountability

*Yutaka Yamada served as the project manager in Indonesia, Egypt, India and other countries for many years. Through this field experience in projects, his career has been consistently based on the pursuit of the successful completion of projects. This experience gives him an excellent core for leading TOYO as its new president.*

*In this issue's interview, we asked him about his management policies and his strategy for the re-born TOYO.*

### Basic direction of TOYO's fundamental management policy remains unchanged

**Q** First of all, I would like you to outline your fundamental management policy and explain the direction in which you want to take TOYO.

In the current fiscal year, restoring normal profitability is my primary objective. Only after accomplishing this can we establish a base that will allow us to create value for shareholders and contribute to corporate social responsibility. In regard to sustainable growth in the following fiscal year, I believe we shall establish a sound base for becoming a company that can satisfy clients by providing total solutions.

Regarding my management policies, I will keep the basic direction of TOYO's present course, although revisions shall be made as the need arises. Except for the numerical targets, we have been achieving good results under the present system, so I am convinced

that our basic strategic direction is right. In addition, I have been strengthening our risk management from three points of view under a reformed management framework since my appointment on May 1, 2004. First, establishing a rigorous self-management system to perform basic tasks accurately and reliably. Second, building a framework that has checks and balances among each organization and encourages constructive debates. And third, reaching management-level decisions quickly.

### The pursuit of evolution in engineering

**Q** You have talked about the theme of the pursuit of evolution in engineering. Would you elaborate on this point?

We earn and ensure the trust of clients through the success of projects. We should transform TOYO into a company that is seen as a long-term partner for clients. For more than four

decades, TOYO has constructed a variety of plants around the world as an organization active primarily in the field of plant engineering. During that time, there has been a big change in contract styles, in the technologies required and in engineering. A passive response to these changes is insufficient. We must change ourselves to meet the true needs of our clients by constantly and quickly evolving our engineering contents and levels. This is what I mean by evolution in engineering. Adherence to this positive stance will enhance our skills in formulating solutions and coming up with creative ideas. Only in this way can we create new value for clients. In this sense, evolution in engineering is a concept that will underpin TOYO's next stage of growth.

## Strategies aimed at generating sustainable growth

**Q** Let's move on to your sales strategies for TOYO. Would you outline your plans from the standpoints of business operations and strategic business areas?

### © Aggressive overseas business activity centered on the energy field

The energy field will be our highest priority for the foreseeable future. During the past few years, our efforts to steer TOYO actively into the energy sector have produced a growing volume of contracts. For example, we received contracts for the Sakhalin II LNG project and a large-scale gas processing facility in Iran. Another notable contract was for technical services for maintenance and modernization of the Al-Khafji oil field in the Persian Gulf. So our operations in the energy field are extending from upstream to downstream activities. Due to our strategic focus on energy, energy-related projects accounted for about 70% of total orders received in the past fiscal year. My immediate target is to leverage this trend to generate more than half of our orders from the energy field.

In the petrochemical and chemical fields, the second core element of our overseas business, I want to raise the volume of projects involving technology-oriented works, a field where TOYO is highly skilled, in addition to turnkey EPC works. In fact, adding to our own licensing

technologies, we have a technology alliance in the ethylene field with ABB Lummus Global Inc. for Olefins Conversion Technology (OCT) and the scaling up of ethylene plants. In our licensing technologies, I wish to commercialize our advanced technologies such as a highly sophisticated energy-efficient urea plant in China that began operations early this year. Now, we need to leverage TOYO's capability to provide solutions to expand business operations into the upstream domain as well as into the operations and maintenance (O&M) domain, including assistance to clients in boosting productivity at existing facilities.

In terms of geographic regions, TOYO has an advantage in terms of its wide range of regional experience. We have experience in nations with energy resources, such as Middle Eastern countries, Russia and Brazil, as well as in nations with large populations, such as China, India and Southeast Asian countries. In this respect, TOYO has diversified geographic risk and is not heavily dependent on any single region.

At this time, I feel that demand will not last long for the same product in any particular region

and this is a key characteristic of our markets. Instead, products move to other regions and then return to the original location in a different form. Fertilizer is a typical example. TOYO has considerable accomplishments in India, Indonesia and other countries using conventional technology. But we recently built a urea plant in China using the most advanced technology. This achievement led to our receipt of an order for another plant in Indonesia. So we're seeing a sort of chain reaction. This is also true of pipeline projects. Our success in Azerbaijan led directly to the receipt of an order in Brazil. A technology or a product can no longer survive in a single location for more than 10 or 20 years. But new technologies and products are enlarging the scope of potential clients. This trend leads to results in other parts of the world, which eventually comes back to generate more demand in the original location.

### © What are your plans for the domestic market, now that it is beginning to recover?

In the domestic market, compared with a few years ago, we are gradually seeing signs of new investments in hydrocarbons, pharmaceuticals and environmental conservation sectors. In this domain, I want to promote technology-oriented business, such as commercializing our clients' tech-



nologies through our R&D Engineering\* service in collaboration with clients from an early stage of technology development. Another noteworthy trend in Japan is that companies are focusing on competitive or profitable fields in response to rapid growth of the Chinese market. As a result, there is an increasingly sharp division between the roles of Japanese companies' manufacturing activities in Japan and China. Even Japanese companies that make finished products in China tend to perform part of the production work in Japan. In such an environment, we received a number of contracts last year from Japanese companies expanding to China. We worked with these clients from the initial planning stage, helping them make plans, including tax issues, locations and other items. TOYO has been active in China since the 1972 resumption of diplomatic relations between Japan and China. We have a wealth of knowledge, ranging from local human networks to relationships with design institutes and construction firms, that is essential to doing business in China.

© **What is the outlook for the e-Solutions business?**

The e-Solutions product line is larger than when we started this business about three years ago. We expect that ongoing efforts of own system development will

allow us to introduce a product in a new business field. So this is a pivotal year for e-Solutions. I hope to see progress in actual projects, such as multi-channel securities trading front office systems for financial institutions and the restructuring of supply chain systems, in addition to our own IT products. We want to establish the

concept of utilizing expertise nurtured through EPC business to offer solutions to our clients, which leads to integrated systems that combine hardware and software. I think this kind of TOYO uniqueness is precisely what our clients want. I am determined to develop the IT field as one of TOYO's core businesses in Japan.

**Other new business directions**

**Q Which other business fields do you especially focus on?**

In the energy field, we are especially interested in alternative clean energy, like dimethyl ether (DME) and gas-to-liquid (GTL) technology.

DME is one of the important new businesses we are especially targeting. In China, following the commencement of commercial operations of the DME plant that we built last year in Sichuan Province, we started design work for the world's largest 110,000t/y DME plant. These achievements gave our DME process technologies a firm position in this market. I think it will be necessary as a next step to build a so-called "DME chain" in order to stimulate demand for DME in Japan and in nations with large reserves of gas. Accomplishing this will require the exploitation of DME

applications, such as for power plant boilers and automobiles, and the establishment of a DME infrastructure. I believe that DME has



\* R&D Engineering—Support for the commercialization of a client's newly developed technology in the shortest possible time.



## PROFILE

**Yutaka Yamada**

President and Chief Executive Officer

Born in 1947 in Kanagawa Prefecture, Yutaka Yamada graduated from Tohoku University with a Master's degree in Mechanical Engineering in 1971 and joined Toyo Engineering Corporation in the same year. He spent many years outside Japan as the project manager working on various projects. Experience includes a fertilizer plant in Indonesia in the 1970s, a petrochemical plant in Egypt in the 1980s and a large grass-roots refinery in India in the 1990s. The Egyptian project was particularly memorable. "I learned in Egypt about the immense responsibility of the project manager for the outcome of the project with regard to all organizations and people taking part in the project," recalls Yamada. He was in Baghdad on business just before Iraq's invasion of Kuwait in August 1990. In April 2000, he was named general manager of Overseas Business Development and Marketing. In this position, traveling around the world for TOYO, he was working hard in the front line of sales to capture many important orders and made a significant contribution particularly to the growth in energy-related orders. Among the major accomplishments during this tenure were orders for several LNG-related projects, consecutive orders in Iran for fertilizer, petrochemical and gas processing plants, the world's first fuel-use DME plant in China and a pipeline project based on a new business scheme. He became a director in June 2000, a senior executive officer in 2002 and a representative director in 2003. He was named president and chief executive officer in May 2004, succeeding his predecessor Toshihiko Hirose.

excellent potential because of its transportability at an ambient temperature, unlike LNG. We are committed to developing this market from a long-term perspective. For GTL, we will leverage our R&D Engineering expertise to cope with this market as quickly as possible.

In non-hydrocarbon markets, we will focus on business development projects for infrastructure, such as water and electricity. Investment demand for these projects is rising because of global population growth. I am convinced that this is a market where TOYO can fully utilize its project management and risk analysis capabilities as well as its regional know-how.

### Outlook and message to stakeholders

**Q** In closing, would you explain your outlook for TOYO? And what message do you want to deliver to TOYO's clients, shareholders and other stakeholders?

**I**n the current fiscal year, we are seeing a definite upturn in investments within Japan. Overseas, there are substantial investments in the energy field as well as in petrochemical projects. Although competition remains fierce, we have succeeded in capturing a number of significant orders. A large fertilizer plant in Iran, a large pipeline project in Brazil and a vinyl chloride monomer (VCM) plant in Japan are three examples of our recent accomplishments. Fortunately, our clients have high expectations from us.

To our stakeholders, I first want to say that our most important objective is to restore the Company to normal profitability by achieving our profit target in this fiscal year. Returning to profitability will give us a boost to advancing further and a solid base for new investments and enhancement of human capital development. I also wish to achieve a higher degree of transparency regarding TOYO's management. Through these actions, I strongly hope to acquire the trust of shareholders and other stakeholders and their continued support for and understanding of TOYO.

## Collaboration with Ebara for Development of ICFG

TOYO is collaborating with Ebara Corporation for the early commercialization of the internally circulating fluidized-bed gasifier (ICFG). ICFG is a highly advanced technology offering three distinct advantages. First, separation of the gasification and combustion chambers makes it possible to use oxygen-free gasification, thereby producing high calorific gas while reducing oxygen consumption. Second, the fluidized-bed furnace permits the use of a wide variety of feedstock. And third, the use of a fluid medium enables carbon rejection from feedstock.

TOYO is promoting this joint development project by utilizing its R&D Engineering capability and knowledge of the oil and petrochemical industries, as well as its skill in system implementation. In particular, TOYO has provided technical services on composite waste processing and reuse projects, including a pilot facility with a capacity of 15t/d which efficiently transforms ordinary waste materials, architectural waste, biomass and other materials into methanol and/or fuel for gas turbines and gas engines. In addition, with Ebara Corporation and Maruzen Petrochemical Co., Ltd., TOYO has started an R&D project that aims to devise a material recycle technology for heavy residues by transforming them into highly functional gases. This project aims to develop new processes that can utilize links between petrochemicals and oil refining to launch new businesses that can transform heavy oil and other residues into useful resources and products. By combining ICFG and TOYO's heavy oil upgrading technology, the cracking heavy oils from ethylene plants and vacuum residues from refineries will be utilized as feedstock for this project.

Through these R&D projects, TOYO is working actively to develop technologies that can contribute to creating a recycling-based society as well as preventing global warming.



ICFG pilot facility  
Photo: courtesy of Ebara Corporation

## Komei7®—Newly Released Next-Generation Scheduler

TOYO introduced its *Scheduling Komei*® software more than a decade ago, becoming a pioneer in software used mainly for creating daily manufacturing plans. This software is used by manufacturers engaged in the batch processing of products such as pharmaceuticals, food and beverages, oil and chemicals, as well as by assemblers and processors of products such as semiconductors and auto parts. Recently, the use of this software is expanding to third-party logistics providers, and a total of 245 Komei software licenses have been sold.

TOYO has utilized knowledge gained through the application of *Scheduling Komei*® to create a new version of this software, *Komei7*®. This latest version is based on a renewed platform incorporating the latest systems technology in order to provide user-friendly functions and services. Above all, *Komei7*® places priority on ease of use, speedy installation, simplicity of maintenance and further expansibility. The new *Komei7*® has a number of significant features: more sophisticated graphical user interface (GUI) technology; an enhanced master data selection and editing wizard; faster scheduling; many optional functions to complement the large number of standard functions; a three-tier structure using .net technology and object oriented programming technology to easily permit links with additional or revised functions as well as other software; compatibility with the standard model advocated by PSLX consortium\*; and a function that permits linking this software with knowledge management systems, live video compression and distribution systems and other systems.

By offering a larger lineup, including templates for specific industries, next-generation scheduler *Komei7*® is contributing to improving cash flows and meeting other business targets by cutting inventories and boosting productivity.

\* PSLX consortium: A consortium founded by IT vendors and manufacturers for the standardization of Planning and Scheduling Language on XML specification.



Schedule control system—*Komei7*®



# T e c h n o l o g y - o r i e n t e d

## Achievements in Technology-Oriented Proposals

*In the petrochemical and chemical sectors, TOYO is leveraging its strengths to offer technology-oriented proposals. TOYO is building a track record in this field by conducting sales activities and submitting bids in collaboration with licensors, undertaking front-end engineering design (FEED) works, applying its R&D Engineering capability to commercialize new technologies and taking other initiatives.*

### Commercialization of New Technologies

With regard to TOYO's DME technology, commercial operation started in the summer of 2003 at a 10,000t/y plant in China for Lutianhua Group Inc. In January 2004, TOYO received a consecutive order to construct the world's largest DME plant with a capacity of 110,000t/y. The upstream methanol plant employs TOYO's proprietary high-performance MRF-Z<sup>®</sup> Reactor, which can realize a single train of 6,000t/d methanol production.

In the spring of 2004, operations began at a 2,460t/d urea plant of Sichuan Chemical Works (Group) Ltd. in China that is the first to employ ACES21<sup>®</sup>, TOYO's sophisticated energy-saving urea production technology. ACES21<sup>®</sup> supports clients in achieving lower cost by simplifying equipment configuration and significantly lowering energy consumption. Currently, the second fertilizer plant incorporating ACES21<sup>®</sup> technology is under construction in Indonesia.



- Ⓐ DME plant in China
- Ⓑ ACES21<sup>®</sup> urea plant in China
- Ⓒ Contract signing ceremony for the 1-4 BDO plant in China
- Ⓓ Contract signing ceremony for the OCT process plant in South Korea

### Cooperation with Licensors

Illustrating the results of close collaboration with licensors, TOYO in fiscal 2004 collaborated with DuPont for FEED work of a 1-4 butanediol (BDO) plant with a capacity of 25,000t/y in China for Sichuan Tianhua Co., Ltd. This accomplishment reflects the recognition by DuPont and the client of TOYO's advanced technology and many years of experience in China. Sales efforts will continue in China to receive further contracts.

ABB Lummus Global Inc. (LGI) and TOYO are jointly promoting their business operations for ethylene plants and for OCT process plants to increase propylene production. Regarding ethylene, TOYO received an FEED order in fiscal 2004 for the world's largest 1,200,000t/y plant from Formosa Petrochemical Corporation in Taiwan. Regarding OCT, an order was received in January 2004 in Japan from Nippon Petrochemicals Co., Ltd. to design an OCT process plant that increases propylene production using ethylene and butane from a Fluid Catalytic Cracking (FCC) plant. Furthermore, TOYO won its first overseas order for an OCT process plant in August 2004, from Korea Petrochemical Industry Co., Ltd. This will be the third OCT plant TOYO has constructed, including a plant for Mitsui Chemicals Inc.'s Osaka Works that was completed in September 2004.



**P**rojects in the Middle East

Series of Big Orders in the Middle East

*Through the successful completion of projects, TOYO aims to build a company that is trusted by the client through the success of every project it undertakes and is seen as a reliable long-term partner. The reputation for reliability that TOYO has earned through projects now under way has led to the receipt of follow-up orders in two Middle Eastern nations.*

**New Order for EO/EG Plant from Jubail United Petrochemical Company**

In December 2003, TOYO received a contract for an ethylene oxide / ethylene glycol (EO/EG) plant from Saudi Basic Industries Corporation (SABIC). The second EO/EG plant to be built by TOYO for Jubail United Petrochemical Company, this will be the world's largest EO/EG plant with an EG-equivalent capacity of 630,000t/y. Including this order, TOYO has received orders for a total of 15 EO/EG plants, 12 of which use Scientific Design (SD) technology, and a total EG-equivalent capacity of about 3,000,000t/y, which gives TOYO a status of one of the world leaders in this field.

**New Order for Fertilizer Plant from PIDMCO**

In April 2004, the three-party consortium led by TOYO together with Chiyoda Corporation and Petrochemical Industries Design and Engineering Company (PIDEC) of Iran was awarded a contract by Petrochemical Industries Development Management Company (PIDMCO), which is affiliated with Iran's National Petrochemical Corporation (NPC), for a second fertilizer plant. This plant is to have a capacity of 2,050t/d of ammonia and 3,250t/d of granulated urea. Including this latest order, TOYO now has four large-scale projects under way in Iran. Globally, we are executing three projects jointly with Chiyoda Corporation.



Contract signing ceremony for the large fertilizer plant in Iran

**P**rojects in Japan

Series of New Orders in Japan

*In Japan, TOYO has received a number of large orders through clients' trust for many years in the Company's project management skills and comprehensive engineering technologies.*

**Orders for Aniline Plant and VCM Plant from Tosoh**

Late in 2003, TOYO received an order for a 150,000t/y aniline plant at the Nanyo Complex of Tosoh Corporation (Tosoh). This project is part of Tosoh's activities to make its vinyl-isocyanate chain operations more competitive. The new plant will produce diphenylmethane diisocyanate (MDI), the primary feedstock used to make rigid polyurethane foam. The project consists of production units for nitric acid, nitrobenzene and aniline. TOYO handled overall project management and EPC for the nitrobenzene unit. JFE Engineering Corporation handled EPC for the nitric acid unit (including licensing) and Chisso Engineering Co., Ltd. handled EPC for the aniline unit.

TOYO subsequently received an order from Tosoh in July 2004 for a VCM plant (including licensing). Also located at the Nanyo Complex, this plant will have an initial capacity of 400,000t/y (another 200,000t/y being considered). VCM produced at this facility is to be used as feedstock for newly built or expanded polyvinyl chloride (PVC) plants in the Tosoh group and sold to PVC plants planned in China, Southeast Asia and other locations. This was the third VCM plant order from Tosoh to TOYO, following orders for a 300,000t/y plant in 1994 and its expansion with a 250,000t/y in 1998.



Existing VCM plant

## Progress on Large-Scale Gas Processing Plant Project in Iran

Project Under Way



A consortium led by TOYO and including JGC Corporation, the Industrial Development and Renovation Organization (IDRO) of Iran and Daelim Industrial Co., Ltd. of South Korea is currently constructing a large-scale gas processing plant in Iran scheduled for completion in 2007. The plant was ordered by Pars Oil and Gas Company and Petropars Ltd., both subsidiaries of National Iranian Oil Company.

On February 5, 2004, a groundbreaking ceremony was held at the site in the Bandar Assaluyeh region. Among the many dignitaries present were Iranian Petroleum Minister Bijan Namdar Zangeneh

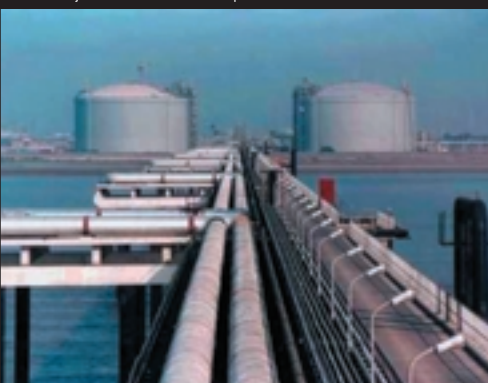
and Japan's ambassador to Iran, H.E. Takekazu Kawamura. Also attending were top executives from the companies ordering the project and the four consortium partners. In accordance with local customs, the honored guests threw coins on the concrete foundation to wish for safe construction and successful completion of the project.

Engineering work has progressed to the stage of reviewing a 3-D model. Procurement of a large proportion of equipment and materials is also proceeding almost on schedule as the construction of the foundation and steel structure proceeds at the site. Since South Pars phases 6, 7 and 8 are crucial components of Iran's South Pars gas field development, all four consortium members are fully committed to meeting the expectations of the clients and ensuring the success of this project.

G a s P r o c e s s i n g P l a n t

## LNG Terminal in India Is Completed

Project Completion



The completion ceremony of India's first LNG terminal (capacity 5,000,000t/y) was held at Dahej, Gujarat by Petronet LNG Limited in February 2004. The ceremony was attended by more than 1,000 delegates including dignitaries such as the Union Minister of India Petroleum and Natural Gas, Mr. Ram Naik; Chief Minister of Gujarat, Mr. Narendra Modi; and Mr. Youssef Hussain Kamal, Minister for Finance of Qatar, from the country supplying the gas.

TOYO received this order in January 2001 as part of a six-company consortium, led by Ishikawajima-Harima Heavy Industries Co., Ltd. (IHI), consisting of TOYO, Toyo Engineering India Limited (TEIL),

Ballast Nedam International B.V. (BNI), Mitsui & Co., Ltd. and Itochu Corporation. TOYO and TEIL handled the detailed design, procurement of equipment and materials, and construction for all land-based facilities except the LNG tank systems and marine systems.

In the LNG field, TOYO has experience in such areas as gas processing facilities in Qatar for Qatar Liquefied Gas Company Ltd. and in Indonesia for Mobil Exploration Indonesia. Currently, TOYO is participating in the Sakhalin II LNG project in Russia, with a joint venture led by Chiyoda Corporation. It will be the largest LNG plant in the world with two trains having a capacity of 4,800,000 t/y each.

L N G T e r m i n a l

## Completion of Plant for Wako Pure Chemical Industries

M u l t i - P u r p o s e P l a n t

P r o j e c t C o m p l e t i o n



In May 2004, TOYO completed construction of the Active Pharmaceutical Ingredients (API) plant of Wako Pure Chemical Industries, Ltd., located in Toyohashi City, Aichi Prefecture, Japan. This plant is an advanced multi-purpose factory that conforms to cGMP standards and incorporates production processes applying the *XY Router*<sup>®</sup>, an automated line changeover device developed by TOYO. In December 2002, TOYO concluded a contract for design, partial equipment procurement, construction, test operation support and

validation (qualification check) support on a turnkey basis. TOYO completed construction work within only ten months without any accidents. This is the second case of application of the *XY Router*<sup>®</sup> to the API plant, where the devices are installed for raw material feeding and inter-reactor transferring purposes.

The application of the *XY Router*<sup>®</sup> to a multi-purpose API plant greatly helps reduce the amount of piping and also realizes contamination-free changeover operations, which contribute to high safety and flexibility. Furthermore, simultaneous operation with production management software and scheduling software enhances the flexibility and optimizes the operations of a batch factory. In addition to the completion of multi-purpose API plants, TOYO has been active in proposing advanced flexible production systems for industries, for example, *MILOX-Pharma*<sup>®</sup> for solid dosage plants and *MILOX-Visco*<sup>®</sup> and *piXY* for viscous product handling plants.

## Real-Time SCM System for Kiyoken

S C M S y s t e m

P r o j e c t C o m p l e t i o n



TOYO has built an integrated POS system for Kiyoken Co., Ltd., which produces and sells mainly Chinese-style steamed dumplings and box lunches. Since freshness is an important consideration because these items must be sold within a few hours after making them, accurate production and shipping operations are essential to prevent enormous losses. At the same time, Kiyoken requires a system that can immediately replenish the large number of stores with its products at their request to prevent stores from running out of stock.

To deal with these requirements, Kiyoken in 2002 launched the Loss Reduction Project. TOYO played a key role in the success of the project by renovating business processes and implementing an SCM system based on the renovated processes. The new system has three components: a store system, in which each store uses a compact, touch-screen PC as a data terminal; a business-unit operations system to manage the entire sales supply chain consisting of sales, manufacturing and delivery activities; and a unified database that can be accessed by both systems. POS and ordering data from each store's data terminal can be viewed on a real-time basis in the unified database. That permits checking inventories and sales of stores from other stores at a glance. As a result, merchandise can be smoothly delivered among stores, reducing losses. The new system enables Kiyoken to formulate effective sales strategies and optimize the distribution of merchandise through monitoring an individual store's inventories, the volume of shortage and discarded merchandise, the situation of delivery and hourly sales data.



## Business Trends at Overseas Bases

# Business Operations and Focus of Affiliated Company in India

(Toyo Engineering India Limited)



Established in 1976, Toyo Engineering India Limited (TEIL) has accumulated a long list of accomplishments in regional and global markets as a major engineering firm that can undertake EPC. The company has more than 700 employees, mainly at its Mumbai head office. TEIL works with TOYO to capture orders in India and handles a large share of the design work at TOYO, serving as a key element in TOYO's transnational structure.

At present, TEIL is working on EPC and service works for petrochemical and oil refining projects in India. In January 2004, the company received an order for the design of a 140,000t/y butadiene extraction project with the JSR process for Reliance Industries Ltd.

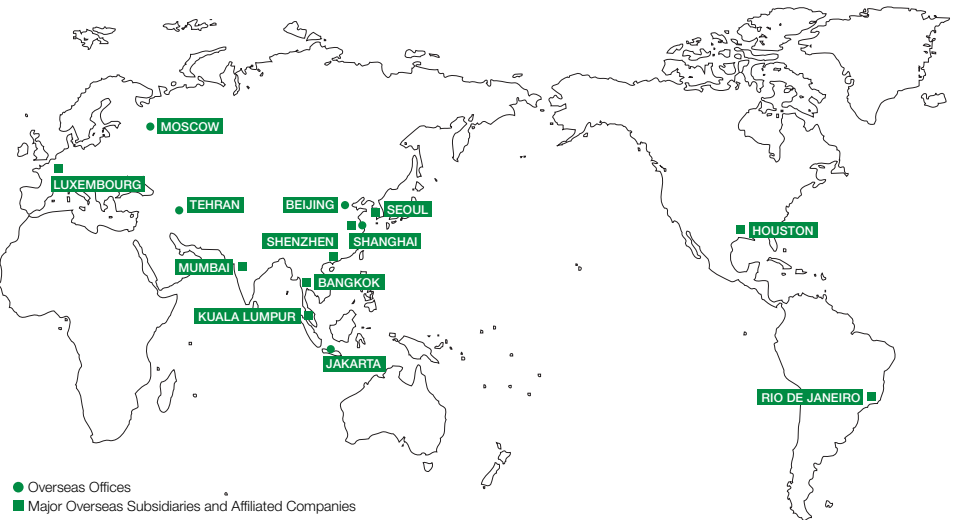
TEIL is aggressively expanding the operations of its branch office in Abudhabi in order to increase its share of Middle East EPC business. In June 2004, TEIL established Toyo Infotech India Limited to perform tasks associated with the application of IT for business processing outsourcing (BPO).

In July 2004, Mr. V. M. Donde, deputy managing director of TEIL, was honored to receive a meritorious service award as the first foreigner from the Engineering Advancement Association of Japan, recognizing his longtime contributions to the engineering industry since TEIL was established.



TEIL deputy managing director Mr. V. M. Donde accepts his meritorious service award.

## Worldwide Network



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