

# Outline of Financial Results Fiscal 2005

April 1, 2005 – March 31, 2006



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## 1. Summary of Business Conditions

(billion yen)

Higher Sales-Higher Profits		FY2005	FY2004	Difference
(Year on year)	Net sales	550.3	435.1	+115.1
	Operating income	20.3	13.2	+7.1
	Ordinary income	23.4	16.0	+7.4
	Net income	15.0	11.5	+3.4

### ➤ Record-high net sales & net income

- Increased net sales resulting from a high volume of new contracts and progress in construction works.
- Increased gross profit resulting from increasing net sales.
- Increase in profit at consolidated subsidiaries.
- Non-operating income & Extraordinary gain (Net profit)  
Interest income · Exchange gain · Equity in earnings of affiliates : 3 billion yen

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## 2. Outline of Statements of Income

(billion yen)

	FY2005	FY2004	Difference	Forecast	Comparison with forecast
<b>Consolidated</b> Net sales	<b>550.3</b>	435.1	+115.1	490.0	+60.3
Operating income	<b>20.3</b>	13.2	+7.1	18.0	+2.3
<b>(Profit ratio)</b>	<b>(3.7%)</b>	(3.0%)	(+0.7)	(3.7%)	(0)
Ordinary income	<b>23.4</b>	16.0	+7.4	21.0	+2.4
Net income	<b>15.0</b>	11.5	+3.4	13.5	+1.5
<b>Non-Consolidated</b> Net sales	<b>484.3</b>	386.0	+98.3	430.0	+54.3
Operating income	<b>12.2</b>	7.7	+4.4	12.5	0.2
<b>(Profit ratio)</b>	<b>(2.5%)</b>	(2.0%)	(+0.5)	(2.9%)	(-0.4)
Ordinary income	<b>16.7</b>	10.8	+5.9	16.0	+0.7
Net income	<b>11.4</b>	8.6	+2.7	10.0	+1.4

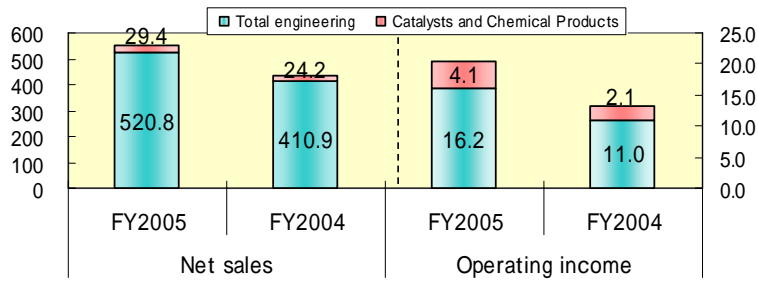
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## 2-1. Segment Information

(billion yen)

(1) By Business Segment

	Net sales			Operating income		
	FY2005	Difference	FY2004	FY2005	Difference	FY2004
Total engineering	520.8	+109.8	410.9	16.2	+5.1	11.0
	[95%]		[94%]	[80%]		[84%]
Catalysts and chemical products	29.4	+5.1	24.2	4.1	+2.0	2.1
	[5%]		[6%]	[20%]		[16%]
<b>Total</b>	<b>550.3</b>	<b>+115.1</b>	<b>435.1</b>	<b>20.3</b>	<b>+7.1</b>	<b>13.2</b>

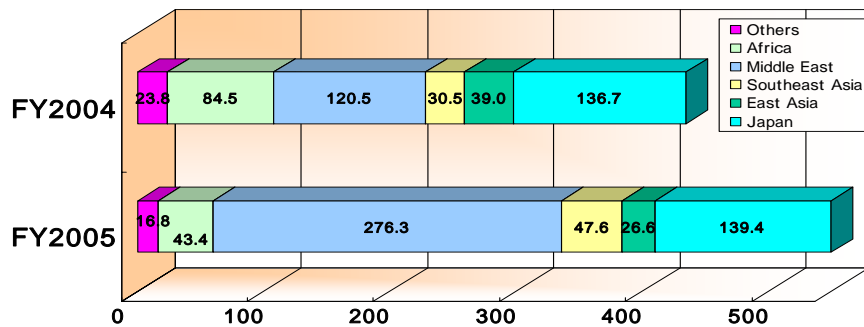


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(2) By Geographic Segment

(billion yen)

	06/3	ratio	05/3	ratio
<b>Sales in Japan</b>	<b>139.4</b>	<b>25%</b>	<b>136.7</b>	<b>31%</b>
<b>Overseas sales</b>	<b>410.8</b>	<b>75%</b>	<b>298.4</b>	<b>69%</b>
<b>Total</b>	<b>550.3</b>		<b>435.1</b>	



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## 2-2.Fluctuations in Management Indexes

	<u>FY2005</u>	<u>FY2004</u>	<u>FY2003</u>
Gross profit ratio	<u>6.6%</u>	<u>6.5%</u>	<u>7.4%</u>
Return on equity (ROE)	<u>9.3%</u>	<u>7.8%</u>	<u>7.6%</u>
Earnings per share	<u>¥58.33</u>	<u>¥44.93</u>	<u>¥40.88</u>
Dividend payout ratio (Non-consolidated)	<u>24.5%</u>	<u>24.8%</u>	<u>24.6%</u>

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## 3.Outline of Balance Sheets

(billion yen)

Current assets [62%] 231.7	Current liabilities[47%] 175.4
	Fixed liabilities 26.5 [7%]
	Minority interests 0.2 [0%]
Fixed assets [38%] 143.5	Shareholders' equity 173.0 [46%]
Total assets 375.2	Total 375.2

Cash and cash equivalents: ¥91.4 (Mar 31, 2005: 68.9 +22.5)

Interest-bearing debt: ¥16.2 (Mar 31, 2005: 16.2 +0)

Shareholders equity: ¥173.0 (Mar 31, 2005: 151.1 +21.9)

Note: Figures enclosed in brackets are ratios to total assets.

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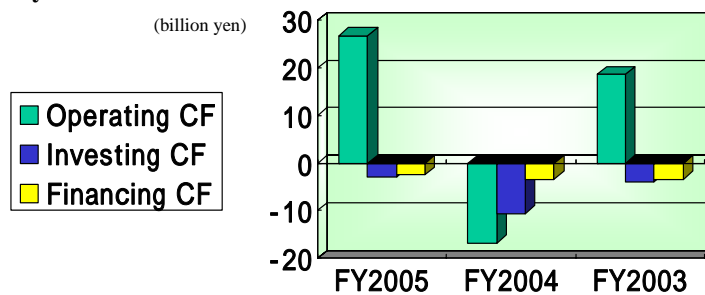
### 3-1. Fluctuations in Main Balance-Sheet Indexes

	<u>FY2005</u>	<u>FY2004</u>	<u>FY2003</u>
Current ratio	<u>132%</u>	<u>132%</u>	<u>146%</u>
Fixed assets ratio	<u>83%</u>	<u>89%</u>	<u>82%</u>
Equity ratio	<u>46%</u>	<u>41%</u>	<u>41%</u>
Shareholders' equity per share	<u>¥681</u>	<u>¥595</u>	<u>¥575</u>

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### 4. Outline of Cash Flows

	(billion yen)		
	<u>FY2005</u>	<u>FY2004</u>	<u>FY2003</u>
Operating cash flows	26.8	16.8	18.7
Investing cash flows	2.9	10.6	3.9
Financing cash flows	2.4	3.4	3.4
Effect of exchange ratio changes	1.1	0.1	0.4
<b>Net cash increase (decrease)</b>	<b>22.5</b>	<b>31.0</b>	<b>10.9</b>
<b>Cash and cash equivalents at end of year</b>	<b>91.4</b>	<b>68.9</b>	<b>99.9</b>



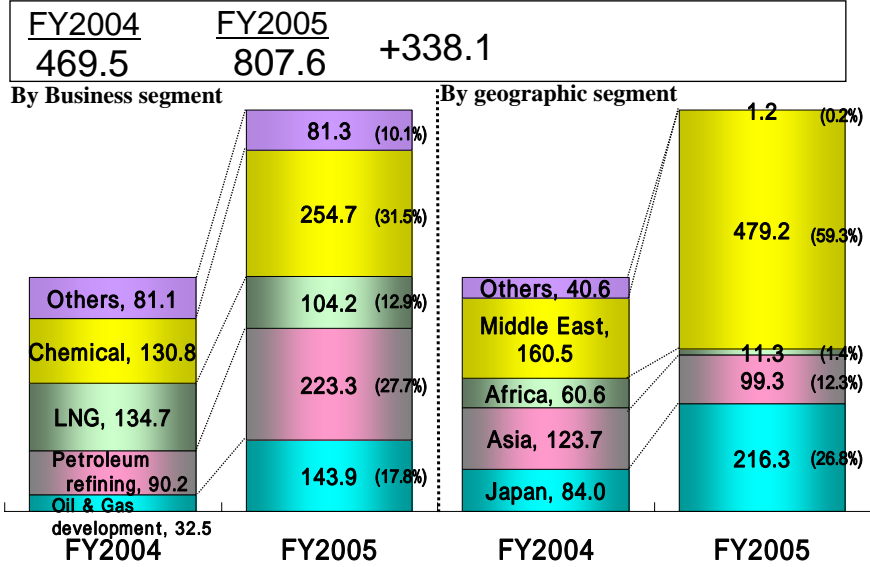
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## 5.Outline of New Contracts

### 5-1.Summary of New Contracts



(billion yen)

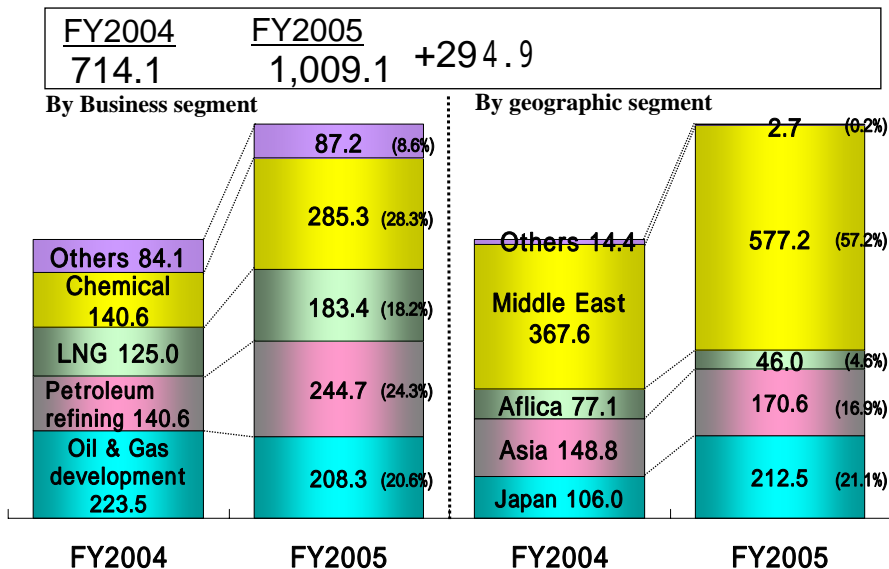


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## 5-2.Summary of Outstanding Contracts



(billion yen)



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## 6.Targets for Fiscal 2006



(billion yen)

	FY2006 Forecast	FY2005	Difference
<b>Consoli- -dated</b>			
Net sales	560.0	550.3	+9.6
Ordinary income	27.0	23.4	+3.5
Net income	17.0	15.0	+1.9
New contracts	440.0	807.6	367.6
<b>Non- Consolidated</b>			
Net sales	490.0	484.3	+5.6
Ordinary income	21.0	16.7	+4.2
Net income	14.0	11.4	+2.5
New contracts	400.0	765.1	365.1
Dividends	¥13.5	¥11	+¥2.5

\*Forecast based on : ¥107/\$

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### Note on future outlook

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