



Reference of Settlement of Accounts
for Fiscal 2007 Interim Period

November 14, 2007

【Contents】

1. Operating Results for Interim Period

- 1-1. Comparisons with corresponding period last year
- 1-2. Comparisons with previous forecasts
- 1-3. Net sales of projects under percentage-of-completion method
- 1-4. Net sales by region
- 1-5. Net sales by business sector
- 1-6. Main projects contributing to net sales (Total Engineering Business)

2. Business Segment Information

3. Financial Position as of September 30, 2007

4. New Contracts and Outstanding Contracts (Total Engineering Business)

- 4-1. New contracts by region
- 4-2. New contracts by business sector
- 4-3. Major contracts awarded
- 4-4. Actual result and forecasts of new contracts
- 4-5. Outstanding contracts by region
- 4-6. Outstanding contracts by business sector
- 4-7. Major outstanding contracts

※ All amounts are rounded down to the nearest million yen.

1. Operating Results for Interim Period

1-1. Comparisons with corresponding period last year

< Consolidated >

(Unit: Billions of Yen)

	Sept. 2006	Sept. 2007	Difference	Mar. 2007	Mar. 2008 (Full Year Forecast)	Mar. 2008 (Second Half Forecast)
Net Sales	275.2	314.0	38.7	608.5	560.0	245.9
Gross Profit	20.6	33.6	12.9	43.9	63.0	29.3
Percentage of Gross Profit on Sales	7.5	10.7	3.2	7.2	11.4	12.2
Selling, General and Administrative Expenses	8.5	9.2	0.7	17.5	20.0	10.7
Operating Income	12.1	24.3	12.2	26.4	43.0	18.6
Ordinary Income	14.5	25.5	10.9	33.0	44.0	18.4
Net Income Before taxes on Sales	13.5	25.6	12.1	31.8	44.0	18.3
Net Income	9.2	16.4	7.1	20.1	26.5	10.0
Exchange Rate [US Dollar/Yen]	¥ 117.90	¥ 115.43		¥ 118.05	¥ 110.00	
[Euro/Yen]	¥ 149.77	¥ 163.38		¥ 157.33	¥ 150.00	

<Non-consolidated>

(Unit: Billions of Yen)

	Sept. 2006	Sept. 2007	Difference	Mar. 2007	Mar. 2008 (Full Year Forecast)	Mar. 2008 (Second Half Forecast)
Net Sales	239.4	272.9	33.5	528.7	480.0	207.0
Gross Profit	11.3	20.8	9.4	23.5	40.0	19.1
Percentage of Gross Profit on Sales	4.8	7.6	2.8	4.4	8.3	9.2
Selling, General and Administrative Expenses	4.4	4.7	0.2	9.0	10.0	5.2
Operating Income	6.9	16.1	9.1	14.4	30.0	13.8
Ordinary Income	11.1	20.0	8.8	22.5	33.0	12.9
Net Income Before taxes on Sales	10.2	20.1	9.9	21.5	33.0	12.8
Net Income	7.6	13.5	5.8	15.1	21.0	7.4
Exchange Rate [US Dollar/Yen]	¥ 117.90	¥ 115.43		¥ 118.05	¥ 110.00	
[Euro/Yen]	¥ 149.77	¥ 163.38		¥ 157.33	¥ 150.00	

1-2. Comparisons with previous forecasts

(Unit: Billions of Yen)

	Consolidated			Non-consolidated		
	Forecast (May 2007)	Actual result (Sept. 2007)	Difference	Forecast (May 2007)	Actual result (Sept. 2007)	Difference
Net Sales	300.0	314.0	14.0	265.0	272.9	7.9
Gross Profit	29.5	33.6	4.1	19.5	20.8	1.3
Percentage of Gross Profit on Sales	9.8	10.7	0.9	7.4	7.6	0.2
Selling, General and Administrative Expenses	9.5	9.2	-0.2	5.0	4.7	-0.2
Operating Income	20.0	24.3	4.3	14.5	16.1	1.6
Ordinary Income	21.0	25.5	4.5	18.0	20.0	2.0
Net Income	13.0	16.4	3.4	11.5	13.5	2.0
Exchange Rate [US Dollar/Yen]	¥ 110.00	¥ 115.43		¥ 110.00	¥ 115.43	
[Euro/Yen]	¥ 150.00	¥ 163.38		¥ 150.00	¥ 163.38	

1-3. Net sales of projects under percentage-of-completion method

Sept. 30, 2007	237.0 billion yen	Ratio to total net sales	75.5 %
Sept. 30, 2006	216.1 billion yen	Ratio to total net sales	78.5%

1-4. Net sales by region

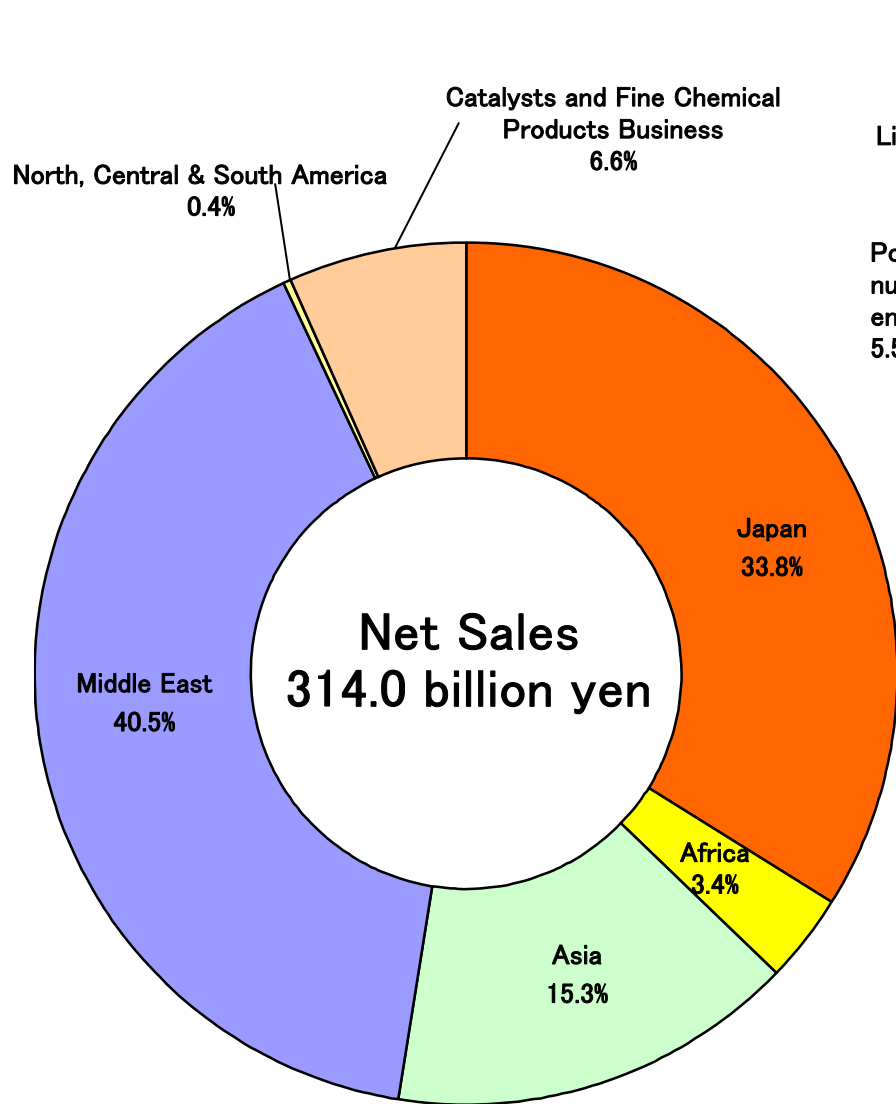
(Unit: Billions of Yen)

		Sept. 2006		Sept. 2007		Mar. 2006		Mar. 2007		Mar. 2008 (Forecast)	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Engineering Business	Japan	39.6	14.4%	106.2	33.8%	116.7	21.2%	132.2	21.7%	158.9	28.4%
	Africa	19.4	7.1%	10.6	3.4%	43.4	7.9%	36.2	5.4%	22.9	4.1%
	Asia other than Japan	38.5	14.0%	48.1	15.3%	79.8	14.5%	84.4	13.9%	89.0	15.9%
	Middle East	158.2	57.5%	127.2	40.5%	276.0	50.2%	322.4	53.0%	245.6	43.8%
	Oceania	—	—	—	—	0.0	0.0%	0.0	0.0%	1.4	0.3%
	North, Central & South America	1.2	0.4%	1.0	0.4%	4.5	0.8%	1.4	0.2%	1.2	0.2%
	Europe & CIS	0	0.0%	0.0	0.0%	0.1	0.0%	0.1	0.0%	0.0	0.0%
Subtotal		257.0	93.4%	293.3	93.4%	520.8	94.6%	573.4	94.2%	519.0	92.7%
Catalysts & Fine Chemical Products Business		18.1	6.6%	20.6	6.6%	29.4	5.4%	35.0	5.8%	41.0	7.3%
Total		275.2	100.0%	314.0	100.0%	550.3	100.0%	608.5	100.0%	560.0	100.0%

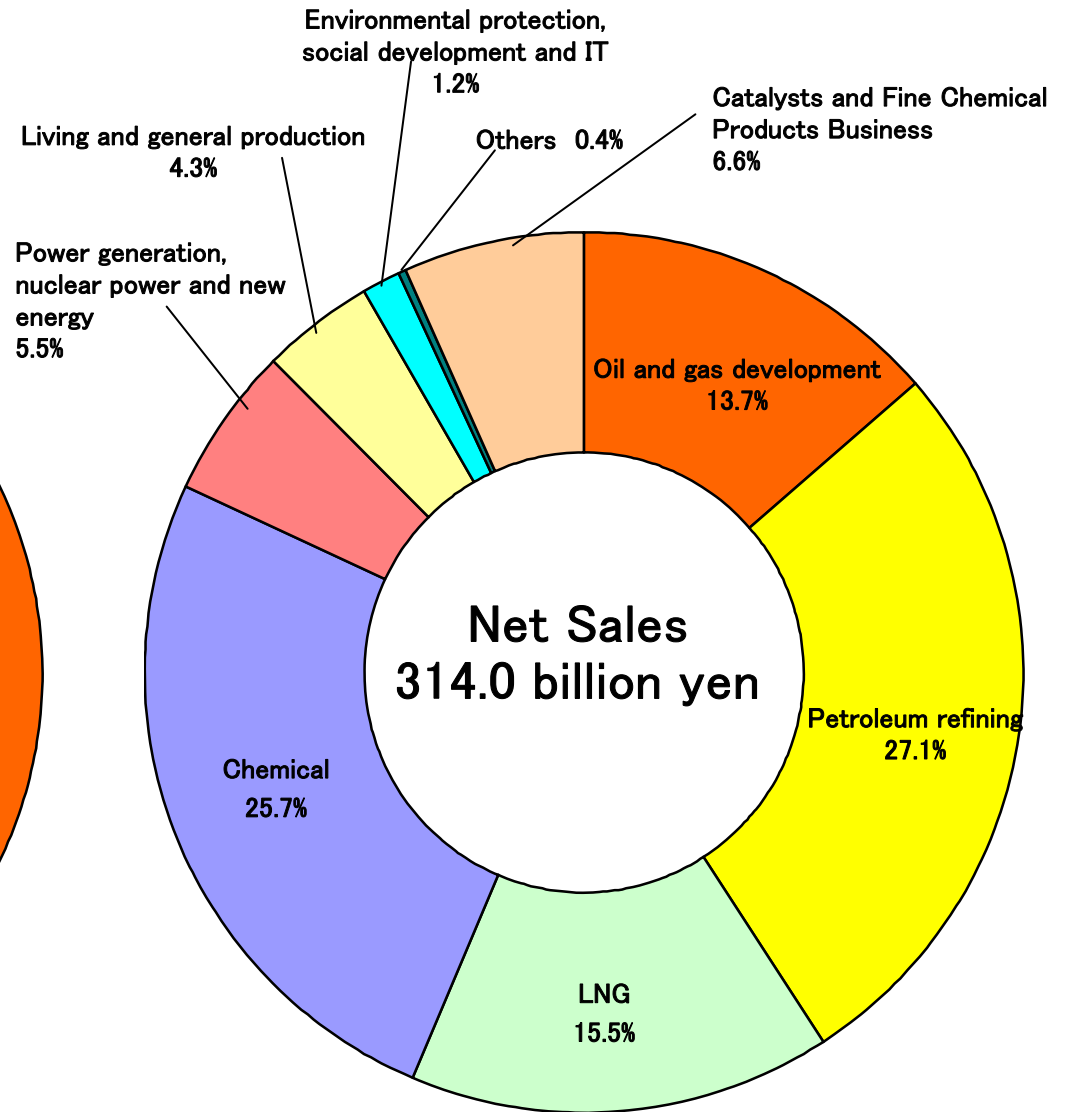
1-5. Net sales by business sector

(Unit: Billions of Yen)

		Sept. 2006		Sept. 2007		Mar. 2006		Mar. 2007		Mar. 2008 (Forecast)	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Engineering Business	Oil and gas development	72.1	26.2%	42.9	13.7%	162.1	29.4%	134.5	22.1%	101.7	18.2%
	Petroleum refining	47.9	17.4%	85.2	27.1%	117.5	21.3%	130.1	21.4%	126.2	22.5%
	LNG	32.6	11.9%	48.6	15.5%	48.7	8.9%	69.1	11.4%	81.1	14.5%
	Chemical	74.5	27.1%	80.8	25.7%	114.3	20.8%	170.5	28.0%	142.6	25.5%
	Power generation, nuclear power and new energy	13.7	5.0%	17.3	5.5%	25.9	4.7%	30.8	5.1%	24.3	4.3%
	Living and general production	8.1	2.9%	13.6	4.3%	26.2	4.8%	18.2	3.0%	30.2	5.4%
	Environmental protection, social development and IT	6.4	2.3%	3.6	1.2%	21.2	3.9%	14.1	2.3%	9.6	1.7%
	Others	1.5	0.6%	1.1	0.4%	4.6	0.8%	5.7	0.9%	3.3	0.6%
Subtotal		257.0	93.4%	293.3	93.4%	520.8	94.6%	573.4	94.2%	519.0	92.7%
Catalysts & Fine Chemical Products Business		18.1	6.6%	20.6	6.6%	29.4	5.4%	35.0	5.8%	41.0	7.3%
Total		275.2	100.0%	314.0	100.0%	550.3	100.0%	608.5	100.0%	560.0	100.0%



Sept. 2007
Net sales by region



Sept. 2007
Net sales by business sector

1-6. Main projects contributing net sales (Total Engineering Business)

Net Sales	¥293.3billion
------------------	---------------

Japan ¥106.2 billion	¥1 billion or more	10 projects	<u>Petroleum refining</u> (5 jobs)
			<u>Chemical</u> (2 jobs)
			<u>Power generation, nuclear power and new energy</u> (1 job)
			<u>Living and general production</u> (2 jobs)

Overseas ¥187.0 billion	¥10 billion or more	7 projects	<u>Oil and gas development</u> (2 jobs) <ul style="list-style-type: none"> • Hawiyah NGL Recovery PJ (Saudi Arabia) • Dolphin PJ (Qatar) <u>Petroleum refining</u> (1 job) <ul style="list-style-type: none"> • Dung Quat Refinery PJ (Vietnam) <u>LNG</u> (2 jobs) <ul style="list-style-type: none"> • Yemen LNG PJ (Yemen) • Tangguh LNG PJ (Indonesia) <u>Chemical</u> (1 job) <ul style="list-style-type: none"> • Rabigh PJ (Saudi Arabia) <u>Power generation, nuclear power and new energy</u> (1 job)
	¥3 billion or more	5 projects	<u>Oil and gas development</u> (1 job) <ul style="list-style-type: none"> • LSDP PJ (Bahrain) <u>Petroleum refining</u> (1 job) <ul style="list-style-type: none"> • NLNG Train 6 PJ (Nigeria) <u>LNG</u> (1 job) <ul style="list-style-type: none"> • QAPCO ethylene expansion PJ (Qatar) <u>Chemical</u> (1 job) <ul style="list-style-type: none"> • QAPCO ethylene expansion PJ (Qatar) <u>Living and general production</u> (1 job)

2. Business Segment Information

(Unit: Billions of Yen)

	Sept. 2006		Sept. 2007		Mar. 2007		Mar. 2008 (Full Year Forecast)		Mar. 2008 (Second Half Forecast)	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Income	Operating Income	Net Sales	Operating Income
Total Engineering Business	257.0	8.9	293.3	21.6	573.4	20.6	519.0	37.4	225.6	15.7
Catalysts & Fine Chemical Products Business	18.1	3.1	20.6	2.7	35.0	5.6	41.0	5.6	20.3	2.8
Total	275.2	12.1	314.0	24.3	608.5	26.4	560.0	43.0	245.9	18.6

3. Financial Position as of September 30, 2007

<Consolidated>

(Unit: Billions of Yen)

	Mar. 2006	Mar. 2007	Sept. 2007	Difference
Current Assets	231.7 (62%)	327.3 (70%)	346.5 (70%)	19.1
Fixed Assets	143.5 (38%)	142.9 (30%)	145.5 (30%)	2.5
Total Assets	375.2 (100%)	470.2 (100%)	492.0 (100%)	21.7
Current Liabilities	175.4 (47%)	237.5 (51%)	248.7 (50%)	11.1
Fixed Liabilities	26.5 (7%)	43.4 (9%)	42.5 (9%)	-0.8
Minority Interests	0.2 (0%)			
Total Net Assets	173.0 (46%)	189.2 (40%)	200.7 (41%)	11.5
Total Liabilities and Net Assets	375.2 (100%)	470.2 (100%)	492.0 (100%)	21.7

4. New Contracts and Outstanding Contracts (Total Engineering Business)

4-1. New contracts by region

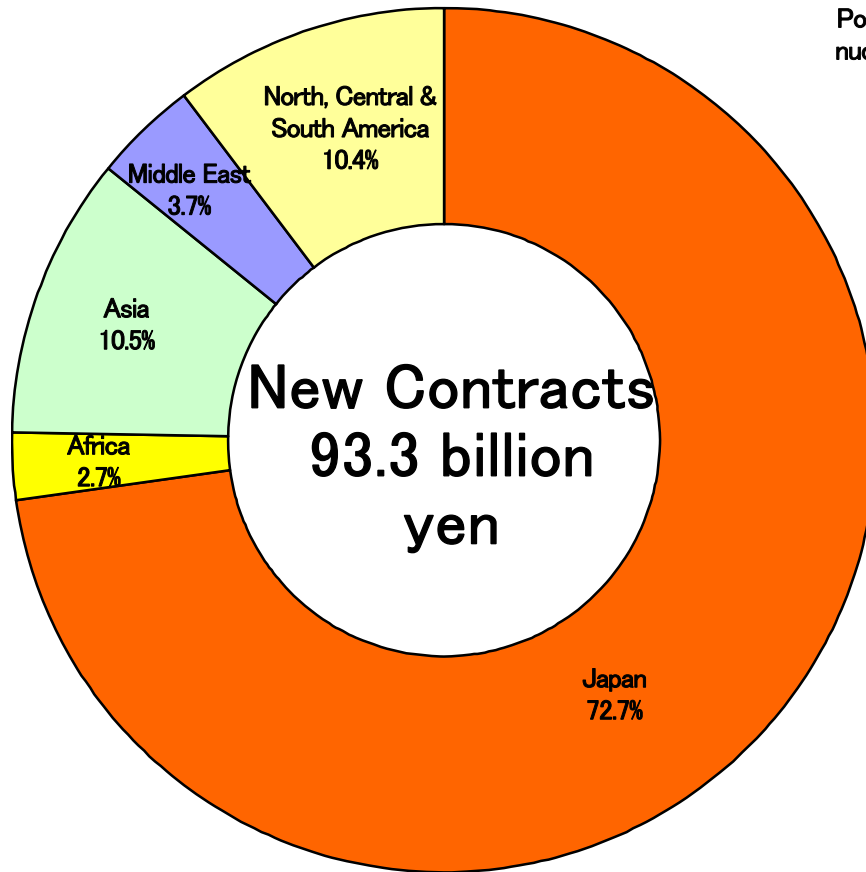
(Unit: Billions of Yen)

	Sept. 2006		Sept. 2007		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	63.0	47.3%	67.8	72.7%	216.3	26.8%	165.2	54.8%
Africa	6.5	5.0%	2.4	2.7%	11.3	1.4%	9.0	3.0%
Asia other than Japan	32.9	24.7%	9.7	10.5%	99.3	12.3%	63.9	21.2%
Middle East	30.3	22.7%	3.4	3.7%	479.2	59.3%	60.1	20.0%
Oceania	0.1	0.1%	0.0	0.0%	0.5	0.1%	2.3	0.8%
North, Central & South America	0.2	0.2%	9.7	10.4%	0.6	0.1%	0.4	0.2%
Europe and CIS	0	0.0%	0.0	0.0%	0.1	0.0%	0.0	0.0%
Total	133.4	100.0%	93.3	100.0%	807.6	100.0%	301.3	100.0%

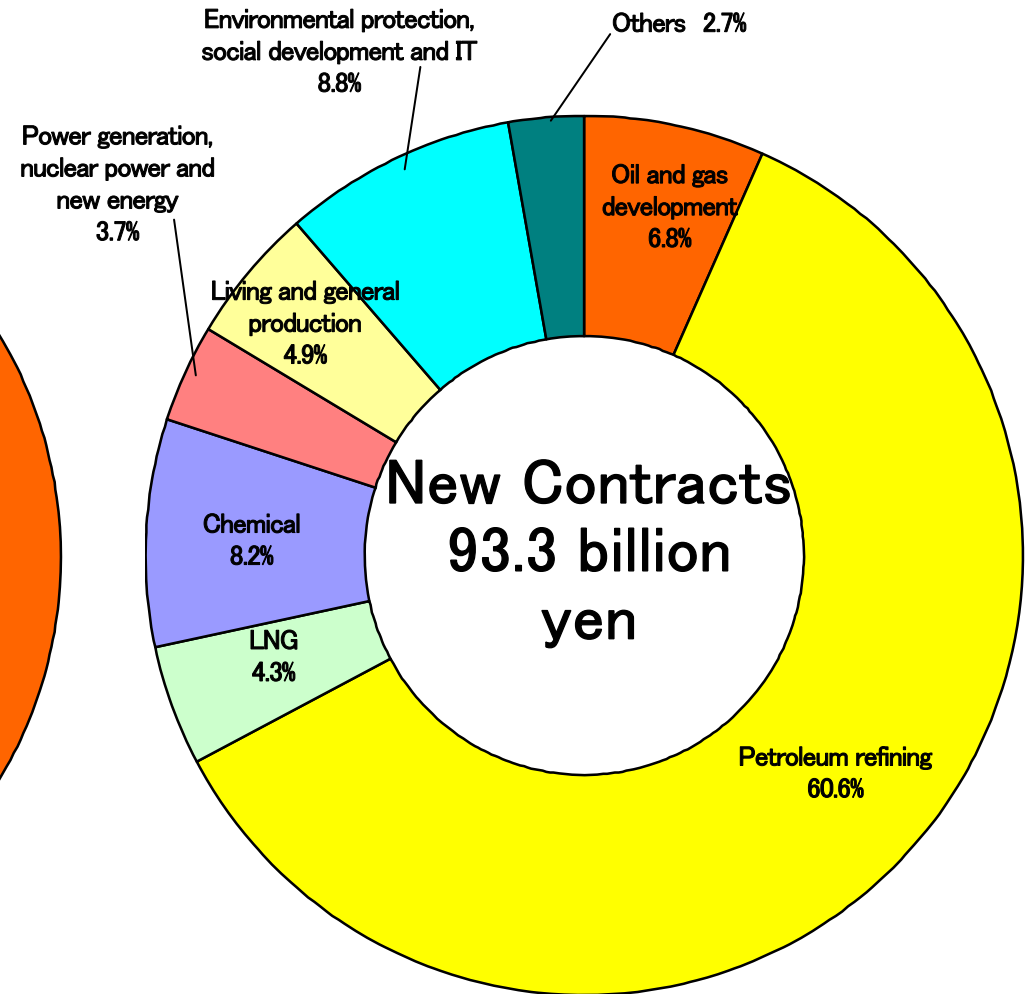
4-2. New contracts by business sector

(Unit: Billions of Yen)

	Sept. 2006		Sept. 2007		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Oil and gas development	7.4	5.6%	6.3	6.8%	143.9	17.8%	30.2	10.0%
Petroleum refining	10.3	7.7%	56.5	60.6%	223.3	27.7%	89.1	29.6%
LNG	4.5	3.4%	4.0	4.3%	104.2	12.9%	14.8	4.9%
Chemical	42.3	31.7%	7.6	8.2%	254.7	31.5%	61.5	20.4%
Power generation, nuclear power and new energy	26.7	20.1%	3.4	3.7%	44.3	5.5%	31.1	10.3%
Living and general production	32.5	24.4%	4.5	4.9%	19.0	2.4%	48.7	16.2%
Environmental protection, social development and IT	5.9	4.5%	8.2	8.8%	13.1	1.6%	20.0	6.7%
Other	3.4	2.6%	2.4	2.7%	4.6	0.6%	5.5	1.9%
Total	133.4	100.0%	93.3	100.0%	807.6	100.0%	301.3	100.0%



Sept. 2007
New contract by region



Sept. 2007
New contract by business sector

4-3. Major contracts awarded

New contracts	¥ 93.3 billion
----------------------	----------------

Japan ¥ 67.8 billion	¥ 1 billion or more	5 projects	<u>Petroleum refining (3 jobs)</u>
			<u>Living and general production (1 job)</u> <u>Environmental protection, social development and IT (1 job)</u>

Overseas ¥ 25.5 billion	¥ 3 billion or more	2 projects	<u>Petroleum refining (2 jobs)</u>
	¥ 1 billion or more	3 projects	<u>Oil and gas development (1 job)</u> <u>Petroleum refining (1 job)</u> <u>LNG (1 job)</u>

4-4. Actual result and forecasts of new contracts

< Consolidated >

(Unit: Billions of Yen)

	Sept. 2006 (Actual Result)	Sept. 2007 (Actual Result)	Mar. 2007 (Actual Result)	Mar. 2008 (Full Year Forecast)	Mar. 2008 (Second Half Forecast)
Japan	63.0	67.8	165.2	120.0	52.2
Overseas	70.3	25.5	136.0	420.0	394.5
Total	133.4	93.3	301.3	540.0	446.7

< Non-consolidated >

(Unit: Billions of Yen)

	Sept. 2006 (Actual Result)	Sept. 2007 (Actual Result)	Mar. 2007 (Actual Result)	Mar. 2008 (Full Year Forecast)	Mar. 2008 (Second Half Forecast)
Japan	42.4	42.3	124.5	80.0	37.7
Overseas	68.3	24.1	130.4	420.0	395.9
Total	110.8	66.4	255.0	500.0	433.6

4-5. Outstanding contracts by region

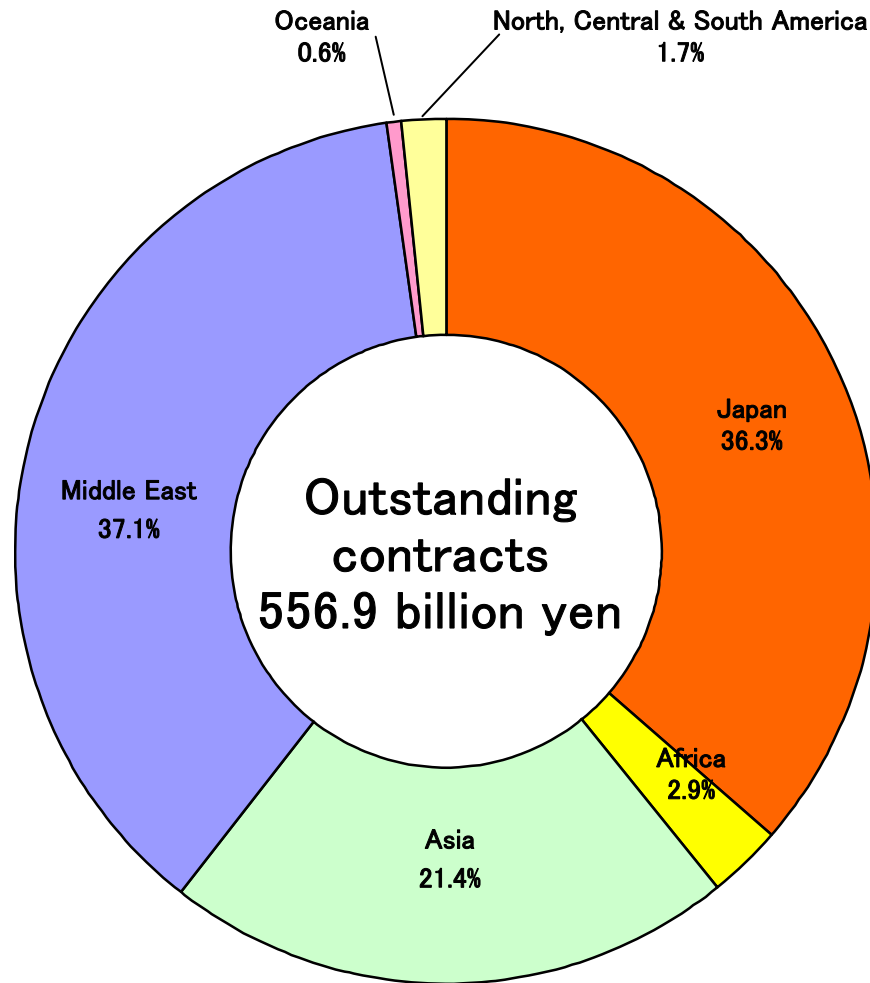
(Unit: Billions of Yen)

	Sept. 2006		Sept. 2007		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	230.5	26.1%	202.3	36.3%	207.7	20.3%	240.7	32.0%
Africa	34.0	3.9%	16.1	2.9%	47.4	4.6%	23.8	3.2%
Asia other than Japan	167.0	19.0%	119.0	21.4%	176.8	17.3%	156.3	20.8%
Middle East	447.8	50.8%	206.6	37.1%	589.5	57.5%	327.1	43.5%
Oceania	1.1	0.1%	3.3	0.6%	0.9	0.1%	3.3	0.4%
North, Central & South America	0.7	0.1%	9.3	1.7%	1.7	0.2%	0.7	0.1%
Europe and CIS	0.1	0.0%	0.0	0.0%	0.1	0.0%	0.0	0.0%
Total	881.4	100.0%	556.9	100.0%	1,024.3	100.0%	752.2	100.0%

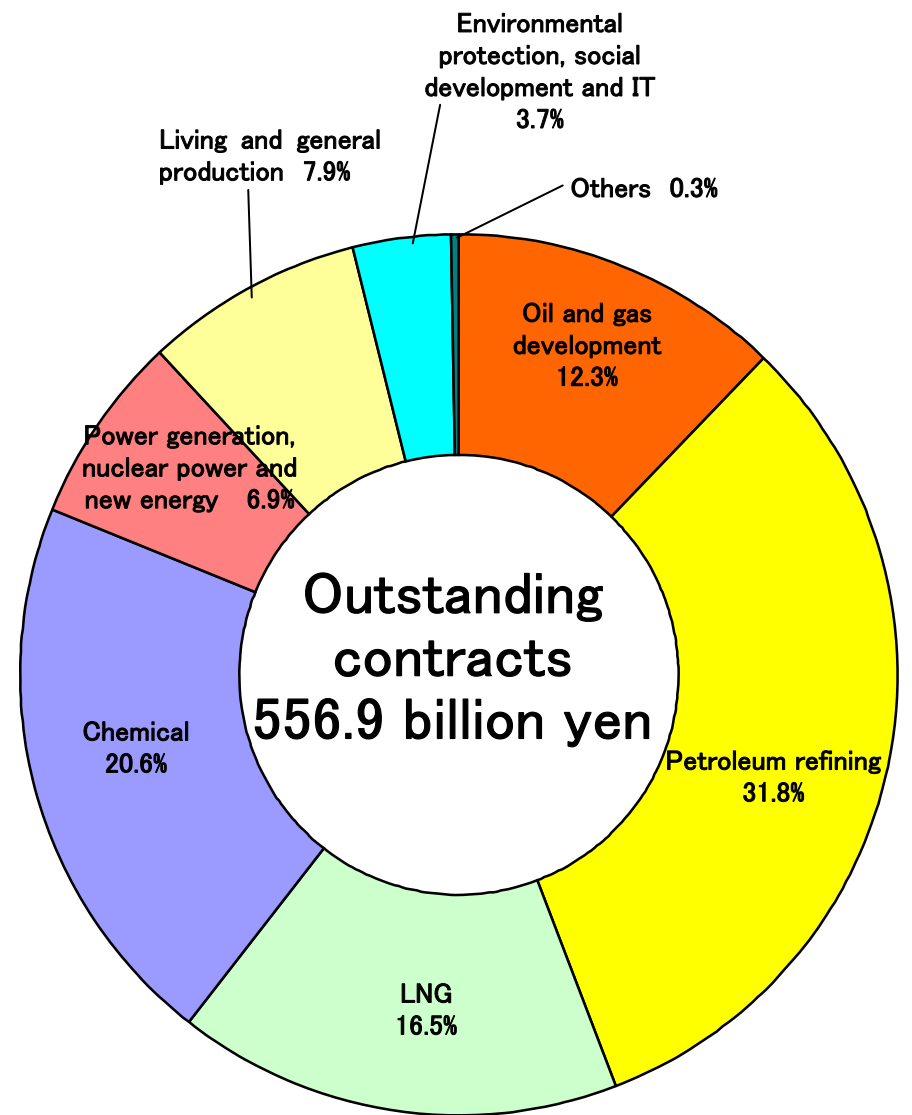
4-6. Outstanding contracts by business sector

(Unit: Billions of Yen)

	Sept. 2006		Sept. 2007		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Oil and gas development	140.2	15.9%	68.4	12.3%	211.0	20.6%	106.7	14.2%
Petroleum refining	206.4	23.4%	177.0	31.8%	245.0	23.9%	204.0	27.1%
LNG	156.5	17.8%	91.8	16.5%	187.5	18.3%	133.2	17.7%
Chemical	256.9	29.1%	114.5	20.6%	296.5	28.9%	187.4	24.9%
Power generation, nuclear power and new energy	63.3	7.2%	38.6	6.9%	51.1	5.0%	51.4	6.9%
Living and general production	45.6	5.2%	44.0	7.9%	22.2	2.2%	52.7	7.0%
Environmental protection, social development and IT	9.5	1.1%	20.5	3.7%	10.0	1.0%	15.9	2.1%
Others	2.6	0.3%	1.8	0.3%	0.6	0.1%	0.4	0.1%
Total	881.4	100.0%	556.9	100.0%	1,024.3	100.0%	752.2	100.0%



Sept. 2007
Outstanding contracts by region



Sept. 2007
Outstanding contracts by business sector

4-7. Major outstanding contracts

Outstanding contracts	¥ 556.9 billion
------------------------------	-----------------

Japan ¥ 202.3 billion	¥ 3 billion or more	16 projects	<u>Petroleum refining (7 jobs)</u> <u>Chemical (3 jobs)</u> <u>Living and general production (4 jobs)</u> <u>Environmental protection, social development and IT (2 jobs)</u>
	¥ 1 billion or more	15 projects	<u>Petroleum refining (5 jobs)</u> <u>Power generation, nuclear power and new energy (2 jobs)</u> <u>Living and general production (5 jobs)</u> <u>Environmental protection, social development and IT (3 jobs)</u>

Overseas ¥ 354.6 billion	¥ 30 billion or more	4 projects	<u>Petroleum refining (1 job)</u> <ul style="list-style-type: none"> • Dung Quat Refinery PJ (Vietnam) <u>LNG (2 jobs)</u> <ul style="list-style-type: none"> • Yemen LNG PJ (Yemen) • Tangguh LNG PJ (Indonesia) <u>Chemical (1 job)</u> <ul style="list-style-type: none"> • Rabigh PJ (Saudi Arabia)
	¥ 10 billion or more	5 projects	<u>Oil and gas development (2 jobs)</u> <ul style="list-style-type: none"> • Hawiyah NGL Recovery PJ (Saudi Arabia) • Dolphin PJ (Qatar) <u>Chemical (1 job)</u> <ul style="list-style-type: none"> • JCP PJ (Saudi Arabia) <u>Power generation, nuclear power and new energy (1 job)</u> <u>Living and general production (1 job)</u>