



Reference of Settlement of Accounts
for Fiscal Year 2006
(April 1, 2006 to March 31, 2007)

May 15, 2007

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1. Operating Results for Interim Period

1-1. Comparisons with corresponding period last year

<Consolidated>

(Unit: Billions of Yen)

	Mar. 2005	Mar. 2006	Mar. 2007	Difference	Mar. 2008 (Forecast)
Net Sales	435.1	550.3	608.5	58.2	555.0 (Interim 300.0)
Gross Profit	28.2	36.2	43.9	7.7	58.0 (Interim 29.5)
Percentage of Gross Profit on Sales	6.5%	6.6%	7.2%	0.6%	10.5% (Interim 9.8%)
Selling, General and Administrative Expenses	15.0	15.8	17.5	1.6	20.0 (Interim 9.5)
Operating Income	13.2	20.3	26.4	6.0	38.0 (Interim 20.0)
Ordinary Income	16.0	23.4	33.0	9.5	40.0 (Interim 21.0)
Net Income Before taxes on Sales	17.6	23.3	31.8	8.4	41.0 (Interim 21.0)
Net Income	11.5	15.0	20.1	5.1	25.0 (Interim 13.0)
Exchange Rate [US Dollar/Yen]	¥ 107.39	¥ 117.47	¥ 118.05		¥ 110.00
[Euro/Yen]	¥ 138.87	¥ 142.81	¥ 157.33		¥ 150.00

<Non-consolidated>

(Unit: Billions of Yen)

	Mar. 2005	Mar. 2006	Mar. 2007	Difference	Mar. 2008 (Forecast)
Net Sales	386.0	484.3	528.7	44.4	480.0 (Interim 265.0)
Gross Profit	16.0	20.7	23.5	2.8	36.0 (Interim 19.5)
Percentage of Gross Profit on Sales	4.2%	4.3%	4.4%	0.1%	7.5% (Interim 7.4%)
Selling, General and Administrative Expenses	8.3	8.4	9.0	0.5	10.0 (Interim 5.0)
Operating Income	7.7	12.2	14.4	2.2	26.0 (Interim 14.5)
Ordinary Income	10.8	16.7	22.5	5.7	30.0 (Interim 18.0)
Net Income Before taxes on Sales	12.7	16.6	21.5	4.8	31.0 (Interim 18.0)
Net Income	8.6	11.4	15.1	3.7	20.0 (Interim 11.5)
Exchange Rate [US Dollar/Yen] [Euro/Yen]	¥ 107.39 ¥ 138.87	¥ 117.47 ¥ 142.81	¥ 118.05 ¥ 157.33		¥ 110.00 ¥ 150.00

1-2. Comparisons with previous forecasts

(Unit: Billions of Yen)

	Consolidated			Non-consolidated		
	Forecast (Feb. 2007)	Actual result (Mar. 2007)	Difference	Forecast (Feb. 2007)	Actual result (May 2006)	Difference
Net Sales	560.0	608.5	48.5	490.0	528.7	38.7
Gross Profit	41.5	43.9	2.4	23.2	23.5	0.3
Percentage of Gross Profit on Sales	7.4%	7.2%	-0.2%	4.7%	4.4%	-0.3%
Selling, General and Administrative Expenses	18.0	17.5	-0.4	9.2	9.0	-0.1
Operating Income	23.5	26.4	2.9	14.0	14.4	0.4
Ordinary Income	27.0	33.0	6.0	21.0	22.5	1.5
Net Income	17.0	20.1	3.1	14.0	15.1	1.1
Exchange Rate [US Dollar/Yen]	¥ 119.00	¥ 118.05		¥ 119.00	¥ 118.05	
[Euro/Yen]	¥ 156.00	¥ 157.33		¥ 156.00	¥ 157.33	

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

Mar. 31, 2007	465.9 billion yen	Ratio to total net sales	76.6 %
Mar. 31, 2006	375.4 billion yen	Ratio to total net sales	68.2 %

1-4. Net sales by region

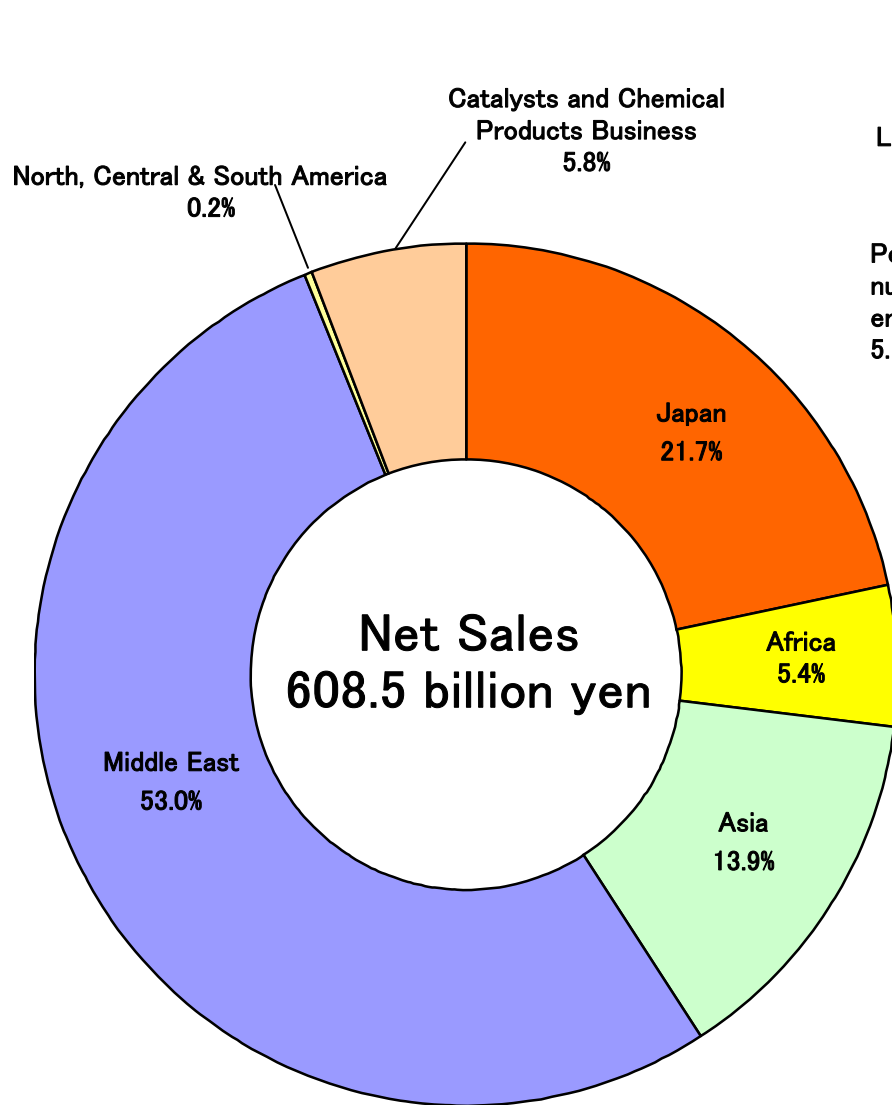
(Unit: Billions of Yen)

		Mar. 2005		Mar. 2006		Mar. 2007		Mar. 2008 (Forecast)	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Engineering Business	Japan	117.0	26.9%	116.7	21.2%	132.2	21.7%	163.4	29.4%
	Africa	84.4	19.4%	43.4	7.9%	32.6	5.4%	29.3	5.3%
	Asia other than Japan	77.4	17.8%	79.8	14.5%	84.4	13.9%	97.2	17.5%
	Middle East	120.4	27.7%	276.0	50.2%	322.4	53.0%	222.6	40.1%
	Oceania	6.7	1.5%	0	0.0%	0	0.0%	0.5	0.1%
	North, Central & South America	2.8	0.6%	4.5	0.8%	1.4	0.2%	1.0	0.2%
	Europe & CIS	2.0	0.5%	0.1	0.0%	0.1	0.0%	0	0.0%
Subtotal		410.9	94.4%	520.8	94.6%	573.4	94.2%	514.0	92.6%
Catalysts & Chemical Products Business		24.2	5.6%	29.4	5.4%	35.0	5.8%	41.0	7.4%
Total		435.1	100%	550.3	100%	608.5	100%	555.0	100%

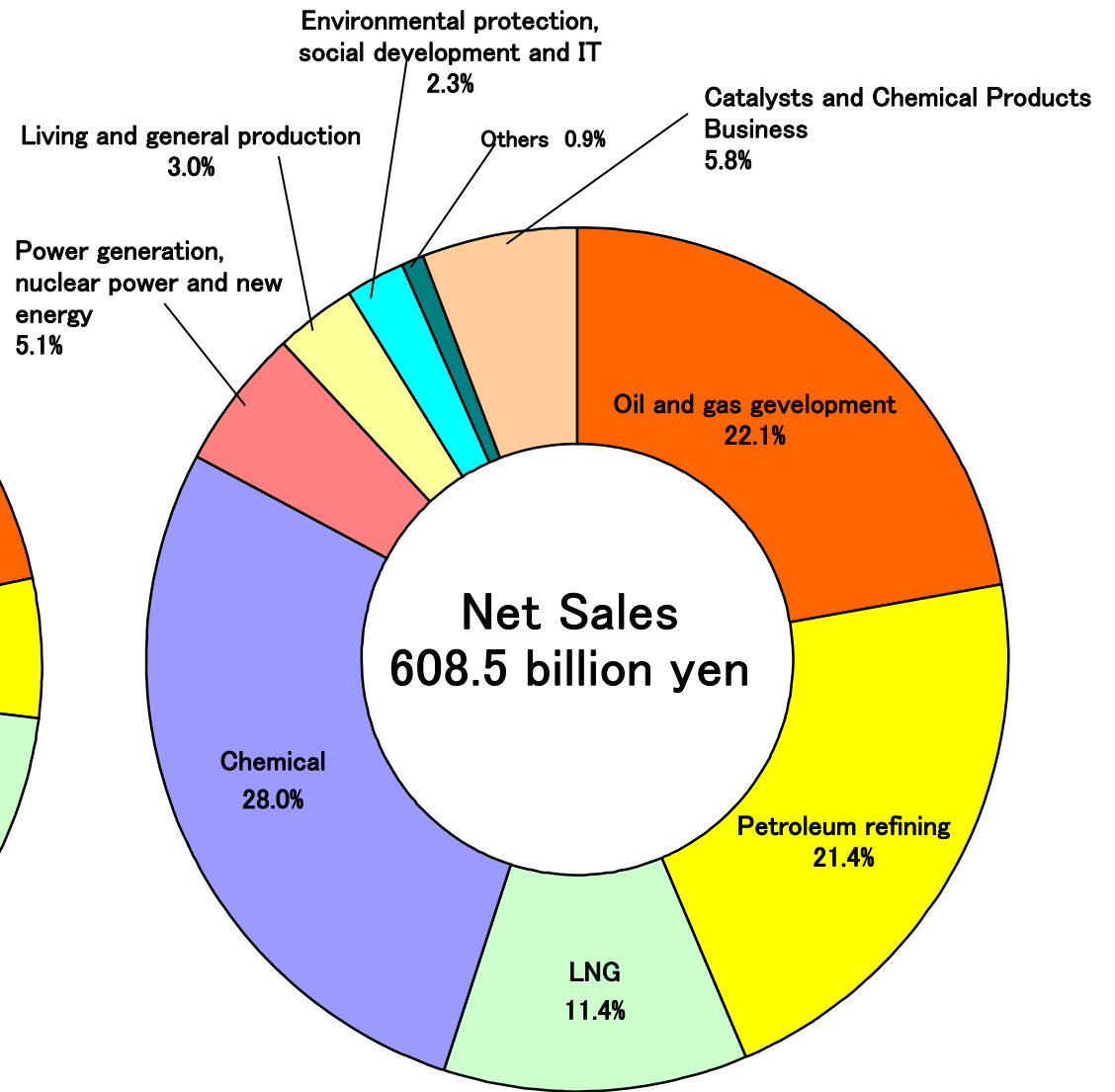
1-5. Net sales by business sector

(Unit: Billions of Yen)

		Mar. 2005		Mar. 2006		Mar. 2007		Mar. 2008 (Forecast)	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Engineering Business	Oil and gas development	100.1	23.0%	162.1	29.4%	134.5	22.1%	79.7	14.4%
	Petroleum refining	125.0	28.7%	117.5	21.3%	130.1	21.4%	122.1	22.0%
	LNG	55.2	12.7%	48.7	8.9%	69.1	11.4%	91.7	16.5%
	Chemical	74.1	17.0%	114.3	20.8%	170.5	28.0%	162.8	29.4%
	Power generation, nuclear power and new energy	13.6	3.1%	25.9	4.7%	30.8	5.1%	17.2	3.1%
	Living and general production	19.1	4.4%	26.2	4.8%	18.2	3.0%	31.2	5.6%
	Environmental protection, social development and IT	19.3	4.5%	21.2	3.9%	14.1	2.3%	8.5	1.5%
	Others	4.2	1.0%	4.6	0.8%	5.7	0.9%	0.8	0.1%
Subtotal		410.9	94.4%	520.8	94.6%	573.4	94.2%	514.0	92.6%
Catalysts and Chemical Products Business		24.2	5.6%	29.4	5.4%	35.0	5.8%	41.0	7.4%
Total		435.1	100%	550.3	100%	608.5	100%	555.0	100%



Mar. 2007
Net sales by region



Mar. 2007
Net sales by business sector

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

Sales	¥ 573.4 billion
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Japan ¥ 132.2 billion	¥ 10 billion or more	1 project	<u>Petroleum refining (1 job)</u>
	¥ 1 billion or more	21 projects	<u>Petroleum refining (11 jobs)</u> <u>Chemical (2 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 (1 job)</u>

Overseas ¥ 441.1 billion	¥ 10 billion or more	11 projects	<u>Oil and gas development (3 jobs)</u> • Hawiyah NGL Recovery PJ (Saudi Arabia) • Dolphin PJ (Qatar) and other <u>Petroleum refining (3 jobs)</u> • Dung Quat Refinery PJ (Vietnam) • LSDP PJ (Bahrain) • Sohar Refinery PJ (Oman) <u>LNG (2 jobs)</u> • Tangguh LNG PJ (Indonesia) • Yemen LNG PJ (Yemen) <u>Chemical (2 jobs)</u> • Rabigh PJ (Saudi Arabia) • JCP PJ (Saudi Arabia) <u>Power generation, nuclear power and new energy (1 job)</u>
	¥ 3 billion or more	8 projects	<u>Oil and gas development (2 jobs)</u> • South Pars Gas Field PJ (Iran) and other <u>LNG (1 job)</u> • LNG Train 6 LNG PJ (Nigeria) <u>Chemical (3 jobs)</u> • Tuban Aromatics PJ (Indonesia) and others <u>Power generation, nuclear power and new energy (1 job)</u> <u>Living and general production (1 job)</u>

2. Business Segment Information

(Unit: Billions of Yen)

	Mar. 2005		Mar. 2006		Mar. 2007		Mar. 2008 (Forecast)	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Total Engineering Business	410.9	11.0	520.8	16.2	573.4	20.7	514.0 (Interim 280.0)	32.0 (Interim 17.0)
Catalysts and Chemical Products Business	24.2	2.1	29.4	4.1	35.0	5.6	41.0 (Interim 20.0)	6.0 (Interim 3.0)
Total	435.1	13.2	550.3	20.3	608.5	26.4	555.0 (Interim 300.0)	38.0 (Interim 20.0)

3. Financial Position as of March 31, 2007

< Consolidated >

(Unit: Billions of Yen)

	Mar. 2005	Mar. 2006	Mar. 2007	Difference
Current Assets	231.8 (63%)	231.7 (62%)	327.3 (70%)	95.5
Fixed Assets	135.6 (37%)	143.5 (38%)	142.9 (30%)	-0.5
Total Assets	367.4 (100%)	375.2 (100%)	470.2 (100%)	94.9
Current Liabilities	175.0 (48%)	175.4 (47%)	237.5 (51%)	62.1
Fixed Liabilities	40.9 (11%)	26.5 (7%)	43.4 (9%)	16.9
Minority Interests	0.3 (0%)	0.2 (0%)	— (—)	-0.2
Total Net Assets	151.1 (41%)	173.0 (46%)	189.2 (40%)	16.1
Total Liabilities and Net Assets	367.4 (100%)	375.2 (100%)	470.2 (100%)	94.9

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

4-1. New contracts by region

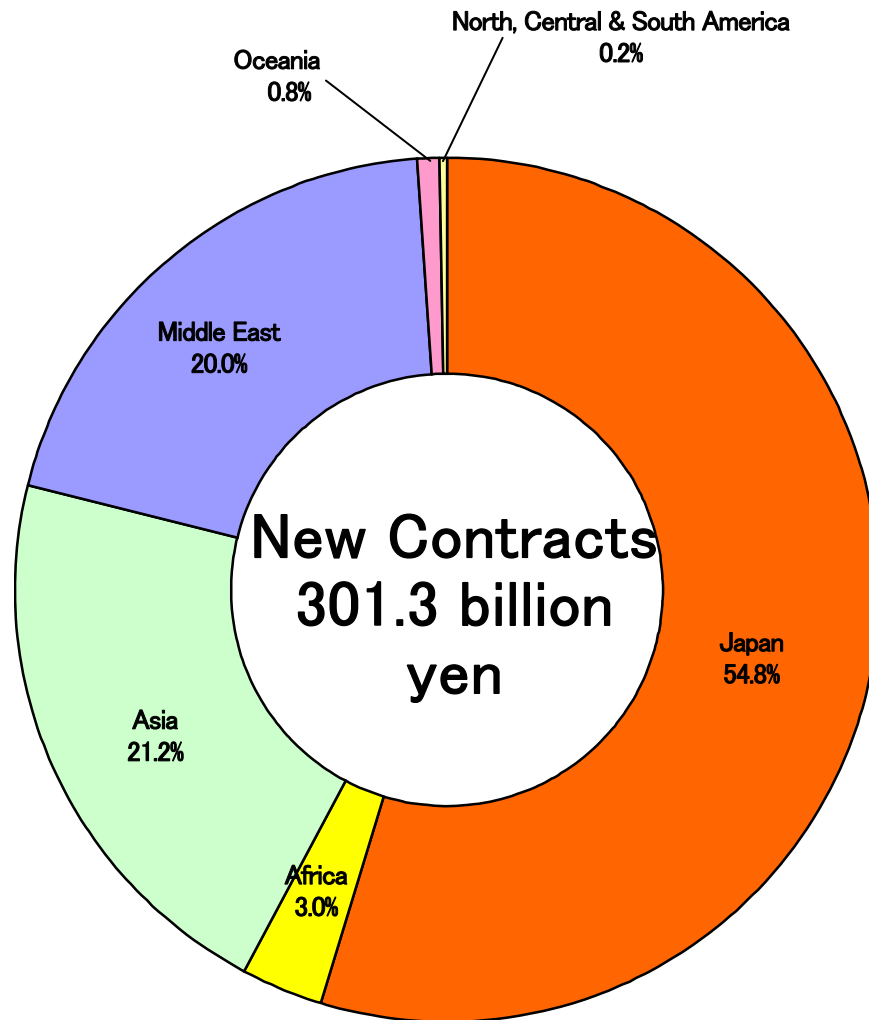
(Unit: Billions of Yen)

	Mar. 2005		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	111.0	23.7%	216.3	26.8%	165.2	54.8%
Africa	60.6	12.9%	11.3	1.4%	9.0	3.0%
Asia other than Japan	124.9	26.6%	99.3	12.3%	63.9	21.2%
Middle East	160.5	34.2%	479.2	59.3%	60.1	20.0%
Oceania	1.2	0.3%	0.5	0.1%	2.3	0.8%
North, Central & South America	9.0	1.9%	0.6	0.1%	0.4	0.2%
Europe and CIS	1.9	0.4%	0.1	0.0%	0	0.0%
Total	469.5	100%	807.6	100%	301.3	100%

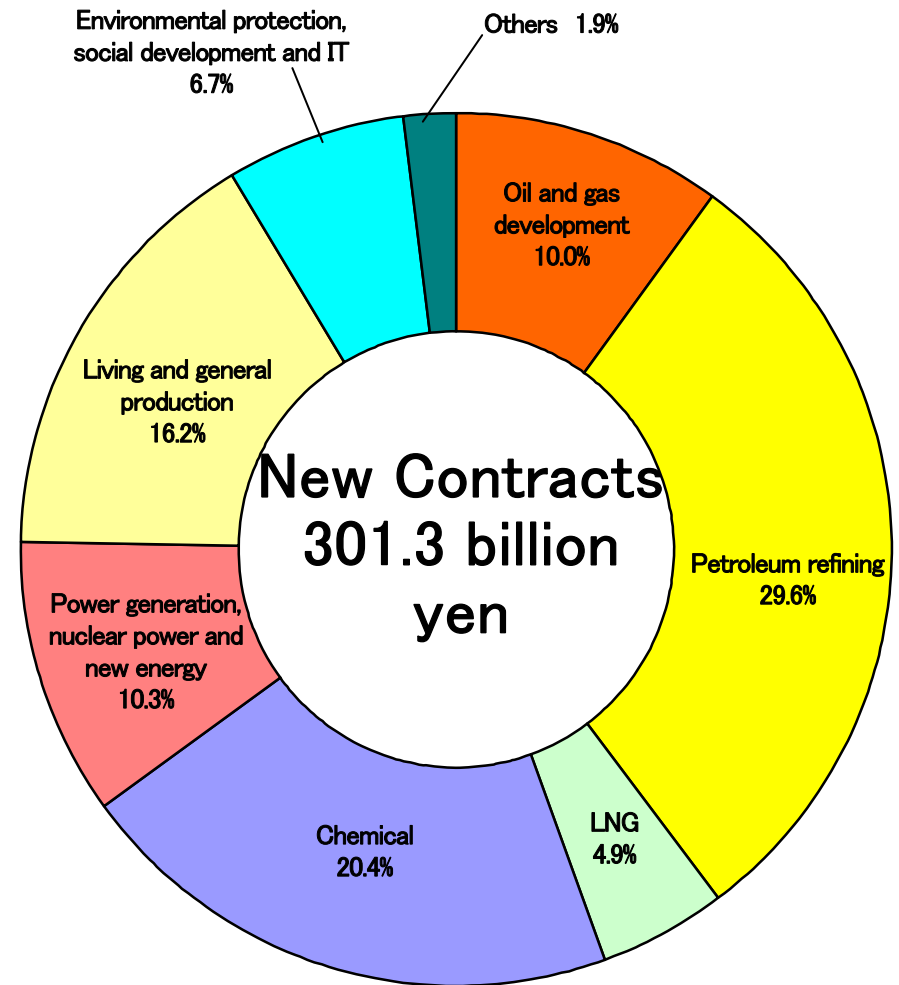
4-2. New contracts by business sector

(Unit: Billions of Yen)

	Mar. 2005		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Oil and gas development	33.1	7.1%	143.9	17.8%	30.2	10.0%
Petroleum refining	97.9	20.8%	223.3	27.7%	89.1	29.6%
LNG	135.1	28.8%	104.2	12.9%	14.8	4.9%
Chemical	140.5	29.9%	254.7	31.5%	61.5	20.4%
Power generation, nuclear power and new energy	12.9	2.8%	44.3	5.5%	31.1	10.3%
Living and general production	24.2	5.2%	19.0	2.4%	48.7	16.2%
Environmental protection, social development and IT	21.2	4.5%	13.1	1.6%	20.0	6.7%
Other	4.2	0.9%	4.6	0.6%	5.5	1.9%
Total	469.5	100%	807.6	100%	301.3	100%



Mar. 2007
New contract by region



Mar. 2007
New contract by business sector

4-3. Major contracts awarded

New contracts	¥ 301.3 billion
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Japan ¥ 165.2billion	¥ 10 billion or more	2 projects	<u>Petroleum refining (1 job)</u> <u>Chemical (1 job)</u>
	¥ 1 billion or more	19 projects	<u>Petroleum refining (6 jobs)</u> <u>Chemical (1 job)</u> <u>Power generation, nuclear power and new energy (2 jobs)</u> <u>Living and general production (7 jobs)</u> <u>Environmental protection, social development and IT (3 jobs)</u>

Overseas ¥ 136.0 billion	¥ 10 billion or more	3 projects	<u>Oil and gas development (1 job)</u> <u>Power generation, nuclear power and new energy (1 job)</u> <u>Living and general production (1 jobs)</u>
	¥ 1 billion or more	21 projects	<u>Oil and gas development (5 jobs)</u> • Hawiyah NGL Recovery PJ (Saudi Arabia) and others <u>Petroleum refining (5 jobs)</u> • Sohar Refinery PJ (Oman) • LSDP PJ (Bahrain) and others <u>LNG (5 jobs)</u> • Tangguh LNG PJ (Indonesia) • NLNG Train 6 PJ (Nigeria) • OK LNG PJ FEED Work (Nigeria) • Gorgon LNG PJ FEED Work (Australia) and others <u>Chemical (4 jobs)</u> • JCP PJ (Saudi Arabia) • QAPCO Ethylene Expansion PJ (Qatar) and others <u>Power generation, nuclear power and new energy (2 jobs)</u>

4-4. Forecasts of new contracts

< Consolidated >

(Unit: Billions of Yen)

	Mar. 2005 (Actual result)	Mar. 2006 (Actual result)	Mar. 2007 (Actual result)	Mar. 2008 (Forecast)
Japan	111.0	216.3	165.2	120.0 (Interim 50.0)
Overseas	358.4	591.2	136.0	420.0 (Interim 210.0)
Total	469.5	807.6	301.3	540.0 (Interim 260.0)

< Non-consolidated >

(Unit: Billions of Yen)

	Mar. 2005 (Actual result)	Mar. 2006 (Actual result)	Mar. 2007 (Actual result)	Mar. 2008 (Forecast)
Japan	84.0	177.1	124.5	80.0 (Interim 30.0)
Overseas	355.3	588.0	130.4	420.0 (Interim 210.0)
Total	439.3	765.1	255.0	500.0 (Interim 240.0)

4-5. Outstanding contracts by region

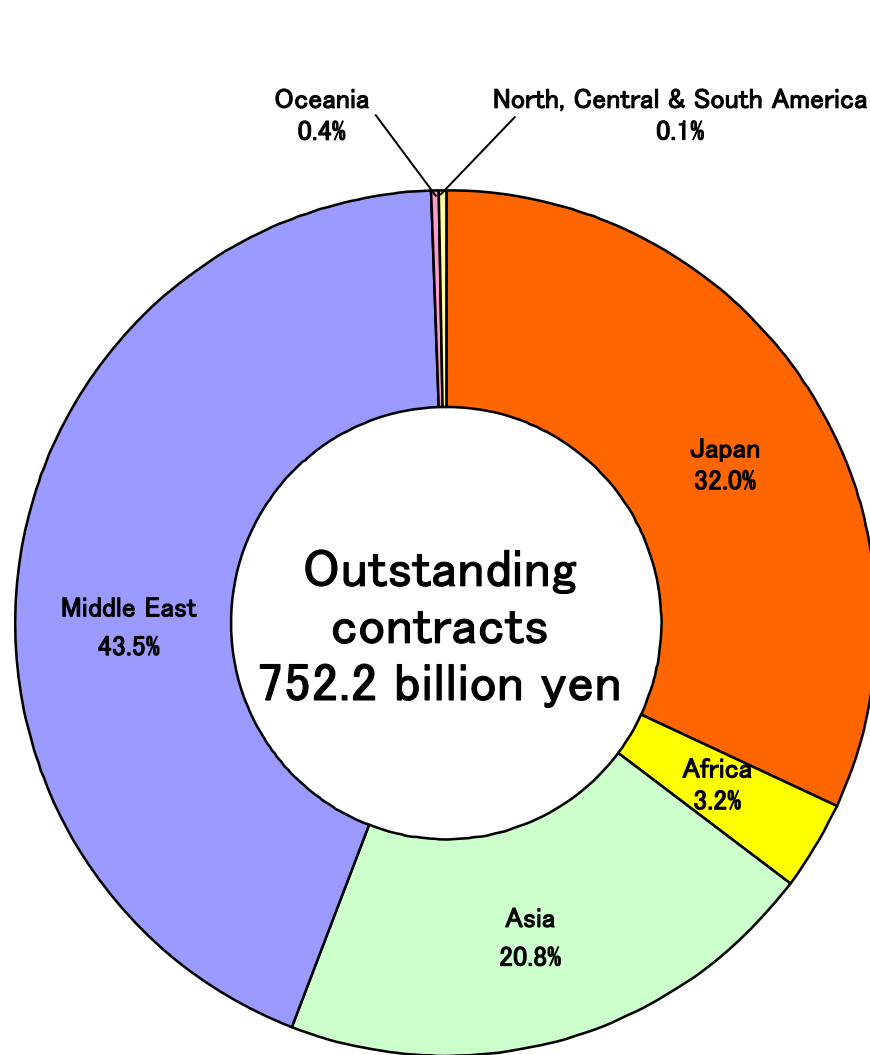
(Unit: Billions of Yen)

	Mar. 2005		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	112.9	15.6%	207.7	20.3%	240.7	32.0%
Africa	78.2	10.8%	47.4	4.6%	23.8	3.2%
Asia other than Japan	151.0	20.9%	176.8	17.3%	156.3	20.8%
Middle East	373.9	51.8%	589.5	57.5%	327.1	43.5%
Oceania	0.3	0.1%	0.9	0.1%	3.3	0.4%
North, Central & South America	5.6	0.8%	1.7	0.2%	0.7	0.1%
Europe and CIS	0.1	0.0%	0.1	0.0%	0	0.0%
Total	722.3	100%	1,024.3	100%	752.2	100%

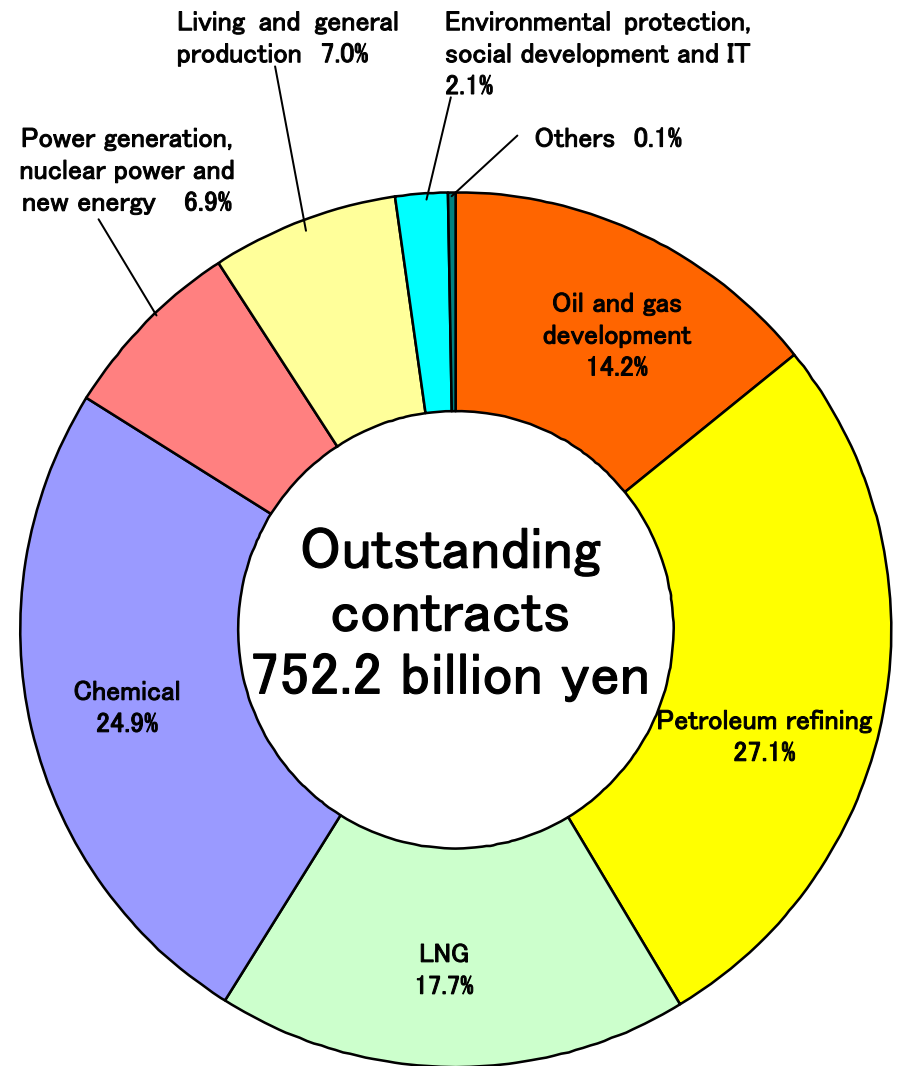
4-6. Outstanding contracts by business sector

(Unit: Billions of Yen)

	Mar. 2005		Mar. 2006		Mar. 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Oil and gas development	226.5	31.4%	211.0	20.6%	106.7	14.2%
Petroleum refining	138.9	19.2%	245.0	23.9%	204.0	27.1%
LNG	127.9	17.7%	187.5	18.3%	133.2	17.7%
Chemical	144.9	20.1%	296.5	28.9%	187.4	24.9%
Power generation, nuclear power and new energy	31.5	4.4%	51.1	5.0%	51.4	6.9%
Living and general production	28.9	4.0%	22.2	2.2%	52.7	7.0%
Environmental protection, social development and IT	22.7	3.1%	10.0	1.0%	15.9	2.1%
Others	0.7	0.1%	0.6	0.1%	0.4	0.1%
Total	722.3	100%	1,024.3	100%	752.2	100%



Mar. 2007
Outstanding contracts by region



Mar. 2007
Outstanding contracts by business sector

4-7. Major outstanding contracts

Outstanding contracts	¥ 752.2 billion
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Japan ¥ 240.7 billion	¥ 10 billion or more	6 projects	<u>Petroleum refining (4 jobs)</u> <u>Chemical (2 jobs)</u>
	¥ 1 billion or more	26 projects	<u>Petroleum refining (8 jobs)</u> <u>Chemical (2 jobs)</u> <u>Power generation, nuclear power and new energy (3 jobs)</u> <u>Living and general production (9 jobs)</u> <u>Environmental protection, social development and IT (4 jobs)</u>

Overseas ¥ 511.4 billion	¥ 30 billion or more	7 projects	<u>Oil and gas development (2 jobs)</u> <ul style="list-style-type: none"> • Dolphin PJ (Qatar) • Hawiyah NGL Recovery PJ (Saudi Arabia) <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) <u>Power generation, nuclear power and new energy (1 job)</u>
	¥ 10 billion or more	2 projects	<u>Chemical (1 job)</u> <ul style="list-style-type: none"> • JCP PJ (Saudi Arabia) <u>Living and general production (1 job)</u>