

Outline of Financial Results Fiscal 2007

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Contents

- 1. Statements of Income**
- 2. Segment Information**
- 3. Balance Sheets**
- 4. Cash Flows**
- 5. Outline of New Contracts**
- 6. Forecasts of Fiscal 2008**

P2

1.Statements of Income

(Unit : Billions of Yen)

Consolidated	FY2006	FY2007	Difference	Forecast	Difference
Net sales	608.5	551.0	▲57.4	560.0	▲9
Gross profit	43.9	63.7	+19.7	63.0	0.7
(Profit ratio)	7.2%	11.5%	+4.3%	11.3%	
Operating income	26.4	44.8	+18.4	43.0	1.8
Ordinary income	33.0	46.8	+13.8	44.0	2.8
Net income	20.1	30.0	+9.8	26.5	3.5
ROE	9.3%	15.1%	+5.8%		

« Comparisons with the corresponding period last year »

- Improvement of gross profit.
- Increase in the operating income at consolidated subsidiaries.
- Increase in the equity in earnings of affiliates.

P3

(Unit : Billions of Yen)

Non-Consolidated	FY2006	FY2007	Difference	Forecast	Difference
Net sales	528.7	460.1	▲68.6	480.0	▲19.9
Gross profit	23.5	40.1	+16.6	40.0	0.1
(Profit ratio)	4.4%	8.7%	+4.3%	8.3%	
Operating income	14.4	30.5	+16.1	30.0	0.5
Ordinary income	22.5	32.7	+10.2	33.0	▲0.3
Net income	15.1	21.3	+6.1	21.0	0.3

P4

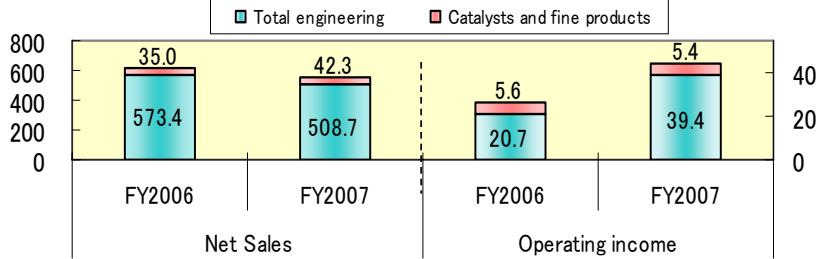
2. Segment Information



(1) By Business Segment

(Unit : Billions of Yen)

	Net sales			Operating income		
	FY2006	FY2007	Difference	FY2006	FY2007	Difference
Total engineering	573.4	508.7	▲64.7	20.7	39.4	+18.7
	[94%]	[92%]		[78%]	[88%]	
Catalysts and fine products	35.0	42.3	+7.3	5.6	5.4	▲0.2
	[6%]	[8%]		[22%]	[12%]	
Total	608.5	551.0	▲57.4	26.4	44.8	+18.4

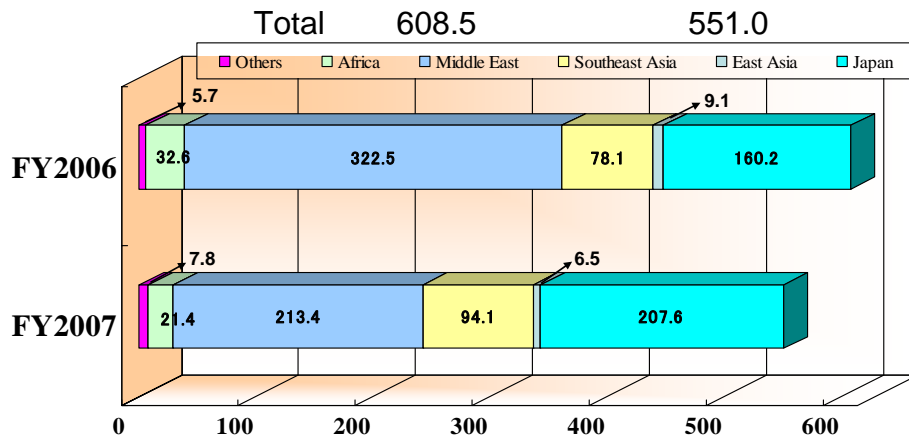


P5

(2) By Region

(Unit : Billions of Yen)

	FY2006	ratio	FY2007	ratio
Sales in Japan	160.2	26%	207.6	38%
Overseas sales	448.2	74%	343.4	62%



P6

3. Balance Sheets



(Unit : Billions of Yen)

Consolidated	FY2006	FY2007	Difference	
Current assets	327.3	324.6	* 1 ▲2.7	* 1 Accounts receivable for completed works ▲11.8 Contract works in progress 8.3
Fixed assets	142.9	142.1	▲0.7	
Total assets	470.2	466.7	▲3.5	
Current liabilities	237.5	217.3	* 2 ▲20.2	* 2 Notes payable on works and accounts payable ▲27.3
Fixed liabilities	43.4	41.8	▲1.5	
Total liabilities	281.0	259.2	▲21.8	
Total Net assets	189.2	207.5	* 3 18.2	* 3 Net income 30.0 Cash dividends ▲3.8 Net unrealized holding losses on securities ▲6.8 Increase of treasury stock ▲1.5
Total liabilities and assets	470.2	466.7	▲3.5	

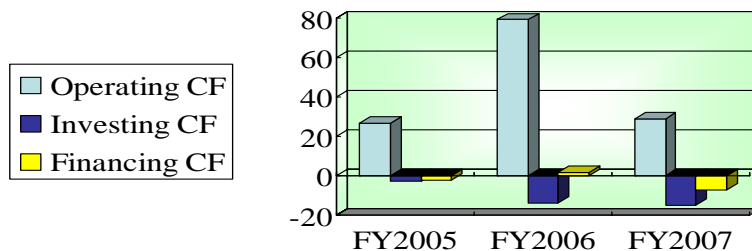
P7

4. Cash Flows



(Unit: Billions of Yen)

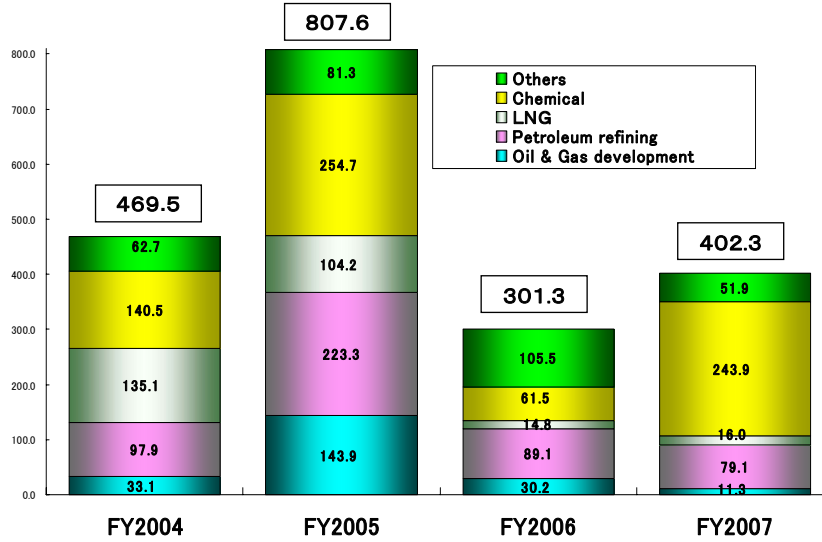
	FY2005	FY2006	FY2007
⊙ Operating Cash Flows	26.8	79.1	28.8
⊙ Investing Cash Flows	▲2.9	▲14.0	▲15.0
⊙ Financing Cash Flows	▲2.4	1.5	▲7.3
⊙ Effect of exchange ratio changes	1.1	0.9	▲1.3
⊙ Increase of consolidated company	-	0.2	-
NET Cash Increase (Decrease)	22.5	67.9	5.2
⊙ Cash and Cash Equivalents at end of period	91.4	159.4	164.6



P8

5.Outline of New Contracts 5-1 New Contracts

(Unit : Billions of Yen)

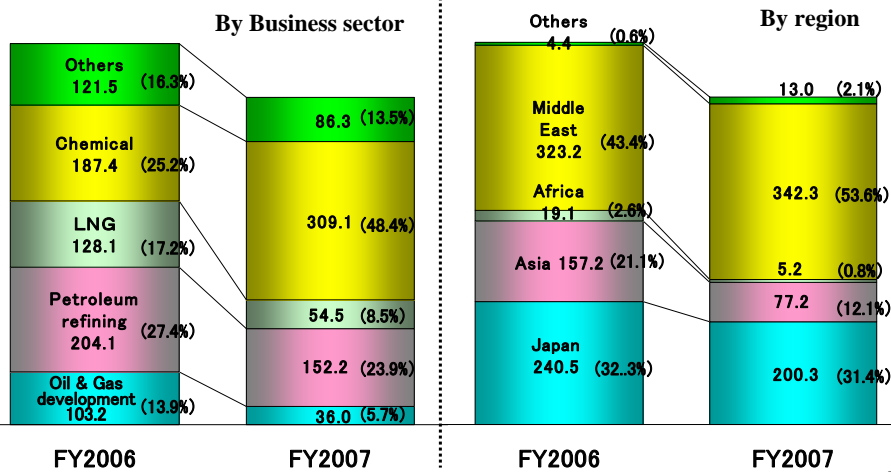


P9

5-2.Summary of Outstanding Contracts

(Unit : Billions of Yen)

<u>FY2006</u>	<u>FY2007</u>	Difference	▲106.3
744.6	638.3		



P10

6.Forecasts of Fiscal 2008



(Unit : Billions of Yen)

Consolidated	FY2008	FY2007	Difference
Net sales	560.0	551.0	9.0
Gross Profit	67.0	63.7	3.3
Operating income	46.0	44.8	1.2
Ordinary income	47.0	46.8	0.2
Net income	31.0	30.0	1.0
New contracts	700.0	402.3	297.7

P11



Non-Consolidated	FY2008	FY2007	Difference
Net sales	460.0	460.1	▲0.1
Gross Profit	43.0	40.1	2.9
Operating income	32.0	30.5	1.5
Ordinary income	39.0	32.7	6.3
Net income	27.0	21.3	5.7
New contracts	660.0	348.7	311.3
Dividend (Unit : yen)	26.5	21	5.5

P12



Note on future outlook

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P13