



Reference of Settlement of Accounts
for Fiscal Year 2007
(April 1, 2007 to March 31, 2008)

May 15, 2008

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1. Operating Results for Interim Period

1-1. Comparisons with corresponding period last year

<Consolidated>

(Unit: Billions of Yen)

	Mar. 2006	Mar. 2007	Mar. 2008	Difference	Mar. 2009 (Forecast)
Net Sales	550.3	608.5	551.0	-57.4	560.0 (2Q 290.0)
Gross Profit	36.2	43.9	63.7	19.7	67.0 (2Q 33.5)
Percentage of Gross Profit on Sales	6.6%	7.2%	11.5%	4.2%	12.0% (2Q 11.6%)
Selling, General and Administrative Expenses	15.8	17.5	18.8	1.2	21.0 (2Q 10.5)
Operating Income	20.3	26.4	44.8	18.4	46.0 (2Q 23.0)
Ordinary Income	23.4	33.0	46.8	13.8	47.0 (2Q 25.0)
Net Income Before taxes on Sales	23.3	31.8	46.9	15.0	50.0 (2Q 28.0)
Net Income	15.0	20.1	30.0	9.8	31.0 (2Q 17.0)
Exchange Rate [US Dollar/Yen]	¥ 117.47	¥ 118.05	¥ 100.19		¥ 95.00
[Euro/Yen]	¥ 142.81	¥ 157.33	¥ 158.19		¥ 152.00

<Non-consolidated>

(Unit: Billions of Yen)

	Mar. 2006	Mar. 2007	Mar. 2008	Difference	Mar. 2009 (Forecast)
Net Sales	484.3	528.7	460.1	-68.6	460.0 (2Q 250.0)
Gross Profit	20.7	23.5	40.1	16.6	43.0 (2Q 22.0)
Percentage of Gross Profit on Sales	4.3%	4.4%	8.7%	4.3%	9.3% (2Q 8.8%)
Selling, General and Administrative Expenses	8.4	9.0	9.5	0.5	11.0 (2Q 5.5)
Operating Income	12.2	14.4	30.5	16.1	32.0 (2Q 16.5)
Ordinary Income	16.7	22.5	32.7	10.2	39.0 (2Q 22.5)
Net Income Before taxes on Sales	16.6	21.5	32.8	11.2	42.0 (2Q 25.5)
Net Income	11.4	15.1	21.3	6.1	27.0 (2Q 17.0)
Exchange Rate [US Dollar/Yen] [Euro/Yen]	¥ 117.47 ¥ 142.81	¥ 118.05 ¥ 157.33	¥ 100.19 ¥ 158.19		¥ 95.00 ¥ 152.00

1-2. Comparisons with previous forecasts

(Unit: Billions of Yen)

	Consolidated			Non-consolidated		
	Forecast (Feb. 2008)	Actual result (May 2008)	Difference	Forecast (Feb. 2008)	Actual result (May 2008)	Difference
Net Sales	560.0	551.0	-9.0	480.0	460.1	-19.9
Gross Profit	63.0	63.7	0.7	40.0	40.1	0.1
Percentage of Gross Profit on Sales	11.3%	11.5%	0.2%	8.3%	8.7%	0.4%
Selling, General and Administrative Expenses	20.0	18.8	-1.2	10.0	9.5	-0.5
Operating Income	43.0	44.8	1.8	30.0	30.5	0.5
Ordinary Income	44.0	46.8	2.8	33.0	32.7	-0.3
Net Income	26.5	30.0	3.5	21.0	21.3	0.3
Exchange Rate [US Dollar/Yen] [Euro/Yen]	¥ 105.00 ¥ 152.25	¥ 100.19 ¥ 158.19		¥ 105.00 ¥ 152.25	¥ 100.19 ¥ 158.19	

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

Mar. 31, 2008	396.6 billion yen	Ratio to total net sales	72.0 %
Mar. 31, 2007	465.9 billion yen	Ratio to total net sales	76.6%

1-4. Net sales by region

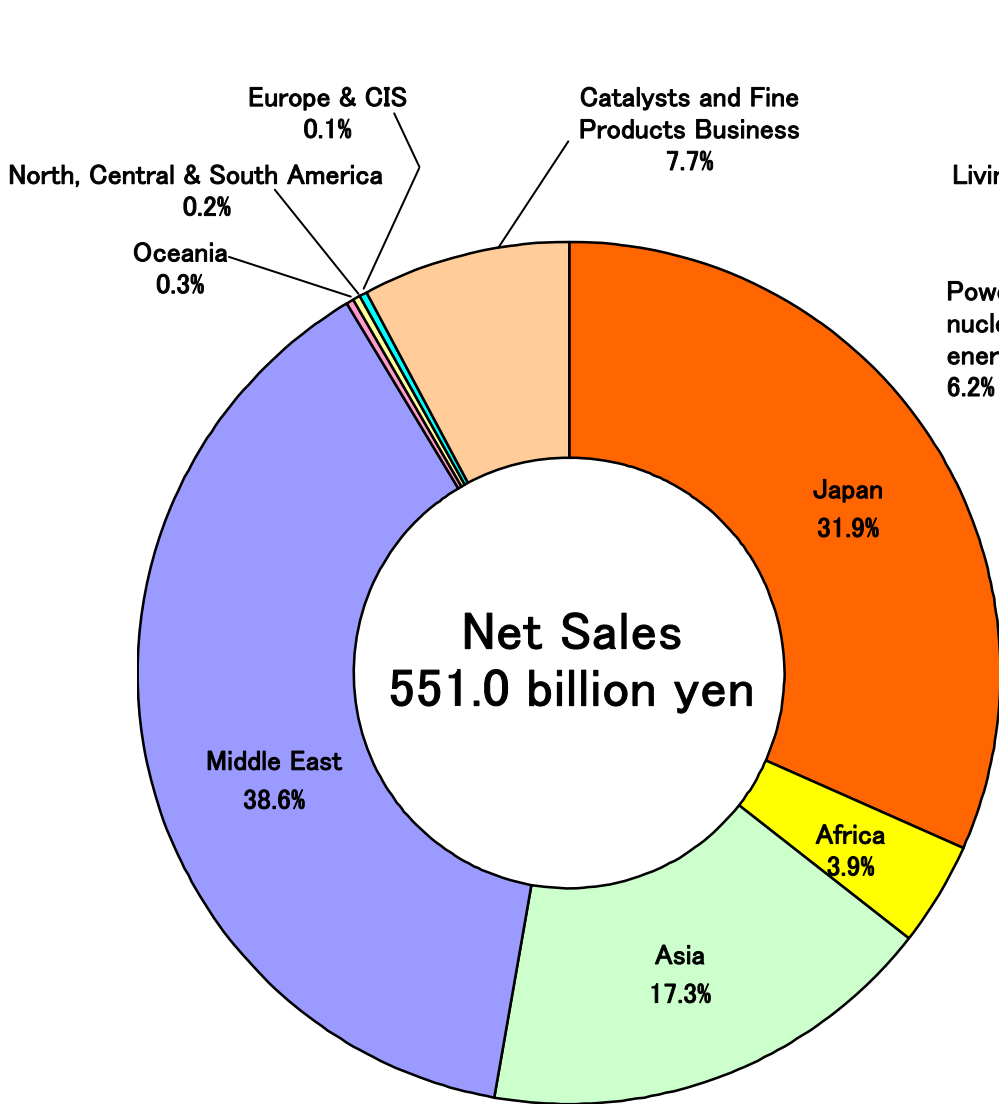
(Unit: Billions of Yen)

		Mar. 2006		Mar. 2007		Mar. 2008		Mar. 2009 (Forecast)	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Engineering Business	Japan	116.7	21.2%	132.2	21.7%	175.9	31.9%	168.9	30.2%
	Africa	43.4	7.9%	32.6	5.4%	21.4	3.9%	26.0	4.6%
	Asia other than Japan	79.8	14.5%	84.4	13.9%	95.1	17.3%	72.3	12.9%
	Middle East	276.0	50.2%	322.4	53.0%	212.9	38.6%	229.6	41.0%
	Oceania	0	0.0%	0	0.0%	1.5	0.3%	5.0	0.9%
	North, Central & South America	4.5	0.8%	1.4	0.2%	1.2	0.2%	9.2	1.6%
	Europe & CIS	0.1	0.0%	0.1	0.0%	0.4	0.1%	0	0.0%
Subtotal		520.8	94.6%	573.4	94.2%	508.7	92.3%	511.0	91.2%
Catalysts & Fine Products Business		29.4	5.4%	35.0	5.8%	42.3	7.7%	49.0	8.8%
Total		550.3	100%	608.5	100%	551.0	100%	560.0	100%

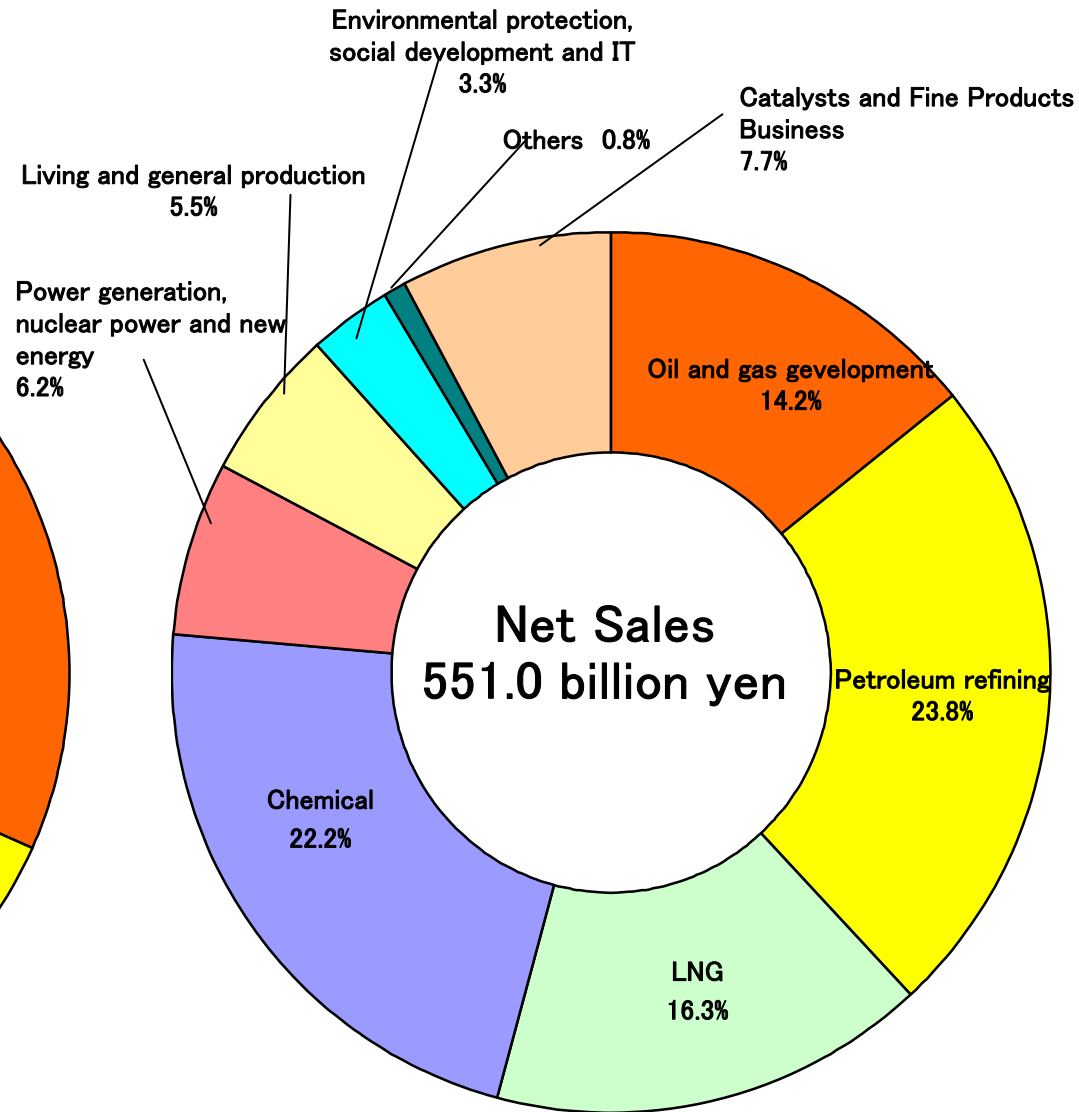
1-5. Net sales by business sector

(Unit: Billions of Yen)

		Mar. 2006		Mar. 2007		Mar. 2008		Mar. 2009 (Forecast)	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Engineering Business	Oil and gas development	162.1	29.4%	134.5	22.1%	78.5	14.2%	83.9	15.0%
	Petroleum refining	117.5	21.3%	130.1	21.4%	131.1	23.8%	137.1	24.4%
	LNG	48.7	8.9%	69.1	11.4%	89.6	16.3%	66.6	11.9%
	Chemical	114.3	20.8%	170.5	28.0%	122.2	22.2%	146.2	26.1%
	Power generation, nuclear power and new energy	25.9	4.7%	30.8	5.1%	34.0	6.2%	21.0	3.7%
	Living and general production	26.2	4.8%	18.2	3.0%	30.5	5.5%	34.0	6.1%
	Environmental protection, social development and IT	21.2	3.9%	14.1	2.3%	18.1	3.3%	22.2	4.0%
	Others	4.6	0.8%	5.7	0.9%	4.4	0.8%	0	0.0%
Subtotal		520.8	94.6%	573.4	94.2%	508.7	92.3%	511.0	91.2%
Catalysts and Fine Products Business		29.4	5.4%	35.0	5.8%	42.3	7.7%	49.0	8.8%
Total		550.3	100%	608.5	100%	551.0	100%	560.0	100%



Mar. 2008
Net sales by region



Mar. 2008
Net sales by business sector

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

Sales	¥ 508.7.billion
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Japan ¥ 175.9 billion	¥ 10 billion or more	4 project	<u>Petroleum refining (3 jobs)</u> <u>Chemical (1 job)</u>
	¥ 1 billion or more	13 projects	<u>Petroleum refining (3 jobs)</u> <u>Chemical (2 jobs)</u> <u>Power generation, nuclear power and new energy (1 job)</u> <u>Living and general production (4 jobs)</u> <u>Environmental protection, social development and IT (3 jobs)</u>

Overseas ¥ 332.7 billion	¥ 10 billion or more	8 projects	<u>Oil and gas development (2 jobs)</u> <ul style="list-style-type: none"> • Dolphin Proj. (Qatar) • Hawiyah NGL Recovery Proj. (Saudi Arabia) <u>Petroleum refining (1 job)</u> <ul style="list-style-type: none"> • Dung Quat Refinery Proj. (Vietnam) <u>LNG (2 jobs)</u> <ul style="list-style-type: none"> • Yemen LNG Proj. (Yemen) • Tangguh LNG Proj. (Indonesia) <u>Chemical (1 job)</u> <ul style="list-style-type: none"> • Rabigh Proj. (Saudi Arabia) <u>Power generation, nuclear power and new energy (1 job)</u> <u>Living and general production (1 job)</u>
	¥ 3 billion or more	8 projects	<u>Oil and gas development (2 jobs)</u> <ul style="list-style-type: none"> • South Pars Gas Field Proj. (Iran) and other <u>Petroleum refining (2 jobs)</u> <ul style="list-style-type: none"> • LSDP Proj. (Bahrain) and other <u>LNG (1 job)</u> <ul style="list-style-type: none"> • LNG Train 6 LNG Proj. (Nigeria) <u>Chemical (3 jobs)</u> <ul style="list-style-type: none"> • QAPCO Ethylene Expansion Proj. (Qatar) • JCP Proj. (Saudi Arabia) and other

2. Business Segment Information

(Unit: Billions of Yen)

	Mar. 2006		Mar. 2007		Mar. 2008		Mar. 2009 (Forecast)	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Total Engineering Business	520.8	16.2	573.4	20.7	508.7	39.4	511.0 (2Q 267.0)	40.0 (2Q 20.5)
Catalysts and Fine Products Business	29.4	4.1	35.0	5.6	42.3	5.4	49.0 (2Q 23.0)	6.0 (2Q 2.5)
Total	550.3	20.3	608.5	26.4	551.0	44.8	560.0 (2Q 290.0)	46.0 (2Q 23.0)

3. Financial Position as of March 31, 2008

< Consolidated >

(Unit: Billions of Yen)

	Mar. 2006	Mar. 2007	Mar. 2008	Difference
Current Assets	231.7 (62%)	327.3 (70%)	324.6 (70%)	-2.7
Fixed Assets	143.5 (38%)	142.9 (30%)	142.1 (30%)	-0.7
Total Assets	375.2 (100%)	470.2 (100%)	466.7 (100%)	-3.5
Current Liabilities	175.4 (47%)	237.5 (51%)	217.3 (47%)	-20.2
Fixed Liabilities	26.5 (7%)	43.4 (9%)	41.8 (9%)	-1.5
Minority Interests	0.2 (0%)	— (—)	— (—)	— (—)
Total Net Assets	173.0 (46%)	189.2 (40%)	207.5 (44%)	18.2
Total Liabilities and Net Assets	375.2 (100%)	470.2 (100%)	466.7 (100%)	-3.5

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

4-1. New contracts by region

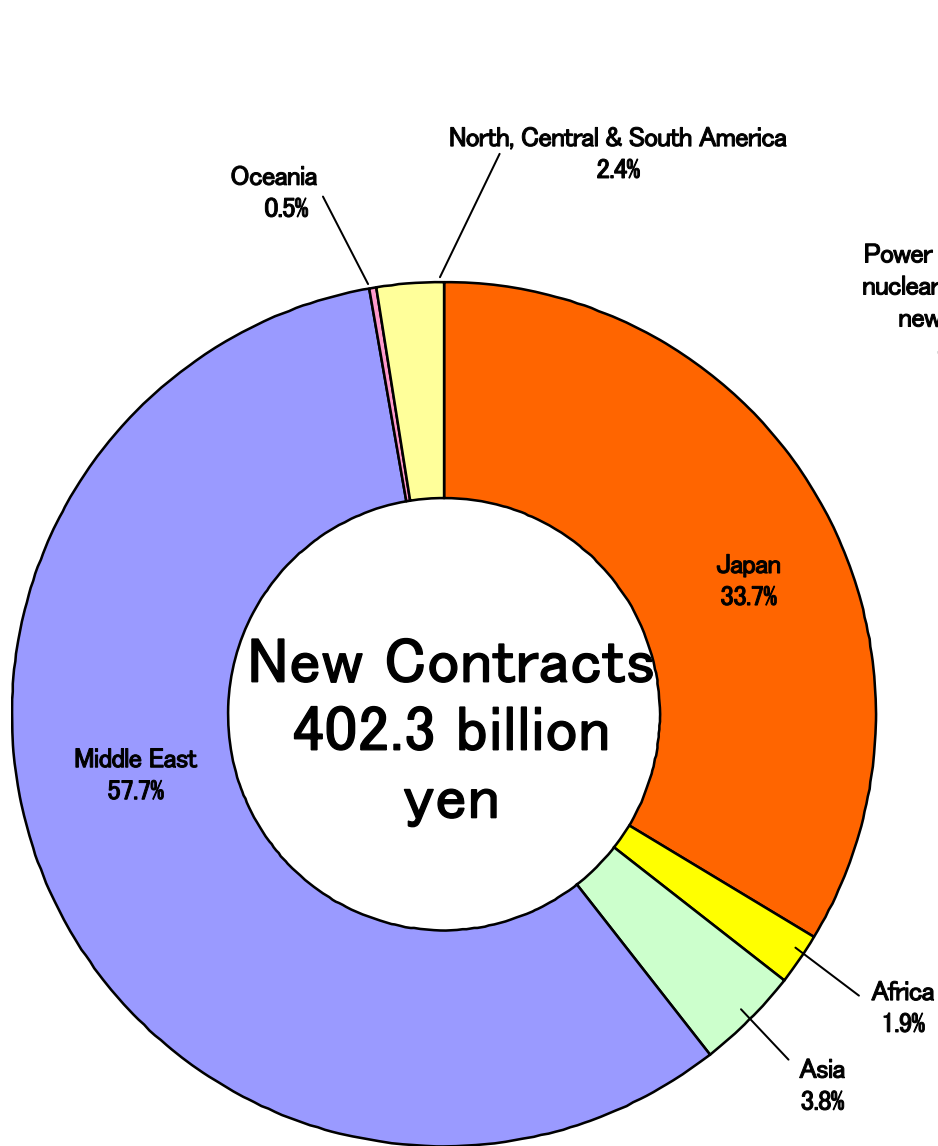
(Unit: Billions of Yen)

	Mar. 2006		Mar. 2007		Mar. 2008	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	216.3	26.8%	165.2	54.8%	135.7	33.7%
Africa	11.3	1.4%	9.0	3.0%	7.5	1.9%
Asia other than Japan	99.3	12.3%	63.9	21.2%	15.1	3.8%
Middle East	479.2	59.3%	60.1	20.0%	232.0	57.7%
Oceania	0.5	0.1%	2.3	0.8%	1.9	0.5%
North, Central & South America	0.6	0.1%	0.4	0.2%	9.8	2.4%
Europe and CIS	0.1	0.0%	0.0	0.0%	0.0	0.0%
Total	807.6	100%	301.3	100%	402.3	100%

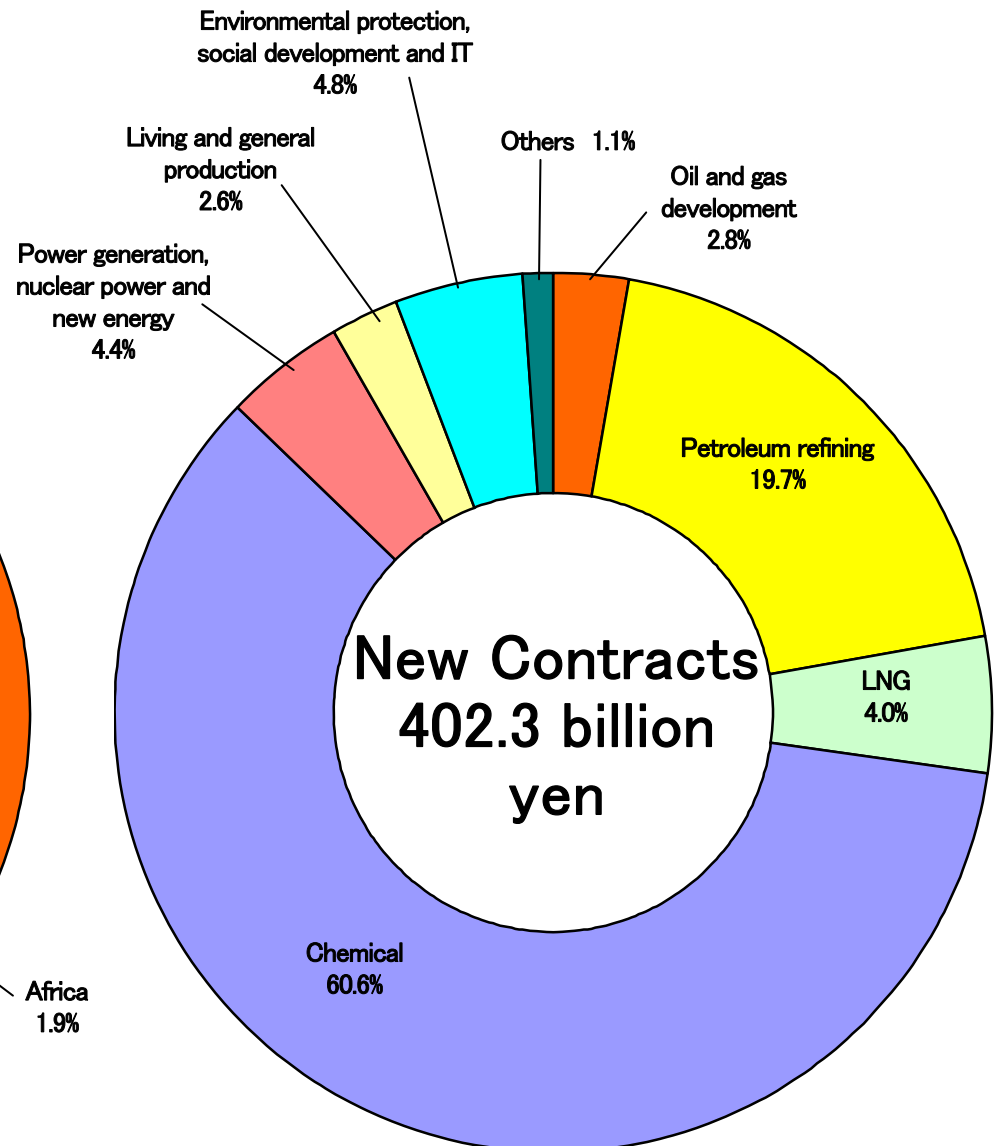
4-2. New contracts by business sector

(Unit: Billions of Yen)

	Mar. 2006		Mar. 2007		Mar. 2008	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Oil and gas development	143.9	17.8%	30.2	10.0%	11.3	2.8%
Petroleum refining	223.3	27.7%	89.1	29.6%	79.1	19.7%
LNG	104.2	12.9%	14.8	4.9%	16.0	4.0%
Chemical	254.7	31.5%	61.5	20.4%	243.9	60.6%
Power generation, nuclear power and new energy	44.3	5.5%	31.1	10.3%	17.7	4.4%
Living and general production	19.0	2.4%	48.7	16.2%	10.4	2.6%
Environmental protection, social development and IT	13.1	1.6%	20.0	6.7%	19.2	4.8%
Other	4.6	0.6%	5.5	1.9%	4.4	1.1%
Total	807.6	100%	301.3	100%	402.3	100%



Mar. 2008
New contract by region



Mar. 2008
New contract by business sector

4-3. Major contracts awarded

New contracts	¥ 402.3 billion
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Japan ¥ 135.7billion	¥ 10 billion or more	2 projects	<u>Petroleum refining (1 job)</u> <u>Chemical (1 job)</u>
	¥ 1 billion or more	9 projects	<u>Petroleum refining (3 jobs)</u> <u>Chemical (1 job)</u> <u>Living and general production (3 jobs)</u> <u>Environmental protection, social development and IT (2 jobs)</u>

Overseas ¥ 266.5 billion	¥ 10 billion or more	1 project	<u>Chemical (1 job)</u> • NCP Proj. (Saudi Arabia)
	¥ 1 billion or more	21 projects	<u>Oil and gas development (4 jobs)</u> <u>Petroleum refining (5 jobs)</u> • LSDP Proj. (Bahrain) • Dung Quat Refinery Proj. (Vietnam) and others <u>LNG (4 jobs)</u> • NLNG Train 6 Proj. (Nigeria) • Yemen LNG Proj. (Yemen) and others <u>Chemical (1 job)</u> • QAPCO Ethylene Expansion Proj. (Qatar) <u>Power generation, nuclear power and new energy (1 job)</u>

4-4. Forecasts of new contracts

< Consolidated >

(Unit: Billions of Yen)

	Mar. 2006 (Actual result)	Mar. 2007 (Actual result)	Mar. 2008 (Actual result)	Mar. 2009 (Forecast)
Japan	216.3	165.2	135.7	110.0 (2Q 50.0)
Overseas	591.2	136.0	266.5	590.0 (2Q 400.0)
Total	807.6	301.3	402.3	700.0 (2Q 450.0)

< Non-consolidated >

(Unit: Billions of Yen)

	Mar. 2006 (Actual result)	Mar. 2007 (Actual result)	Mar. 2008 (Actual result)	Mar. 2009 (Forecast)
Japan	177.1	124.5	82.1	70.0 (2Q 30.0)
Overseas	588.0	130.4	266.5	590.0 (2Q 400.0)
Total	765.1	255.0	348.7	660.0 (2Q 430.0)

4-5. Outstanding contracts by region

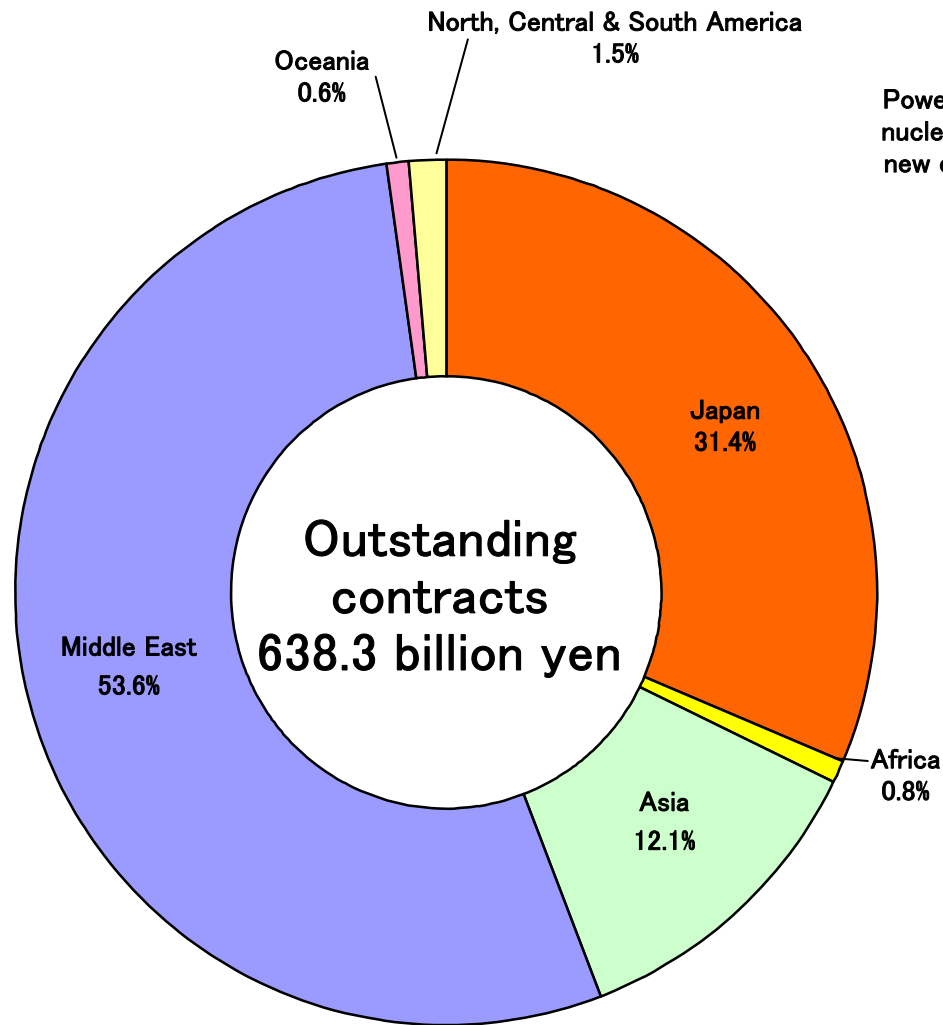
(Unit: Billions of Yen)

	Mar. 2006		Mar. 2007		Mar. 2008	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	207.7	20.3%	240.5	32.3%	200.3	31.4%
Africa	47.4	4.6%	19.1	2.6%	5.2	0.8%
Asia other than Japan	176.8	17.3%	157.2	21.1%	77.2	12.1%
Middle East	589.5	57.5%	323.2	43.4%	342.3	53.6%
Oceania	0.9	0.1%	3.3	0.4%	3.7	0.6%
North, Central & South America	1.7	0.2%	0.7	0.1%	9.2	1.5%
Europe and CIS	0.1	0.0%	0.3	0.1%	0.0	0.0%
Total	1,024.3	100%	744.6	100%	638.3	100%

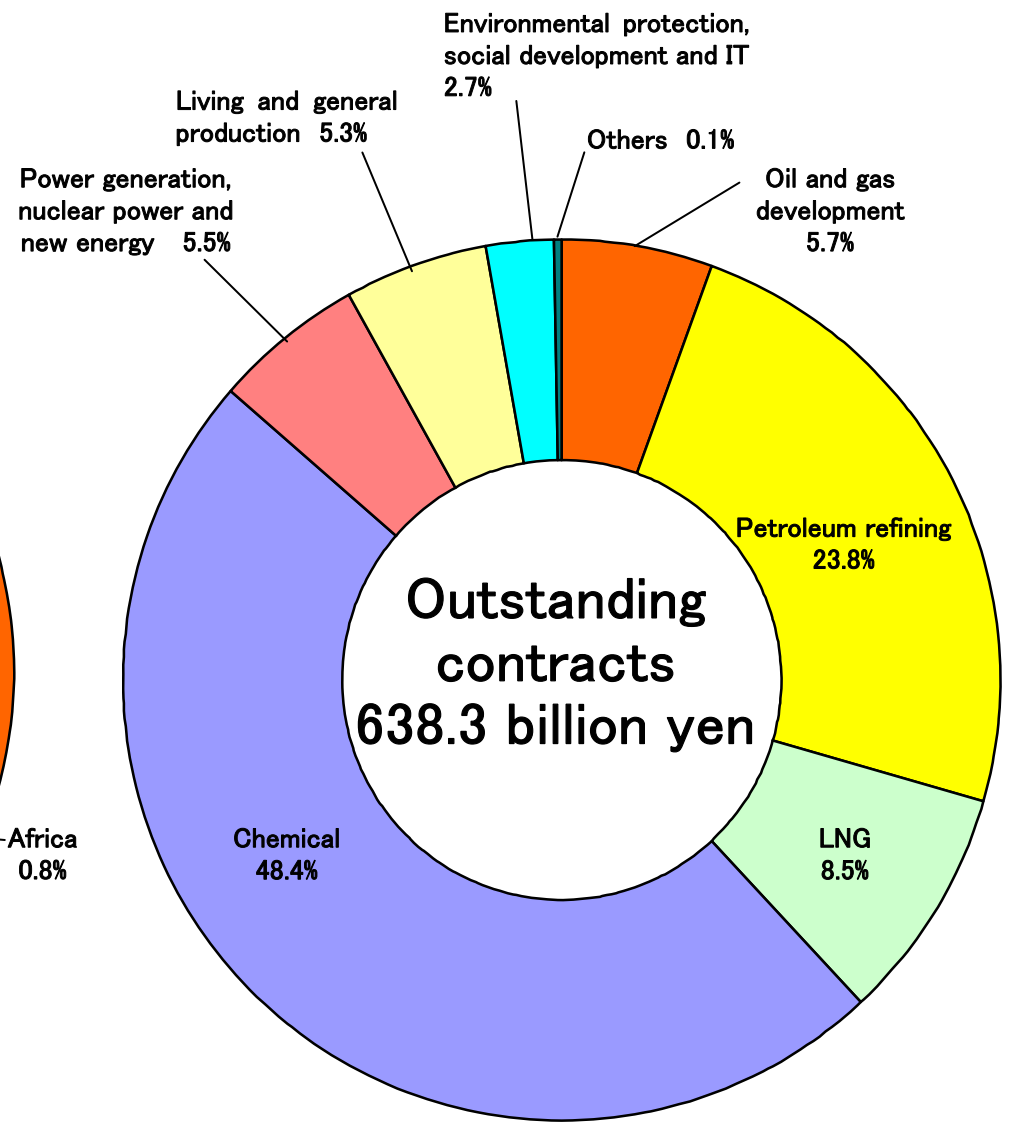
4-6. Outstanding contracts by business sector

(Unit: Billions of Yen)

	Mar. 2006		Mar. 2007		Mar. 2008	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Oil and gas development	211.0	20.6%	103.2	13.9%	36.0	5.7%
Petroleum refining	245.0	23.9%	204.1	27.4%	152.2	23.8%
LNG	187.5	18.3%	128.1	17.2%	54.5	8.5%
Chemical	296.5	28.9%	187.4	25.2%	309.1	48.4%
Power generation, nuclear power and new energy	51.1	5.0%	51.3	6.9%	34.9	5.5%
Living and general production	22.2	2.2%	53.8	7.2%	33.8	5.3%
Environmental protection, social development and IT	10.0	1.0%	15.8	2.1%	16.9	2.7%
Others	0.6	0.1%	0.4	0.1%	0.5	0.1%
Total	1,024.3	100%	744.6	100%	638.3	100%



Mar. 2008
Outstanding contracts by region



Mar. 2008
Outstanding contracts by business sector

4-7. Major outstanding contracts

Outstanding contracts	¥ 638.3 billion
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Japan ¥ 200.3 billion	¥ 10 billion or more	3 projects	<u>Petroleum refining (1 job)</u> <u>Chemical (2 jobs)</u>
	¥ 1 billion or more	24 projects	<u>Petroleum refining (10 jobs)</u> <u>Chemical (2 jobs)</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 ¥ 437.9 billion	¥ 30 billion or more	2 projects	<u>Chemical (2 jobs)</u> <ul style="list-style-type: none"> • NCP Proj. (Saudi Arabia) • Rabigh Proj. (Saudi Arabia)
	¥ 10 billion or more	6 projects	<u>Oil and gas development (2 jobs)</u> <ul style="list-style-type: none"> • Hawiyah NGL Recovery Proj. (Saudi Arabia) and other <u>Petroleum refining (1 job)</u> <ul style="list-style-type: none"> • Dung Quat Refinery Proj. (Vietnam) <u>LNG (2 jobs)</u> <ul style="list-style-type: none"> • Yemen LNG Proj. (Yemen) • Tangguh LNG Proj. (Indonesia) <u>Power generation, nuclear power and new energy (1 job)</u>