

Kurita Water Industries Ltd.

Results Presentation for the Year Ended March 31, 2011

(Stock code : 6370)

May 2, 2011

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【1】 Financial Highlights

(Billions of Yen)

	03/2010	03/2011	Year-on-year change	Revised projection issued Jan. 31, 2011	Initial projection
Orders	175.2	182.0	+ 3.9%	190.0	200.0
Net Sales	178.5	181.2	+ 1.5%	185.0	195.0
Operating Income	26.4	27.1	+ 2.9%	27.5	29.5
Ordinary Income	27.1	28.2	+ 3.9%	28.0	30.0
Net Income	17.3	17.1	- 0.9%	16.5	17.3

【2】 Impact of Great East Japan Earthquake

■ Direct impact on Kurita was relatively small

Kurita has no production facilities in the affected Tohoku region, and although it sustained some damage to buildings at offices in the region, no personnel were injured.



■ Impact on goods distribution

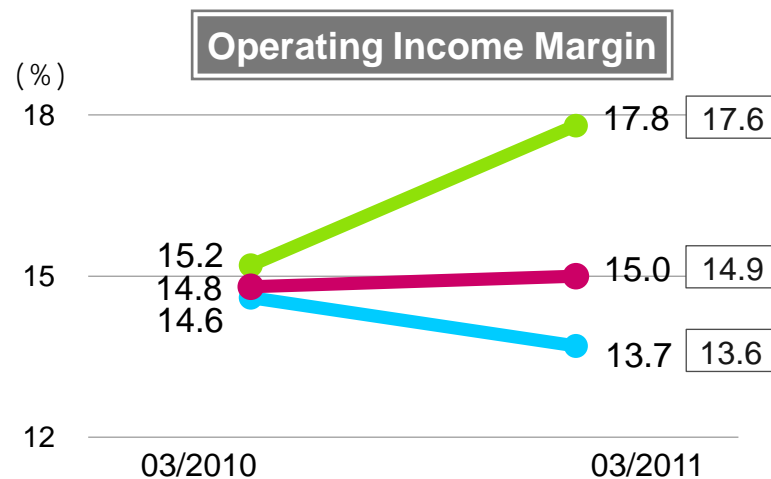
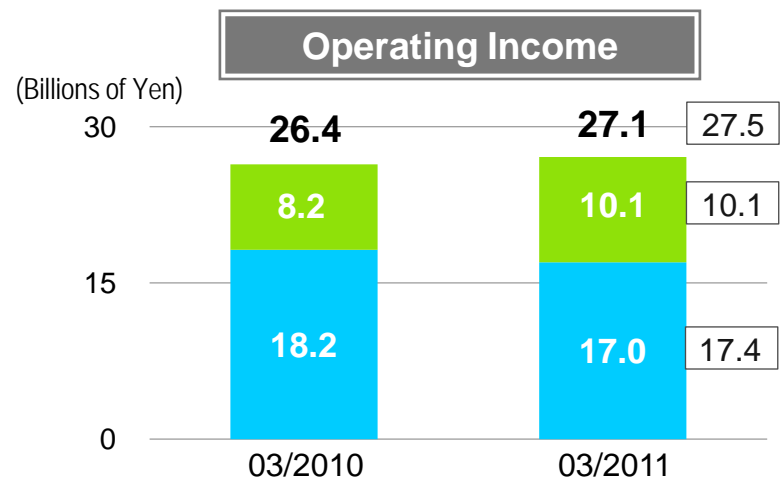
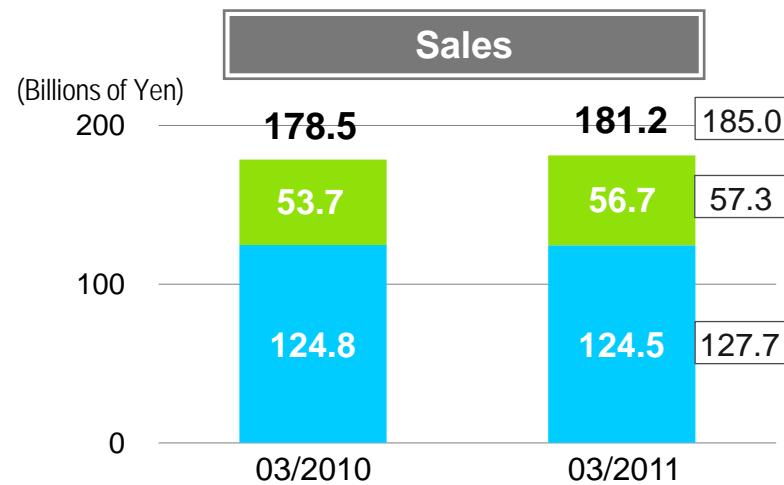
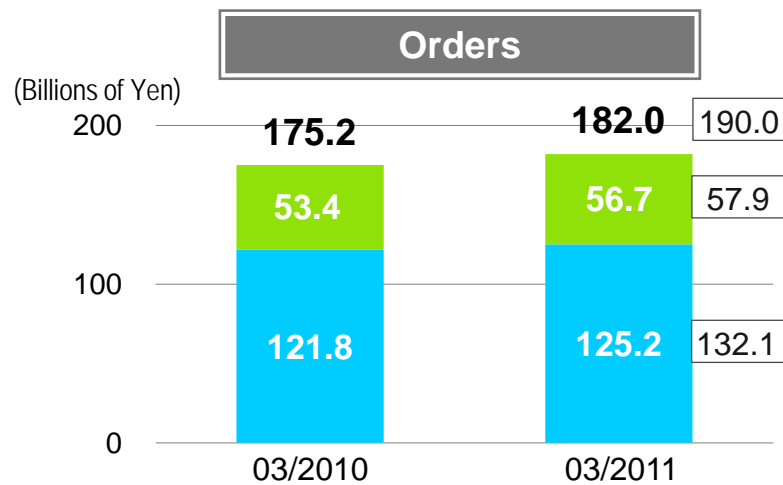
Deliveries of chemicals and procurement of raw materials were affected by distribution stoppages.

■ Decrease in orders and sales

The earthquake happened at the end of the fiscal year, so orders and sales were reduced due to postponement and cancellation of facility renewals.

【3】 Orders, Sales, Operating Income, and Operating Income Margin

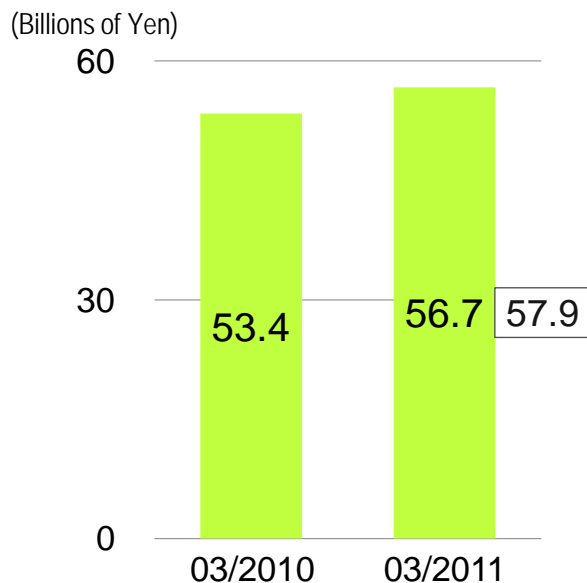
 Water treatment chemicals
  Water treatment facilities
  Total
 *  denotes revised projection



【4】 Water Treatment Chemicals

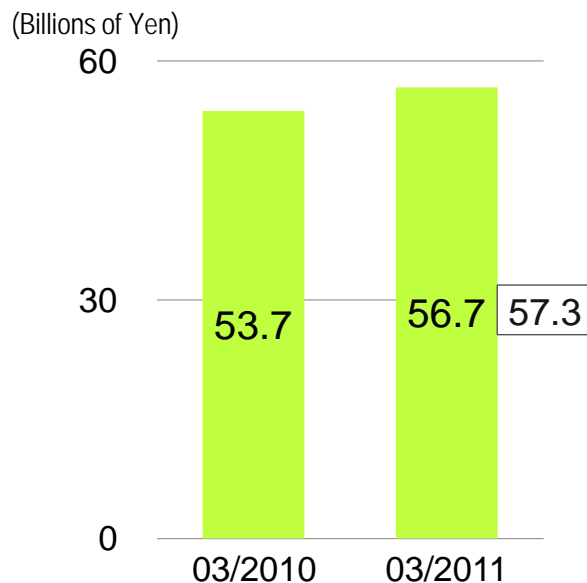
Orders

* □ denotes revised projection



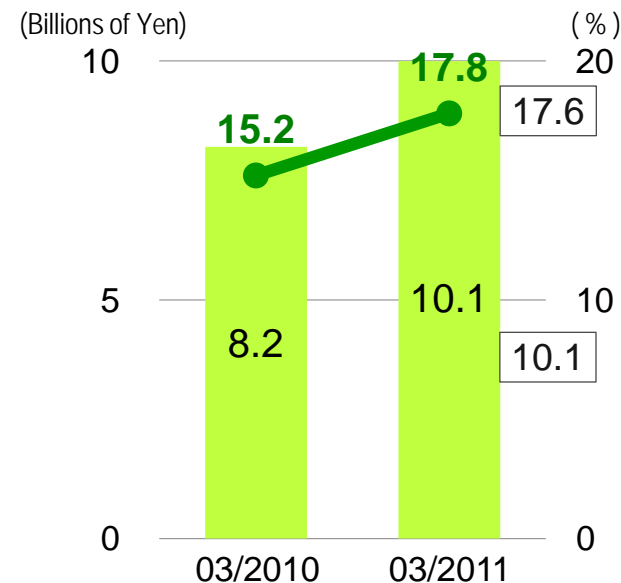
Sales

* □ denotes revised projection



Operating Income and Operating Income Margin

■ Operating income
●—● Operating income margin
* □ denotes revised projection



【 Major areas of growth/decline in orders/sales 】

- Japan: Increase for mainstay products (+)
- Overseas: Substantial growth in Indonesia, China, Singapore, Taiwan, Brazil, etc. (+)

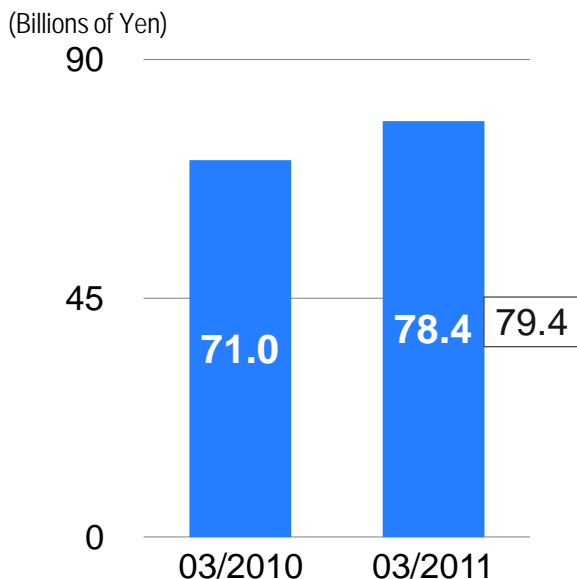
【 Major determinants of change 】

- Impact of revenue growth (+)
- Efforts to reduce cost of sales (+)

【5】 Water Treatment Facilities (for the electronics industry)

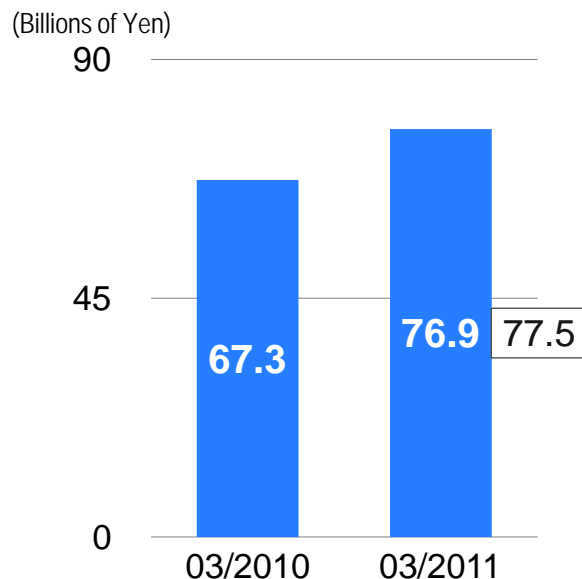
Orders

* □ denotes revised projection





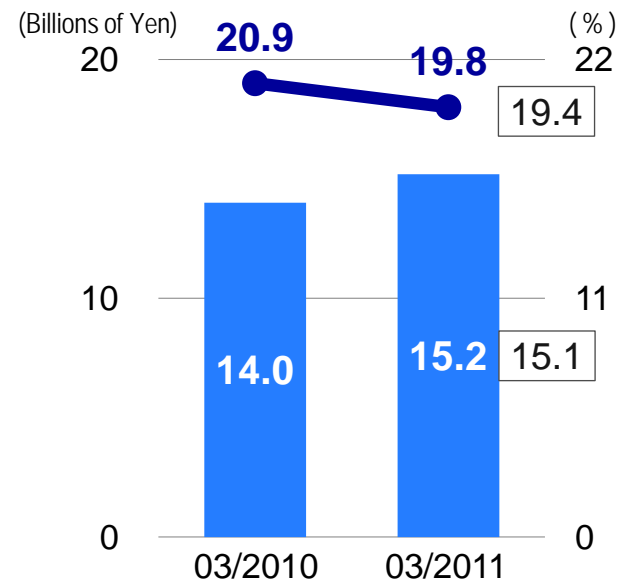
Sales

* □ denotes revised projection



Operating Income and Operating Income Margin

 Operating income
 Operating income margin
 * □ denotes revised projection



【 Major areas of change 】

- Substantial increase in hardware overseas (+)
- Increase in hardware in Japan (+)
- Recovery in maintenance services (+)
- Marginal increase in the ultrapure water supply business (+)
- Decrease in tool cleaning services (-)

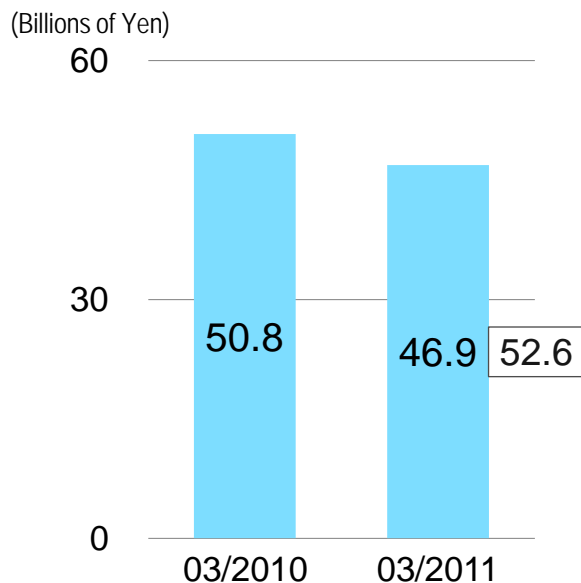
【 Major determinants of change 】

- Effect of improved cost of sales (+)
- Recovery in maintenance services (+)
- Cost increases in the ultrapure water supply business (-)

【6】 Water Treatment Facilities (for general industries)

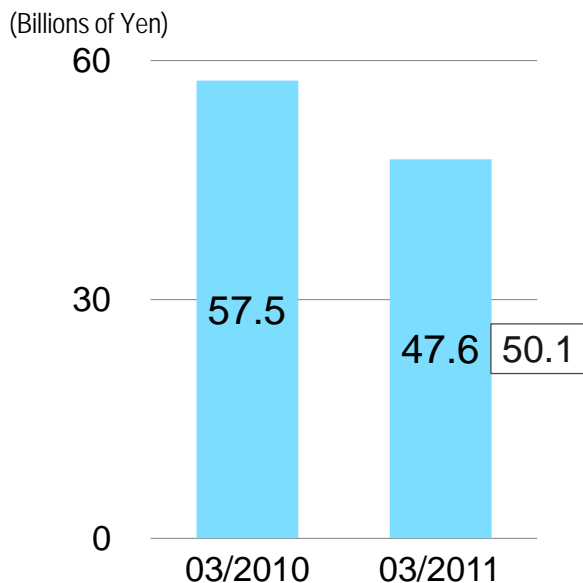
Orders

* □ denotes revised projection





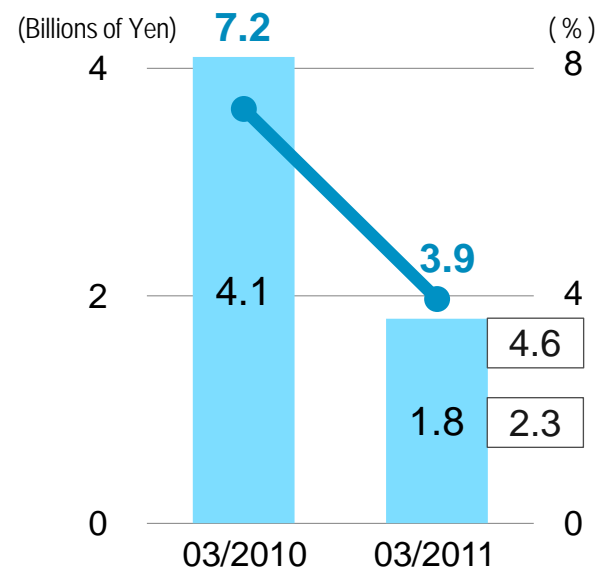
Sales

* □ denotes revised projection



Operating Income and Operating Income Margin

 Operating income
 Operating income margin
 * □ denotes revised projection



【 Major areas of change 】

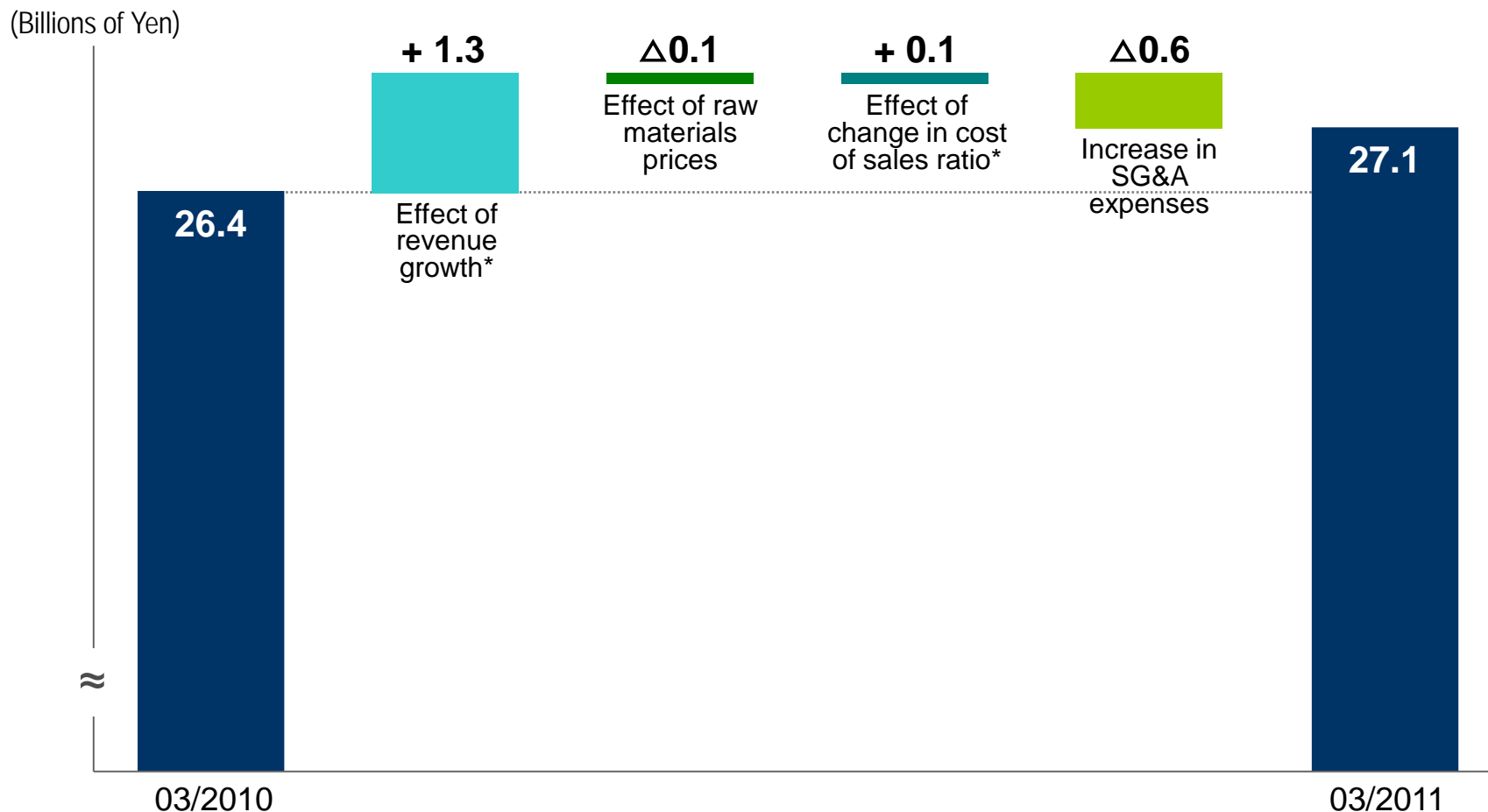
- Recovery in maintenance services (+)
- Decline in hardware (-)
- Decline in orders from the electric power industry (-)
- Decline in soil remediation (-)

【 Major areas of change 】

- Recovery in maintenance services (+)
- Decline in hardware (-)
- Decline in soil remediation (-)

【 Major determinants of change 】

- Recovery in maintenance services (+)
- Decline in hardware (-)
- Decline in soil remediation (-)

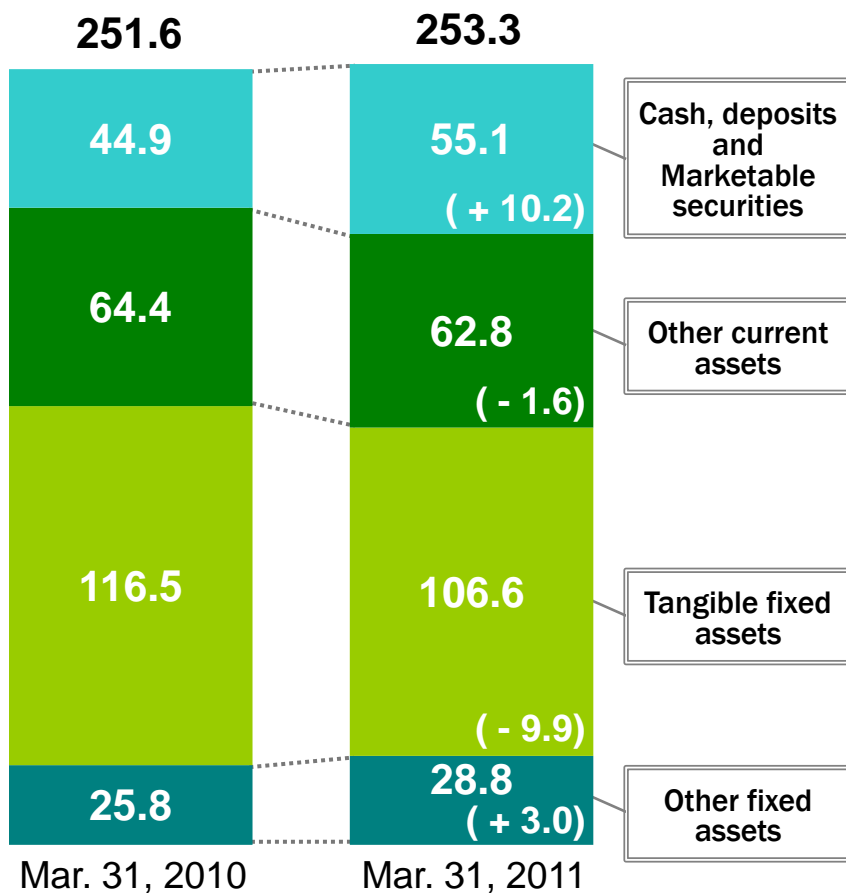
【7】 Analysis of Changes in Operating Income for the Fiscal Year Ended March 31, 2011

*The effects of revenue growth and change in the cost of sales ratio are calculated using the gross profit margin.

【8】 Financial Condition

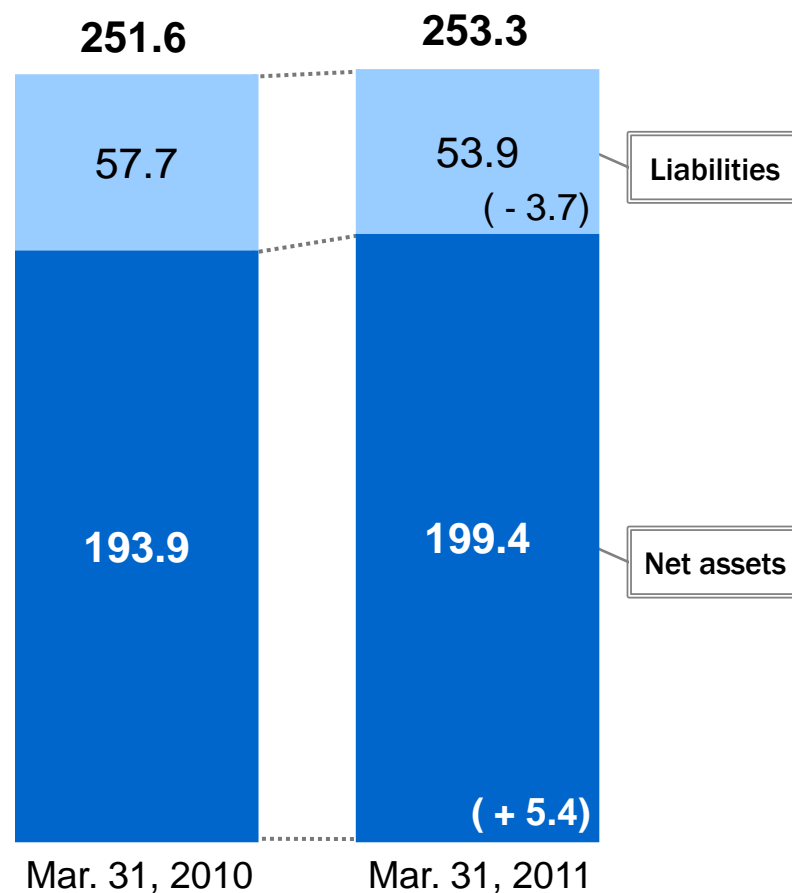
Assets

(Billions of Yen)



Liabilities and Net Assets

(Billions of Yen)



【9】 Share Buyback

Buyback details	4.77 billion yen 1,988,400 shares As a percentage of the number of outstanding shares (excluding treasury stock) : 1.55%
Buyback period	November 8, 2010 – December 22, 2010

To improve capital efficiency and ensuring a flexible capital strategy.

- 【 1 】 Key Assumptions**
 - 【 2 】 Overview**
 - 【 3 】 Orders, Sales, Operating Income, and Operating Income Margin**
 - 【 4 】 Water Treatment Chemicals**
 - 【 5 】 Water Treatment Facilities (for the electronics industry)**
 - 【 6 】 Water Treatment Facilities (for general industries)**
 - 【 7 】 Service Business Revenue**
 - 【 8 】 Overseas Businesses**
 - 【 9 】 Outlook for the Ultrapure Water Supply Business**
 - 【10】 Capital Expenditures, Depreciation, and R&D Expenses**
 - 【11】 Dividend Policy**
-

【1】 Key Assumptions

Water Treatment Chemicals Segment



- Demand will grow in Asia and emerging countries
- Demand will stay at low level in Japan
- Raw materials prices may rise

Water Treatment Facilities Segment



- Capital expenditure demand will rise in the Asian electronics industry
- Subdued capital expenditure in Japan
- Demand for maintenance services in Japan will continue on its recovery path

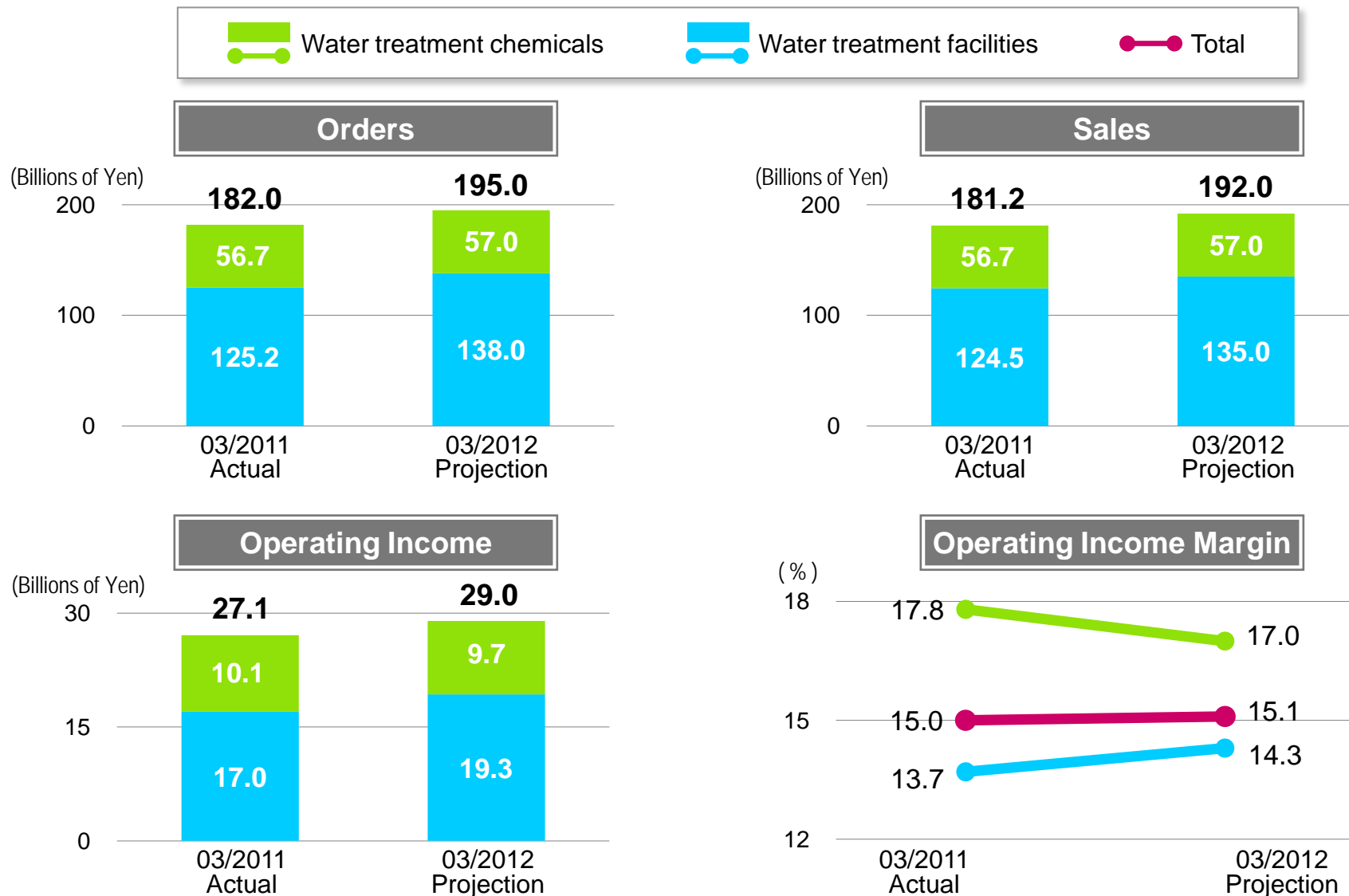
【 Impact of Great East Japan Earthquake 】

- Electric power and parts shortages could affect customers' capacity utilization and capital expenditure.
- Kurita will make every effort to restore customers' water treatment facilities affected by the disaster to help reinstate production activities.

【2】 Overview

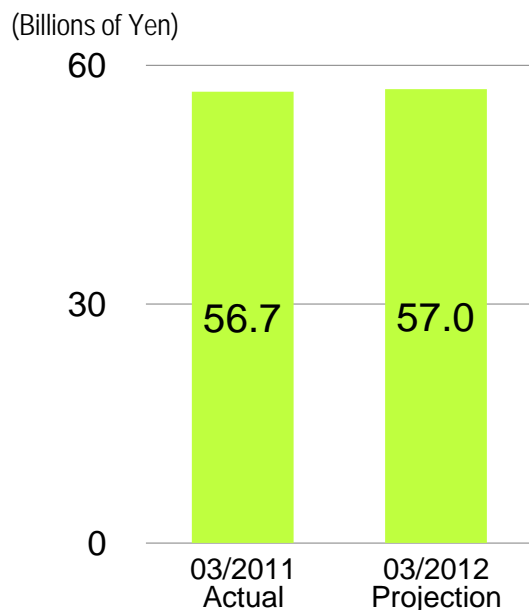
			(Billions of Yen)
	03/2011 Actual	03/2012 Projection	Year-on-year change
Orders	182.0	195.0	+ 7.2%
Net Sales	181.2	192.0	+ 5.9%
Operating Income	27.1	29.0	+ 6.9%
Ordinary Income	28.2	29.5	+ 4.8%
Net Income	17.1	17.4	+ 1.5%

【3】 Orders, Sales, Operating Income, and Operating Income Margin

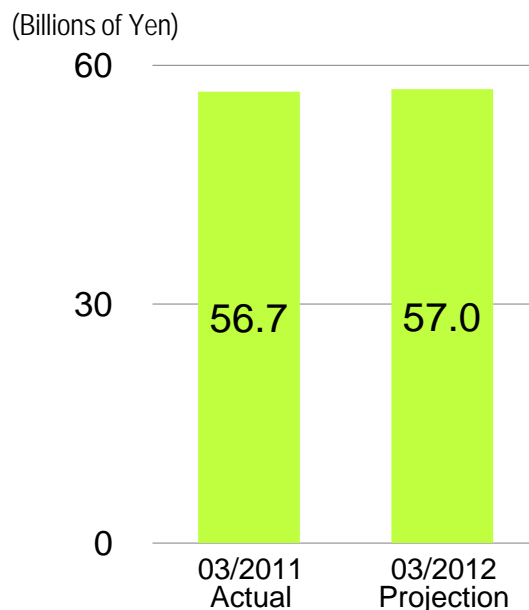


【4】 Water Treatment Chemicals

Orders

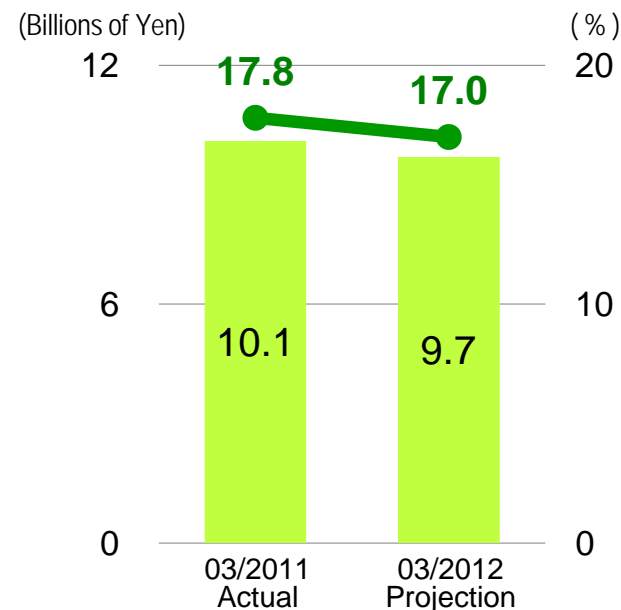


Sales



Operating Income and Operating Income Margin

Operating income
 Operating income margin



【 Major areas of growth/decline in orders/sales 】

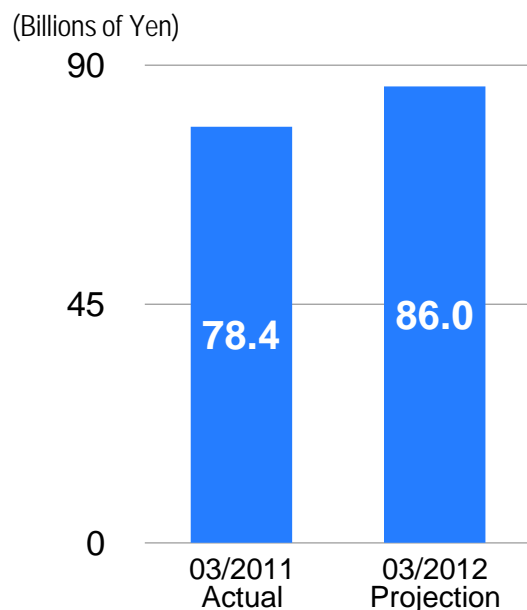
- Japan: Decline in customers' capacity utilization due to the disaster (-)
- Overseas: Demand growth centering on Asia (+)

【 Major determinants of change 】

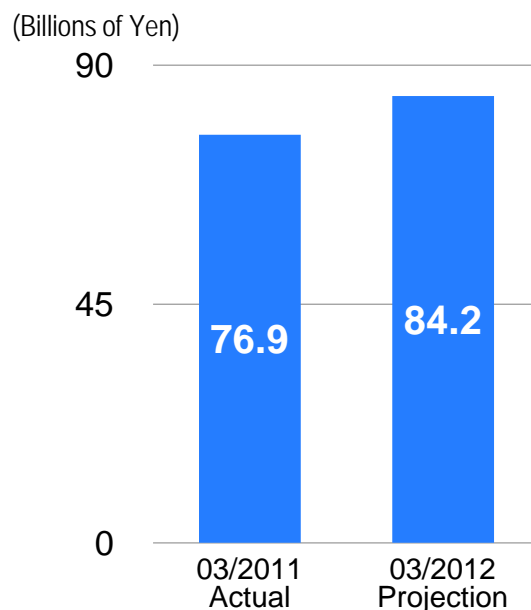
- Impact of revenue growth (+)
- Increase in cost of sales (-)

【5】 Water Treatment Facilities (for the electronics industry)

Orders

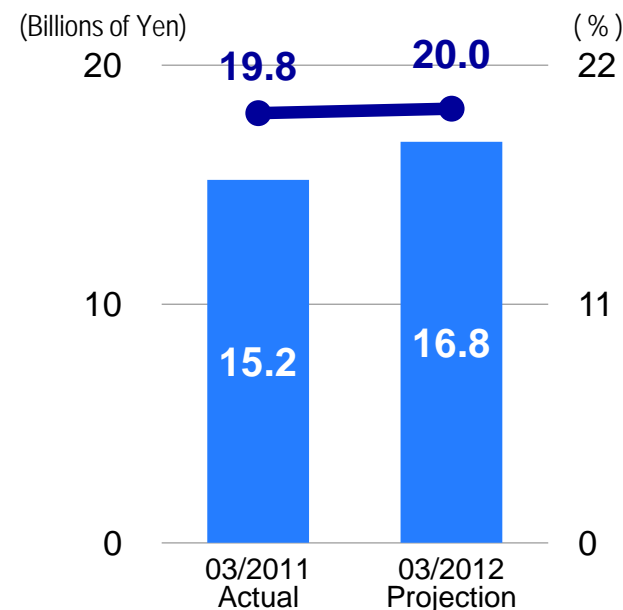


Sales



Operating Income and Operating Income Margin

Operating income
 Operating income margin



【 Major areas of change 】

- Expansion in hardware overseas (+)
- Recovery in maintenance services (+)

【 Major areas of change 】

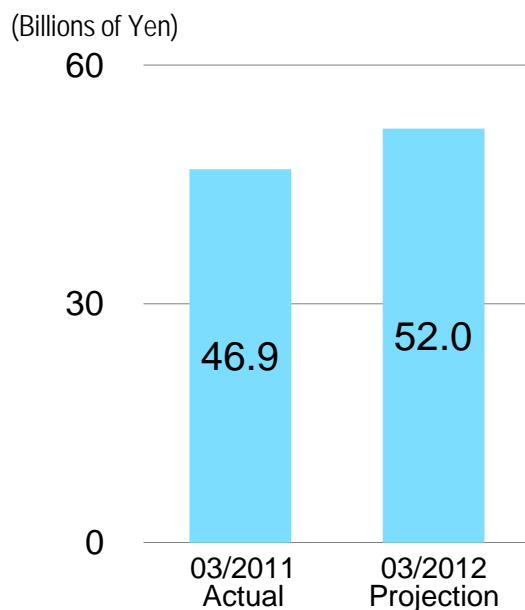
- Expansion in hardware overseas (+)
- Recovery in maintenance services (+)

【 Major determinants of change 】

- Impact of revenue growth(+)
- Effect of improved cost of sales (+)

【6】 Water Treatment Facilities (for general industries)

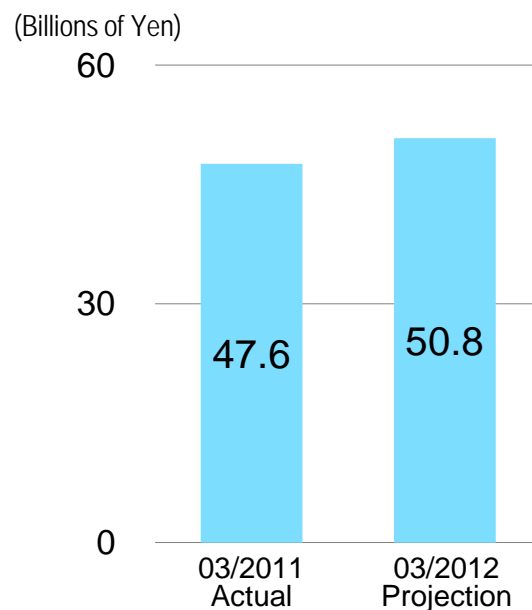
Orders



【 Major determinants of change 】

- Recovery in maintenance services (+)

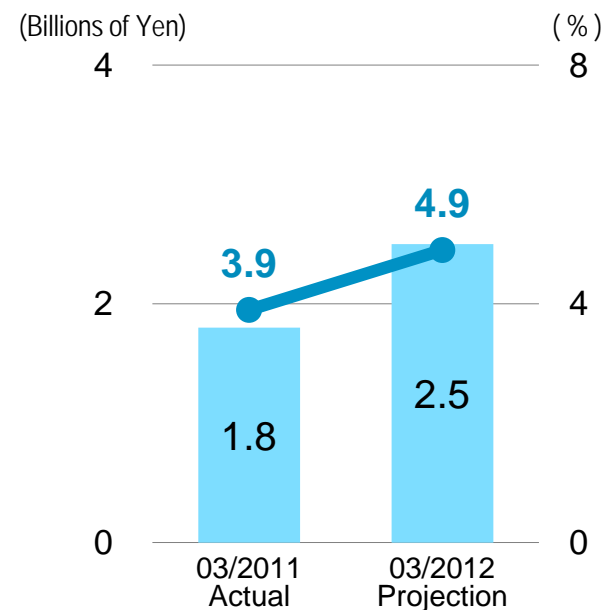
Sales



【 Major determinants of change 】

- Recovery in maintenance services (+)

Operating Income and Operating Income Margin

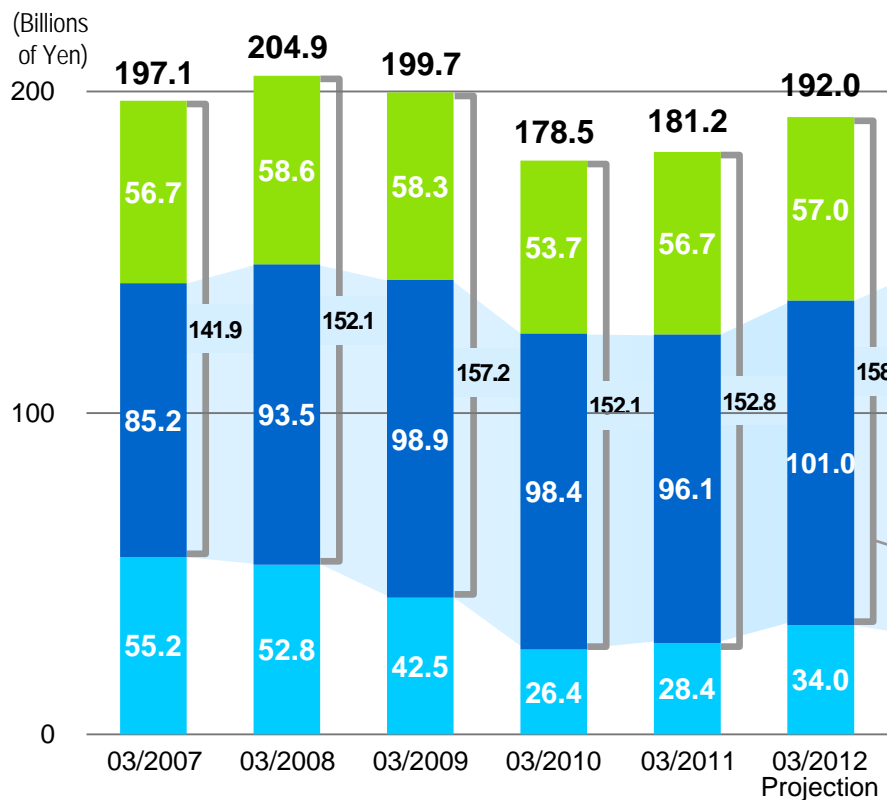


【 Major determinants of change 】

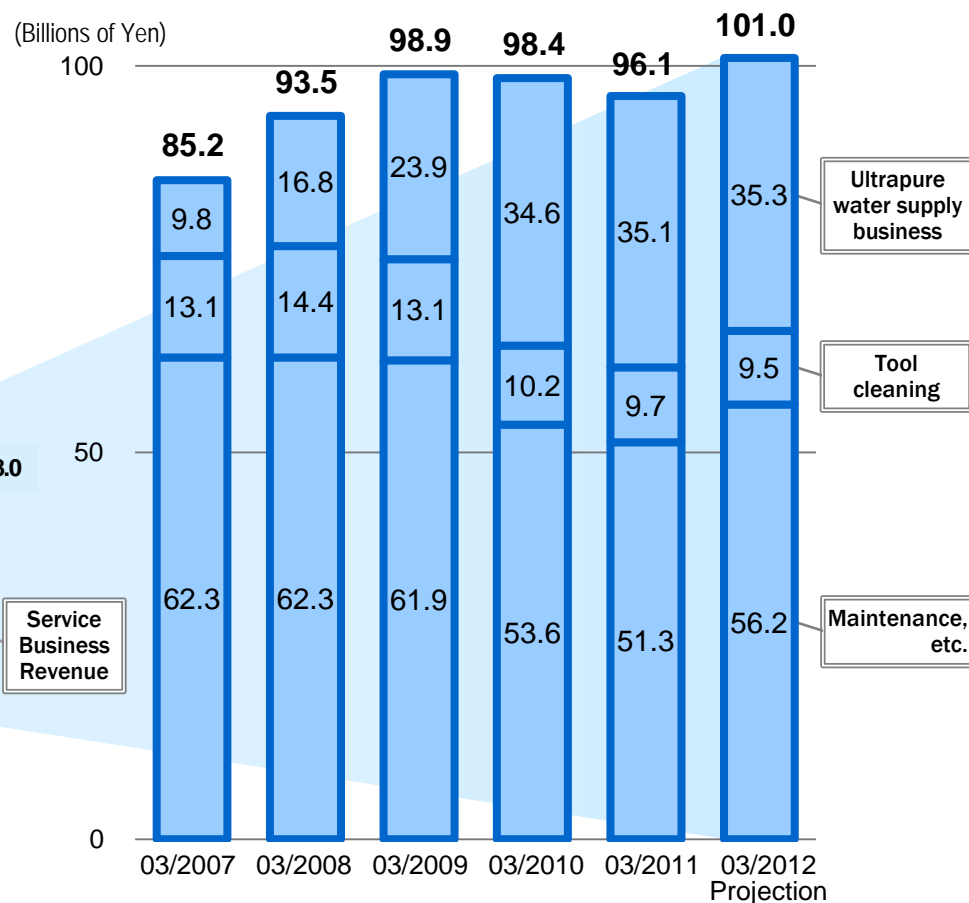
- Recovery in maintenance services (+)

【7】 Service Business Revenue

- Water treatment chemicals
- Water treatment facilities (services)
- Water treatment facilities (hardware)

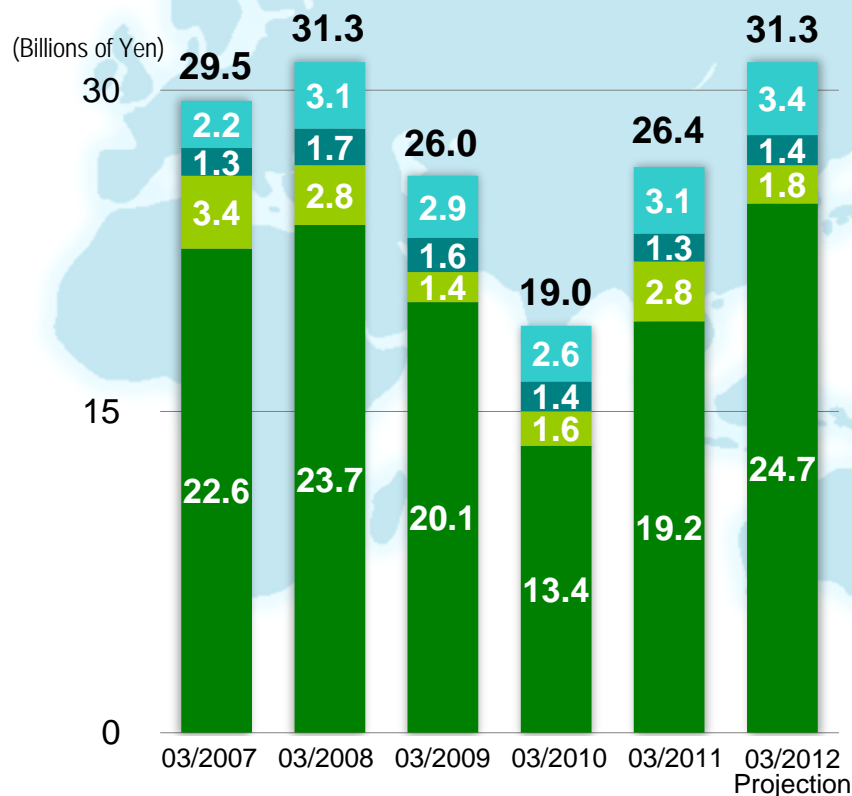


Service Business Revenue in the Water Treatment Facilities Segment

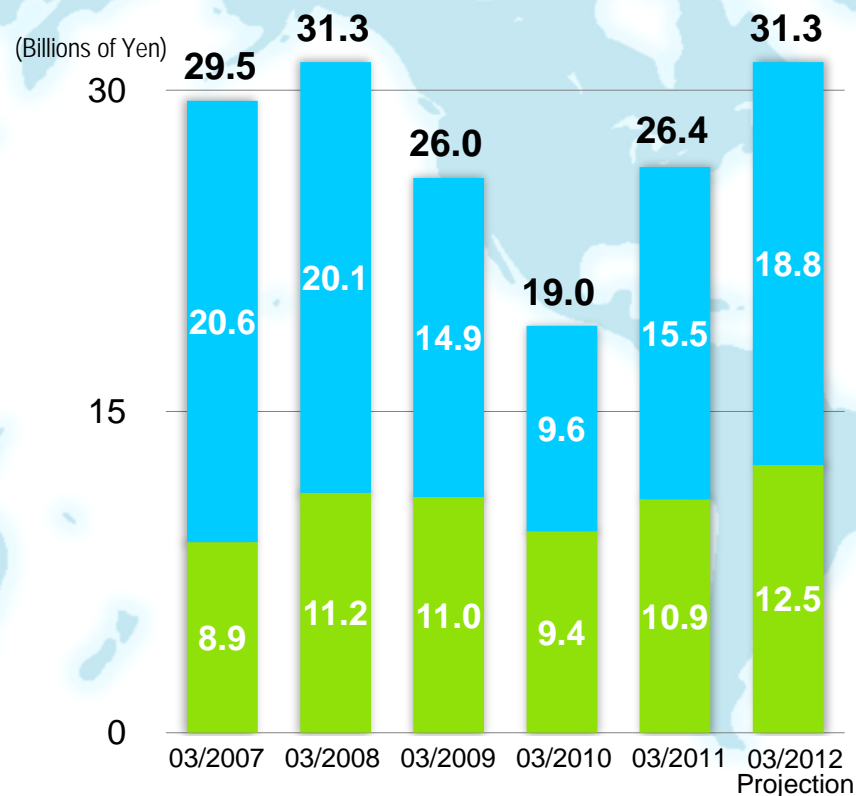
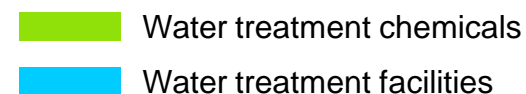


【8】 Overseas Businesses

Sales by Region



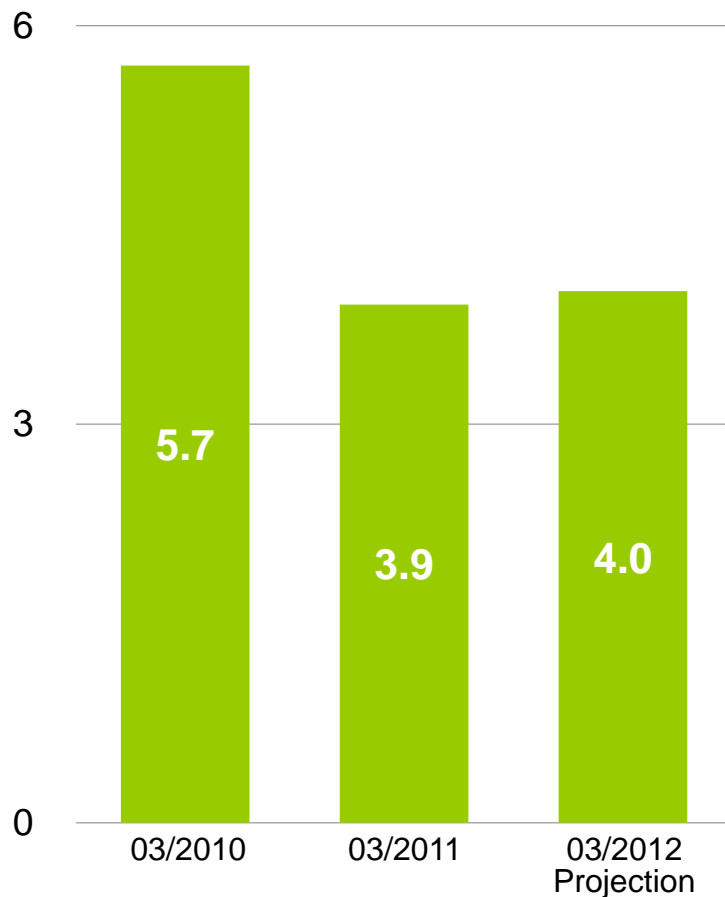
Sales by Overseas Business Segment



【9】 Outlook for the Ultrapure Water Supply Business

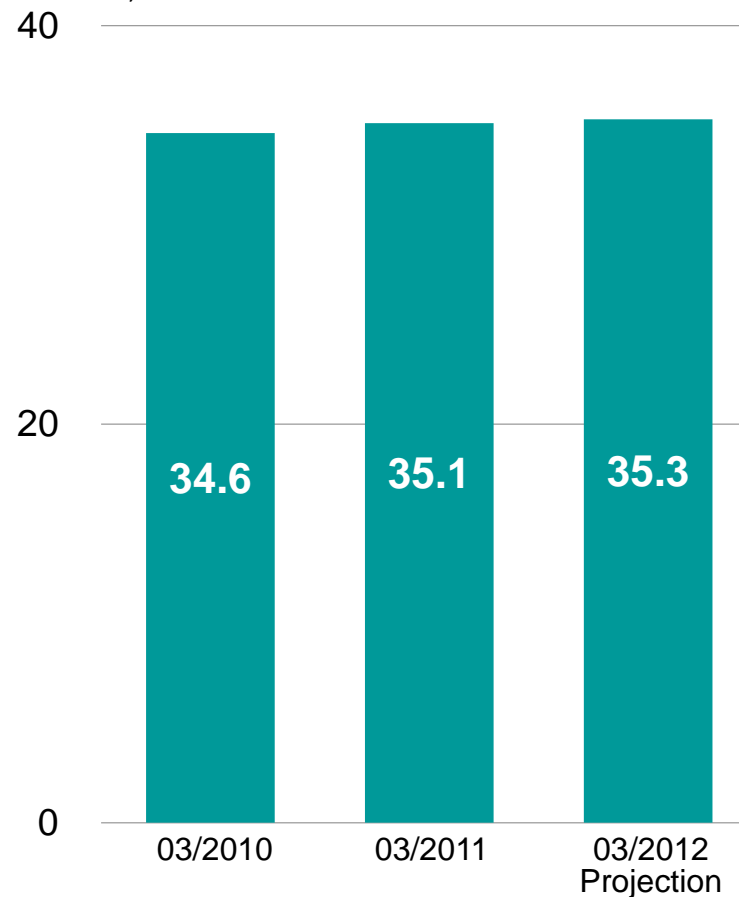
Capital Expenditures

(Billions of Yen)



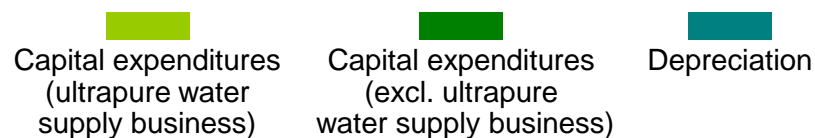
Sales

(Billions of Yen)



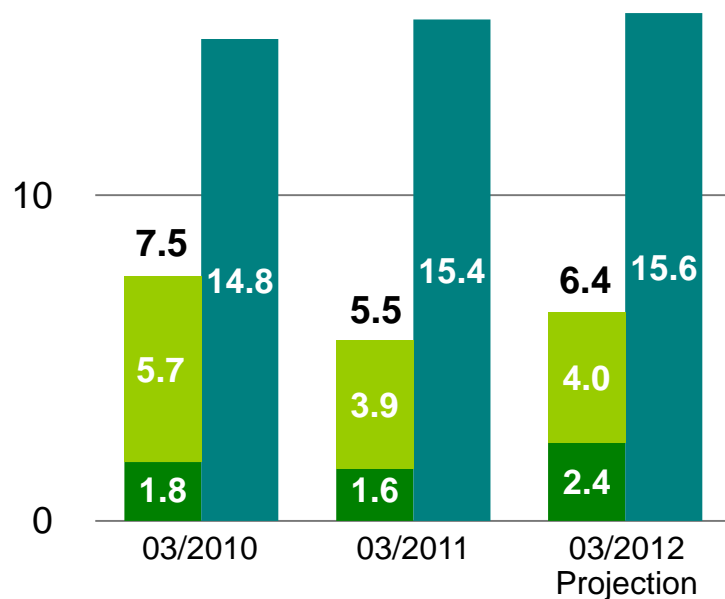
【10】 Capital Expenditures, Depreciation, and R&D Expenses

Capital Expenditures and Depreciation

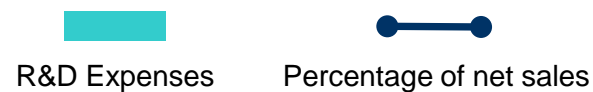


(Billions of Yen)

20



R&D Expenses

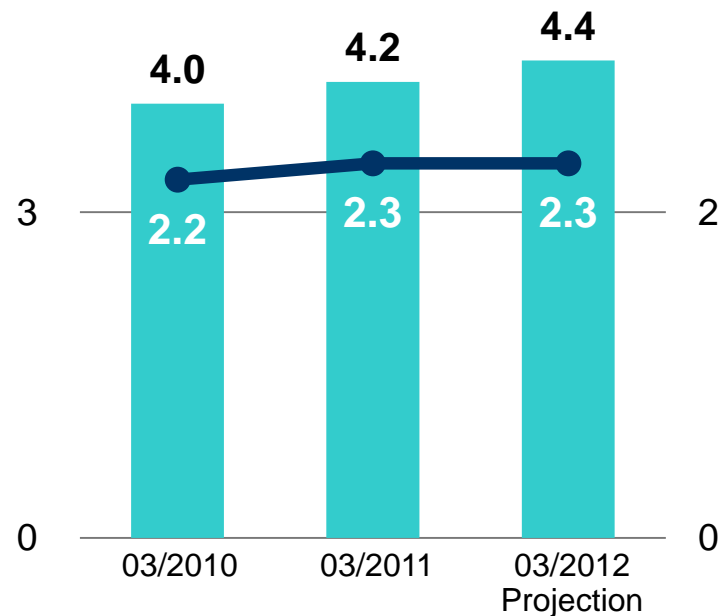


(Billions of Yen)

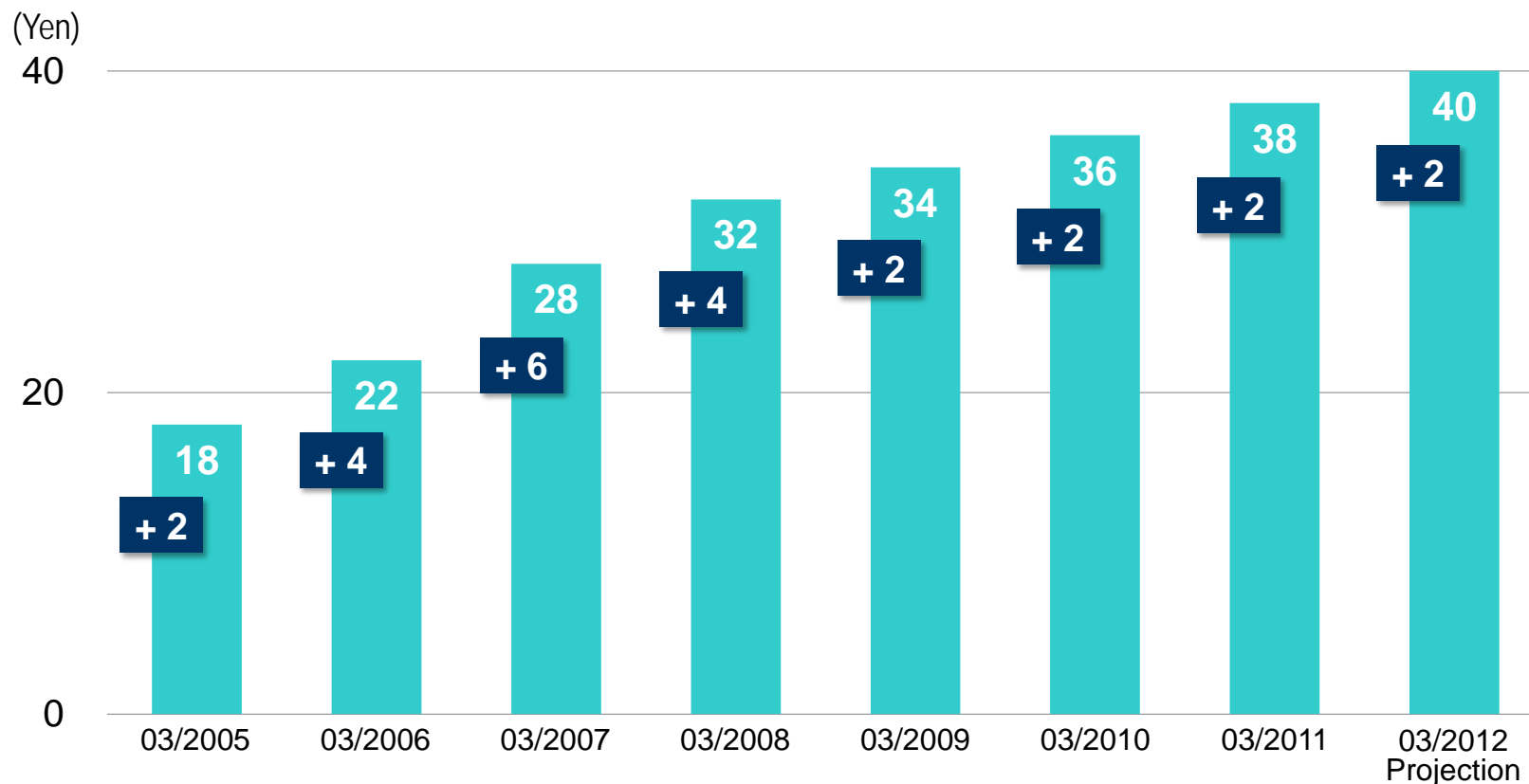
6

(%)

4



【11】 Dividend Policy

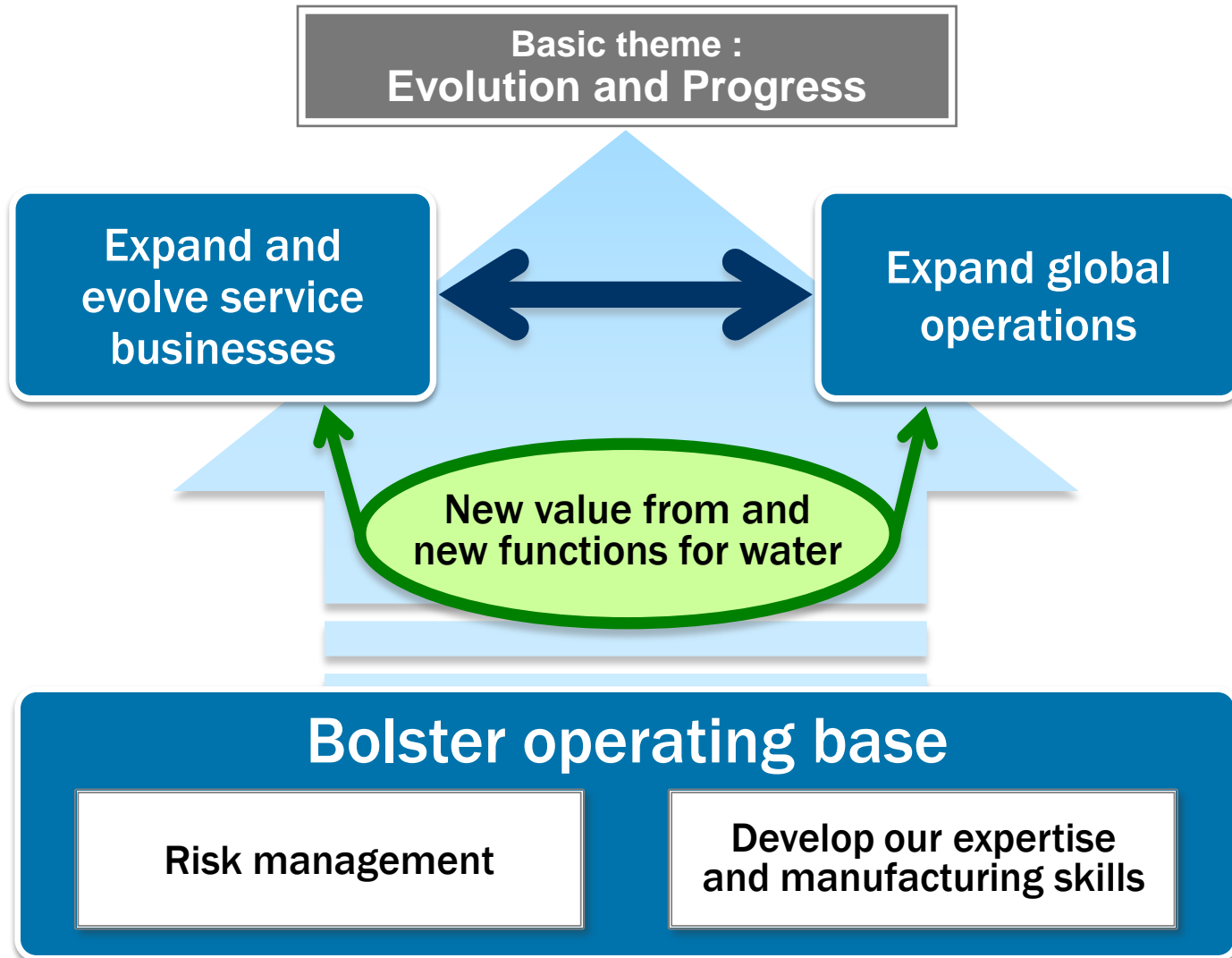


Basic Dividend Policy

Kurita's basic policy is to maintain stable dividends, and the company will work to increase dividends while giving due consideration to trends in results and investments in its businesses.

- 【 1 】 Basic themes and medium-term vision**
 - 【 2 】 Expand and evolve service businesses**
 - 【 3 】 Expand global operations - 1 : Service provision**
 - 【 4 】 Expand global operations - 2 : Promising markets and recent initiatives**
 - 【 5 】 Develop new products and businesses - 1 : Electro-osmosis dehydrator**
 - 【 6 】 Develop new products and businesses - 2 : Bioplanet**
-

【1】 Basic themes and medium-term vision



【2】 Expand and evolve service businesses

Water Treatment Chemicals Business

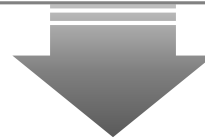
CAP (Co-operative Advanced Program)

- Sharing of key issues
- Mitigation of environmental burdens
- Enhancement of productivity



New tools

- Integration with IT systems
- Sensing technology
- Visualization of results



【 Service evolution 】

Highly unique
problem-solving
capabilities

Simultaneous
launch at all of
customer's plants

Expansion into
overseas markets

【3】 Expand global operations - 1 : Service provision

Provide valuable services to customers

**Environmental mitigation • Productivity enhancement •
Reduction in operating costs**



**Focused sales
(by region, industry, customer)**



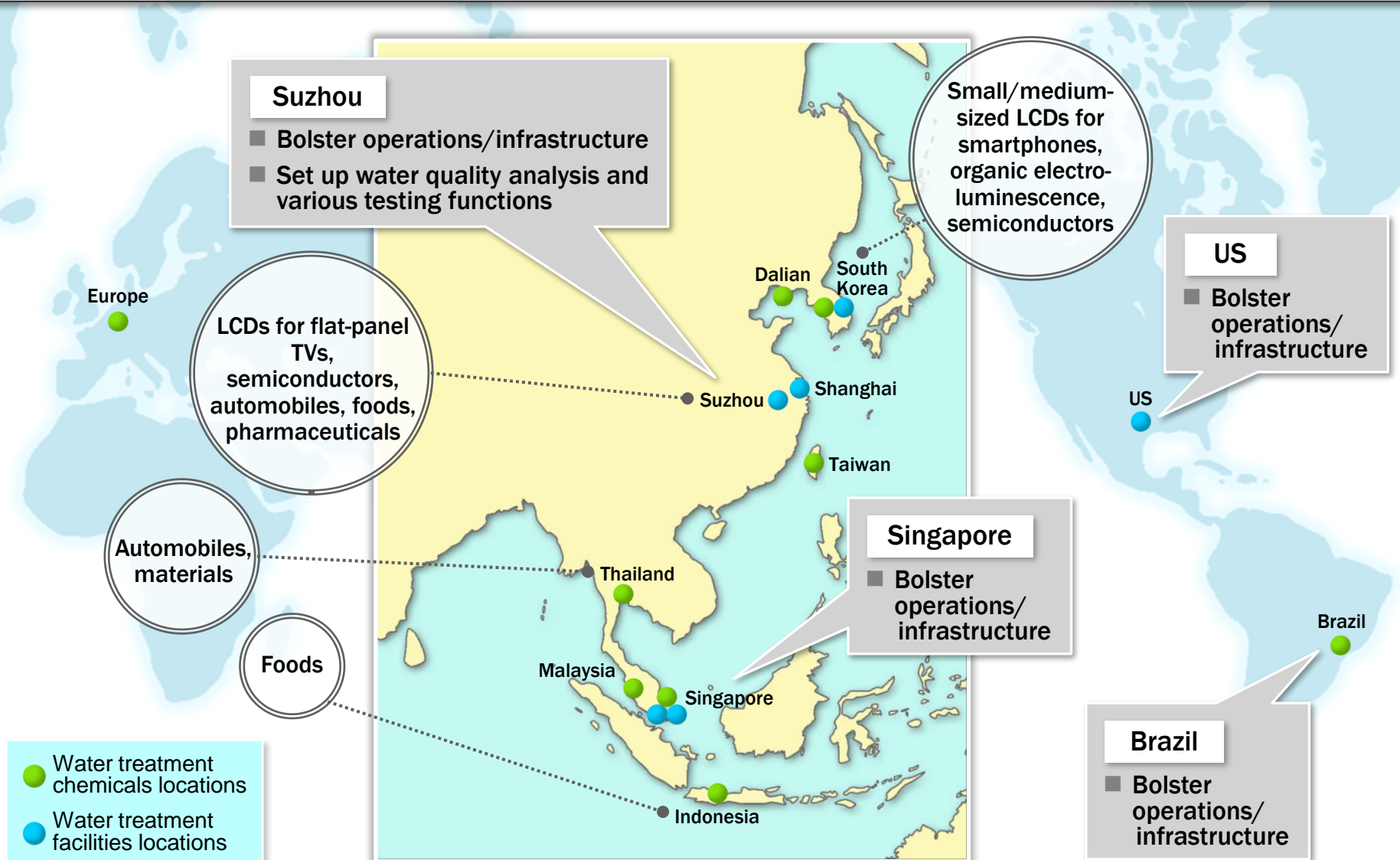
**"Hard" and "soft" technologies
Wastewater reclamation and
recycling**



**Integrated service
(preliminary studies, design,
production, performance validation)**

Collaboration with local firms

【4】 Expand global operations - 2 : Promising markets and recent initiatives



【5】 Develop new products and businesses - 1 : Electro-osmosis dehydrator

Electro-osmosis dehydrator (Hydopress® E)

- Uses Kurita's unique dewatering technology. Sludge is charged with electricity to generate an electro-osmotic flow and pressure, which forces out water.
- Reduces sludge volume by about 50% and CO₂ emissions to about 1/3 vs. conventional technology.

【 Before dehydrating 】
(80% hydration)



Excess sludge dehydrated with
centrifugal dehydrator

【 After dehydrating 】
(60% hydration)



Sludge at left after dehydrating
with electro-osmosis dehydrator

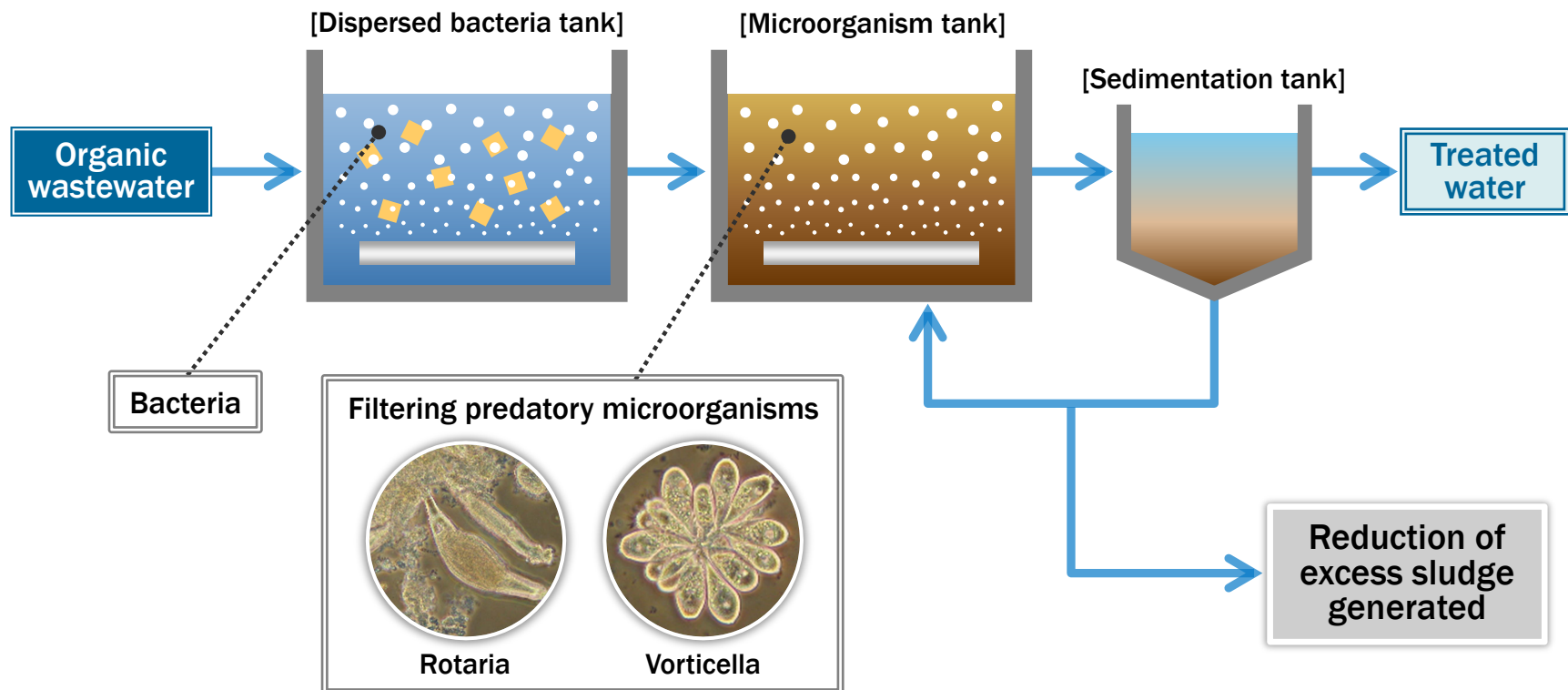


View of electro-osmosis dehydrator

【6】 Develop new products and businesses - 2 : Bioplanet

Bioplanet

- System that uses the natural food chain to reduce sludge produced by the treatment of wastewater.
- Can reduce up to 75% of excess sludge in new facilities.



Kurita Water Industries Ltd.

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Forward-looking Statements

This presentation contains forward-looking statements, business plan projections, and judgments based on information available to management at the time of writing. Due to the existence of a variety of risk factors and uncertainties, actual results may differ from those specified or implied by these forward-looking statements and projections.