

# Half-Year Consolidated Financial Summary

For the Six Months Ended September 30, 2004

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November 9, 2004



Forecasts contained in this report are based on management's assumption and beliefs in light of the information currently available. But they may be subject to change due to a wide range of factors, and no warranty is made regarding their attainability.

## Results of Operations

Unit: Millions of yen

	2004/3				2005/3				Full Year Projected at start of this FY	Full Year Revised Forecast	Amount Change from Previous Year
	1st Half Result	Amount Change from Previous Year	Full Year Result	Amount Change from Previous Year	1st Half Projected	1st Half Result	Amount Change from Previous Year	Amount Change from Projected			
Orders	78,197	+10,197	149,735	+21,304	84,500	84,651	+6,454	+151	168,000	168,000	+18,265
Water treatment Chemicals	24,213	+410	47,516	+1,066	25,600	26,246	+2,033	+646	50,800	50,800	+3,284
Water treatment Facilities	53,984	+9,787	102,218	+20,237	58,900	58,404	+4,420	-496	117,200	117,200	+14,982
Net Sales	64,581	+2,847	146,819	+5,191	72,000	71,170	+6,589	-830	161,800	161,800	+14,981
Water treatment Chemicals	23,645	+431	47,442	+326	24,600	24,760	+1,115	+160	50,200	50,200	+2,758
Water treatment Facilities	40,936	+2,416	99,377	+4,865	47,400	46,409	+5,473	-991	111,600	111,600	+12,223
(Cost of Sales Ratio)	(67.6%)	(-0.5)	(69.1%)	(-0.0)	(68.6%)	(67.5%)	(-0.1)	(-1.1)	(68.6%)	(68.6%)	(-0.5)
Gross Profit	20,943	+1,213	45,386	+1,605	22,600	23,130	+2,187	+530	50,800	50,800	+5,414
SG & A Expenses	16,720	+1,330	31,895	+421	17,000	16,692	-28	-308	33,700	33,700	+1,805
(% of Net Sales)	(25.9%)	(+1.0)	(21.7%)	(-0.5)	(23.6%)	(23.5%)	(-2.4)	(-0.2)	(20.8%)	(20.8%)	(-0.9)
Operating Income	4,223	-116	13,490	+1,183	5,600	6,438	+2,215	+838	17,100	17,100	+3,610
(% of Net Sales)	(6.5%)	(-0.5)	(9.2%)	(+0.5)	(7.8%)	(9.0%)	(+2.5)	(+1.3)	(10.6%)	(10.6%)	(+1.4)
Net of non-operating income and expenses	203	-18	448	+355	100	321	+118	+221	300	600	+152
Ordinary Income	4,426	-134	13,938	+1,538	5,700	6,759	+2,333	+1,059	17,400	17,700	+3,762
(% of Net Sales)	(6.8%)	(-0.6)	(9.5%)	(+0.7)	(7.9%)	(9.5%)	(+2.7)	(+1.6)	(10.8%)	(10.9%)	(+1.4)
Net Income	2,414	+241	8,444	+2,968	3,200	3,834	+1,420	+634	10,000	10,000	+1,556
(% of Net Sales)	(3.7%)	(+0.2)	(5.8%)	(+1.9)	(4.4%)	(5.4%)	(+1.6)	(+0.9)	(6.2%)	(6.2%)	(+0.4)
Net income per share (yen)	18.77	+2.34	64.60	+23.93	24.89	29.82	+11.05	+4.93	76.70	76.63	+12.03

## Orders, Sales, Operating Income by Segment

Unit: Billions of yen

	2004/3				2005/3						
	1st Half Result	Amount Change from Previous Year	Full Year Result	Amount Change from Previous Year	1st Half Projected	1st Half Result	Amount Change from Previous Year	Amount Change from Projected	Full Year Projected at start of this FY	Full Year Revised Forecast	Amount Change from Previous Year
Orders	78.2	+10.2	149.7	+21.3	84.5	84.7	+6.5	+0.2	168.0	168.0	+18.3
Water treatment Chemicals	24.2	+0.4	47.5	+1.1	25.6	26.2	+2.0	+0.6	50.8	50.8	+3.3
Water treatment Facilities	54.0	+9.8	102.2	+20.2	58.9	58.4	+4.4	-0.5	117.2	117.2	+15.0
Electronics industry	23.0	+7.8	49.4	+18.0	27.4	28.1	+5.1	+0.7	54.4	56.4	+7.0
General industry	12.8	-1.9	27.8	-1.1	18.2	15.8	+3.0	-2.4	36.8	35.8	+8.0
Environment (Public Sector)	18.2	+3.9	25.0	+3.3	13.3	14.5	-3.7	+1.2	26.0	25.0	+0.0
Sales	64.6	+2.9	146.8	+5.2	72.0	71.2	+6.6	-0.8	161.8	161.8	+15.0
Water treatment Chemicals	23.7	+0.5	47.4	+0.3	24.6	24.8	+1.1	+0.2	50.2	50.2	+2.8
Water treatment Facilities	40.9	+2.4	99.4	+4.9	47.4	46.4	+5.5	-1.0	111.6	111.6	+12.2
Electronics industry	18.6	+2.1	45.1	+8.4	24.6	23.4	+4.8	-1.2	53.0	55.0	+9.9
General industry	15.3	+1.0	30.2	-2.9	15.3	14.5	-0.8	-0.8	33.6	32.6	+2.4
Environment (Public Sector)	7.0	-0.7	24.1	-0.6	7.5	8.5	+1.5	+1.0	25.0	24.0	-0.1
Operating Income	4.2	-0.1	13.5	+1.2	5.6	6.4	+2.2	+0.8	17.1	17.1	+3.6
(% of Sales)	(6.5%)	(-0.5)	(9.2%)	(+0.5)	(7.8%)	(9.0%)	(+2.5)	(+1.2)	(10.6%)	(10.6%)	(+1.4)
Water treatment Chemicals	3.3	-0.3	6.6	+0.1	3.7	3.9	+0.6	+0.3	7.9	7.9	+1.3
(% of Sales)	(13.8%)	(-1.7)	(14.0%)	(+0.2)	(15.1%)	(16.0%)	(+2.2)	(+0.9)	(15.7%)	(15.7%)	(+1.7)
Water treatment Facilities	0.9	+0.2	6.9	+1.1	1.9	2.5	+1.6	+0.6	9.2	9.2	+2.4
(% of Sales)	(2.2%)	(+0.3)	(6.9%)	(+0.8)	(3.9%)	(5.4%)	(+3.2)	(+1.5)	(8.2%)	(8.2%)	(+1.4)
Electronics industry	1.3	+0.2	4.9	+2.1	2.3	2.4	+1.1	+0.1	5.9	6.3	+1.4
(% of Sales)	(7.1%)	(+0.4)	(10.9%)	(+3.3)	(9.3%)	(10.4%)	(+3.3)	(+1.1)	(11.1%)	(11.5%)	(+0.6)
General industry	0.4	+0.2	0.7	-0.7	0.5	0.5	+0.1	+0.0	1.9	1.7	+1.0
(% of Sales)	(2.6%)	(+1.3)	(2.2%)	(-2.0)	(3.2%)	(3.3%)	(+0.7)	(+0.1)	(5.6%)	(5.2%)	(+3.0)
Environment (Public Sector)	-0.8	-0.2	1.3	-0.3	-0.9	-0.4	+0.4	+0.5	1.4	1.2	-0.1
(% of Sales)	(-)	(-)	(5.4%)	(-1.1)	(-)	(-)	(-)	(-)	(5.8%)	(5.0%)	(-0.4)

## Orders and Sales for the Electronics Industry by Market

Unit: Billions of yen

	2004/3				2005/3						
	1st Half Result	Amount Change from Previous Year	Full Year Result	Amount Change from Previous Year	1st Half Projected	1st Half Result	Amount Change from Previous Year	Amount Change from Projected	Full Year Projected at start of this FY	Full Year Forecast at this time	Amount Change from Previous Year
Domestic	18.4	+7.0	36.9	+13.5	20.0	21.7	+3.3	+1.7	37.2	39.2	+2.3
Facilities	8.4	+5.2	16.0	+10.1	9.3	9.7	+1.3	+0.4	15.5	15.7	-0.3
Maintenance	7.2	+1.3	14.5	+2.1	7.3	7.8	+0.6	+0.5	14.2	15.0	+0.5
Tool Cleaning	2.8	+0.5	6.4	+1.3	3.4	4.2	+1.4	+0.8	7.5	8.5	+2.1
Overseas	4.6	+0.8	12.5	+4.5	7.4	6.4	+1.8	-1.0	17.2	17.2	+4.7
Facilities	3.4	+0.3	9.6	+4.2	5.8	4.9	+1.5	-0.9	13.7	13.7	+4.1
Maintenance	1.2	+0.5	2.9	+0.3	1.6	1.5	+0.3	-0.1	3.5	3.5	+0.6
Total Orders of Electronics	23.0	+7.8	49.4	+18.0	27.4	28.1	+5.1	+0.7	54.4	56.4	+7.0
Domestic	14.8	+4.4	34.4	+10.6	16.6	15.7	+0.9	-0.9	36.9	38.9	+4.5
Facilities	5.5	+3.1	14.3	+7.8	6.3	4.1	-1.4	-2.2	15.5	15.5	+1.2
Maintenance	6.5	+0.8	13.8	+1.6	6.9	7.4	+0.9	+0.5	13.9	14.9	+1.1
Tool Cleaning	2.8	+0.5	6.3	+1.2	3.4	4.2	+1.4	+0.8	7.5	8.5	+2.2
Overseas	3.8	-2.3	10.7	-2.2	8.0	7.7	+3.9	-0.3	16.1	16.1	+5.4
Facilities	2.4	-3.0	8.1	-2.8	6.1	6.0	+3.6	-0.1	12.7	12.7	+4.6
Maintenance	1.4	+0.7	2.6	+0.6	1.9	1.7	+0.3	-0.2	3.4	3.4	+0.8
Total Sales of Electronics	18.6	+2.1	45.1	+8.4	24.6	23.4	+4.8	-1.2	53.0	55.0	+9.9

## Summary of Consolidated Balance Sheets

Unit: Billions of yen

	2003/9	2004/3	2004/9	Amount change	
				2003/9	2004/3
Cash and Deposits	32.2	35.5	41.9	+9.7	+6.4
Notes and accounts receivable, trade	52.3	66.7	54.9	+2.6	-11.7
Plant and equipment	7.6	9.3	9.9	+2.3	+0.6
Construction in progress	0.6	0.5	1.2	+0.6	+0.7
Investments in securities	15.4	13.3	11.9	-3.5	-1.4
Deferred tax assets	3.0	2.1	2.3	-0.7	+0.2
Other	57.8	56.2	59.5	+1.7	+3.3
<b>Total assets</b>	<b>169.0</b>	<b>183.6</b>	<b>181.7</b>	<b>+12.7</b>	<b>-1.9</b>
Notes and accounts payable, trade	19.1	26.9	23.0	+3.9	-3.9
Accrued employees' retirement benefits	10.8	9.1	9.1	-1.7	+0.0
Other	14.1	17.9	17.3	+3.2	-0.6
<b>Total liabilities</b>	<b>44.0</b>	<b>53.9</b>	<b>49.3</b>	<b>+5.3</b>	<b>-4.6</b>
Minority interests	1.0	1.0	1	0.0	+0.0
<b>Total shareholders' equity</b>	<b>123.8</b>	<b>128.6</b>	<b>131.2</b>	<b>+7.4</b>	<b>+2.6</b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>169.0</b>	<b>183.6</b>	<b>181.6</b>	<b>+12.6</b>	<b>-2.0</b>

## Capital Expenditure and Depreciation

Unit: Billions of yen

	2004/3		2005/3		
	1st Half Result	Full Year Result	1st Half Result	Projected at start of this FY	Revised Forecast
Capital expenditure (tangibles)	4.7	8.3	2.8	4.2	6.4
Depreciation	1.6	3.3	1.7	3.6	3.6

## Number of Employees

	2003/9	2004/3	2004/9	Amount change	
				2003/9	2004/3
Consolidated	3,450	3,383	3,493	+43	+110
Non-Consolidated	1,695	1,655	1,644	-51	-11

## Selling, General and Administrative (SG&A) Expenses

Unit: Billions of yen

	2004/3		2005/3	Amount change
	1st Half Result	Full Year Result	1st Half Result	2004/3 1st Half Result
Salaries, provision for employee bonuses and employee retirement benefit costs	7.34	13.57	7.36	+0.02
Travel expenses	1.12	2.32	1.18	+0.06
Research and development expenses	2.17	4.29	2.14	-0.03
Other	6.09	11.72	6.01	-0.08
Total selling, general and administrative (SG&A) expenses	16.72	31.90	16.69	-0.03

## Research and Development (R&D) Expenses

Unit: Billions of yen

	2004/3		2005/3	
	1st Half Result	Full Year Result	1st Half Result	Full Year Revised Forecast
Water treatment chemicals	0.8	1.6	0.8	1.6
Water treatment facilities	1.4	2.7	1.3	2.8
Total research and development (R&D) expenses	2.2	4.3	2.1	4.4

## Non-Operating Income and Expenses, Special Gains and Losses

Unit: Billions of yen

	2004/3		2005/3	Amount change	
	1st Half Result	Full Year Result	1st Half Result	2004/3 1st Half Result	
Non-operating income and expenses	Interest and dividend income	0.23	0.41	0.20	-0.03
	Equity in earnings of unconsolidated subsidiaries and affiliates	0.06	0.21	0.13	+0.07
	Foreign exchange Gains	-	-	0.05	+0.05
	Other	0.18	0.41	0.19	+0.01
	Total non-operating income	0.47	1.03	0.57	+0.10
	Interest expenses	-	0.03	0.02	+0.02
	Foreign exchange losses	0.08	0.15	-	-0.08
	Other	0.18	0.41	0.23	+0.05
Total non-operating expenses	0.26	0.59	0.25	-0.01	
Special gains and losses	Gains from sale of fixed assets	-	0.07	-	-
	Gains from sale of investments in securities	-	1.41	-	-
	Total special gains	-	1.48	-	-
	Loss on write-down of investments in securities	-	0.50	-	-
	Other	-	-	-	-
Total special losses	-	0.50	-	-	