

# Half-Year Consolidated Financial Summary

For the Six Months Ended September 30, 2006

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November 8, 2006



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

	2006/3						2007/3						
	1st Half Result	Change from Previous Year		Full Year Result	Change from Previous Year		1st Half Projected	1st Half Result	Change from Previous Year		Full Year Projected	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage		Amount	Percentage
Orders	90,407	+5,756	+6.8%	183,910	+12,576	+7.3%	92,800	101,555	+11,148	+12.3%	187,000	+3,090	+1.7%
Water treatment Chemicals	27,213	+967	+3.7%	53,903	+1,783	+3.4%	28,400	28,359	+1,146	+4.2%	56,100	+2,197	+4.1%
Water treatment Facilities	63,194	+4,790	+8.2%	130,007	+10,794	+9.1%	64,400	73,196	+10,002	+15.8%	130,900	+893	+0.7%
Net Sales	72,499	+1,329	+1.9%	173,683	+12,787	+7.9%	85,700	86,381	+13,882	+19.1%	190,000	+16,317	+9.4%
Water treatment Chemicals	26,521	+1,761	+7.1%	54,549	+3,912	+7.7%	27,600	27,694	+1,173	+4.4%	56,000	+1,451	+2.7%
Water treatment Facilities	45,978	-431	-0.9%	119,133	+8,874	+8.0%	58,100	58,686	+12,708	+27.6%	134,000	+14,867	+12.5%
Cost of Sales Ratio)	(69.6%)	(+2.1)		(70.6%)	(+0.9)		(69.5%)	(67.6%)	(-2.0)		(70.5%)	(-0.1)	
Gross Profit	22,035	-1,095	-4.7%	51,052	+2,233	+4.6%	26,100	27,965	+5,930	+26.9%	56,000	+4,948	+9.7%
SG & A Expenses	17,227	+535	+3.2%	33,741	+874	+2.7%	17,600	17,357	+130	+0.8%	35,500	+1,759	+5.2%
% of Net Sales)	(23.8%)	(+0.3)		(19.4%)	(-1.0)		(20.5%)	(20.1%)	(-3.7)		(18.7%)	(-0.7)	
Operating Income	4,807	-1,631	-25.3%	17,311	+1,360	+8.5%	8,500	10,608	+5,801	+120.7%	20,500	+3,189	+18.4%
% of Net Sales)	(6.6%)	(-2.4)		(10.0%)	(+0.1)		(9.9%)	(12.3%)	(+5.7)		(10.8%)	(+0.8)	
Net of non-operating income and expenses	660	+339	+105.6%	1,114	+341	+44.1%	100	308	-352	-53.3%	500	-614	-55.1%
Ordinary Income	5,466	-1,293	-19.1%	18,425	+1,700	+10.2%	8,600	10,916	+5,450	+99.7%	21,000	+2,575	+14.0%
% of Net Sales)	(7.5%)	(-2.0)		(10.6%)	(+0.2)		(10.0%)	(12.6%)	(+5.1)		(11.1%)	(+0.5)	
Net Income	2,855	-979	-25.5%	10,519	+1,136	+12.1%	4,900	6,145	+3,290	+115.2%	11,500	+981	+9.3%
% of Net Sales)	(3.9%)	(-1.5)		(6.1%)	(+0.3)		(5.7%)	(7.1%)	(+3.2)		(6.1%)	(0.0)	
Net income per share (yen)	22.20	-7.62	-25.6%	81.76	+10.00	+13.9%	38.09	47.76	+25.56	+115.1%	89.38	+7.62	+9.3%

## Orders, Sales, Operating Income by Segment

Unit: Billions of yen

	2006/3						2007/3						
	1st Half Result	Change from Previous Year		Full Year Result	Change from Previous Year		1st Half Projected	1st Half Result	Change from Previous Year		Full Year Projected	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage		Amount	Percentage
Orders	90.4	+5.8	+6.8%	183.9	+12.6	+7.3%	92.8	101.6	+11.1	+12.3%	187.0	+3.1	+1.7%
Water treatment Chemicals	27.2	+1.0	+3.7%	53.9	+1.8	+3.4%	28.4	28.4	+1.1	+4.2%	56.1	+2.2	+4.1%
Water treatment Facilities	63.2	+4.8	+8.2%	130.0	+10.8	+9.1%	64.4	73.2	+10.0	+15.8%	130.9	+0.9	+0.7%
Electronics industry	29.9	+1.8	+6.4%	67.8	+11.4	+20.3%	31.6	41.1	+11.2	+37.3%	74.3	+6.5	+9.5%
General industry	33.3	+3.0	+9.9%	62.2	-0.7	-1.0%	32.8	32.1	-1.2	-3.5%	56.6	-5.6	-9.0%
Sales	72.5	+1.3	+1.9%	173.7	+12.8	+7.9%	85.7	86.4	+13.9	+19.1%	190.0	+16.3	+9.4%
Water treatment Chemicals	26.5	+1.8	+7.1%	54.5	+3.9	+7.7%	27.6	27.7	+1.2	+4.4%	56.0	+1.5	+2.7%
Water treatment Facilities	46.0	-0.4	-0.9%	119.1	+8.9	+8.0%	58.1	58.7	+12.7	+27.6%	134.0	+14.9	+12.5%
Electronics industry	23.3	-0.1	-0.4%	62.1	+7.2	+13.2%	31.0	33.9	+10.6	+45.4%	73.2	+11.1	+17.8%
General industry	22.7	-0.3	-1.5%	57.0	+1.7	+3.0%	27.1	24.8	+2.1	+9.4%	60.8	+3.8	+6.6%
Operating Income	4.8	-1.6	-25.3%	17.3	+1.4	+8.5%	8.5	10.6	+5.8	+120.7%	20.5	+3.2	+18.4%
(% of Sales)	(6.6%)	(-2.4)		(10.0%)	(+0.1)		(9.9%)	(12.3%)	(+5.7)		(10.8%)	(+0.8)	
Water treatment Chemicals	4.0	+0.1	+1.4%	8.0	+0.5	+7.1%	4.4	4.7	+0.6	+16.1%	8.7	+0.8	+9.6%
(% of Sales)	(15.1%)	(-0.9)		(14.6%)	(-0.1)		(16.0%)	(16.8%)	(+1.7)		(15.6%)	(+1.0)	
Water treatment Facilities	0.8	-1.7	-67.8%	9.4	+0.8	+9.8%	4.1	6.0	+5.2	+643.9%	11.8	+2.4	+25.9%
(% of Sales)	(1.7%)	(-3.7)		(7.8%)	(+0.1)		(7.0%)	(10.1%)	(+8.4)		(8.8%)	(+1.0)	
Electronics industry	2.0	-0.5	-18.5%	8.3	+2.3	+38.5%	4.1	5.8	+3.8	+191.9%	10.7	+2.4	+28.5%
(% of Sales)	(8.5%)	(-1.9)		(13.4%)	(+2.5)		(13.2%)	(17.1%)	(+8.6)		(14.6%)	(+1.2)	
General industry	-1.2	-1.2	-	1.0	-1.5	-58.4%	0.0	0.1	+1.3	-	1.1	+0.1	+5.8%
(% of Sales)	(-)	(-)		(1.8%)	(-2.8)		(0.0%)	(0.6%)	(-)		(1.8%)	(0.0)	

## Orders and Sales for the Electronics Industry by Market

Unit: Billions of yen

		2006/3						2007/3						
		1st Half Result	Change from Previous Year		Full Year Result	Change from Previous Year		1st Half Projected	1st Half Result	Change from Previous Year		Full Year Projected	Change from Previous Year	
			Amount	Percentage		Amount	Percentage			Amount	Percentage		Amount	Percentage
Orders	Domestic	22.4	+0.7	+3%	48.9	+7.0	+17%	23.6	31.3	+8.9	+40%	55.8	+6.9	+14%
	Facilities	9.7	0.0	0%	21.4	+3.3	+18%	9.9	15.5	+5.8	+60%	26.3	+4.9	+23%
	Maintenance	8.0	+0.2	+3%	17.1	+1.7	+11%	8.2	9.4	+1.4	+18%	17.5	+0.4	+2%
	Tool Cleaning	4.7	+0.5	+12%	10.4	+2.0	+24%	5.5	6.4	+1.7	+36%	12.0	+1.6	+15%
	Overseas	7.5	+1.1	+17%	18.9	+4.4	+30%	8.0	9.8	+2.3	+31%	18.5	-0.4	-2%
	Facilities	6.6	+1.7	+35%	16.3	+5.9	+57%	5.4	8.5	+1.9	+29%	16.0	-0.3	-2%
	Maintenance	0.9	-0.6	-40%	2.6	-1.5	-37%	2.6	1.3	+0.4	+44%	2.5	-0.1	-4%
	Total Orders of Electronics	29.9	+1.8	+6%	67.8	+11.4	+20%	31.6	41.1	+11.2	+37%	74.3	+6.5	+10%
Sales	Domestic	18.2	+2.5	+16%	47.2	+8.7	+23%	22.5	25.0	+6.8	+37%	54.3	+7.1	+15%
	Facilities	5.9	+1.8	+44%	20.8	+6.1	+41%	9.6	10.0	+4.1	+69%	25.3	+4.5	+22%
	Maintenance	7.6	+0.2	+3%	16.0	+0.6	+4%	7.4	8.6	+1.0	+13%	17.0	+1.0	+6%
	Tool Cleaning	4.7	+0.5	+12%	10.4	+2.0	+24%	5.5	6.4	+1.7	+36%	12.0	+1.6	+15%
	Overseas	5.1	-2.6	-34%	14.9	-1.5	-9%	8.5	8.9	+3.8	+75%	18.9	+4.0	+27%
	Facilities	4.0	-2.0	-33%	12.4	-0.2	-2%	5.4	7.6	+3.6	+90%	16.2	+3.8	+31%
	Maintenance	1.1	-0.6	-35%	2.5	-1.3	-34%	3.1	1.3	+0.2	+18%	2.7	+0.2	+8%
	Total Sales of Electronics	23.3	-0.1	-0%	62.1	+7.2	+13%	31.0	33.9	+10.6	+45%	73.2	+11.1	+18%
Ultra Pure Water Supply Business	2.5	+0.8	+47%	5.7	+1.8	+46%	4.4	4.5	+2.0	+80%	9.7	+4.0	+70%	

\* Figures for the Ultrapure Water Supply Business are included in domestic and overseas facilities, the amounts for orders and sales are the same.

## Summary of Consolidated Balance Sheets

Unit: Billions of yen

	2005/9	2006/3	2006/9	Amount change	
				2005/9	2006/3
Cash and Deposits	30.4	30.1	32.5	+2.1	+2.4
Notes and accounts receivable, trade	60.9	77.1	68.1	+7.2	-9.0
Marketable securities	3.5	6.2	7.8	+4.3	+1.7
Inventories	11.8	8.1	15.4	+3.6	+7.3
Plant and equipment	10.4	16.6	20.1	+9.7	+3.4
Construction in progress	2.4	2.1	3.4	+1.0	+1.3
Investments in securities	24.3	23.2	19.4	-4.8	-3.8
Deferred tax assets	3.6	3.1	3.7	+0.2	+0.7
Other	45.1	46.4	46.7	+1.6	+0.3
<b>Total assets</b>	<b>192.3</b>	<b>212.8</b>	<b>217.1</b>	<b>+24.8</b>	<b>+4.4</b>
Notes and accounts payable, trade	25.0	30.4	31.5	+6.6	+1.1
Accrued employees' retirement benefits	8.5	8.3	8.3	-0.1	+0.1
Other	19.0	27.4	26.9	+7.9	-0.6
<b>Total liabilities</b>	<b>52.4</b>	<b>66.1</b>	<b>66.7</b>	<b>+14.3</b>	<b>+0.6</b>
<b>Total net assets</b>	<b>139.9</b>	<b>146.7</b>	<b>150.4</b>	<b>+10.5</b>	<b>+3.8</b>
<b>Total liabilities and net assets</b>	<b>192.3</b>	<b>212.8</b>	<b>217.1</b>	<b>+24.8</b>	<b>+4.4</b>

## Capital Expenditure and Depreciation

Unit: Billions of yen

	2006/3		2007/3		
	1st Half Result	Full Year Result	1st Half Result	Projected at start of this FY	Revised Projection
Capital expenditure (tangibles)	5.3	16.1	8.1	19.0	24.5
Depreciation	1.9	4.1	2.6	5.5	5.5

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

Unit: Billions of yen

	2006/3		2007/3	Amount change
	1st Half Result	Full Year Result	1st Half Result	2006/3 1st Half Result
Salaries, provision for employees' bonuses and employee retirement benefit costs	7.44	14.84	7.53	+0.09
Travel expenses	1.25	2.52	1.24	-0.01
Research and development expenses	2.11	4.21	2.20	+0.09
Other	6.43	12.18	6.39	-0.04
Total selling, general and administrative (SG&A) expenses	17.23	33.75	17.36	+0.13

## Research and Development (R&D) Expenses

Unit: Billions of yen

	2006/3		2007/3	
	1st Half Result	Full Year Result	1st Half Result	Full Year Revised Projection
Water treatment chemicals	0.8	2.0	0.7	1.5
Water treatment facilities	1.3	2.2	1.5	3.1
Total research and development (R&D) expenses	2.1	4.2	2.2	4.6

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

Unit: Billions of yen

	2006/3		2007/3	Amount change	
	1st Half Result	Full Year Result	1st Half Result	2006/3 1st Half Result	
Non-operating income and expenses	Interest and dividend income	0.26	0.45	0.33	+0.07
	Equity in earnings of unconsolidated subsidiaries and affiliates	0.12	0.27	-0.06	-0.18
	Other	0.37	0.61	0.19	-0.18
	Total non-operating income	0.75	1.33	0.46	-0.29
	Interest expenses	0.02	0.04	0.02	0.00
	Other	0.07	0.18	0.13	+0.06
Total non-operating expenses	0.09	0.22	0.15	+0.06	
Extraordinary gains and losses	Gains from sale of investments in securities	-	1.21	-	-
	Total extraordinary gains	-	1.21	-	-
	Loss on sale of fixed assets	0.15	0.15	-	-0.15
	Loss on disposal of fixed assets	0.06	0.28	0.07	+0.01
	Impairment losses	-	0.85	-	-
	Other	-	0.15	-	-
Total extraordinary losses	0.21	1.43	0.07	-0.14	