

Earnings for the Six Months Ended September 30, 2008
(First Half of the Fiscal Year Ending March 31, 2009)

Kurita Water Industries Ltd.

(Stock code : 6370)

November 6, 2008

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I . First-half Results for the Fiscal Year Ending March 31, 2009

【1】 Financial Highlights



(Billions of Yen)

| | 03/2008 First-half results | 03/2009 First-half projections | 03/2009 First-half results | Year-on-year change |
|------------------|----------------------------------|--------------------------------------|----------------------------------|------------------------|
| Orders | 108.8 | 107.3 | 106.8 | - 1.9% |
| Net Sales | 94.1 | 92.8 | 95.7 | + 1.7% |
| Operating Income | 13.5 | 12.9 | 13.2 | - 2.2% |
| Ordinary Income | 14.1 | 13.1 | 13.7 | - 2.9% |
| Net Income | 7.5 | 7.2 | 7.5 | - 0.6% |

Water Treatment Chemicals Business

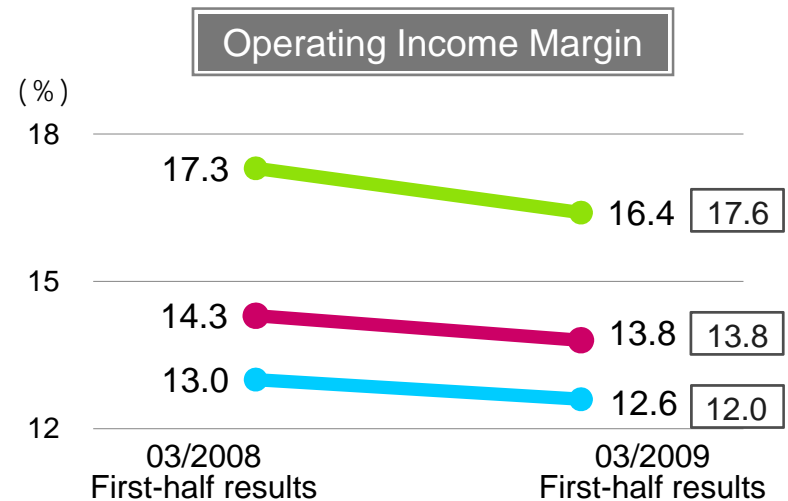
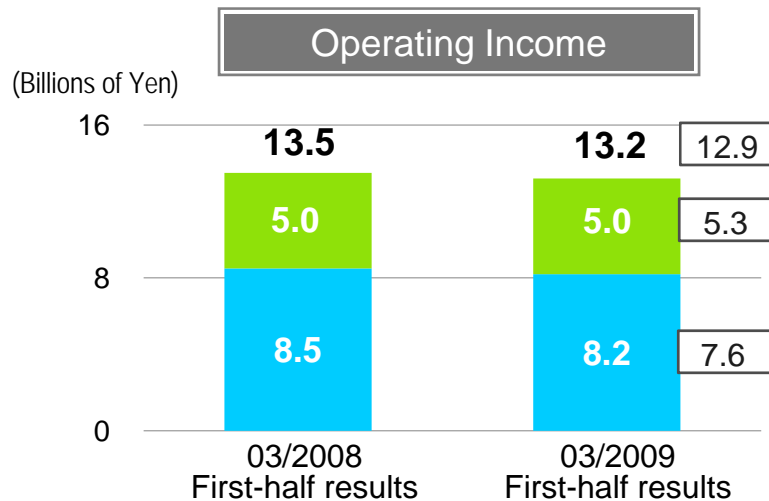
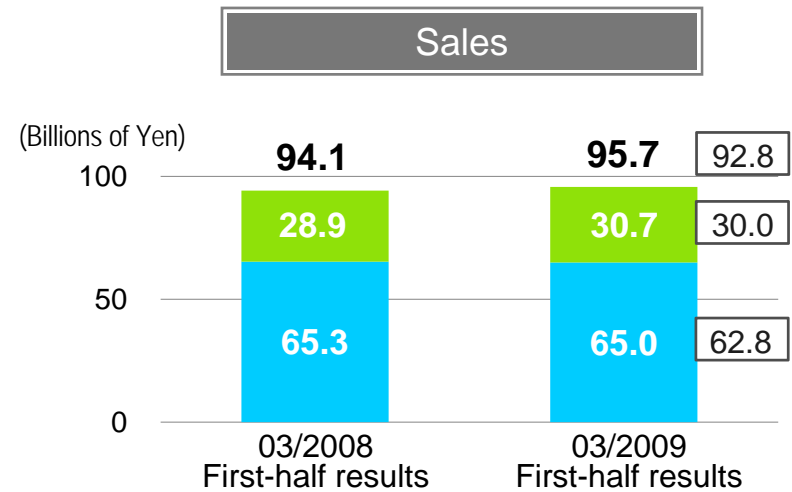
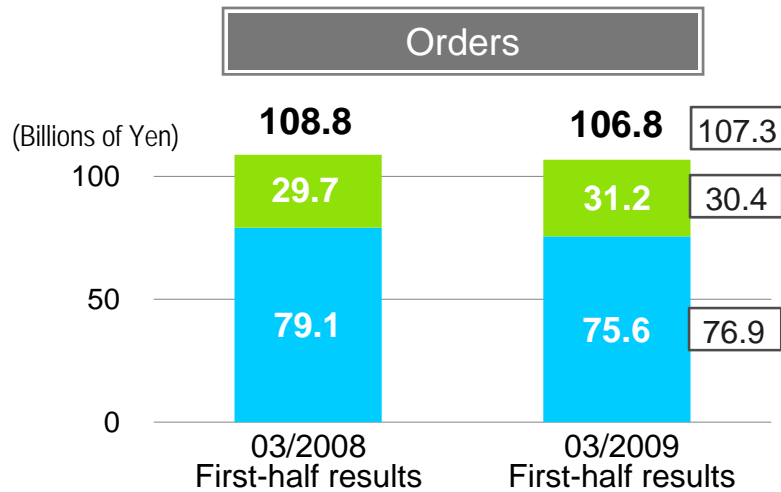
- Solid sales growth in Japan and overseas
- Greater-than-expected rise in raw materials prices

Water Treatment Facilities Business

- Sudden cooling of demand in electronics industries
- Ultrapure water supply business expanded steadily
- Improved earnings from sales to general industries

I . First-half Results for the Fiscal Year Ending March 31, 2009

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

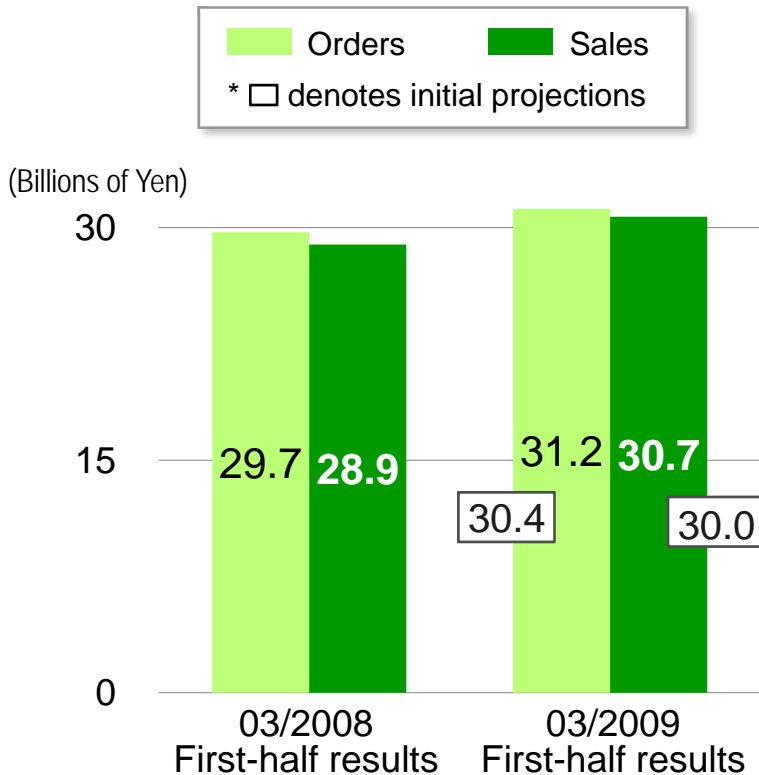


I . First-half Results for the Fiscal Year Ending March 31, 2009

【4】 Water treatment chemicals



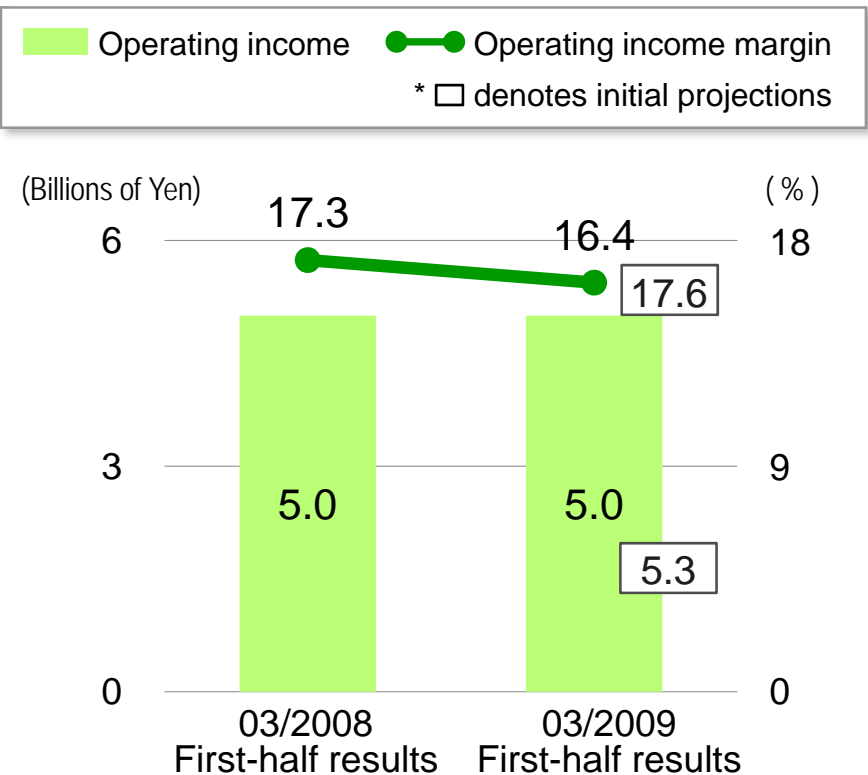
Orders and Sales



【Major areas of growth】

- Japan: Cooling water treatment chemicals, paper & pulp and process treatment chemicals
- Overseas: Operating subsidiaries

Operating Income and Operating Income Margin



【Major determinants of change】

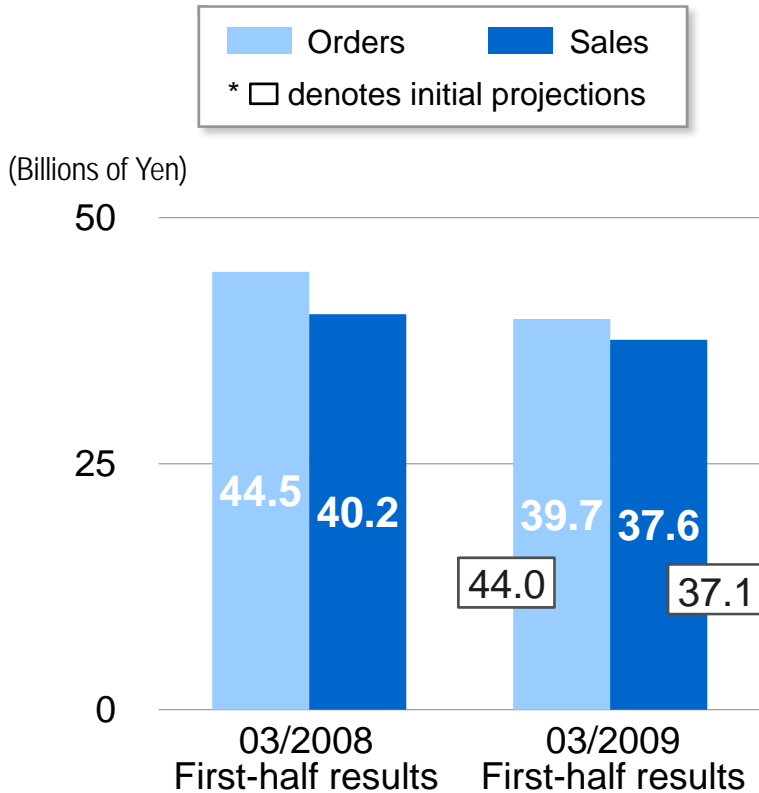
- Higher revenues in Japan and overseas
- Increased SG&A expenses
- Rising raw materials prices

I . First-half Results for the Fiscal Year Ending March 31, 2009

【5】 Water treatment facilities (for the electronics industry)



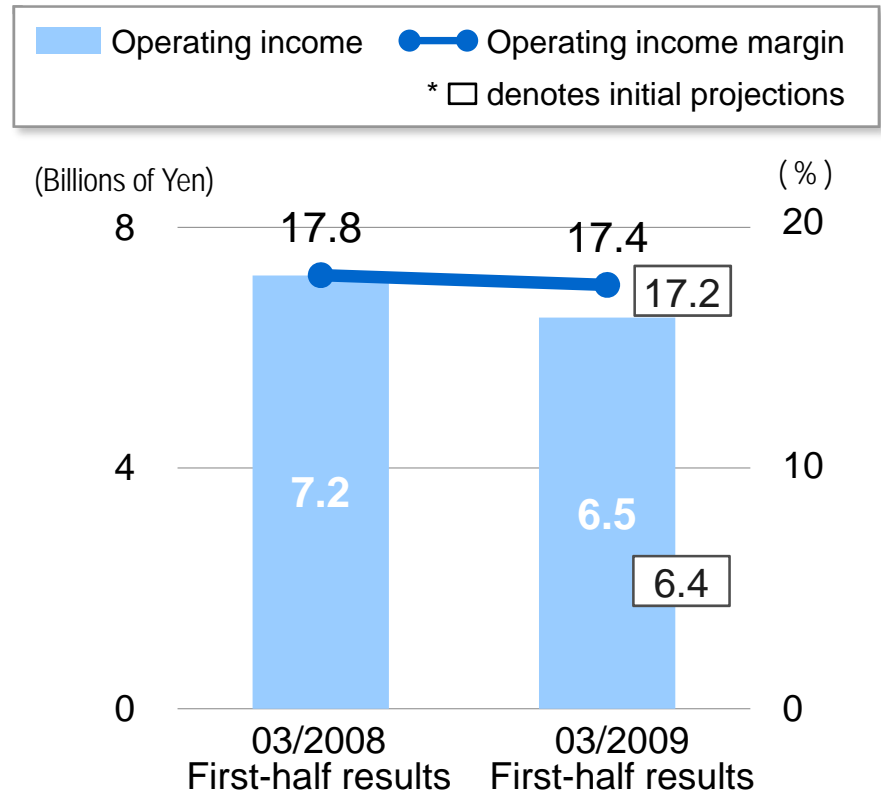
Orders and Sales



【 Determinants of orders/sales growth or decline】

- Lower orders/sales for hardware in Japan and overseas
- Growth in orders/sales for ultrapure water supply and tool cleaning services

Operating Income and Operating Income Margin



【 Determinants of income growth or decline】

- Lower income from hardware in Japan and overseas
- Revenue growth in the ultrapure water supply business

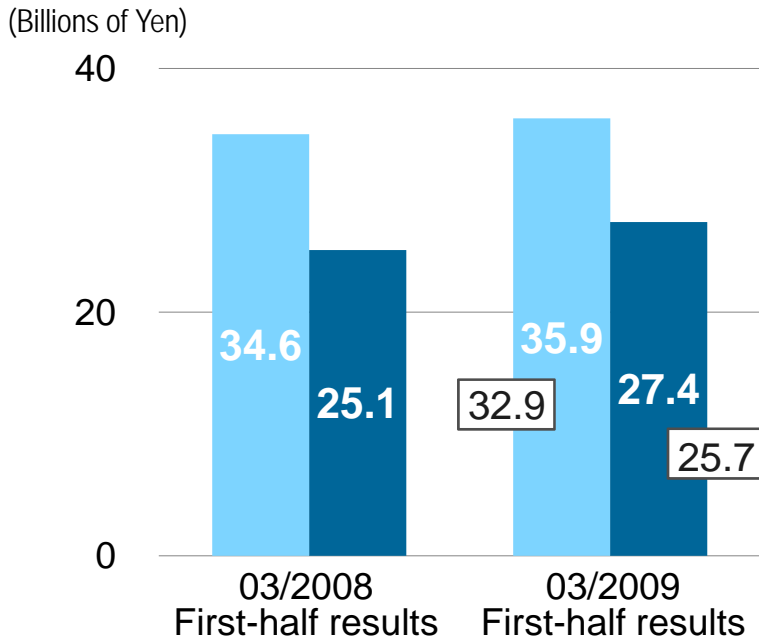
I . First-half Results for the Fiscal Year Ending March 31, 2009

【6】 Water treatment facilities (for general industries)



Orders and Sales

■ Orders ■ Sales
 * □ denotes initial projections



【 Major areas of orders growth 】

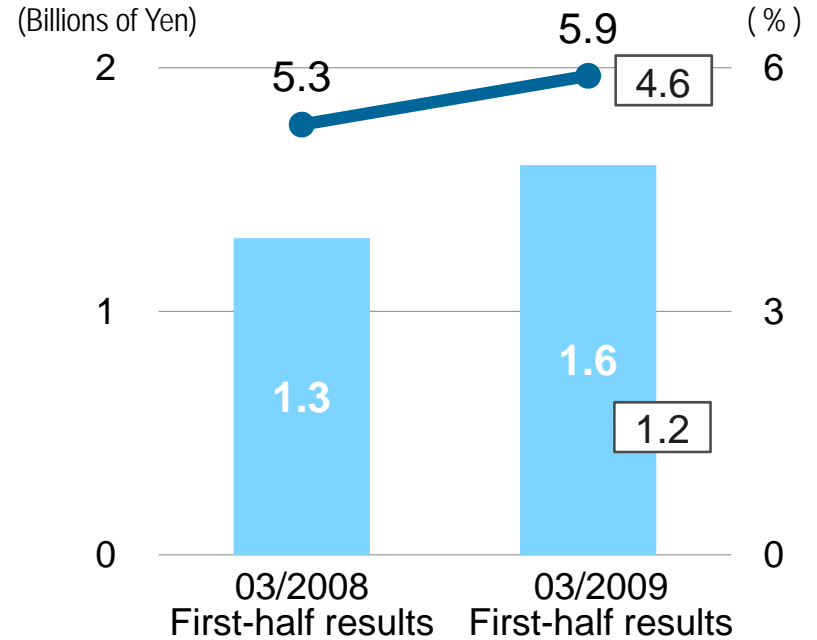
■ Maintenance services

【 Major areas of sales growth 】

■ Soil remediation, maintenance services

Operating Income and Operating Income Margin

■ Operating income ●—● Operating income margin
 * □ denotes initial projections

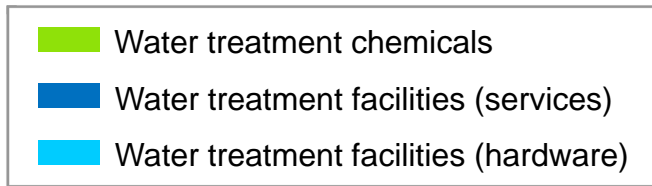


【 Major determinants of income growth 】

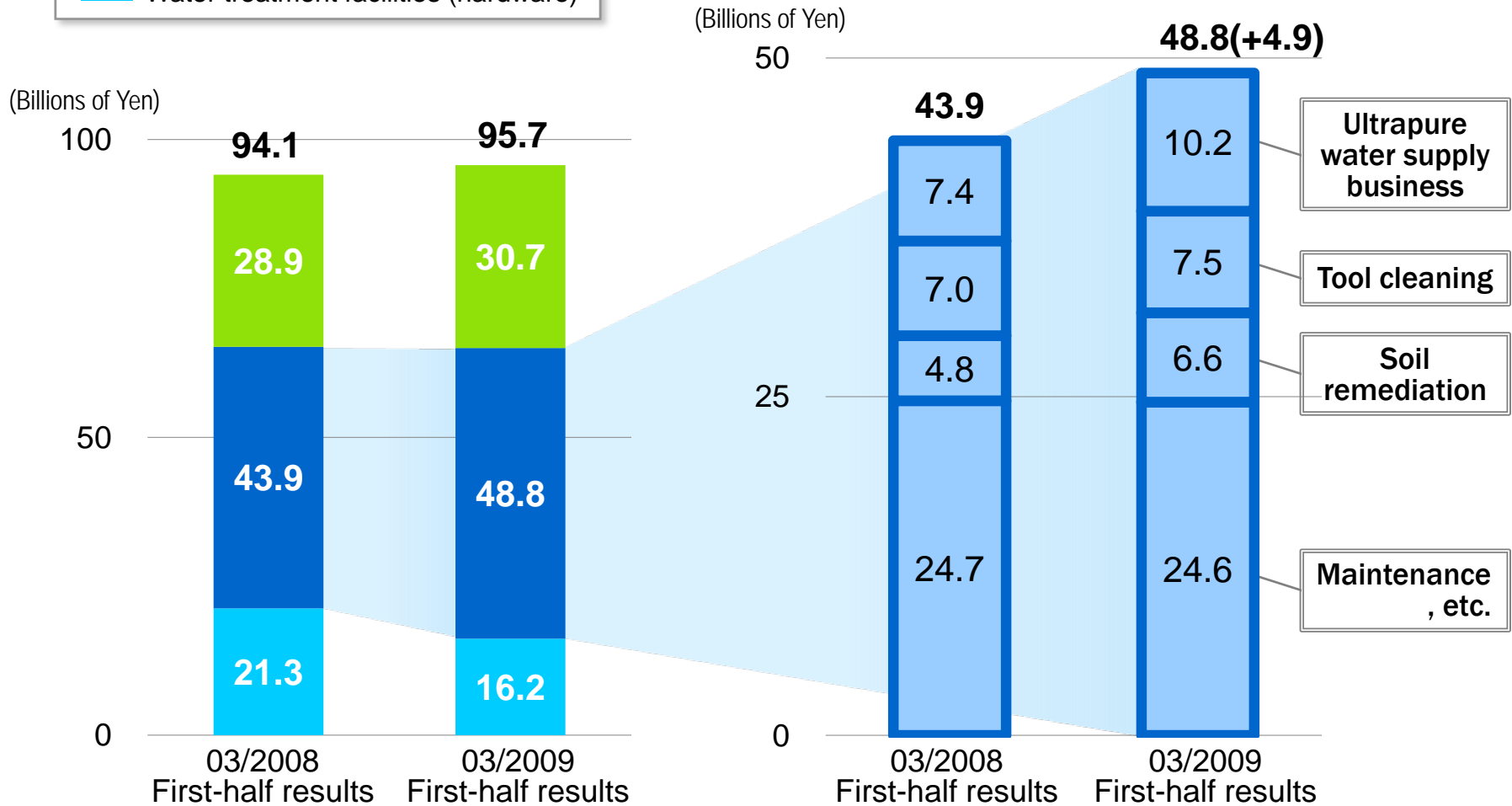
■ Revenue growth

I . First-half Results for the Fiscal Year Ending March 31, 2009

【7】 Service Business Revenue



Service Business Revenue
in the Water Treatment Facilities Business



I . First-half Results for the Fiscal Year Ending March 31, 2009

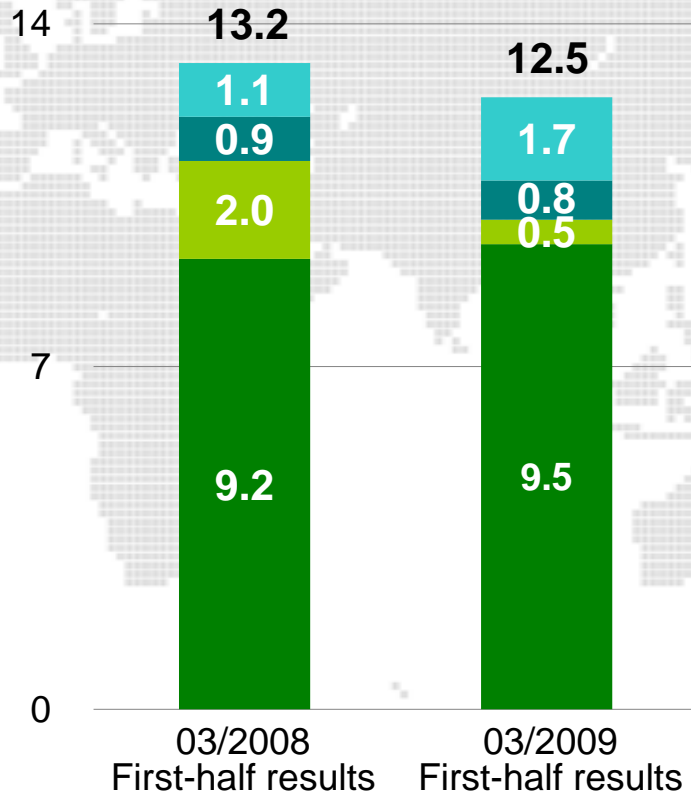
【8】 Overseas Businesses



Sales by Region



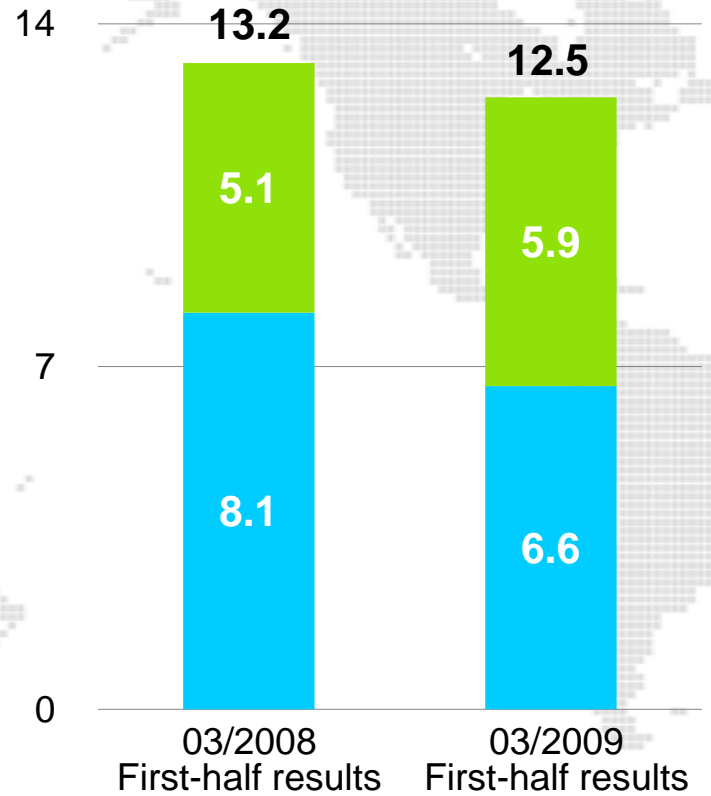
(Billions of Yen)



Sales by Overseas Business Segment



(Billions of Yen)



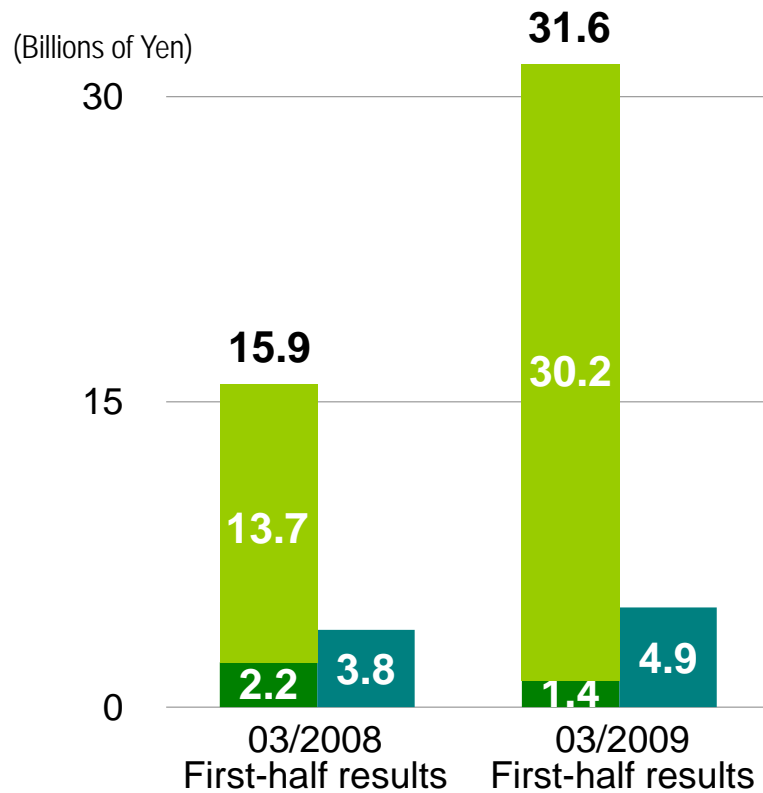
I . First-half Results for the Fiscal Year Ending March 31, 2009

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



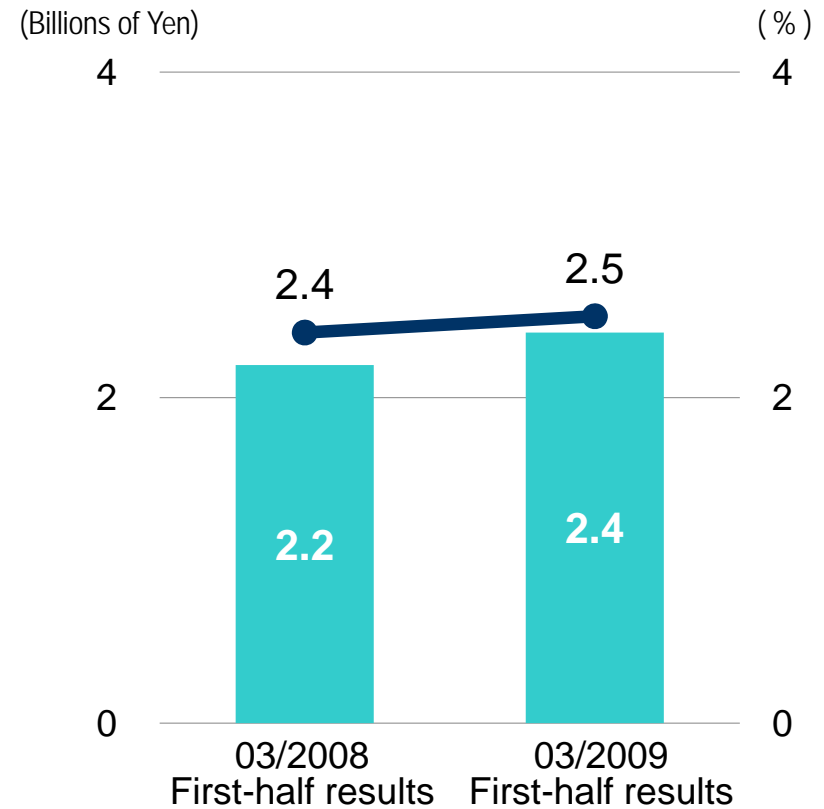
Capital Expenditures and Depreciation

■ Capital expenditures (ultrapure water supply business)
■ Capital expenditures (excl. ultrapure water supply business)
■ Depreciation

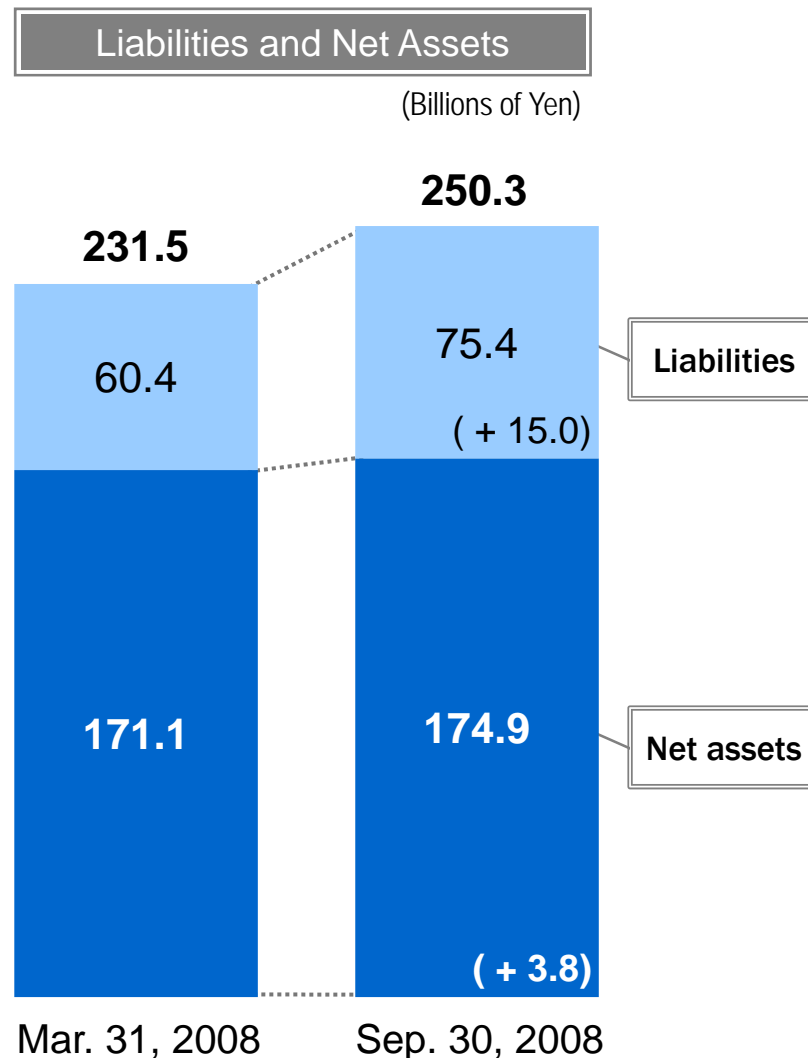
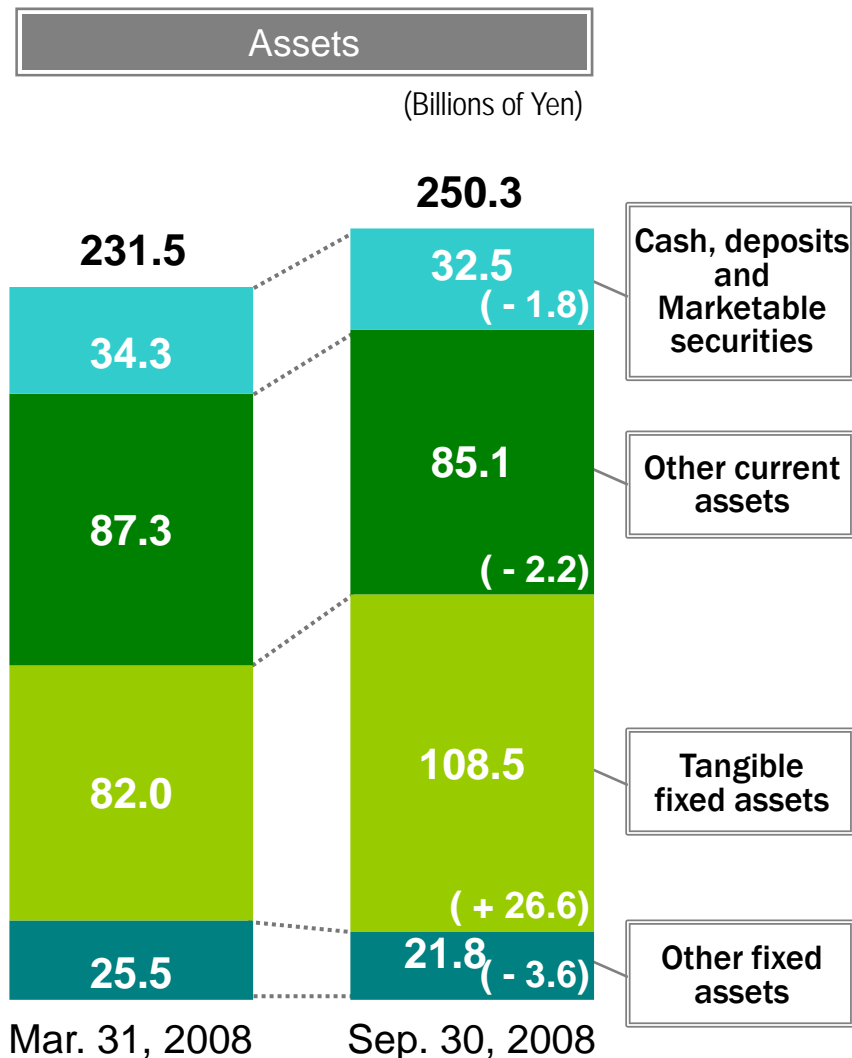


R&D Expenses

■ R&D Expenses
—●— Percentage of net sales



【10】 Financial Condition





Ⅱ . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

- 【 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 】 Ultrapure Water Supply Business (Trends)**
- 【 9 】 Expand Ultrapure Water Supply Business**
- 【10】 Overseas Businesses**
- 【11】 Capital Expenditures, Depreciation, and R&D Expenses**
- 【12】 Dividend Policy**

Water Treatment Chemicals Business

- Decline in operating rates in the domestic materials sector
- Client companies: Strong continued demands for productivity improvements, energy-use reductions, environmental efforts
- Slowing growth in Asian and emerging economies
- Continued rise of raw materials prices

Water Treatment Facilities Business

- Continued expansion of the ultrapure water supply business
- Slowing capital expenditure in domestic and overseas electronics industries
- Slowing capital expenditure in general domestic industries

(Billions of Yen)

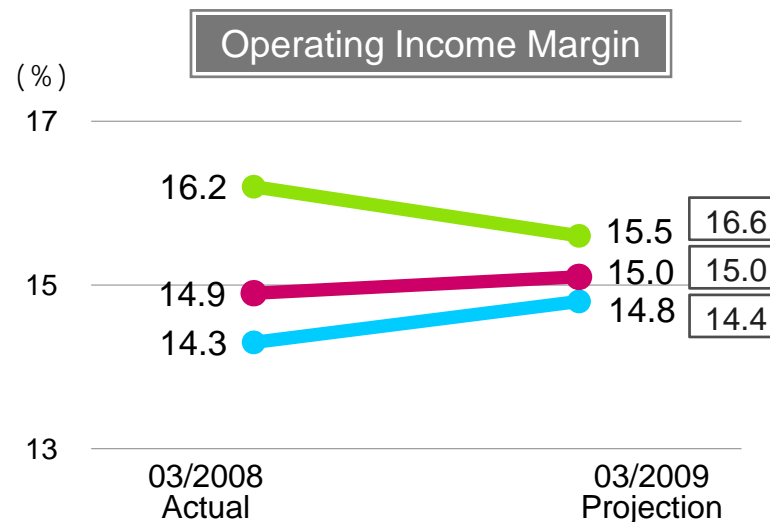
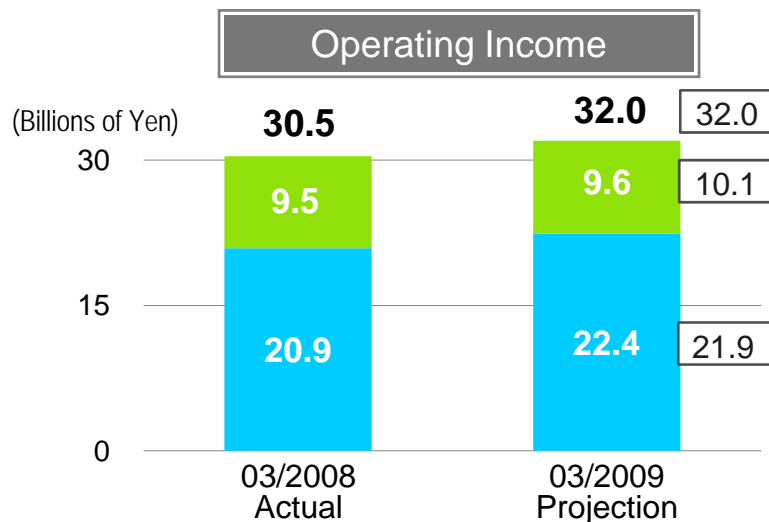
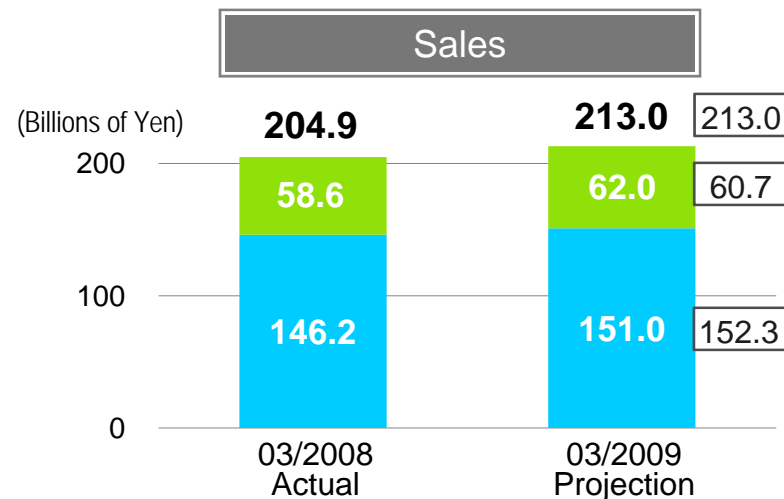
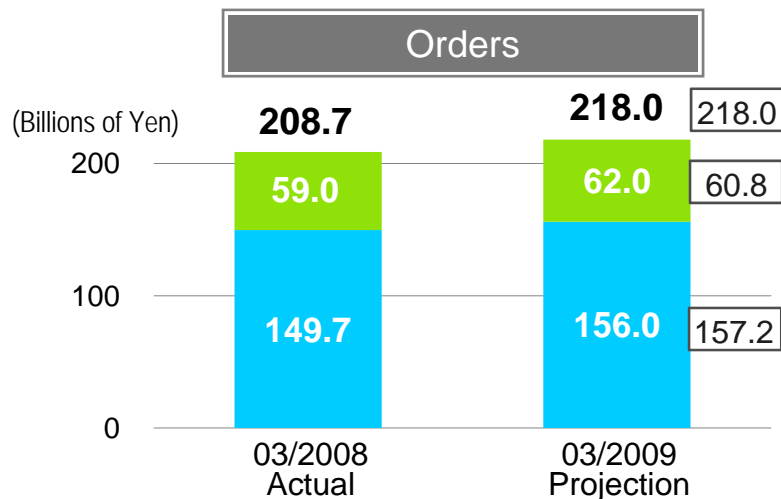
| | 03/2008 Actual | 03/2009 Current Projection | Year-on-year change |
|------------------|-------------------|-------------------------------|------------------------|
| Orders | 208.7 | 218.0 | + 4.5% |
| Net Sales | 204.9 | 213.0 | + 4.0% |
| Operating Income | 30.5 | 32.0 | + 5.0% |
| Ordinary Income | 31.2 | 32.3 | + 3.4% |
| Net Income | 18.3 | 18.5 | + 1.1% |

II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

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



■ Water treatment chemicals
 ■ Water treatment facilities
 ●—● Total
 * □ denotes initial projections



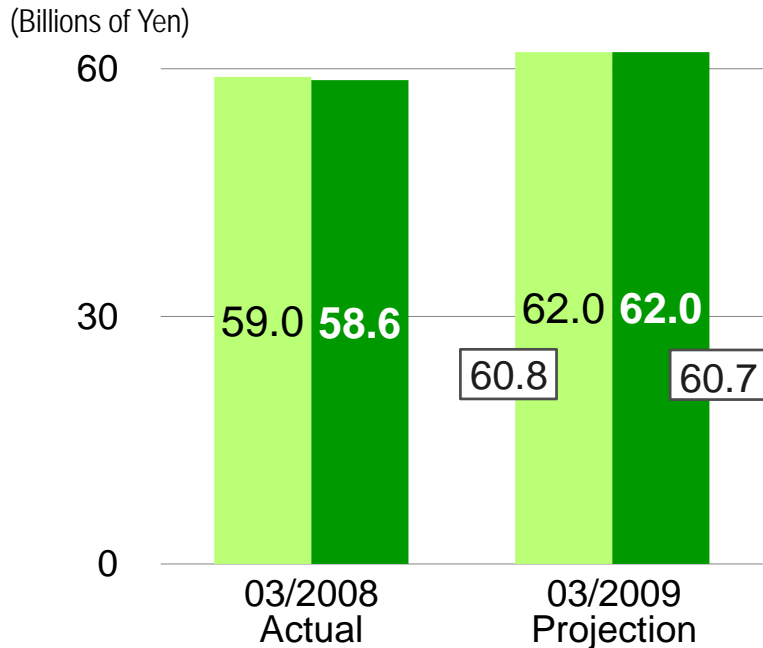
II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

【4】 Water treatment chemicals



Orders and Sales

■ Orders ■ Sales
 * □ denotes initial projections

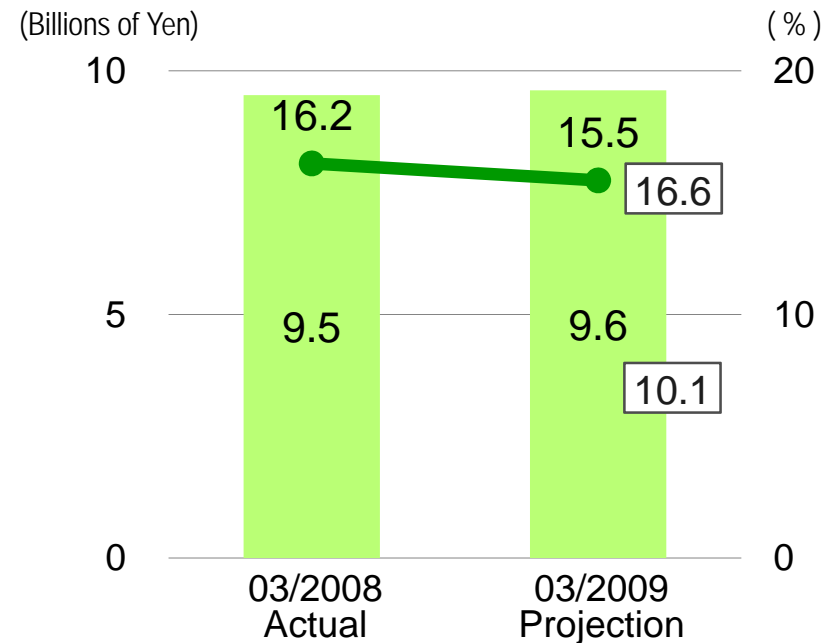


【 Major areas of growth 】

- Japan: Cooling water treatment chemicals, process treatment chemicals
- Overseas: Asia, Brazil

Operating Income and Operating Income Margin

■ Operating income ●—● Operating income margin
 * □ denotes initial projections



【 Major determinants of change 】

- Higher revenues in Japan and overseas
- Increased SG&A expenses
- Rising raw materials prices

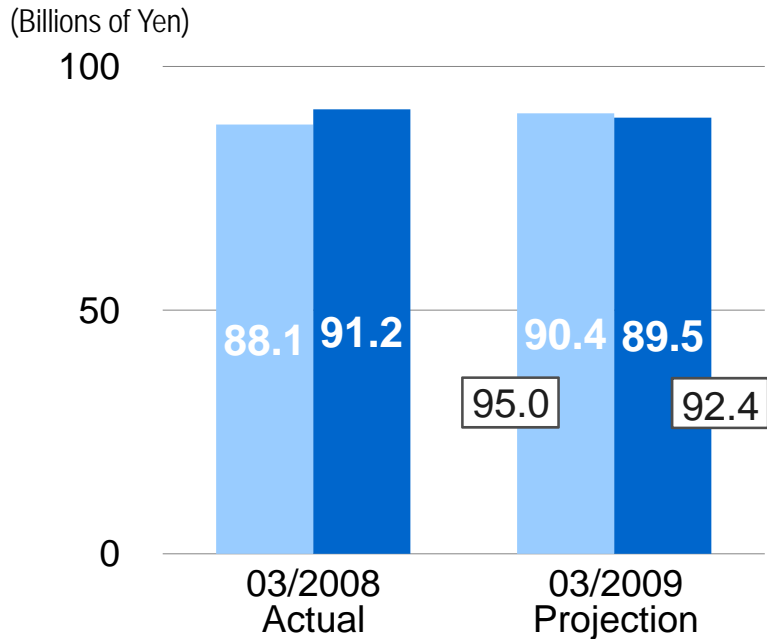
II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

【5】 Water treatment facilities (for the electronics industry)



Orders and Sales

■ Orders ■ Sales
 * □ denotes initial projections

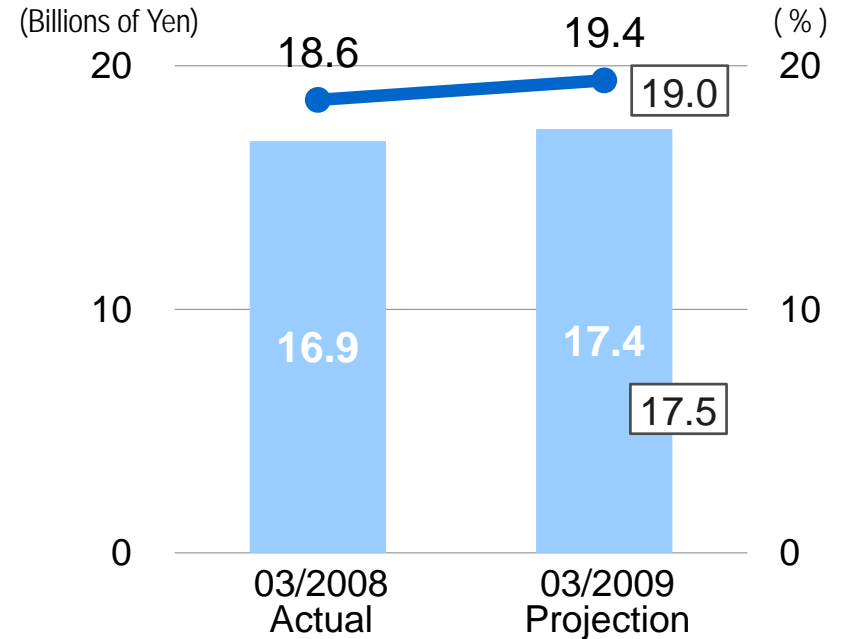


【 Major determinants of change】

- Declines in hardware in Japan
- Growth of the ultrapure water supply business

Operating Income and Operating Income Margin

■ Operating income ●—● Operating income margin
 * □ denotes initial projections



【 Major determinants of change】

- Lower revenues from hardware in Japan and overseas
- Higher revenues from the ultrapure water supply business

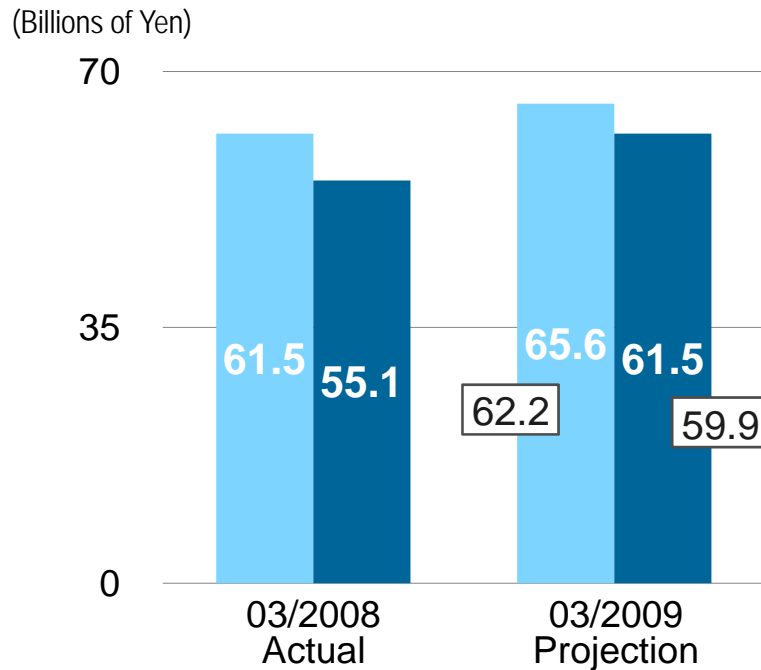
II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

【6】 Water treatment facilities (for general industries)



Orders and Sales

■ Orders ■ Sales
 * □ denotes initial projections

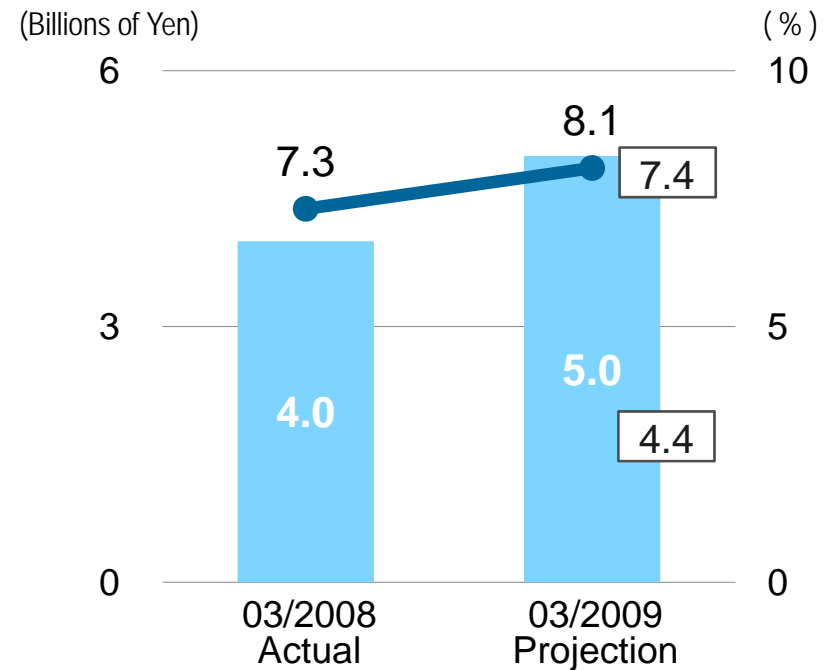


【Main areas of orders/sales growth】

■ Iron and steel, maintenance services

Operating Income and Operating Income Margin

■ Operating income ●—● Operating income margin
 * □ denotes initial projections

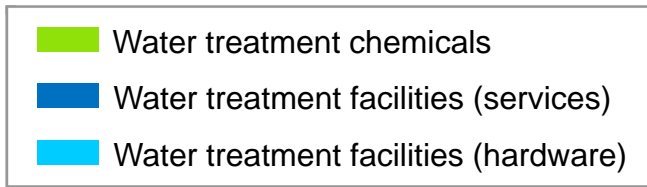


【Major determinants of income growth】

■ Increased revenues from hardware and maintenance services

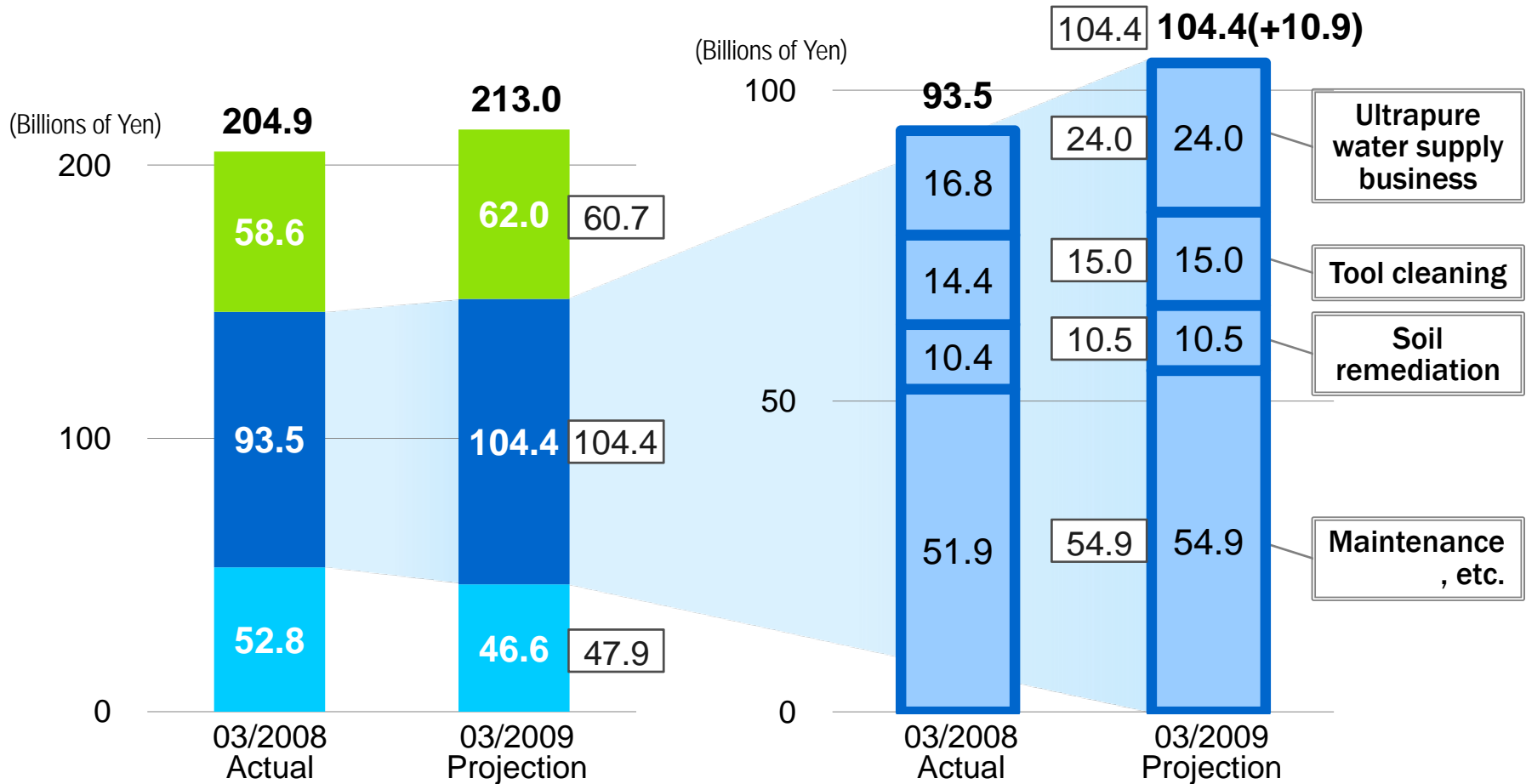
II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

【7】 Service Business Revenue

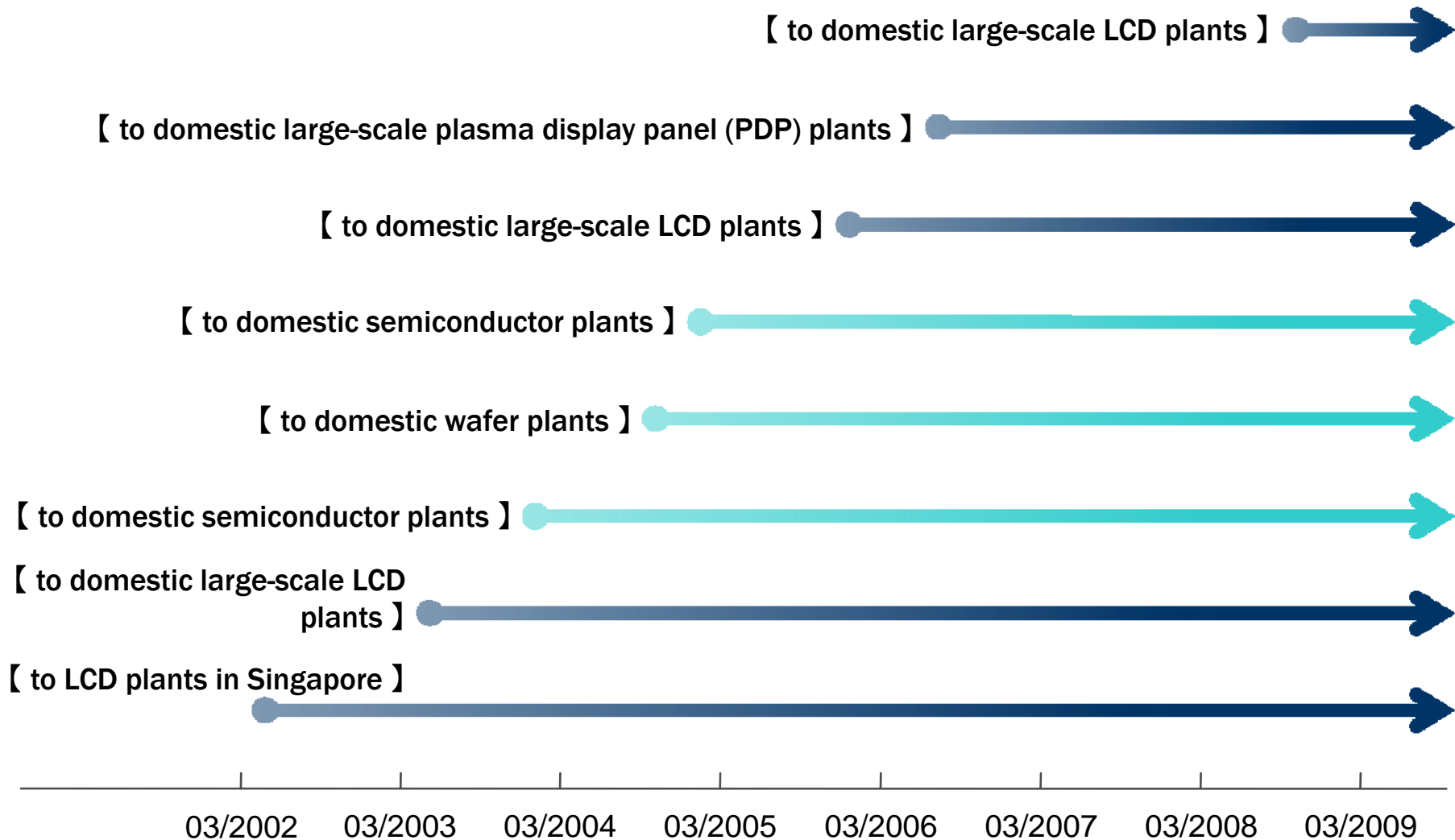


Service Business Revenue
in the Water Treatment Facilities Business

* □ denotes initial projections



【8】 Ultrapure Water Supply Business (Trends)

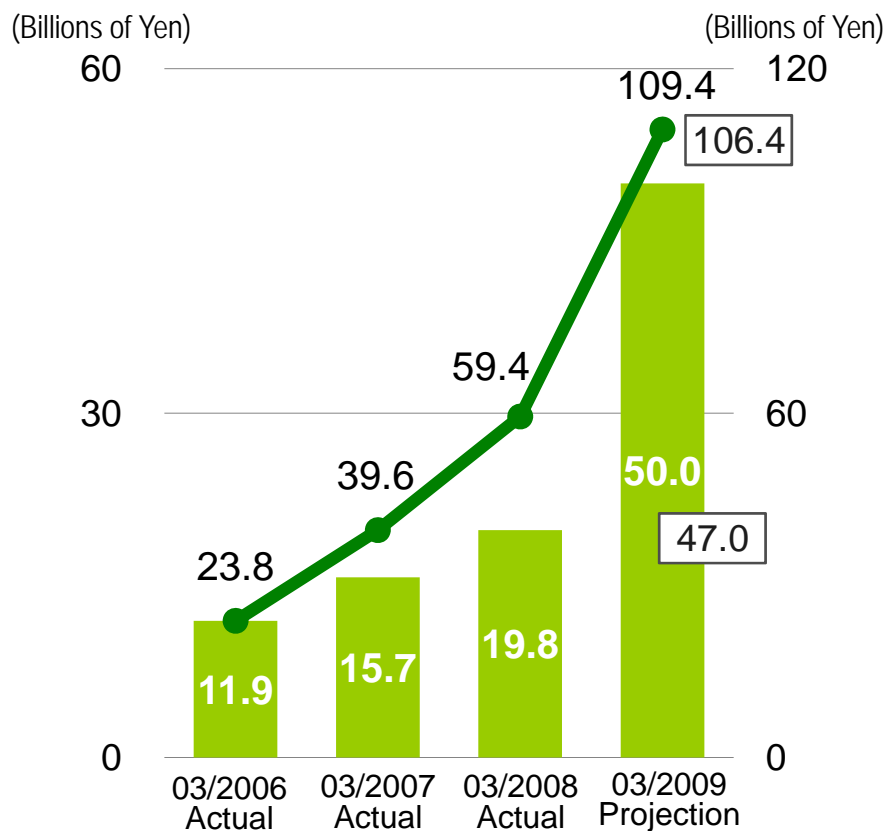
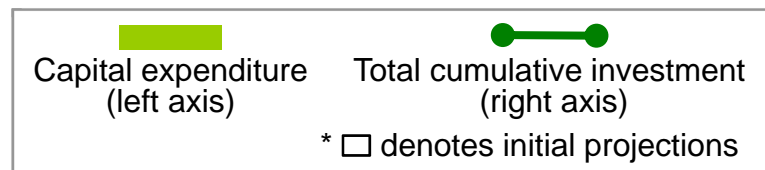


II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

【9】 Expand Ultrapure Water Supply Business

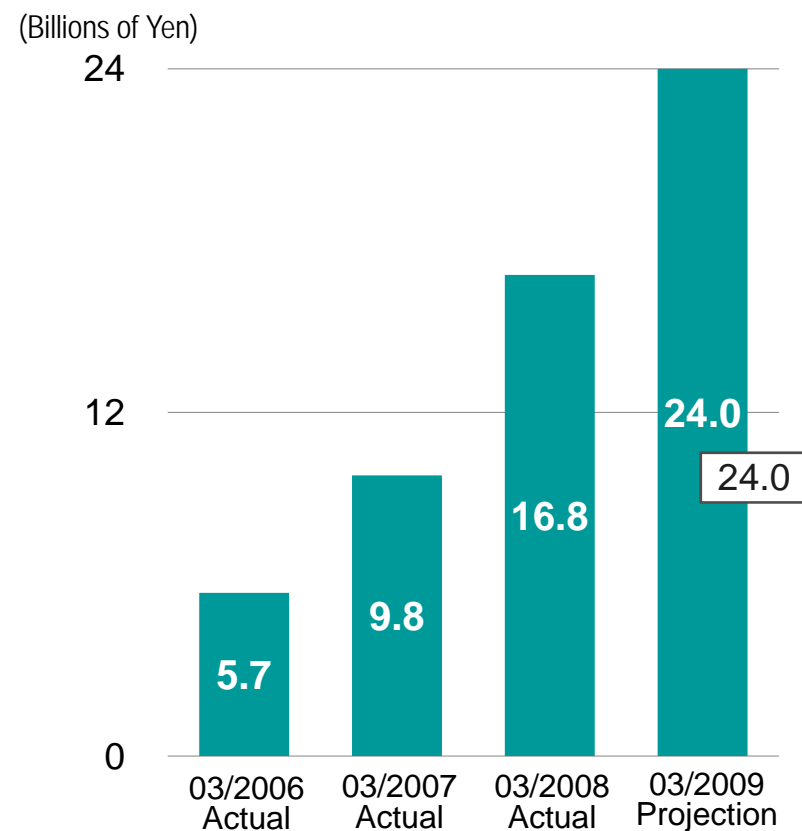


Capital Expenditures and
Total Cumulative Investment



Sales

* □ denotes initial projections

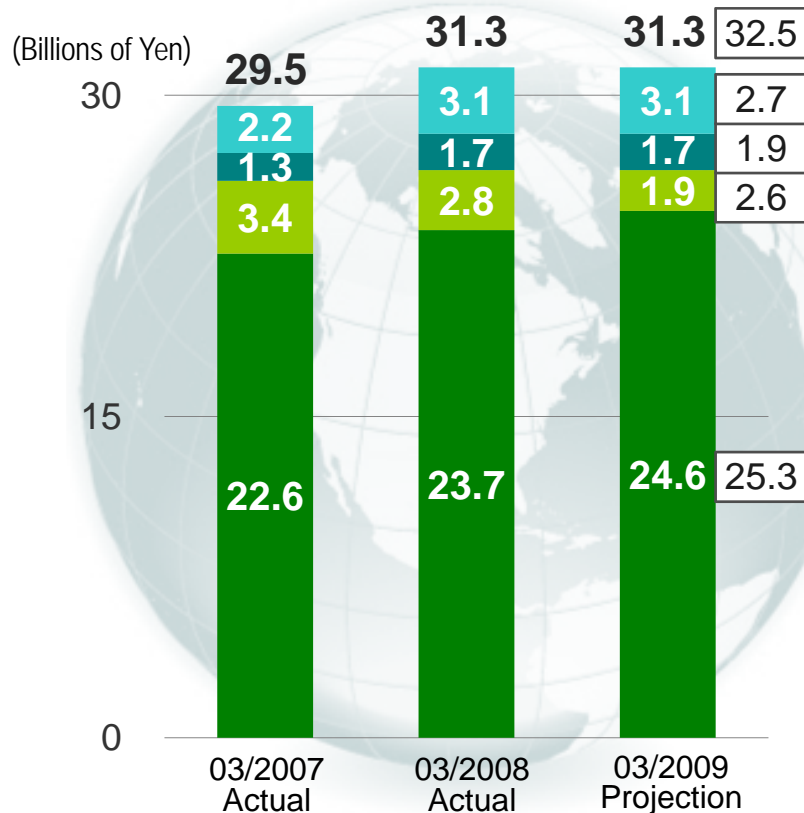
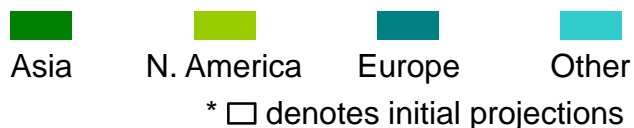


II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

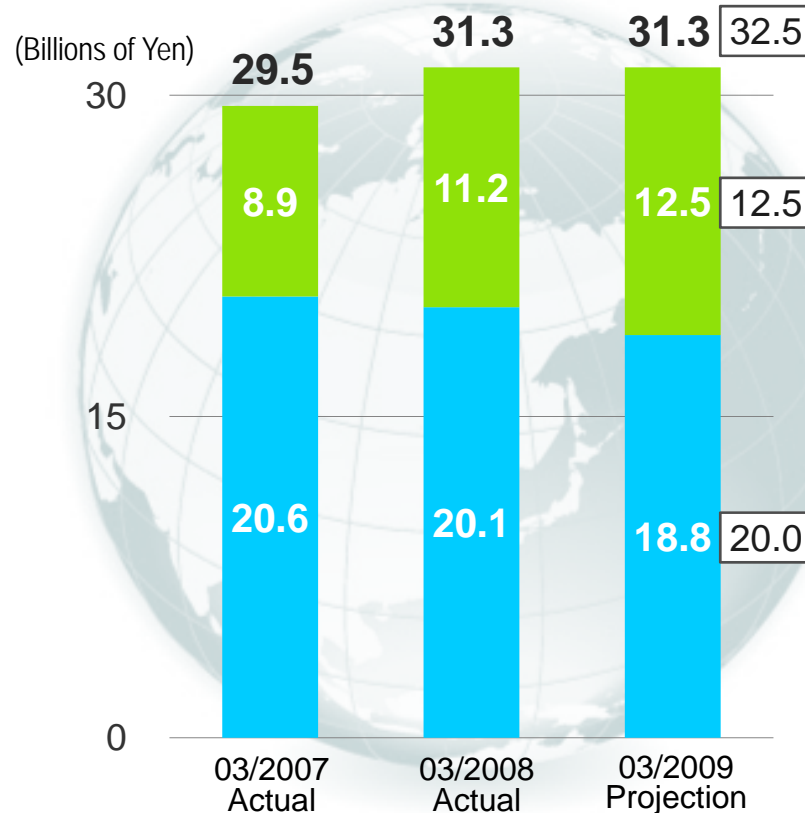
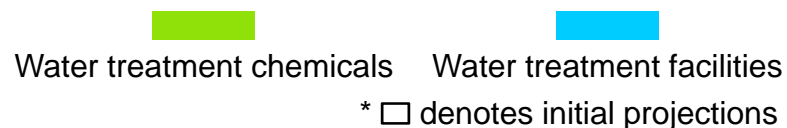
【10】 Overseas Businesses



Sales by Region



Sales by Overseas Business Segment

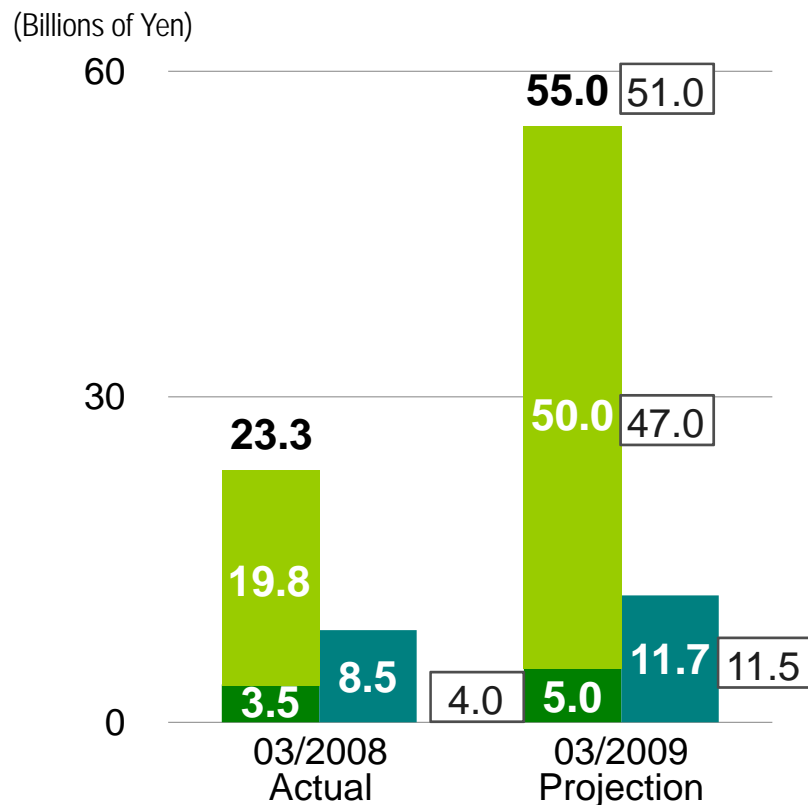
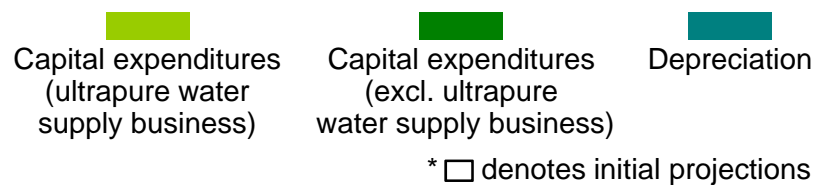


II . Full-year Business Plan for the Fiscal Year Ending March 31, 2009

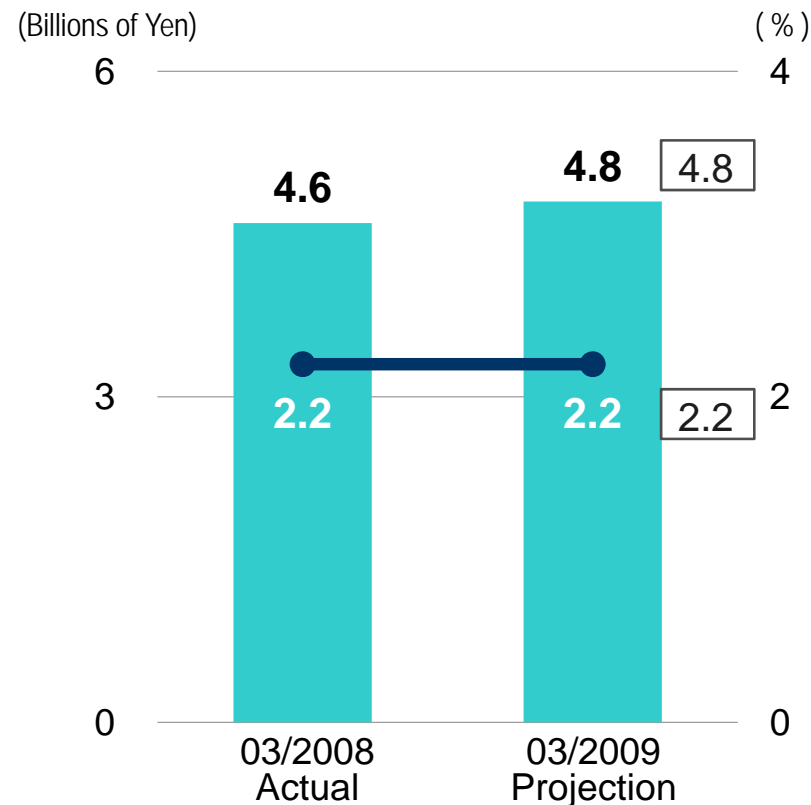
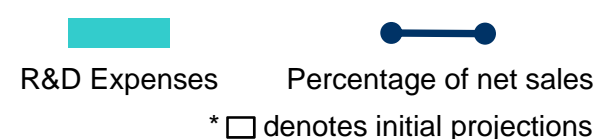
【11】 Capital Expenditures, Depreciation, and R&D Expenses



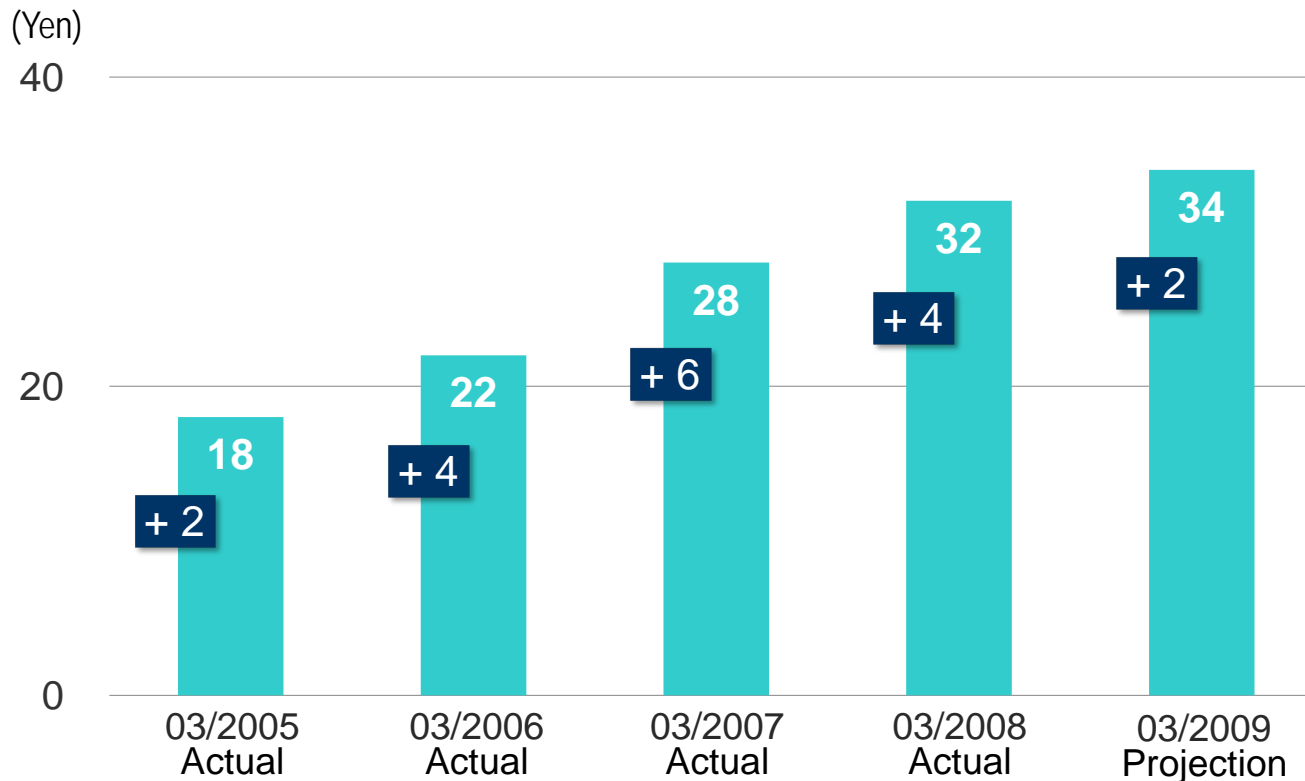
Capital Expenditures and Depreciation



R&D Expenses



【12】 Dividend Policy



Basic Dividend Policy

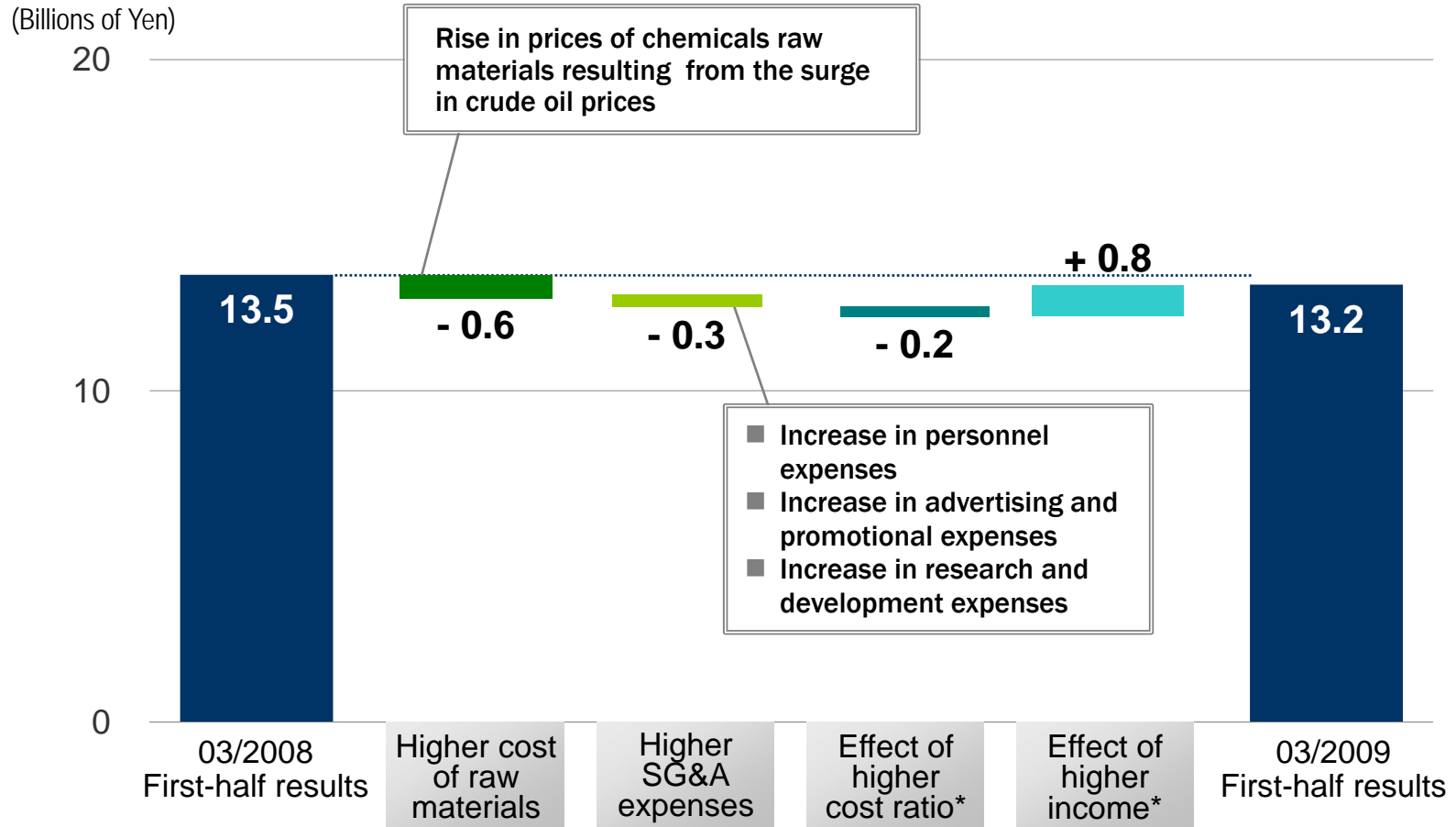
Kurita's basic policy is to maintain stable dividends, and the company will work to increase dividends while giving due consideration to trends in results and investments in its businesses.



Reference Materials

Reference Materials

Analysis of Changes in First-half Operating Income for the Fiscal Year Ending March 31, 2009



* Effects of improved cost ratio and higher income are calculated using the gross profit margin.
"Cost ratio" refers to the sales-to-cost ratio.

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.