

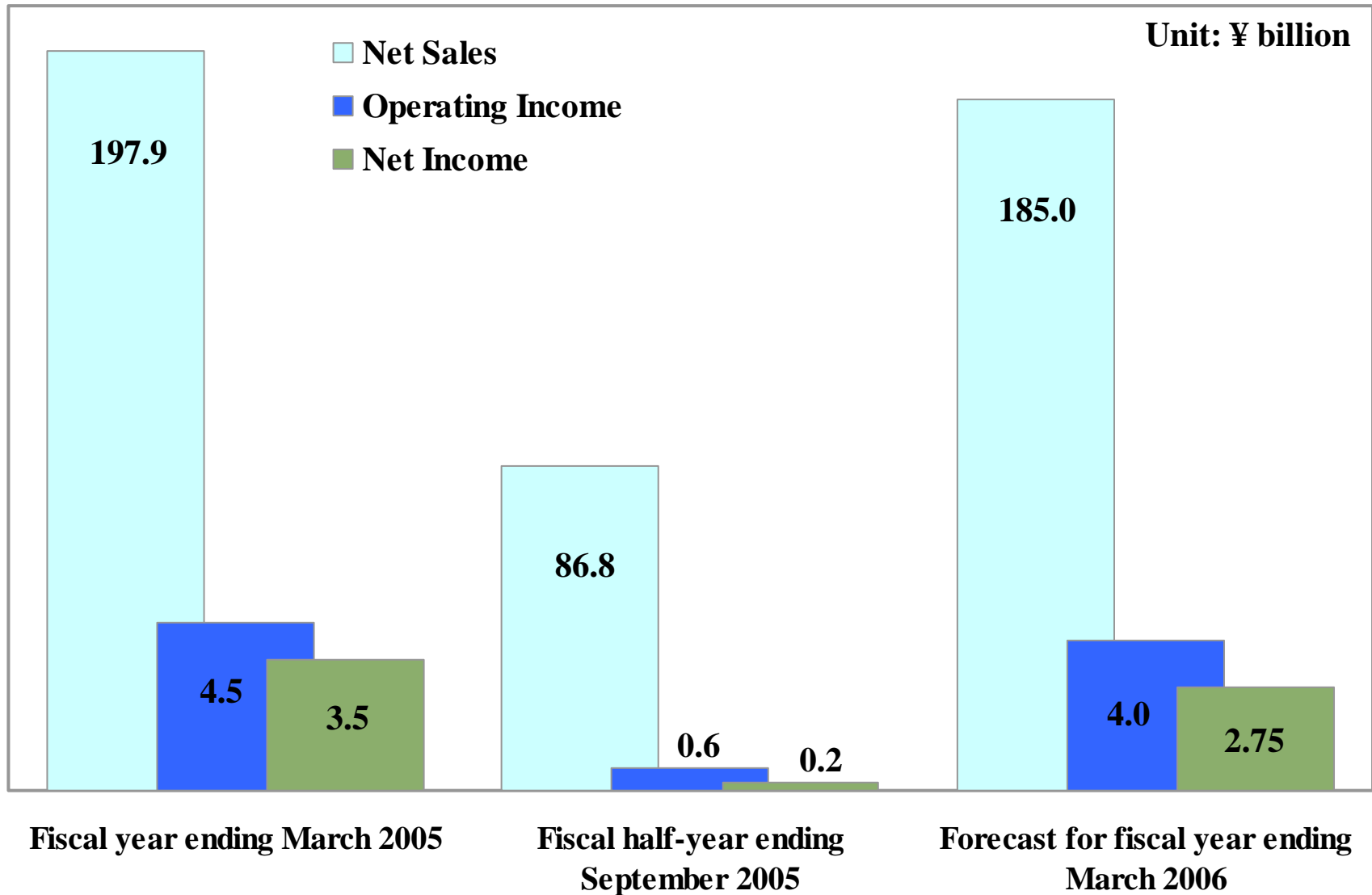
Business Overview for Fiscal Half-Year 2005

November 11, 2005

**President and Chief Executive Officer
Yutaka Yamada**

Earnings in the first half ending September 2005 and forecast for the full fiscal year (Consolidated results)

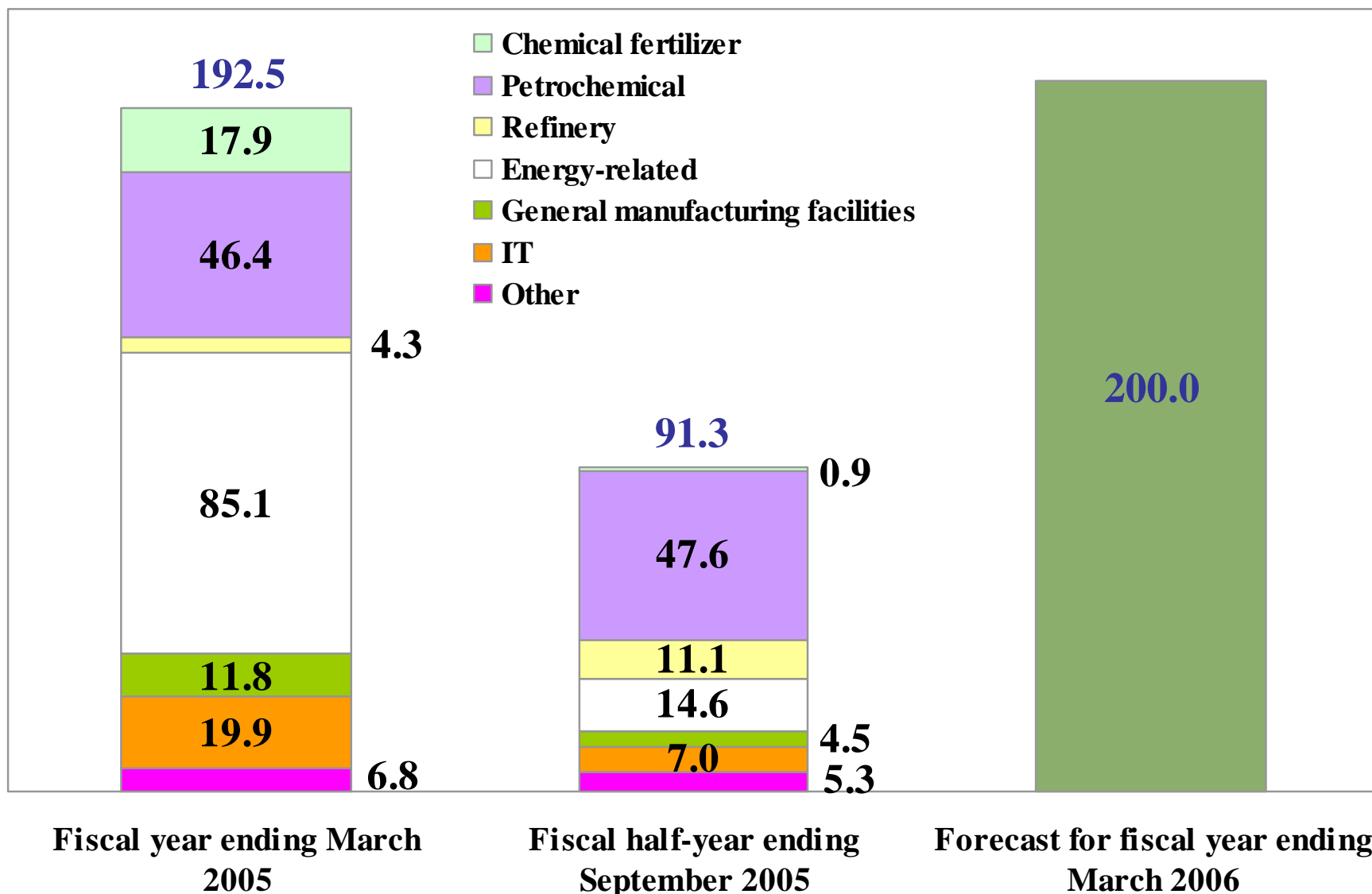
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New Orders received in the first half and forecast for the full fiscal year (Consolidated result)

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Unit: ¥ billion

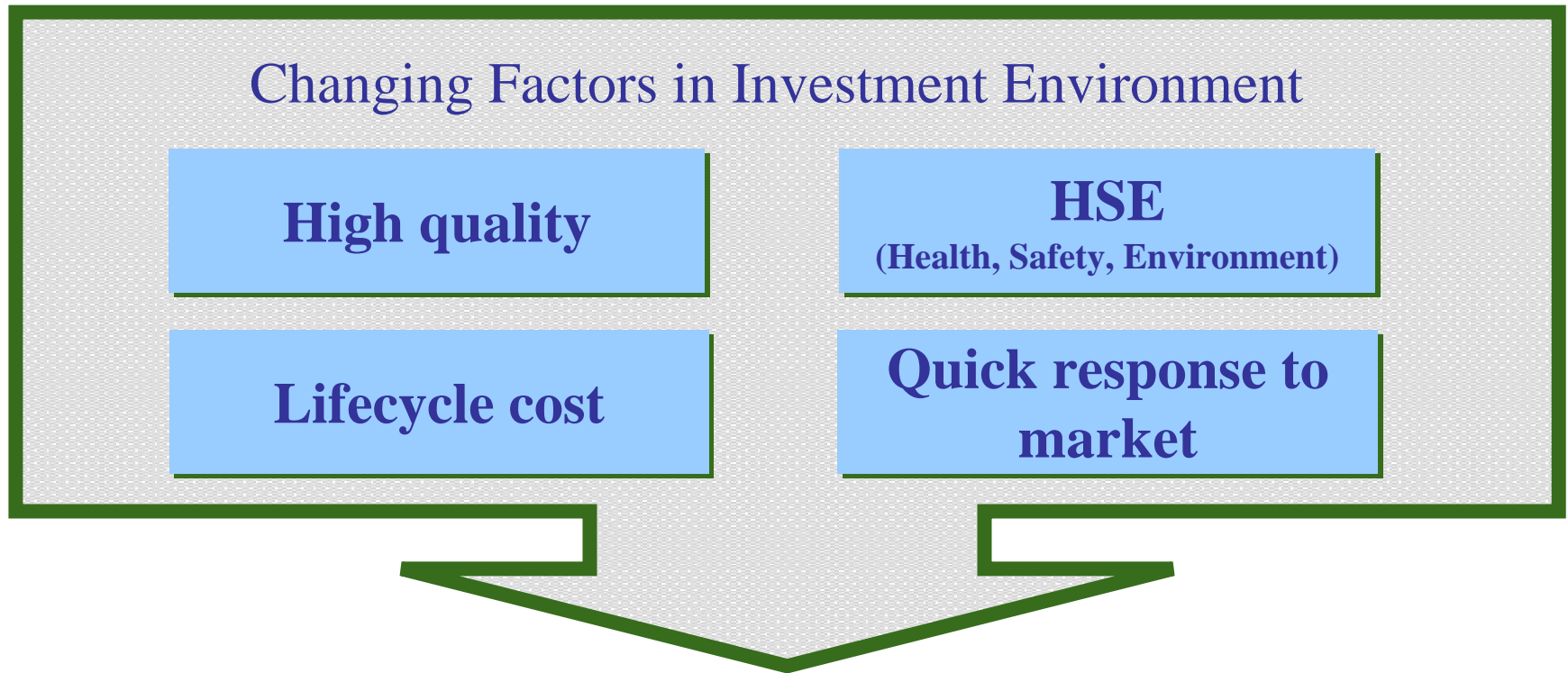


Market Outlook

- **Large-scale gas development**
 - => **LNG and GTL**
- **Hovering high crude oil prices**
 - => **Utilization of heavy crude and mid to small sized gas fields**
 - => **Development of alternative energies**
- **Worldwide demand growth for raw materials**
 - => **Petrochemical plant location in oil-producing countries or large consuming regions**
 - => **Refinery and petrochemical integration**
- **Orientation of the domestic petroleum and petrochemical companies**
 - => **Investment for integration including reorganization of enterprises**
 - => **Strategic investment based on selection and concentration**

Market trend ... Change in customers' concerns for investment

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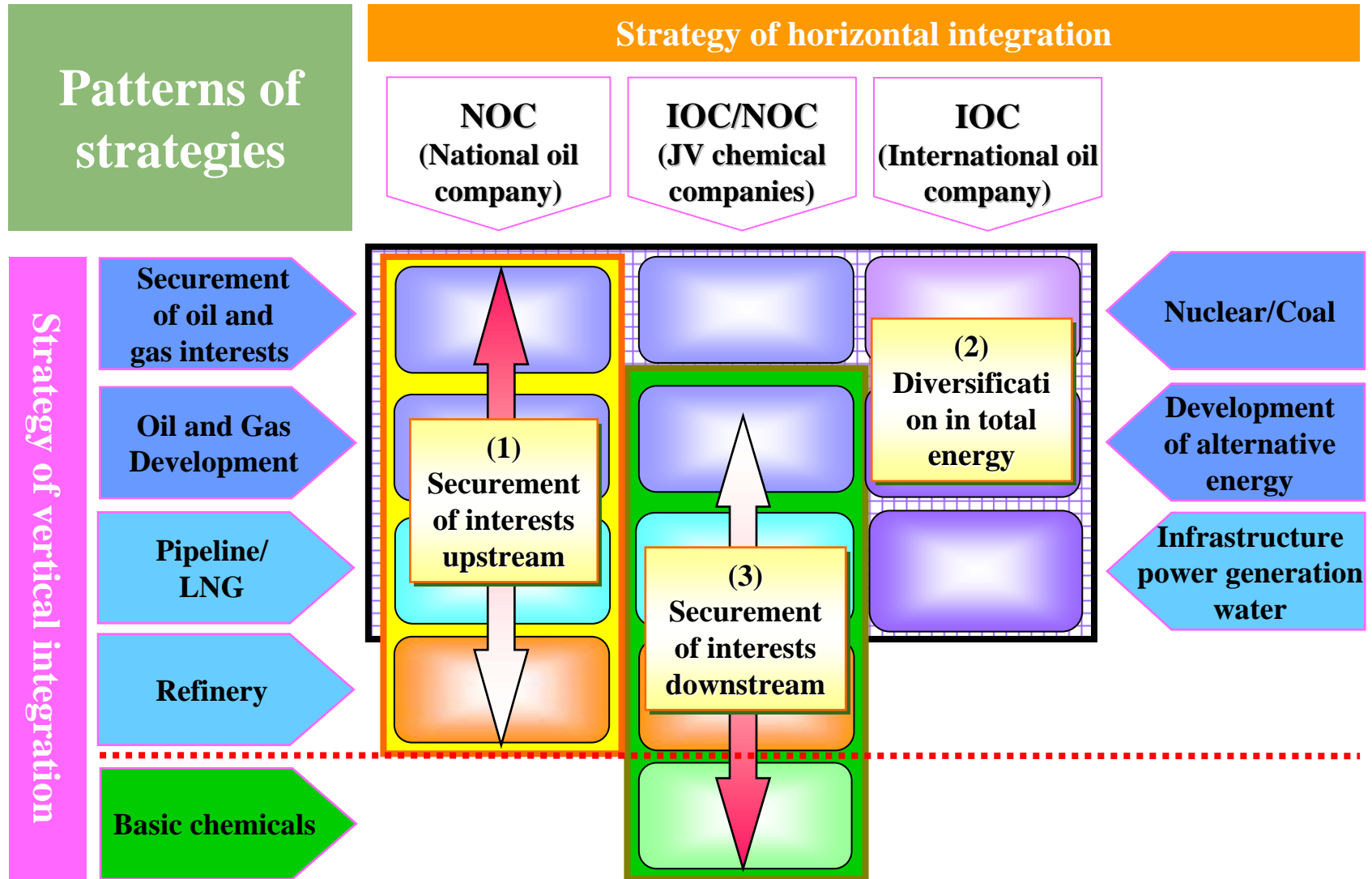


Services being required by Engineering companies

- From EPC cost to overall "value" including quality, safety and environment
- Participation from the initial planning stage to ensure earlier start of operation
 - O&M for improved lifecycle

Market Trend (Overseas) ... Strategic Investment

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Market Trend (Domestic) ... Selection and Concentration

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Patterns of strategies

Strategy of horizontal integration

