

Date: February 10, 2010

CONSOLIDATED FINANCIAL RESULTS (NEWS FLASH)

AIR WATER INC.

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Results for the Nine Months Ended February 10, 2010

Qualitative information on the Company's consolidated business performance

During the consolidated cumulative period till the third quarter under review, domestic manufacturing industries showed modest recovery of production activities thanks to a rise in export under the background of the recovery of Asian economies including People's Republic of China, in particular, advancement of inventory adjustment and effect of the Government's economic policies. However, the business climate surrounding the Company has been very severe due to concerns about dull capital investment and strengthening of the yen and progressive deflationary trend.

Under such business environment, the Company's Group has shown the following results since the second quarter: In the Industrial Business, such as Steel, Electronics, Special Glass, Automobiles and Chemicals, supply of gas to major customers has shown steady recovery. However, conditions of regional businesses aimed at construction and cylinders in particular have been still severe. In the Chemical Business, although Basic Chemical has shown steady recovery, the condition of Fine Chemical has been severe due mainly to a decline in sales of pharmaceutical/agrochemical intermediaries. In the Medical Business and Energy Business, on the other hand, profitability has expanded markedly thanks to the progress of structural improvement and promotion of rationalization measures. Moreover, in other Businesses such as Magnesia, Aerosol, High-Level Hospital Facility Construction and Salt Manufacturing, "Rat's Group Management" has achieved a steady flow of successful results because of unique technologies and large market share of respective Businesses and thereby contributed to the business results as the Group's collective strength.

As a result, for the second quarter ended February 10, 2010, net sales revenue declined 8.7% year on year to ¥ 311,280 million, operating income declined 1.2% year on year to ¥19,747 million and ordinary income declined 9.0% year on year to ¥ 20,033 million. Net income for the second quarter ended February 10, 2010 was ¥ 9,982 million, a decline of 1.4% year on year.

Operating segment information

(Millions of yen)

	Sales		Operating income	
	Quarter ended February 10, 2010	% compared with the same period of the previous year	Quarter ended February 10, 2010	% compared with the same period of the previous year
Industrial	139,925	89.4%	12,179	86.6%
Medical	40,353	109.0%	2,066	205.5%
Chemical	71,612	85.4%	2,352	92.3%
Energy	28,504	83.2%	1,339	184.5%
Other	30,884	106.1%	1,811	110.5%
Total	311,280	91.3%	19,747	98.8%