

Date: February 8, 2007

## CONSOLIDATED FINANCIAL RESULTS

AIR WATER INC.

Head Office: 20-16, Higashi-shinsaibashi 1-chome,  
Chuo-ku, Osaka, Japan

### 1. Results for the Nine Months Ended December 31, 2006

#### (1) Results of Operation

Millions of Yen

	Net Sales	Percent Change	Operating Income	Percent Change
Nine Months Ended December 31, 2006	300,368	+12.0%	16,392	+19.5%
Nine Months Ended December 31, 2005	268,239	+14.8%	13,718	+8.2%
Year Ended March 31, 2006	376,306		20,412	

	Net Income	Percent Change	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Nine Months Ended December 31, 2006	10,793	+62.7%	66.32	59.10
Nine Months Ended December 31, 2005	6,632	+30.5%	43.81	38.16
Year Ended March 31, 2006	9,647		61.93	54.17

Note : (1) Accounting changes: None

(2) The percentage figures for net sales, operating income and net income represent the percentage of increase or decrease against the same period of the previous year

#### Qualitative and Other Information on Progress in Business Performance (Consolidated)

At the end of the first nine months of fiscal 2006, Air Water Incorporated is able to report steady growth in its Industrial and Chemical Business groups on the back of burgeoning production and of strong growth in capital investment across a wide spectrum of the Japanese domestic manufacturing industry.

In the Company's Industrial Business group, production and supplies of industrial gases to the steel industry and other major users continued at high levels. Of particular note was the continuing firm note to growth in gas supplies to silicon wafer manufacturers, as well as to liquid crystal display and PDP manufacturers and their special glass suppliers as these sectors brought new plant into commission.

In the Chemical Business group, sales in basic chemicals and in tar distillates moved favorably against a backdrop of tight demand-supply conditions and of the high oil prices seen up to the end of the year. Sales of fine chemicals to the electronic material sector also increased. The Medical Business and the Energy Business groups performance well on the whole. In the Consumer Products group, the company transferred its housing products business to Matsushita Electric Works Bath & Life Co., Ltd. on October 1 2006.

For the first nine months of fiscal 2006, the company reported a consolidated operating profit of ¥16,392 million, an increase of 19.5% over the same period last year, and an ordinary profit of ¥18,234, 21.8% up, on net sales of ¥300,368 million, up 12.0%. Net profit for the period was ¥10,793 million, a year-on-year increase of 62.7%.

## (2) Financial Position

Millions of Yen

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share(Yen)
As of December 31, 2006	326,948	109,633	30.9%	617.79
As of December 31, 2005	310,294	83,972	27.1%	553.89
As of March 31, 2006	306,366	90,893	29.7%	559.94

### Qualitative and Other Information on Changes in the Company's Finances (Consolidated)

At the end of the third quarter, total company assets stood at ¥326,948 million, an increase of ¥20,582 million over the position at the end of the first half of fiscal 2006. Net assets stood at ¥109,633 million, an increase of ¥18,739 million that is due chiefly to changes in the stating of minority interests in consolidated subsidiaries attendant on the adoption of new accounting standards, to an increase in retained earnings, to an increase in net unrealized holding gains on securities and to a reversal of land revaluation difference. As a result, the Company's equity ratio has risen 1.2% to 30.9%.

## (3) Changes in Scope of Consolidation and Application of the Equity Method

Consolidation (Addition): 8 companies (Exclusion): 6 companies

Equity method (Addition): 1 company (Exclusion):