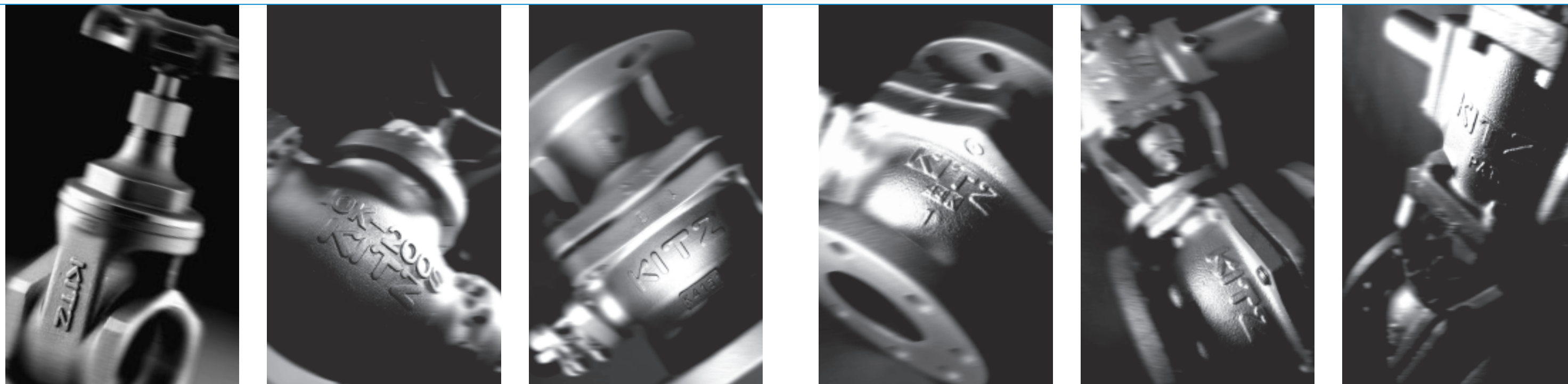


T h e R e l i a b l e B r a n d

KITZ



T h e R e l i a b l e B r a n d

KITZ is dedicated to increasing corporate value by providing products and services that embody originality and quality.



Chairman Yuhsuke Shimizu (left)
President and Chief Executive Officer Kimio Kobayashi (right)

Since its establishment in 1951, KITZ Corporation has supplied products for applications ranging from the home to industrial processes as a manufacturer of valves and other devices for the control of fluids.

Over the years, we have grown into one of the world's leading valve manufacturers. Today, the KITZ brand has a solid reputation for outstanding quality in Japan and around the world.

As we enter a new century, concerns are growing about the global environment and access to sustainable sources of energy. At the same time, we are witnessing the advent of a society driven by sophisticated information and telecommunication technologies.

These developments will significantly alter our operating environment in the years ahead. KITZ Corporation is dedicated to increasing its corporate value through the provision of products and services rooted in originality and quality. We will focus on achieving even greater satisfaction for our customers, shareholders and the communities in which we operate.

KITZ Corporation will remain a manufacturer that concentrates on valves and other devices to control fluids, constantly working toward the goals of helping make our lives more fulfilling and earning the trust of all stakeholders.

Chairman

President and Chief Executive Officer

Many Roles

KITZ Products Play in Our Lives

Valves, the primary products of KITZ Corporation, control the flow of gaseous and liquid fluids. Our valves play vital roles in our lives in water and sewer systems, the supply of hot water, gas distribution, heating, ventilation and air conditioning systems. Industrial applications range from oil and chemicals to pharmaceuticals and food processing. Valves help preserve our quality of life by fluid flow control in all these places.

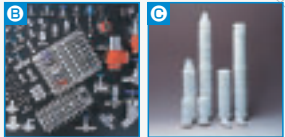


KITZ Gas pipelines

KITZ Building facilities



KITZ Semiconductor production equipment



KITZ Water supply systems



KITZ Roof gardening systems



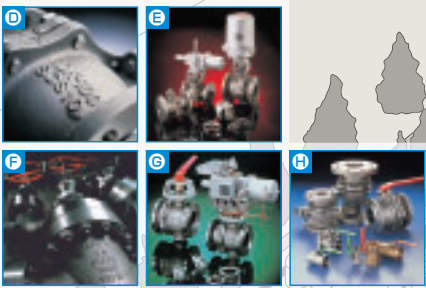
KITZ Residential utility systems



KITZ Sewer systems



KITZ Industrial manufacturing facilities



KITZ LNG terminals



Gas pipelines:

- A Trunnion ball valves made of welded steel forgings

Semiconductor production equipment:

- B Valves and fittings for machineries and equipment
- C Hollow fiber membrane filter for solutions

Industrial manufacturing facilities:

- D Super duplex stainless steel valves
- E Metal or carbon seated steel ball valves
- F Carbon steel valves for general service
- G Lambda port steel valves for slurry service
- H Ball valves for general service

LNG terminals:

- I Cryogenic service stainless steel valves

Water supply systems:

- J Corporation stops with saddles

Roof gardening systems:

- K Water sprinkling solenoid valves and controllers

Residential utility systems:

- L Lead-free copper alloy valves
- M Air vent valves
- N Utility meter units
- O Piping header systems
- P Water conditioners for home use
- Q Copper alloy fittings for plastic bridge tubes

Sewer systems:

- R Corrosion resistant iron valves
- S General service iron valves

Building facilities:

- T Bronze valves
- U THROTTROL high-rangeability butterfly valves
- V Aluminum butterfly valves
- W Ductile iron valves
- X Instrumentation products for air conditioning

Petroleum refineries and petrochemical plants:

- Y Steel valves for high temperature service
- Z Stainless steel valves for corrosion resistant service

KITZ Petroleum refineries and petrochemical plants



The Reliable Brand

The Reliable Brand

Product Lineup Targeting Requirements for Flow Control

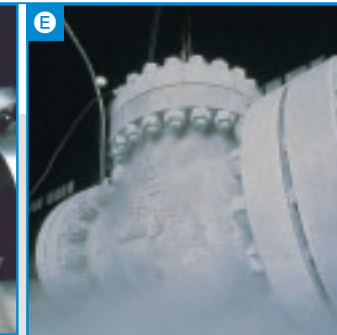
Valves must be engineered to meet the demands of a broad spectrum of applications. Designs need to match the material, whether water, gas, oil or another substance, that is to be controlled. Temperature, pressure, control systems and other factors are also key considerations. With a diverse assortment of products, KITZ Corporation is able to meet every customer need involving valves.



Products for Buildings and Residential Utilities

These products are essential to the operation of water and sewer systems, the distribution of hot water, heating, ventilation and air conditioning equipment, and many other items that are part of daily activities. Many of these products are made of cast bronze or iron.

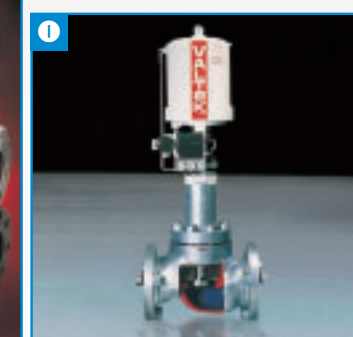
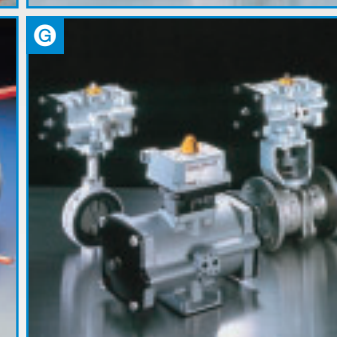
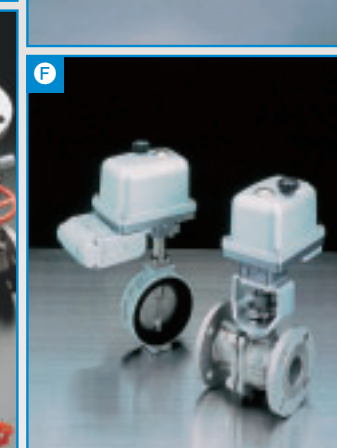
- A** Cast bronze gate, globe, check and ball valves and strainers
- B** Cast iron gate, globe and check valves
- C** Cast aluminum butterfly valves
- D** Cast ductile iron gate, globe, check and ball valves and strainers
- E** Lead-free copper alloy gate, globe, check and ball valves (KEEPALLOY)
- F** Piping header systems for water supply
- G** Utility meter units for residential buildings
- H** Instrumentation ball valves and controllers for air conditioning systems
- I** Plastic air vent valves for draining systems (Tsuuki-ban)



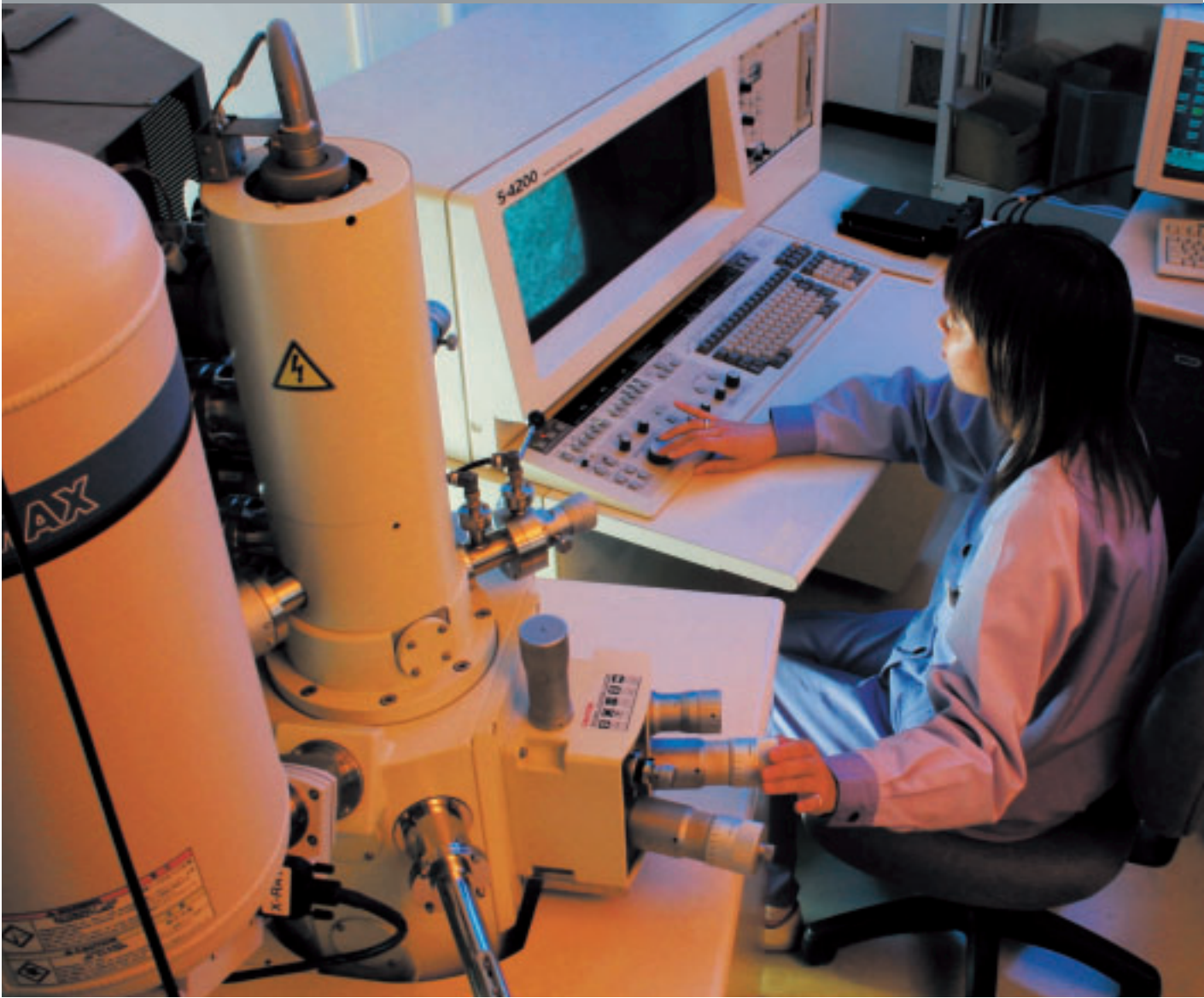
Products for Industrial Applications

KITZ industrial valves are widely used in petroleum refineries, chemical and petrochemical plants, LNG handling facilities, pulp and paper mills, power generators and other types of plants. Many of these products are made of stainless steel or carbon steel.

- A** Cast carbon steel gate, globe and check valves for high temperature service
- B** Cast stainless steel gate, globe and check valves for corrosion resistant service
- C** Ball valves made of carbon steel, stainless steel and bronze castings
- D** Super duplex cast stainless steel gate, globe, check and ball valves for ultimate corrosion resistant service
- E** Cryogenic service cast stainless steel valves for LNG handling facilities
- F** Automated valves driven with KITZ EX Series electric actuators
- G** Automated valves driven with KITZ F Series pneumatic actuators
- H** Metal or carbon seated, high performance steel ball valves for high temperature service
- I** Electrically actuated globe valves for automatic flow control



KITZ's R&D organization creates value-added products for customers the world over.



Starting out as a producer of manual valves, KITZ Corporation now employs advanced technology and quality control expertise to meet today's market needs with automated, centralized and other sophisticated fluid control techniques.

Even more innovative products are being created by sharing technology within the KITZ Group and through alliances with other companies.

This is what the KITZ brand stands for.

Prioritizing R&D That Targets Skill, Streamlining and Speed

Operations at KITZ Corporation are guided by the goal of "aiming for greater corporate value by strengthening technologies to provide customers with products that are impressive and innovative." To accomplish this, KITZ Corporation conducts R&D activities, the basis for all corporate activities, on the following concepts.

Skill—Integrated technological skills extending from the preparation of materials to the manufacturing of products

Streamlining—Streamlined, lightweight product designs that conserve resources and reduce energy consumption

Speed—Speedy development of products that anticipate upcoming market needs

Exclusive Test Analysis Skills Underpin Outstanding Reliability and Quality

One of the world's leading integrated valve manufacturers, KITZ Corporation manufactures more than 40,000 types of products.* The retention of industry-leading expertise in the analysis of tests is instrumental to the Company's ability to supply customers in many markets with products having excellent reliability and quality.

Tests and analysis at KITZ facilities are repeated and performed under conditions identical to how products will be used by customers. Only designs that pass a punishing series of reliability tests are allowed to join the KITZ product lineup.

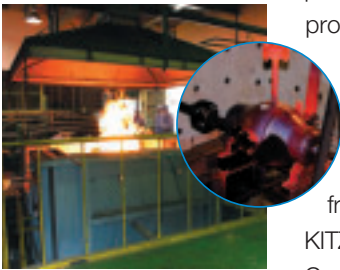
Through the analysis of these tests, KITZ Corporation is working relentlessly on the development of new products and materials.

* Each one of the available combinations of bore sizes, pressure classes and shell materials of the products of the same design is counted as one for the estimate.

Technologies and Fabrication Skills That are Environmentally Friendly

Protecting the global environment is a major theme at KITZ. The Company has established a philosophy, management policy and action guidelines regarding environmental issues.

Fire Test



This test is to verify that, after resilient sealing components of a ball valve have been deteriorated by a simulated plant fire, external leakage of the line fluid is minimized by metal-to-metal interface contact of valve component parts, and eliminates concern about increased magnitude of the fire.

3D CAD System



By using 3D CAD technology, engineers can check the shape of parts and products, and even confirm that they can be assembled with precision, before these items are actually made. This speeds the development process and cuts costs.

KEEPALLOY



This globally patented lead-free copper alloy employs bismuth and selenium instead of lead. This has met the world's most rigorous criterion of a maximum of 0.01mg/liter of lead percolation into drinking water, which came into force in Japan in April 2003.

Aggressive measures are taken to develop products and technologies (production processes and materials) as well as conduct the entire product fabrication process in a manner that minimizes the environmental impact.

Products made of KEEPALLOY, a lead-free copper alloy, are one example of how KITZ products reflect environmental issues. KITZ Corporation developed and commercialized this material on its own, creating an exclusive lineup of environmentally friendly products.

In all, KITZ Corporation is taking numerous actions to reduce the environmental impact of its products with the goal of becoming an environmentally sensitive company.

Environmental Management Policies
Winning Trust through Firm Commitment to Our Environmental Philosophy

1. Create products and services that are environmentally responsible for their entire life cycles, from development and design through manufacture, use and disposal.
2. Reduce the Company's environmental impact by constantly improving recycling and reuse systems to efficiently use natural resources.
3. Raise environmental protection activities to a higher level by establishing internal environmental standards based on the strict compliance with applicable laws and regulations.

Working on Technology to Meet Even Greater Demands

Starting out as a maker of manual valves, KITZ Corporation now supplies valves that meet sophisticated demands for automation and centralized control. Some valves are operated pneumatically or electrically. Other valves are automatically controlled by computers. Through the years, KITZ Corporation has always taken on the challenge of adopting even more advanced technology.

Also driving progress is technology sharing within the Group and with other companies through alliances. This process has produced many advances, including super-clean technology for semiconductor manufacturing equipment and high performance separation technology for precision filtration.

Stringent quality management systems and the global division of production tasks yield consistently high-quality products.



An exclusive production system, extending from order receipt through development, manufacture and delivery, eliminates waste, cuts costs and speeds deliveries.

Further backing up the reliability of KITZ products are exacting testing standards and a rigorous quality management program.

This is what the KITZ brand stands for.

Using KICS to Manufacture Products Based on a Market-Driven Concept

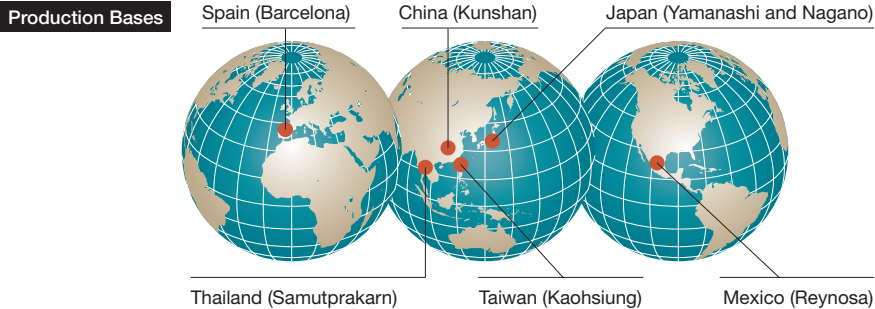
To supply customers with products when they are needed, and in the necessary quantities, KITZ Corporation employs an innovative management system called KITZ Innovative and Challenging System (KICS). This system covers every step from the receipt of orders to the development, manufacture and delivery of products.

Production under KICS employs the just-in-time method. Since this system originates from the information received from customers, it ensures that products are always created in a way that mirrors customer needs. KITZ calls this “product fabrication based on a market-driven concept.”

Reliable Quality Management Program Stands behind the KITZ Brand

Placing priority on international quality assurance standards, KITZ Corporation in November 1989 became the first Japanese company and the first among flow control equipment manufacturers in the world to earn the ISO 9001 certification. This standard applies to every aspect of quality management, beginning with order receipt and going all the way to shipment and after-sales service. KITZ Corporation conducts a stringent quality management program based on an exclusive quality assurance system that covers material selection, production processes, assembly, tests and inspections.

In July 2001, KITZ Corporation was the first Japanese valve manufacturer to be certified to carry the CE safety marking that is required by the European Union.



KICS



KICS is an exclusive comprehensive management system to oversee product development, manufacturing and sales activities driven by the KITZ spirit of innovation and taking on new challenges.

ISO 9000 Series Certification



The ISO 9000 series is an international standard for quality management systems. KITZ Corporation has earned this certification at all its factories in Japan and other countries.

Overseas Manufacturing Bases



KITZ (Thailand) Ltd. is the largest KITZ production facility outside Japan. In recent years, output capacity has been raised to reinforce its position as a key member of the global manufacturing network.

Global Production Network

In response to the rapid globalization of its markets, KITZ has assembled a worldwide production network in which all products are made in the most suitable locations. Able to meet a broad range of customer needs, this network can supply products in a timely manner along with quality, prices, delivery schedules and services that meet customers’ expectations.

Major production locations are as follows.

- **Japan:** Plants in Japan handle everything from product development through manufacture, concentrating on value-added products. Priority is placed on new markets, new materials and new design functions. Japan also performs a vital role as the “control tower” for global manufacturing activities.
- **Thailand:** KITZ’s plants in Thailand produce mainly copper alloy valves and butterfly valves. The plants combine sophisticated equipment with the just-in-time production method to achieve high productivity and adhere to the market-driven concept. These strengths make our plants in Thailand reliable suppliers of products to customers in many countries.
- **Taiwan:** Utilizing expertise in materials and processing technologies, our production plants in Taiwan produce mainly steel valves. These valves are sold in Japan and other countries around the world.
- **China:** This country, often referred to as the world’s factory, is an extremely cost-efficient location for manufacturing valves. The KITZ Chinese plants manufacture steel valves for industrial applications.
- **Spain:** This plant is a supply base for EU customers. Its main products are steel ball valves.

KITZ provides a source of solutions for the entire product life cycle.



KITZ extends support to customers in many ways.

Quality products

Reliably systemized distribution and maintenance networks

The KITZ VIEW and order tracking service

Technical training for customers

This is what the KITZ brand stands for.

Global Marketing Network



Extensive Marketing Network Able to Respond Instantly to Customer Demands

In Japan, KITZ Corporation has branch offices and distribution networks in all major cities to cover every region of the country. All these bases are linked via a data network to the head office and factories so that market demand can be fed back directly to the people who manufacture KITZ products. Another KITZ advantage is an exclusive just-in-time order system. The result is the ability to deliver products almost immediately. Moreover, the KITZ Option Express (KOE) permits reviews of order receipt, production and shipment for optional products, facilitating virtually immediate deliveries and the ability to give customers confirmed delivery times.

All after-sales services are extended by KITZ Engineering Service Co., Ltd., which has four factory service centers and a network of 22 authorized service shops throughout Japan. This makes possible the provision of maintenance services that precisely match each customer's needs.

The Just-in-Time Order System

Under this order system, customers determine a standard level for each KITZ standard product held as inventory so that KITZ Corporation can replace on a daily basis items that have been shipped. Inventory is thus replenished constantly. Customers no longer need to monitor inventory levels for these standard products and can immediately respond to the needs of off-the-shelf distribution.

Brand That Stands for Outstanding Reliability Worldwide

Overseas sales strategies are coordinated by the International Sales Division, which oversees branch offices in the U.S., Spain, the U.K., Thailand and China. This network allows KITZ Corporation to cover all global

KITZ Engineering Service Co., Ltd.



A KITZ subsidiary specializing in valve repair/modification and parts distribution, in addition to equipment maintenance

Homepage



KITZ discloses all material information related to the Company on its website in a timely and appropriate manner. This includes corporate profile, IR information and product information, as well as current job openings.

KITZ Technical Training Center



Established in Kobuchizawa in Yamanashi Prefecture in 1981, the KITZ Technical Training Center is the only permanent facility in Japan offering training in valve technology. A large number of our customers use this facility.

markets as well as work with about 40 distributors to serve customers outside Japan. To respond quickly to requests and problems concerning specific products, there is a network of KITZ Authorized Modification Shops that can modify and repair valves.

Website Information Service

KITZ Corporation uses networks to offer customers a number of services. On the Company's website (<http://www.kitz.co.jp>), customers can search for products, download product designs and check at any time when an order will be delivered. (An English version will be produced in the future.)

KITZ VIEW

This service gives customers direct access to detailed product information such as specifications and drawings. Since KITZ Corporation frequently makes minor revisions in designs and specifications, KITZ VIEW is a useful source of the latest information.

Order Tracking Service

Customers can use the KITZ website to check for themselves the status of products on order.

Valve Technical Training for Customers

Technical training is offered to keep customers up to date on the constant advances in valve materials and technologies as well as on ways to use KITZ products most effectively.



Valve Business

Domestic Group Companies

Manufacturing and sales

Toyo Valve Co., Ltd.

Shimizu Alloy Mfg. Co., Ltd.

KITZ SCT Co., Ltd.

Miyoshi Valve Co., Ltd.

KITZ Micro Filter Corporation

Maintenance

KITZ Engineering Service Co., Ltd.

Overseas Group Companies

Manufacturing and sales

Thailand

KITZ (Thailand) Ltd.

Toyo Valve (Thailand) Co., Ltd.

Taiwan

KITZ Corporation of Taiwan

China

KITZ Corporation of Kunshan

KITZ Corporation of Jiangsu Kunshan

KITZ SCT of Kunshan

Mexico

KITZ Corporation of Mexico, S.A. de C.V.

Spain

KITZ Corporation of Europe, S.A.

Sales

U.S.

KITZ Corporation of America

China

KITZ Corporation of Shanghai

U.K.

KITZ Corporation UK Office

Copper Rolling Business

(Manufacture and sales of copper and processed products)

KITZ Metal Works Corporation

(Manufacture and sales of copper products)

Kyoto Brass Co., Ltd.

Other Businesses

(Operation of comprehensive sports clubs)

KITZ Wellness Co., Ltd.

(Operation of hotel and restaurants)

Hotel Beniya Co., Ltd.

(Sales of glass art works)

Suwa Garasu No Sato Co., Ltd.

Valve Business

(Domestic Group Companies)



Toyo Valve Co., Ltd.

Manufacturing and sales of valves



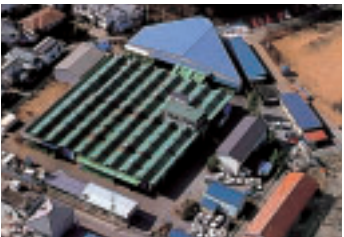
Shimizu Alloy Mfg. Co., Ltd.

Manufacturing and sales of water works valves



KITZ SCT Co., Ltd.

Manufacturing and sales of piping materials for semiconductor manufacturing equipment



Miyoshi Valve Co., Ltd.

Manufacturing and sales of valves for building utilities and freezing and refrigeration equipment



KITZ Engineering Service Co., Ltd.

Maintenance services for valves

(Overseas Group Companies)



KITZ (Thailand) Ltd.

Manufacturing and sales of copper alloy valves and butterfly valves



Toyo Valve (Thailand) Co., Ltd.

Manufacturing and sales of copper alloy valves



KITZ Corporation of Taiwan

Manufacturing and sales of steel valves and joints



KITZ Corporation of Kunshan

Manufacturing and sales of steel valves



KITZ Corporation of Jiangsu Kunshan

Manufacturing and sales of steel valves



KITZ SCT of Kunshan

Manufacturing and sales of fittings for semiconductor production equipment



KITZ Corporation of America

Sales, marketing and distribution of valves



KITZ Corporation of Mexico, S.A. de C.V.

Manufacturing and sales of steel valves



KITZ Corporation of Europe, S.A.

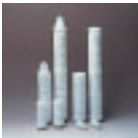
Manufacturing and sales of steel ball valves

KITZ Group

Valve Business

KITZ Micro Filter Corporation

Using exclusive hollow fiber membrane production technology, this company produces fluid separation products ranging from filters for the semiconductor industry to domestic water conditioners.



Hollow fiber membrane filter for solutions



Domestic water conditioners



Copper Rolling Business

The main activity of these companies is the manufacture of lead-free brass rods, a product that has been attracting increasing attention in recent years, and brass rods for machining and forging as well as parts for the valves made by KITZ Corporation and its Group companies. In addition, the companies are engaged in the sale of materials and processed components used in water systems, consumer electronics, automobiles and many other applications.

KITZ Metal Works Corporation



Brass rods



Kyoto Brass Co., Ltd.



Brass wire



Other Businesses

KITZ Wellness Co., Ltd.

This company helps customers to stay fit and enjoy sports by operating comprehensive sports clubs called KITZ Sports Square in the Tokyo area. Each location is equipped with a swimming pool, a variety of training equipment, tennis and squash courts, space for golf lessons and many other activities.



Hotel Beniya Co., Ltd.

Hotel Beniya is a hot spring hotel located on the shore of beautiful Lake Suwa in Nagano Prefecture, Japan. A top-floor bath provides a majestic view of the sunset. There is a convention hall large enough for international conferences as well as large and small banquet halls and other facilities, allowing the hotel to serve tourists as well as local residents.



Suwa Garasu No Sato Co., Ltd.

One of Japan's largest glass shops, this facility on the shore of Lake Suwa has a large collection of well-known works of glass art and other artistic items incorporating glass from all over the world. Visitors can see original works of art take shape in the glass studio. The new wing of the Kitazawa Museum of Art is located on the second floor.



Kitazawa Museum of Art

Established in 1982 by KITZ founder Toshio Kitazawa, this foundation operates art museums in the communities of Suwa in Nagano Prefecture and Kiyosato in Yamanashi Prefecture. The permanent collection has glass objects from the art nouveau period as well as modern Japanese paintings. By supporting the activities of the two Kitazawa art museums, the foundation contributes to both artistic and cultural advancement.



Plants

Nagasaka Plant

The place where KITZ was born, this facility is the Company's production and engineering headquarters. Bronze valves and stainless steel valves are the major products at the plant, which is the nucleus of the Group's manufacturing network. The plant has Japan's highest stainless steel casting capacity in a single location.

● Start of operations April 1951

● Area of site 162,576m²

● Floor area 46,580m²

● Main manufacturing facilities

| | |
|--|---|
| 5-ton low frequency electric furnace x 4 | Automated multiple machining device x 110 |
| High frequency electric furnace x 7 | Automated valve assembly line x 1 |
| Automated molding and casting plant x 4 | SRP furnace x 1 |
| Automated molten metal pouring apparatus x 1 | |

● Major products ■ Bronze valves ■ Stainless steel valves
■ Actuated valves ■ Water distribution devices

● Location Nagasaka-cho, Hokuto City, Yamanashi Prefecture, Japan



Ina Plant

This plant boasts one of the world's largest and most advanced production lines for industrial valves. Major facilities include automated molding and casting lines for cast iron, transfer machines and numerically controlled (NC) lathes. Production of large-diameter ball valves and other large valves is one of the plant's most important roles. The Ina plant also manufactures all types of butterfly valves as well as automated control valves.

● Start of operations August 1973

● Area of site 202,000m²

● Floor area 58,100m²

● Main manufacturing facilities

| | |
|--|--|
| 6-ton low frequency electric furnace x 3 | Transfer machine x 9 |
| Automated molding and casting plant x 1 | Valve assembly line x 32 |
| Self-hardening steel casting plant x 1 | Automated multiple machining device x 68 |

● Major products ■ Cast iron valves ■ Cast steel valves
■ Butterfly valves ■ Ball valves
■ Actuated valves ■ Automated control valves

● Location Ina City, Nagano Prefecture, Japan



Corporate Information

| | |
|-------------|---|
| Name | KITZ CORPORATION |
| Head office | 1-10-1 Nakase, Mihama-ku, Chiba 261-8577, Japan Tel: +81-43-299-0111 |
| URL | http://www.kitz.co.jp/index_en.html |
| Established | January 26, 1951 |
| Capital | ¥21,207 million (As of March 31, 2004) |
| Activities | Manufacturing and sales of valves, other flow control devices and related products |



KITZ headquarters

KITZ Mission Statement

KITZ is dedicated to increasing corporate value by providing products and services that embody originality and quality.

Code of Conduct

Do it the **KITZ** Way

- Do it Now
- Do it New
- Do it True