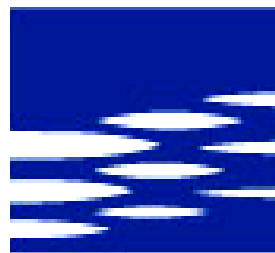


Results Presentation for the Second Quarter ended September 30, 2008

EBARA (6361)

Nov 17th. 2008



EBARA

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Summary of Results through the 2nd Quarter

(Ended September 30, 2008)

(Billions of JPY)

(Billions of JPY)	FY2007 2 nd Quarter (accum.)(Result)	FY2008 2 nd Quarter (accum.)(Result)	FY2009 2 nd Quarter (accum.)(Result)	Change (09-08)
Orders	283.7	299.1	254.6	-44.5
Net Sales	194.4	236.9	222.8	-14.1
Operating Income	-13.8	-7.1	-3.5	+3.6
Ordinary Income	-15.4	-8.5	-4.3	+4.2
Net Income	-11.9	-24.5	-2.6	+21.9

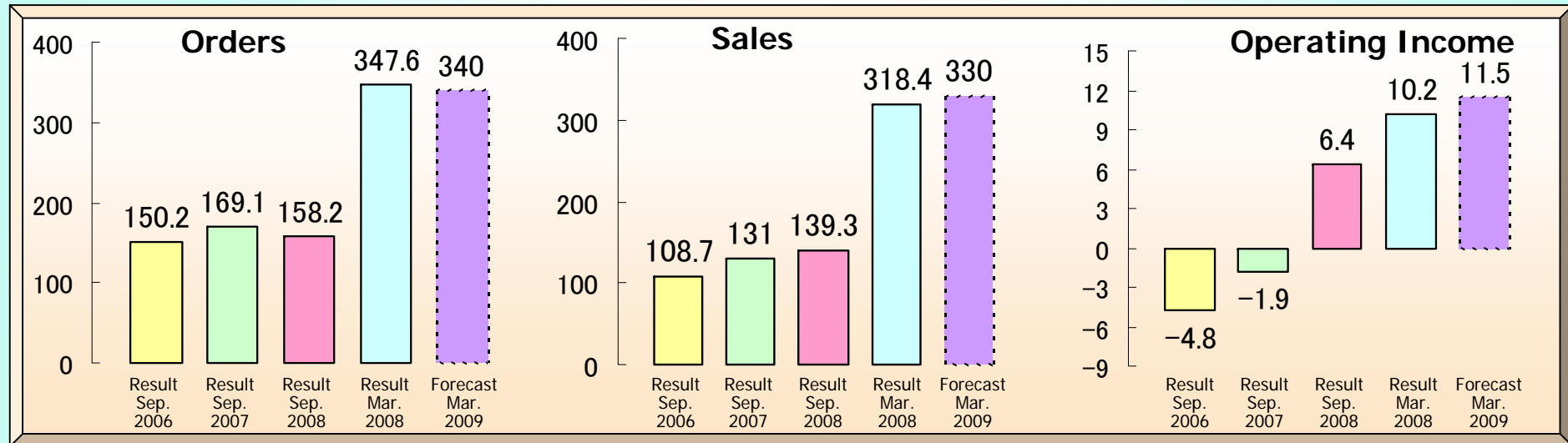
Segment Financial Results through the 2nd Quarter

(Ended September 30, 2008)

FMS business

··· Fluid machinery & Systems business

(Billions of JPY)



【Orders】

Although the value of orders declined from the same period of the previous fiscal year, due to the effects of temporary factors stemming from the implementation of a review of internal standards for orders, the Company secured a high level of orders, mainly from the electric power sector and the oil and gas industry.

【Sales】

Sales rose above the level of the same period of the previous fiscal year based on the Company's substantial backlog of orders for custom pumps from the electric power and other industries as well as orders for compressors & fans from the oil and gas industries.

【Operating Income】

Operating income rose substantially above the same period of the previous fiscal year as a result of the combination of improved profitability owing to thoroughgoing profit management at the factory level as well as reductions in costs, along with posting of sales from projects having higher margins beginning at the order stage and other factors.

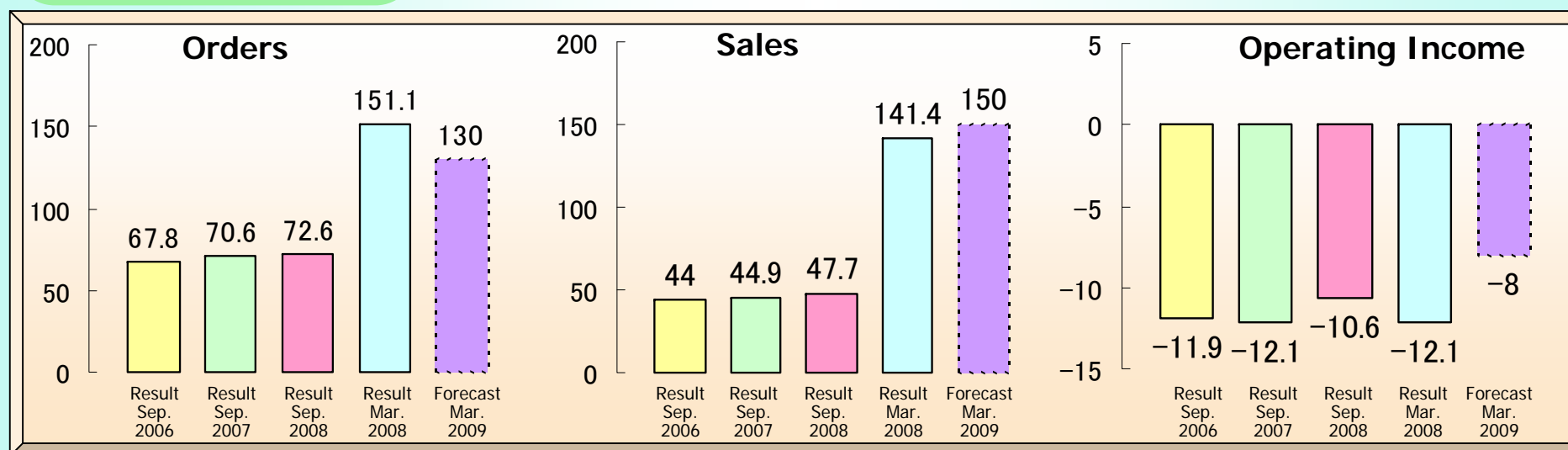
Segment Financial Results through the 2nd Quarter

(Ended September 30, 2008)

EE business

... Environmental Engineering business

(Billions of JPY)



【Orders】

Although competitive conditions for public sector projects, which is the Company's core business, remained severe, the Company secured orders at about the same level as in the same period of the previous year.

【Sales】

Sales rose above the level of the same period of the previous fiscal year as a result of the recovery in revenues of the domestic water treatment plant business and the overseas plant business.

【Operating Income】

Although the Company set aside additional reserves related to overseas waste incineration plants in the first quarter, as a result of the positive effects of a lower burden of temporary costs compared with the same period of the previous fiscal year, reduction in fixed costs, and other factors, the operating loss was smaller than for the same period of the previous fiscal year.

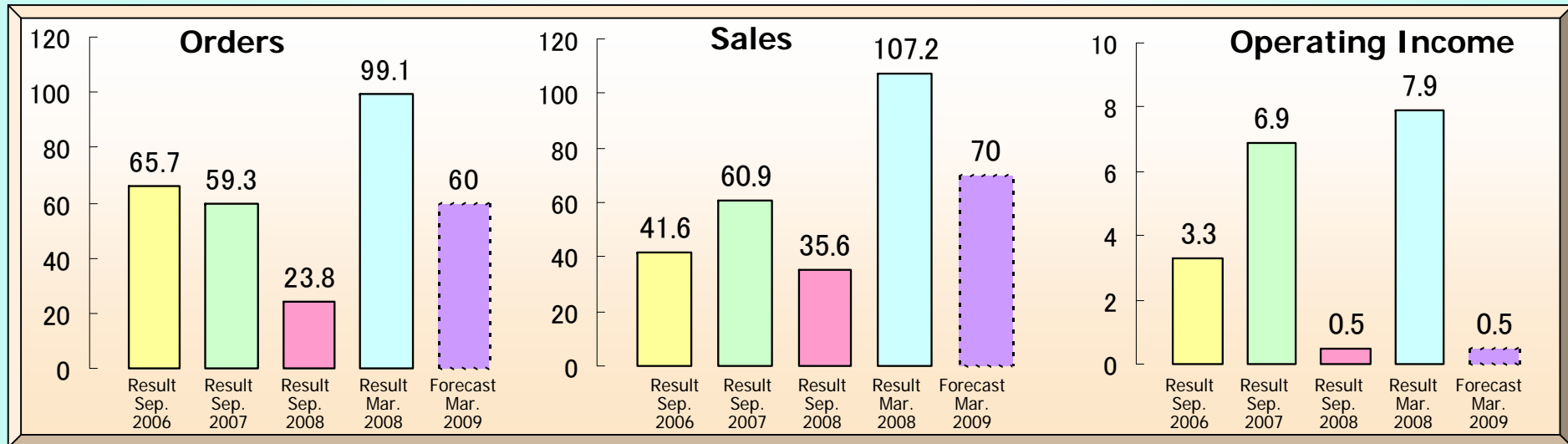
Segment Financial Results through the 2nd Quarter

(Ended September 30, 2008)

PM business

... Precision Machinery business

(Billions of JPY)



【Orders & Sales】

The weak conditions in the semiconductor market show no signs of recovery, and companies in this industry are continuing to restrain their investments in semiconductor manufacturing equipment. As a result of these conditions in the market environment and other factors, including changes in accounting criteria for the recognition of sales and the exclusion of a subsidiary that was sold in the previous fiscal year from the scope of consolidation, orders dropped substantially from the same period of the previous year.

【Operating Income】

Although the Company reduced costs, operating income dropped sharply from the same period of the previous year as a consequence of the impact of weaker-than-expected market conditions and the decline in sales due to changes in accounting criteria for the recognition of sales.

Segment Forecast for FY2009

(Ended March 31, 2009)

FMS business ··· Fluid machinery & Systems business

(Billions of JPY)	Result FY2008	Plan FY2009	Forecast FY2009	Change (From planned levels)	Change (08-09)
Orders	347.6	319.0	340.0	21.0	-7.6
Sales	318.4	328.0	330.0	2.0	+11.6
Operating Income	10.2	11.0	11.5	0.5	+1.3

- ◆ Projection of orders

Orders are expected to exceed the initially planned levels as a result of robust orders for compressors & fans. Although there are growing uncertainties as the world economy decelerates, energy-related and infrastructure-related investments are expected to remain stable. Therefore, the outlook is for orders at about the same level as in the previous fiscal year.

- ◆ Projection of sales

Sales are expected to be at the initially planned levels as a result of the substantial backlog of orders for custom pumps business and compressors & fans business.

- ◆ Projection of OP

Although there will be some negative factors, including the impact of foreign currency losses, operating income is expected to be above the previous fiscal year because of positive factors, such as efforts to improve profitability, the selection of orders with favorable margins, and withdrawal from loss-making businesses.

Segment Forecast for FY2009

(Ended March 31, 2009)

FMS business

... Status of major action plan

Major Action Plan	Status
<u>Strengthen business base in global markets and increase profitability</u>	Custom pump business <ul style="list-style-type: none"> • Futtsu Plant now under construction. Strengthening overseas production locations, especially in China. • Introduction of strategic products into high-growth markets, especially products for nuclear power plants in China. • Now making preparations for the establishment of after-sales service facilities in the Middle East.
	Standard pump business <ul style="list-style-type: none"> • Making improvements in marketing, manufacturing, and logistics networks for efficiency among China, Southeast Asia, and Europe. • Strengthening business operations in China through enhancing the capabilities of the Yantai Plant in China. • Strengthening product development capabilities with an eye to world markets, including making improvement in the capabilities of stainless multistage pumps.
<u>Strengthen Group management</u>	Compressors and turbines business <ul style="list-style-type: none"> • Mounting a response from the Japan-U.S. team to attain highest production levels in EBARA's history. • Expand operations in the Asia-Pacific area through unified Japan-U.S. management in service business.
<u>Emphasis on improving profitability</u>	Social systems related business <ul style="list-style-type: none"> • Accept orders selectively, based on the analysis of the project content, and streamline the organization. • Improve profitability through aggressive activities to eliminate waste.
	Chillers business <ul style="list-style-type: none"> • Completed function tests and now conducting durability tests of high-speed turbo chillers in preparation for expansion of sales in the domestic market. • Now confirming functions of turbo chillers in preparation for introducing these units into the Chinese market.

Segment Forecast for FY2009

(Ended March 31, 2009)

EE business

· · · Environmental Engineering business

(Billions of JPY)	Result FY2008	Plan FY2009	Forecast FY2009	Change (From planned levels)	Change (08-09)
Orders	151.1	153.0	130.0	-23.0	-21.1
Sales	141.1	150.0	150.0	0	+8.6
Operating Income	-12.1	-3.0	-8.0	-5.0	+4.1

- ◆ **Projection of orders**

Orders are expected to fall below the level of the previous fiscal year because of greater selectivity in choosing orders from the public sector in the environmental plant business and the declining drive to invest in the private sector.

- ◆ **Projection of sales**

Sales are likely to increase over those of the previous fiscal year as a result of recovery in sales of the water treatment plant business and other factors.

- ◆ **Projection of OP**

The operating loss is expected to shrink from the previous fiscal year's level, despite provisions for additional expenses related to overseas waste incineration plant projects, as a consequence of the positive effects of a lower burden of temporary costs compared with the previous fiscal year, reduction in fixed costs, and other factors.

Segment Forecast for FY2009

(ended March 31, 2009)

EE business

... Status of major action plan

Major Action Plan	Status
<p><u>Flexible response to changing needs of customers placing orders</u></p>	<p>Unified management of plant construction and O&M businesses</p> <ul style="list-style-type: none"> · Improve responsiveness to private finance initiative (PFI), design, build, operate (DBO) . · Improve capabilities for implementing large-scale maintenance and repair projects, such as those to increase plant capacity and prolong useful lifetimes of facilities, etc. · Promote multiyear and long-term, contracts for O&M.
<p><u>Improvement in competitiveness and profitability</u></p>	<p>Strengthen capabilities for making comprehensive proposals and price competitiveness</p> <ul style="list-style-type: none"> · Strengthen competitiveness by leveraging top-class record of accomplishments in Japan, marketing network, and after-sales service network to best advantage. <p>Continue low-cost engineering and procurement</p> <ul style="list-style-type: none"> · Standardize, develop "package" projects, strengthen overseas procurement capabilities. <p>Continue to cut fixed costs</p>
<p><u>Steady and sure implementation of projects now under way</u></p>	<p>Implement overseas waste treatment facility projects now on order steadily and surely</p> <ul style="list-style-type: none"> · Implement thoroughgoing budget and delivery schedule management.

Segment Forecast for FY2009

(Ended March 31, 2009)

PM business

...Precision Machinery business

(Billions of JPY)	Result FY2008	Plan FY2009	Forecast FY2009	Change (From planned levels)	Change (08-09)
Orders	99.1	83.0	60.0	-23.0	-39.1
Sales	107.2	82.0	70.0	-12.0	-37.2
Operating Income	7.9	5.0	0.5	-4.5	-7.4

- ◆ Projection of orders

Orders will be substantially below initially planned levels because of the continued decline in investments in semiconductor manufacturing equipment, owing to the worldwide economic slump triggered by the financial crisis, and the absence of any prospects for recovery during the current fiscal year.

- ◆ Projection of sales

Since no recovery is likely in the volume of orders as a result of the prolonged stagnation in the semiconductor market, sales are expected to show a marked decline from the previous fiscal year.

- ◆ Projection of OP

Although a substantial decline in sales is likely because of the slump in the semiconductor market, the Company aims to speed up reductions in fixed costs to secure some operating income.

Segment Forecast for FY2009

(ended March 31, 2009)

PM business

... Status of major action plan

Major Action Plan	Status
<u>Strengthening competitiveness of core products</u>	Chemical mechanical polishing (CMP) equipment: Expand share of Cu circuitry process • Introduce new products with superior features into the market
	Components: Strengthen competitiveness of existing products and introduce new models into the market • Realign the portfolio of dry pump products • Introduce Fluorine (F)-Fixation Type Gas Abatement System
<u>Enhancing profitability</u>	Reduce fixed costs • Reduce the number of partner employees • Sharpen focus on a smaller number of R&D themes
	Developing after-sales service business • Make improvements in after-sales services and improving teamwork among locations, while focusing on overhauling as well as making improvements in and refurbishing of existing equipment • Expand customer response call center functions and improve training/support functions for service centers
<u>Develop new markets</u>	Expand sales of vacuum pumps to the solar battery industry
	Develop Cu plating technology for 3D packaging

Summary of Forecast for FY2009

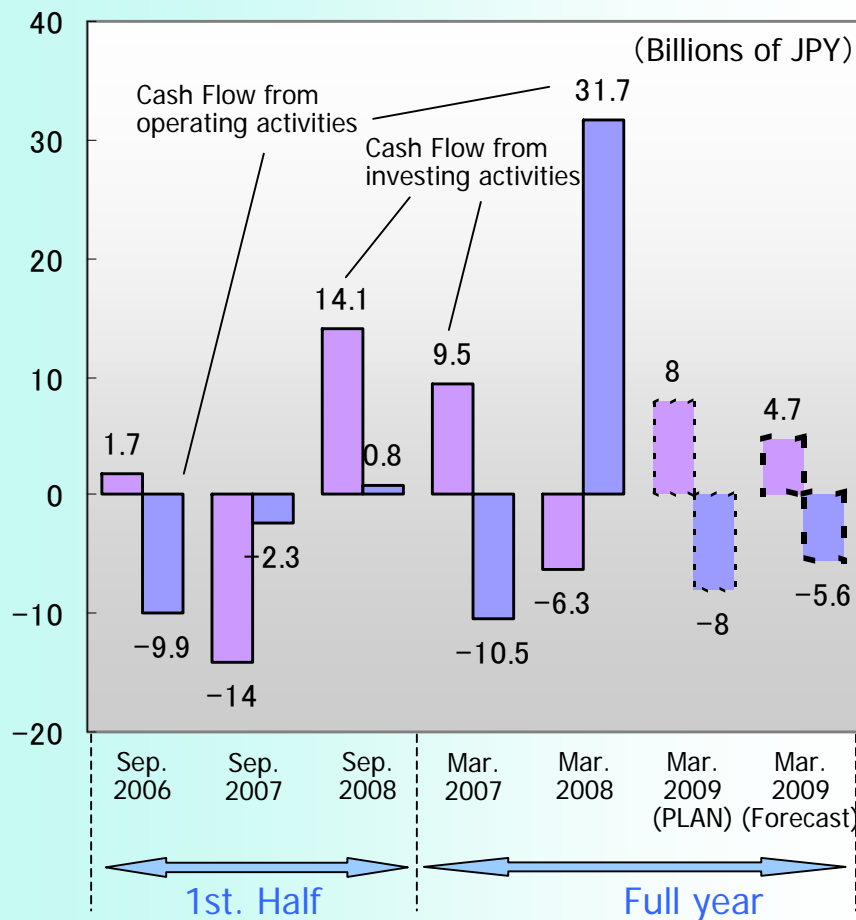
(Ended March 31, 2009)

(Billions of JPY)	FY2008 (Results)	FY2009 (Planned)	FY2009 (Forecast)	Change (08-07)	Change (09-08)
Orders	597.9	555.0	530.0	-25.0	-67.9
Net Sales	567.1	560.0	550.0	-10.0	-17.1
Operating Income	6.0	13.0	4.0	-9.0	-2.0
Ordinary Income	2.7	9.0	0.5	-8.5	-2.2
Net Income	7.6	4.5	0	-4.5	-7.6

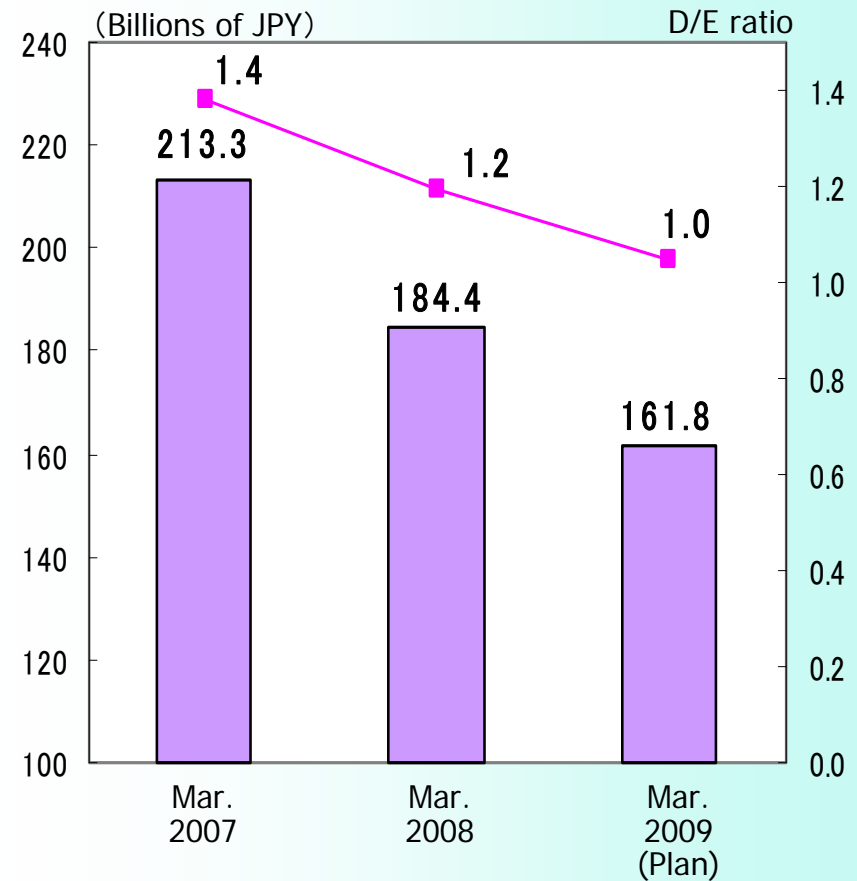
Summary of Forecast for FY2009

(Ended March 31, 2009)

Cash flow



Interest-Bearing Dept



This release contains forward-looking statements which involve certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements which are valid only as of the date thereof. Ebara undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date thereof or to reflect the occurrence of unanticipated events.