

# **Results Presentation for the 3<sup>rd</sup> Quarter** **ended December 31, 2016**

## **EBARA (6361)**

February 8, 2017



# 1. Summary of Results

## Summary of Results through the 3<sup>rd</sup> Quarter

(Nine months ended December 31, 2016)

(unit : ¥bn)

	3rd Quarter ended December 31, 2015	3rd Quarter ended December 31, 2016	Change
<b>Orders</b>	<b>346.4</b>	<b>340.6</b>	<b>-5.7</b>
<b>Net Sales</b>	<b>324.7</b>	<b>307.8</b>	<b>-16.9</b>
<b>Operating Income</b>	<b>15.5</b>	<b>8.5</b>	<b>-6.9</b>
<b>Ordinary Income</b>	<b>13.9</b>	<b>6.5</b>	<b>-7.3</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>7.3</b>	<b>5.1</b>	<b>-2.2</b>

Exchange rate  
(Average)

1 USD = 120.2 JPY

1 USD = 104.0 JPY

# 1. Summary of Results

## Segmental Summary of Results through the 3<sup>rd</sup> Quarter

(unit : ¥bn)

	Orders			Net Sales			Operating Income		
	3Q ended Dec. 31, 2015	3Q ended Dec. 31, 2016	Change	3Q ended Dec. 31, 2015	3Q ended Dec. 31, 2016	Change	3Q ended Dec. 31, 2015	3Q ended Dec. 31, 2016	Change
<b>FMS Business</b>	<b>226.1</b>	<b>205.8</b>	<b>-20.3</b>	<b>214.3</b>	<b>188.6</b>	<b>-25.7</b>	<b>2.9</b>	<b>-4.0</b>	<b>-6.9</b>
<b>EE Business</b>	<b>40.4</b>	<b>49.2</b>	<b>+8.7</b>	<b>44.7</b>	<b>43.1</b>	<b>-1.5</b>	<b>3.4</b>	<b>3.4</b>	<b>-0.0</b>
<b>PM Business</b>	<b>78.6</b>	<b>84.4</b>	<b>+5.8</b>	<b>64.3</b>	<b>74.8</b>	<b>+10.4</b>	<b>8.7</b>	<b>8.6</b>	<b>-0.0</b>
<b>Others, Adjustment</b>	<b>1.2</b>	<b>1.2</b>	<b>-0.0</b>	<b>1.2</b>	<b>1.2</b>	<b>-0.0</b>	<b>0.4</b>	<b>0.5</b>	<b>+0.1</b>
<b>Total</b>	<b>346.4</b>	<b>340.6</b>	<b>-5.7</b>	<b>324.7</b>	<b>307.8</b>	<b>-16.9</b>	<b>15.5</b>	<b>8.5</b>	<b>-6.9</b>

FMS Business ... Fluid Machinery & Systems Business

EE Business ... Environmental Engineering Business

PM Business ... Precision Machinery Business

# 1. Summary of Results

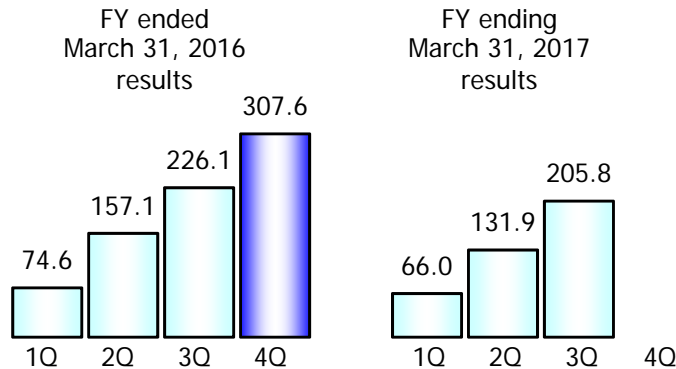
## FMS Results through the 3<sup>rd</sup> Quarter

### FMS Business ··· Fluid Machinery & Systems Business

### 【Orders, Sales】

(unit : ¥bn)

#### Orders



✓ Decline on strong yen (-)

✓ In Oil and Gas market, customers' capital investments has been slow

### 【Operating Income】

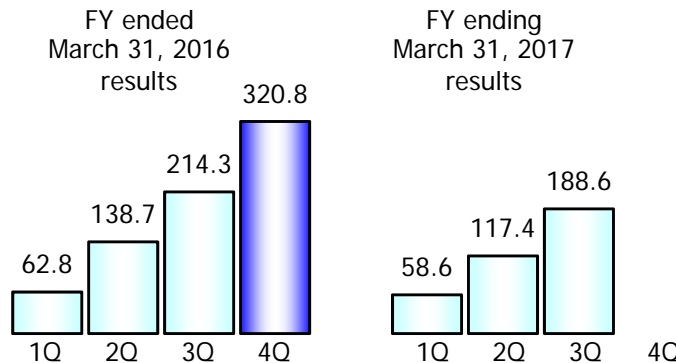
✓ Sales decreased (-)

✓ Strong yen (-)

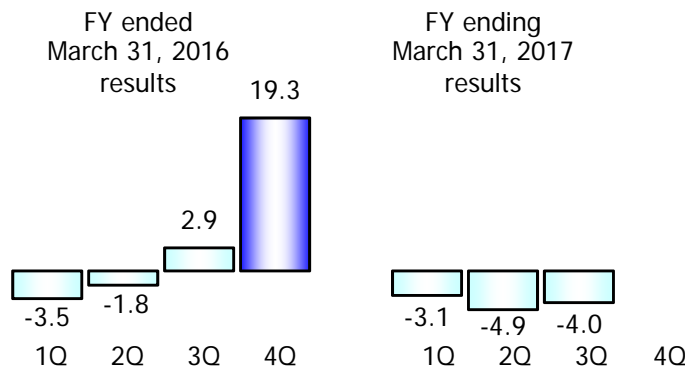
✓ A highly profitable project was in the same period last year (-)

✓ Profitability improved in Pumps business (+)

#### Sales

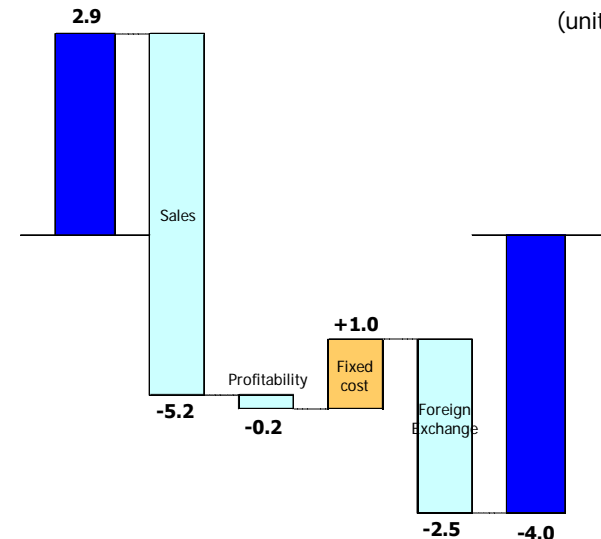


#### Operating Income



### Breakdown of Changes in Operating Income

(unit : ¥bn)



3rd Quarter ended Dec 31, 2015 results

3rd Quarter ended Dec 31, 2016 results

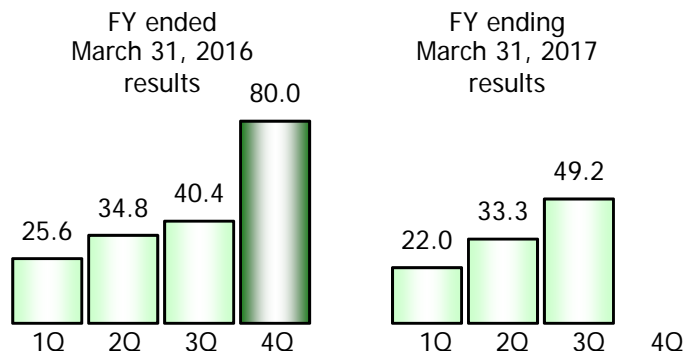
# 1. Summary of Results

## EE Results through the 3<sup>rd</sup> Quarter

EE Business ... Environmental Engineering Business

(unit : ¥bn)

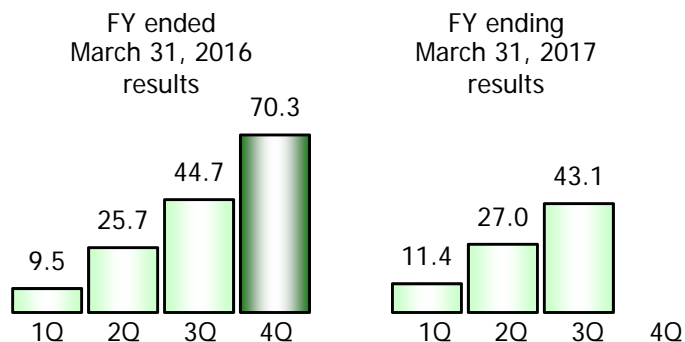
### Orders



### 【Orders】

- ✓ Received 2 large orders including the DBO project, which we were preferred bidder for

### Sales



### 【Sales, Operating Income】

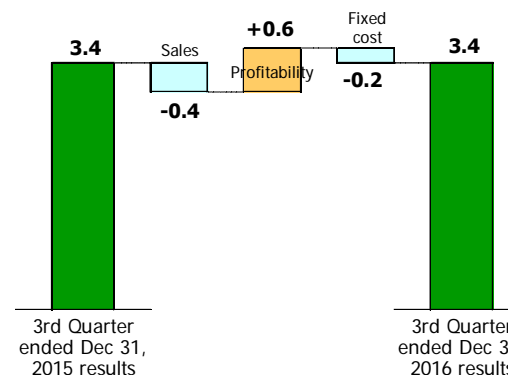
- ✓ Mostly progressing as planned

### Operating Income



### Breakdown of Changes in Operating Income

(unit : ¥bn)

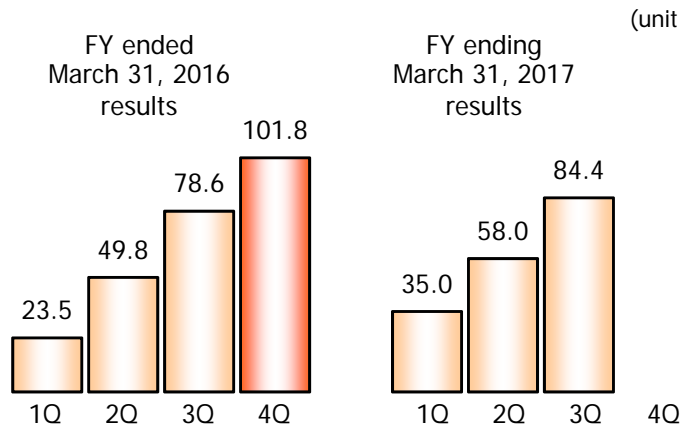


# 1. Summary of Results

## PM Results through the 3<sup>rd</sup> Quarter

### PM Business ··· Precision Machinery Business

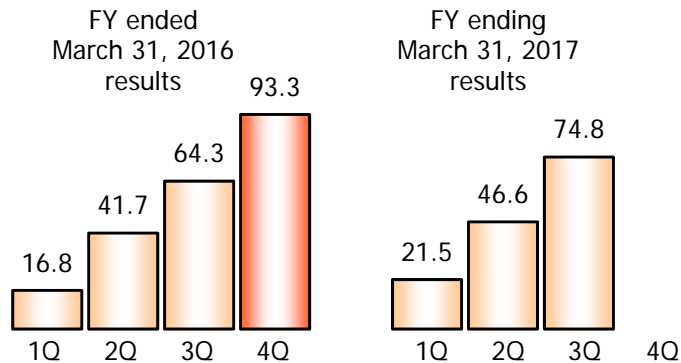
#### Orders



#### 【Orders, Sales】

- ✓ Capital investment in semiconductor market stays strong
- ✓ Especially CMP business is in good shape

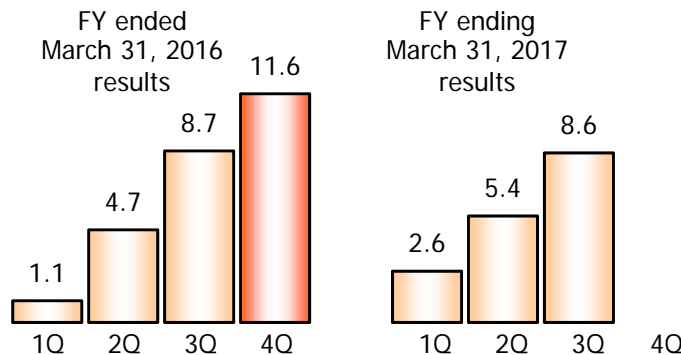
#### Sales



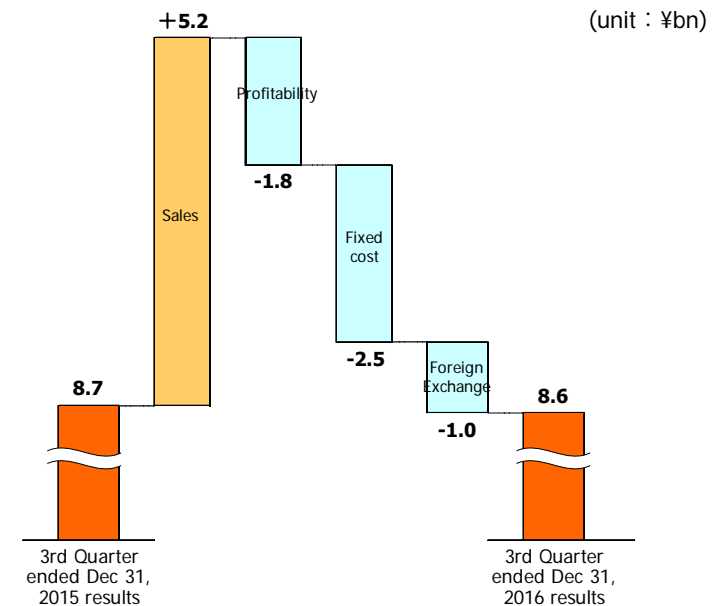
#### 【Operating Income】

- ✓ Sales increased (+)
- ✓ Fixed cost increased mostly from R&D expenses (-)
- ✓ Some low-margin sales recorded (-)

#### Operating Income



#### Breakdown of Changes in Operating Income



## 2. Projection

### Summary of Projection for Fiscal Year Ending March 31, 2017

(unit : ¥bn)

	<b>Fiscal Year Ended March 31, 2016 (Results) (A)</b>	<b>Fiscal Year Ending March 31, 2017 (Plan*) (B)</b>	<b>Fiscal Year Ending March 31, 2017 (Forecast) (C)</b>	<b>Change (C-B)</b>	<b>Change (C-A)</b>
<b>Orders</b>	<b>491.2</b>	<b>500.0</b>	<b>510.0</b>	<b>+10.0</b>	<b>+18.7</b>
<b>Net Sales</b>	<b>486.2</b>	<b>480.0</b>	<b>475.0</b>	<b>-5.0</b>	<b>-11.2</b>
<b>Operating Income</b>	<b>38.0</b>	<b>37.0</b>	<b>33.0</b>	<b>-4.0</b>	<b>-5.0</b>
<b>Ordinary Income</b>	<b>36.4</b>	<b>35.5</b>	<b>31.0</b>	<b>-4.5</b>	<b>-5.4</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>17.2</b>	<b>21.0</b>	<b>19.0</b>	<b>-2.0</b>	<b>+1.7</b>

Exchange rate      Average      Assumed      Assumed  
 1 USD = 115.8 JPY    1 USD = 105 JPY    1 USD = 110 JPY

\*The full-year plan announced in November 2016

## 2. Projection

### Summary of Projection for Fiscal Year Ending March 31, 2017

(unit : ¥bn)

		Fiscal Year Ended March 31, 2016 (Results) (A)	Fiscal Year Ending March 31, 2017 (Plan) (B)	Fiscal Year Ending March 31, 2017 (Forecast) (C)	Change (C-B)	Change (C-A)
FMS Business	Orders	307.6	308.0	308.0	—	+0.3
	Net Sales	320.8	303.0	298.0	-5.0	-22.8
	Operating Income	19.3	17.0	13.0	-4.0	-6.3
EE Business	Orders	80.0	80.0	80.0	—	-0.0
	Net Sales	70.3	70.0	70.0	—	-0.3
	Operating Income	6.4	7.0	7.0	—	+0.5
PM Business	Orders	101.8	110.0	120.0	+10.0	+18.1
	Net Sales	93.3	105.0	105.0	—	+11.6
	Operating Income	11.6	13.0	13.0	—	+1.3
Others, Adjustment	Orders	1.6	2.0	2.0	—	+0.3
	Net Sales	1.6	2.0	2.0	—	+0.3
	Operating Income	0.5	0.0	0.0	—	-0.5
Total	Orders	491.2	500.0	510.0	+10.0	+18.7
	Net Sales	486.2	480.0	475.0	-5.0	-11.2
	Operating Income	38.0	37.0	33.0	-4.0	-5.0



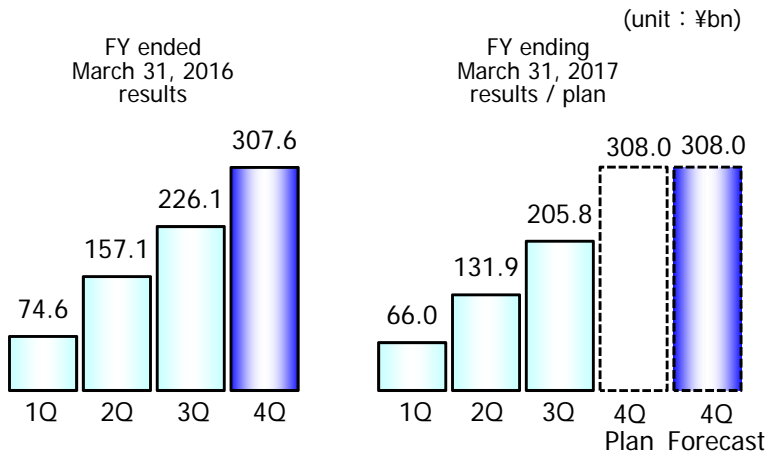
## 2. Projection

# FMS Projection for Fiscal Year Ending March 31, 2017

### FMS Business

Forecast revised from the plan : **【Sales】****【Operating Income】**

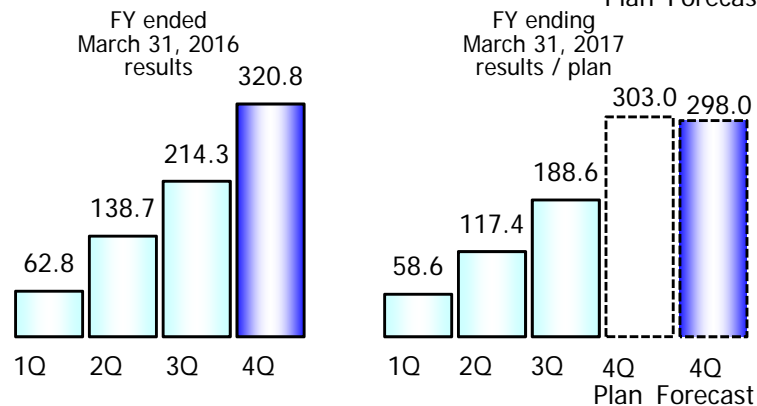
#### Orders



#### 【Orders】

- ✓ Expected to achieve the plan partly because of yen depreciation

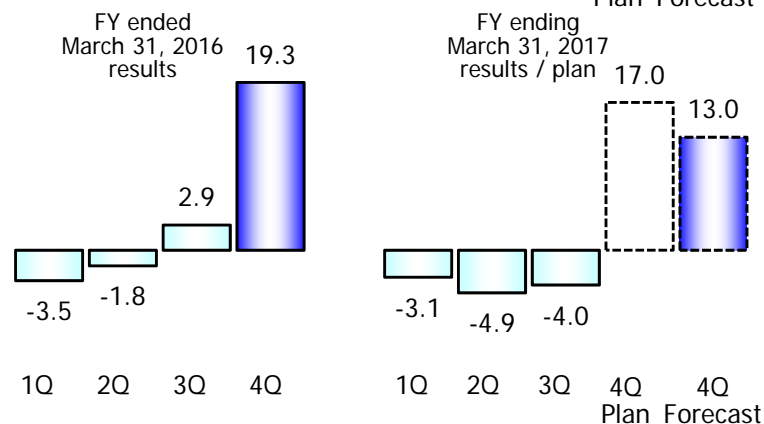
#### Sales



#### 【Sales】

- ✓ Compressors & Turbines business's forecast lowered

#### Operating Income



#### 【Operating Income】

- ✓ The forecast lowered mostly in Compressors & Turbines business

## 2. Projection

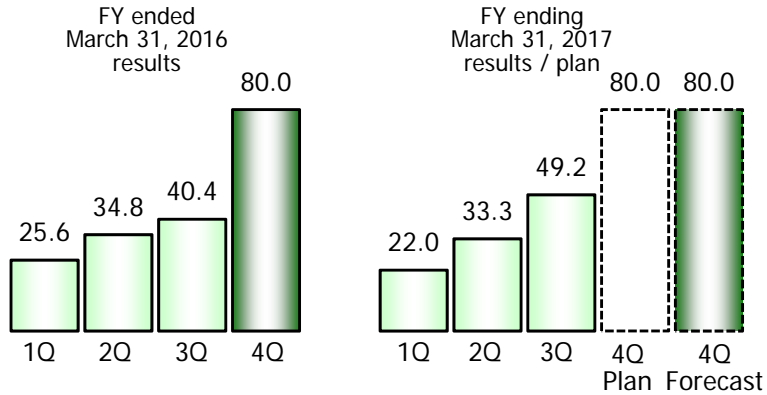
# EE Projection for Fiscal Year Ending March 31, 2017

### EE Business

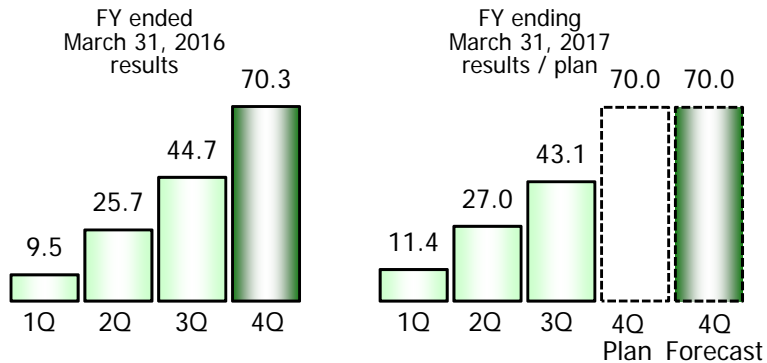
Not revised from the plan

(unit : ¥bn)

#### Orders



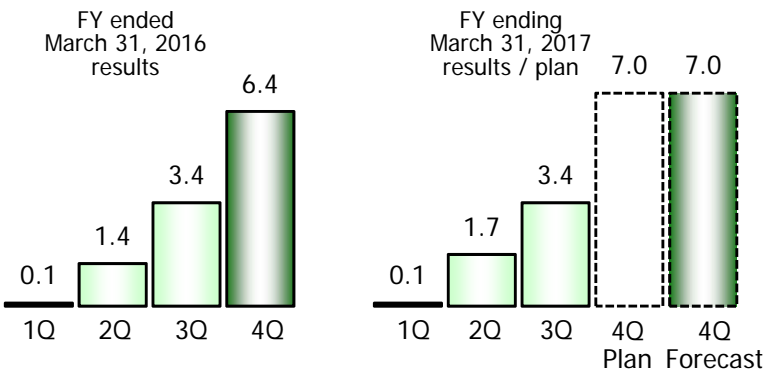
#### Sales



#### 【Sales】

✓ Steady progress in the EPC construction works

#### Operating Income



#### 【Operating Income】

✓ O&M business has been making stable profit

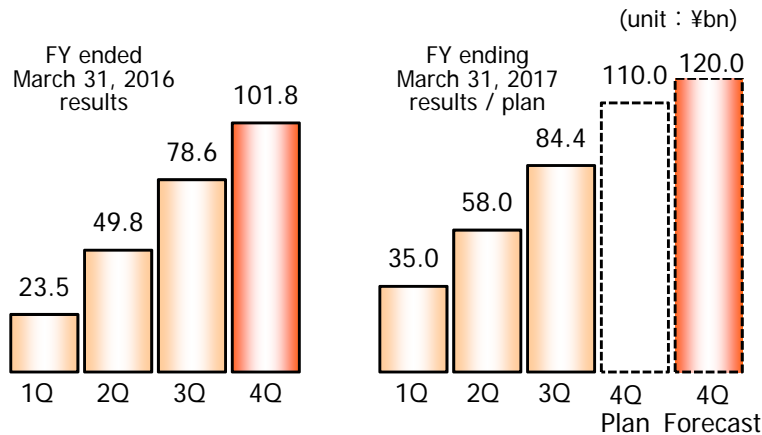
## 2. Projection

# PM Projection for Fiscal Year Ending March 31, 2017

### PM Business

Forecast revised from the plan : **【Orders】**

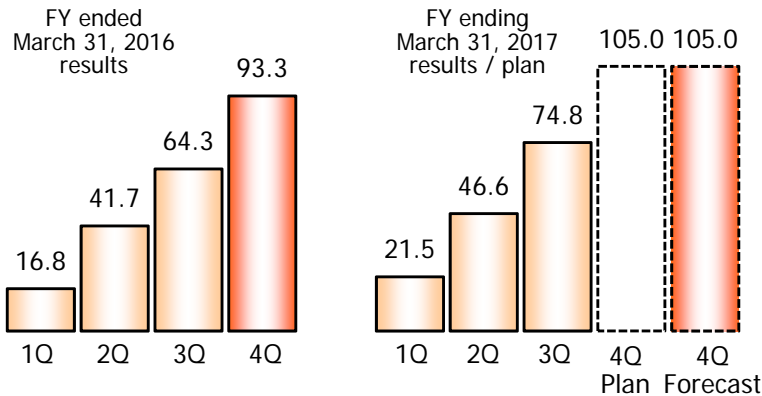
#### Orders



#### 【Orders】

- ✓ Major customers' active investment continue into 2017
- ✓ Raises our forecast again

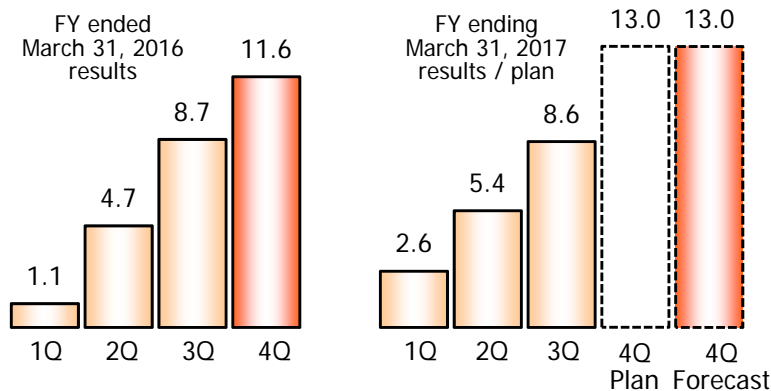
#### Sales



#### 【Sales】

- ✓ Raised order will be recorded as sales in the next fiscal year

#### Operating Income



#### 【Operating Income】

- ✓ Expected to achieve the plan even with some low-margin sales

## Breakdown of Orders and Sales Results by business segment

### Orders

(unit : ¥bn)

	FY ended	FY ending			Change	3Q ended	3Q ended	Change
	Mar. 31,	Mar. 31,				Dec. 31,	Dec. 31,	
	2016	Plan	Forecast	Change		2015	2016	
	Results				Results	Results		
<b>FMS Business</b>								
Pumps	176.8	178.0	<b>178.0</b>	-	<b>+1.1</b>	131.7	<b>123.8</b>	<b>-7.9</b>
Compressors and Turbines	75.9	80.0	<b>80.0</b>	-	<b>+4.0</b>	53.8	<b>44.5</b>	<b>-9.3</b>
Chillers	33.3	30.0	<b>30.0</b>	-	<b>-3.3</b>	25.4	<b>23.6</b>	<b>-1.7</b>
Others	21.4	20.0	<b>20.0</b>	-	<b>-1.4</b>	15.0	<b>13.8</b>	<b>-1.2</b>
<b>FMS Business Total</b>	307.6	308.0	<b>308.0</b>	-	<b>+0.3</b>	226.1	<b>205.8</b>	<b>-20.3</b>
<b>EE Business</b>								
Environmental Plants	80.0	80.0	<b>80.0</b>	-	<b>-0.0</b>	40.4	<b>49.2</b>	<b>+8.7</b>
<b>EE Business Total</b>	80.0	80.0	<b>80.0</b>	-	<b>-0.0</b>	40.4	<b>49.2</b>	<b>+8.7</b>
<b>PM Business</b>								
Components	40.1	40.0	<b>44.0</b>	<b>+4.0</b>	<b>+3.8</b>	29.4	<b>30.2</b>	<b>+0.7</b>
CMP Systems	47.7	64.0	<b>70.0</b>	<b>+6.0</b>	<b>+22.2</b>	37.3	<b>51.3</b>	<b>+14.0</b>
Others	14.0	6.0	<b>6.0</b>	-	<b>-8.0</b>	11.8	<b>2.8</b>	<b>-8.9</b>
<b>PM Business Total</b>	101.8	110.0	<b>120.0</b>	<b>+10.0</b>	<b>+18.1</b>	78.6	<b>84.4</b>	<b>+5.8</b>
<b>Others</b>	1.6	2.0	<b>2.0</b>	-	<b>+0.3</b>	1.2	<b>1.2</b>	<b>-0.0</b>
<b>Others Total</b>	1.6	2.0	<b>2.0</b>	-	<b>+0.3</b>	1.2	<b>1.2</b>	<b>-0.0</b>
<b>Total</b>	491.2	500.0	<b>510.0</b>	<b>+10.0</b>	<b>+18.7</b>	346.4	<b>340.6</b>	<b>-5.7</b>

## Breakdown of Orders and Sales Results by business segment

### Sales

(unit : ¥bn)

	FY ended	FY ending			Change	3Q ended	3Q ended	Change
	Mar. 31,	Mar. 31,				Dec. 31,	Dec. 31,	
	2016	2017				2015	2016	
	Results	Plan	Forecast	Change	Results	Results	Change	
<b>FMS Business</b>								
Pumps	178.6	173.0	<b>173.0</b>	-	<b>-5.6</b>	115.0	<b>106.0</b>	<b>-9.0</b>
Compressors and Turbines	90.2	80.0	<b>75.0</b>	<b>-5.0</b>	<b>-15.2</b>	66.4	<b>48.0</b>	<b>-18.4</b>
Chillers	31.3	30.0	<b>30.0</b>	-	<b>-1.3</b>	20.3	<b>20.6</b>	<b>+0.2</b>
Others	20.5	20.0	<b>20.0</b>	-	<b>-0.5</b>	12.5	<b>13.9</b>	<b>+1.4</b>
<b>FMS Business Total</b>	320.8	303.0	<b>298.0</b>	<b>-5.0</b>	<b>-22.8</b>	214.3	<b>188.6</b>	<b>-25.7</b>
<b>EE Business</b>								
Environmental Plants	70.3	70.0	<b>70.0</b>	-	<b>-0.3</b>	44.7	<b>43.1</b>	<b>-1.5</b>
<b>EE Business Total</b>	70.3	70.0	<b>70.0</b>	-	<b>-0.3</b>	44.7	<b>43.1</b>	<b>-1.5</b>
<b>PM Business</b>								
Components	38.5	40.0	<b>40.0</b>	-	<b>+1.4</b>	29.0	<b>29.3</b>	<b>+0.3</b>
CMP Systems	42.4	59.0	<b>59.0</b>	-	<b>+16.5</b>	30.5	<b>40.6</b>	<b>+10.1</b>
Others	12.3	6.0	<b>6.0</b>	-	<b>-6.3</b>	4.8	<b>4.8</b>	<b>-0.0</b>
<b>PM Business Total</b>	93.3	105.0	<b>105.0</b>	-	<b>+11.6</b>	64.3	<b>74.8</b>	<b>+10.4</b>
<b>Others</b>	1.6	2.0	<b>2.0</b>	-	<b>+0.3</b>	1.2	<b>1.2</b>	<b>-0.0</b>
<b>Others Total</b>	1.6	2.0	<b>2.0</b>	-	<b>+0.3</b>	1.2	<b>1.2</b>	<b>-0.0</b>
<b>Total</b>	486.2	480.0	<b>475.0</b>	<b>-5.0</b>	<b>-11.2</b>	324.7	<b>307.8</b>	<b>-16.9</b>

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