CONSOLIDATED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED DECEMBER 31, 2016

〔Japanese GAAP〕

February 8, 2017

Company name: EBARA CORPORATION
Stock exchange listings: Tokyo
Code number: 6361
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Scheduled date for submission of quarterly report: February 10, 2017
Scheduled date for dividend payment: －
Preparing supplementary material on financial results: Yes
Holding financial results presentation meeting (for institutional investors and analysts): Yes

(Monetary amounts are rounded down to the nearest million yen)

1. Results for the Nine Months Ended December 31, 2016

(1) Financial Results

(% represents percentage change from a comparable previous period) Millions of yen

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
Nine Months Ended December 31, 2016	307,834	(5.2)%	8,588	(44.6)%	6,594	(52.6)%	5,101	(30.2)%
Nine Months Ended December 31, 2015	324,739	5.1%	15,514	61.2%	13,919	27.8%	7,309	43.6%

Note : Comprehensive Income: Nine months ended December 31, 2016; (4,850) million yen －%
Nine months ended December 31, 2015; 6,149 million yen (47.5)%

	Net Income per Share (Yen)	Net Income per Share, Diluted (Yen)
Nine Months Ended December 31, 2016	53.92	49.96
Nine Months Ended December 31, 2015	78.63	71.80

Note : Ebara Corporation has conducted a consolidation of common shares at a rate of one share for every five shares with an effective date of October 1, 2016. Net income per share and net income per share, diluted have been calculated as if this consolidation of shares was conducted at the beginning of the previous fiscal year.

(2) Financial Position

Millions of yen

	Total Assets	Net Assets	Equity Ratio
As of December 31, 2016	569,487	260,723	44.1%
As of March 31, 2016	579,860	250,444	41.6%

Note1: Shareholders' Equity (Net assets excluding subscription rights to shares and non-controlling interests) :
As of December 31, 2016; 251,423 million yen
As of March 31, 2016; 241,016 million yen

Note2: During the third quarter ended December 31, 2016, Ebara Corporation finalized a provisional accounting treatment related to the business combination in the third quarter ended December 31, 2015. The impact of the finalization of the provisional accounting treatment has been reflected in the consolidated financial statements for the fiscal year ended March 31, 2016.

2. Dividends

	Dividends per Share (Yen)				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-End	Annual
Fiscal Year Ended March 31, 2016	－	6.00	－	6.00	12.00
Fiscal Year Ending March 31, 2017	－	6.00	－		
Fiscal Year Ending March 31, 2017 (Forecast)				30.00	－

Note : Revisions to forecast of dividends in this quarter: None

Ebara Corporation has conducted a consolidation of common shares at a rate of one share for every five shares with an effective date of October 1, 2016. Consequently, the impact of this consolidation of shares is factored into the figures for the cash dividends per share for the fiscal year ending March 31, 2017 (Forecast), and the total figures for annual cash dividends are omitted. The fiscal year-end cash dividends per share for the fiscal year ending March 31, 2017 (Forecast) without the consolidation of shares factored in would be ¥6.00 and the annual cash dividends per share would be ¥12.00. For further details, please refer to “Explanation of the Appropriate Use of Performance Forecasts and Other Related Matters”.

3. Forecast of Financial Results for the Fiscal Year Ending March 31, 2017

(% represents percentage change from a comparable previous period) Millions of yen

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Net Income per Share (Yen)
Fiscal Year Ending March 31, 2017	475,000	(2.3)%	33,000	(13.2)%	31,000	(15.0)%	19,000	10.1%	200.85

Note1 : Revisions to forecast of financial results in this quarter: Yes

We revised the forecast of financial results for the year ending March 31, 2017, previously announced on November 10, 2016. For further details, please refer to “Explanation of Forecast of Consolidated Financial Results” on page 7.

Note2: The impact of the consolidation of shares is factored into the net income per share in the forecast of financial results for the fiscal year ending March 31, 2017. For further details, please refer to “Explanation of the Appropriate Use of Performance Forecasts and Other Related Matters”.

4. Other Information

(1) Changes in significant subsidiaries during the nine months under review (Changes in specified subsidiaries involving changes in scope of consolidation): None

Included: － (－)

Excluded: － (－)

(2) Adoption of specific accounting methods for preparation of quarterly financial statements: Yes

Note: For further details, please refer to “2. Summary Information (Notes)” on page 8.

(3) Changes in accounting policies, Changes in accounting estimates, and Restatement of prior financial statements after error corrections

(i) Changes due to revisions of accounting standards, etc.: None
(ii) Changes other than (i) above: None
(iii) Changes in accounting estimates: None
(iv) Restatement of prior financial statements after error corrections: None

(4) Number of shares outstanding (Common Stocks)

(i) Number of common stocks (Including treasury stocks)	As of December 31, 2016	101,723,853	As of March 31, 2016	93,208,919
(ii) Number of treasury stocks	As of December 31, 2016	186,864	As of March 31, 2016	181,913
(iii) Average number of common stocks	Nine Months Ended December 31, 2016	94,599,525	Nine Months Ended December 31, 2015	92,964,852

Note: Ebara Corporation has conducted a consolidation of common shares at a rate of one share for every five shares with an effective date of October 1, 2016. Number of common stocks (including treasury stocks), number of treasury stocks and average number of common stocks have been calculated as if this consolidation of shares was conducted at the beginning of the previous fiscal year.

Recording of Implementation Conditions Regarding Auditing Procedures

This financial report does not fall within the scope of the Auditing Procedures referenced in the Financial Instruments and Exchange Act. At the time of disclosure of the financial report, the quarterly review procedures for its quarterly financial statements have not been completed.

Explanation of the Appropriate Use of Performance Forecasts and Other Related Matters

1. The forecasts of performance and other forward-looking statements contained in this report are based on information that was available to Ebara Corporation as of the time of the issuance of this report and on certain assumptions about uncertainties that may have an impact on the Group's performance. Actual performance may differ substantially from these forecasts owing to a wide range of factors. For further information on the assumptions made in the preparation of the forecasts of performance, please refer to "Explanation of Forecast of Consolidated Financial Results" on page 7.

2. This report has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated report and the Japanese original, the original shall prevail. Also, Ebara Corporation assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Cash dividends forecast and forecast of financial results following the consolidation of shares)
Ebara Corporation has conducted a consolidation of shares at a rate of one share for every five shares with the effective date of October 1, 2016, following the approval and adoption of proposal for the consolidation of shares at the Company's 151st general meeting of shareholders held on June 24, 2016. In accordance with this, the cash dividend forecast and the forecast of financial results for the fiscal year ending March 31, 2017, calculated without factoring in the consolidation of shares are as follows.

1. Cash dividend for the fiscal year ending March 31, 2017
   Cash dividends per share
   Second quarter-end: ¥6.00 (Note1)
   Fiscal year-end (forecast): ¥6.00 (Note2)
2. Forecast of financial results for the fiscal year ending March 31, 2017
   Net Income per Share
   Fiscal year-end: ¥40.17

Note1: Cash dividends per share for the second quarter-end will be paid in accordance with the number of shares before the consolidation shares.
Note2: This is the amount of cash dividends calculated without factoring in the consolidation of shares.
Note3: Annual cash dividends for the fiscal year ending March 31, 2017 (without factoring in the consolidation of shares) will be ¥12.00.

Contents

1. Qualitative Information Regarding Consolidated Financial Results

(1) Explanation of Financial Results

During the third quarter (nine months) ended December 31, 2016, the economy in the United States continued to be favorable, and improvement was seen in the rest of Asia. As a result overall, a moderate recovery continued. In Japan, while some weakness still persisting in the private capital investment, public investment and consumer spending are firm. Overall, the Japanese economy slowly recovered.

During the nine months ended December 31, 2016, orders received decreased compared to the same period in the previous fiscal year due to a decrease in the Fluid Machinery & Systems ("FMS") Company despite an increase in the Environmental Engineering ("EE") Company and the Precision Machinery ("PM") Company. Sales were lower year on year due to a decrease in the FMS Company despite an increase in the PM Company. Operating income (loss) were worse year on year due to a deterioration in the FMS Company although the EE Company and the PM Company ran at about the same level in the previous fiscal year.

Consolidated net sales for the nine months amounted to ¥307,834 million (a decrease of 5.2% year on year), operating income amounted to ¥8,588 million (a decrease of 44.6% year on year), ordinary income amounted to ¥6,594 million (a decrease of 52.6% year on year) and profit attributable to owners of parent amounted to ¥5,101 million (a decrease of 30.2% year on year).

Operating results by business segments are as follows:

Fluid Machinery & Systems

In the pump business, demand for renewal and repair of the domestic social infrastructure is holding firm, and orders from the public sector are favorable. On the other hand, in overseas markets, although orders were received for oil refinery construction and other projects, in the Middle East, overall orders were lackluster against a background of a slump in demand for pumps for the oil and gas industry. As a result, the overall volume of orders for pump decreased compared to the same period in the previous fiscal year.

In the compressor and turbines business, as a result of recovery in the price of crude oil, some regions, where capital investment had been stagnant, began to show positive movements, and we obtained orders for petrochemical plants in Asia and the Middle East. However, the overall market did not show full-scale recovery and orders decreased compared to the same period in the previous fiscal year.

In the chillers business, the competitive environment remained severe, and orders decreased compared to the same period in the previous fiscal year.

Sales in the FMS Company for the nine months amounted to ¥188,615 million (a decrease of 12.0% year on year). The segment loss amounted to ¥4,052 million (¥6,962 million worse year on year).

Environmental Engineering

In the EE Company, in the engineering, procurement, and construction (EPC) for municipal waste incinerating facilities field, and in design, build, and operate (DBO) services, new orders ran at about the same level as in the previous period. In the operating and maintenance (O&M) for existing facilities, new orders ran at about the same level as in a typical year. Meanwhile, accompanying revisions to Japan's national energy policy, plans for power generation facilities using sources such as biomass in private companies increased. Amid these conditions, we received an order for a DBO project for which the Company had obtained preferential negotiation rights, and an order for a construction of wood fiber biomass power generation facilities in the third quarter of this fiscal year.

Sales in the EE Company for the nine months amounted to ¥43,182 million (a decrease of 3.4% year on year). The segment income amounted to ¥3,406 million (a decrease of 1.0% year on year).

Precision Machinery

In the PM Company, investments in advanced logic devices held firm among major customers, and investments in 3D NAND flash memory devices were implemented steadily against a background of demand for server storage capacity. This increased demand for the Company's core CMP devices and component products.

Sales in the PM Company for the nine months amounted to ¥74,803 million (an increase of 16.2% year on year). The segment income amounted to ¥8,694 million (a decrease of 0.6% year on year).

(2) Explanation of Financial Position

An analysis of assets, liabilities and net assets is as follows:

Total Assets

Total assets as of December 31, 2016 were ¥569,487 million, ¥10,372 million lower than as of March 31, 2016. Principal changes in asset items included an increase of ¥16,297 million in work in process, an increase of ¥8,310 million in other current assets, and a decrease of ¥47,748 million in notes and accounts receivable-trade.

Total Liabilities

Total liabilities as of December 31, 2016 were ¥308,764 million, ¥20,651 million lower than as of March 31, 2016. Principal changes in liability items included an increase of ¥10,060 million in long-term loans payable and a decrease of ¥19,988 million in bonds with subscription rights to shares mainly due to the exercise of subscription rights to shares.

Net Assets

Net assets as of December 31, 2016 were ¥260,723 million, ¥10,278 million higher than as of March 31, 2016. Principal changes affecting net asset items were cash dividends paid of ¥5,582 million and a decrease of ¥9,927 million in translation adjustments and a profit attributable to owners of parent for the quarter of ¥5,101 million, and an increase of ¥9,995 million in both common stock and capital surplus respectively due to the issuance of new shares accompanying the exercise of subscription rights to shares. Shareholders' equity (Net assets excluding subscription rights to shares and non-controlling interests) amounted to ¥251,423 million, and equity ratio was 44.1%.

(3) Explanation of Forecast of Consolidated Financial Results

We revised the forecast of financial results for the fiscal year ending March 31, 2017, reflecting the results after last announcement on November 10, 2016. The revised forecast of net sales, operating income, ordinary income and profit attributable to owners of parent is as follows. In addition, the revised forecast of net sales and operating income by business segment is as follows.

Assumptions regarding foreign currency exchange rates for the third and subsequent quarters are as follows: US$1=¥110, EUR1=¥120, and RMB1=¥17. (Assumptions in the previous forecast were US$1=¥105, EUR1=¥120, and RMB1=¥17)

Forecast of Financial Results for the Fiscal Year Ending March 31, 2017

(% represents percentage change from a comparable previous period)

Millions of yen

	Fiscal Year Ending March 31, 2017	
Net Sales	475,000	(2.3)%
Operating Income	33,000	(13.2)%
Ordinary Income	31,000	(15.0)%
Profit Attributable to Owners of Parent	19,000	10.1%

Forecast of Net Sales and Operating Income by Business Segment

(% represents composition ratio) Millions of yen

	Net Sales		Segment Income	
Fluid Machinery & Systems	298,000	62.8%	13,000	39.4%
Environmental Engineering	70,000	14.7%	7,000	21.2%
Precision Machinery	105,000	22.1%	13,000	39.4%
Others	2,000	0.4%	0	0.0%
Total	475,000	100.0%	33,000	100.0%

Factors that may have an influence on the Group’s actual performance include those listed below; however, such factors are not limited to those on this list.

1. Market Risk
2. Large-scale projects and overseas business activities
3. Business realignments, etc.
4. Exchange risk
5. Risks related to the interest rate and funding
6. Risks related to the impact of natural disasters and impairment of the social infrastructure
7. Deferred tax assets
8. Material procurement
9. Legal restrictions
10. Risk of Litigation and other conflicts
11. Litigation about sales of the Company’s former headquarters and its Haneda Plant
12. Risk of collection of export receivables
13. Projected benefit obligation

2. Summary Information (Notes)

(1) Adoption of Specific Accounting Methods for Preparation of Quarterly Consolidated Financial Statements

Tax expenses on income before income taxes for the nine months under review are calculated by multiplying income before income taxes for the nine months under review by the reasonably estimated annual effective tax rate for the entire fiscal year with application of tax effect accounting.

(2) Additional Information

(Revised Implementation Guidance on Recoverability of Deferred Tax Assets)

Effective from April 1, 2016, the Group has applied "Revised Implementation Guidance on Recoverability of Deferred Tax Assets" (ASBJ Guidance No. 26, issued on March 28, 2016).

(Progress about Fire Accident)

On October 23, 2015, a fire broke out at the waste processing facility for bulky refuse at the Gifu City Eastern Clean Center, which is located in the Akutami section of Gifu City in Gifu Prefecture, as Ebara Environmental Plant Co., Ltd. ("EEP"), the Company's consolidated subsidiary, was making repairs on the facility. Please note that EEP is responsible for the operation and management of a refuse incinerating facility that is located next to the bulky refuse processing plant where the fire occurred.

Regarding this incident, the Company is discussing with Gifu City the construction work required to make the damaged facility operational again and compensation for related damages. At this time, it is not possible to make a reasonable estimate of the effect of this incident on the Group's consolidated performance for the fiscal year ending March 31, 2017.

(Non-Conformity with Regulations for Sewage Pipe Construction through Fire-Retarding Sections of Apartment Buildings)

In renewal work conducted by the Company and its consolidated subsidiary Ebara Techno-serve Co., Ltd. (which was merged into the Company as of April 2012) on aging sewage pipes running through the fire-retarding sections of apartment buildings, it was discovered that specifications differing from those under Japan's Building Standards Law had been applied, and the Company reported this to the Ministry of Land, Infrastructure, Transport and Tourism in September 2016. The Company will implement remedial action on the two instances where the work was determined as non-conformity with the Building Standards Law as a result of investigations by the specific government. In addition, on the other 31 properties where doubts were also raised that such construction may have occurred, the Company will also conduct the same action if such non-conformity is determined by the investigations of the specific government. The effect of this incident on the Group's consolidated performance for the fiscal year ending March 31, 2017 is limited.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of yen

	As of March 31, 2016	As of December 31, 2016
ASSETS		
Current Assets		
Cash and deposits	89,589	93,482
Notes and accounts receivable-trade	216,310	168,561
Electronically recorded monetary claims	727	4,356
Securities	4,599	4,741
Merchandise and finished goods	13,060	13,324
Work in process	47,163	63,461
Raw materials and supplies	28,740	27,302
Others	26,500	34,810
Allowance for doubtful accounts	(3,233)	(3,033)
Total current assets	423,458	407,007
Fixed Assets		
Tangible fixed assets		
Buildings and structures, net	41,781	44,175
Machinery and equipment, net	26,823	27,493
Others, net	36,567	35,435
Total tangible assets	105,171	107,104
Intangible assets	11,200	12,640
Investments and other assets		
Investment securities	26,662	23,145
Others	18,166	24,406
Allowance for doubtful accounts	(4,800)	(4,816)
Total investments and other assets	40,029	42,735
Total fixed assets	156,401	162,480
Total Assets	579,860	569,487

Millions of yen

	As of March 31, 2016	As of December 31, 2016
LIABILITIES		
Current Liabilities		
Notes and accounts payable-trade	68,905	56,041
Electronically recorded obligations	47,550	55,560
Short-term loans payable	77,714	76,824
Bonus payment reserve	9,200	5,323
Directors' bonus payment reserve	311	230
Reserve for losses on construction completion guarantees	3,889	3,312
Reserve for product warranties	3,506	3,146
Reserve for construction losses	7,748	8,047
Reserve for expenses related to the sales of land	254	254
Others	40,520	42,483
Total current liabilities	259,600	251,223
Long-term Liabilities		
Bonds payable	10,000	10,000
Bonds with subscription rights to shares	19,988	—
Long-term loans payable	9,870	19,931
Reserve for directors' retirement benefits	160	145
Provision for loss on litigation	6,457	6,464
Net defined benefit liability	16,681	15,022
Asset retirement obligations	1,899	1,963
Others	4,757	4,014
Total long-term liabilities	69,815	57,541
Total Liabilities	329,416	308,764
NET ASSETS		
Shareholders' Equity		
Common stock	68,760	78,756
Capital surplus	72,691	82,687
Retained earnings	102,446	102,397
Treasury stock	(408)	(423)
Total shareholders' equity	243,490	263,417
Accumulated Other Comprehensive Income		
Net unrealized gains (losses) on investment securities	2,739	2,929
Deferred gains (losses) on hedges	(12)	3
Translation adjustments	5,878	(4,049)
Remeasurements of defined benefit plans	(11,080)	(10,877)
Total accumulated other comprehensive income	(2,473)	(11,994)
Subscription Rights to Shares	952	1,248
Non-Controlling Interests	8,475	8,051
Total Net Assets	250,444	260,723
Total Liabilities and Net Assets	579,860	569,487

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Millions of yen

	Nine Months Ended December 31, 2015	Nine Months Ended December 31, 2016
Net Sales	324,739	307,834
Cost of Sales	240,082	230,237
Gross Profit	84,656	77,597
Selling, General and Administrative Expenses	69,142	69,009
Operating Income	15,514	8,588
Non-operating Income		
Interest income	145	115
Dividends income	251	235
Equity in earnings of affiliates	24	―
Others	253	364
Total non-operating income	674	714
Non-operating Expenses		
Interest expenses	870	834
Equity in losses of affiliates	―	399
Foreign exchange losses	908	900
Others	490	573
Total non-operating expenses	2,269	2,708
Ordinary Income	13,919	6,594
Extraordinary Income		
Gain on sales of fixed assets	44	124
Gain on sales of investment securities	380	1,574
Others	1	289
Total extraordinary income	426	1,989
Extraordinary Loss		
Loss on sales of fixed assets	15	2
Loss on retirement of fixed assets	37	83
Loss on sales of investment securities	―	56
Others	5	0
Total extraordinary loss	58	144
Income before Income Taxes	14,287	8,439
Income Taxes	5,706	2,574
Profit	8,580	5,864
Profit Attributable to Non-Controlling Interests	1,271	763
Profit Attributable to Owners of Parent	7,309	5,101

Consolidated Statements of Comprehensive Income

Millions of yen

	Nine Months Ended December 31, 2015	Nine Months Ended December 31, 2016
Profit	8,580	5,864
Other Comprehensive Income:		
Net unrealized gains (losses) on investment securities	(351)	200
Deferred gains (losses) on hedges	(67)	15
Translation adjustment	(2,374)	(11,124)
Remeasurements of defined benefit plans, net of tax	407	203
Share of other comprehensive income of associates accounted for using equity method	(45)	(9)
Total other comprehensive income	(2,431)	(10,714)
Comprehensive Income	6,149	(4,850)
Comprehensive income attributable to:		
Owners of parent	5,113	(4,419)
Non-controlling interests	1,035	(431)

(3) Consolidated Statements of Cash Flows

Millions of yen

	Nine Months Ended December 31, 2015	Nine Months Ended December 31, 2016
Cash Flows from Operating Activities:		
Income before income taxes	14,287	8,439
Depreciation and amortization	8,624	9,621
Loss (gain) on sales of securities and investment securities	(380)	(1,518)
Increase (decrease) in reserve	(2,919)	(4,876)
Increase (decrease) in net defined benefit liability	(1,988)	(1,137)
Loss (gain) on sales of fixed assets	(29)	(121)
Interest and dividends income	(397)	(350)
Interest expenses	870	834
Decrease (increase) in notes and accounts receivable-trade	25,931	39,195
Decrease (increase) in inventories	(20,448)	(18,623)
Increase (decrease) in notes and accounts payable-trade	(2,876)	(4,823)
Others	(376)	(7,215)
Sub-total	20,296	19,424
Interest and dividends income received	610	1,028
Interest expenses paid	(873)	(799)
Income taxes paid	(3,893)	(4,928)
Net cash provided by operating activities	16,139	14,724
Cash Flows from Investing Activities:		
Purchase of fixed assets	(9,004)	(15,422)
Proceeds from sales of fixed assets	76	146
Purchase of securities and investment securities	(9,285)	(4,456)
Proceeds from sales and redemption of securities and investment securities	8,102	10,327
Payments into time deposits	(688)	(1,638)
Proceeds from withdrawal of time deposits	687	699
Payments of loans receivable	(59)	(42)
Collection of loans receivable	448	492
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,130)	—
Others	157	(543)
Net cash used in investing activities	(11,694)	(10,438)
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term loans payable	1,589	2,190
Proceeds from long-term loans payable	1,792	12,032
Repayment of long-term loans payable	(4,220)	(4,156)
Redemption of bonds	—	(22)
Purchase of treasury stocks	(8)	(14)
Proceeds from disposal of treasury stocks	—	0
Cash dividends paid	(6,623)	(5,582)
Dividends paid to non-controlling interests	—	(68)
Others	(575)	(619)
Net cash provided by (used in) financing activities	(8,045)	3,759
Translation Adjustments	(918)	(3,235)
Increase (Decrease) in Cash and Cash Equivalents	(4,518)	4,810
Cash and Cash Equivalents at Beginning of Period	95,604	91,185
Increase (Decrease) in Cash and Cash Equivalents Resulting from change of scope of consolidation	—	536
Cash and Cash Equivalents at End of Period	91,085	96,531

(4) Note for Consolidated Financial Statements

(Note for the Assumption of Going Concern)

None

(Note for Significant Changes in the Amount of Shareholders' Equity)

During the third quarter ended December 31, 2016, due to the exercise of subscription rights to shares attaching to 6th series unsecured convertible bond, the Company issued new shares and increased both common stock and capital surplus by ¥9,983 million respectively. Consequently, common stock amounted to ¥78,756 million and capital surplus amounted to ¥82,687 million, as of December 31, 2016.

(Segment Information)

Nine Months Ended December 31, 2015

1. Information regarding sales and income by reportable segment

Millions of yen

	Reportable segments				Others (Notes 1)	Total	Adjustments (Notes 2)	Consolidated (Notes 3)
	Fluid Machinery & Systems	Environmental Engineering	Precision Machinery	Total				
Sales								
Customers	214,383	44,723	64,379	323,485	1,253	324,739	—	324,739
Intersegment and transfer	672	4	—	676	2,428	3,105	(3,105)	—
Total	215,055	44,727	64,379	324,162	3,682	327,844	(3,105)	324,739
Segment Income	2,910	3,438	8,744	15,093	480	15,573	(59)	15,514

Notes: 1. The "Others" item in the table above is the business segment for operations that are not included among reportable segments. It contains business support services and other activities.
2. The "Adjustments" item for Segment Income shows eliminations among intersegment sales and transfers.
3. Segment Income has been adjusted with operating income in the quarterly consolidated statements of income.

2. Information regarding impairment loss of fixed assets, goodwill and negative goodwill by reportable segment

(Material impairment loss of fixed assets)

None

(Material change in goodwill amount)

None

(Material negative goodwill arisen)

None

Nine Months Ended December 31, 2016

1. Information regarding sales and income (loss) by reportable segment

Millions of yen

	Reportable segments				Others (Notes 1)	Total	Adjustments (Notes 2)	Consolidated (Notes 3)
	Fluid Machinery & Systems	Environmental Engineering	Precision Machinery	Total				
Sales								
Customers	188,615	43,182	74,803	306,602	1,232	307,834	—	307,834
Intersegment and transfer	173	0	—	174	2,486	2,661	(2,661)	—
Total	188,789	43,183	74,803	306,776	3,719	310,495	(2,661)	307,834
Segment Income (Loss)	(4,052)	3,406	8,694	8,048	531	8,579	8	8,588

Notes: 1. The “Others” item in the table above is the business segment for operations that are not included among reportable segments. It contains business support services and other activities.

2. The “Adjustments” item for Segment Income (Loss) shows eliminations among intersegment sales and transfers.

3. Segment Income (Loss) has been adjusted with operating income in the quarterly consolidated statements of income.

2. Information regarding impairment loss of fixed assets, goodwill and negative goodwill by reportable segment

(Material impairment loss of fixed assets)

None

(Material change in goodwill amount)

In the Fluid Machinery & Systems, during the third quarter ended December 31, 2015, as a result of the purchase of all outstanding shares of Thebe Bombas Hidraulicas S.A. by the Company’s consolidated subsidiary, Ebara Industrias Mecanicas e Comercio Ltda., a provisional accounting treatment was applied. During the third quarter ended December 31, 2016, the Company finalized the provisional accounting treatment and revised the distribution of the acquisition cost. As a result, the provisionally calculated goodwill decreased by ¥628 million.

(Material negative goodwill arisen)

None