

Financial Summary  
for the second quarter ended September 30, 2012

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**EBARA CORPORATION**

## Summary of Financial data for the 2nd quarter ended September 30, 2012(Consolidated)

### 1.Summary

	Fiscal year ended March 31, 2011		Fiscal year ended March 31, 2012		Fiscal year ending March 31, 2013		2nd quarter ended September 30, 2011		2nd quarter ended September 30, 2012		
	Actual	Change	Actual	Change	forecast	Change	Actual	Change	Actual	Change	Change
<b>Statements of Income</b>											
Net Sales	401.6	(17.3)	412.0	2.6	397.0	(3.7)	175.9	1.7	163.6	(7.0)	
Operating Income	31.5	66.4	23.2	(26.2)	22.5	(3.3)	3.0	(68.4)	1.1	(61.8)	
Ordinary income	28.7	71.4	21.0	(26.7)	21.5	2.0	0.1	(98.0)	0.5	235.5	
Net income	28.1	418.0	2.8	(89.7)	10.5	263.4	(0.3)	-	(1.0)	-	
<b>Statements of Cash Flows</b>											
Cash flows from operating activities	26.6		12.5		25.0		9.8		24.1		
Cash flows from investing activities	10.9		(8.8)		(18.0)		(3.1)		(6.6)		
Cash flows from financing activities	(14.0)		(19.9)		(12.1)		(25.0)		(18.7)		
Cash and cash equivalents (at the end of period)	104.0		87.2		82.1		86.1		86.2		
<b>Balance Sheets (at the end of period)</b>											
Total assets	507.8	(2.8)	488.9	(3.7)			460.0	(5.4)	439.4	(4.5)	
Interest-bearing debt (Lease liabilities of above)	160.4	(9.8)	143.6	(10.5)			137.5	(21.0)	127.2	(7.5)	
Shareholders' equity	151.9	17.1	151.0	(0.6)			1.5	(7.0)	1.8	18.0	
Retained earnings	40.7	224.3	41.7	2.4			149.6	16.4	147.3	(1.5)	
							38.5	134.2	38.5	0.2	
<b>Management Indicator</b>											
Return on Invested Capital (ROIC) (*1)		9.1%		1.0%							
Operating Income on Sales Ratio		7.9%		5.6%							
Return on Equity (ROE) (*2)		20.0%		1.9%							
Debt/Equity Ratio (at the end of period) (*3)		1.1		1.0							
Equity Ratio		29.9%		30.9%							
<b>Per share data</b>											
Net Income per share		66.78yen		6.85yen							
Cash Dividends per share of common stock(Annual)		5.00yen		5.00yen							
Net assets per share		360.01yen		357.79yen							

(\*1) ROIC = Net Income / (Interest-bearing debt(Average between beginning and end of period) + Shareholder's Equity(Average between beginning and end of period))

(\*2) ROE = Net Income / Shareholder's Equity(Average between beginning and end of period)

(\*3) Debt/Equity Ratio = Interest-bearing debt(at the end of the period) / Shareholder's Equity(at the end of the period)

### 2.Area Information

(1)Geographical Segment ... Compiled on the basis of the geographical location of the company reporting the sales

	Fiscal year ended March 31, 2011		Fiscal year ended March 31, 2012		2nd quarter ended September 30, 2011		2nd quarter ended September 30, 2012		
	Actual	Composition	Actual	Composition	Actual	Composition	Actual	Composition	Change
<b>Net Sales</b>									
Japan	301.8	75.1	308.6	74.9	125.5	71.3	110.2	67.3	(15.3)
North America	56.4	14.0	55.9	13.6	27.5	15.7	28.3	17.3	0.7
Others	43.4	10.8	47.4	11.5	22.8	13.0	25.1	15.3	2.2
<b>Total</b>	<b>401.6</b>	<b>100.0</b>	<b>412.0</b>	<b>100.0</b>	<b>175.9</b>	<b>100.0</b>	<b>163.6</b>	<b>100.0</b>	<b>(12.2)</b>
<b>Operating Income</b>									
Japan	17.2	54.8	11.4	49.2	(1.9)	(63.4)	(4.2)	(366.8)	(2.3)
North America	7.8	24.7	5.8	25.1	2.2	74.7	1.3	116.5	(0.9)
Others	6.5	20.7	6.8	29.3	3.2	108.2	3.6	316.3	0.3
Elimination	(0.0)	(0.2)	(0.8)	(3.6)	(0.5)	(19.6)	0.3	34.0	0.9
<b>Total</b>	<b>31.5</b>	<b>100.0</b>	<b>23.2</b>	<b>100.0</b>	<b>3.0</b>	<b>100.0</b>	<b>1.1</b>	<b>100.0</b>	<b>(1.8)</b>

(2)Regional Segment ... Compiled on the basis of the geographical location where the goods are sold

	Fiscal year ended March 31, 2011		Fiscal year ended March 31, 2012		2nd quarter ended September 30, 2011		2nd quarter ended September 30, 2012		
	Actual	Composition	Actual	Composition	Actual	Composition	Actual	Change	Change
<b>Net Sales</b>									
Japan	224.6	55.9	230.8	56.0	87.5	49.8	76.9	47.0	(10.6)
Asia (except Japan)	85.2	21.2	99.4	24.1	44.1	25.1	51.7	31.6	7.6
North America	35.5	8.9	36.0	8.8	14.5	8.3	16.4	10.0	1.8
Europe	28.7	7.2	25.0	6.1	13.6	7.8	8.8	5.4	(4.8)
Middle East	19.6	4.9	12.1	3.0	10.2	5.8	4.7	2.9	(5.4)
Others	7.8	2.0	8.4	2.0	5.7	3.3	4.9	3.0	(0.8)
<b>Total</b>	<b>401.6</b>	<b>100.0</b>	<b>412.0</b>	<b>100.0</b>	<b>175.9</b>	<b>100.0</b>	<b>163.6</b>	<b>100.0</b>	<b>(12.2)</b>

### 3.Consolidated Segment Information

Business segment

FMS = Fluid Machinery & Systems, EE = Environmental Engineering, PM = Precision Machinery

#### (1)Orders received, Sales, and Operating Income

Billions of Yen

	Fiscal year ended	Fiscal year ended	Fiscal year ending		2nd quarter ended September 30, 2011	2nd quarter ended	
	March 31, 2011	March 31, 2012	March 31, 2013			September 30, 2012	
	Actual	Actual	Forecast	Change		Actual	Change
Orders received							
Reportable segment FMS	262.1	278.1	290.0	11.8	128.0	134.6	6.5
EE	82.5	51.2	65.0	13.7	27.0	25.3	(1.6)
PM	74.6	61.7	60.0	(1.7)	28.3	28.2	(0.1)
Others	11.6	3.7	2.0	(1.7)	2.2	0.0	(2.1)
Total	430.9	394.9	417.0	22.0	185.6	188.2	2.5
Sales							
Reportable segment FMS	268.9	286.0	285.0	(1.0)	117.1	114.4	(2.6)
EE	51.6	50.1	48.0	(2.1)	16.9	15.5	(1.4)
PM	67.9	68.3	62.0	(6.3)	37.3	32.7	(4.5)
Others	13.1	7.4	2.0	(5.4)	4.5	0.8	(3.6)
Total	401.6	412.0	397.0	(15.0)	175.9	163.6	(12.2)
Operating Income							
Reportable segment FMS	21.5	15.5	14.0	(1.5)	0.7	(2.0)	(2.7)
EE	0.9	0.3	4.0	3.6	(3.4)	1.1	4.6
PM	8.0	6.5	4.0	(2.5)	5.3	1.6	(3.7)
Others & adjustment	0.9	0.7	0.5	(0.2)	0.3	0.3	0.0
Total	31.5	23.2	22.5	(0.7)	3.0	1.1	(1.8)
Backlog of Orders received							
Reportable segment FMS	157.8	147.1	152.1	5.0	168.3	172.6	4.2
EE	88.8	89.9	106.9	17.0	98.8	99.7	0.9
PM	18.9	12.1	10.1	(2.0)	10.1	7.6	(2.5)
Others	4.7	0.0	0.0	0.0	3.2	0.0	(3.2)
Total	270.2	249.2	269.2	20.0	280.7	280.0	(0.6)

#### (2)Research and Development expenses, Capital Expenditures and Depreciation and Amortization expenses

Billions of Yen

	Fiscal year ended	Fiscal year ended	Fiscal year ending		2nd quarter ended September 30, 2011	2nd quarter ended	
	March 31, 2011	March 31, 2012	March 31, 2013			September 30, 2012	
	Actual	Actual	Forecast	Change		Actual	Change
Research and Development expenses							
Reportable segment FMS	3.1	2.7	3.5	0.7	1.1	1.4	0.3
EE	0.0	0.0	0.1	0.0	0.0	0.0	0.0
PM	0.8	0.9	1.8	0.8	0.6	0.7	0.1
Others & adjustment	-	-	-	-	-	-	-
Total	4.0	3.8	5.4	1.5	1.7	2.3	0.5
Capital Expenditures							
Reportable segment FMS	5.7	7.2	7.0	(0.2)	2.1	3.0	0.9
EE	0.6	0.4	0.5	0.0	0.0	0.2	0.1
PM	1.2	2.9	2.6	(0.3)	0.9	1.1	0.1
Others & adjustment	0.5	1.6	4.2	2.5	0.5	1.1	0.5
Total	8.1	12.3	14.3	1.9	3.8	5.5	1.7
Depreciation and Amortization expenses							
Reportable segment FMS	8.6	8.5	8.5	(0.0)	4.1	3.7	(0.4)
EE	0.3	0.3	0.3	(0.0)	0.1	0.1	(0.0)
PM	3.9	3.2	3.6	0.3	1.6	1.3	(0.2)
Others & adjustment	0.5	0.5	1.6	1.0	0.2	0.3	0.1
Total	13.5	12.7	14.0	1.2	6.2	5.6	(0.5)

#### (3)Employees

Numbers

	Fiscal year ended	Fiscal year ended		2nd quarter ended September 30, 2011	2nd quarter ended	
	March 31, 2011	March 31, 2012			September 30, 2012	
	Numbers	Numbers	Change		Numbers	Change
Employees						
Reportable segment FMS	9,761	10,334	573	10,115	10,478	363
EE	1,978	2,066	88	2,050	2,142	92
PM	1,503	1,642	139	1,617	1,662	45
Others & Corporate	765	653	(112)	802	694	(108)
Total	14,007	14,695	688	14,584	14,976	392
Ebara Corporation	2,707	2,713	6	2,722	4,140	1,418
Domestic consolidated subsidiaries	5,219	5,166	(53)	5,295	3,752	(1,543)
Overseas consolidated subsidiaries	6,081	6,816	735	6,567	7,084	517

※While the number of employees of Ebara Corporation increased, that of domestic consolidated subsidiaries decreased between September 30, 2011 and September 30, 2012. This is mainly because Ebara Corporation absorbed Ebara Techno-serve Co. Ltd., Ebara Yoshikura Hydro-tech Co. Ltd. and Ebara Environmental Technologies Hokkaido Co. Ltd., which were consolidated subsidiaries, as of April 1, 2012.

## 4. Consolidated Statements of Cash Flows

Billions of Yen

	Fiscal year ended	Fiscal year ended	Fiscal year ending	2nd quarter ended	2nd quarter ended
	March 31, 2011	March 31, 2012	March 31, 2013	September 30, 2011	September 30, 2012
	Actual	Actual	Forecast	Actual	Actual
<b>Cash flows from operating activities</b>					
Income (loss) before income taxes	28.5	10.8	20.5	(0.0)	0.0
Adjustment of cash flow item :					
Depreciation and amortization	13.5	12.7	14.0	6.2	5.6
Loss (gain) on sales of fixed assets	(0.6)	(0.0)	-	(0.0)	0.1
Loss (gain) on sales of securities and investment securities	(1.2)	(0.5)	-	0.0	0.0
Increase (decrease) in provision and others	(9.8)	(3.7)	-	(1.6)	(2.7)
Increase/decrease of operating assets and liabilities					
Trade receivables	(0.2)	(2.8)	} 4.0	39.5	52.5
Inventories	1.2	(3.3)		(9.3)	(5.8)
Trade payables	1.2	8.6		(20.5)	(25.8)
Income taxes paid	(7.2)	(6.4)	(8.0)	(4.7)	(2.3)
Others	1.3	(2.6)	(5.5)	0.4	2.4
Net cash provided by (used in) operating activities	26.6	12.5	25.0	9.8	24.1
<b>Cash flows from investing activities</b>					
Purchase of fixed assets	(14.6)	(10.1)	(14.3)	(3.5)	(5.1)
Proceeds from sales of fixed assets	17.5	0.2	-	0.1	0.0
Other Investments	8.1	1.0	(3.7)	0.3	(1.4)
Net cash provided by (used in) investing activities	10.9	(8.8)	(18.0)	(3.1)	(6.6)
<b>Free Cash Flows</b>	37.6	3.7	7.0	6.7	17.4
<b>Cash flows from financing activities</b>					
Redemption of bonds	-	(20.0)	} (9.0)	(20.0)	-
Proceeds from bank loans and commercial paper	23.4	23.5		4.3	3.2
Repayment of bank loans and commercial paper	(37.9)	(20.4)		(6.8)	(19.5)
Dividends paid	-	(2.1)	(3.1)	(2.1)	(2.1)
Dividends paid to minority shareholders' in consolidated subsidiaries	(0.4)	(0.6)	-	(0.2)	(0.0)
Purchase and disposal of treasury stock	(0.0)	(0.0)	-	(0.0)	(0.0)
Others	0.7	(0.3)	-	(0.2)	(0.3)
Net cash provided by (used in) financing activities	(14.0)	(19.9)	(12.1)	(25.0)	(18.7)
<b>Translation adjustments</b>	(1.2)	(0.7)	-	0.2	0.2
<b>Total Cash Flows</b>	22.2	(17.0)	(5.1)	(18.1)	(1.0)
<b>Cash and cash equivalents</b>					
At beginning of period	81.7	104.0	87.2	104.0	87.2
Net effect of deconsolidation and consolidation of subsidiaries	-	0.3	-	0.3	-
<b>At end of period</b>	104.0	87.2	82.1	86.1	86.2
*Information on Interest-bearing debt					
Short term debt	88.8	80.0	84.8	78.5	89.3
Long term debt	71.5	63.5	49.7	58.9	37.8
Total Interest-bearing debt	160.4	143.6	134.5	137.5	127.2

5.Consolidated Sales and Orders by Subsegment

Business segment

FMS = Fluid Machinery & Systems, EE = Environmental Engineering, PM = Precision Machinery

(1)Orders received

Billions of Yen

	Fiscal year ended	Fiscal year ending		
	March 31, 2012	March 31, 2013		
	Actual	Forecast	Change	Change Ratio
FMS				(%)
Pumps	151.8	160.0	8.1	5.4
Compressors & Turbines	79.5	85.0	5.4	6.9
Chillers	30.7	30.0	(0.7)	(2.4)
Others	16.1	15.0	(1.1)	(7.0)
Total of FMS	278.1	290.0	11.8	4.2
EE				
Environmental plants	51.2	65.0	13.7	26.8
Total of EE	51.2	65.0	13.7	26.8
PM				
Components	25.0	22.0	(3.0)	(12.0)
CMP systems	31.0	34.0	2.9	9.7
Others	5.7	4.0	(1.7)	(30.1)
Total of PM	61.7	60.0	(1.7)	(2.8)
Others	3.7	2.0	(1.7)	(46.6)
Total of Others	3.7	2.0	(1.7)	(46.6)
Total	394.9	417.0	22.0	5.6

2nd quarter ended September 30, 2011	2nd quarter ended September 30, 2012			
	Actual	Actual	Change	Change Ratio
				(%)
	72.1	71.9	(0.1)	(0.2)
	31.6	37.0	5.4	17.1
	16.1	16.8	0.6	4.3
	8.0	8.7	0.6	8.3
	128.0	134.6	6.5	5.2
	27.0	25.3	(1.6)	(6.2)
	27.0	25.3	(1.6)	(6.2)
	14.9	11.0	(3.8)	(25.8)
	12.0	15.5	3.5	29.1
	1.3	1.5	0.1	11.4
	28.3	28.2	(0.1)	(0.7)
	2.2	0.0	(2.1)	(97.5)
	2.2	0.0	(2.1)	(97.5)
	185.6	188.2	2.5	1.4

(2)Sales

Billions of Yen

	Fiscal year ended	Fiscal year ending		
	March 31, 2012	March 31, 2013		
	Actual	Forecast	Change	Change ratio
FMS				(%)
Pumps	151.7	155.0	3.2	2.2
Compressors & Turbines	84.9	85.0	0.0	0.1
Chillers	30.4	30.0	(0.4)	(1.6)
Others	18.9	15.0	(3.9)	(20.8)
Total of FMS	286.0	285.0	(1.0)	(0.4)
EE				
Environmental plants	50.1	48.0	(2.1)	(4.2)
Total of EE	50.1	48.0	(2.1)	(4.2)
PM				
Components	26.5	23.0	(3.5)	(13.3)
CMP systems	38.5	35.0	(3.5)	(9.3)
Others	3.2	4.0	0.7	22.3
Total of PM	68.3	62.0	(6.3)	(9.3)
Others	7.4	2.0	(5.4)	(73.3)
Total of Others	7.4	2.0	(5.4)	(73.3)
Total	412.0	397.0	(15.0)	(3.7)

2nd quarter ended September 30, 2011	2nd quarter ended September 30, 2012			
	Actual	Actual	Change	Change Ratio
				(%)
	64.5	59.3	(5.1)	(8.0)
	34.0	33.3	(0.7)	(2.1)
	11.7	13.9	2.2	18.9
	6.7	7.8	1.0	15.3
	117.1	114.4	(2.6)	(2.3)
	16.9	15.5	(1.4)	(8.4)
	16.9	15.5	(1.4)	(8.4)
	14.9	11.0	(3.9)	(26.4)
	21.0	19.2	(1.7)	(8.5)
	1.3	2.4	1.1	87.5
	37.3	32.7	(4.5)	(12.2)
	4.5	0.8	(3.6)	(80.7)
	4.5	0.8	(3.6)	(80.7)
	175.9	163.6	(12.2)	(7.0)