

November 6, 2014

Consolidated Financial Summary for the second quarter ended September 30, 2014

	Page No.
1. Summary 1
2. Area Information 1
3. Segment Information 2
4. Statements of Cash Flows 3
5. Sales and Orders by Subsegment 4

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 Corporation 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.

EBARA CORPORATION

Consolidated Financial Summary for the second quarter ended September 30, 2014

1. Summary

Billions of Yen

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014		Fiscal year ending March 31, 2015		2nd quarter ended September 30, 2013		2nd quarter ended September 30, 2014	
	Actual	Change	Actual	Change	forecast	Change	Actual	Change	Actual	Change
Statements of Income										
Net Sales	426.3	3.5	448.6	5.2	490.0	9.2	174.8	6.8	186.1	6.5
Operating Income	25.0	7.8	32.1	28.3	34.0	5.6	0.2	(81.8)	(0.6)	-
Ordinary Income	25.6	21.7	31.3	22.0	34.0	8.6	(0.0)	-	(0.3)	-
Net Income	15.3	429.6	18.9	24.0	20.0	5.4	(1.6)	-	(1.9)	-
Statements of Cash Flows										
Cash flows from operating activities	34.0		26.6		23.5		16.3		11.2	
Cash flows from investing activities	(33.1)		3.5		(33.3)		11.2		(8.9)	
Cash flows from financing activities	3.2		(25.3)		(9.0)		(27.6)		(7.1)	
Cash and cash equivalents (at the end of period)	93.7		102.3		83.5		95.8		98.2	
Balance Sheets (at the end of period)										
Total assets	504.2	3.2	530.2	5.1			456.3	3.8	499.2	9.4
Interest-bearing debt	138.9	(3.3)	119.6	(13.9)			113.7	(10.6)	116.1	2.1
(Lease liabilities of above)	1.5	(2.4)	1.6	15.6			1.4	(21.8)	1.7	20.8
Shareholder's Equity (*1)	186.8	23.7	208.0	11.3			191.2	29.8	204.4	6.9
Retained earnings	53.8	29.1	70.0	31.1			51.1	32.7	68.0	32.9
Management Indicator										
Return on Invested Capital (ROIC) (*2)	4.9 %		5.8 %							
Operating Income on Sales Ratio	5.9 %		7.2 %							
Return on Equity (ROE) (*3)	9.1 %		9.6 %							
Debt/Equity Ratio	0.7		0.6							
(at the end of period) (*4)										
Equity Ratio	37.0 %		39.2 %							
Per share data										
Net Income per share	35.93 yen		40.86 yen							
Cash Dividends per share of common stock(Annual)	5.00 yen		7.50 yen							
Net assets per share (at the end of period)	402.41 yen		448.05 yen							

(*1) Shareholder's Equity = Net Assets - Subscription Rights to Shares - Minority Interests

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

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

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

2. Area Information

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

Billions of Yen

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014		2nd quarter ended September 30, 2013		2nd quarter ended September 30, 2014		
	Actual	Composition	Actual	Composition	Actual	Composition	Actual	Composition	Change
Net Sales									
Japan	276.2	64.8	281.5	62.7	106.8	61.1	111.7	60.0	4.8
North America	86.4	20.3	84.8	18.9	36.6	21.0	40.5	21.8	3.8
Asia (except Japan)	45.6	10.7	60.6	13.5	21.4	12.3	23.9	12.9	2.5
Others	17.8	4.2	21.6	4.9	9.8	5.6	9.8	5.3	0.0
Total	426.3	100.0	448.6	100.0	174.8	100.0	186.1	100.0	11.2
Operating Income									
Japan	9.4	37.8	11.9	37.1	(5.2)	(2473.8)	(8.7)	1414.4	(3.4)
North America	7.5	30.1	9.9	31.0	1.8	869.4	3.2	(534.5)	1.4
Asia (except Japan)	7.4	29.8	8.8	27.6	2.5	1205.8	3.1	(508.4)	0.5
Others	1.5	6.3	1.6	5.8	0.9	465.9	0.9	(150.0)	(0.0)
Elimination	(0.9)	(4.0)	(0.5)	(1.5)	0.0	32.7	0.7	(121.5)	0.6
Total	25.0	100.0	32.1	100.0	0.2	100.0	(0.6)	100.0	(0.8)

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

Billions of Yen

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014		2nd quarter ended September 30, 2013		2nd quarter ended September 30, 2014		
	Actual	Composition	Actual	Composition	Actual	Composition	Actual	Change	Change
Net Sales									
Japan	210.5	49.4	211.8	47.2	79.9	45.7	81.8	44.0	1.9
Asia (except Japan)	117.1	27.5	129.9	29.0	49.1	28.1	52.3	28.1	3.2
North America	45.6	10.7	50.0	11.2	22.0	12.6	25.4	13.7	3.4
Europe	25.2	5.9	29.4	6.6	13.1	7.5	14.8	8.0	1.6
Middle East	14.8	3.5	15.0	3.4	6.0	3.5	6.7	3.6	0.6
Others	12.9	3.0	12.2	2.6	4.4	2.5	4.8	2.6	0.3
Total	426.3	100.0	448.6	100.0	174.8	100.0	186.1	100.0	11.2

3. 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	2nd quarter ended	
	March 31, 2013	March 31, 2014	March 31, 2015		September 30, 2013	September 30, 2014	
	Actual	Actual	Forecast	Change	Actual	Actual	Change
Orders received							
Reportable segments FMS	297.9	341.0	375.0	33.9	172.5	155.9	(16.5)
EE	66.6	98.6	78.0	(20.6)	85.8	38.8	(47.0)
PM	62.2	70.8	75.0	4.1	27.2	31.6	4.3
Others	1.6	1.6	2.0	0.3	0.8	0.8	0.0
Total	428.5	512.2	530.0	17.7	286.5	227.2	(59.2)
Sales							
Reportable segments FMS	305.5	322.1	355.0	32.8	128.4	131.5	3.0
EE	52.4	52.9	60.0	7.0	17.9	23.2	5.3
PM	66.5	71.8	73.0	1.1	27.5	30.4	2.8
Others	1.7	1.6	2.0	0.3	0.8	0.8	(0.0)
Total	426.3	448.6	490.0	41.3	174.8	186.1	11.2
Operating Income							
Reportable segments FMS	15.9	22.1	22.0	(0.1)	(0.8)	(3.1)	(2.2)
EE	5.1	4.7	6.0	1.2	1.3	1.0	(0.2)
PM	3.3	4.6	6.0	1.3	(0.5)	1.0	1.6
Others & adjustment	0.6	0.6	0.0	(0.6)	0.3	0.3	(0.0)
Total	25.0	32.1	34.0	1.8	0.2	(0.6)	(0.8)
Backlog of Orders received							
Reportable segments FMS	153.8	182.7	202.7	20.0	202.6	211.5	8.9
EE	104.1	151.4	169.4	18.0	173.4	166.7	(6.7)
PM	8.2	8.0	10.0	2.0	8.7	9.1	0.4
Others	-	0.0	0.0	-	0.0	0.0	0.0
Total	266.2	342.2	382.2	40.0	384.8	387.4	2.6

(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	2nd quarter ended	
	March 31, 2013	March 31, 2014	March 31, 2015		September 30, 2013	September 30, 2014	
	Actual	Actual	Forecast	Change	Actual	Actual	Change
Research and Development expenses							
Reportable segments FMS	3.2	4.2	5.0	0.7	1.9	2.0	0.1
EE	0.1	0.0	0.5	0.4	0.0	0.0	(0.0)
PM	1.5	2.1	3.0	0.8	1.1	1.1	(0.0)
Others & adjustment	-	-	-	-	-	-	-
Total	5.0	6.4	8.5	2.0	3.1	3.2	0.0
Capital Expenditures							
Reportable segments FMS	6.8	9.4	11.0	1.5	3.5	3.9	0.4
EE	0.3	0.6	0.5	(0.1)	0.3	0.1	(0.1)
PM	2.4	3.8	2.5	(1.3)	1.3	1.5	0.1
Others & adjustment	2.5	4.1	5.0	0.8	2.2	1.1	(1.1)
Total	12.3	18.1	19.0	0.8	7.4	6.7	(0.7)
Depreciation and Amortization expenses							
Reportable segments FMS	8.2	7.9	7.7	(0.2)	3.7	3.9	0.1
EE	0.3	0.3	0.3	(0.0)	0.1	0.1	0.0
PM	2.9	2.6	3.5	0.8	1.2	1.1	(0.1)
Others & adjustment	0.8	1.1	2.5	1.3	0.5	0.8	0.3
Total	12.3	12.1	14.0	1.8	5.7	6.1	0.3

(3) Employees

Numbers

	As of	As of		As of	As of	
	March 31, 2013	March 31, 2014		September 30, 2013	September 30, 2014	
	Numbers	Numbers	Change	Numbers	Numbers	Change
Employees						
Reportable segments FMS	10,571	10,205	(366)	10,224	10,801	577
EE	2,238	2,605	367	2,569	2,631	62
PM	1,665	1,680	15	1,677	1,699	22
Others & Corporate	696	678	(18)	682	667	(15)
Total	15,170	15,168	(2)	15,152	15,798	646
Ebara Corporation	4,109	4,016	(93)	4,032	4,006	(26)
Domestic consolidated subsidiaries	3,797	3,816	19	3,828	3,861	33
Overseas consolidated subsidiaries	7,264	7,336	72	7,292	7,931	639

4. Statements of Cash Flows

Billions of Yen

	Fiscal year ended	Fiscal year ended	Fiscal year ending	2nd quarter ended	2nd quarter ended
	March 31, 2013	March 31, 2014	March 31, 2015	September 30, 2013	September 30, 2014
	Actual	Actual	Forecast	Actual	Actual
Cash flows from operating activities					
Income (loss) before income taxes	23.8	31.0	33.0	(0.2)	(0.4)
Depreciation and amortization	12.3	12.1	14.0	5.7	6.1
Loss (gain) on sales of fixed assets	0.1	(0.3)	-	(0.0)	(0.0)
Loss (gain) on sales of securities and investment securities	(0.0)	(0.0)	-	(0.0)	(0.0)
Increase (decrease) in provision and others	(13.5)	2.3	-	(0.3)	(1.1)
Increase/decrease of operating assets and liabilities					
Trade receivables	8.6	(20.3)	} (16.5)	48.1	45.3
Inventories	5.9	0.8		(4.6)	(9.3)
Trade payables	(11.4)	5.0		(26.2)	(17.9)
Income taxes paid	(5.8)	(5.5)	(7.0)	(3.1)	(5.3)
Others	13.8	1.7	-	(2.8)	(5.9)
Net cash provided by operating activities	34.0	26.6	23.5	16.3	11.2
Cash flows from investing activities					
Purchase of fixed assets	(11.8)	(16.4)	(19.0)	(7.2)	(5.8)
Proceeds from sales of fixed assets	0.0	0.8	-	0.0	0.2
Other Investments	(21.3)	19.1	(14.3)	18.4	(3.3)
Net cash provided by (used in) investing activities	(33.1)	3.5	(33.3)	11.2	(8.9)
Free Cash Flows	0.8	30.1	(9.8)	27.6	2.3
Cash flows from financing activities					
Proceeds from bank loans	8.8	10.7	} (5.0)	2.9	5.9
Repayment of bank loans	(35.5)	(22.2)		(8.8)	(10.4)
Proceeds from issuance of bonds	20.0	10.0	-	-	-
Redemption of bonds	-	(20.0)	-	(20.0)	-
Proceeds from issuance of common stock	14.5	0.0	-	0.0	0.0
Dividends paid	(3.1)	(2.3)	(4.0)	(1.1)	(2.3)
Dividends paid to minority shareholders' in consolidated subsidiaries	(0.7)	(0.7)	-	(0.0)	(0.0)
Purchase and disposal of treasury stock	(0.0)	(0.1)	-	(0.0)	(0.0)
Others	(0.6)	(0.7)	-	(0.3)	(0.3)
Net cash provided by (used in) financing activities	3.2	(25.3)	(9.0)	(27.6)	(7.1)
Translation adjustments	2.3	3.7	-	2.0	(0.0)
Total Cash Flows	6.4	8.5	(18.8)	2.0	(4.9)
Cash and cash equivalents					
At the beginning of the period	87.2	93.7	102.3	93.7	102.3
Increase (decrease) resulting from change of scope of consolidation	-	0.0	-	0.0	0.8
At the end of the period	93.7	102.3	83.5	95.8	98.2
*Information on Interest-bearing debt					
Short term debt	86.6	63.5	58.7	67.8	61.9
Long term debt	52.2	56.1	55.9	45.8	54.2
Total Interest-bearing debt	138.9	119.6	114.6	113.7	116.1

5. 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, 2014	March 31, 2015		
	Actual	Forecast	Change	Change Ratio
FMS				(%)
Pumps	173.0	175.0	1.9	1.1
Compressors & Turbines	109.0	140.0	30.9	28.4
Chillers	39.1	40.0	0.8	2.1
Others	19.8	20.0	0.1	0.9
Total of FMS	341.0	375.0	33.9	10.0
EE				
Environmental plants	98.6	78.0	(20.6)	(21.0)
Total of EE	98.6	78.0	(20.6)	(21.0)
PM				
Components	33.3	35.0	1.6	5.0
CMP systems	33.1	35.0	1.8	5.6
Others	4.4	5.0	0.5	13.0
Total of PM	70.8	75.0	4.1	5.8
Others	1.6	2.0	0.3	18.4
Total of Others	1.6	2.0	0.3	18.4
Total	512.2	530.0	17.7	3.5

	2nd quarter ended	2nd quarter ended		
	September 30, 2013	September 30, 2014		
	Actual	Actual	Change	Change Ratio
				(%)
	84.8	80.1	(4.6)	(5.5)
	59.1	48.6	(10.5)	(17.8)
	18.1	16.5	(1.6)	(9.0)
	10.3	10.5	0.2	2.6
	172.5	155.9	(16.5)	(9.6)
	85.8	38.8	(47.0)	(54.8)
	85.8	38.8	(47.0)	(54.8)
	13.9	16.4	2.4	17.5
	10.5	12.8	2.3	21.8
	2.6	2.3	(0.3)	(13.4)
	27.2	31.6	4.3	16.1
	0.8	0.8	0.0	1.4
	0.8	0.8	0.0	1.4
	286.5	227.2	(59.2)	(20.7)

(2) Sales

Billions of Yen

	Fiscal year ended	Fiscal year ending		
	March 31, 2014	March 31, 2015		
	Actual	Forecast	Change	Change ratio
FMS				(%)
Pumps	162.4	175.0	12.5	7.7
Compressors & Turbines	98.9	120.0	21.0	21.2
Chillers	37.9	40.0	2.0	5.3
Others	22.7	20.0	(2.7)	(12.1)
Total of FMS	322.1	355.0	32.8	10.2
EE				
Environmental plants	52.9	60.0	7.0	13.2
Total of EE	52.9	60.0	7.0	13.2
PM				
Components	31.6	34.0	2.3	7.3
CMP systems	34.0	34.0	(0.0)	(0.2)
Others	6.0	5.0	(1.0)	(17.3)
Total of PM	71.8	73.0	1.1	1.7
Others	1.6	2.0	0.3	18.5
Total of Others	1.6	2.0	0.3	18.5
Total	448.6	490.0	41.3	9.2

	2nd quarter ended	2nd quarter ended		
	September 30, 2013	September 30, 2014		
	Actual	Actual	Change	Change Ratio
				(%)
	62.7	64.7	1.9	3.2
	42.8	46.8	3.9	9.3
	13.7	12.5	(1.2)	(8.8)
	9.1	7.4	(1.6)	(18.5)
	128.4	131.5	3.0	2.4
	17.9	23.2	5.3	29.7
	17.9	23.2	5.3	29.7
	12.7	16.7	4.0	32.0
	10.9	11.5	0.6	5.6
	3.8	2.0	(1.7)	(46.3)
	27.5	30.4	2.8	10.5
	0.8	0.8	(0.0)	(0.2)
	0.8	0.8	(0.0)	(0.2)
	174.8	186.1	11.2	6.5