Results Presentation for the 3rd Quarter ended December 31, 2016

EBARA (6361)

February 8, 2017
1. Summary of Results

**Summary of Results through the 3rd Quarter**

(Nine months ended December 31, 2016)

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

Exchange rate (Average)  
1 USD = 120.2 JPY  
1 USD = 104.0 JPY
## 1. Summary of Results

### Segmental Summary of Results through the 3rd Quarter

<table>
<thead>
<tr>
<th></th>
<th>Orders</th>
<th>Net Sales</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FMS Business</strong></td>
<td>226.1</td>
<td>205.8</td>
<td>-20.3</td>
</tr>
<tr>
<td><strong>EE Business</strong></td>
<td>40.4</td>
<td>49.2</td>
<td>+8.7</td>
</tr>
<tr>
<td><strong>PM Business</strong></td>
<td>78.6</td>
<td>84.4</td>
<td>+5.8</td>
</tr>
<tr>
<td><strong>Others, Adjustment</strong></td>
<td>1.2</td>
<td>1.2</td>
<td>-0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>346.4</td>
<td>340.6</td>
<td>-5.7</td>
</tr>
</tbody>
</table>

**Note:** (unit: ¥bn)

- FMS Business: Fluid Machinery & Systems Business
- EE Business: Environmental Engineering Business
- PM Business: Precision Machinery Business
1. Summary of Results

FMS Results through the 3rd Quarter

FMS Business ･･･ Fluid Machinery & Systems Business

<table>
<thead>
<tr>
<th>Orders, Sales</th>
<th>[Orders, Sales]</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Decline on strong yen (-)</td>
<td></td>
</tr>
<tr>
<td>✓ In Oil and Gas market, customers’ capital investments has been slow</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Sales decreased (-)</td>
</tr>
<tr>
<td>✓ Strong yen (-)</td>
</tr>
<tr>
<td>✓ A highly profitable project was in the same period last year (-)</td>
</tr>
<tr>
<td>✓ Profitability improved in Pumps business (+)</td>
</tr>
</tbody>
</table>

### Breakdown of Changes in Operating Income

<table>
<thead>
<tr>
<th>1Q</th>
<th>2Q</th>
<th>3Q</th>
<th>4Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>Fixed cost</td>
<td>Foreign Exchange</td>
<td>Profitability</td>
</tr>
<tr>
<td>-3.5</td>
<td>-1.8</td>
<td>-4.9</td>
<td>-4.0</td>
</tr>
<tr>
<td>-3.1</td>
<td>-4.9</td>
<td>-4.0</td>
<td>-2.5</td>
</tr>
</tbody>
</table>

3rd Quarter ended Dec 31, 2015 results

3rd Quarter ended Dec 31, 2016 results
1. Summary of Results

EE Results through the 3rd Quarter

EE Business ・・・ Environmental Engineering Business

Orders

FY ended March 31, 2016 results
1Q: 25.6  2Q: 34.8  3Q: 40.4  4Q: 80.0

FY ending March 31, 2017 results
1Q: 22.0  2Q: 33.3  3Q: 49.2

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

Sales

FY ended March 31, 2016 results
1Q: 9.5  2Q: 25.7  3Q: 44.7  4Q: 70.3

FY ending March 31, 2017 results
1Q: 11.4  2Q: 27.0  3Q: 43.1

【Sales, Operating Income】
✓ Mostly progressing as planned

Operating Income

FY ended March 31, 2016 results
1Q: 0.1  2Q: 1.4  3Q: 3.4  4Q: 6.4

FY ending March 31, 2017 results
1Q: 0.1  2Q: 1.7  3Q: 3.4

Breakdown of Changes in Operating Income

(unit: ¥bn)

3rd Quarter ended Dec 31, 2015 results
3rd Quarter ended Dec 31, 2016 results

3.4  +0.6  -0.4  3.4

-0.2
1. Summary of Results

PM Results through the 3rd Quarter

PM Business ··· Precision Machinery Business

Orders

<table>
<thead>
<tr>
<th></th>
<th>FY ended March 31, 2016 results</th>
<th>FY ending March 31, 2017 results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>23.5</td>
<td>35.0</td>
</tr>
<tr>
<td>2Q</td>
<td>49.8</td>
<td>58.0</td>
</tr>
<tr>
<td>3Q</td>
<td>78.6</td>
<td>84.4</td>
</tr>
<tr>
<td>4Q</td>
<td>101.8</td>
<td></td>
</tr>
</tbody>
</table>

Sales

<table>
<thead>
<tr>
<th></th>
<th>FY ended March 31, 2016 results</th>
<th>FY ending March 31, 2017 results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>16.8</td>
<td>21.5</td>
</tr>
<tr>
<td>2Q</td>
<td>41.7</td>
<td>46.6</td>
</tr>
<tr>
<td>3Q</td>
<td>64.3</td>
<td>74.8</td>
</tr>
<tr>
<td>4Q</td>
<td>93.3</td>
<td></td>
</tr>
</tbody>
</table>

Operating Income

<table>
<thead>
<tr>
<th></th>
<th>FY ended March 31, 2016 results</th>
<th>FY ending March 31, 2017 results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>1.1</td>
<td>2.6</td>
</tr>
<tr>
<td>2Q</td>
<td>4.7</td>
<td>5.4</td>
</tr>
<tr>
<td>3Q</td>
<td>8.7</td>
<td>8.6</td>
</tr>
<tr>
<td>4Q</td>
<td>11.6</td>
<td></td>
</tr>
</tbody>
</table>

【Orders, Sales】
✓ Capital investment in semiconductor market stays strong
✓ Especially CMP business is in good shape

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

Breakdown of Changes in Operating Income

((unit : ¥bn)

-2.5  Foreign exchange
-1.0  Fixed cost
-1.8  Profitability
+5.2  Sales

Results Presentation for the 3rd Quarter ended December 31, 2016
### 2. Projection

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

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

Exchange rate

- Average: 1 USD = 115.8 JPY
- Assumed: 1 USD = 105 JPY
- Assumed: 1 USD = 110 JPY

*The full-year plan announced in November 2016*
## 2. Projection
### Summary of Projection for Fiscal Year Ending March 31, 2017

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

(Units: ¥bn)
2. Projection

FMS Projection for Fiscal Year Ending March 31, 2017

Forecast revised from the plan: [Sales][Operating Income]

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

Sales
- Compressors & Turbines business’s forecast lowered

Operating Income
- The forecast lowered mostly in Compressors & Turbines business
2. Projection

EE Projection for Fiscal Year Ending March 31, 2017

EE Business

Orders

<table>
<thead>
<tr>
<th>FY ended March 31, 2016 results</th>
<th>FY ending March 31, 2017 results / plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2Q 3Q 4Q</td>
<td>1Q 2Q 3Q 4Q</td>
</tr>
<tr>
<td>25.6 34.8 40.4 80.0</td>
<td>22.0 33.3 49.2 80.0</td>
</tr>
</tbody>
</table>

Sales

<table>
<thead>
<tr>
<th>FY ended March 31, 2016 results</th>
<th>FY ending March 31, 2017 results / plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2Q 3Q 4Q</td>
<td>1Q 2Q 3Q 4Q</td>
</tr>
<tr>
<td>9.5 25.7 44.7 70.3</td>
<td>11.4 27.0 43.1 70.0</td>
</tr>
</tbody>
</table>

Operating Income

<table>
<thead>
<tr>
<th>FY ended March 31, 2016 results</th>
<th>FY ending March 31, 2017 results / plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2Q 3Q 4Q</td>
<td>1Q 2Q 3Q 4Q</td>
</tr>
<tr>
<td>0.1 1.4 3.4 6.4</td>
<td>0.1 1.7 3.4 7.0</td>
</tr>
</tbody>
</table>

**Not revised from the plan**

(unit: ¥bn)

**Sales**

✓ Steady progress in the EPC construction works

**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】
✓ Major customers’ active investment continue into 2017
✓ Raises our forecast again

【Sales】
✓ Raised order will be recorded as sales in the next fiscal year

【Operating Income】
✓ Expected to achieve the plan even with some low-margin sales
### Breakdown of Orders and Sales Results by business segment

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Orders</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Results</strong></td>
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<td></td>
</tr>
<tr>
<td><strong>Plan</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Forecast</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Change</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Change</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FMS Business</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pumps</td>
<td>176.8</td>
<td>178.0</td>
<td>178.0</td>
<td>131.7</td>
<td>+1.1</td>
</tr>
<tr>
<td>Compressors and Turbines</td>
<td>75.9</td>
<td>80.0</td>
<td>80.0</td>
<td>53.8</td>
<td>+4.0</td>
</tr>
<tr>
<td>Chillers</td>
<td>33.3</td>
<td>30.0</td>
<td>30.0</td>
<td>25.4</td>
<td>-3.3</td>
</tr>
<tr>
<td>Others</td>
<td>21.4</td>
<td>20.0</td>
<td>20.0</td>
<td>15.0</td>
<td>-1.4</td>
</tr>
<tr>
<td>FMS Business Total</td>
<td>307.6</td>
<td>308.0</td>
<td>308.0</td>
<td>226.1</td>
<td>+0.3</td>
</tr>
<tr>
<td><strong>EE Business</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Plants</td>
<td>80.0</td>
<td>80.0</td>
<td>80.0</td>
<td>40.4</td>
<td>-0.0</td>
</tr>
<tr>
<td>EE Business Total</td>
<td>80.0</td>
<td>80.0</td>
<td>80.0</td>
<td>40.4</td>
<td>-0.0</td>
</tr>
<tr>
<td><strong>PM Business</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Components</td>
<td>40.1</td>
<td>40.0</td>
<td>44.0</td>
<td>29.4</td>
<td>+4.0</td>
</tr>
<tr>
<td>CMP Systems</td>
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<td>64.0</td>
<td>70.0</td>
<td>37.3</td>
<td>+6.0</td>
</tr>
<tr>
<td>Others</td>
<td>14.0</td>
<td>6.0</td>
<td>6.0</td>
<td>11.8</td>
<td>-8.0</td>
</tr>
<tr>
<td>PM Business Total</td>
<td>101.8</td>
<td>110.0</td>
<td>120.0</td>
<td>78.6</td>
<td>+10.0</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>1.6</td>
<td>2.0</td>
<td>2.0</td>
<td>1.2</td>
<td>+0.3</td>
</tr>
<tr>
<td>Others Total</td>
<td>1.6</td>
<td>2.0</td>
<td>2.0</td>
<td>1.2</td>
<td>+0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>491.2</td>
<td>500.0</td>
<td>510.0</td>
<td>346.4</td>
<td>+10.0</td>
</tr>
</tbody>
</table>

([unit : ¥bn](#))
### Appendix

**Breakdown of Orders and Sales Results by business segment**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Results</td>
<td>Plan</td>
<td>Forecast</td>
<td>Change</td>
<td>Change</td>
</tr>
<tr>
<td>FMS Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pumps</td>
<td>178.6</td>
<td>173.0</td>
<td>173.0</td>
<td>-</td>
<td>-5.6</td>
</tr>
<tr>
<td>Compressors and Turbines</td>
<td>90.2</td>
<td>80.0</td>
<td>75.0</td>
<td>-5.0</td>
<td>-15.2</td>
</tr>
<tr>
<td>Chillers</td>
<td>31.3</td>
<td>30.0</td>
<td>30.0</td>
<td>-</td>
<td>-1.3</td>
</tr>
<tr>
<td>Others</td>
<td>20.5</td>
<td>20.0</td>
<td>20.0</td>
<td>-</td>
<td>-0.5</td>
</tr>
<tr>
<td>FMS Business Total</td>
<td>320.8</td>
<td>303.0</td>
<td>298.0</td>
<td>-5.0</td>
<td>-22.8</td>
</tr>
<tr>
<td>EE Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Plants</td>
<td>70.3</td>
<td>70.0</td>
<td>70.0</td>
<td>-</td>
<td>-0.3</td>
</tr>
<tr>
<td>EE Business Total</td>
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