

Results Presentation for Three Months
Ended March 31, 2018

EBARA (6361)

May 14, 2018



1. Summary of Results

Summary of Results through 1st Quarter

(three months ended March 31, 2018)

(unit : ¥bn)

	[Reference]* 1st Quarter Ended March 31, 2017	1st Quarter Ended March 31, 2018	Change
Orders	126.0	158.8	+32.7
Net Sales	154.0	130.2	-23.8
Operating Income	22.1	7.9	-14.1
Ordinary Income	22.5	8.0	-14.4
Net Income attributable to owners of parent	15.6	6.1	-9.5

Exchange Rate
(Average)

1USD = 112.4 JPY

1USD = 108.7 JPY

* As a reference, we disclose 12 months results (non-audited) of the fiscal year ended December 31, 2017 (from January 1, 2017 to December 31, 2017) to compare with the results for the fiscal year ending December 31, 2018 (from January 1, 2018 to December 31, 2018).

In this material, "1Q" means 3 months cumulative, "2Q" means 6 months cumulative, "3Q" means 9 months cumulative, "Full year" means 12 months cumulative. From this page, figures are shown in billion yen unless stated.

1. Summary of Results

Segmental Summary of Results through 1st Quarter

	Orders			Net Sales			Operating Income		
	[Reference] 1Q Ended March 31, 2017	1Q Ended March 31, 2018	Change	[Reference] 1Q Ended March 31, 2017	1Q Ended March 31, 2018	Change	[Reference] 1Q Ended March 31, 2017	1Q Ended March 31, 2018	Change
FMS Business	76.2	82.9	+6.7	93.5	80.7	-12.8	14.1	2.4	-11.6
EP Business	14.0	34.8	+20.8	22.9	18.2	-4.7	1.8	1.8	-0.0
PM Business	35.4	40.6	+5.2	37.1	30.8	-6.2	6.0	3.6	-2.3
Others, Adjustment	0.4	0.4	-0.0	0.4	0.4	-0.0	0.1	0.0	-0.0
Total	126.0	158.8	+32.7	154.0	130.2	-23.8	22.1	7.9	-14.1

FMS Business ... Fluid Machinery & Systems Business

EP Business ... Environmental Plants Business

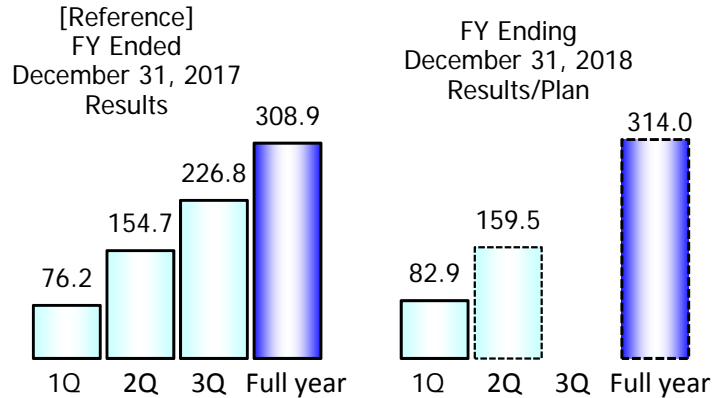
PM Business ... Precision Machinery Business

2. Details of Results

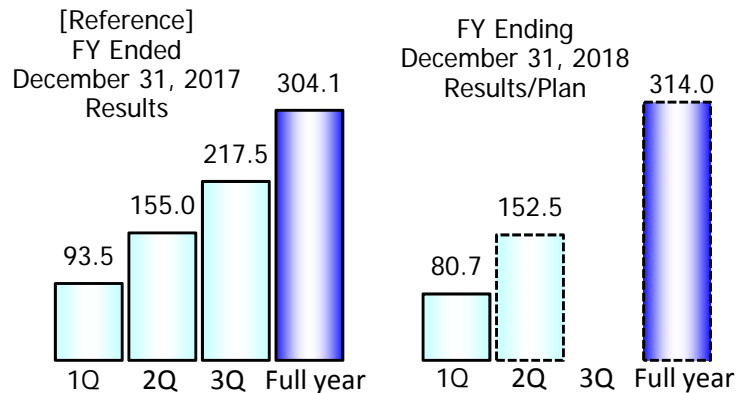
FMS Results through 1st Quarter

FMS Business

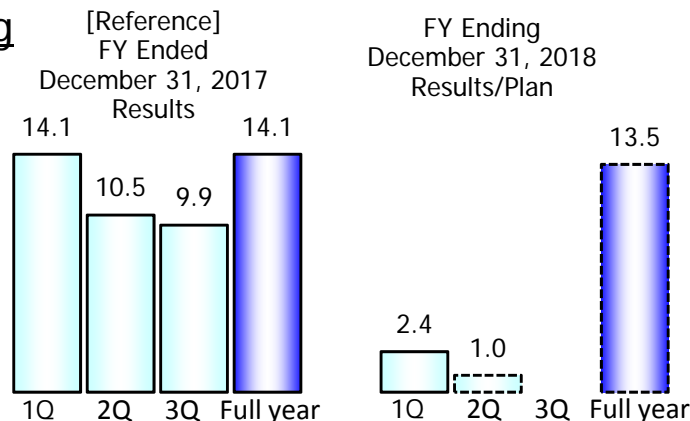
Orders



Sales



Operating Income



【Orders】

- ✓ In the compressors & turbines business, competition including price is intense, but orders increased mainly from products
- ✓ Due to large orders in the same period last year, low demand for the custom pumps, but it is expected to recover gradually in the second half

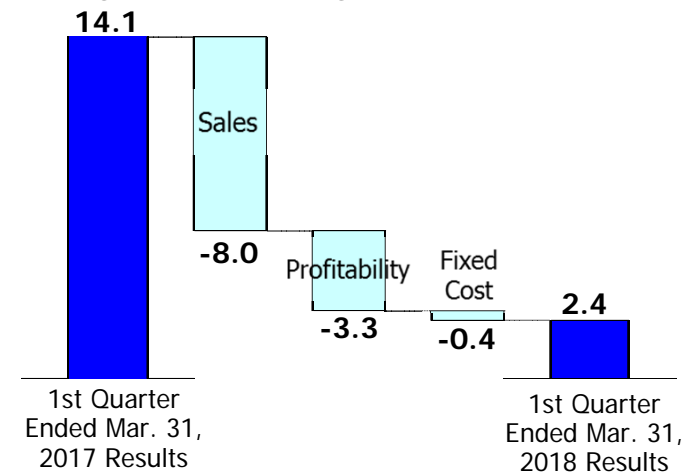
【Sales】

- ✓ In the pumps business, custom pumps decreased
- ✓ In the compressors & turbines business, sales decreased significantly compared to the same period last year, when service and support (S&S) was in a high level

【Operating Income】

- ✓ Sales decreased (-)
- ✓ Proportion of sales of S&S business decreased (-)

Breakdown of Changes in Operating Income

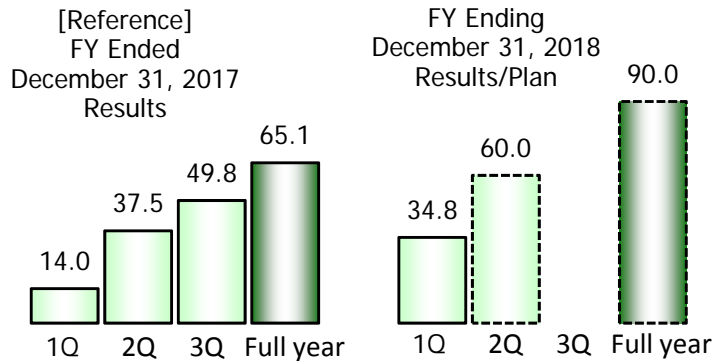


2. Details of Results

EP Results through 1st Quarter

EP Business

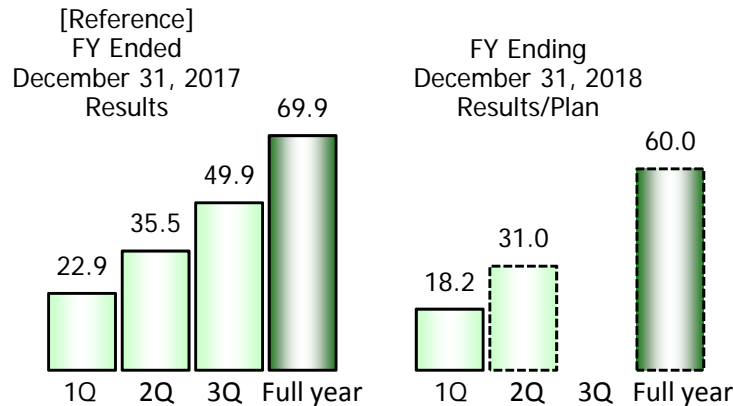
Orders



【Orders】

- ✓ Received 3 large orders including the DBO project, which we were preferred bidder for

Sales



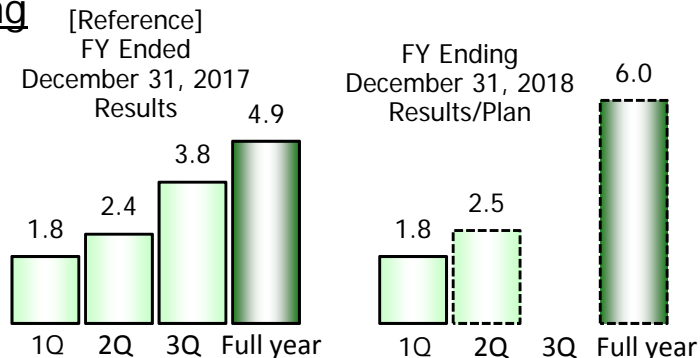
【Sales】

- ✓ EPC sales decreased

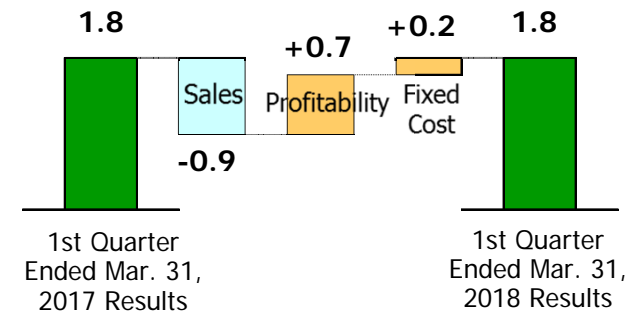
【Operating Income】

- ✓ Sales decreased (-)
- ✓ Proportion of O&M sales increased and profitability improved (+)

Operating Income



Breakdown of Changes in Operating Income

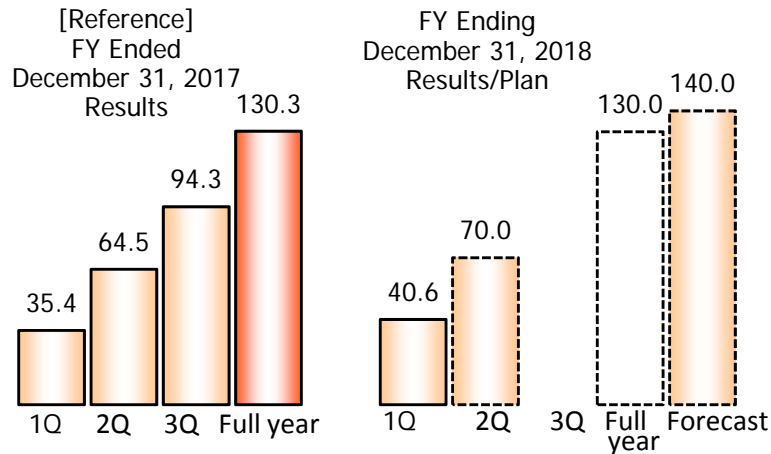


2. Details of Results

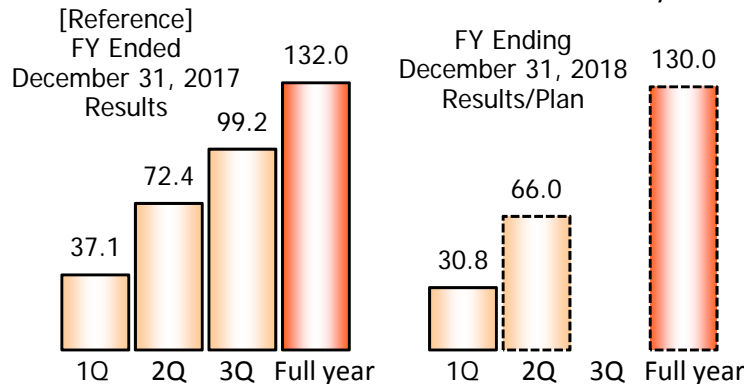
PM Results through 1st Quarter

PM Business

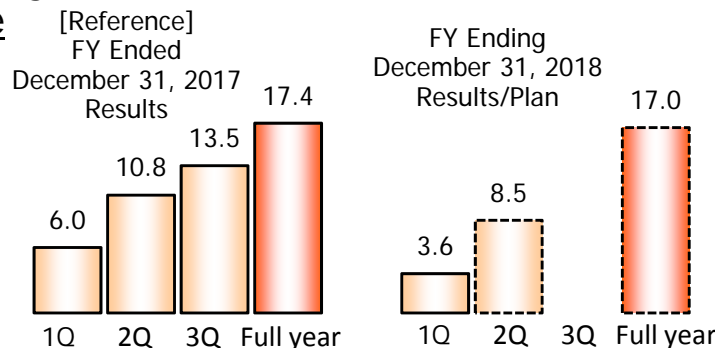
Orders



Sales



Operating Income



【Orders】

- ✓ Capital investment in semiconductor market stays strong
- ✓ Increased in both the CMP and the components business

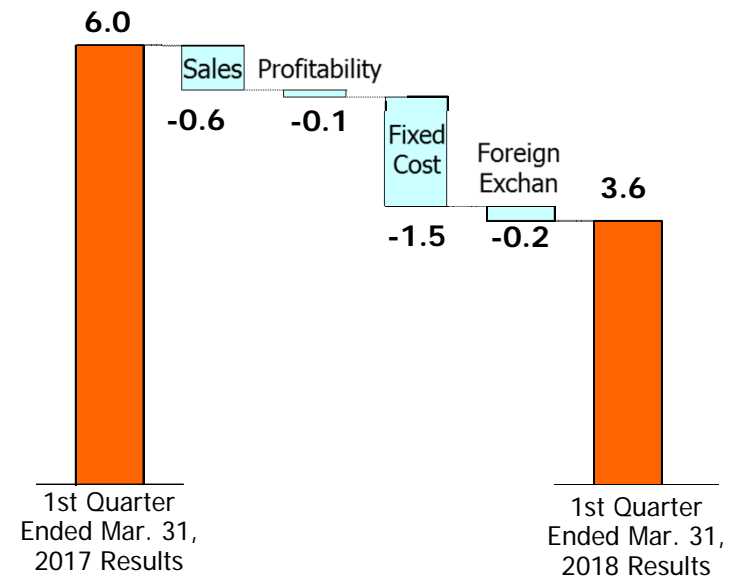
【Sales】

- ✓ The CMP business is temporarily in a lull in demand, but the components business stays strong

【Operating Income】

- ✓ Sales decreased (-)
- ✓ Fixed costs mostly for labor costs increased (-)

Breakdown of Changes in Operating Income



3. Projection

Summary of Projection for Fiscal Year Ending December 31, 2018

	[Reference] FY Ended Dec. 31, 2017 (Results) (A)	FY Ending Dec. 31, 2018 (Initial plan) (B)	FY Ending Dec. 31, 2018 (Forecast) (C)	Change (from Plan) (C-B)	Change (Year-on-year) (C-A)
Orders	506.0	535.0	545.0	+10.0	+38.9
Net Sales	507.8	505.0	505.0	-	-2.8
Operating Income	36.6	37.0	37.0	-	+0.3
Ordinary Income	35.4	36.0	36.0	-	+0.5
Net Income attributable to owners of parent	22.7	22.0	22.0	-	-0.7

Exchange Rate	[Reference] 1USD = 112 JPY (Average)	1USD = 110 JPY (Assumed)	1USD = 110 JPY (Assumed)
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3. Projection

Summary of Projection for Fiscal Year Ending December 31, 2018

		[Reference] FY Ended Dec. 31, 2017 (Results) (A)	FY Ending Dec. 31, 2018 (Initial Plan) (B)	FY Ending Dec. 31, 2018 (Forecast) (C)	Change (from Plan) (C-B)	Change (Year-on-year) (C-A)
FMS Business	Orders	308.9	314.0	314.0	-	+5.0
	Net Sales	304.1	314.0	314.0	-	+9.8
	Operating Income	14.1	13.5	13.5	-	-0.6
EP Business	Orders	65.1	90.0	90.0	-	+24.8
	Net Sales	69.9	60.0	60.0	-	-9.9
	Operating Income	4.9	6.0	6.0	-	+1.0
PM Business	Orders	130.3	130.0	140.0	+10.0	+9.6
	Net Sales	132.0	130.0	130.0	-	-2.0
	Operating Income	17.4	17.0	17.0	-	-0.4
Others, Adjustment	Orders	1.6	1.0	1.0	-	-0.6
	Net Sales	1.6	1.0	1.0	-	-0.6
	Operating Income	0.1	0.5	0.5	-	+0.3
Total	Orders	506.0	535.0	545.0	+10.0	+38.9
	Net Sales	507.8	505.0	505.0	-	-2.8
	Operating Income	36.6	37.0	37.0	-	+0.3

Summary of Projection for 2nd Quarter

	[Reference]	2Q Ending	Change
	2Q Ended June 30, 2017	June 30, 2018	
	Results	Forecast	
Orders	257.6	290.0	+ 32.3
Net Sales	263.8	250.0	- 13.8
Operating Income	24.0	12.0	- 12.0
Ordinary Income	23.8	12.0	- 11.8
Net Income attributable to owners of parent	16.2	7.0	- 9.2

		[Reference]	2Q Ending	Change
		2Q Ended June 30, 2017	June 30, 2018	
		Results	Forecast	
FMS Business	Orders	154.7	159.5	+ 4.7
	Net Sales	155.0	152.5	- 2.5
	Operating Income	10.5	1.0	- 9.5
EP Business	Orders	37.5	60.0	+ 22.4
	Net Sales	35.5	31.0	- 4.5
	Operating Income	2.4	2.5	+ 0.0
PM Business	Orders	64.5	70.0	+ 5.4
	Net Sales	72.4	66.0	- 6.4
	Operating Income	10.8	8.5	- 2.3
Others, Adjustment	Orders	0.8	0.5	- 0.3
	Net Sales	0.8	0.5	- 0.3
	Operating Income	0.1	0.0	- 0.1
Total	Orders	257.6	290.0	+ 32.3
	Net Sales	263.8	250.0	- 13.8
	Operating Income	24.0	12.0	- 12.0

Breakdown of Orders Results by Business Segment

Orders

	Full Year					1Q			2Q		
	[Reference] FY Ended Dec. 31, 2017 Results	FY Ending Dec. 31, 2018			Change	[Reference] FY Ended Dec. 31, 2017 Results	FY Ending Dec. 31, 2018 Results	Change	[Reference] FY Ended Dec. 31, 2017 Results	FY Ending Dec. 31, 2018 Plan	Change
		Initial plan	Forecast	Change							
FMS Business											
Pumps	174.2	178.0	178.0	-	+ 3.7	46.3	44.1	- 2.1	89.0	86.0	- 3.0
Compressors and Turbines	83.3	85.0	85.0	-	+ 1.6	16.7	26.7	+ 9.9	39.1	50.0	+ 10.8
Chillers	34.5	37.0	37.0	-	+ 2.4	7.0	8.5	+ 1.4	17.9	17.5	- 0.4
Others	16.7	14.0	14.0	-	- 2.7	6.0	3.4	- 2.6	8.6	6.0	- 2.6
FMS Business Total	308.9	314.0	314.0	-	+ 5.0	76.2	82.9	+ 6.7	154.7	159.5	+ 4.7
EP Business											
Environmental Plants	65.1	90.0	90.0	-	+ 24.8	14.0	34.8	+ 20.8	37.5	60.0	+ 22.4
EP Business Total	65.1	90.0	90.0	-	+ 24.8	14.0	34.8	+ 20.8	37.5	60.0	+ 22.4
PM Business											
Components	59.8	57.0	65.0	+ 8.0	+ 5.1	15.2	17.1	+ 1.9	29.6	32.0	+ 2.3
CMP Systems	62.7	67.0	71.0	+ 4.0	+ 8.2	18.8	22.1	+ 3.2	30.7	36.0	+ 5.2
Others	7.7	6.0	4.0	- 2.0	- 3.7	1.3	1.4	0.0	4.1	2.0	- 2.1
PM Business Total	130.3	130.0	140.0	+ 10.0	+ 9.6	35.4	40.6	+ 5.2	64.5	70.0	+ 5.4
Others	1.6	1.0	1.0	-	- 0.6	0.4	0.4	- 0.0	0.8	0.5	- 0.3
Others Total	1.6	1.0	1.0	-	- 0.6	0.4	0.4	- 0.0	0.8	0.5	- 0.3
Total	506.0	535.0	545.0	+ 10.0	+ 38.9	126.0	158.8	+ 32.7	257.6	290.0	+ 32.3

* From the first quarter ended March 31, 2018, the cryogenic pumps (LNG transfer pumps) business, which was included in the pumps business before, is included in the compressors & turbines business.

Breakdown of Sales Results by Business Segment

Sales

	Full Year					1Q			2Q		
	[Reference] FY Ended Dec. 31, 2017 Results	FY Ending Dec. 31, 2018			Change	[Reference] FY Ended Dec. 31, 2017 Results	FY Ending Dec. 31, 2018 Results	Change	[Reference] FY Ended Dec. 31, 2017 Results	FY Ending Dec. 31, 2018 Plan	Change
		Initial plan	Forecast	Change							
FMS Business											
Pumps	168.5	178.0	178.0	-	+ 9.4	55.0	50.9	- 4.1	88.6	89.0	+ 0.3
Compressors and Turbines	83.8	85.0	85.0	-	+ 1.1	22.6	18.5	- 4.1	41.0	41.0	- 0.1
Chillers	35.8	37.0	37.0	-	+ 1.1	9.2	7.5	- 1.7	16.4	16.0	- 0.4
Others	15.9	14.0	14.0	-	- 1.9	6.6	3.7	- 2.8	8.7	6.5	- 2.2
FMS Business Total	304.1	314.0	314.0	-	+ 9.8	93.5	80.7	- 12.8	155.0	152.5	- 2.5
EP Business											
Environmental Plants	69.9	60.0	60.0	-	- 9.9	22.9	18.2	- 4.7	35.5	31.0	- 4.5
EP Business Total	69.9	60.0	60.0	-	- 9.9	22.9	18.2	- 4.7	35.5	31.0	- 4.5
PM Business											
Components	57.0	55.0	58.0	+ 3.0	+ 0.9	13.9	14.9	+ 0.9	28.0	29.0	+ 0.9
CMP Systems	68.5	68.0	69.0	+ 1.0	+ 0.4	22.0	14.6	- 7.3	41.3	35.0	- 6.3
Others	6.4	7.0	3.0	- 4.0	- 3.4	1.1	1.1	0.0	3.1	2.0	- 1.1
PM Business Total	132.0	130.0	130.0	-	- 2.0	37.1	30.8	- 6.2	72.4	66.0	- 6.4
Others	1.6	1.0	1.0	-	- 0.6	0.4	0.4	- 0.0	0.8	0.5	- 0.3
Others Total	1.6	1.0	1.0	-	- 0.6	0.4	0.4	- 0.0	0.8	0.5	- 0.3
Total	507.8	505.0	505.0	-	- 2.8	154.0	130.2	- 23.8	263.8	250.0	- 13.8

* From the first quarter ended March 31, 2018, the cryogenic pumps (LNG transfer pumps) business, which was included in the pumps business before, is included in the compressors & turbines business.

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