

# **Results Presentation for Fiscal Year**

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## **Ended March 31, 2014**

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# **EBARA (6361)**

May 9, 2014



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## 1. Summary of Results

Senior Managing Executive Officer  
Responsible for Finance &  
Accounting

**Tetsuji Fujimoto**

## 2. Projection and Management Strategy

President and  
Representative Director

**Toichi Maeda**

# 1. Summary of Results

## Consolidated Results for Fiscal Year Ended March 31, 2014

(1/2)

(unit : ¥bn)

	Fiscal Year ended March 31, 2013	Fiscal Year ended March 31, 2014	Change
<b>Orders</b>	<b>428.5</b>	<b>512.2</b>	<b>+ 83.7</b>
<b>Net Sales</b>	<b>426.3</b>	<b>448.6</b>	<b>+ 22.3</b>
<b>Operating Income</b>	<b>25.0</b>	<b>32.1</b>	<b>+ 7.1</b>
<b>Ordinary Income</b>	<b>25.6</b>	<b>31.3</b>	<b>+ 5.6</b>
<b>Net Income</b>	<b>15.3</b>	<b>18.9</b>	<b>+ 3.6</b>

Exchange Rate  
(Average)

1USD = 84.4 JPY

1USD = 99.7 JPY

# 1. Summary of Results

## Segmental Results for Fiscal Year Ended March 31, 2014

(2/2)

(unit : ¥bn)

	Orders			Net Sales			Operating Income		
	FY ended Mar 31, 2013	FY ended Mar 31, 2014	Change	FY ended Mar 31, 2013	FY ended Mar 31, 2014	Change	FY ended Mar 31, 2013	FY ended Mar 31, 2014	Change
<b>FMS Business</b>	<b>297.9</b>	<b>341.0</b>	<b>+ 43.0</b>	<b>305.5</b>	<b>322.1</b>	<b>+ 16.5</b>	<b>15.9</b>	<b>22.1</b>	<b>+ 6.2</b>
<b>EE Business</b>	<b>66.6</b>	<b>98.6</b>	<b>+ 32.0</b>	<b>52.4</b>	<b>52.9</b>	<b>+ 0.4</b>	<b>5.1</b>	<b>4.7</b>	<b>- 0.4</b>
<b>PM Business</b>	<b>62.2</b>	<b>70.8</b>	<b>+ 8.6</b>	<b>66.5</b>	<b>71.8</b>	<b>+ 5.3</b>	<b>3.3</b>	<b>4.6</b>	<b>+ 1.3</b>
<b>Others, Adjustment</b>	<b>1.6</b>	<b>1.6</b>	<b>- 0.0</b>	<b>1.7</b>	<b>1.6</b>	<b>- 0.0</b>	<b>0.6</b>	<b>0.6</b>	<b>- 0.0</b>
<b>Total</b>	<b>428.5</b>	<b>512.2</b>	<b>+ 83.7</b>	<b>426.3</b>	<b>448.6</b>	<b>+ 22.3</b>	<b>25.0</b>	<b>32.1</b>	<b>+ 7.1</b>

FMS Business ... Fluid Machinery & Systems Business

EE Business ... Environmental Engineering Business

PM Business ... Precision Machinery Business

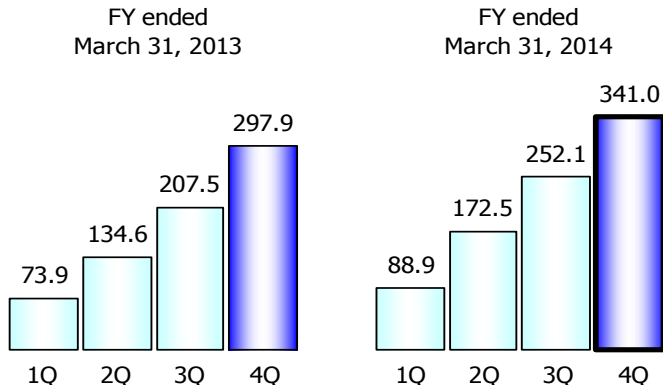
# 1. Summary of Results

## FMS Results for Fiscal Year Ended March 31, 2014

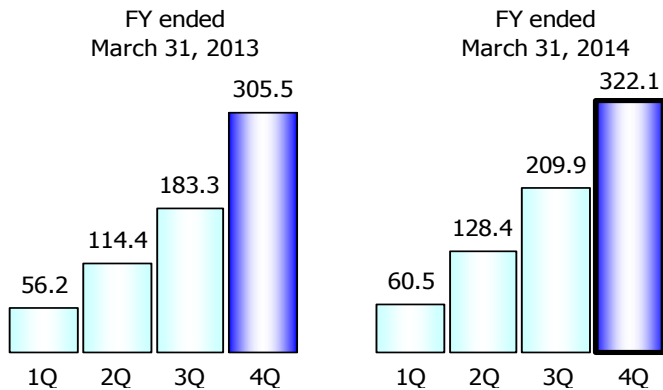
(1/3)

### FMS Business ··· Fluid Machinery & Systems Business

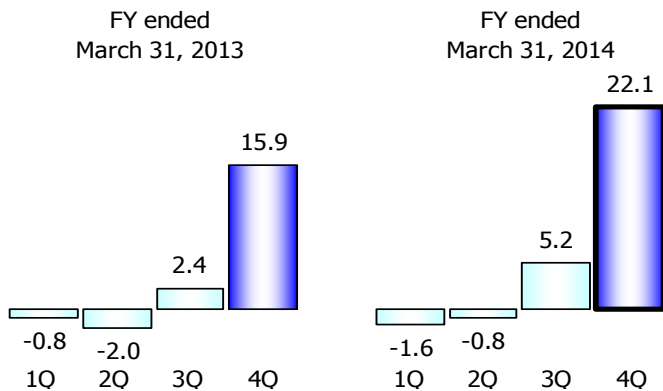
#### Orders



#### Sales



#### Operating Income



#### [Orders]

- Active investments in oil & gas and chemical markets (emerging countries and North America)
- Domestic public works in good shape

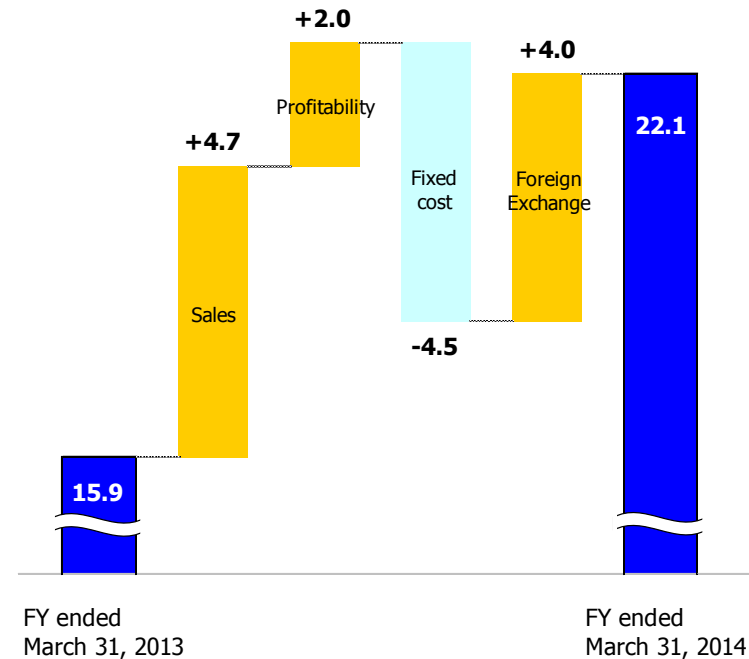
#### [Sales]

- Depreciation of Japanese Yen

#### [Operating Income]

- Sales increased
- Depreciation of Japanese Yen
- Profitability improved (Pumps , Chillers)

#### Breakdown of Changes in Operating Income



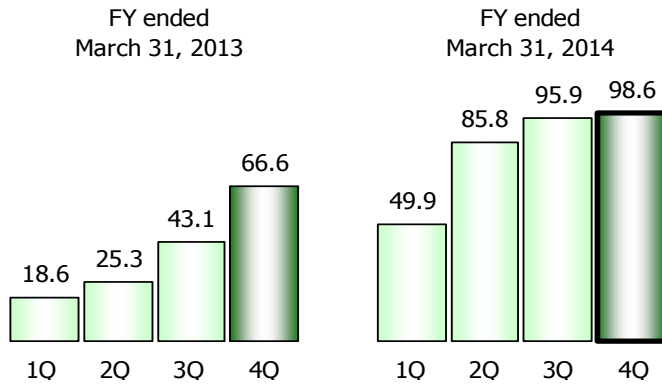
# 1. Summary of Results

## EE Results for Fiscal Year Ended March 31, 2014

(2/3)

### EE Business ... Environmental Engineering Business

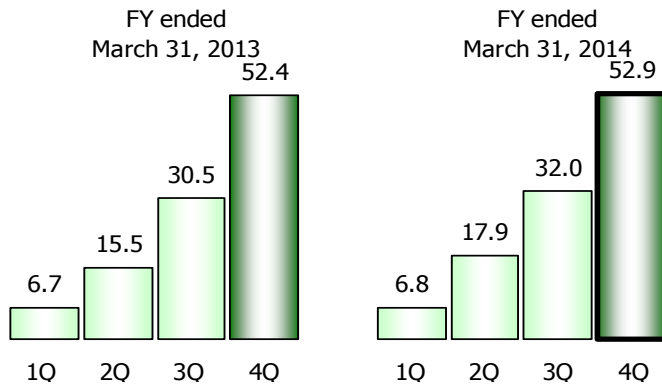
#### Orders



#### 【Orders】

- Projects of successful last-FY-bid officially ordered
- Increased in Life-term prolongation projects or others

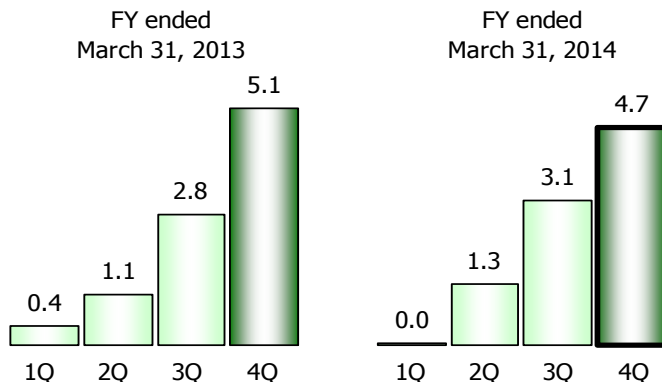
#### Sales



#### 【Sales】

- Composition ratio of EPC Sales and O&M Sales was not changed

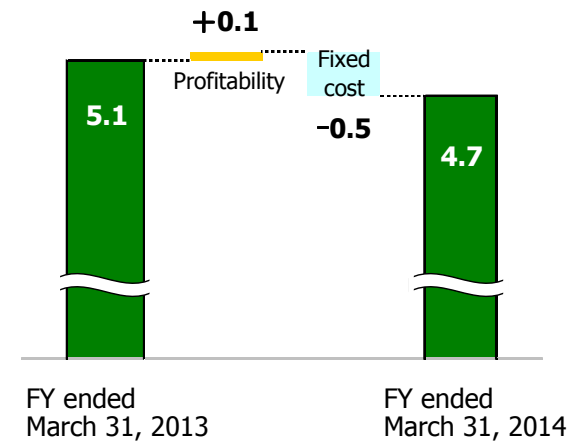
#### Operating Income



#### 【Operating Income】

- Fixed costs increased

#### Breakdown of Changes in Operating Income



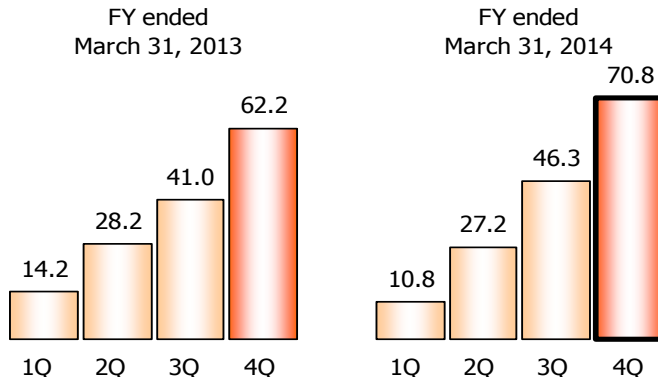
# 1. Summary of Results

## PM Results for Fiscal Year Ended March 31, 2014

(3/3)

### PM Business ··· Precision Machinery Business

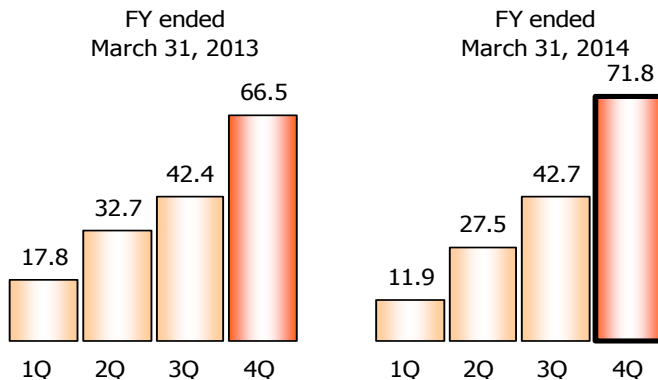
#### Orders



#### 【Orders, Sales】

- Semiconductor market is recovering
- In the 2<sup>nd</sup> Half , major customers increased their capital investment

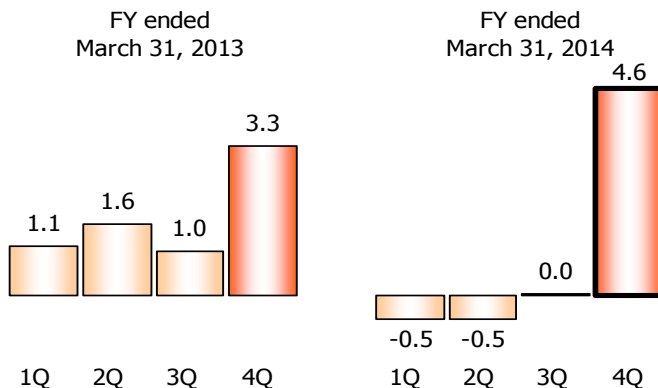
#### Sales



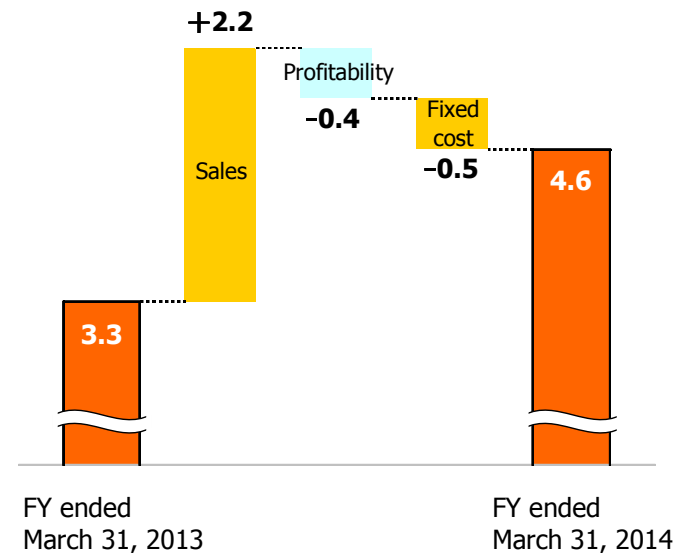
#### 【Operating Income】

- Sales increased
- Influence of hard competition

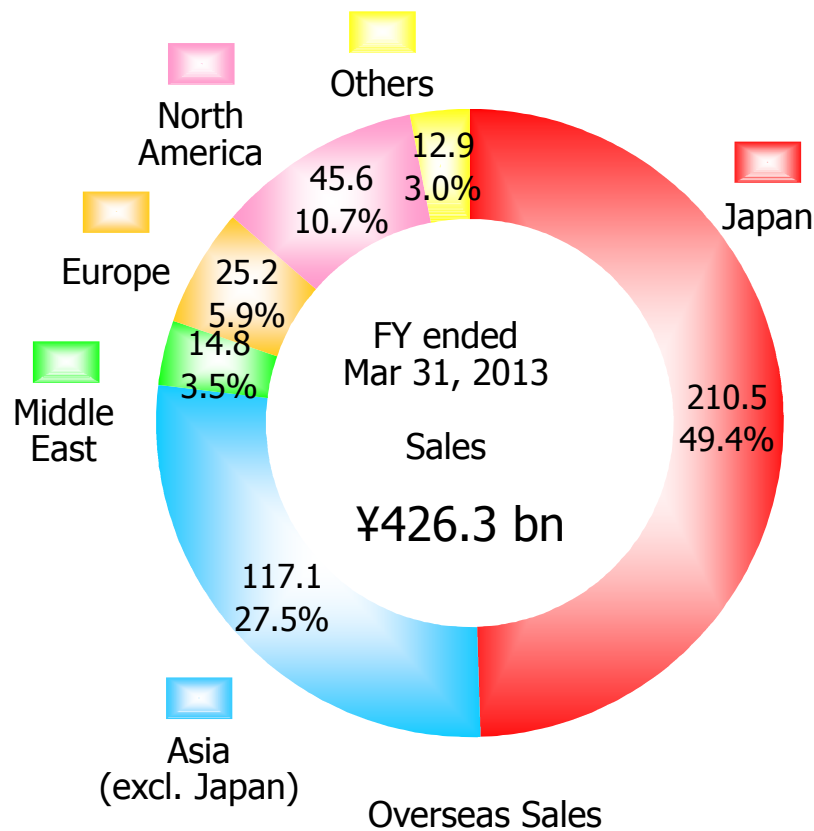
#### Operating Income



#### Breakdown of Changes in Operating Income

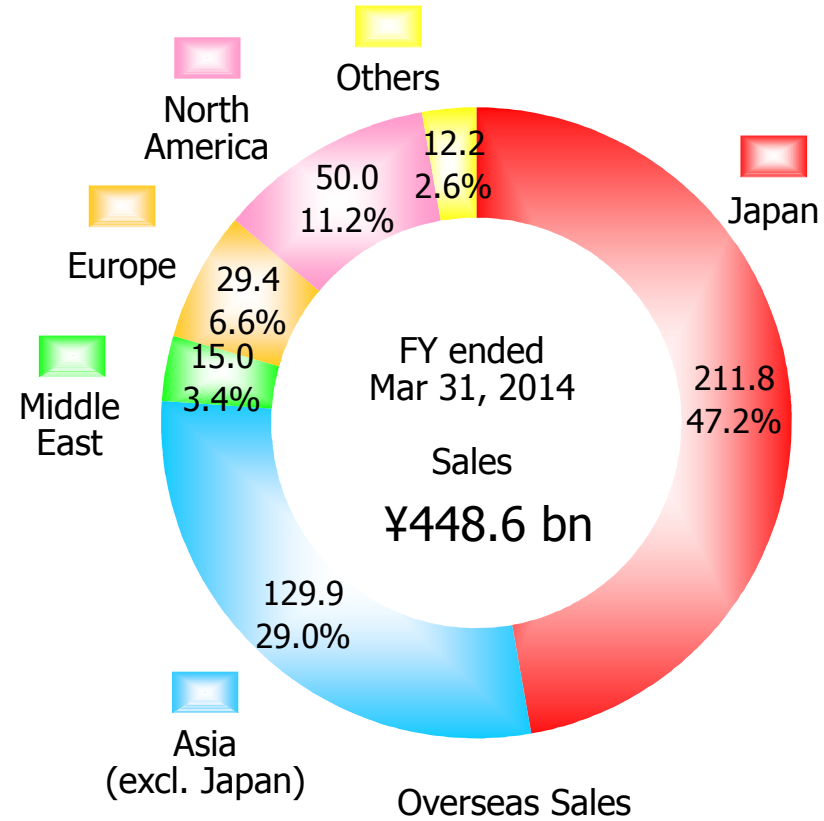
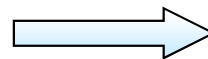


## Sales Composition by Region



Percentage of Overseas Sales to Sales

50.6%



Percentage of Overseas Sales to Sales

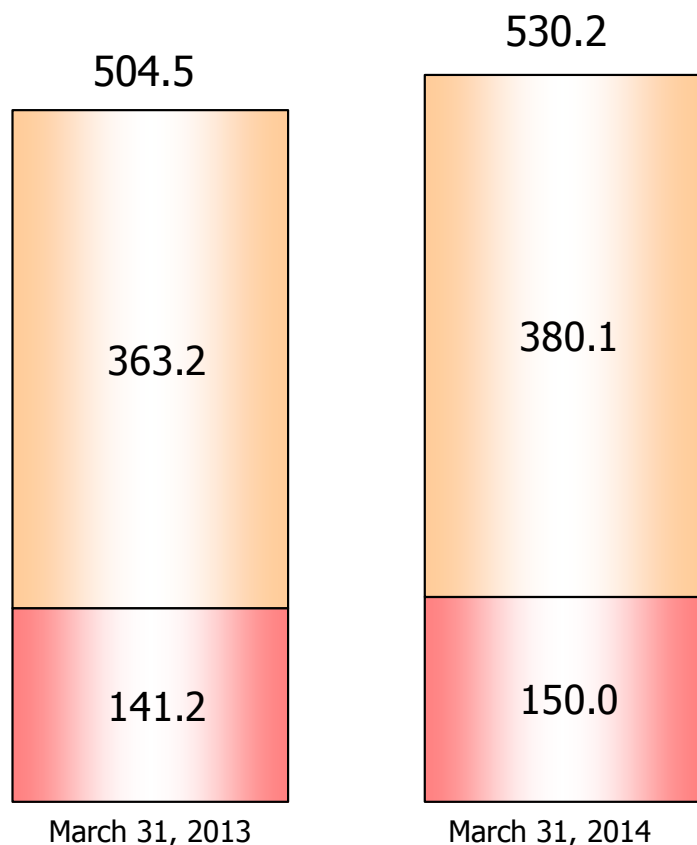
52.8%



**Assets**

- Current Assets
- Fixed Assets

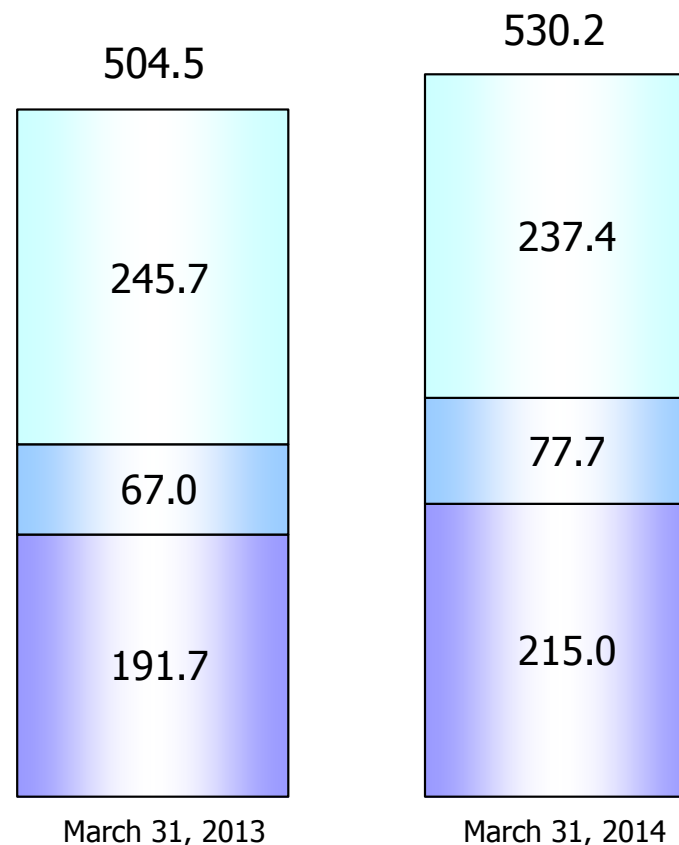
(unit : ¥bn)



**Liabilities and Net Assets**

- Current Liabilities
- Fixed Liabilities
- Net Assets

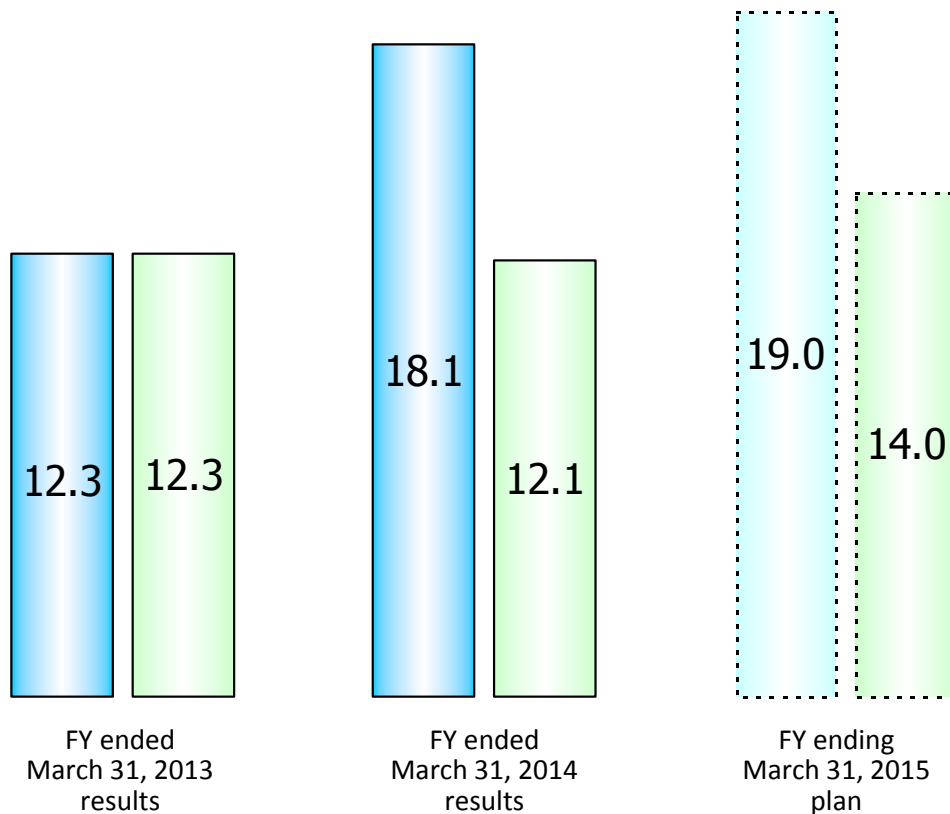
(unit : ¥bn)



**Capital Expenditure /  
Depreciation & Amortization Expenses**

■ Capital Expenditure  
■ Depreciation & Amortization Expenses

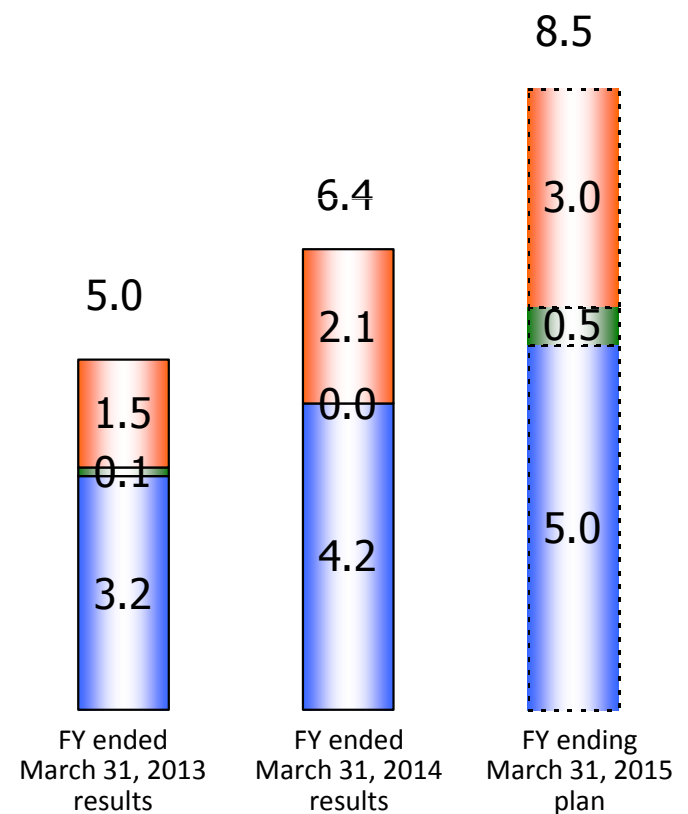
(unit : ¥bn)



**Research and  
Development Expenses**

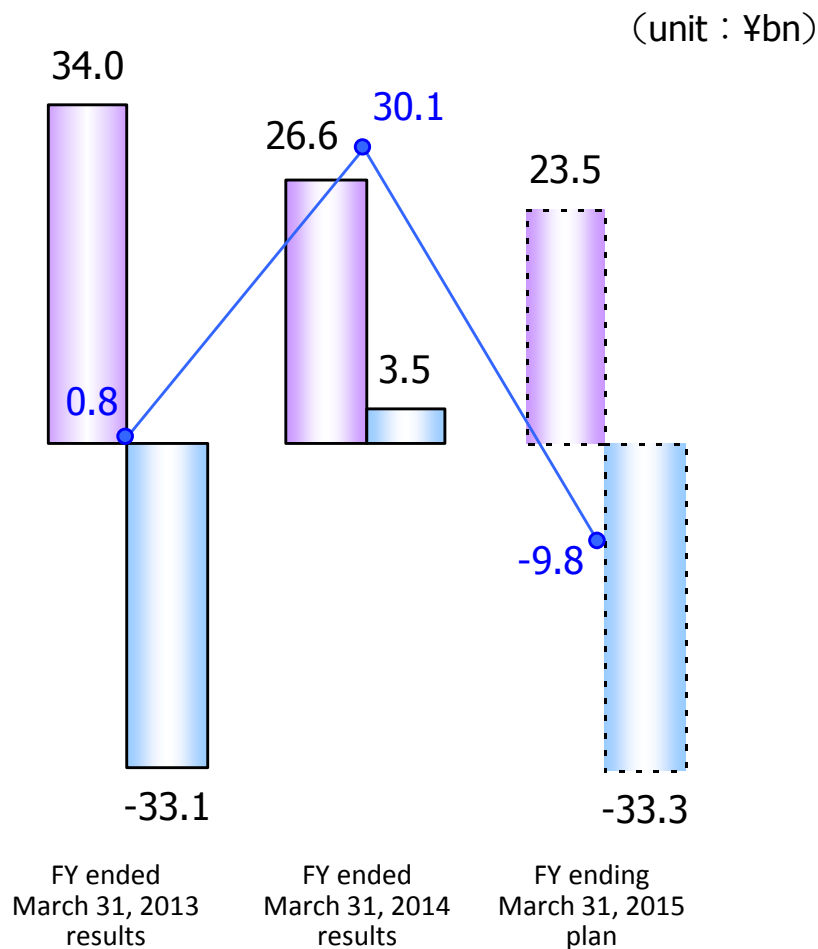
■ FMS  
■ EE  
■ PM

(unit : ¥bn)



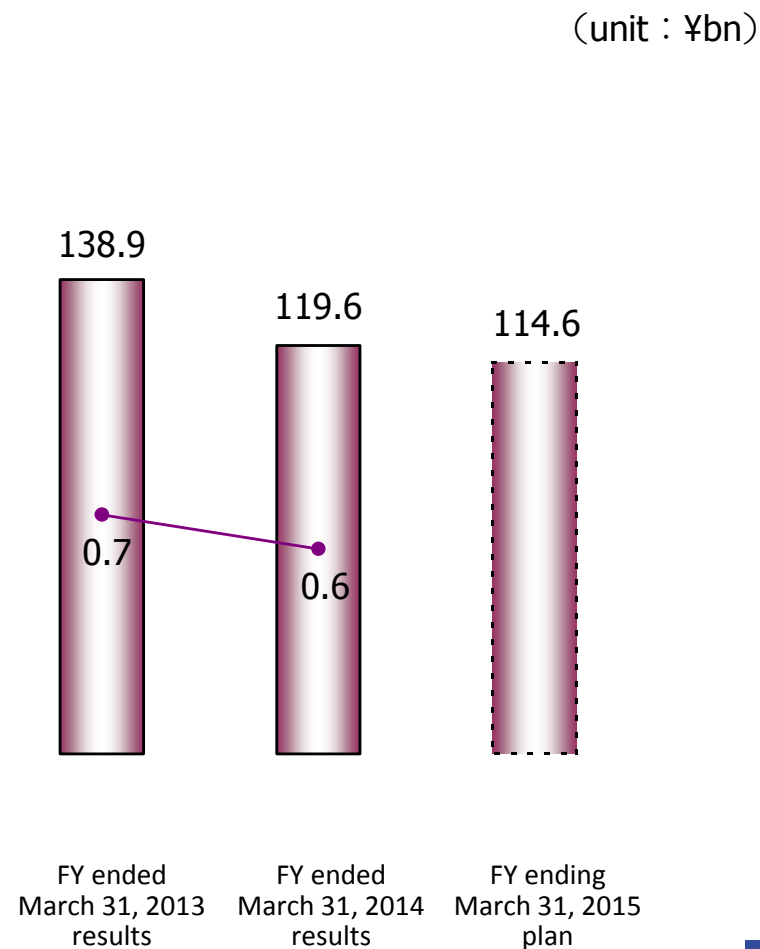
**Cash Flows**

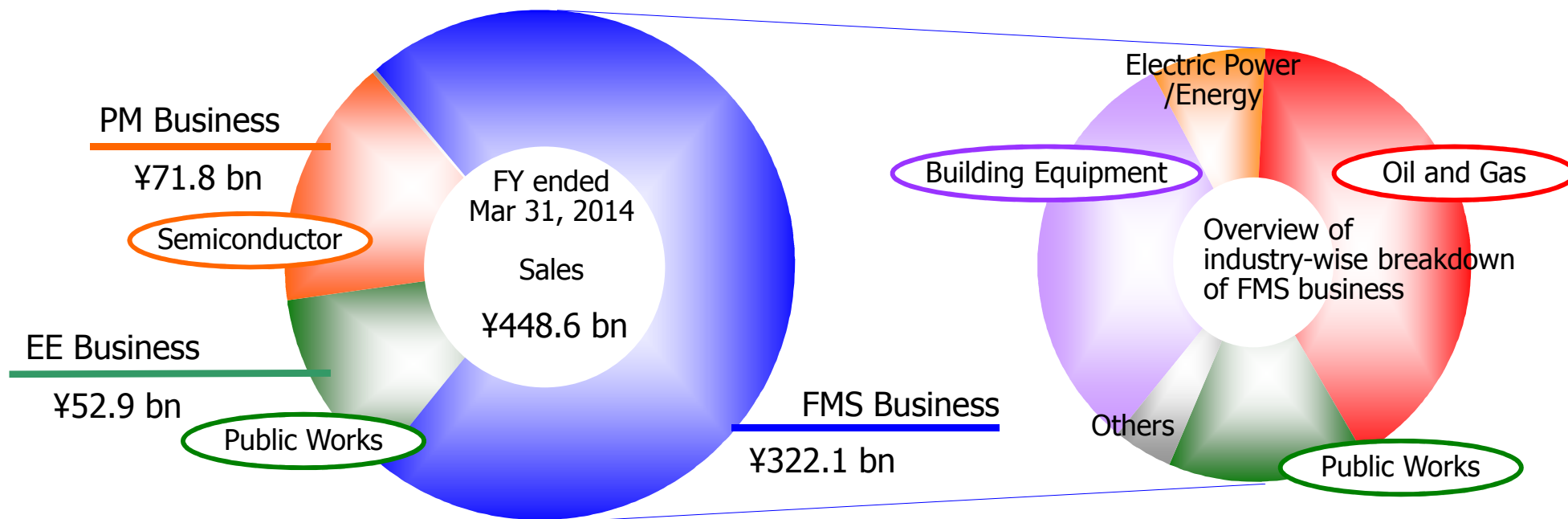
- Cash Flow from operating activities
- Cash Flow from investing activities
- Free Cash Flow



**Interest-bearing Debt**

- Interest-bearing Debt
- D/E Ratio





**Main Business Environment**

- Oil and Gas      Constant growth in energy-related market will keep the tendency
- Public Works      Stable: favorable influence of Basic Policy for Building National Resilience likely to continue
- Building Equipment      Stable mainly in the domestic markets  
Slack demand in reaction to hurried purchases ahead of consumption tax hike seems limited
- Semiconductor      Market tends to turn around gradually

## 2. Projection and Strategy

### Summary of Projection for Fiscal Year Ending March 31, 2015

(1/2)

(unit : ¥bn)

	<b>Fiscal Year ended March 31, 2014 (Results)</b>	<b>Fiscal Year ending March 31, 2015 (Plan)</b>	<b>Change</b>
<b>Orders</b>	<b>512.2</b>	<b>530.0</b>	<b>+ 17.7</b>
<b>Net Sales</b>	<b>448.6</b>	<b>490.0</b>	<b>+ 41.3</b>
<b>Operating Income</b>	<b>32.1</b>	<b>34.0</b>	<b>+ 1.8</b>
<b>Ordinary Income</b>	<b>31.3</b>	<b>34.0</b>	<b>+ 2.6</b>
<b>Net Income</b>	<b>18.9</b>	<b>20.0</b>	<b>+ 1.0</b>

Exchange Rate

1USD = 99.7 JPY  
(Average)

1USD = 100 JPY  
(Assumed)

## 2. Projection and Strategy

### Segmental Projection for Fiscal Year Ending March 31, 2015

(2/2)

(unit : ¥bn)

	Orders			Net Sales			Operating Income		
	FY ended Mar 31, 2014	FY ending Mar 31, 2015	Change	FY ended Mar 31, 2014	FY ending Mar 31, 2015	Change	FY ended Mar 31, 2014	FY ending Mar 31, 2015	Change
<b>FMS Business</b>	<b>341.0</b>	<b>375.0</b>	<b>+ 33.9</b>	<b>322.1</b>	<b>355.0</b>	<b>+ 32.8</b>	<b>22.1</b>	<b>22.0</b>	<b>- 0.1</b>
<b>EE Business</b>	<b>98.6</b>	<b>78.0</b>	<b>- 20.6</b>	<b>52.9</b>	<b>60.0</b>	<b>+ 7.0</b>	<b>4.7</b>	<b>6.0</b>	<b>+ 1.2</b>
<b>PM Business</b>	<b>70.8</b>	<b>75.0</b>	<b>+ 4.1</b>	<b>71.8</b>	<b>73.0</b>	<b>+ 1.1</b>	<b>4.6</b>	<b>6.0</b>	<b>+ 1.3</b>
<b>Others, Adjustment</b>	<b>1.6</b>	<b>2.0</b>	<b>+ 0.3</b>	<b>1.6</b>	<b>2.0</b>	<b>+ 0.3</b>	<b>0.6</b>	<b>-</b>	<b>- 0.6</b>
<b>Total</b>	<b>512.2</b>	<b>530.0</b>	<b>+ 17.7</b>	<b>448.6</b>	<b>490.0</b>	<b>+ 41.3</b>	<b>32.1</b>	<b>34.0</b>	<b>+ 1.8</b>

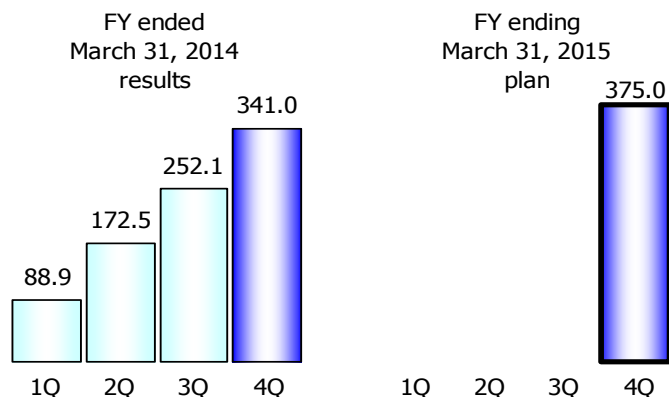
## 2. Projection and Strategy

# FMS Projection for Fiscal Year Ending March 31, 2015

(1/3)

### FMS Business

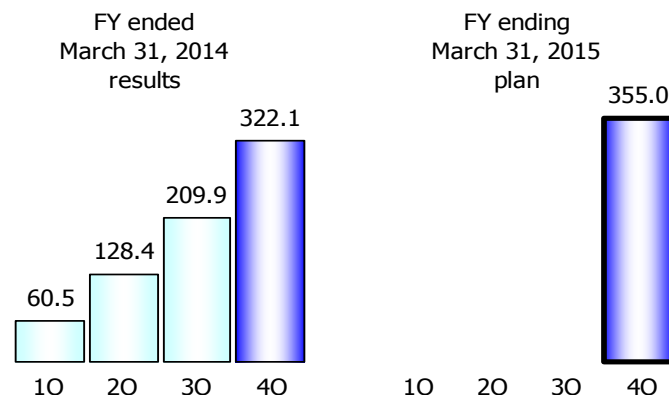
#### Orders



#### 【Orders】

- Active investments in oil & gas and chemical markets especially in Compressors & Turbines Business

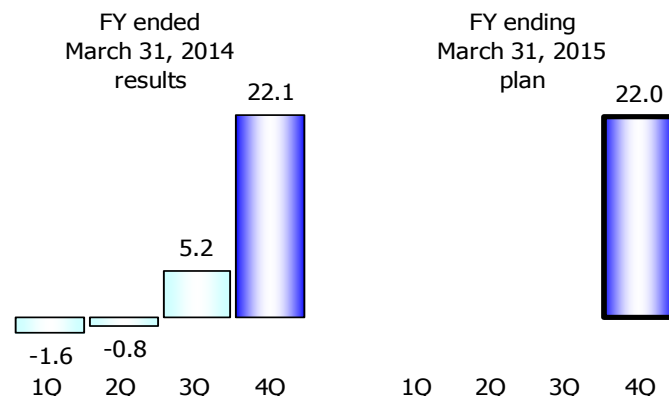
#### Sales



#### 【Sales】

- Sales largely increased by steady progress on projects of which orders were received in FY ended March 31, 2014
- Product sales increase account for larger part of total increase than Service & Support sales (S&S)

#### Operating Income

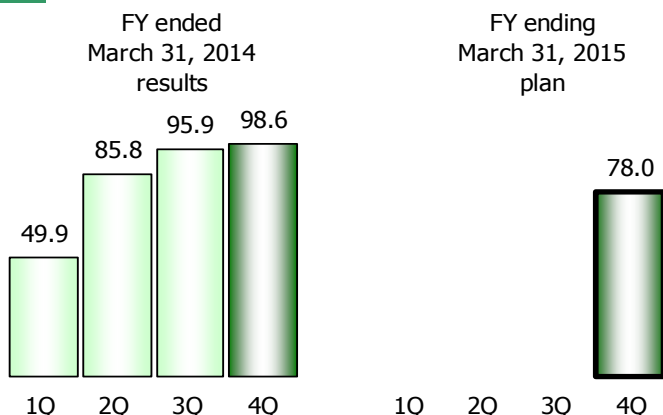


#### 【Operating Income】

- Changes in the business mix (between "Products" and "S&S" )
- Fixed costs increased
  - Progress of the growth strategy
  - Effect of changing the cost allocation rules that each segment shall be borne by the corporate department cost

### EE Business

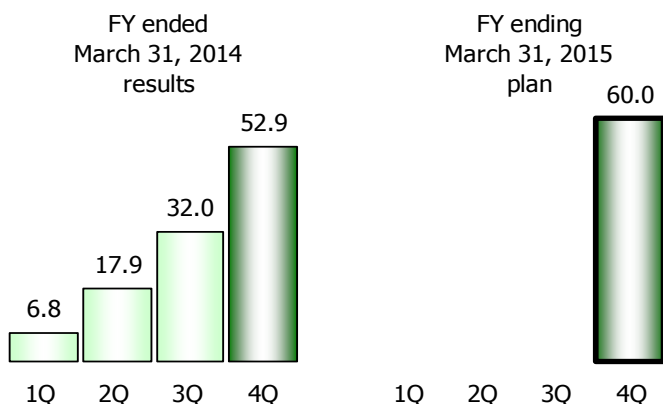
#### Orders



#### 【Orders】

- Add up the EPC projects and core equipment improvement works

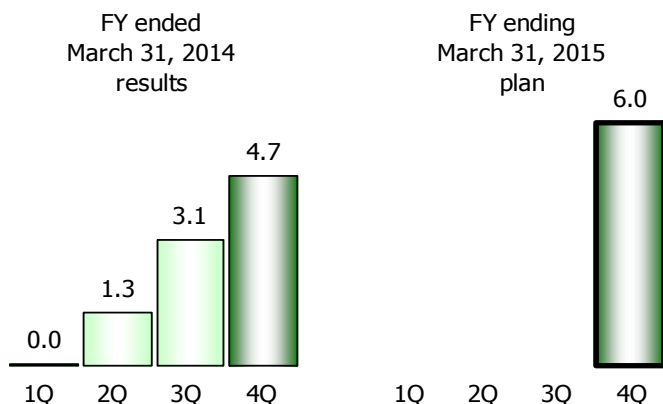
#### Sales



#### 【Sales】

- EPC: Construction smoothly progress
- O&M: Sales increased

#### Operating Income



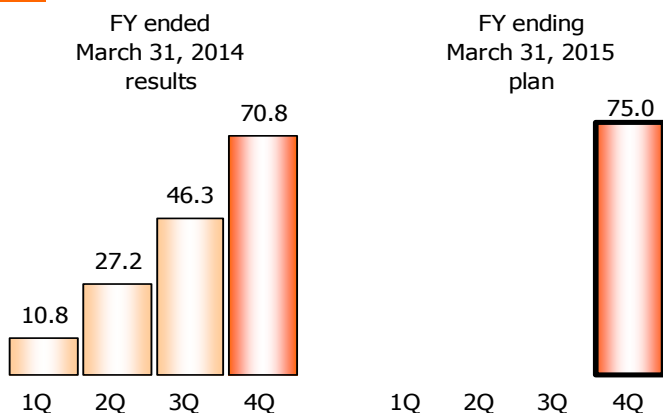
#### 【Operating Income】

- O&M: making stable earnings
- Fixed costs decreased
- Effect of changing the cost allocation rules that each segment shall be borne by the corporate department cost



### PM Business

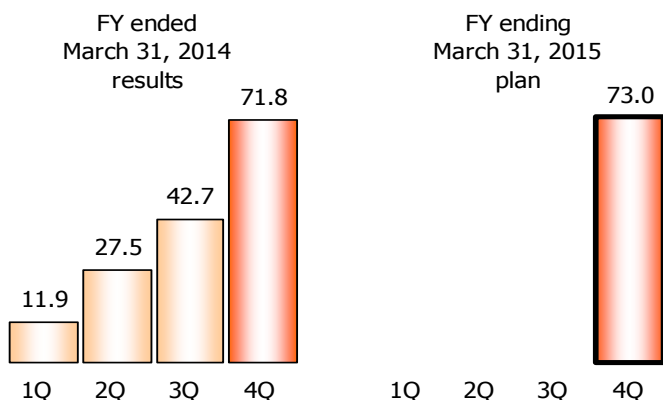
#### Orders



#### 【Orders】

- Semiconductor market is recovering however the economy of the SPE industry is highly dependent on capital investment plans of major customers

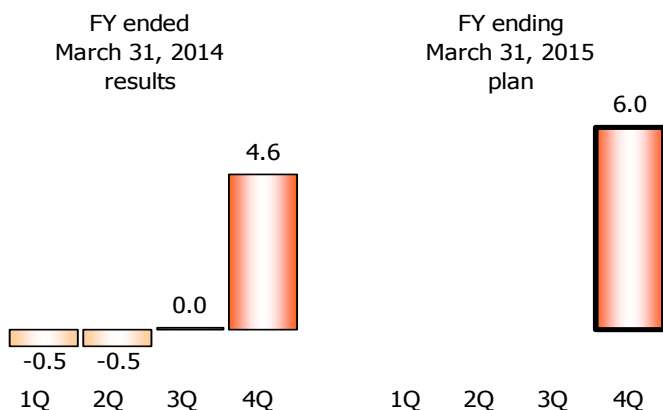
#### Sales



#### 【Sales】

- Sales increase timely in line with the increase in orders

#### Operating Income



#### 【Operating Income】

- Tough price pressure from customers
- Try to reduce costs continuously
  - ~ Implementing a productivity innovation activities
- Fixed costs decreased
  - ... Effect of changing the cost allocation rules that each segment shall be borne by the corporate department cost

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## Safe Harbor Statement

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