

(Translation)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 12, 2022

To whom it may concern,

Company Representative	EBARA CORPORATION Masao Asami, President and Representative Executive Officer (Securities code: 6361, TSE Prime Market)
Contact	Shugo Hosoda, Executive Officer, Division Executive Corporate Strategic Planning, Finance and Accounting Division (Tel: +81-3-3743-6111)

Notice of change in Business Segments

At a meeting of the Board of Directors held on August 12, 2022, EBARA CORPORATION resolved to change business segments from the first quarter of the fiscal year ending December 31, 2023, and hereby announces the following:

1. Reason for the change

In February 2020, Ebara group announced a long-term vision "E-Vision 2030". One of the basic policies there is to accurately identify social issues from a market-in perspective and to grow by contributing to the resolution of those issues.

Based on this policy, in E-Plan 2022, the current medium-term management plan that ends in the fiscal year ending December 31, 2022, the group has positioned the term as a period for "Reconstruct the foundations of growth" and implemented a variety of measures. As a result, the group was able to achieve the targets for ROIC and operating profit ratio, its key performance indicators, one year ahead of the schedule.

Based on the above results in the current medium-term management plan, the group has begun formulating a three-year medium-term management plan "E-Plan 2025," which will be launched in the fiscal year ending December 2023 as the next growth stage for realizing the long-term vision. In this context, the group has determined that it is reasonable to change its business segments from the conventional product-oriented axis segments to the End-Users market axis segments in order to more confront the market and realize value creation from a customer-oriented perspective.

2. Overview of the Change

The three business segments of Fluid Machinery & Systems Business, Environmental Plants Business, and Precision Machinery Business will be changed to five business segments: Building Service & Industrial Business, Energy Business, Infrastructure Business, Environmental Plants Business, and Precision Machinery Business.

Specifically, the group will reorganize the current Fluid Machinery & Systems Business, which consists of product axes such as pumps, compressors and turbines, and chillers, into three market segments: Building Service & Industrial Business, Energy Business, and Infrastructure Business. Then, the group will position these segments as "Business segments" alongside the Environmental Plants Business and the Precision Machinery Business.

Environmental Plants Business and Precision Machinery Business have not changed from the current business segments.

(Current)	(After change)		
Business Segment	Business Segment	Main End-Users Markets	(Reference) Main Products & Service
Fluid Machinery & Systems Business	Building Service & Industrial Business	Building service, industrial service	Pumps, chillers, blowers and fans
	Energy Business	Oil and gas, electric power, and new energy	Pumps, compressors and turbines
	Infrastructure Business	Water infrastructure	Pumps, blowers and fans
Environmental Plants Business	Environmental Plants Business	Treatment of solid waste	Municipal waste incineration plants, industrial waste incineration plants
Precision Machinery Business	Precision Machinery Business	Semiconductor manufacturing	Dry vacuum pumps, CMP systems, plating equipment, exhaust-gas treatment equipment

3. Time of the change

From the first quarter of the fiscal year ending December 2023, the group will change the business segments. In addition, forecasts for the fiscal year ending December 2023 will be disclosed by the new business segments at the release of the result of the fiscal year ending December 2022.

END of News Release