

May 11, 2016

## Consolidated Financial Summary for the fiscal year ended March 31, 2016

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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 fiscal year ended March 31, 2016

## 1. Summary

Billions of Yen

	Fiscal year ended March 31, 2015		Fiscal year ended March 31, 2016		Fiscal year ending March 31, 2017	
	Actual	Change	Actual	Change	Forecast	Change
Statements of Income		(%)		(%)		(%)
Net Sales	482.6	7.6	486.2	0.7	480.0	(1.3)
Operating Income	34.5	7.4	38.0	10.0	37.0	(2.7)
Ordinary Income	36.2	15.8	36.4	0.6	36.5	0.1
Profit Attributable to Owners of Parent (*5)	23.5	24.3	17.2	(26.8)	21.0	21.7
Statements of Cash Flows	(Billions of Yen)		(Billions of Yen)		(Billions of Yen)	
Cash flows from operating activities	11.2	(15.3)	21.5	10.2	34.2	12.6
Cash flows from investing activities	(15.8)	(19.4)	(14.3)	1.5	(30.0)	(15.6)
Cash flows from financing activities	(7.0)	18.2	(9.6)	(2.6)	(15.3)	(5.6)
Cash and cash equivalents (at the end of period)	95.6	(6.7)	91.1	(4.4)	80.0	(11.1)
Balance Sheets (at the end of period)	(Billions of Yen)		(Billions of Yen)			
Total assets	570.3	40.1	579.5	9.1		
Interest-bearing debt	121.5	1.8	120.1	(1.3)		
(Lease liabilities of above)	1.9	0.1	2.5	0.5		
Shareholders' Equity (*1)	239.0	31.0	241.0	1.9		
Retained earnings	91.8	21.1	102.4	10.6		
Management Indicator						
Return on Invested Capital (ROIC) (*2)	6.9 %		4.8 %			
Operating Income on Sales Ratio	7.2 %		7.8 %			
Return on Equity (ROE) (*3)	10.5 %		7.2 %			
Debt/Equity Ratio (at the end of period) (*4)	0.5		0.5			
Equity Ratio	41.9 %		41.6 %			
Per share data						
Net Income per share	50.77 yen		37.12 yen			
Cash Dividends per share of common stock(Annual)	12.00 yen		12.00 yen			
Net assets per share (at the end of period)	514.38 yen		518.16 yen			

(\*1) Shareholder's Equity = Net Assets—Subscription Rights to Shares—Non-Controlling Interests

(\*2) ROIC = Profit Attributable to Owners of Parent / (Interest-bearing debt(Average between beginning and end of period) + Shareholders' Equity(Average between beginning and end of period))

(\*3) ROE = Profit Attributable to Owners of Parent / Shareholders' Equity(Average between beginning and end of period)

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

(\*5) The EBARA Group has applied the Accounting Standard for Business Combinations, and other relevant standards and guidances from April 1, 2015. As a result of this change, the previous fiscal year's amount presented as "Net Income" has been transferred to "Profit Attributable to Owners of Parent."

## 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, 2015		Fiscal year ended March 31, 2016	
	Actual	Composition	Actual	Composition
Net Sales		(%)		(%)
Japan	291.9	60.5	312.3	64.2
North America	100.2	20.8	91.0	18.7
Asia (except Japan)	68.9	14.3	62.4	12.8
Others	21.4	4.4	20.4	4.3
Total	482.6	100.0	486.2	100.0
Operating Income				
Japan	9.9	28.7	14.7	38.7
North America	13.0	37.8	13.1	34.6
Asia (except Japan)	9.3	27.0	8.1	21.3
Others	1.9	5.7	2.0	5.5
Adjustment	0.2	0.8	(0.0)	(0.1)
Total	34.5	100.0	38.0	100.0

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

Billions of Yen

	Fiscal year ended March 31, 2015		Fiscal year ended March 31, 2016	
	Actual	Composition	Actual	Composition
Net Sales		(%)		(%)
Japan	224.0	46.4	232.6	47.8
Asia (except Japan)	139.6	28.9	130.9	26.9
North America	58.6	12.2	53.0	10.9
Europe	33.6	7.0	34.5	7.1
Middle East	15.4	3.2	25.3	5.2
Others	11.3	2.3	9.7	2.1
Total	482.6	100.0	486.2	100.0

### 3. Segment Information

Business segment

FMS = Fluid Machinery & Systems, EE = Environmental Engineering, PM = Precision Machinery

#### (1) Order received, Sales, and Operating Income

Billions of Yen

	Fiscal year ended	Fiscal year ended		Fiscal year ending	
	March 31, 2015	March 31, 2016		March 31, 2017	
	Actual	Actual	Change	Forecast	Change
Order received					
Reportable segments FMS	334.4	307.6	(26.8)	320.0	12.3
EE	73.7	80.0	6.3	80.0	(0.0)
PM	77.5	101.8	24.3	98.0	(3.8)
Others	1.7	1.6	(0.0)	2.0	0.3
Total	487.5	491.2	3.7	500.0	8.7
Sales					
Reportable segments FMS	342.0	320.8	(21.2)	310.0	(10.8)
EE	64.9	70.3	5.4	70.0	(0.3)
PM	73.9	93.3	19.3	98.0	4.6
Others	1.7	1.6	(0.0)	2.0	0.3
Total	482.6	486.2	3.5	480.0	(6.2)
Operating Income					
Reportable segments FMS	20.7	19.3	(1.4)	18.0	(1.3)
EE	6.2	6.4	0.1	7.0	0.5
PM	7.0	11.6	4.6	12.0	0.3
Others & adjustment	0.5	0.5	0.0	0.0	(0.5)
Total	34.5	38.0	3.4	37.0	(1.0)
Backlog of Order received					
Reportable segments FMS	190.9	174.7	(16.1)	184.7	10.0
EE	160.6	170.2	9.5	180.2	10.0
PM	12.1	20.5	8.3	20.5	-
Others	0.0	0.0	(0.0)	0.0	-
Total	363.7	365.5	1.7	385.5	20.0

#### (2) Research and Development expenses, Capital Expenditures and Depreciation and Amortization expenses

Billions of Yen

	Fiscal year ended	Fiscal year ended		Fiscal year ending	
	March 31, 2015	March 31, 2016		March 31, 2017	
	Actual	Actual	Change	Forecast	Change
Research and Development expenses					
Reportable segments FMS	4.4	5.0	0.5	5.5	0.4
EE	0.1	0.1	0.0	0.5	0.3
PM	2.1	2.4	0.2	4.5	2.0
Others & adjustment	-	-	-	-	-
Total	6.7	7.6	0.8	10.5	2.8
Capital Expenditures					
Reportable segments FMS	10.3	9.7	(0.6)	12.0	2.2
EE	0.5	0.5	(0.0)	1.0	0.4
PM	2.5	3.3	0.7	10.0	6.6
Others & adjustment	2.2	2.1	(0.1)	2.0	(0.1)
Total	15.8	15.7	(0.1)	25.0	9.2
Depreciation and Amortization expenses					
Reportable segments FMS	8.4	7.4	(0.9)	8.0	0.5
EE	0.4	0.3	(0.0)	0.5	0.1
PM	2.4	2.1	(0.3)	3.0	0.8
Others & adjustment	1.7	1.6	(0.1)	1.5	(0.1)
Total	13.0	11.6	(1.4)	13.0	1.3

#### (3) Employees

	As of	As of	
	March 31, 2015	March 31, 2016	
	Numbers	Numbers	Change
Employees			
Reportable segments FMS	10,976	11,125	149
EE	2,665	2,699	34
PM	1,729	1,794	65
Others & Corporate	660	652	(8)
Total	16,030	16,270	240
Ebara Corporation	3,999	4,022	23
Domestic consolidated companies	3,866	3,810	(56)
Overseas consolidated companies	8,165	8,438	273

## 4. Statements of Cash Flows

Billions of Yen

	Fiscal year ended	Fiscal year ended	Fiscal year ending
	March 31, 2015	March 31, 2016	March 31, 2017
	Actual	Actual	Forecast
<b>Cash flows from operating activities</b>			
Income before income taxes	36.7	31.6	36.0
Depreciation and amortization	13.0	11.6	13.0
Loss (gain) on sales of fixed assets	(0.6)	(0.0)	–
Loss (gain) on sales of securities and investment securities	(0.2)	(0.3)	–
Increase (decrease) in provision and others	1.4	4.1	–
Increase/decrease of operating assets and liabilities			
Trade receivables	(18.5)	(9.8)	} 1.8
Inventories	(5.7)	(10.0)	
Trade payables	3.1	6.1	
Income taxes paid	(12.8)	(5.6)	(11.0)
Others	(5.0)	(6.0)	(5.6)
Net cash provided by operating activities	11.2	21.5	34.2
<b>Cash flows from investing activities</b>			
Purchase of fixed assets	(15.0)	(12.4)	(25.0)
Proceeds from sales of fixed assets	1.0	0.1	–
Other Investments	(1.8)	(1.9)	(5.0)
Net cash used in investing activities	(15.8)	(14.3)	(30.0)
<b>Free Cash Flows</b>	(4.5)	7.1	4.2
<b>Cash flows from financing activities</b>			
Proceeds from bank loans	14.6	16.0	} (9.8)
Repayment of bank loans	(15.9)	(17.8)	
Proceeds from issuance of common stock	0.0	0.0	(5.5)
Dividends paid	(4.0)	(6.6)	–
Dividends paid to non-controlling interests	(0.8)	(0.4)	–
Purchase and disposal of treasury stock	(0.0)	(0.0)	–
Others	(0.7)	(0.7)	–
Net cash used in financing activities	(7.0)	(9.6)	(15.3)
<b>Translation adjustments</b>	4.0	(1.9)	–
<b>Total Cash Flows</b>	(7.5)	(4.4)	(11.1)
<b>Cash and cash equivalents</b>			
At the beginning of the period	102.3	95.6	91.1
Increase (decrease) resulting from change of scope of consolidation	0.8	–	–
<b>At the end of the period</b>	95.6	91.1	80.0

\*Information on Interest-bearing debt

Short term debt	65.5	78.4	81.3
Long term debt	55.9	41.6	29.0
Total Interest-bearing debt	121.5	120.1	110.3

## 5. Sales and Orders by Subsegment

Business segment

FMS = Fluid Machinery & Systems, EE = Environmental Engineering, PM = Precision Machinery

### (1) Order received

Billions of Yen

	Fiscal year ended	Fiscal year ended			Fiscal year ending		
	March 31, 2015	March 31, 2016			March 31, 2017		
	Actual	Actual	Change	Change Ratio	Forecast	Change	Change Ratio
FMS				(%)			(%)
Pumps	180.0	176.8	(3.2)	(1.8)	190.0	13.1	7.5
Compressors & Turbines	96.8	75.9	(20.8)	(21.5)	80.0	4.0	5.3
Chillers	36.3	33.3	(3.0)	(8.3)	30.0	(3.3)	(10.0)
Others	21.2	21.4	0.2	1.2	20.0	(1.4)	(6.9)
Total of FMS	334.4	307.6	(26.8)	(8.0)	320.0	12.3	4.0
EE							
Environmental plants	73.7	80.0	6.3	8.6	80.0	(0.0)	(0.1)
Total of EE	73.7	80.0	6.3	8.6	80.0	(0.0)	(0.1)
PM							
Components	36.5	40.1	3.5	9.8	38.0	(2.1)	(5.3)
CMP systems	33.2	47.7	14.4	43.4	50.0	2.2	4.8
Others	7.7	14.0	6.2	81.2	10.0	(4.0)	(28.7)
Total of PM	77.5	101.8	24.3	31.3	98.0	(3.8)	(3.8)
Others	1.7	1.6	(0.0)	(2.1)	2.0	0.3	18.3
Total of Others	1.7	1.6	(0.0)	(2.1)	2.0	0.3	18.3
Total	487.5	491.2	3.7	0.8	500.0	8.7	1.8

### (2) Sales

Billions of Yen

	Fiscal year ended	Fiscal year ended			Fiscal year ending		
	March 31, 2015	March 31, 2016			March 31, 2017		
	Actual	Actual	Change	Change Ratio	Forecast	Change	Change Ratio
FMS				(%)			(%)
Pumps	180.5	178.6	(1.9)	(1.1)	180.0	1.4	0.8
Compressors & Turbines	106.8	90.2	(16.5)	(15.5)	80.0	(10.2)	(11.4)
Chillers	34.8	31.3	(3.4)	(10.0)	30.0	(1.3)	(4.4)
Others	19.8	20.5	0.7	3.8	20.0	(0.5)	(2.7)
Total of FMS	342.0	320.8	(21.2)	(6.2)	310.0	(10.8)	(3.4)
EE							
Environmental plants	64.9	70.3	5.4	8.4	70.0	(0.3)	(0.5)
Total of EE	64.9	70.3	5.4	8.4	70.0	(0.3)	(0.5)
PM							
Components	37.2	38.5	1.3	3.6	38.0	(0.5)	(1.5)
CMP systems	30.5	42.4	11.8	38.6	50.0	7.5	17.9
Others	6.1	12.3	6.1	100.8	10.0	(2.3)	(19.0)
Total of PM	73.9	93.3	19.3	26.2	98.0	4.6	5.0
Others	1.7	1.6	(0.0)	(1.3)	2.0	0.3	17.9
Total of Others	1.7	1.6	(0.0)	(1.3)	2.0	0.3	17.9
Total	482.6	486.2	3.5	0.7	480.0	(6.2)	(1.3)