

# Half-Year Consolidated Financial Summary

For the Six Months Ended September 30, 2016

## Contents

Results of Operations.....	1	Research and Development (R&D) Expenses.....	4
Orders, Sales and Operating Income by Business Segment.....	2	Capital Expenditures and Depreciation.....	4
Orders from and Sales to the Electronics Industry		Number of Employees .....	4
by Product/Service Segment.....	3		

October 31, 2016



Forecasts contained in this report are based on management's assumption and beliefs in light of the information currently available. But they may be subject to change due to a wide range of factors, and no warranty is made regarding their attainability.

## Results of Operations

Unit: Millions of yen

	2016/3						2017/3							
	1st Half Result	Change from Previous Year		Full Year Result	Change from Previous Year		1st Half Projected	1st Half Result	Change from Previous Year		Full Year Projected at start of this FY	Full Year Projected	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage			Amount	Percentage
Orders	110,000	+13,033	+13.4%	221,273	+39,991	+22.1%	112,000	112,481	+2,481	+2.3%	223,000	218,000	-3,273	-1.5%
Water Treatment Chemicals	41,335	+11,603	+39.0%	83,440	+24,087	+40.6%	43,057	42,005	+670	+1.6%	85,946	82,700	-740	-0.9%
Water Treatment Facilities	68,664	+1,429	+2.1%	137,832	+15,904	+13.0%	68,943	70,476	+1,812	+2.6%	137,054	135,300	-2,532	-1.8%
Net Sales	97,918	+8,962	+10.1%	214,372	+24,974	+13.2%	104,000	103,811	+5,893	+6.0%	222,000	216,000	+1,628	+0.8%
Water Treatment Chemicals	40,595	+11,246	+38.3%	83,680	+23,681	+39.5%	42,594	41,451	+856	+2.1%	85,943	82,700	-980	-1.2%
Water Treatment Facilities	57,322	-2,284	-3.8%	130,692	+1,293	+1.0%	61,406	62,360	+5,038	+8.8%	136,057	133,300	+2,608	+2.0%
( Cost of Sales Ratio )	(65.5%)	(-2.5)		(67.2%)	(-1.7)		(66.2%)	(66.9%)	(+1.4)		(67.1%)	(68.5%)	(+1.3)	
Gross Profit	33,788	+5,344	+18.8%	70,407	+11,518	+19.6%	35,200	34,324	+536	+1.6%	73,000	68,100	-2,307	-3.3%
SG & A Expenses	24,654	+4,846	+24.5%	50,574	+11,120	+28.2%	25,700	24,680	+26	+0.1%	51,500	49,600	-974	-1.9%
( % of Net Sales )	(25.2%)	(+2.9)		(23.6%)	(+2.8)		(24.7%)	(23.8%)	(-1.4)		(23.2%)	(23.0%)	(-0.6)	
Operating Income	9,133	+497	+5.8%	19,833	+398	+2.0%	9,500	9,643	+510	+5.6%	21,500	18,500	-1,333	-6.7%
( % of Net Sales )	(9.3%)	(-0.4)		(9.3%)	(-1.0)		(9.1%)	(9.3%)	(-0.0)		(9.7%)	(8.6%)	(-0.7)	
Net of non-operating income and expenses	355	-200		606	+1,107		200	-4	-359		500	500	-106	
Ordinary Income	9,490	+299	+3.3%	20,439	+1,505	+7.9%	9,700	9,639	+149	+1.6%	22,000	19,000	-1,439	-7.0%
( % of Net Sales )	(9.7%)	(-0.6)		(9.5%)	(-0.5)		(9.3%)	(9.3%)	(-0.4)		(9.9%)	(8.8%)	(-0.7)	
Net of Extraordinary Gains and Losses	-4	-4		-28	+439		-	-	+4		-300	-	+28	
Profit Attributable to Owners of Parent	5,764	-121	-2.1%	12,577	+2,143	+20.5%	6,200	6,542	+778	+13.5%	14,000	12,000	-577	-4.6%
( % of Net Sales )	(5.9%)	(-0.7)		(5.9%)	(+0.4)		(6.0%)	(6.3%)	(+0.4)		(6.3%)	(5.6%)	(-0.3)	
Net income per share (yen)	49.61	+0.22	+0.4%	108.24	+20.43	+23.3%	53.36	56.36	+6.75	+13.6%	120.49	103.48	-4.76	-4.4%

## Orders, Sales and Operating Income by Business Segment

Unit: Billions of yen

	2016/3						2017/3							
	1st Half Result	Change from Previous Year		Full Year Result	Change from Previous Year		1st Half Projected	1st Half Result	Change from Previous Year		Full Year Projected at start of this FY	Full Year Projected	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage			Amount	Percentage
Orders	110.0	+13.0	+13.4%	221.3	+40.0	+22.1%	112.0	112.5	+2.5	+2.3%	223.0	218.0	-3.3	-1.5%
Water Treatment Chemicals	41.3	+11.6	+39.0%	83.4	+24.1	+40.6%	43.1	42.0	+0.7	+1.6%	85.9	82.7	-0.7	-0.9%
Water Treatment Facilities	68.7	+1.4	+2.1%	137.8	+15.9	+13.0%	68.9	70.5	+1.8	+2.6%	137.1	135.3	-2.5	-1.8%
Electronics industry	38.4	+2.0	+5.6%	79.1	+9.7	+14.0%	36.6	34.6	-3.7	-9.8%	75.3	73.1	-6.0	-7.5%
General industries	30.3	-0.6	-2.0%	58.8	+6.2	+11.8%	32.3	35.8	+5.6	+18.4%	61.7	62.2	+3.4	+5.8%
Sales	97.9	+9.0	+10.1%	214.4	+25.0	+13.2%	104.0	103.8	+5.9	+6.0%	222.0	216.0	+1.6	+0.8%
Water Treatment Chemicals	40.6	+11.2	+38.3%	83.7	+23.7	+39.5%	42.6	41.5	+0.9	+2.1%	85.9	82.7	-1.0	-1.2%
Water Treatment Facilities	57.3	-2.3	-3.8%	130.7	+1.3	+1.0%	61.4	62.4	+5.0	+8.8%	136.1	133.3	+2.6	+2.0%
Electronics industry	33.2	-2.4	-6.6%	76.1	+0.6	+0.8%	38.0	36.0	+2.8	+8.5%	78.1	74.2	-1.9	-2.5%
General industries	24.1	+0.1	+0.3%	54.6	+0.7	+1.2%	23.4	26.4	+2.2	+9.2%	57.9	59.1	+4.5	+8.2%
Operating Income	9.1	+0.5	+5.8%	19.8	+0.4	+2.0%	9.5	9.6	+0.5	+5.6%	21.5	18.5	-1.3	-6.7%
(% of Sales)	(9.3%)	(-0.4)		(9.3%)	(-1.0)		(9.1%)	(9.3%)	(-0.0)		(9.7%)	(8.6%)	(-0.7)	
Water Treatment Chemicals	3.6	-0.5	-12.3%	6.5	-1.4	-17.9%	4.3	4.1	+0.5	+13.5%	8.0	7.5	+1.0	+16.0%
(% of Sales)	(8.9%)	(-5.1)		(7.7%)	(-5.4)		(10.2%)	(9.9%)	(+1.0)		(9.3%)	(9.1%)	(+1.4)	
Water Treatment Facilities	5.5	+1.0	+22.1%	13.4	+1.8	+15.6%	5.2	5.6	+0.0	+0.5%	13.5	11.0	-2.4	-17.7%
(% of Sales)	(9.7%)	(+2.1)		(10.2%)	(+1.3)		(8.4%)	(8.9%)	(-0.8)		(9.9%)	(8.3%)	(-1.9)	
Electronics industry	5.5	+1.2	+27.6%	12.7	+3.0	+30.7%	5.6	5.5	+0.1	+1.4%	12.3	9.7	-3.0	-23.5%
(% of Sales)	(16.4%)	(+4.4)		(16.7%)	(+3.8)		(14.8%)	(15.4%)	(-1.0)		(15.8%)	(13.1%)	(-3.6)	
General industries	0.1	-0.2	-70.1%	0.7	-1.2	-64.1%	-0.5	0.0	-0.1	-64.9%	1.2	1.3	+0.6	+94.5%
(% of Sales)	(0.3%)	(-0.8)		(1.2%)	(-2.2)		(-2.0%)	(0.1%)	(-0.2)		(2.0%)	(2.2%)	(+1.0)	

# Orders from and Sales to the Electronics Industry by Product / Service Segment

Unit: Billions of yen

		2016/3						2017/3							
		1st Half Result	Change from Previous Year		Full Year Result	Change from Previous Year		1st Half Projected	1st Half Result	Change from Previous Year		Full Year Projected at start of this FY	Full Year Projected	Change from Previous Year	
			Amount	Percentage		Amount	Percentage			Amount	Percentage			Amount	Percentage
	Domestic	26.7	+1.5	+5.8%	53.3	+1.2	+2.3%	24.6	24.3	-2.4	-9.0%	52.0	50.2	-3.1	-5.8%
	Facilities	17.3	+0.8	+4.5%	33.8	+0.9	+2.8%	16.4	15.7	-1.6	-9.4%	32.8	30.8	-2.9	-8.7%
	Maintenance	6.1	+1.8	+42.5%	13.3	+2.4	+21.9%	4.8	5.5	-0.6	-9.7%	12.4	13.2	-0.1	-0.8%
	Tool Cleaning	3.2	-1.1	-25.7%	6.3	-2.1	-25.2%	3.3	3.1	-0.2	-5.4%	6.9	6.2	-0.1	-1.1%
	Overseas	11.7	+0.6	+5.3%	25.7	+8.5	+49.6%	12.0	10.4	-1.4	-11.5%	23.3	22.9	-2.8	-11.1%
	Facilities	8.4	-0.2	-1.9%	19.1	+7.6	+66.4%	7.9	7.7	-0.7	-8.4%	16.0	16.3	-2.8	-14.6%
	Maintenance	3.3	+0.8	+29.1%	6.6	+0.9	+15.9%	4.1	2.7	-0.6	-19.3%	7.3	6.6	-0.1	-0.9%
	Total Orders of Electronics	38.4	+2.0	+5.6%	79.1	+9.7	+14.0%	36.6	34.6	-3.7	-9.8%	75.3	73.1	-6.0	-7.5%
	Domestic	26.1	-0.8	-2.8%	54.0	-0.4	-0.8%	25.3	24.7	-1.3	-5.1%	51.4	48.0	-6.0	-11.1%
	Facilities	17.5	+0.0	+0.1%	34.9	-0.1	-0.4%	16.7	16.0	-1.6	-8.9%	32.9	29.3	-5.6	-16.2%
	Maintenance	5.3	+0.2	+4.2%	12.8	+1.7	+15.5%	5.3	5.7	+0.4	+8.0%	11.7	12.5	-0.3	-2.4%
	Tool Cleaning	3.3	-1.0	-23.3%	6.3	-2.0	-24.2%	3.3	3.1	-0.2	-5.6%	6.9	6.3	-0.0	-0.7%
	Overseas	7.1	-1.6	-18.3%	22.1	+1.0	+5.0%	12.7	11.3	+4.1	+58.1%	26.7	26.2	+4.1	+18.6%
	Facilities	5.0	-1.6	-24.2%	15.3	-0.4	-2.6%	9.5	8.9	+3.9	+77.2%	19.4	19.6	+4.2	+27.5%
	Maintenance	2.1	+0.0	+0.2%	6.7	+1.5	+27.6%	3.2	2.4	+0.3	+12.4%	7.3	6.6	-0.1	-1.8%
	Total Sales of Electronics	33.2	-2.4	-6.6%	76.1	+0.6	+0.8%	38.0	36.0	+2.8	+8.5%	78.1	74.2	-1.9	-2.5%
Ultrapure Water Supply Business		16.1	+0.2	+1.3%	32.0	-0.1	-0.4%	16.0	15.2	-0.9	-5.8%	32.2	28.6	-3.4	-10.6%

\* Figures for the Ultrapure Water Supply Business are included in domestic and overseas "Facilities", the amounts for orders received and sales are identical.

## Research and Development (R&D) Expenses

Unit: Billions of yen

	2016/3		2017/3	
	1st Half Result	Full Year Result	1st Half Result	Full Year Projection
Water Treatment Chemicals	1.0	2.1	1.0	2.3
Water Treatment Facilities	1.6	3.1	1.4	3.1
Total research and development (R&D) expenses	2.6	5.3	2.4	5.4

## Capital Expenditures and Depreciation

Unit: Billions of yen

	2016/3		2017/3		
	1st Half Result	Full Year Result	1st Half Result	Projected at start of this FY	Revised Projection
Capital expenditures (tangibles)	8.3	18.8	3.8	8.4	11.4
Depreciation	6.5	13.4	6.7	13.6	13.6

## Number of Employees

	2015/9	2016/3	2016/9	Amount change	
				vs.2015/9	vs.2016/3
Consolidated	5,523	5,481	5,603	+80	+122