



Kurita Water Industries Ltd.

Results Presentation for the First Quarter of the Fiscal Year Ending March 31, 2024

(Securities code: 6370)

August 9, 2023

Overview of Results



(Billions of Yen)		1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast	YoY Change
Orders		100.1	98.4	(1.7%)	175.0	(12.7%)
Net Sales		74.7	90.5	+ 21.3%	181.0	+12.6%
Business Profit		6.3	7.5	+ 18.0%	16.2	(2.5%)
Net of Other Income and Expenses		0.1	0.7	—	(0.5)	—
Operating Profit		6.4	8.1	+ 27.5%	15.7	(4.0%)
Profit Before Tax		7.3	8.1	+ 10.9%	15.5	(11.5%)
Profit Attributable to Owners of Parent		4.9	5.7	+ 17.1%	10.5	(15.2%)
Basic Earnings per Share (yen)		43.29	50.67	+ 17.0%	93.42	(15.2%)
Foreign Exchange Rate	USD (yen)	129.6	137.4			
	EUR (yen)	138.1	149.5			
	CNY (yen)	19.6	19.6			

- Net of other income and expenses increased due to an increase in foreign exchange gains and a decrease in other operating expenses.
- In the same period of the previous fiscal year, the gain on derivative transactions (1.1 billion yen) accompanying the acquisition of additional shares in Pentagon Technologies Group, Inc. was posted as financial income that was included in profit before tax.

Results by Segment



(Billions of Yen)		1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast
Total	Orders	100.1	98.4	(1.7)	175.0
	Net Sales	74.7	90.5	+ 15.9	181.0
	Business Profit	6.3	7.5	+ 1.1	16.2
	Business Profit Margin	8.5%	8.2%	(0.2pp)	9.0%
	Operating Profit	6.4	8.1	+ 1.8	15.7
Electronics Industry	Orders	43.6	42.0	(1.5)	68.0
	Net Sales	30.9	43.2	+ 12.3	81.0
	Business Profit	4.3	4.4	+ 0.1	7.4
	Business Profit Margin	13.9%	10.1%	(3.8pp)	9.1%
	Operating Profit	4.3	4.5	+ 0.2	7.4
General Industry	Orders	56.5	56.4	(0.2)	107.0
	Net Sales	43.7	47.3	+ 3.6	100.0
	Business Profit	2.0	3.1	+ 1.1	8.8
	Business Profit Margin	4.6%	6.5%	+ 1.9pp	8.8%
	Operating Profit	2.1	3.6	+ 1.5	8.3

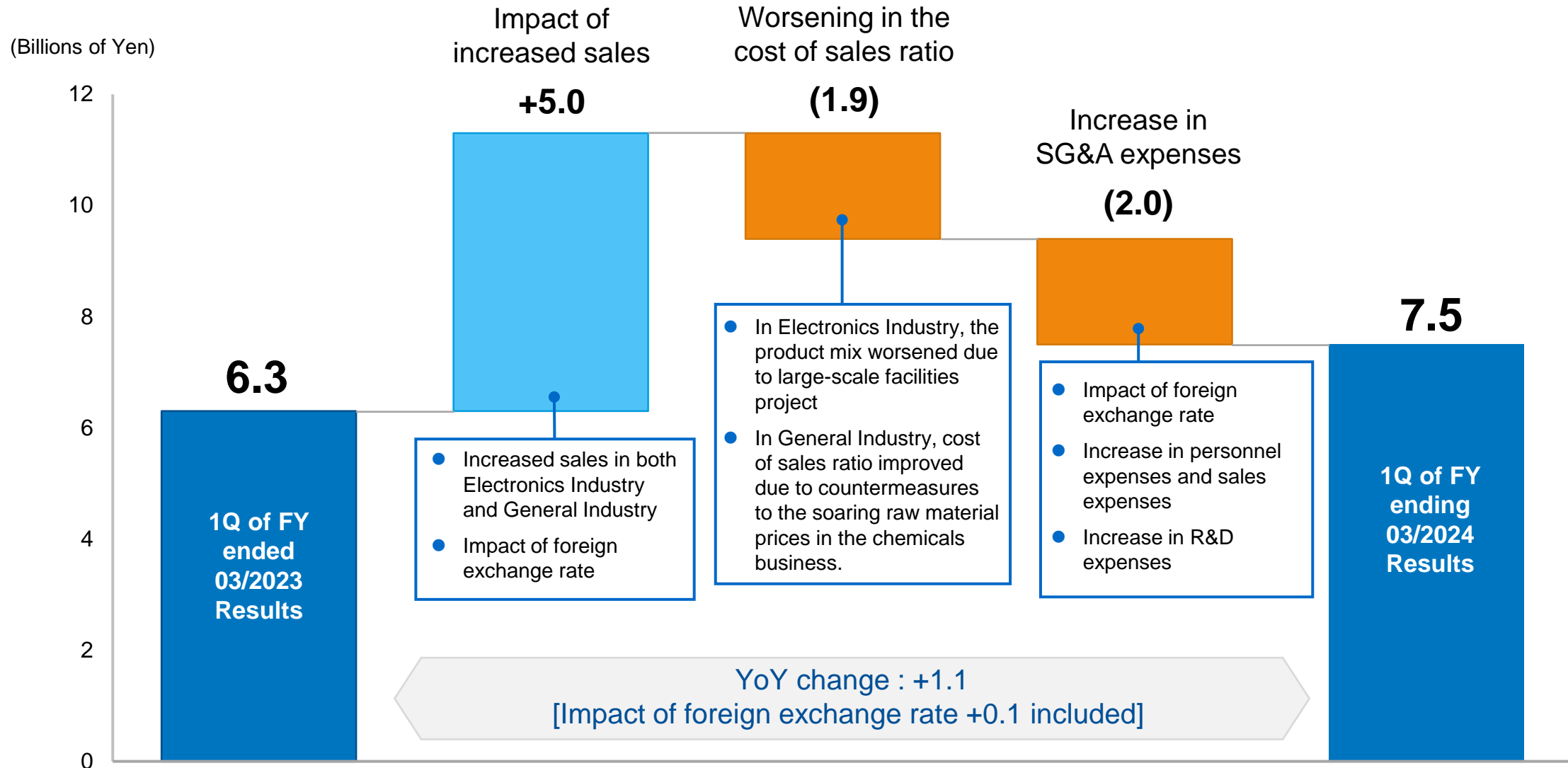
Electronics Industry

- Orders declined mainly due to the decrease in precision tool cleaning and maintenance.
- Net sales increased mainly due to the construction progress of facilities orders already received.
- Business profit increased slightly due to a deteriorating cost of sales ratio with lower service business composition and the increase of SG&A expenses, despite the sales increase.

General Industry

- Orders were almost unchanged from 1Q of the previous fiscal year, while net sales increased due to progress in construction of facilities and maintenance projects.
- Business profit increased, with the effects of higher sales and an improved cost of sales ratio more than offsetting the increase in SG&A expenses.

Factors in Change in Business Profit (YoY Change)



Electronics Industry Segment

(Billions of Yen)	1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast
Orders	43.6	42.0	(1.5)	68.0
Facilities	15.1	14.9	(0.1)	18.1
Recurring Contract- Based Services	10.0	11.3	+ 1.3	22.4
Services	18.5	15.9	(2.7)	27.5
Chemicals	2.7	2.5	(0.2)	5.4
Precision Tool Cleaning	7.0	5.6	(1.3)	12.8
Maintenance	8.9	7.7	(1.2)	9.3
Net Sales	30.9	43.2	+ 12.3	81.0
Facilities	8.2	19.5	+ 11.3	33.4
Recurring Contract- Based Services	9.9	11.2	+ 1.3	22.6
Services	12.8	12.6	(0.2)	25.0
Chemicals	2.7	2.5	(0.2)	5.4
Precision Tool Cleaning	6.9	5.7	(1.2)	12.8
Maintenance	3.2	4.3	+ 1.1	6.8

- Orders for facilities remained at a high level on par with the same period of the previous fiscal year, while net sales increased due to the posting of sales of ordered projects mainly in Japan and China.
- Recurring contract-based services increased due to an increase in water supply business.
- Both orders and net sales in precision tool cleaning decreased due to reflecting the impact of operations in customers' plants.
- Orders for maintenance decreased as a reaction to the increase in orders in the previous fiscal year mainly due to some frontloaded orders. Net sales increased due to the growth both in Japan and overseas.

Factors in Change (Billions of Yen)

Organic Change	+ 12.0
Effect of Foreign Exchange Rate	+ 0.3

General Industry Segment



(Billions of Yen)	1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast
Orders	56.5	56.4	(0.2)	107.0
Facilities	7.2	7.7	+ 0.5	12.3
Recurring Contract- Based Services	2.2	2.9	+ 0.7	5.0
Services	47.2	45.8	(1.4)	89.7
Chemicals	29.0	27.8	(1.2)	62.3
Maintenance	16.2	16.4	+ 0.2	23.7
Others	2.0	1.7	(0.3)	3.7
Net Sales	43.7	47.3	+ 3.6	100.0
Facilities	3.3	4.5	+ 1.2	9.1
Recurring Contract- Based Services	1.4	2.2	+ 0.9	5.3
Services	39.0	40.6	+ 1.6	85.6
Chemicals	28.4	27.7	(0.7)	61.8
Maintenance	8.7	11.2	+ 2.4	19.3
Others	1.9	1.7	(0.2)	4.5

- Net sales for facilities increased due to the progress on the construction of ordered projects both in Japan and overseas.
- Recurring contract-based services increased due to the growth both in Japan and overseas.
- Orders and net sales of chemicals decreased mainly in China due to reflecting the impact of operations in customers' plants.
- Orders for maintenance remained almost flat, but net sales increased due to the acquisition of cleaning projects in Japan and the progress of construction.

Factors in Change (Billions of Yen)

Organic Change	+ 2.2
Effect of Foreign Exchange Rate	+ 1.4

Net Sales by Region / CSV Business Net Sales



Net Sales by Region - Consolidated

(Billions of Yen)	1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast
Japan	37.0	48.1	+ 11.0	91.9
Asia	16.3	20.3	+ 4.0	42.0
North & South America	14.4	14.4	+ 0.1	31.6
EMEA	6.9	7.7	+ 0.8	15.4
Total	74.7	90.5	+ 15.9	181.0

Net Sales by Region - General Industry

(Billions of Yen)	1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast
Japan	21.1	23.6	+ 2.5	46.7
Asia	6.0	5.4	(0.6)	14.4
North & South America	9.7	10.6	+ 0.9	23.4
EMEA	6.9	7.7	+ 0.8	15.4
Total	43.7	47.3	+ 3.6	100.0

Net Sales by Region - Electronics Industry

(Billions of Yen)	1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	1H Forecast
Japan	16.0	24.5	+ 8.5	45.2
Asia	10.3	14.9	+ 4.6	27.6
North & South America	4.6	3.8	(0.8)	8.2
EMEA	—	—	—	—
Total	30.9	43.2	+ 12.3	81.0

CSV Business Net Sales

(Billions of Yen)		1Q of FY ending 03/2024	% of net sales※
CSV Business Net Sales		8.9	9.8%
by segment	Electronics Industry	2.9	6.7%
	General Industry	6.0	12.7%

※Percentage of consolidated or segment net sales

Capital Expenditures, Depreciation and R&D Expenses

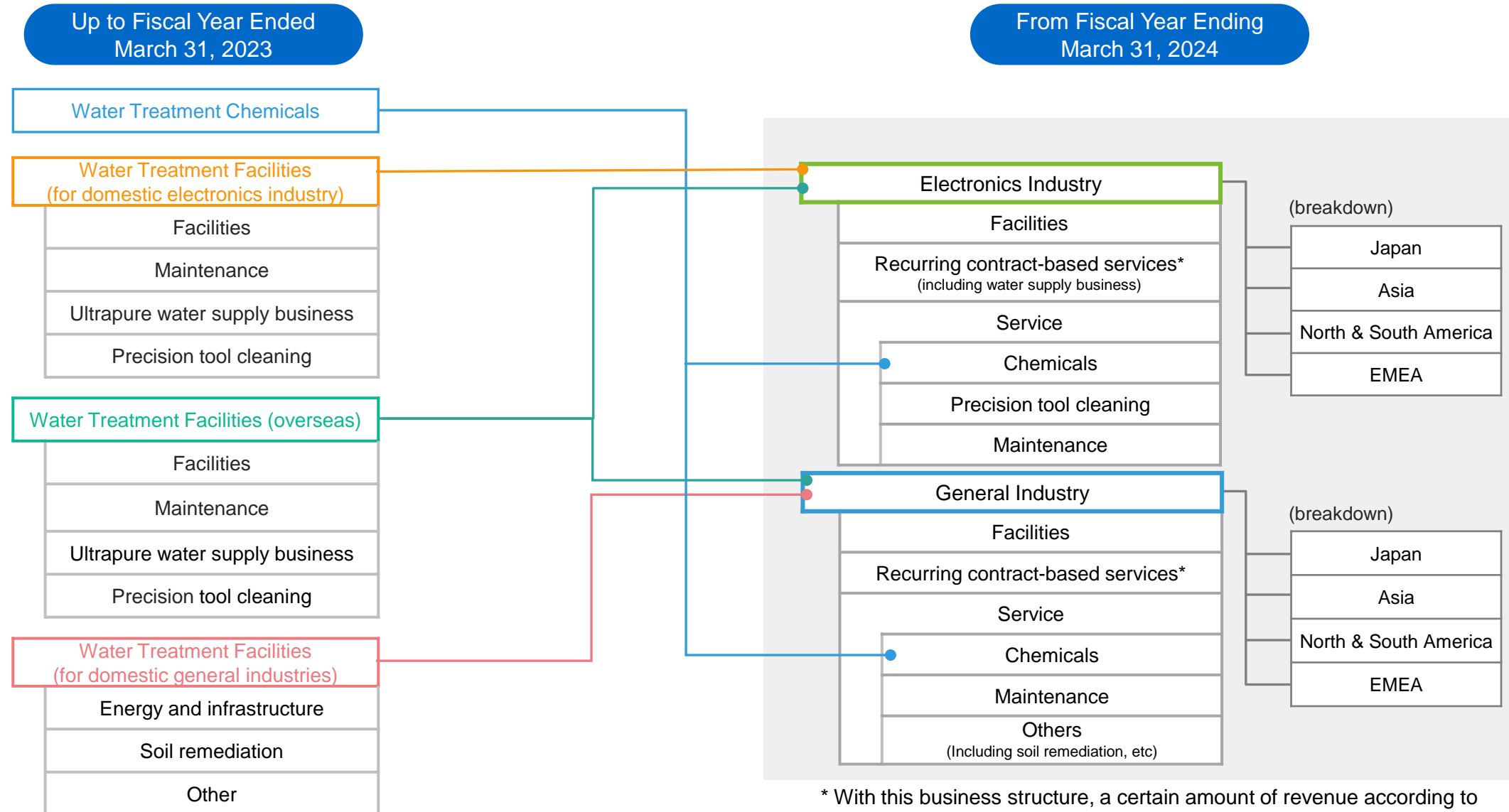


(Billions of Yen)	1Q of FY ended 03/2023	1Q of FY ending 03/2024	YoY Change	Full-Year Forecast
Capital Expenditures (Property, Plant and Equipment*)	10.9	8.3	(2.5)	35.7
Depreciation (Property, Plant and Equipment*)	5.9	6.9	+ 1.0	27.3
R&D Expenses	1.5	1.7	+ 0.3	7.6

* Right-of-use assets are included.

- Capital expenditures declined compared to 1Q of the previous fiscal year due to a lower investment in water supply business.
- Depreciation increased due to the start of new water supply projects during the previous fiscal year.
- R&D expenses increased due to strengthening efforts to create innovation.

Reference : Change in disclosed segments



* With this business structure, a certain amount of revenue according to the value of services provided is consistently secured.



Forward-looking Statements

This presentation contains forward-looking statements, business plan projections, and judgments based on information available to management at the time of writing. Due to the existence of a variety of risk factors and uncertainties, actual results may differ from those specified or implied by these forward-looking statements and projections.

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