





Kurita Water Industries Ltd.

Results Presentation for the First Nine Months of the Year Ending March 31, 2016

(Stock code: 6370)

February 1, 2016

-  Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2016
-  Consolidated Business Plan for the Fiscal Year Ending March 31, 2016

I. Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2016

1. Financial Highlights
2. Orders, Sales, Operating Income, and Operating Income Margin
3. Water Treatment Chemicals
4. Water Treatment Facilities (for the electronics industry)
5. Water Treatment Facilities (for general industries)
6. Service Business Revenue
7. Overseas Business Sales
8. Financial Condition

I. Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2016

1. Financial Highlights

(Billions of Yen)

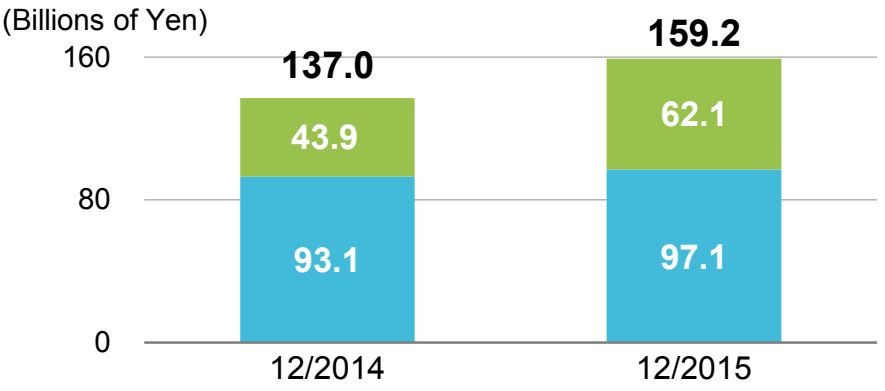
	Fiscal Year to March 2015 Three Quarters Actual	Fiscal Year to March 2016 Three Quarters Actual	Year-on-Year Change
Orders	137.0	159.2	+16.2%
Net Sales	133.2	148.9	+11.8%
Operating Income	12.4	14.0	+13.4%
Ordinary Income	12.7	14.7	+16.1%
Profit attributable to owners of parent	7.7	9.3	+20.8%

- Orders increased in the Water Treatment Chemicals business due to the acquisition effect, and also rose in the Water Treatment Facilities business, particularly for the electronics industry.
- Net sales declined in the Water Treatment Facilities business, but increased in the Water Treatment Chemicals business due to the acquisition effect.
- Operating income fell in the Water Treatment Chemicals business, but rose in the Water Treatment Facilities business. Overall, operating income for the entire Group increased.
- The rates of increase in ordinary income and profit attributable to owners of parent exceeded that in operating income.

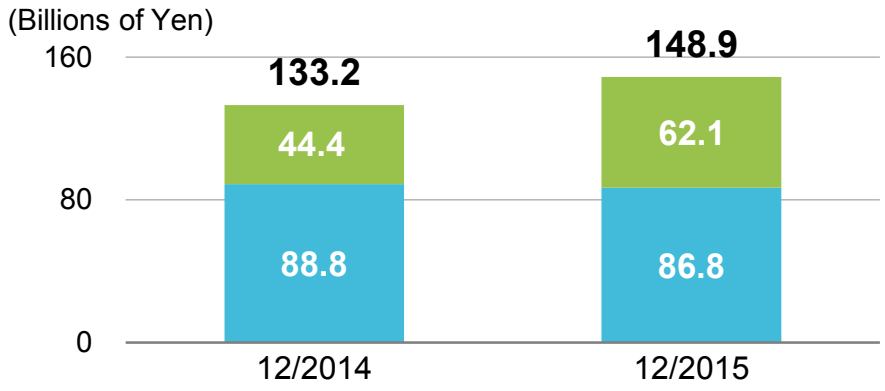
2. Orders, Sales, Operating Income, and Operating Income Margin



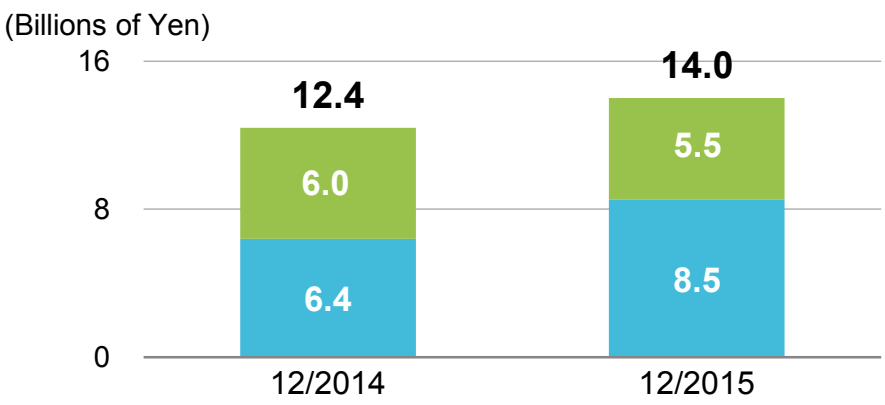
Orders



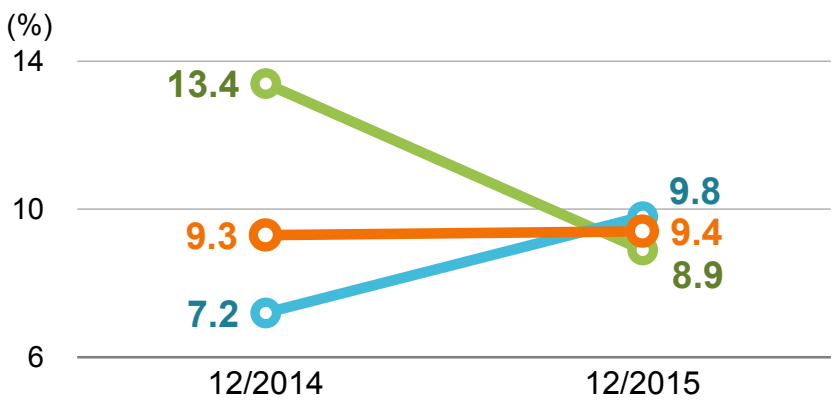
Sales



Operating Income

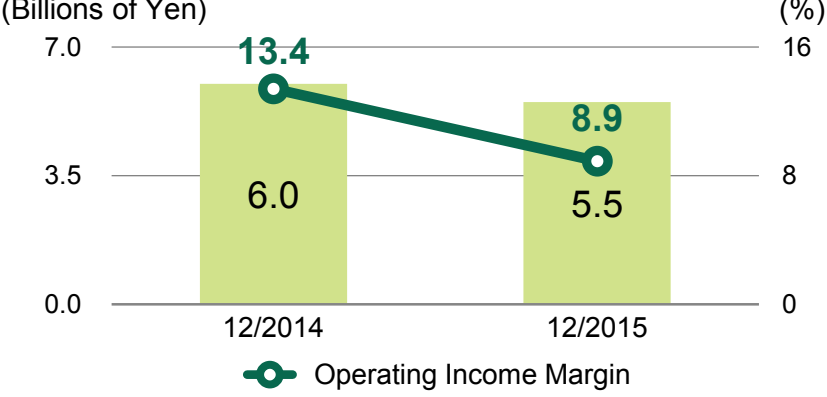
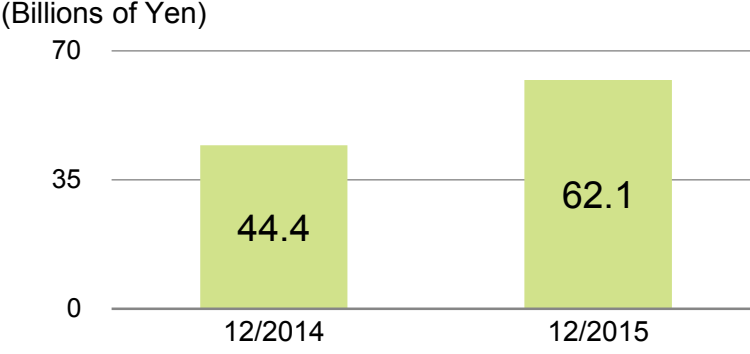
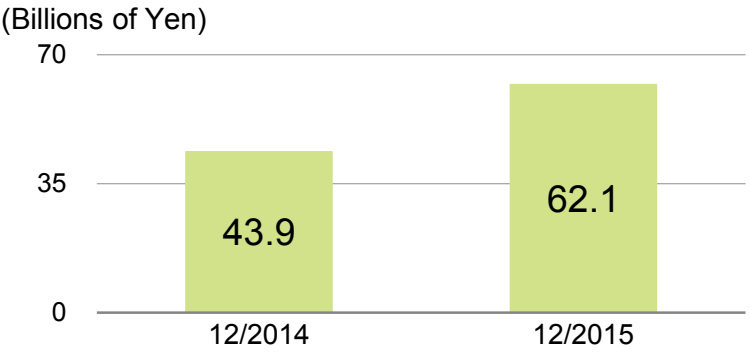


Operating Income Margin



I. Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2016

3. Water Treatment Chemicals



Orders

- In Japan, orders remained roughly flat, reflecting sluggish growth in orders for our main products due to low capacity utilization at customers' plants.
- Overseas, orders rose due to the acquisition effect in Europe and the expansion of orders in China and Southeast Asia.

Sales

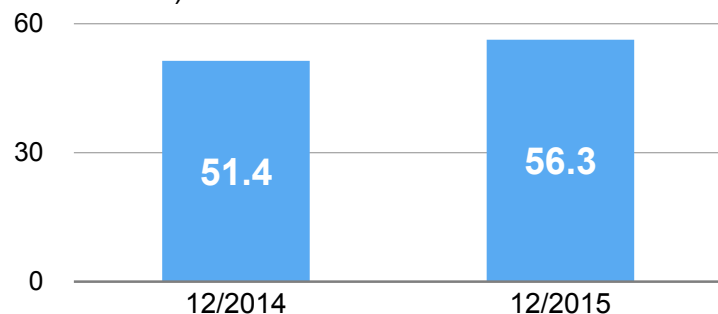
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Operating Income

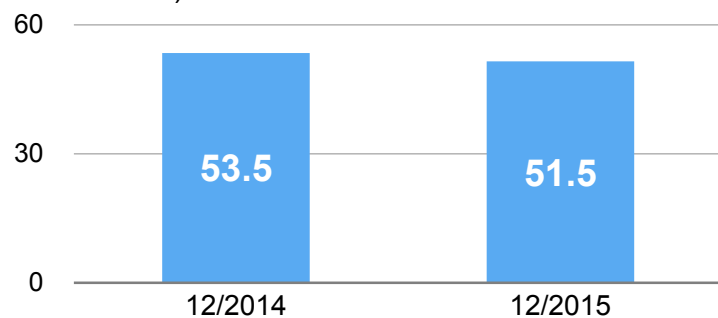
- Despite the effect of higher sales, operating income declined due to an increase in SG&A expenses in association with the acquisition.
- Operating income rose except for the acquisition effect in Europe.

4. Water Treatment Facilities (for the electronics industry)

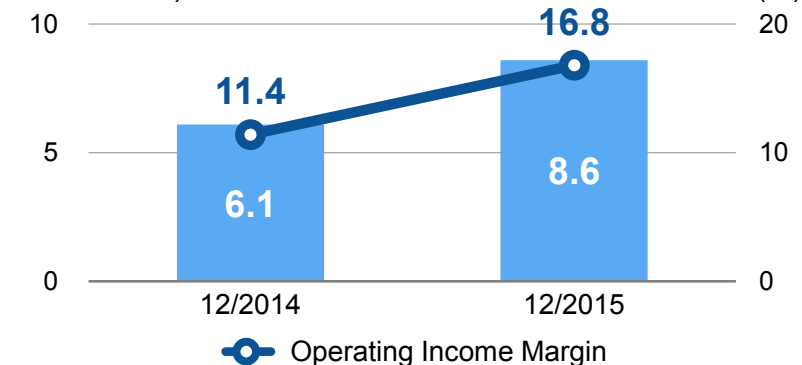
(Billions of Yen)



(Billions of Yen)



(Billions of Yen)



Orders

- Orders for maintenance services in Japan grew due to a recovery in demand.
- Orders for hardware in Japan from customers in the electronic components business and the ultrapure water supply business rose.
- Orders for hardware overseas increased, reflecting large contracts won in China and Taiwan.

Sales

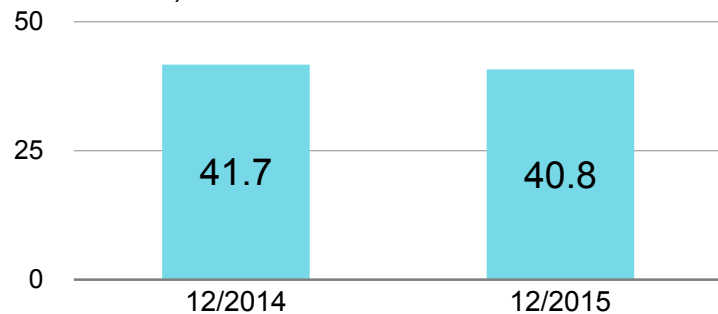
- Sales of hardware overseas fell as the posting of sales from large contracts was completed.
- Sales of tool cleaning declined due to a withdrawal from certain less profitable businesses.
- Sales of maintenance services in Japan and in the ultrapure water supply business increased.

Operating Income

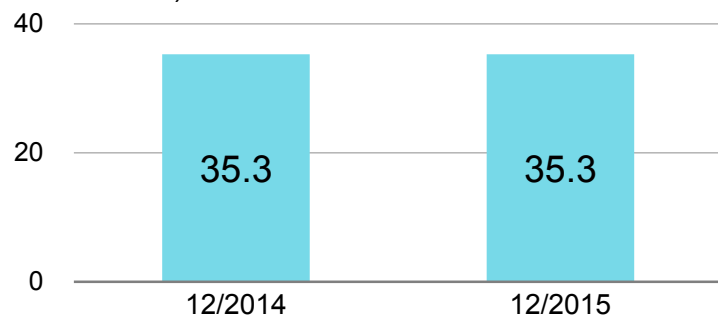
- Operating income increased with an improvement in the cost of sales ratio, despite the decline in sales and an increase in SG&A expenses.

5. Water Treatment Facilities (for general industries)

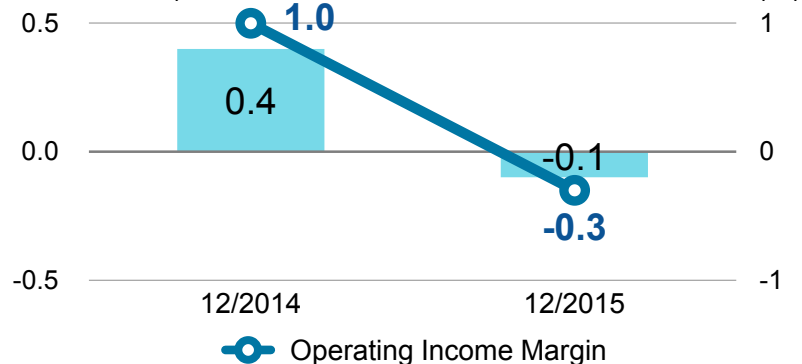
(Billions of Yen)



(Billions of Yen)



(Billions of Yen)



Orders

- Orders for soil remediation, which were at a high level a year ago, declined.
- Orders for general industries hardware rose in the pharmaceutical industry, among other industries.

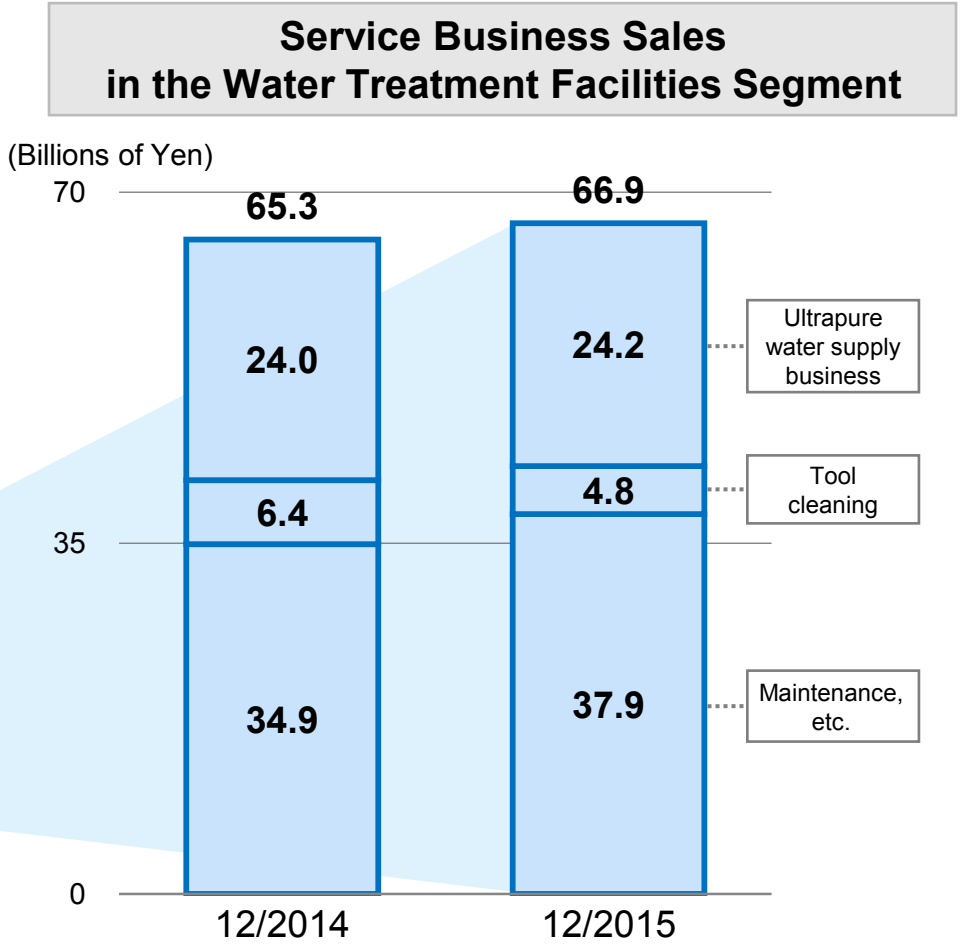
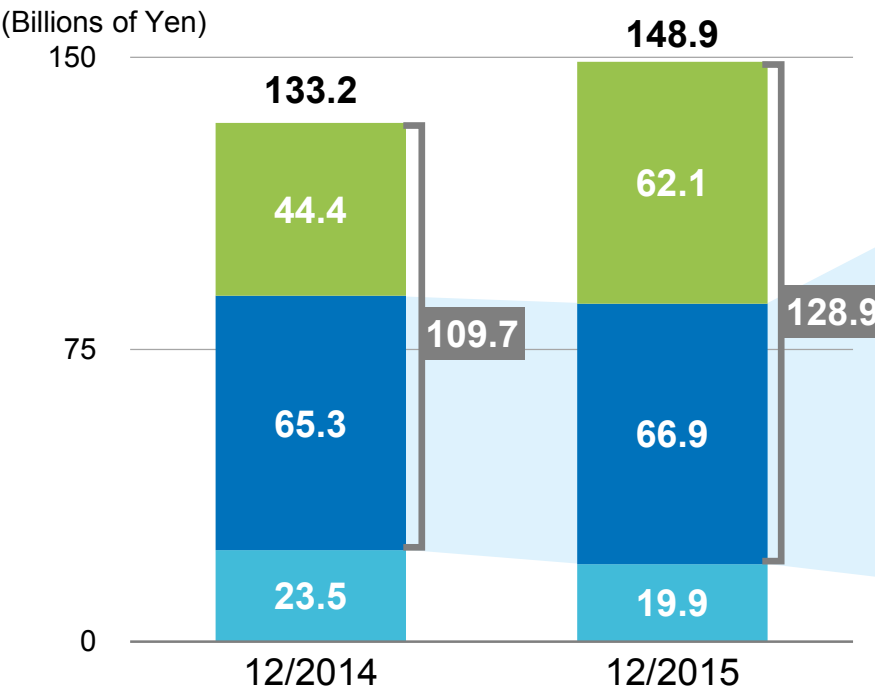
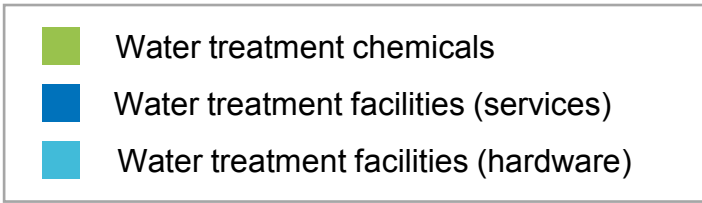
Sales

- Sales of general industries hardware declined due to delayed progress in construction.
- Sales of soil remediation and from the government and other public agencies rose from a year ago.

Operating Income

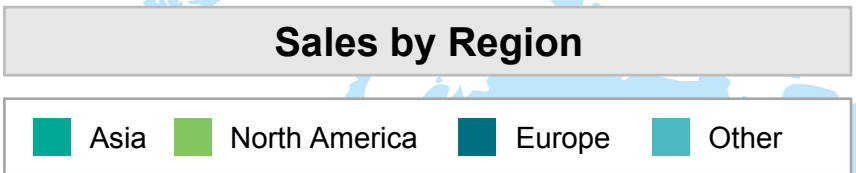
- Operating income fell into negative territory due to a deterioration in the cost of sales ratio associated with a decline in sales of general industries hardware and an increase in SG&A expenses.

6. Service Business Revenue

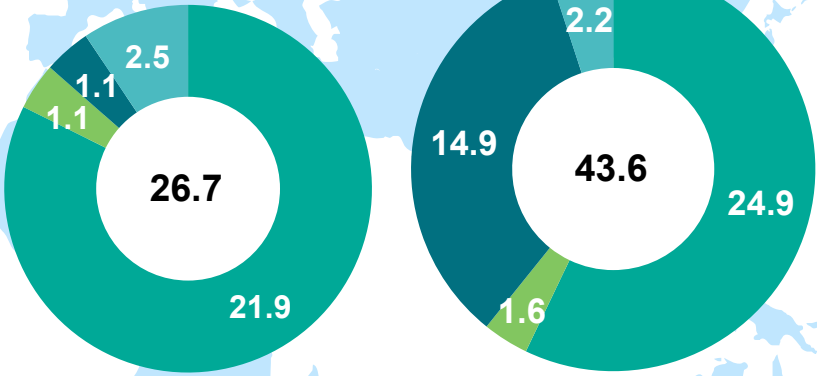


- Sales from tool cleaning declined, but revenues from water treatment chemicals and maintenance increased.
- The service business accounted for 86.6% of total sales.

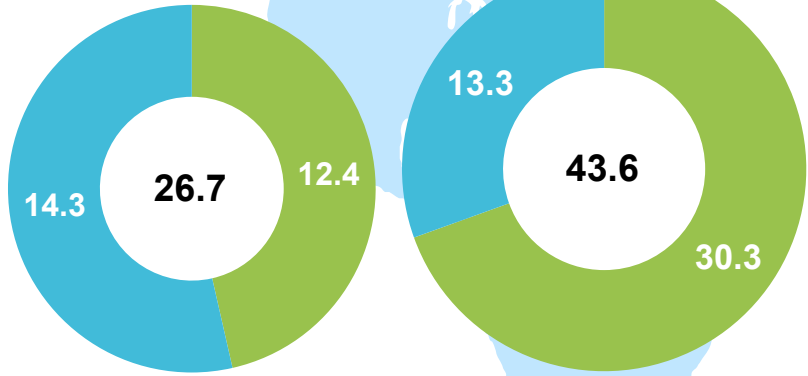
7. Overseas Business Sales



(Billions of Yen)



(Billions of Yen)

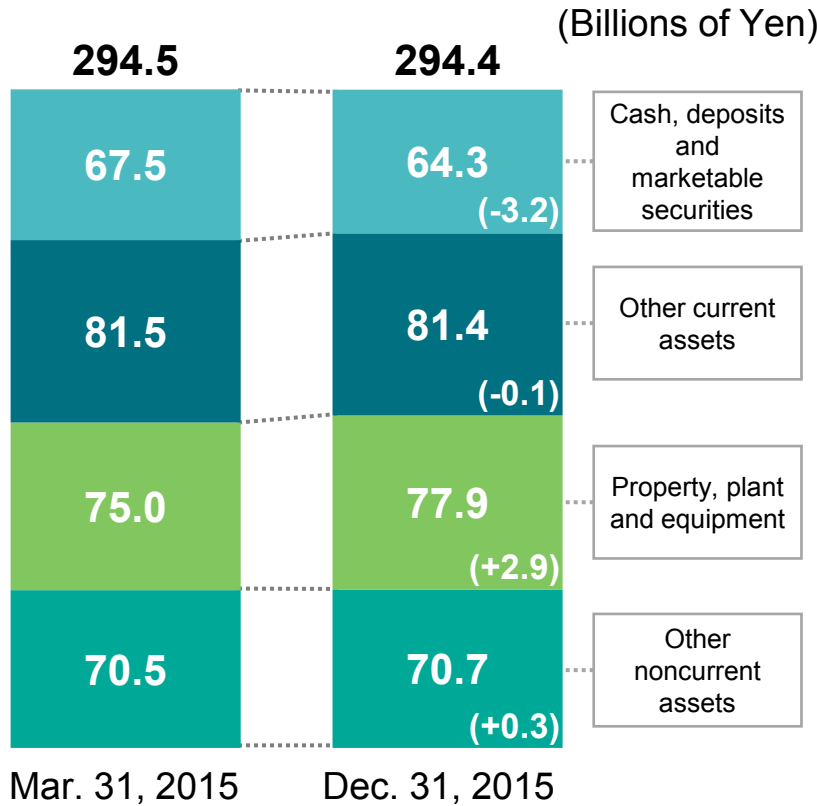


- Sales in the Water Treatment Chemicals business rose significantly in Europe due to the acquisition effect. Sales also increased in Asia.
- Sales in the Water Treatment Facilities business declined with the completion of the posting of sales from large contracts.

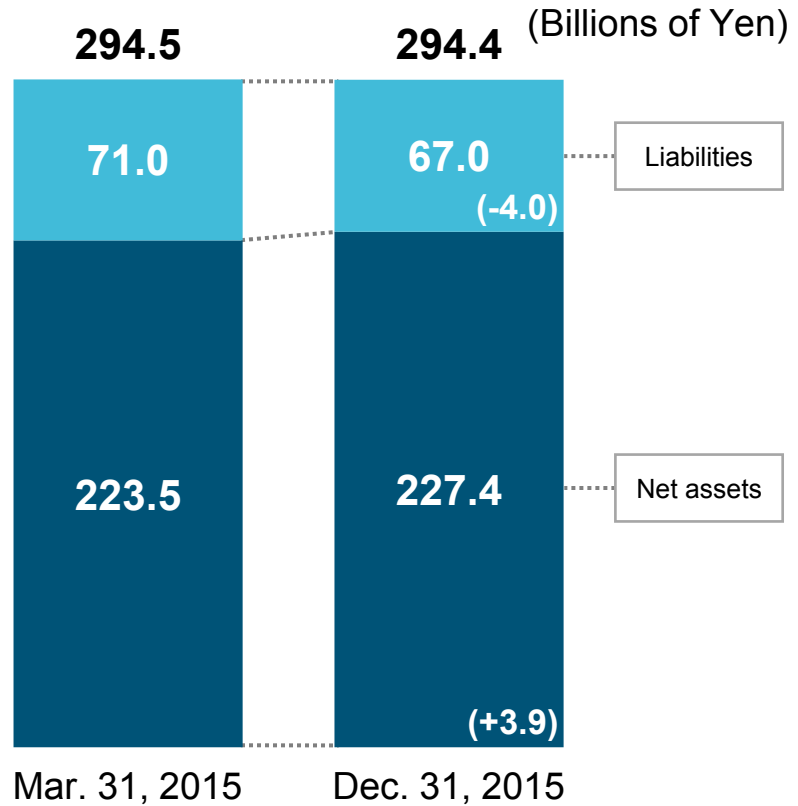
I. Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2016

8. Financial Condition

Assets



Liabilities and Net Assets



- Liquidity on hand declined mainly due to business acquisition in Europe.
- Property, plant and equipment rose due to an increase in construction in progress in new ultrapure water supply projects.

II. Consolidated Business Plan for the Fiscal Year Ending March 31, 2016

1. Overview
2. Orders, Sales, and Operating Income
3. Service Business Revenue
4. Overseas Business Sales
5. Capital Expenditures, Depreciation, and R&D Expenses

II. Consolidated Business Plan for the Fiscal Year Ending March 31, 2016

1. Overview

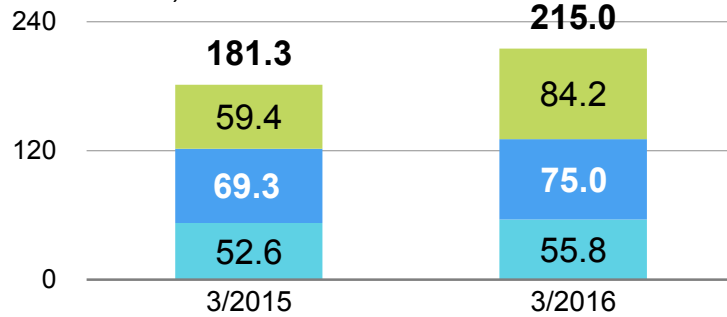
(Billions of Yen)

	Fiscal Year to March 2015 Actual	Fiscal Year to March 2016 Projection	Year-on-Year Change	Fiscal Year to March 2016 Previous Projection	Fiscal Year to March 2016 Initial Projection
Orders	181.3	215.0	+18.6%	215.0	217.0
Net Sales	189.4	214.0	+13.0%	214.0	216.0
Operating Income	19.4	19.5	+0.3%	19.5	19.5
Ordinary Income	18.9	20.0	+5.6%	20.0	20.0
Profit attributable to owners of parent	10.4	12.3	+17.9%	12.3	12.3

- Orders and net sales were revised when the first half results were announced and since then have been left unchanged.
- Initial profit line projections remain unchanged.

2. Orders, Sales, and Operating Income

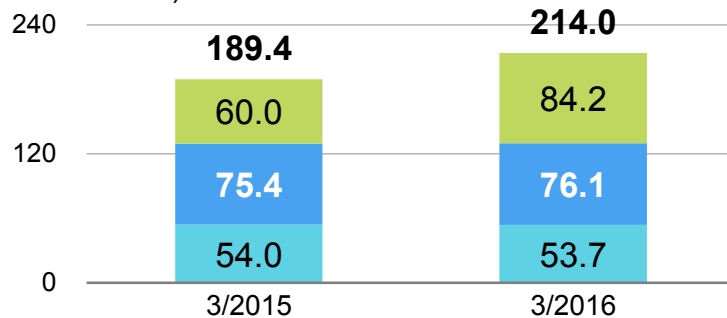
(Billions of Yen)



Orders

- In the Water Treatment Chemicals business, orders will increase significantly overseas.
- In the Water Treatment Facilities business for the electronics industry, orders will increase for both hardware and maintenance.
- In the Water Treatment Facilities business for general industries, orders are expected to increase, primarily for hardware.

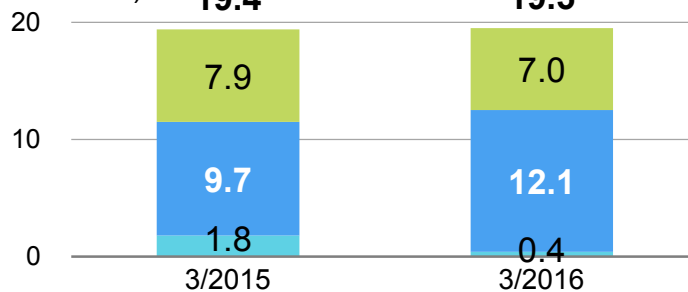
(Billions of Yen)



Sales

- In the Water Treatment Chemicals business, sales will increase significantly overseas.
- In the Water Treatment Facilities business for the electronics industry, sales are expected to increase, particularly sales of maintenance.
- In the Water Treatment Facilities business for general industries, sales will decline following a delay in progress in construction.

(Billions of Yen)



Operating Income

- In the Water Treatment Chemicals business, operating income will decline due to an increase in SG&A expenses.
- In the Water Treatment Facilities business for the electronics industry, operating income will rise due to an improvement in the cost of sales ratio.
- In the Water Treatment Facilities business for general industries, operating income is expected to decline due to a deterioration in the cost of sales ratio associated with a decline in revenue from hardware and an increase in SG&A expenses.

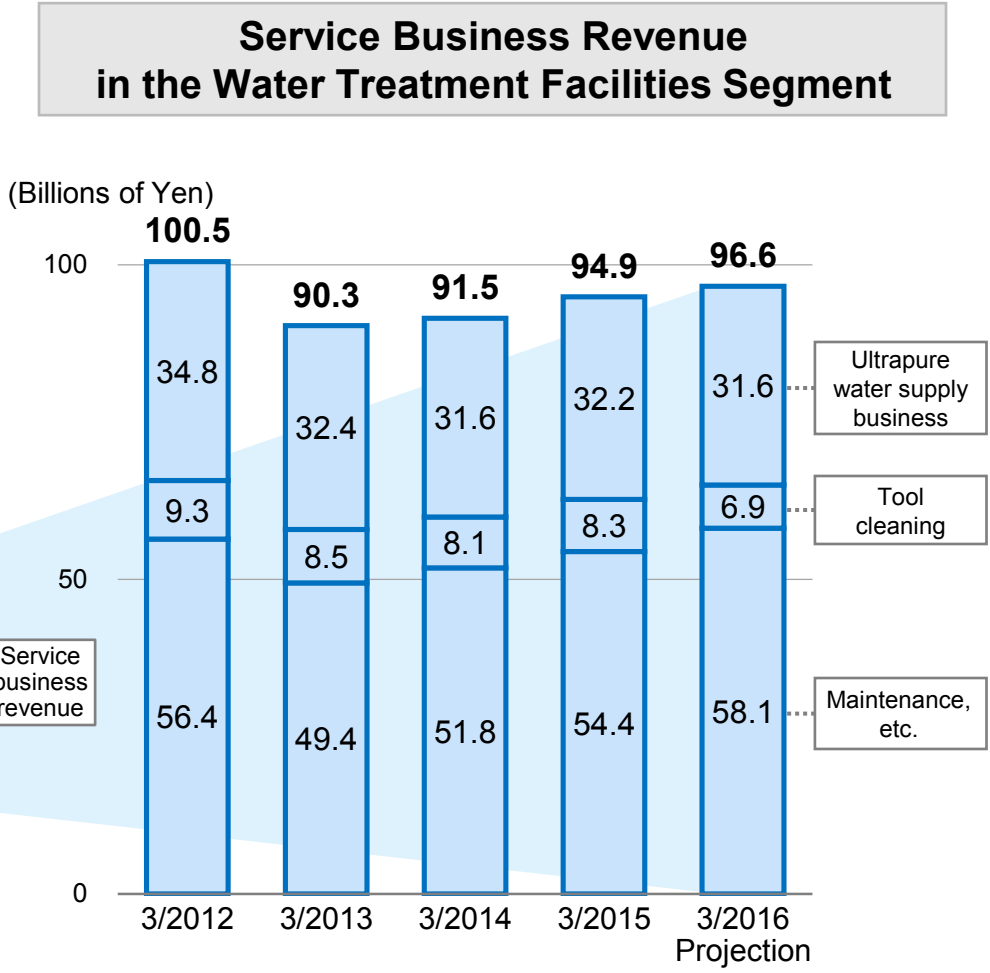
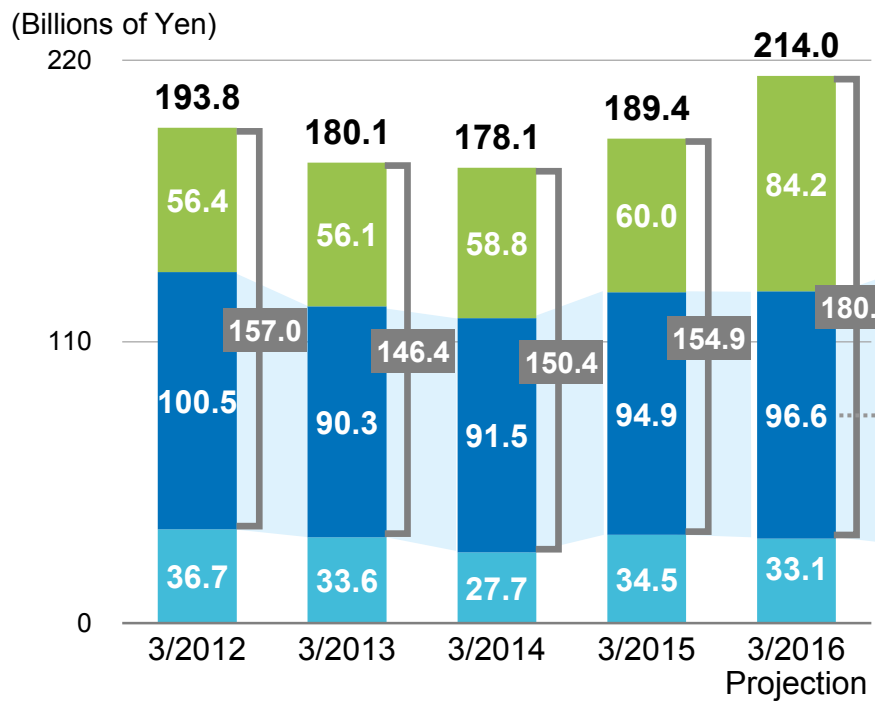
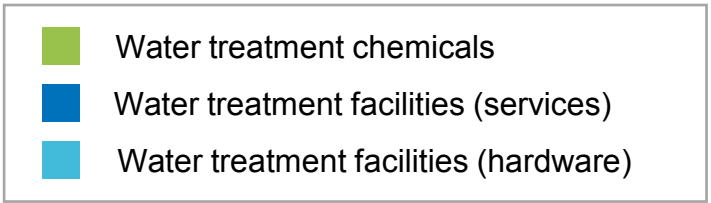
■ Water Treatment Chemicals

■ Water Treatment Facilities
(for general industries)

■ Water Treatment Facilities
(for the electronics industry)

II. Consolidated Business Plan for the Fiscal Year Ending March 31, 2016

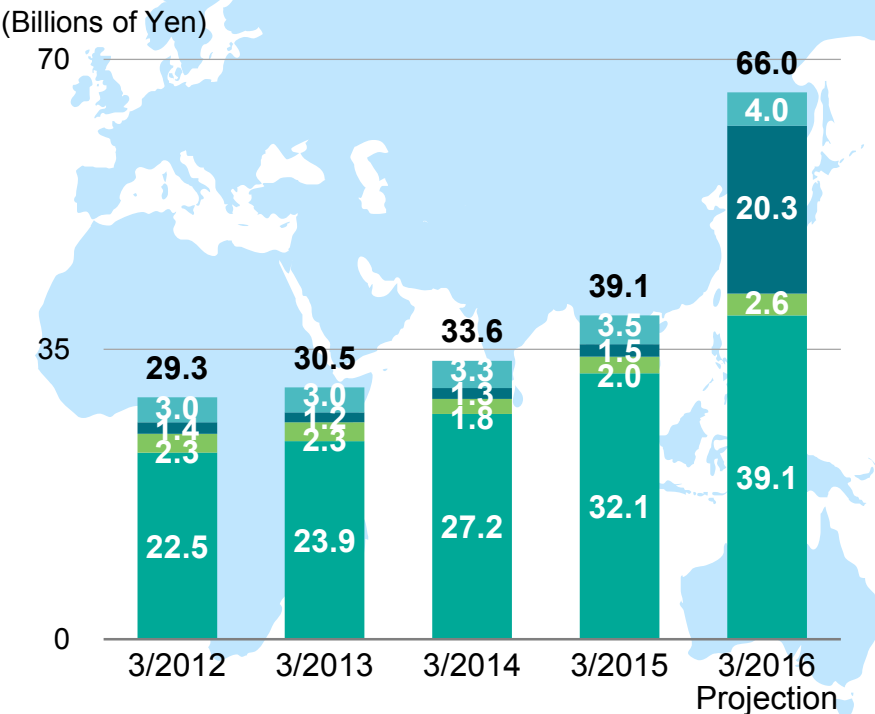
3. Service Business Revenue



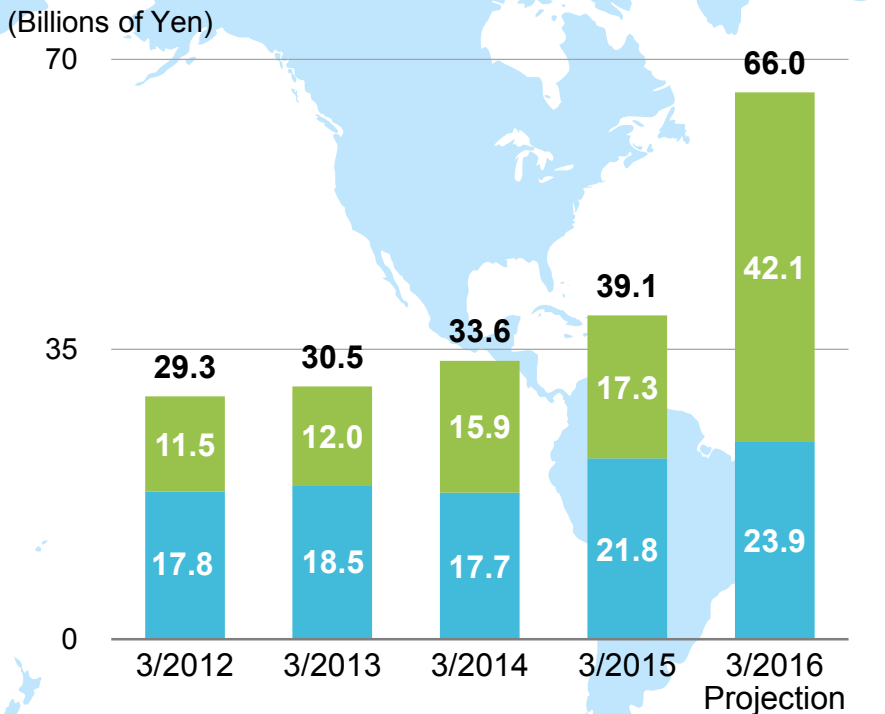
■ In the fiscal year ending March 31, 2016, service business revenue is expected to account for 84.5% of total sales, reflecting increases in revenue in water treatment chemicals and maintenance.

4. Overseas Business Sales

Sales by Region



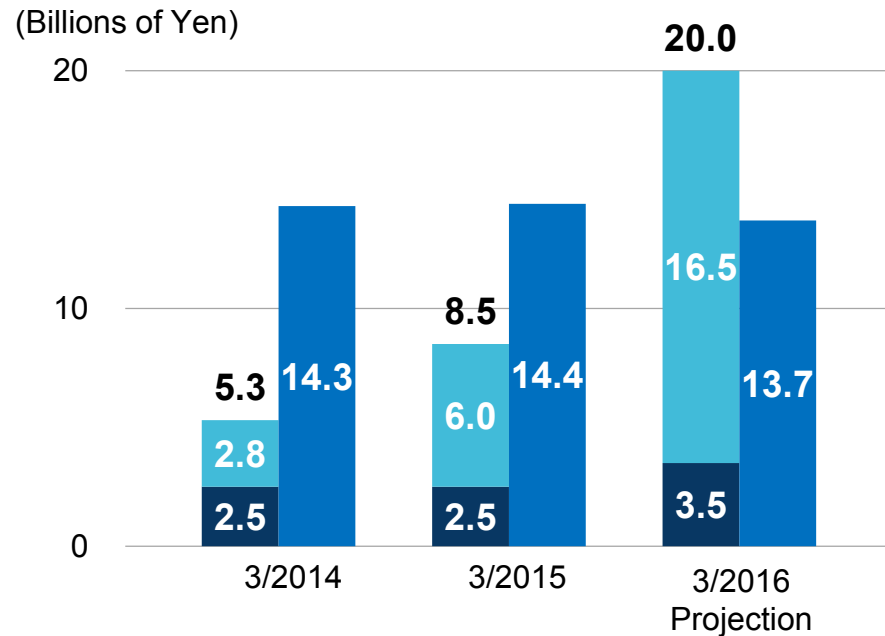
Sales by Overseas Business Segment



- In the fiscal year ending March 31, 2016, European sales and water treatment chemicals sales will increase considerably due to the contribution of business acquisitions.
- The overseas sales ratio will climb to 31%.

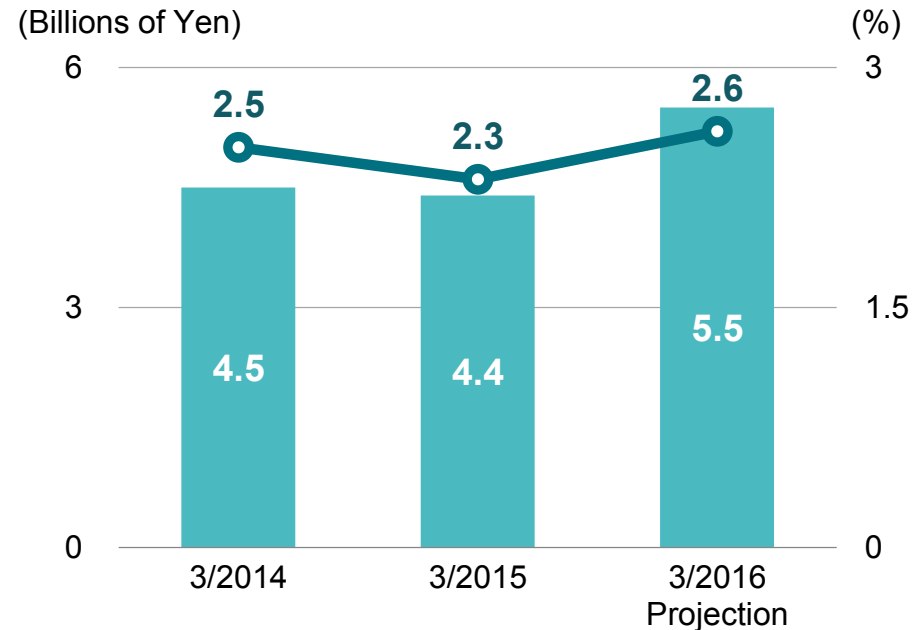
5. Capital Expenditures, Depreciation, and R&D Expenses

Capital Expenditures and Depreciation



■ In the fiscal year ending March 31, 2016, capital expenditures will exceed depreciation due to a significant increase in capital expenditure in the ultrapure water supply business.

R&D Expenses



■ In the fiscal year ending March 31, 2016, investments will be made to generate technological synergy with KEAG and to enhance the Group's overall strength.



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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.