

Half-Year Consolidated Financial Summary

For the Six Months Ended September 30, 2017

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October 31, 2017



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

	2017/3						2018/3							
	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 Revised Projection	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage			Amount	Percentage
Orders	112,481	+2,481	+2.3%	218,730	-2,543	-1.1%	112,000	125,300	+12,819	+11.4%	221,000	238,000	+19,270	+8.8%
Water Treatment Chemicals	42,005	+670	+1.6%	82,118	-1,322	-1.6%	44,400	44,582	+2,577	+6.1%	89,500	89,500	+7,382	+9.0%
Water Treatment Facilities	70,476	+1,812	+2.6%	136,611	-1,221	-0.9%	67,600	80,717	+10,241	+14.5%	131,500	148,500	+11,889	+8.7%
Net Sales	103,811	+5,893	+6.0%	214,187	-185	-0.1%	104,000	108,107	+4,296	+4.1%	223,000	230,000	+15,813	+7.4%
Water Treatment Chemicals	41,451	+856	+2.1%	81,883	-1,797	-2.1%	44,300	44,074	+2,623	+6.3%	89,400	89,400	+7,517	+9.2%
Water Treatment Facilities	62,360	+5,038	+8.8%	132,304	+1,612	+1.2%	59,700	64,032	+1,672	+2.7%	133,600	140,600	+8,296	+6.3%
(Cost of Sales Ratio)	(66.9%)	(+1.4)		(67.9%)	(+0.7)		(67.3%)	(66.2%)	(-0.7)		(68.2%)	(67.8%)	(-0.1)	
Gross Profit	34,324	+536	+1.6%	68,732	-1,675	-2.4%	34,000	36,532	+2,208	+6.4%	71,000	74,000	+5,268	+7.7%
SG & A Expenses	24,680	+26	+0.1%	49,280	-1,294	-2.6%	26,300	26,378	+1,698	+6.9%	52,500	53,000	+3,720	+7.5%
(% of Net Sales)	(23.8%)	(-1.4)		(23.0%)	(-0.6)		(25.3%)	(24.4%)	(+0.6)		(23.5%)	(23.0%)	(+0.0)	
Operating Income	9,643	+510	+5.6%	19,452	-381	-1.9%	7,700	10,153	+510	+5.3%	18,500	21,000	+1,548	+8.0%
(% of Net Sales)	(9.3%)	(-0.0)		(9.1%)	(-0.2)		(7.4%)	(9.4%)	(+0.1)		(8.3%)	(9.1%)	(+0.0)	
Net of non-operating income and expenses	-4	-359		622	+16		200	121	+125		500	500	-122	
Ordinary Income	9,639	+149	+1.6%	20,074	-365	-1.8%	7,900	10,274	+635	+6.6%	19,000	21,500	+1,426	+7.1%
(% of Net Sales)	(9.3%)	(-0.4)		(9.4%)	(-0.1)		(7.6%)	(9.5%)	(+0.2)		(8.5%)	(9.3%)	(-0.1)	
Net of Extraordinary Gains and Losses	-	+4		391	+419		-	206	+206		-250	-	-391	
Profit Attributable to Owners of Parent	6,542	+778	+13.5%	14,506	+1,929	+15.3%	5,300	7,412	+870	+13.3%	13,000	15,000	+494	+3.4%
(% of Net Sales)	(6.3%)	(+0.4)		(6.8%)	(+0.9)		(5.1%)	(6.9%)	(+0.6)		(5.8%)	(6.5%)	(-0.3)	
Net income per share (yen)	56.36	+6.75	+13.6%	125.23	+16.99	+15.7%	47.18	65.99	+9.63	+17.1%	115.76	133.57	+8.34	+6.7%

Orders, Sales and Operating Income by Business Segment

Unit: Billions of yen

	2017/3						2018/3							
	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 Revised Projection	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage			Amount	Percentage
Orders	112.5	+2.5	+2.3%	218.7	-2.5	-1.1%	112.0	125.3	+12.8	+11.4%	221.0	238.0	+19.3	+8.8%
Water Treatment Chemicals	42.0	+0.7	+1.6%	82.1	-1.3	-1.6%	44.4	44.6	+2.6	+6.1%	89.5	89.5	+7.4	+9.0%
Water Treatment Facilities	70.5	+1.8	+2.6%	136.6	-1.2	-0.9%	67.6	80.7	+10.2	+14.5%	131.5	148.5	+11.9	+8.7%
Electronics industry	34.6	-3.7	-9.8%	72.5	-6.6	-8.3%	34.3	45.0	+10.4	+30.0%	69.0	86.8	+14.3	+19.7%
General industries	35.8	+5.6	+18.4%	64.2	+5.4	+9.1%	33.3	35.7	-0.2	-0.5%	62.5	61.7	-2.4	-3.7%
Sales	103.8	+5.9	+6.0%	214.2	-0.2	-0.1%	104.0	108.1	+4.3	+4.1%	223.0	230.0	+15.8	+7.4%
Water Treatment Chemicals	41.5	+0.9	+2.1%	81.9	-1.8	-2.1%	44.3	44.1	+2.6	+6.3%	89.4	89.4	+7.5	+9.2%
Water Treatment Facilities	62.4	+5.0	+8.8%	132.3	+1.6	+1.2%	59.7	64.0	+1.7	+2.7%	133.6	140.6	+8.3	+6.3%
Electronics industry	36.0	+2.8	+8.5%	74.4	-1.7	-2.2%	33.7	37.1	+1.1	+3.0%	72.7	79.4	+5.0	+6.8%
General industries	26.4	+2.2	+9.2%	57.9	+3.3	+6.1%	26.0	26.9	+0.6	+2.2%	60.9	61.2	+3.3	+5.6%
Operating Income	9.6	+0.5	+5.6%	19.5	-0.4	-1.9%	7.7	10.2	+0.5	+5.3%	18.5	21.0	+1.5	+8.0%
(% of Sales)	(9.3%)	(-0.0)		(9.1%)	(-0.2)		(7.4%)	(9.4%)	(+0.1)		(8.3%)	(9.1%)	(+0.0)	
Water Treatment Chemicals	4.1	+0.5	+13.5%	7.2	+0.8	+11.8%	4.1	3.9	-0.2	-5.7%	7.7	7.4	+0.2	+2.3%
(% of Sales)	(9.9%)	(+1.0)		(8.8%)	(+1.1)		(9.2%)	(8.7%)	(-1.2)		(8.6%)	(8.3%)	(-0.6)	
Water Treatment Facilities	5.6	+0.0	+0.5%	12.2	-1.1	-8.6%	3.6	6.3	+0.7	+13.3%	10.8	13.6	+1.4	+11.3%
(% of Sales)	(8.9%)	(-0.8)		(9.2%)	(-1.0)		(6.0%)	(9.8%)	(+0.9)		(8.1%)	(9.7%)	(+0.4)	
Electronics industry	5.5	+0.1	+1.4%	10.8	-1.9	-15.3%	3.3	5.4	-0.2	-3.0%	8.6	10.8	+0.0	+0.1%
(% of Sales)	(15.4%)	(-1.0)		(14.5%)	(-2.2)		(9.8%)	(14.5%)	(-0.9)		(11.8%)	(13.6%)	(-0.9)	
General industries	0.0	-0.1	-64.9%	1.5	+0.8	+120.8%	0.3	0.9	+0.9	-	2.2	2.8	+1.4	+93.7%
(% of Sales)	(0.1%)	(-0.2)		(2.5%)	(+1.3)		(1.2%)	(3.5%)	(+3.4)		(3.7%)	(4.6%)	(+2.1)	

**Orders from and Sales to the Electronics Industry by Product / Service
(Water Treatment Facilities Business)**

Unit: Billions of yen

	2017/3							2018/3						
	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 Revised Projection	Change from Previous Year	
		Amount	Percentage		Amount	Percentage			Amount	Percentage				
Domestic	24.3	-2.4	-9.0%	51.3	-2.0	-3.8%	22.2	27.6	+3.3	+13.6%	44.6	50.5	-0.8	-1.5%
Facilities	1.2	-0.0	-3.0%	4.3	+1.9	+77.1%	1.4	4.7	+3.6	+307.6%	2.0	6.0	+1.7	+40.8%
UPWS Business	14.5	-1.6	-9.9%	27.4	-3.9	-12.5%	11.9	12.3	-2.2	-15.1%	23.5	24.2	-3.2	-11.7%
Maintenance	5.5	-0.6	-9.7%	13.1	-0.2	-1.3%	5.8	7.1	+1.6	+28.1%	12.6	13.7	+0.6	+4.2%
Tool Cleaning	3.1	-0.2	-5.4%	6.5	+0.2	+3.3%	3.2	3.4	+0.4	+12.2%	6.5	6.6	+0.1	+2.0%
Overseas	10.4	-1.4	-11.5%	21.2	-4.5	-17.7%	12.1	17.5	+7.1	+68.5%	24.5	36.3	+15.1	+71.3%
Facilities	7.0	-1.4	-16.2%	13.8	-4.7	-25.3%	8.0	12.4	+5.4	+76.8%	14.7	26.0	+12.2	+88.9%
UPWS Business	0.7	+0.7	-	1.4	+0.7	+102.1%	0.9	1.2	+0.5	+82.5%	2.4	2.6	+1.3	+94.3%
Maintenance	2.7	-0.6	-19.3%	6.1	-0.6	-8.6%	3.3	3.9	+1.2	+43.5%	7.4	7.6	+1.6	+26.1%
Total Orders of Electronics	34.6	-3.7	-9.8%	72.5	-6.6	-8.3%	34.3	45.0	+10.4	+30.0%	69.0	86.8	+14.3	+19.7%
Domestic	24.7	-1.3	-5.1%	49.3	-4.7	-8.7%	23.6	25.0	+0.3	+1.2%	47.1	50.8	+1.5	+3.0%
Facilities	1.4	+0.0	+1.6%	2.6	-1.0	-27.2%	2.8	2.8	+1.4	+94.1%	4.3	7.1	+4.4	+169.4%
UPWS Business	14.5	-1.6	-9.9%	27.4	-3.9	-12.5%	11.9	12.3	-2.2	-15.1%	23.5	24.2	-3.2	-11.7%
Maintenance	5.7	+0.4	+8.0%	12.8	+0.0	+0.3%	5.7	6.5	+0.8	+14.0%	12.7	12.9	+0.1	+0.9%
Tool Cleaning	3.1	-0.2	-5.6%	6.4	+0.2	+2.5%	3.2	3.4	+0.3	+10.8%	6.5	6.6	+0.2	+2.5%
Overseas	11.3	+4.1	+58.1%	25.1	+3.0	+13.7%	10.1	12.0	+0.8	+6.9%	25.7	28.6	+3.5	+14.2%
Facilities	8.3	+3.2	+64.2%	17.6	+3.0	+20.2%	6.6	8.2	-0.1	-0.8%	16.4	19.7	+2.1	+12.0%
UPWS Business	0.7	+0.7	-	1.4	+0.7	+102.1%	0.9	1.2	+0.5	+82.5%	2.4	2.6	+1.3	+94.3%
Maintenance	2.4	+0.3	+12.4%	6.1	-0.6	-9.5%	2.6	2.7	+0.3	+13.2%	6.9	6.2	+0.2	+2.5%
Total Sales of Electronics	36.0	+2.8	+8.5%	74.4	-1.7	-2.2%	33.7	37.1	+1.1	+3.0%	72.7	79.4	+5.0	+6.8%

* UPWS Business stands for Ultrapure Water Supply Business.

Research and Development (R&D) Expenses

Unit: Billions of yen

	2017/3		2018/3		
	1st Half Result	Full Year Result	1st Half Result	Full Year Projected at start of this FY	Full Year Revised Projection
Water Treatment Chemicals	1.0	2.1	1.0	2.3	2.2
Water Treatment Facilities	1.4	2.9	1.5	3.2	3.2
Total	2.4	5.0	2.6	5.5	5.3

Capital Expenditures (Property, Plant and Equipment)

Unit: Billions of yen

	2017/3		2018/3		
	1st Half Result	Full Year Result	1st Half Result	Full Year Projected at start of this FY	Full Year Revised Projection
Water Treatment Chemicals	0.9	1.8	0.9		
Water Treatment Facilities	3.0	7.5	7.9		
Total	3.8	9.3	8.8	20.0	24.0

Depreciation (Property, Plant and Equipment)

Unit: Billions of yen

	2017/3		2018/3		
	1st Half Result	Full Year Result	1st Half Result	Full Year Projected at start of this FY	Full Year Revised Projection
Water Treatment Chemicals	0.8	1.6	0.8	1.7	1.7
Water Treatment Facilities	6.0	11.6	5.7	11.3	11.3
Total	6.7	13.2	6.6	13.0	13.0

Number of Employees

	2016/9	2017/3	2017/9	Amount change	
				vs.2016/9	vs.2017/3
Consolidated	5,603	5,654	5,837	+234	+183