



# Results Presentation for FY2020 Ended December 31, 2020

**EBARA (6361)**

February 12, 2021

Looking ahead,  
going beyond expectations  
*Ahead > Beyond*

EBARA CORPORATION

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\*1. Fluid Machinery & Systems Business / \*2. Environmental Plants Business / \*3. Precision Machinery Business

✓ “Net Sales by Region” shown in this document indicates sales on the basis of the geographical location where the goods are sold.

✓ FY20 IFRS results estimates in this document are reference figures that have not yet been audited

✓ FY21 forecast is based on IFRS, but for convenience, it is shown in this document based on JGAAP.

### Abbreviations

<sup>2</sup> FY: fiscal year (FY20: fiscal year ended December 31, 2020)/1Q: 1Q figures/1-2Q, 1-3Q, 1-4Q: cumulative total from 1Q to each quarter

## Points of Results

### FY20 Results

	JGAAP	YoY*
■ Orders	¥511.9 B.	(-7.3%) ↓
■ Net Sales	¥523.7 B.	(+0.2%) →
■ Operating Income	¥37.8 B.	(+7.3%) ↑

\* ↑ +5% change or more ↓ -5% change or more → less than ± 5% change

### FY21 Forecast

	IFRS	YoY**
■ Orders	¥628.0 B.	(+22.8%) ↑
■ Net Sales	¥559.0 B.	(+6.9%) ↑
■ Operating Income	¥43.0 B.	(+15.7%) ↑

\*\* Compared to FY20 estimated figures based on IFRS

### Topics

#### ■ FY20 Results

Sales and profit increased due to increase in sales and profit in PM business and profit in FMS business

#### ■ FY21 Forecast

Sales and profit are expected to increase in all businesses, especially in PM business, and record profits expected

#### ■ Shareholder Returns

Annual dividends per share expected to increase in FY20 to 90 JPY, and expected to increase further to 100 JPY in FY21

#### ■ Change of Accounting Standards

Change of accounting standards from Japanese generally accepted accounting principles (JGAAP) to International Financial Reporting Standards (IFRS) from 1Q FY21

1. FY20 Summary of Results Consolidated			
	FY19 1-4Q Results	FY20 1-4Q Results	Change
(in billion yen)	JGAAP	JGAAP	
Orders	552.2	511.9	-40.3
Net Sales	522.4	523.7	+1.3
Operating Income	35.2	37.8	+2.5
OI Ratio	6.8%	7.2%	+0.4pts
Ordinary Income	35.5	36.8	+1.2
Net Income Attributable to Owners of Parent	23.3	24.4	+1.1
Exchange Rate (USD)	JPY 108.50	JPY 103.50	

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## 1. FY20 Summary of Results—Consolidated :

Orders: JPY 511.9 billion (YoY –JPY 40.3 billion)

Net Sales: JPY 523.7 billion (YoY +JPY 1.3 billion)

Operating Income: JPY 37.8 billion (YoY +JPY 2.5 billion)

OI Ratio: 7.2 % (+0.4 pts.)

Net Income attributable to Owners of Parent: JPY 24.4 billion (YoY +JPY 1.1 billion)



1. FY20 Summary of Results Segment		EBARA		
		FY19 1-4Q Results	FY20 1-4Q Results	Change
(in billion yen)		JGAAP	JGAAP	
Total	Orders	552.2	511.9	-40.3
	Net Sales	522.4	523.7	+1.3
	Operating Income	35.2	37.8	+2.5
	OI Ratio	6.8%	7.2%	+0.4pts
FMS Business	Orders	331.6	300.9	-30.6
	Net Sales	323.1	313.5	-9.5
	Operating Income	17.2	19.7	+2.5
	OI Ratio	5.3%	6.3%	+1.0pts
EP Business	Orders	91.4	62.0	-29.4
	Net Sales	69.5	67.5	-1.9
	Operating Income	7.4	7.1	-0.3
	OI Ratio	10.8%	10.6%	-0.2pts
PM Business	Orders	127.6	147.4	+19.7
	Net Sales	128.2	141.1	+12.8
	Operating Income	10.3	11.4	+1.0
	OI Ratio	8.1%	8.1%	-
Others, Adjustment	Orders	1.5	1.4	-0.0
	Net Sales	1.5	1.4	-0.0
	Operating Income	0.1	-0.5	-0.6
	OI Ratio	10.9%	-34.0%	-44.9pts

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## 1. FY20 Summary of Results—Segment:

### FMS Business

- Demand in the building equipment market and oil and gas market was negatively impacted by COVID-19. Recovery was slow, and both orders and net sales decreased.
- Operating income increased due to improved profitability in each business

### EP Business

- Orders declined significantly due to unexpected postponement of large-scale waste treatment plant projects and a relatively high level of orders in the prior year

### PM Business

- Higher earnings than the prior year due to solid capital investment in semiconductor market and high operating rate of semiconductor plants

1. FY20 Summary of Results Net Sales by Region					
(in billion yen)	FY19 1-4Q		FY20 1-4Q		Change
	Results	Composition of Net Sales	Results	Composition of Net Sales	
	JGAAP		JGAAP		
Total	522.4	100.0%	523.7	100.0%	+1.3
In domestic market (Japan)	233.3	44.7%	235.8	45.0%	+2.5
In overseas market	289.0	55.3%	287.8	55.0%	-1.2
China	80.6	15.4%	80.2	15.3%	-0.3
Asia (excl. China)	87.8	16.8%	101.1	19.3%	+13.2
North America	55.3	10.6%	40.7	7.8%	-14.6
Europe	28.3	5.4%	37.1	7.1%	+8.7
Middle East	24.3	4.7%	17.6	3.4%	-6.6
Others	12.5	2.4%	10.9	2.1%	-1.5

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## 1. FY20 Summary of Results—Net Sales by Region:

### ■ North America: YoY -JPY 14.6 billion

- Decreased in the U.S. due to travel restrictions and delays/cancellations of construction work caused by COVID-19

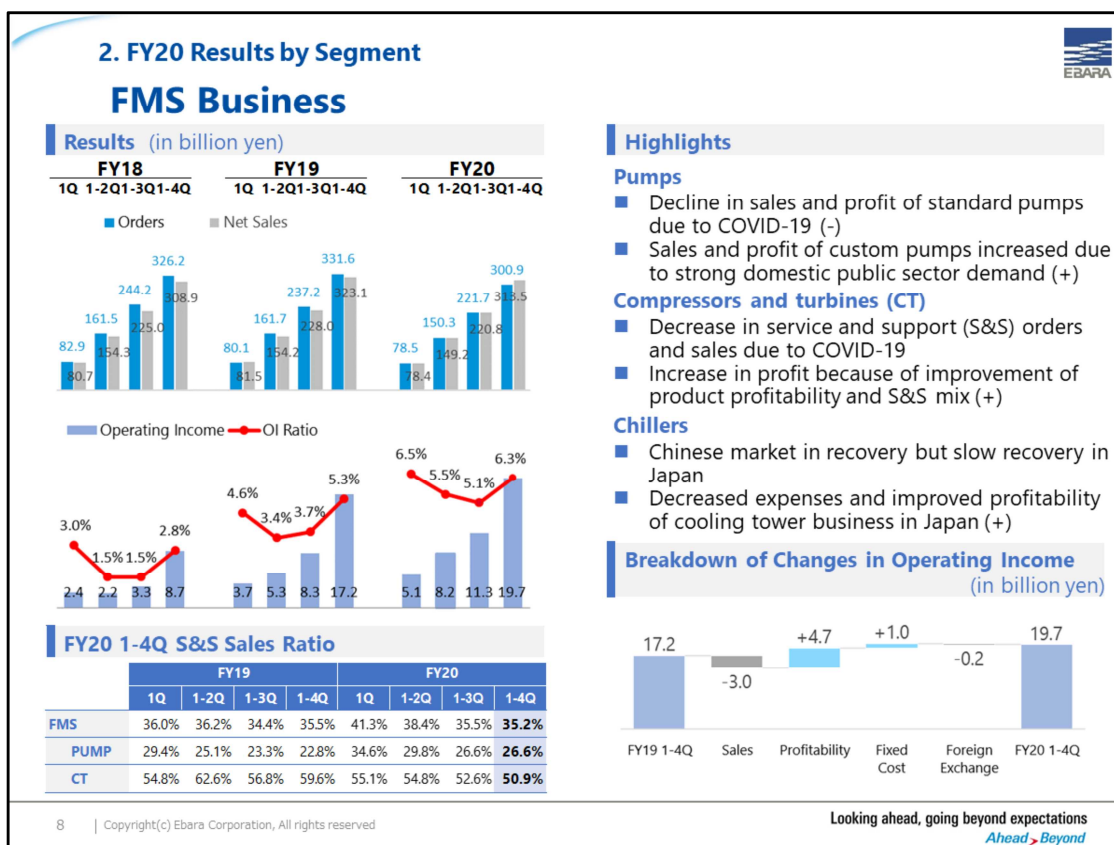
### ■ Asia, excluding Japan and China: YoY +JPY 13.2 billion

- Significant increase mainly in PM Business

<div> <div>1. FY20 Summary of Results</div> <div>Management Indicators</div> </div>				
			FY19 1-4Q	FY20 1-4Q
			Results	Results
			JGAAP	JGAAP
Management Indicators				
ROIC	6.5%	6.6%	<div> <div>ROIC</div> <div>FY20 Plan: 5.0%</div> <div>(compared to plan: +1.6pts)</div> </div>	
ROE	8.3%	8.4%		
Debt-to-Equity Ratio (times)	0.29	0.26		
Working Capital Turnover				
Receivable turnover period	131 days	136 days		
Inventory turnover period	85 days	78 days		
Shareholder Returns				
Annual dividends per share	¥60	¥90 (expected)		
Total annual dividends	¥5.7 B.	¥8.5 B. (expected)		
Consolidated dividend payout ratio	24.8%	35.0% (expected)		
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## 1. FY20 Summary of Results—Management Indicators:

ROIC, the most important management indicator, was 6.6%, higher than FY19 result and FY20 plan



## 2. FY20 Results by Segment—FMS:

Orders: JPY 300.9 billion (YoY +JPY 30.6 billion)

Net Sales: JPY 313.5 billion (YoY +JPY 9.5 billion)

Operating Income: JPY 19.7 billion (YoY +JPY 2.5 billion)

➤ Profitability improved in all three core businesses

### ■ Pumps Business: Decrease in Sales and Profit

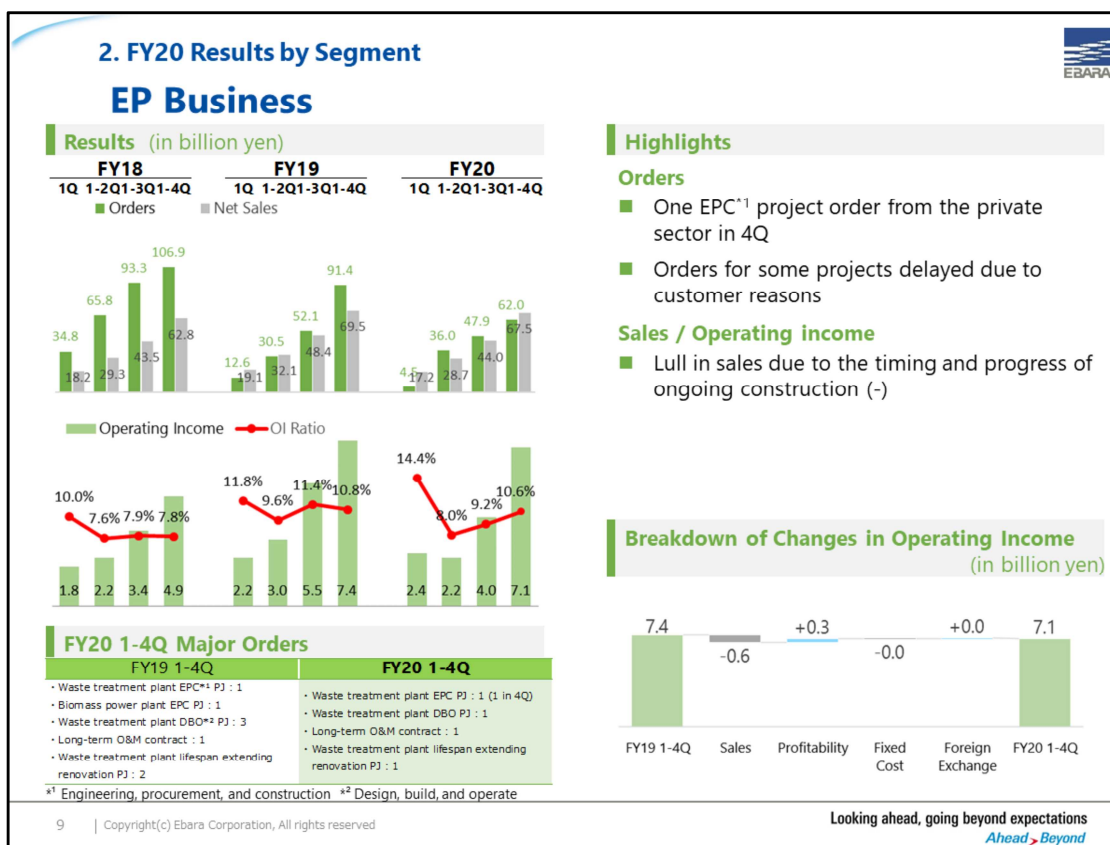
- In Standard Pumps Business, results fell below the prior year due to decreased demand in the building equipment market
- In Custom Pumps Business, sales for domestic public projects and petrochemicals in China were strong

### ■ CT Business: Sales Decreased and Profit Increased

- Orders and net sales decreased due to the decline of crude oil prices and postponement of new investments and travel restrictions caused by COVID-19
- Profit increased due to improved product profitability and enhanced offering mix within Service & Support (S&S)

### ■ Chillers Business: Decrease in Sales, Increase in Profit

- Demand is coming back in China, however intense price competition continues
- Profit increased due to improved profitability and cost reductions in the domestic cooling tower business



## 2. FY20 Results by Segment—EP:

Orders: JPY 62.0 billion (YoY –JPY 29.4 billion)

Net Sales: JPY 67.5 billion (YoY –JPY 1.9 billion)

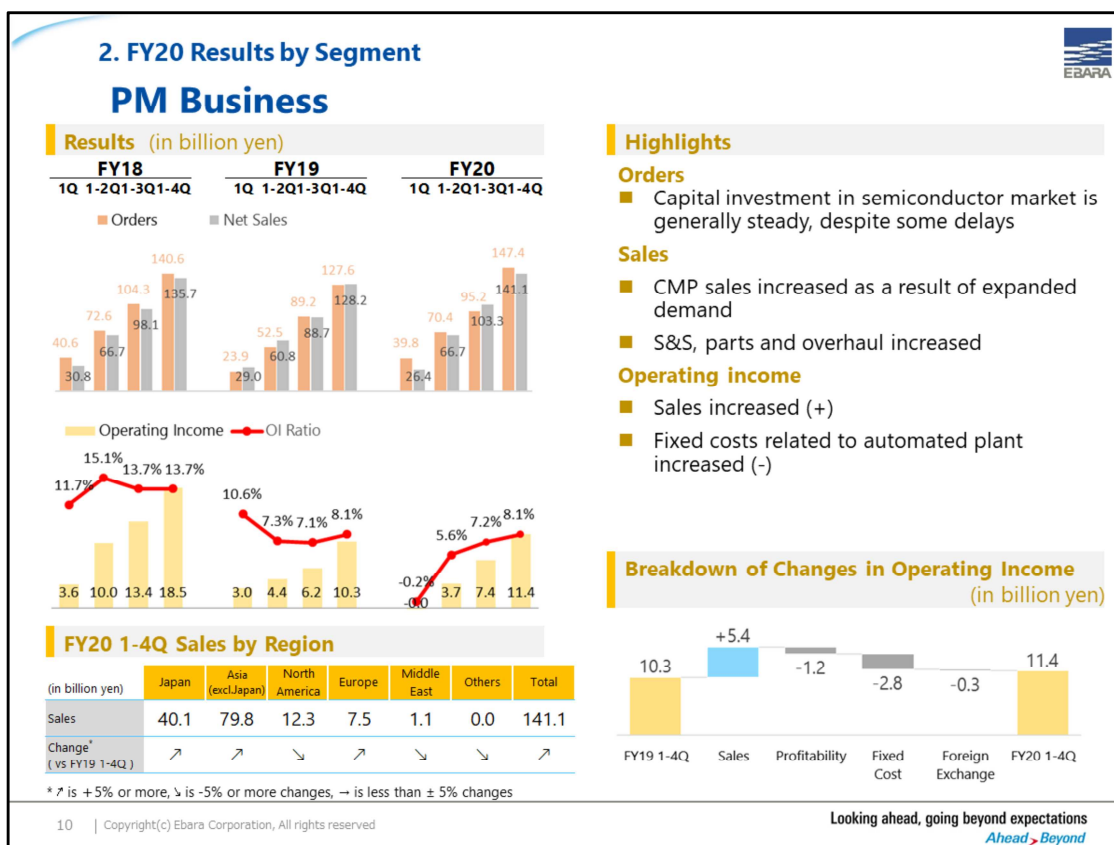
Operating Income: JPY 7.1 billion (YoY +JPY 0.3 billion)

### Orders

- Received an order for a private sector EPC project in 4Q
- Orders decreased compared with the prior year due to customer-side postponements of several projects

### Net Sales and Operating Income

- Sales and profits declined this year because of the timing and progress of ongoing EPC projects
- Cost reduction measures progressed in long-term operation and maintenance (O&M), and profitability improved compared to the plan



## 2. FY20 Results by Segment—PM:

Orders: JPY 147.4 billion (YoY +JPY 19.7 billion)

Net Sales: JPY 141.1 billion (YoY +JPY 12.8 billion)

Operating Income: JPY 11.4 billion (YoY +JPY 1.0 billion)

Both orders and net sales reached record highs

### Orders


Capital investment in the semiconductor market was partly delayed, while foundry and logic markets remained firm. Memory manufacturers are showing signs of recovery, and orders are significantly higher than the prior year.

### Net Sales

- CMP sales increased due to demand growth
- Customers' plant operations remained at a high level, and sales of parts and overhaul services increased

### Operating Income

- Profits increased due to higher sales
- In Components Business, fixed costs increased because of costs related to the automated plant for dry vacuum pumps



## 2. FY20 Results by Segment

### COVID-19 Impacts

- Our main markets, social and industrial infrastructure are stable
- Market situation in FY20 was on a recovery trend, with some restrictions on the movement of people relaxed, bottoming out in April-June

Impact on Sales*		Markets	FY20 Situation	
			Market Situation	EBARA
Pumps	Moderate	Building equipment	<ul style="list-style-type: none"> <li>■ GDP growth is recovering around the world, bottoming out in April-June</li> <li>■ Interruptions in construction, delays, and budget execution varied by region</li> </ul>	<ul style="list-style-type: none"> <li>■ Decrease in orders and sales in Japan, China, Europe, America, and Southeast Asia</li> </ul>
		Oil and gas	<ul style="list-style-type: none"> <li>■ Project order and construction delays in regions other than China</li> <li>■ Restrictions on the movement of people and quarantine measures in some areas</li> </ul>	<ul style="list-style-type: none"> <li>■ Decrease in orders and sales due to more selective order-taking</li> <li>■ Limited sales activities and employee dispatch</li> </ul>
CT	Low			
Chillers	Moderate	Building equipment	<ul style="list-style-type: none"> <li>■ Postponement or freeze of renewal and maintenance plans in Japan bottomed out in 2Q</li> <li>■ Despite recovery trends in China, competition for orders is intensifying</li> </ul>	<ul style="list-style-type: none"> <li>■ Decrease in orders and sales of S&amp;S in Japan</li> <li>■ Increase in sales in China</li> </ul>
EP	-	Waste treatment plant	<ul style="list-style-type: none"> <li>■ No impact</li> </ul>	<ul style="list-style-type: none"> <li>■ No impact</li> </ul>
PM	Low	Semi-conductor	<ul style="list-style-type: none"> <li>■ Increase in remote work and demand for things to spend time indoors</li> <li>■ Continued measures on customers' side to increase safety stock to maintain production</li> <li>■ Continued restrictions on the movement of people</li> </ul>	<ul style="list-style-type: none"> <li>■ The business environment is favorable despite some impact from COVID-19</li> <li>■ Increase in orders and sales for overhauls and parts</li> <li>■ Decrease in remodeling projects (S&amp;S)</li> </ul>

\* High: Greater than -10%, Moderate: Between -5 to -10%, Low: Less than -5%

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## 2. FY20 Results by Segment—COVID-19 Impacts:

- Our main markets, social and industrial infrastructure are stable although there are regional differences
- Suspension of economic activities in the early spring clearly impacted Pumps Business and Chiller Business in the building equipment market, but the demand has been recently recovering, particularly in China
- In other markets and regions, some impact still remains, including postponement of investments, and the suspension of construction, and the backlog in the oil and gas market declined
- In PM Business, the number of S&S remodeling projects decreased due to travel restrictions. On the other hand, there was some positive impact, such as customers ordering parts in advance to maintain plant operation, as well as rising demand for semiconductors due to people staying home and working from home.

### 3. IFRS Transition



## Voluntary Adoption of IFRS

- We are adopting IFRS from 1Q FY21 to improve international comparability of our financial information
- Revenue recognition standard has been adopted from 1Q FY20
- FY21 forecast figures from this document are based on IFRS


### Implementation Schedule

Date	Documents	Accounting period	Accounting standards	Remarks
2021/2/12	■ Financial Results ■ Financial Results Presentation Materials	FY20 Results FY21 Forecast	JGAAP IFRS	FY20 IFRS estimates are reference figures that have not yet been audited
2021/3	■ Annual Securities Report	FY20 Results	JGAAP	
After 2021/5	■ Financial Results ■ Financial Results Presentation Materials ■ Quarterly Financial Reports	FY21 Results FY21 Forecast	IFRS IFRS	IFRS disclosure from 1Q onwards FY20 figures for the previous fiscal year are after IFRS audit

### 3. IFRS Transition—Voluntary Adoption of IFRS:

Transition to IFRS from 1Q 2021 financial closing to improve comparability of financial statements and to unify accounting standards with overseas subsidiaries





### 3. IFRS Transition

## Consolidated Financial Statements (Profit and Loss)

In billion yen	FY20 1-4Q Results JGAAP	In billion yen	FY20 1-4Q Results IFRS Ref.	Variance	Reasons for variance
Net sales	523.7	Revenue	522.8	-0.8	■ Change in conversion method of overseas subsidiaries' P&L -¥0.8 B.
Operating expenses	485.8	Operating expenses	485.3	-0.4	■ Adjustment related to retirement benefits +¥0.7 B. ■ No more inclusion of amortization of goodwill -¥0.2 B.
Operating income	37.8	Other income (expenses)	-0.3		■ Loss on disposal of fixed assets -¥0.4 B.
Non-operating income/expenses	-1.0	Operating profit	37.1	-0.7	
Ordinary income	36.8	Finance income (costs)	-2.4		■ Interest income +¥0.3 B. ■ Interest expense -¥1.1 B. ■ Foreign exchange loss -¥1.1 B.
Extraordinary income/loss	-0.8	Share of profit (loss) of investments accounted for using equity method	0.8		
Income before income taxes	36.0	Profit (loss) before tax	35.5	-0.5	
Profit attributable to owners of parent	24.4	Profit of the period attributable to owners of parent	24.2	-0.1	

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### 3. IFRS Transition—Consolidated Financial Statements (Profit and Loss Statement):

Major adjustment is recording of a portion of non-operating income/expenses and extraordinary income/loss as operating expenses

(Estimated major impacts)

Operating profit: Approx. -JPY 0.7 billion

Final profit: Approx. -JPY 0.1 billion



### 3. IFRS Transition

## Consolidated Financial Statements (Balance Sheet)

	FY20 4Q Results JGAAP	FY20 4Q Results IFRS Ref.	Variance	Reasons for variance
In billion yen				
<b>Total assets</b>	621.5	643.8	+22.2	■ Recording of lease assets +¥20.9 B.
<b>Total liabilities</b>	317.1	345.6	+28.5	■ Recording of lease liabilities +¥21.2 B. ■ Recording of employee benefit liabilities +¥7.3 B.
<b>Total net assets</b>	304.4	298.2	-6.2	■ Recording of employee benefits -¥5.4 B.

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### 3. IFRS Transition—Consolidated Financial Statements (Balance Sheet):

Lease assets and liabilities and employee benefits, which were presented off-balance sheet under JGAAP, will be recorded on the Balance Sheet, and as a result, assets and liabilities are expected to increase and net assets to decrease

<b>3. IFRS Transition</b> <b>Impact on Numerical Targets of E-Plan 2022, Medium-term Management Plan</b>			
■ Impact of transition to IFRS on the targets of E-Plan 2022, medium-term management plan, announced February 2020			
Key Performance Indicators (KPI)	FY22 Numerical Targets		Major Impact
	JGAAP	IFRS	
ROIC	8.0% or more	7.6% or more	■ Increase in liabilities and decrease in equity (mainly recording of lease obligations)
Operating Income to Sales ratio	8.5% or more	8.5% or more	■ No change
<b>Target Achievement Indicators</b>			
ROE	11.0% or more	11.2% or more	■ Decrease in equity capital (mainly recording of employee benefits)
Debt-to-Equity Ratio	0.3-0.5 times	0.4-0.6 times	■ Increase in liabilities and decrease in equity (mainly recording of lease obligations)
Operating Income Ratio by Business			
FMS Business	7.0% or more	7.0% or more	■ No change
Pumps Business	6.5% or more	6.5% or more	
Compressors and Turbines Business	8.0% or more	8.0% or more	
Chillers Business	5.0% or more	5.0% or more	
EP Business	9.5% or more	9.5% or more	
PM Business	13.0% or more	13.0% or more	

### 3. IFRS Transition—Impact on Numerical Targets of E-Plan 2022, Medium-term Management Plan:

Major impacts on the targets for FY2022, the final year of E-Plan 2022, the medium-term management plan, are as follows

- ROIC: 8.0% ⇒ 7.6%
- ROE: 11.0% or more ⇒ 11.2% or more
- Debt-to-Equity Ratio: 0.3 to 0.5 times ⇒ 0.4 to 0.6 times

4. FY21 Forecast Consolidated								
(in billion yen)								
	FY20 1-2Q Results JGAAP	FY20 1-2Q Results IFRS Ref.	FY21 1-2Q Plan IFRS	Change	FY20 1-4Q Results JGAAP	FY20 1-4Q Results IFRS Ref.	FY21 1-4Q Plan IFRS	Change
Announced date(m/d/y)		a	b 21/02/12	b-a		c	d 21/02/12	d-c
Orders	257.6	258.0	293.0	+34.9	511.9	511.2	628.0	+116.7
Net Sales	245.4	245.7	266.0	+20.2	523.7	522.8	559.0	+36.1
Operating Income	13.6	12.7	15.0	+2.2	37.8	37.1	43.0	+5.8
OI Ratio	5.6%	5.2%	5.6%	+0.4pts	7.2%	7.1%	7.7%	+0.6pts
Net Income Attributable to Owners of Parent	7.4	6.7	9.5	+2.7	24.4	24.2	28.0	+3.7
ROIC	-	-	-	-	6.6%	6.3%	7.0%	+0.7pts
Annual Dividend per share	-	-	-	-	¥90	¥90	¥100	+¥10
Interim Dividend	-	-	-	-	¥30	¥30	¥50	+¥20
Year-end Dividend	-	-	-	-	¥60	¥60	¥50	-¥10

FY21 assumed exchange rate (USD): JPY 105

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#### 4. FY21 Forecast—Consolidated:

Although the impact of COVID-19 continues to require close monitoring, the economy is on a recovery trend, and semiconductor demand is expected to rise further.

##### ■ FY21 Forecast

➤ Operating Income is expected to reach a record high.

Orders: JPY 628.0 billion (YoY +JPY 116.7 billion)

Net Sales: JPY 559.0 billion (YoY +JPY 36.1 billion)

Operating Income: JPY 43.0 billion (YoY +JPY 5.8 billion)

ROIC: 7%

Dividend per share: JPY100 (YoY +JPY 10)

Exchange rate: JPY 105/USD

4. FY21 Forecast Segment									
(in billion yen)									
		FY20 1-2Q Results JGAAP	FY20 1-2Q Results IFRS Ref. a	FY21 1-2Q Plan IFRS b Feb/12/21	Change b-a	FY20 1-4Q Results JGAAP	FY20 1-4Q Results IFRS Ref. c	FY21 1-4Q Plan IFRS d Feb/12/21	Change d-c
Announced date(m/d/y)									
Total	Orders	257.6	258.0	293.0	+34.9	511.9	511.2	628.0	+116.7
	Net Sales	245.4	245.7	266.0	+20.2	523.7	522.8	559.0	+36.1
	Operating Income	13.6	12.7	15.0	+2.2	37.8	37.1	43.0	+5.8
	OI Ratio	5.6%	5.2%	5.6%	+0.4pts	7.2%	7.1%	7.7%	+0.6pts
FMS Business	Orders	150.3	150.8	149.0	-1.8	300.9	301.1	314.0	+12.8
	Net Sales	149.2	149.6	152.0	+2.3	313.5	313.5	314.0	+0.4
	Operating Income	8.2	7.9	8.0	+0.0	19.7	19.3	20.0	+0.6
	OI Ratio	5.5%	5.3%	5.3%	-	6.3%	6.2%	6.4%	+0.2pts
EP Business	Orders	36.0	36.0	52.0	+15.9	62.0	61.9	141.0	+79.0
	Net Sales	28.7	28.7	33.0	+4.2	67.5	67.4	73.0	+5.5
	Operating Income	2.2	2.1	3.0	+0.8	7.1	6.9	7.0	+0.0
	OI Ratio	8.0%	7.6%	9.1%	+1.5pts	10.6%	10.3%	9.6%	-0.7pts
PM Business	Orders	70.4	70.3	91.0	+20.6	147.4	146.6	171.0	+24.3
	Net Sales	66.7	66.6	80.0	+13.3	141.1	140.3	170.0	+29.6
	Operating Income	3.7	3.3	4.5	+1.1	11.4	11.6	16.5	+4.8
	OI Ratio	5.6%	5.1%	5.6%	+0.5pts	8.1%	8.3%	9.7%	+1.4pts
Others, Adjustment	Orders	0.7	0.7	1.0	+0.2	1.4	1.4	2.0	+0.5
	Net Sales	0.7	0.7	1.0	+0.2	1.4	1.4	2.0	+0.5
	Operating Income	-0.5	-0.7	-0.5	+0.2	-0.5	-0.7	-0.5	+0.2
	OI Ratio	-82.1%	-105.3%	-50.0%	+55.3pts	-34.0%	-48.0%	-25.0%	+23.0pts

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#### 4. FY21 Forecast—Segment:

##### FMS Business


- Orders increased due to the economic recovery from COVID-19 pandemic
- From the second half onward, travel restrictions are expected to be relaxed and both sales and profits are expected to increase

##### EP Business

- Orders are expected to reach a record high due to the capture of large-scale projects that were delayed from the previous year due to customer reasons and acquisition of multiple DBOs and long-term O&M projects.
- Sales is expected to increase due to the progress of EPC constructions

##### PM Business

- Sales and profits are expected to increase supported by the solid demand for semiconductors
- Orders and net sales are expected to exceed FY2020 results, reaching record highs



## 4. FY21 Forecast

# COVID-19 Impacts

- Although recovery has temporarily slowed due to the continued spread of COVID-19, vaccines and policy support from various countries will contribute to recovery

Impact on sales*		Markets	FY21 Forecast	
FY20	FY21		Market Situation	EBARA (Compared to previous year)
Pumps	Moderate	Building equipment	<ul style="list-style-type: none"> <li>■ Recovery in GDP growth rates around the world</li> <li>■ Speed of recovery will depend on vaccine coverage of each country</li> </ul>	<ul style="list-style-type: none"> <li>■ Orders and sales of standard pumps are expected to increase globally</li> </ul>
		Oil and gas	<ul style="list-style-type: none"> <li>■ Capital investment in China will be strong</li> <li>■ Construction and S&amp;S projects will resume in the second half of the year</li> <li>■ Restrictions on the movement of people and lifting of quarantine restrictions will vary by region</li> </ul>	<ul style="list-style-type: none"> <li>■ Orders will recover</li> <li>■ Decline in sales due to decrease in orders in FY20</li> </ul>
CT	Low	Low		
Chillers	Moderate	-	<ul style="list-style-type: none"> <li>■ Industrial demand will recover in Japan</li> <li>■ S&amp;S projects frozen in FY20 will resume</li> </ul>	<ul style="list-style-type: none"> <li>■ Increased orders and sales in Japan</li> </ul>
EP	-	-	<ul style="list-style-type: none"> <li>■ No impact</li> </ul>	<ul style="list-style-type: none"> <li>■ No impact</li> </ul>
PM	Low	Low	<ul style="list-style-type: none"> <li>■ Market is growing</li> <li>■ Restrictions on the movement of people will be eased in some regions later this year</li> <li>■ Measures to increase safety stock to maintain production will continue</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase in orders and sales</li> <li>■ Risk of shortage of equipment start-up engineers</li> <li>■ Increase in orders and sales for overhaul and parts sales</li> </ul>

\* High: Greater than -10%, Moderate: Between -5% to -10%, Low: Less than -5%

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#### 4. FY21 Forecast—COVID-19 Impacts

- General performance is expected to recover in the second half of the year due to vaccination efforts and economic and monetary policy support provided by governments
- In the oil and gas market, sales activities for after-sales inspections and investment projects postponed from the last year, are expected to resume, but the impact of the reduced backlog is expected to remain

5. Medium-term Management Plan "E-Plan 2022"				
First Year Review				
■ Some impact seen from COVID-19, however improvements to profitability are on-track				
Key Performance Indicator (KPI)	FY19 Results	E-Plan 2022		
	JGAAP	FY20 Results JGAAP	FY21 Forecast IFRS	FY22 Targets IFRS
ROIC	6.5%	6.5%	7.0%	7.6% or more
Operating Income to Sales Ratio	6.8%	7.2%	7.7%	8.5% or more
Target Achievement Indicators				
ROE	8.3%	8.4%	-	11.2% or more
Debt-to-Equity Ratio	0.29 times	0.26 times	-	0.4 0.6 times
Operating Income Ratio by Business				
Fluid Machinery & Systems Business	5.3%	6.3%	6.4%	7.0% or more
Pumps Business	6.3%	5.8%	6.4%	6.5% or more
Compressors and Turbines Business	5.1%	7.8%	6.8%	8.0% or more
Chillers Business	4.9%	5.8%	5.9%	5.0% or more
Environmental Plants Business	10.8%	10.6%	9.6%	9.5% or more
Precision Machinery Business	8.1%	8.1%	9.7%	13.0% or more

## 5. Medium-term Management Plan "E-Plan 2022"—First Year Review:

- Despite the COVID-19 impact, each business implemented measures in line with the strategy of the medium-term management plan and steady progress was made in the first year
- Key indicators are ROIC at 6.6% and OI Ratio at 7.2%, both higher than forecasts and FY19 results



## 5. Medium-term Management Plan “E-Plan 2022”

### First Year Review

- Maintained a financial base for making growth investments and providing stable dividends

Financial Policy		E-Plan 2022			
		FY19 Results	FY20 Results	FY21 Forecast	FY22 Targets
		JGAAP	JGAAP	IFRS	IFRS
Growth Investment	■ CAPEX about 100.0 billion yen	¥34.3 B.	¥32.2 B.	¥26.0 B.	-
	■ R&D about 40.0 billion yen	¥11.5 B.	¥12.5 B.	¥14.0 B.	-
	■ Proactive M&A	-	-	Approx. ¥11.3 B.*	-
Shareholder Returns	■ Consolidated dividend payout ratio 35% or more	24.8%	35.0%	34.1%	35% or more
	Dividends per share	¥60	¥90	¥100	-
	■ Agile share repurchase	¥15.0 B.	-	-	-
Capital Efficiency	■ Debt-to-equity ratio about 0.3-0.5 times	0.29 times	0.26 times	-	0.4-0.6 times
	■ Shrink trade receivables and inventories				

\*Already disclosed. Plans to complete the acquisition of Turkish pump manufacturer by March 2021

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## 5. Medium-term Management Plan "E-Plan 2022"—First Year Review:

### ■ Financial Policy

- Steady investment for growth
- Shareholder returns (dividends) are planned to be linked to the level of performance
- Debt-to-equity ratio was 0.26 times for FY2020, as a result of focused efforts to maintain financial soundness in response to COVID-19 risks





## 5. Medium-term Management Plan “E-Plan 2022”

### Accomplishments and Future Initiatives

		Accomplishments	Future Initiatives
Basic Policy 1	Strive for growth	Development of new businesses	
		<ul style="list-style-type: none"> <li>Established Marketing/New Business Architecture Departments</li> <li>Began commercialization of businesses in 4 fields</li> </ul>	<ul style="list-style-type: none"> <li>Further search for new businesses and promote commercialization of potential businesses in 4 fields</li> </ul>
Basic Policy 2	Improve profitability of existing businesses	Further global expansion of existing businesses	
		<ul style="list-style-type: none"> <li>Standard Pumps Business opened a new base and strengthened existing bases</li> <li>PM Business began implementing enhancements to sales capabilities in China</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate measures delayed due to COVID-19, such as the establishment of new standard pump bases</li> <li>Complete construction of PM Business overhaul base in China by 3Q</li> </ul>
Basic Policy 2	Improve profitability of existing businesses	Transformation of business structure to strengthen earnings base	
		<ul style="list-style-type: none"> <li>Improved productivity in Custom Pumps Business and profitability of products in CT Business</li> <li>Promoted production efficiency using IoT and automatic design technologies, etc.</li> </ul>	<ul style="list-style-type: none"> <li>For Custom Pumps Business, accelerate shift from export-focused production to local production for local consumption</li> <li>Implement additional measures to improve product profitability in CT Business</li> </ul>
Basic Policy 2	Improve profitability of existing businesses	Growth in S&S sales in all businesses	
		<ul style="list-style-type: none"> <li>Established a new department for Standard Pumps Business specifically to provide on-call support</li> <li>Reallocated engineering staff from products to S&amp;S to strengthen after-sales service proposals in Custom Pump Business and implemented business reforms through DX</li> <li>Established an organization specializing in S&amp;S in PM Business</li> </ul>	<ul style="list-style-type: none"> <li>Recover from delays caused by COVID-19 to further accelerate S&amp;S collaboration between Custom Pumps Business and CT Business</li> </ul>

## 5. Medium-term Management Plan "E-Plan 2022"—Accomplishments and Future Initiatives:

### Basic Policy 1: Strive for Growth

#### ■ Development and Commercialization of New Businesses

- Established Marketing and New Business Architecture Departments
- Reviewed commercialization of businesses in four fields, including next-generation inland aquaculture and the biotechnology industry
- (Future) Continue to investigate market needs for businesses in new fields

#### ■ Further Global Expansion of Existing Businesses

- Strengthened bases for Standard Pumps Business
- Strengthened sales capabilities in China for PM Business
- (Future)
- Accelerate the expansion of bases for Standard Pumps Business, which has been delayed due to COVID-19
- For PM Business, start operation of a dry vacuum pump overhaul base in China


### Basic Policy 2: Improve Profitability of Existing Businesses

#### ■ Transformation of Business Structure to Strengthen Earnings Base

- Improved product profitability mainly in Custom Pumps and CT Businesses

#### ■ Growth in S&S Sales in All Businesses

- Established a department specializing in on-call support, reallocated personnel in Pumps Business, and implemented business reforms through DX
- (Future) Rapidly build after-sales collaboration system between Custom Pumps Business and CT Business for the oil and gas market



## 5. Medium-term Management Plan “E-Plan 2022”

### Accomplishments and Future Initiatives

	Accomplishments	Future Initiatives
<b>Basic Policy 3</b>  Refine management and business infrastructure	<b>Faster organizations</b>	
	<ul style="list-style-type: none"> <li>Launched a project for company-wide ERP implementation and managed the progress through monthly steering committees</li> <li>Prepared business standardization concept</li> </ul>	<ul style="list-style-type: none"> <li>Start of pilot tests</li> <li>Deploy business standardizations and templates</li> <li>Complete ERP implementation by 2024</li> </ul>
	<b>Deeper ROIC management</b>	
	<ul style="list-style-type: none"> <li>Set ROIC targets and KPIs by business segment and managed monthly progress</li> <li>Added business segment ROIC targets as an element of Executive Officer evaluations</li> <li>Conducted ROIC training for managers</li> </ul>	<ul style="list-style-type: none"> <li>Link business segment ROIC targets and KPIs to employee evaluations</li> </ul>
<b>Basic Policy 4</b>  Enhance ESG-focused management	<b>Take aim at environmental issues</b>	
	<ul style="list-style-type: none"> <li>Developed and sold environmentally-friendly products (energy-saving, high-efficiency types, etc.)</li> <li>Promoted chemical recycling technology</li> </ul>	<ul style="list-style-type: none"> <li>Develop new products and technologies that meet growing global demand for clean energy</li> <li>Promote development of practical use of chemical recycling</li> </ul>
	<b>Foster bonds with society</b>	
	<ul style="list-style-type: none"> <li>EP Business delivered environmental education on waste power generation to elementary school students</li> <li>Conducted global engagement survey of all employees and implemented actions to improve engagement</li> </ul>	<ul style="list-style-type: none"> <li>Expand environmental education and conduct further community-based environmental awareness activities</li> <li>Enact action plans to further improve engagement globally</li> </ul>
	<b>Enhance governance</b>	
	<ul style="list-style-type: none"> <li>Monitored the status of important E-Plan 2022 initiatives</li> <li>Sold all cross-shareholdings (of listed companies)</li> <li>Added a female director to the Board</li> <li>Established the Sustainability Committee to achieve E-Vision 2030</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate information infrastructure innovation, which is the key to revitalizing working styles (e.g., remote work, etc.), and further strengthen information security practices</li> </ul>

## 5. Medium-term Management Plan "E-Plan 2022"—Accomplishments and Future Initiatives:

### Basic Policy 3: Refine Management and Business Infrastructure

#### ■ Faster Organizations

- Launched a project for company-wide ERP implementation, with over 170 members
- (Future) Introduce ERP at a pilot company, and deploy company-wide business standardization in 2021

#### ■ Deeper ROIC Management

- Built a PDCA system where ROIC tree is incorporated to KPIs and action plans of each individual and organizational units, and conducted monthly monitoring meetings
- (Future) Link business segment ROIC targets and KPIs to evaluation of all employees

### Basic Policy 4: Enhance ESG-focused Management

#### ■ Take Aim at Environmental Issues

- EP Business collaborated with other companies to promote chemical recycling technology
- (Future) Continue development of practical use of chemical recycling technology

#### ■ Foster Bonds with Society

- Delivered environmental education to elementary school students in the community
- Conducted a global engagement survey of all employees and implemented actions to improve engagement

#### ■ Enhance Governance

- Monitored the status of important E-Plan 2022 initiatives, sold all cross-shareholdings of listed companies, added a female director, established the Sustainability Committee to achieve the long-term vision, E-Vision 2030
- (Future) Promote measures to revitalize working styles

## 5. Medium-term Management Plan “E-Plan 2022”

### Progress of Growth Investment



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#### Overseas Strategy for Standard Pumps Business

**Basic Policies**

- Develop new markets and expand sales bases
- Allocate investments and resources to regions with high growth potential
- Strengthen marketing functions and development systems to bring competitive products to market

**Progress of major measures**

- Expanded coverage by establishing more than 10 bases in Africa, Latin America, etc.  
 Sept. 2020 : Established a new company in Mexico  
 March 2021 : Complete acquisition of Turkish pump manufacturer
- Strengthen supply chain management  
 July 2020 : Established a distribution center in Vietnam  
 Nov. 2020 : Established Knock Down Center in Vietnam
- Market launch of core global products  
 Launched Model GSD in Southeast Asia and the Middle East

\*32 bases in 30 countries (as of the end of 2020)



Distribution center in Vietnam

ANTENNA SHOP in Brazil

**Major future initiatives**

- Accelerate the establishment of sales offices delayed due to COVID-19
- Accelerate market launch of products that meet regional needs
- PMI of Turkish pump manufacturer

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## 5. Medium-term Management Plan "E-Plan 2022"—Progress of Growth Investment:

### Major Measures of Standard Pumps Business

#### ■ Expansion of Bases

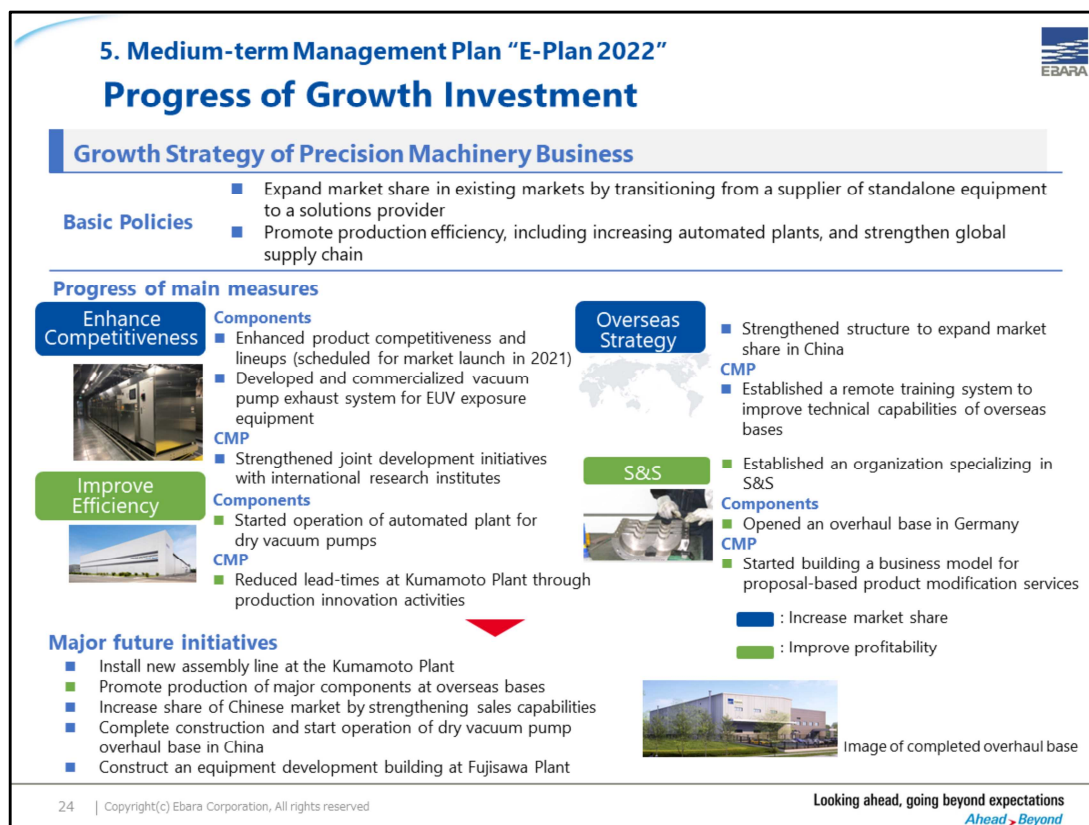
- Established a new company in Mexico in September 2020
- Executed a stock purchase agreement with a Turkish pump manufacturer in December 2020. Acquisition is scheduled to be completed around March 2021 to increase share in the deep-well motor pumps market

#### ■ Strengthen Supply Chain Management

- In Vietnam, established a distribution center in July 2020 and Knock Down Center (can be used for assembly work) in December 2020

#### ■ Major Future Initiatives

- Establish bases in Canada, Africa, and other areas
- Accelerate market launch of products that meet regional needs
- Realize synergies quickly from the acquisition of the Turkish pump manufacturer



## 5. Medium-term Management Plan "E-Plan 2022"—Progress of Growth Investment:

### PM Business Main Measures

#### ■ Enhance Competitiveness

- Expanded product lineup, and developed and commercialized dry vacuum pump exhaust system used for EUV exposure equipment
- CMP Business conducted joint development with international research institutes

#### ■ Overseas Strategy

- Opened an after-sales base for dry vacuum pumps in China to prepare for the expansion of semiconductor market
- Established a remote training system

#### ■ Improve Efficiency

- Progressed toward full-scale operation of automated plant for dry vacuum pumps
- Reduced lead-times at Kumamoto Plant (which mass-produces CMP Systems) through production innovation activities

#### ■ Strengthen S&S System

- Opened an overhaul base for dry vacuum pumps in Germany

#### ■ Major Future Initiatives

- Add a new CMP production line at Kumamoto Plant to respond to market expansion
- Enhance after-sales system to meet customer demand
- Construct a new building for equipment-related development

<b>5. Medium-term Management Plan "E-Plan 2022"</b> <b>Progress in Profitability Improvement</b>		
<b>Strategy to improve profitability of Custom Pumps Business and Compressor and Turbines Business</b>		
<b>Basic Policies</b> <ul style="list-style-type: none"> <li>■ Improve product profit margins</li> <li>■ Optimize sales to the production system</li> <li>■ Expand the scale of S&amp;S business</li> </ul>		
<b>Progress of main measures</b>	<b>Custom Pumps Business</b> <b>Improve profitability of export products (Futtsu Plant)</b> <ul style="list-style-type: none"> <li>■ Established hurdles for orders by industry and product with thorough selective order-taking</li> <li>■ Accelerated shift from export-focused production to local production for local consumption</li> <li>■ Implemented DX business reforms, such as automating parts quotations and other production/manufacturing process innovations</li> </ul>	<b>Compressors and Turbines Business</b> <b>Improve profitability of products</b> <ul style="list-style-type: none"> <li>■ Reduced lead time through implementation of automated design technologies</li> <li>■ Increased procurement volume from LCCs</li> <li>■ Improved operating margins through more selective orders</li> <li>■ Integrated Belle Vernon Plant with Jeannette Plant</li> </ul>
	<b>Increase S&amp;S sales</b> <ul style="list-style-type: none"> <li>■ Information sharing systems and quotation systems are being established for further S&amp;S collaboration between Custom Pumps Business and CT Business. Sales activities are scheduled to start in North America in 2021</li> </ul>	
	<b>Major future initiatives</b> <ul style="list-style-type: none"> <li>■ Even more thorough compliance with hurdles when receiving orders</li> <li>■ Even more thorough project management upon orders being received</li> <li>■ Reallocation of personnel to strengthen overseas S&amp;S</li> </ul>	<ul style="list-style-type: none"> <li>■ Completion of profitable cryogenic pump and expander test stand (scheduled for summer 2021)</li> </ul>
		<b>Additional measures</b> <ul style="list-style-type: none"> <li>■ Concentrate resources on areas of strength where brand power can be utilized, such as ethylene, PDH, and petroleum refining</li> <li>■ Promote business collaboration and personnel rotation between S&amp;S engineering and product design divisions</li> </ul>

## 5. Medium-term Management Plan "E-Plan 2022"—Progress in Profitability Improvement:


### Main Measures of Custom Pumps Business and CT Business

- Both businesses implemented measures to realize selective order-taking, efficient production systems, and shorter production lead-times
- CT Business started a review of production systems, including closing of low-efficiency plants, in addition to increasing procurement volumes from low-cost countries such as India and China

### ■ Major Future Initiatives

- Continue to strengthen and promote measures which started in the first year
- CT Business will focus on activities for markets which are expected to grow, including investing management resources in areas of expertise, such as ethylene, PDH, and petroleum refining, and operation of a test stand for cryogenic pumps





## 5. Medium-term Management Plan “E-Plan 2022”

### E-Plan 2022 Business Environment

		Market/Regional Trends *Main markets only		Market Fluctuation Factors		Forecast*		Newly identified risks/opportunities
						Original	Current	
Growth Investment								
Standard Pumps	Building equipment	Japan	Building equipment demand	→	→	Stagnation of economic activity due to spread of COVID-19		
		Overseas	GDP growth	→	→			
PM	Semiconductor	Japan/Overseas	CAPEX trends	→	→	Increased capital investment from foundry and memory manufacturers		
Improve Profitability								
Custom Pumps	Public works	Japan	National and local government finances	→	→	Change in order timing for large projects Decreased demand for crude oil due to changes in lifestyles, such as increased remote work, acceleration toward decarbonization		
	Oil and gas, water use, electric power	Japan/Overseas	Oil prices, CAPEX trends in Oil and Gas market, decarbonization	→	→			
	Emerging countries		GDP growth	→	→			
CT	Oil and gas (downstream)	Japan/Overseas	Oil prices, CAPEX trends	→	→	Decreased demand for crude oil due to changes in lifestyles, such as increased remote work, acceleration toward decarbonization		
Chillers	Building equipment	Japan	Building equipment demand	→	→	Stagnation of economic activity due to spread of COVID-19		
	China	Overseas	GDP growth	→	→			
EP	Waste incineration plants	Japan	National and local government finances	→	→	Change in order timing for large projects		

\*The forecast covers the period of E-Plan 2022, medium-term management plan. The original forecast was made February 2020.


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## 5. Medium-Term Management Plan "E-Plan 2022"—E-Plan 2022 Business Environment:

- COVID-19 in 2020, the first year of the plan, was unexpected, but impact was relatively minor, and the economy is expected to recover from 2021 onwards
- Even though future changes to the business environment are anticipated, such as further impact from COVID-19, accelerated transition to a carbon-free society, and further growth in the semiconductor market, there are no major revisions to the outlook of our main markets for each business.



## 5. Medium-term Management Plan “E-Plan 2022”

### Financial Policy

#### Sustainable Growth Investment

##### 【Large-scale investment projects】

- Implementation of ERP (FY20, FY21)
- Construction of cryogenic pump test stand (FY20)
- Construction of equipment development building of PM Business at Fujisawa Plant (FY21)
- Acquisition of Turkish pump manufacturer (FY21)

	FY20 Results	FY21 Forecast
	JGAAP	IFRS
CAPEX	¥32.2 B.	¥26.0 B.
R&D	¥12.5 B.	¥14.0 B.
M&A	-	Approx. ¥11.3 B. (Already disclosed)

- Signed SPA in December 2020: Plans to complete the acquisition of Turkish pump manufacturer Vansan by March 2021
- As part of our overseas market strategy, we aim to expand sales in regions and countries where growth is expected, such as population growth and industrial development

Background/Objectives	<ul style="list-style-type: none"> <li>■ Increase access to neighboring regions such as Europe, the Middle East, and Africa</li> <li>■ Strengthen supply chain in the global market</li> <li>■ Increase presence in the deep well motor pump market</li> <li>■ Strengthen competitiveness by leveraging production technology capabilities</li> </ul>
Companies to be acquired	■ Çiğli Su Teknolojileri A.Ş., which owns Vansan Makina Sanayi ve Ticaret A.Ş. and Vansan Makina Montaj ve Pazarlama A.Ş. (collectively referred to as Vansan)
Acquisition date	■ Scheduled for March 2021
Price of acquisition	■ Approx. ¥11.3 B.
Vansan net sales	■ Approx. ¥6.7 B. (FY19)
Vansan business overview	■ Manufacture and sale of deep well motor pumps and vertical pumps

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## 5. Medium-Term Management Plan "E-Plan 2022"—Financial Policy:

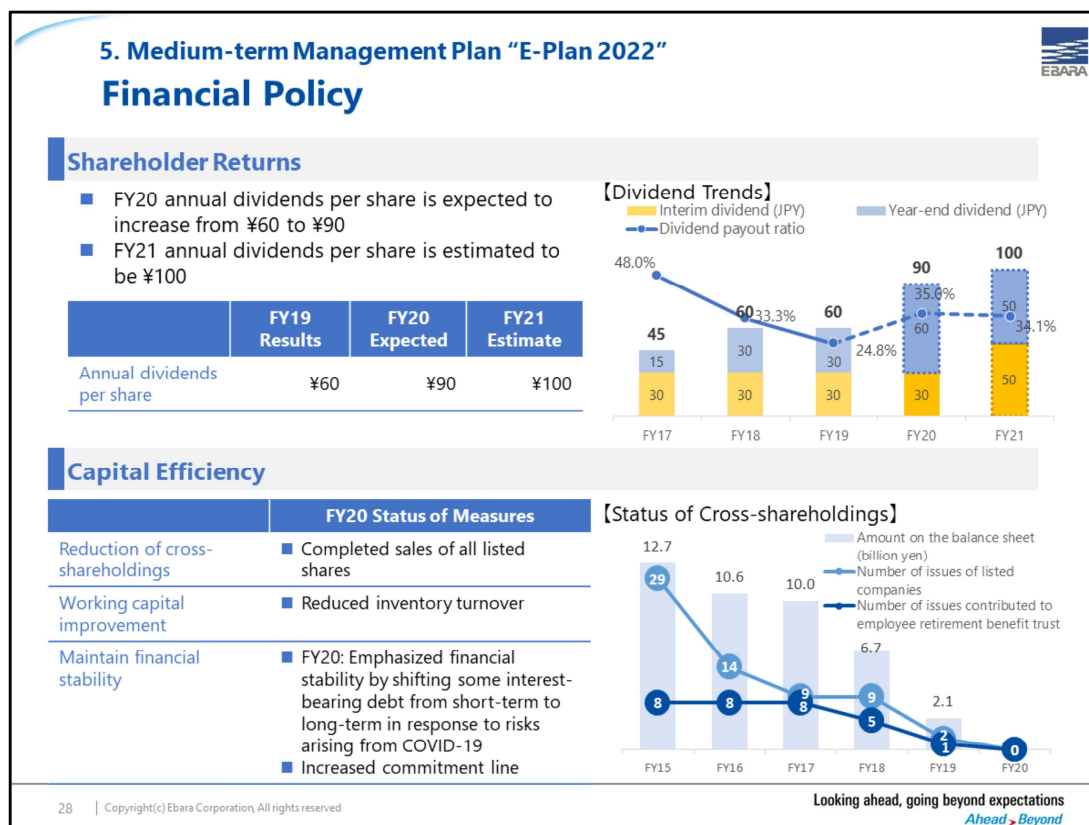
### Sustainable Growth Investment

#### ■ Major Investments in 2020

- CT Business constructed a test stand for cryogenic pumps for LNG
- Company-wide ERP implementation costs

#### ■ Major Investment Plans for 2021

- Start construction of a building for equipment development in the second half of the year (PM Business)
- In terms of M&A, acquisition of a Turkish pump manufacturer will be completed by March (Acquisition price: Approx. JPY 11.3 billion)



## 5. Medium-Term Management Plan "E-Plan 2022"—Financial Policy:

### Shareholder Returns

Performance-linked dividend with a consolidated dividend payout ratio target of 35% or more

- 2020 annual dividends per share are expected to increase from the initial plan of JPY60 to JPY90
- 2021 annual dividends per share are estimated to be JPY100, JPY10 increase from the prior year

### Capital Efficiency

Continue to improve working capital from capital efficiency perspective and build an optimal capital structure based on future needs

#### ■ Measures in 2020

- Sold all cross-shareholdings of listed companies in 2020
- Debt-to-equity ratio in 2020 was 0.26 times, lower than usual. Kept a relatively large amount of cash on hand in 2020 due to the emergence of COVID-19 risks, and focused on financial soundness by lengthening the maturity of interest-bearing debts and increasing funding limits.



## 6. Appendix Orders



(in billion yen)

Announced date(m/d/y)	1-2Q					1-4Q				
	FY20 Results JGAAP	FY20 Results IFRS Ref.	FY21 Plan IFRS	Change b-a	FY19 Results JGAAP	FY20 Results JGAAP	Change d-c	FY20 Results IFRS Ref.	FY21 Plan IFRS	Change f-e
	a	b	Feb/12/21		c	d		e	f	
<b>Total</b>	257.6	258.0	293.0	+34.9	552.2	511.9	-40.3	511.2	628.0	+116.7
<b>FMS Business</b>	150.3	150.8	149.0	-1.8	331.6	300.9	-30.6	301.1	314.0	+12.8
Pumps	83.3	83.6	84.0	+0.3	176.3	167.3	-8.9	166.0	175.0	+8.9
CT	42.8	43.0	40.0	-3.0	102.0	85.2	-16.7	87.1	90.0	+2.8
Chillers	16.8	16.8	20.0	+3.1	38.1	33.5	-4.5	33.1	38.0	+4.8
Others	7.3	7.3	5.0	-2.3	15.1	14.8	-0.3	14.7	11.0	-3.7
<b>EP Business</b>	36.0	36.0	52.0	+15.9	91.4	62.0	-29.4	61.9	141.0	+79.0
<b>PM Business</b>	70.4	70.3	91.0	+20.6	127.6	147.4	+19.7	146.6	171.0	+24.3
Components	31.6	31.6	31.0	-0.6	53.5	63.7	+10.2	63.2	64.0	+0.7
CMP Systems	35.9	35.9	56.0	+20.0	67.7	78.1	+10.4	77.9	101.0	+23.0
Others	2.8	2.8	4.0	+1.1	6.3	5.4	-0.8	5.4	6.0	+0.5
<b>Others</b>	0.7	0.7	1.0	+0.2	1.5	1.4	-0.0	1.4	2.0	+0.5

## 6. Appendix Net Sales



(in billion yen)

Announced date(m/d/y)	1-2Q				1-4Q					
	FY20 Results JGAAP	FY20 Results IFRS Ref.	FY21 Plan IFRS	Change	FY19 Results JGAAP	FY20 Results JGAAP	Change	FY20 Results IFRS Ref.	FY21 Plan IFRS	Change
	a	b	c	d	e	f	g	h	i	j
			Feb/12/21	b-a			d-c	e	f	f-e
<b>Total</b>	245.4	245.7	266.0	+20.2	522.4	523.7	+1.3	522.8	559.0	+36.1
<b>FMS Business</b>	149.2	149.6	152.0	+2.3	323.1	313.5	-9.5	313.5	314.0	+0.4
Pumps	82.0	81.9	87.0	+5.0	174.9	169.8	-5.0	168.6	173.0	+4.3
CT	44.2	44.3	40.0	-4.3	95.2	94.1	-1.1	95.7	91.0	-4.7
Chillers	16.4	16.7	18.0	+1.2	37.7	35.8	-1.8	35.4	37.0	+1.5
Others	6.5	6.5	7.0	+0.4	15.2	13.7	-1.4	13.7	13.0	-0.7
<b>EP Business</b>	28.7	28.7	33.0	+4.2	69.5	67.5	-1.9	67.4	73.0	+5.5
<b>PM Business</b>	66.7	66.6	80.0	+13.3	128.2	141.1	+12.8	140.3	170.0	+29.6
Components	28.4	28.4	31.0	+2.5	58.9	60.5	+1.6	60.0	63.0	+2.9
CMP Systems	35.3	35.3	45.0	+9.6	62.6	74.2	+11.6	73.9	99.0	+25.0
Others	2.9	2.9	4.0	+1.0	6.6	6.2	-0.4	6.3	8.0	+1.6
<b>Others</b>	0.7	0.7	1.0	+0.2	1.5	1.4	-0.0	1.4	2.0	+0.5

## 6. Appendix

### Operating Income



(in billion yen)

Announced date (m/d/y)	1-2Q				1-4Q					
	FY20 Results JGAAP	FY20 Results IFRS Ref.	FY21 Plan IFRS	Change	FY19 Results JGAAP	FY20 Results JGAAP	Change	FY20 Results IFRS Ref.	FY21 Plan IFRS	Change
	a	a	b Feb/12/21	b-a	c	d	d-c	e	f Feb/12/21	f-e
<b>Total</b>	13.6	12.7	15.0	+2.2	35.2	37.8	+2.5	37.1	43.0	+5.8
<b>FMS Business</b>	8.2	7.9	8.0	+0.0	17.2	19.7	+2.5	19.3	20.0	+0.6
Pumps	6.3	6.2	6.5	+0.2	11.0	9.8	-1.2	9.2	11.0	+1.7
CT	1.2	0.9	0.0	-0.9	4.8	7.3	+2.4	7.3	6.2	-1.1
Chillers	1.2	1.2	0.9	-0.3	1.8	2.0	+0.2	2.0	2.2	+0.1
Others	-0.6	-0.5	0.6	+1.2	-0.4	0.5	+0.9	0.7	0.6	-0.1
<b>EP Business</b>	2.2	2.1	3.0	+0.8	7.4	7.1	-0.3	6.9	7.0	+0.0
<b>PM Business</b>	3.7	3.3	4.5	+1.1	10.3	11.4	+1.0	11.6	16.5	+4.8
<b>Others, Adjustment</b>	-0.5	-0.7	-0.5	+0.2	0.1	-0.5	-0.6	-0.7	-0.5	+0.2

## 6. Appendix

### Backlog of Orders



(in billion yen)

(in billion yen)	1-2Q				1-4Q				Change	
	FY20 Results	FY20 Results	FY21 Plan	Change	FY19 Results	FY20 Results	Change	FY20 Results		FY21 Plan
	JGAAP	IFRS Ref.	IFRS		JGAAP	JGAAP		IFRS Ref.		IFRS
	a	b	c		d	e		f		
Announced date (m/d/y)			Feb/12/21	b-a			d-c		Feb/12/21	f-e
Total	494.4	492.2	493.7	+1.5	487.4	469.0	-18.4	466.7	535.7	+69.0
FMS Business	211.2	209.0	190.4	-18.6	216.7	195.7	-20.9	193.4	193.4	-
Pumps	95.3	94.3	87.4	-6.8	98.0	91.7	-6.2	90.4	92.4	+2.0
CT	90.0	90.0	80.6	-9.3	93.3	80.6	-12.7	80.6	79.6	-1.0
Chillers	16.9	15.7	15.0	-0.6	16.8	14.0	-2.8	13.0	14.0	+1.0
Others	8.9	8.9	7.2	-1.7	8.3	9.2	+0.8	9.2	7.2	-2.0
EP Business	239.0	239.0	245.7	+6.6	236.1	226.7	-9.4	226.7	294.7	+68.0
PM Business	44.0	44.0	57.5	+13.5	34.5	46.5	+11.9	46.5	47.5	+1.0
Others	0.0	0.0	0.0	-0.0	0.0	0.0	+0.0	0.0	0.0	-

## 6. Appendix

### Net Sales by Region



(in billion yen)

	1-4Q		Change
	FY19 Results JGAAP	FY20 Results JGAAP	
<b>FMS Business</b>	323.1	313.5	-9.5
Japan	135.8	130.5	-5.2
Asia (excl. Japan)	94.0	97.6	+3.6
North America	37.1	28.3	-8.7
Europe	21.8	29.5	+7.7
Middle East	21.8	16.4	-5.3
Others	12.5	10.9	-1.5
<b>EP Business</b>	69.5	67.5	-1.9
Japan	66.2	63.6	-2.5
Asia (excl. Japan)	3.2	3.8	+0.5
<b>PM Business</b>	128.2	141.1	+12.8
Japan	29.7	40.1	+10.3
Asia (excl. Japan)	71.1	79.8	+8.7
North America	18.2	12.3	-5.8
Europe	6.5	7.5	+0.9
Middle East	2.5	1.1	-1.3
Others	0.0	0.0	-0.0

## 6. Appendix

### Balance Sheet



(in billion yen)

	FY19 4Q Results JGAAP	FY20 4Q Results JGAAP	Change
<b>Total Assets</b>	595.2	621.5	+26.3
<b>Current Assets</b>	421.9	438.6	+16.7
Cash and deposits, Securities	95.1	123.0	+27.9
Notes and Accounts Receivable-trade	192.1	198.6	+6.5
Inventories	121.1	102.6	-18.4
Other Current Assets	13.5	14.3	+0.7
<b>Fixed Assets</b>	173.3	182.9	+9.6
<b>Total Liabilities</b>	303.4	317.1	+13.6
Notes and Accounts Payable-trade	120.4	129.7	+9.3
Interest-bearing Debt	80.9	76.1	-4.8
Other Liabilities	101.9	111.2	+9.2
<b>Total Net Assets</b>	291.8	304.4	+12.6
Shareholders' Equity	283.6	296.2	+12.5
Other Net Assets	8.1	8.2	+0.0
<b>Equity Ratio</b>	47.7%	47.7%	-
<b>Debt-to-Equity Ratio</b>	0.29	0.26	-0.03

## 6. Appendix

### Cash Flows



(in billion yen)

Announced date(m/d/y)	1-4Q			
	FY19 Results JGAAP	FY20 Results JGAAP	Change	FY21 Plan IFRS
	a	b	b-a	Feb/12/21
CF from operating activities	26.7	64.2	+37.5	31.0
CF from investing activities	-24.0	-29.0	-4.9	-43.0
FCF	2.6	35.1	+32.5	-12.0
CF from financing activities	-20.1	-9.6	+10.5	-5.0

## 6. Appendix

### Capital Expenditures, Depreciation and Amortization, R&D Expenses



(in billion yen)

Announced date(m/d/y)	1-4Q			
	FY19 Results JGAAP	FY20 Results JGAAP	Change	FY21 Plan IFRS
	a	b	b-a	Feb/12/21
<b>CAPEX</b>	34.3	32.2	-2.0	26.0
<b>FMS Business</b>	10.9	12.5	+1.6	11.0
<b>EP Business</b>	0.9	0.8	-0.1	1.0
<b>PM Business</b>	21.8	16.4	-5.3	7.0
<b>Others, Adjustment</b>	0.6	2.3	+1.7	7.0
<b>D&amp;A</b>	15.1	15.9	+0.8	18.0
<b>FMS Business</b>	8.3	8.2	-0.1	8.0
<b>EP Business</b>	0.5	0.6	+0.0	0.5
<b>PM Business</b>	4.5	5.5	+0.9	7.5
<b>Others, Adjustment</b>	1.6	1.6	-0.0	2.0
<b>R&amp;D</b>	11.5	12.5	+0.9	14.0
<b>FMS Business</b>	5.2	5.7	+0.4	6.0
<b>EP Business</b>	0.7	0.6	-0.0	1.0
<b>PM Business</b>	5.5	6.0	+0.5	7.0



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