

First Half Financial Results and Full Year Forecasts
of the Fiscal Year Ending March 31, 2017
Supplementary Documents

November 8, 2017



ORGANO CORPORATION

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-- Business forecasts --

Forecasts or plans in this document are based on information currently available, and contain potential risks and uncertain factors. Actual performance may differ materially from the above forecasts or plans due to a variety of factors.



ORGANO CORPORATION

1 First Half Financial Results and Full Year Forecasts of the Fiscal Year Ending March 31, 2017

(1) Consolidated Results and Forecasts

(Unit: millions of yen)

	03/2016				03/2017					
	1st Half		Full Year		1st Half			Full Year (Forecasts)		
	Result	Change from previous FY	Result	Change from previous FY	Plan	Result	Change from previous FY	Plan	Forecast	Change from previous FY
Orders received	40,820	14.3 %	76,485	Δ 1.8 %	31,500	38,332	Δ 6.1 %	76,500	76,500	0.0 %
Net sales	33,479	16.9 %	78,719	14.5 %	32,000	34,364	2.6 %	79,000	79,000	0.4 %
Overseas Net Sales	8,903	106.2 %	18,399	48.5 %	8,400	8,279	Δ 7.0 %	18,500	15,800	Δ 14.1 %
(Overseas net sales ratio)	26.6%		23.4%		26.3%	24.1%		23.4%	20.0%	
Gross profit	6,658	8.9 %	17,749	14.2 %	6,650	7,744	16.3 %	17,300	17,300	Δ 2.5 %
(Gross profit margin)	19.9%		22.5%		20.8%	22.5%		21.9%	21.9%	
Selling, general and administrative expenses	6,846	4.6 %	13,802	5.0 %	7,000	7,057	3.1 %	14,300	14,300	3.6 %
Operating income	Δ 187	— %	3,947	64.6 %	Δ 350	687	— %	3,000	3,000	Δ 24.0 %
(Operating income margin)	— %		5.0%		— %	2.0%		3.8%	3.8%	
Ordinary income	Δ 221	— %	3,871	57.0 %	Δ 400	533	— %	2,900	2,900	Δ 25.1 %
(Ordinary income margin)	— %		4.9%		— %	1.6%		3.7%	3.7%	
Net income attributable to owners of the parent	Δ 278	— %	2,485	129.0 %	Δ 335	89	— %	1,950	1,950	Δ 21.6 %
(Net income margin)	— %		3.2%		— %	0.3%		2.5%	2.5%	

(2) Consolidated Information by Segments

(Unit: millions of yen)

	03/2016				03/2017					
	1st Half		Full Year		1st Half			Full Year (Forecast)		
	Result	Change from previous FY	Result	Change from previous FY	Plan	Result	Change from previous FY	Plan	Forecast	Change from previous FY
Orders Received	40,820	14.3 %	76,485	△ 1.8 %	31,500	38,332	△ 6.1 %	76,500	76,500	0.0 %
Water treatment engineering	32,884	17.4 %	60,529	△ 2.9 %	23,500	30,211	△ 8.1 %	60,250	60,150	△ 0.6 %
Functional product	7,935	3.2 %	15,956	2.6 %	8,000	8,120	2.3 %	16,250	16,350	2.5 %
Net Sales	33,479	16.9 %	78,719	14.5 %	32,000	34,364	2.6 %	79,000	79,000	0.4 %
Water treatment engineering	25,677	21.4 %	62,907	17.9 %	24,000	26,288	2.4 %	62,750	62,650	△ 0.4 %
Functional product	7,801	4.2 %	15,811	2.8 %	8,000	8,076	3.5 %	16,250	16,350	3.4 %
Operating Income	△ 187	— %	3,947	64.6 %	△ 350	687	— %	3,000	3,000	△ 24.0 %
(Operating income margin)	— %		5.0%		— %	2.0%		3.8%	3.8%	
Water treatment engineering	△ 848	— %	2,553	150.0 %	△ 970	△ 133	— %	1,580	1,530	△ 40.1 %
(margin)	— %		4.1%		— %	— %		2.5%	2.4%	
Functional product	661	△ 5.8 %	1,393	1.2 %	620	820	24.1 %	1,420	1,470	5.5 %
(margin)	8.5%		8.8%		7.8%	10.2%		8.7%	9.0%	

(3) Orders Received and Net Sales for Electronics Industry (Consolidated)

(Unit: millions of yen)

	03/2016				03/2017					
	1st Half		Full Year		1st Half			Full Year (Forecasts)		
	Result	Change from previous FY	Result	Change from previous FY	Plan	Result	Change from previous FY	Plan	Forecast	Change from previous FY
Orders Received	12,687	12.6 %	24,127	△ 20.5 %	9,270	11,217	△ 11.6 %	23,535	21,585	△ 10.5 %
Domestic	7,932	△ 12.3 %	9,104	△ 52.3 %	3,635	5,354	△ 32.5 %	10,805	11,705	28.6 %
Overseas	4,754	114.4 %	15,023	33.5 %	5,635	5,863	23.3 %	12,730	9,880	△ 34.2 %
Net Sales	13,455	40.1 %	30,359	37.1 %	11,510	11,875	△ 11.7 %	25,860	25,560	△ 15.8 %
Domestic	7,288	6.7 %	17,195	25.2 %	5,445	5,996	△ 17.7 %	13,275	14,175	△ 17.6 %
Overseas	6,167	122.4 %	13,164	56.6 %	6,065	5,879	△ 4.7 %	12,585	11,385	△ 13.5 %

2 Major Financial Indicators

(Unit: millions of yen)

		03/2016				03/2017			
		1st Half		Full Year		1st Half		Full Year (Forecasts)	
		Result	Change from previous FY	Result	Change from previous FY	Result	Change from previous FY	Forecast	Change from previous FY
Consolidated	CAPEX	252	68.7 %	603	80.2 %	231	△ 8.5 %	800	32.6 %
	R&D Expenses	722	0.8 %	1,407	1.1 %	720	△ 0.2 %	1,550	10.1 %
	Depreciation	465	△ 3.3 %	950	△ 4.9 %	449	△ 3.4 %	950	△ 0.1 %
	Debt with Interest	13,822	29.8 %	17,412	36.9 %	16,646	20.4 %	17,800	2.2 %
	Interest, net	△ 24	—	△ 50	—	△ 22	—	△ 50	—
	Number of Employees	2,061	+ 130	2,088	+ 144	2,120	+ 59	2,110	+ 22
	EPS (yen)	△ 4.84		43.17		1.55		33.87	
	Dividend per Share (yen/year)	—		9.0		—		10.0	
	ROE (%)	△ 0.6		5.4		0.2		4.1	
	ROA (%)	△ 0.3		4.3		0.6		—	