

First Half Financial Results and Full Year Forecasts
of the Fiscal Year Ending March 31, 2019
Supplementary Documents

November 7, 2018



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, 2018

(1) Consolidated Results and Forecasts

(Unit: millions of yen)

	03/2018				03/2019					
	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	39,588	3.3 %	88,049	18.9 %	40,000	50,031	26.4 %	87,000	98,000	11.3 %
Net sales	32,003	△ 6.9 %	79,226	△ 2.3 %	40,000	38,782	21.2 %	89,000	91,000	14.9 %
Overseas Net Sales	7,790	△ 5.9 %	16,994	△ 11.7 %	10,500	9,166	17.7 %	23,000	23,500	38.3 %
(Overseas net sales ratio)	24.3%		21.5%		26.3%	23.6%		25.8%	25.8%	
Gross profit	7,212	△ 6.9 %	19,150	2.7 %	8,400	9,361	29.8 %	19,900	21,200	10.7 %
(Gross profit margin)	22.5%		24.2%		21.0%	24.1%		22.4%	23.3%	
Selling, general and administrative expenses	7,448	5.5 %	15,328	5.5 %	7,800	7,851	5.4 %	15,700	15,700	2.4 %
Operating income	△ 235	— %	3,821	△ 7.1 %	600	1,509	— %	4,200	5,500	43.9 %
(Operating income margin)	—%		4.8%		1.5%	3.9%		4.7%	6.0%	
Ordinary income	△ 182	— %	3,933	△ 5.5 %	550	1,549	— %	4,100	5,400	37.3 %
(Ordinary income margin)	—%		5.0%		1.4%	4.0%		4.6%	5.9%	
Net income attributable to owners of the parent	△ 253	— %	2,780	1.8 %	320	916	— %	2,800	3,700	33.1 %
(Net income margin)	—%		3.5%		0.8%	2.4%		3.1%	4.1%	

(2) Consolidated Information by Segments

(Unit: millions of yen)

	03/2018				03/2019					
	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	39,588	3.3 %	88,049	18.9 %	40,000	50,031	26.4 %	87,000	98,000	11.3 %
Water treatment engineering	31,020	2.7 %	70,889	23.0 %	31,450	41,183	32.8 %	69,500	80,500	13.6 %
Functional product	8,567	5.5 %	17,160	4.5 %	8,550	8,847	3.3 %	17,500	17,500	2.0 %
Net Sales	32,003	Δ 6.9 %	79,226	Δ 2.3 %	40,000	38,782	21.2 %	89,000	91,000	14.9 %
Water treatment engineering	23,581	Δ 10.3 %	62,164	Δ 3.9 %	31,450	30,084	27.6 %	71,500	73,500	18.2 %
Functional product	8,422	4.3 %	17,061	3.9 %	8,550	8,697	3.3 %	17,500	17,500	2.6 %
Operating Income	Δ 235	— %	3,821	Δ 7.1 %	600	1,509	— %	4,200	5,500	43.9 %
(Operating income margin)	— %	— %	4.8%	— %	1.5%	3.9%	— %	4.7%	6.0%	— %
Water treatment engineering	Δ 1,037	— %	2,403	Δ 4.0 %	Δ 50	813	— %	2,800	4,100	70.6 %
(margin)	— %	— %	3.9%	— %	— %	2.7%	— %	3.9%	5.6%	— %
Functional product	802	Δ 2.2 %	1,418	Δ 11.9 %	650	695	Δ 13.3 %	1,400	1,400	— %
(margin)	9.5%	— %	8.3%	— %	7.6%	8.0%	— %	8.0%	8.0%	Δ 1.3 %

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

(Unit: millions of yen)

	03/2018				03/2019					
	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	11,513	2.6 %	34,280	57.6 %	16,000	22,687	97.1 %	32,630	41,000	19.6 %
Domestic	7,578	41.5 %	19,663	98.6 %	8,500	9,269	22.3 %	15,220	20,000	1.7 %
Overseas	3,935	Δ 32.9 %	14,617	23.3 %	7,500	13,418	241.0 %	17,410	21,000	43.7 %
Net Sales	11,483	Δ 3.3 %	26,698	4.5 %	17,500	16,991	48.0 %	35,200	37,000	38.6 %
Domestic	5,796	Δ 3.3 %	15,020	22.8 %	10,000	10,110	74.4 %	18,565	18,600	23.8 %
Overseas	5,687	Δ 3.3 %	11,678	Δ 12.3 %	7,500	6,881	21.0 %	16,635	18,400	57.6 %

2 Major Financial Indicators

(Unit: millions of yen)

	03/2018				03/2019			
	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	425	83.8 %	644	Δ 28.7 %	227	Δ 46.4 %	900	39.7 %
R&D Expenses	901	25.1 %	1,776	18.8 %	848	Δ 5.9 %	1,950	9.8 %
Depreciation	454	1.1 %	972	2.3 %	438	Δ 3.4 %	950	Δ 2.3 %
Debt with Interest	14,831	Δ 10.9 %	15,484	Δ 8.4 %	14,571	Δ 1.8 %	15,500	0.1 %
Interest, net	Δ 12	—	Δ 21	—	Δ 12	—	Δ 40	—
Number of Employees	2,172	+ 52 人	2,179	+ 79 人	2,189	+ 17 人	2,200	+ 21 人
EPS (yen)	Δ 22.02		241.50		79.69		321.90	
Dividend per Share (yen/year)	—		53.0		—		58.0	
ROE (%)	Δ 0.5		5.5		1.8		6.8	
ROA (%)	Δ 0.2		4.1		1.6		—	