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**Financial Results for First Two Quarters of  
Fiscal 2019, ending March 31, 2019  
(April 1 - September 30, 2018)  
Reference Data**

# Consolidated Income Results (Fiscal 2019-2Q)

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(Millions of yen)

	Net sales	Operating income	% of net sales	Ordinary income	% of net sales	Net income attributable to owners of the parent company	% of net sales
<b>Consolidated amounts</b>	<b>162,750</b>	<b>12,338</b>	<b>7.6%</b>	<b>14,145</b>	<b>8.7%</b>	<b>8,802</b>	<b>5.4%</b>
YOY change	<b>102%</b>	<b>89%</b>		<b>94%</b>		<b>93%</b>	
FY2018	159,752	13,927	8.7%	14,998	9.4%	9,435	5.9%



<b>Parent Company</b>	<b>95,810</b>	<b>5,443</b>	<b>5.7%</b>	<b>9,322</b>	<b>9.7%</b>	<b>7,373</b>	<b>7.7%</b>
YOY change	<b>103%</b>	<b>82%</b>		<b>100%</b>		<b>103%</b>	
FY2018	92,588	6,649	7.2%	9,292	10.0%	7,149	7.7%
<b>Domestic subsidiaries</b>	<b>57,930</b>	<b>1,085</b>	<b>1.9%</b>	<b>1,179</b>	<b>2.0%</b>	<b>786</b>	<b>1.4%</b>
YOY change	<b>101%</b>	<b>99%</b>		<b>99%</b>		<b>97%</b>	
FY2018	57,215	1,100	1.9%	1,191	2.1%	811	1.4%
<b>Overseas subsidiaries</b>	<b>85,083</b>	<b>6,229</b>	<b>7.3%</b>	<b>6,973</b>	<b>8.2%</b>	<b>5,415</b>	<b>6.4%</b>
YOY change	<b>106%</b>	<b>97%</b>		<b>102%</b>		<b>105%</b>	
FY2018	79,914	6,447	8.1%	6,828	8.5%	5,135	6.4%
<b>Total</b>	<b>238,824</b>	<b>12,758</b>	<b>5.3%</b>	<b>17,475</b>	<b>7.3%</b>	<b>13,574</b>	<b>5.7%</b>
YOY change	<b>104%</b>	<b>90%</b>		<b>101%</b>		<b>104%</b>	
FY2018	229,718	14,197	6.2%	17,313	7.5%	13,096	5.7%

# Main Overseas Consolidated Subsidiaries Income Results (Fiscal 2019-2Q)

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(Millions of yen)

	Net sales	YOY change	Operating income	%of net sales	Ordinary income	%of net sales	Net income	%of net sales
Rinnai America	14,202	108%	406	2.9%	429	3.0%	323	2.3%
Rinnai Australia	12,211	100%	1,330	10.9%	1,450	11.9%	989	8.1%
Shanghai Rinnai	24,188	114%	2,135	8.8%	2,290	9.5%	2,038	8.4%
Rinnai Korea	15,918	99%	78	0.5%	167	1.0%	147	0.9%
Rinnai Indonesia	5,529	98%	692	12.5%	818	14.8%	614	11.1%

# Consolidated Sales Results (Fiscal 2019-2Q)

(Millions of yen)

	Total	Water heaters	Kitchen appliances	Air conditioning appliances	Commercial -use equipment	Others
<b>Consolidated amounts</b>	<b>162,750</b>	<b>95,585</b>	<b>40,235</b>	<b>8,698</b>	<b>4,094</b>	<b>14,136</b>
YOY change	<b>102%</b>	<b>104%</b>	<b>99%</b>	<b>93%</b>	<b>85%</b>	<b>109%</b>
FY2018	159,752	91,779	40,773	9,398	4,818	12,982



<b>Parent Company</b>	<b>95,810</b>	<b>54,625</b>	<b>26,595</b>	<b>4,301</b>	<b>1,086</b>	<b>9,201</b>
YOY change	<b>103%</b>	<b>107%</b>	<b>97%</b>	<b>96%</b>	<b>95%</b>	<b>109%</b>
FY2018	92,588	51,051	27,462	4,482	1,145	8,446
<b>Domestic subsidiaries</b>	<b>57,930</b>	<b>24,052</b>	<b>8,339</b>	<b>130</b>	<b>647</b>	<b>24,760</b>
YOY change	<b>101%</b>	<b>103%</b>	<b>100%</b>	<b>66%</b>	<b>83%</b>	<b>100%</b>
FY2018	57,215	23,286	8,302	198	776	24,651
<b>Overseas subsidiaries</b>	<b>85,083</b>	<b>53,802</b>	<b>14,276</b>	<b>6,403</b>	<b>3,183</b>	<b>7,417</b>
YOY change	<b>106%</b>	<b>111%</b>	<b>104%</b>	<b>93%</b>	<b>81%</b>	<b>105%</b>
FY2018	79,914	48,288	13,736	6,914	3,916	7,059
<b>Total</b>	<b>238,824</b>	<b>132,480</b>	<b>49,211</b>	<b>10,835</b>	<b>4,916</b>	<b>41,379</b>
YOY change	<b>104%</b>	<b>108%</b>	<b>99%</b>	<b>93%</b>	<b>84%</b>	<b>103%</b>
FY2018	229,718	122,625	49,501	11,595	5,838	40,157

# Main Overseas Consolidated Subsidiaries Sales Results (Fiscal 2019-2Q)

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(Millions of yen)

	Total	YOY change	Water heaters	YOY change	Kitchen appliances	YOY change	Air conditioning appliances	YOY change	Commercial -use equipment	YOY change	Others	YOY change
Rinnai America	14,202	108% (111%)	13,446	110%			523	81%	30	25%	201	131%
Rinnai Australia	12,211	100% (102%)	5,456	123%			5,149	94%	158	17%	1,446	106%
Shanghai Rinnai	24,188	114% (110%)	21,230	113%	2,123	126%					834	119%
Rinnai Korea	15,918	99% (97%)	8,367	99%	4,181	103%	4	63%	2,178	104%	1,185	83%
Rinnai Indonesia	5,529	98% (104%)			4,828	96%			599	108%	101	111%

Note: (on a local currency basis)

# Overseas Consolidated Subsidiaries: FX Impact

\*Below shows difference between actual Fiscal 2019 local-currency results and results if previous year's exchange rates were used.

FX impact: ¥ millions Rate: ¥	FX impact	Currency	FY2018-2Q avg. rate	FY2019-2Q avg. rate	FY2019 assumed rate	Composition of overseas sales
Rinnai America	(471)	USD	112.757	109.141	108.000	17.5%
Rinnai Australia	(157)	AUD	84.999	83.914	85.000	15.0%
Shanghai Rinnai	861	RMB	16.421	17.046	17.100	29.0%
Rinnai Korea	411	KRW	0.0986	0.1013	0.1000	19.0%
Rinnai Indonesia	(341)	IDR	0.00846	0.00794	0.00800	6.4%
Others	(190)					13.1%
<b>Total</b>	<b>113</b>					<b>100.0%</b>

# Income Results by Segment (Fiscal 2019-2Q)

(Millions of yen)

	Net sales			Operating income		
	Fiscal 2018	Fiscal 2019	YOY change	Fiscal 2018	Fiscal 2019	YOY change
Japan	84,202	81,736	97%	7,671	6,422	84%
United States	13,196	14,202	108%	804	406	51%
Australia	12,105	12,138	100%	1,312	1,220	93%
China	20,402	23,549	115%	1,898	2,095	110%
South Korea	15,879	15,989	101%	149	187	125%
Indonesia	5,357	5,211	97%	797	620	78%
Others	8,608	9,923	115%	1,313	1,538	117%
<b>Total</b>	<b>159,752</b>	<b>162,750</b>	<b>102%</b>	<b>13,927</b>	<b>12,338</b>	<b>89%</b>

# Sales Results by Segment (Fiscal 2019-2Q)

(Millions of yen)

	Total	YOY change	Water heaters	YOY change	Kitchen appliances	YOY change	Air conditioning appliances	YOY change	Commercial-use equipment	YOY change	Others	YOY change
Japan	<b>81,736</b>	97%	<b>42,703</b>	96%	<b>26,712</b>	96%	<b>2,625</b>	92%	<b>1,034</b>	99%	<b>8,660</b>	109%
United States	<b>14,202</b>	108%	<b>13,446</b>	110%			<b>523</b>	81%	<b>30</b>	25%	<b>201</b>	131%
Australia	<b>12,138</b>	100%	<b>5,457</b>	123%			<b>5,106</b>	94%	<b>152</b>	17%	<b>1,421</b>	106%
China	<b>23,549</b>	115%	<b>20,769</b>	114%	<b>2,116</b>	126%					<b>662</b>	151%
South Korea	<b>15,989</b>	101%	<b>7,992</b>	101%	<b>4,181</b>	103%	<b>4</b>	63%	<b>2,129</b>	104%	<b>1,681</b>	89%
Indonesia	<b>5,211</b>	97%			<b>4,565</b>	96%			<b>564</b>	111%	<b>81</b>	108%
Others	<b>9,923</b>	115%	<b>5,216</b>	122%	<b>2,658</b>	104%	<b>438</b>	93%	<b>184</b>	96%	<b>1,426</b>	126%
<b>Total</b>	<b>162,750</b>	102%	<b>95,585</b>	104%	<b>40,235</b>	99%	<b>8,698</b>	93%	<b>4,094</b>	85%	<b>14,136</b>	109%



# Consolidated Capital Expenditures, Depreciation and R&D Expenses (Fiscal 2019-2Q)

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(Millions of yen)

Capital Expenditures	FY2018 Results		FY2019 Results	
	Investment	Depreciation	Investment	Depreciation
Parent company	5,078	2,407	3,653	2,668
Domestic subsidiaries	1,404	976	603	971
Oversea subsidiaries	2,076	1,662	2,813	1,770
<b>Total</b>	<b>8,559</b>	<b>5,046</b>	<b>7,070</b>	<b>5,410</b>
<b>(Including molds)</b>	<b>1,793</b>	<b>1,310</b>	<b>2,126</b>	<b>1,463</b>

R&D Expenses	FY2018 Results		FY2019 Results	
	Parent Company	3,578	3,407	
Consolidated subsidiaries	1,299	1,346		
<b>Total</b>	<b>4,877</b>	<b>4,753</b>		

# Nonconsolidated Sales Results (Fiscal 2019-2Q)

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## Domestic Sales + Export

		Sales Volume		Sales Amount		FY2018	
		Thousand Units	YOY change	Millions of Yen	YOY change	Sales Volume (Thousand Units)	Sales Amount (Millions of yen)
Water heaters	Simple hot-water units	610	100%	21,380	106%	613	20,129
	[Heating units]			[20,189]	105%		[19,236]
	Bath-filling units	238	99%	14,906	98%	241	15,214
	[Heating units]			[13,486]	99%		[13,640]
	Hot-water/heating systems	88	125%	15,831	118%	70	13,387
	[Heating units]			[7,933]	125%		[6,335]
	Others	80	105%	2,505	108%	76	2,318
	Sub-total	1,017	102%	54,625	107%	1,001	51,051
Kitchen appliances	Cooking stoves	529	97%	6,438	97%	547	6,665
	Built-in gas stoves	343	97%	13,908	96%	354	14,470
	Others	236	101%	6,248	99%	233	6,326
	Sub-total	1,108	98%	26,595	97%	1,135	27,462
Air conditioning appliances	Fan heaters	95	83%	1,860	90%	114	2,071
	Others	38	107%	2,440	101%	35	2,411
	Sub-total	133	89%	4,301	96%	149	4,482
Commercial-use equipment		36	103%	1,086	95%	35	1,145
Others		38	123%	9,201	109%	31	8,446
Total		2,335	99%	95,810	103%	2,354	92,588
Export		[729]	101%	[23,012]	108%	[719]	[21,249]

Note: Hybrid Hot-Water Unit is included in "Hot-water/heating systems"

**Rinnai**

# Nonconsolidated Sales Results (Fiscal 2019-2Q)

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## Domestic Sales (excluding Export)

		Sales Volume		Sales Amount		FY2018	
		Thousand Units	YOY change	Millions of Yen	YOY change	Sales Volume (Thousand Units)	Sales Amount (Millions of yen)
Water heaters	Simple hot-water units [Heating units]	197	97%	6,657 [5,722]	104% 101%	203	6,400 [5,685]
	Bath-filling units [Heating units]	238	99%	14,896 [13,486]	98% 99%	241	15,205 [13,640]
	Hot-water/heating systems [Heating units]	88	125%	15,819 [7,933]	118% 125%	70	13,376 [6,335]
	Others	80	105%	2,489	108%	76	2,302
	Sub-total	605	102%	39,862	107%	591	37,284
	Kitchen appliances	Cooking stoves	364	98%	5,294	97%	373
Built-in gas stoves		313	96%	13,308	96%	327	13,874
Others		180	97%	5,956	99%	185	6,046
Sub-total		857	97%	24,558	97%	886	25,406
Air conditioning appliances	Fan heaters	86	84%	1,576	90%	103	1,744
	Others	12	118%	930	100%	10	929
	Sub-total	99	87%	2,506	94%	113	2,673
Commercial-use equipment		22	93%	863	92%	24	936
Others		21	116%	5,005	99%	18	5,038
Total		1,606	98%	72,797	102%	1,635	71,339

Note : Hybrid Hot-Water Unit is included in “Hot-water/heating systems”

# Consolidated Income Projections (Fiscal 2019)

(Millions of yen)

		Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent company	
				% of net sales		% of net sales		% of net sales	
Consolidated amounts	1st half	163,000	15,000	9.2%	15,800	9.7%	9,700	6.0%	
	YOY change	102%	108%		105%		103%		
	Full year	360,000	36,000	10.0%	37,300	10.4%	23,000	6.4%	
	YOY change	104%	110%		109%		109%		



Parent company	Full year	212,500	17,000	8.0%	21,000	9.9%	15,500	7.3%
	YOY change	105%	111%		114%		112%	
Domestic subsidiaries	Full year	124,087	3,164	2.6%	3,338	2.7%	2,350	1.9%
	YOY change	99%	115%		114%		114%	
Overseas subsidiaries	Full year	187,981	17,113	9.1%	17,708	9.4%	13,519	7.2%
	YOY change	111%	116%		114%		116%	
Total	Full year	524,568	37,278	7.1%	42,046	8.0%	31,370	6.0%
	YOY change	106%	113%		114%		114%	

# Main Overseas Consolidated Subsidiaries Income Projections (Fiscal 2019)

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(Millions of yen)

	FY2018 Results			FY2019 Projection				
	Net sales	Operating income	% of net sales	Net sales	YOY change	Operating income	YOY change	% of net sales
Rinnai America	27,738	2,207	8.0%	32,000	115%	2,377	108%	7.4%
Rinnai Australia	23,585	1,803	7.6%	24,042	102%	2,139	119%	8.9%
Shanghai Rinnai	45,969	5,133	11.2%	53,010	115%	5,419	106%	10.2%
Rinnai Korea	34,905	727	2.1%	37,000	106%	1,500	206%	4.1%
Rinnai Indonesia	12,041	1,952	16.2%	12,407	103%	1,835	94%	14.8%

# Consolidated Capital Expenditures, Depreciation and R&D Expenses (Fiscal 2019)

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(Millions of yen)

Capital Expenditures	FY2018 Results		FY2019 Projection	
	Investment	Depreciation	Investment	Depreciation
Parent company	9,336	5,648	9,100	6,700
Domestic subsidiaries	2,515	2,129	2,900	2,200
Oversea subsidiaries	4,253	3,514	7,300	4,000
<b>Total</b>	<b>16,105</b>	<b>11,292</b>	<b>19,300</b>	<b>12,900</b>
<b>(Including moids)</b>	<b>3,580</b>	<b>3,426</b>	<b>4,988</b>	<b>4,421</b>

R&D Expenses	FY2018 Results		FY2019 Projection
Parent Company	7,059		7,500
Consolidated subsidiaries	2,859		2,700
<b>Total</b>	<b>9,918</b>		<b>10,200</b>

# Rinnai

**Performance forecasts and other future-oriented predictions contained in these materials are based on the Company's judgments using available information. Actual results may differ from such forecasts and predictions due to changing future circumstances.**