

(Translation)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 11, 2020

To whom it may concern

Company EBARA CORPORATION
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Notice of Revision of the Forecast of Financial Results for the Fiscal Year Ending December 31, 2020

Ebara Corporation (“the Company”) has revised its financial results forecast for the fiscal year ending December 31, 2020, which the Company voided (changed to “to be determined”) in the “Consolidated Financial Results for the Three Months Ended March 31, 2020” and other disclosure documents (*) released on May 13, 2020 as follows.

Revisions to the Forecast of Financial Results

Revisions to the forecast of consolidated financial results for the fiscal year ending December 31, 2020 (January 1, 2020 to December 31, 2020)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Net Income per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast: A	—	—	—	—	—
Revised Forecast: B	506,000	30,000	27,000	17,000	178.54
Change (B-A)	—	—	—	—	—
Change Ratio (%)	—	—	—	—	—
(Reference) Results for the fiscal year ended December 31, 2019	522,424	35,298	35,571	23,349	241.79

(*) “Consolidated Financial Results for the Three Months Ended March 31, 2020”, “Results Presentation for Three Months Ended March 31, 2020”, and “Notice of Revision of the Forecast of Financial Results for the Fiscal Year Ending December 31, 2020” released on May 13, 2020

Reasons for the Revision

The spread of COVID-19 continues worldwide. It is still a major threat, and the situation remains unpredictable. On the other hand, the trend toward the coexistence of infectious prevention and economic activities, called “with Corona”, is becoming more active, and demand for social and industrial infrastructures is recovering. Giving top priority to the health and safety of stakeholders including our employees, the Company is committed to contributing to society as an infrastructure company.

Regarding the forecast of financial results for the fiscal year ending December 31, 2020, the Company voided its forecasts (changed to “to be determined”) on May 13, 2020 as it was difficult to reasonably estimate the impact of the spread of COVID-19 on business operations. However, in response to the relaxation of restrictions on people's mobility in each country and other factors, the Company announces the forecasts of consolidated financial results for the fiscal year ending December 31, 2020 based on the information currently available and the actual results for the first half of this year.

(Reference) Forecast for the Fiscal Year Ending December 31, 2020 by Business Segment

		Millions of yen				
		Fluid Machinery & Systems	Environmental Plants	Precision Machinery	Others	Total
Orders Received	Previous Forecast: A	—	—	—	—	—
	Revised Forecast: B	292,000	73,000	140,000	1,000	506,000
	Change (B-A)	—	—	—	—	—
	Change Ratio (%)	—	—	—	—	—
Net Sales	Previous Forecast: A	—	—	—	—	—
	Revised Forecast: B	300,000	65,000	140,000	1,000	506,000
	Change (B-A)	—	—	—	—	—
	Change Ratio (%)	—	—	—	—	—
Segment Income	Previous Forecast: A	—	—	—	—	—
	Revised Forecast: B	14,000	6,000	10,500	(500)	30,000
	Change (B-A)	—	—	—	—	—
	Change Ratio (%)	—	—	—	—	—

In the Fluid Machinery & Systems Business, while expenditure decreased due to activity restrictions resulting from the spread of COVID-19, business performance remained firm supported by the backlog of orders received in the first half of this year. However, decrease of orders received in the construction equipment market and other markets from April to June is expected to be affected by the performance from July onward.

The Environmental Plants Business remains firm and the spread of COVID-19 has no particular impact on its operation and performance.

In the Precision Machinery Business, sales and operating income were affected by the restrictions on people's mobility and other factors in the first half of this year. However, the situation of orders received remains firm supported by the strong demand for semiconductor chips. Therefore, business performance is expected to recover in the second half of this year.

The Company has not changed the forecasts for dividends of ¥30.00 per share (annual dividend ¥60.00) for the fiscal year ending December 31, 2020, which were previously announced on May 13, 2020.

(Note)

The forecasts contained in this report are based on information that was available to the Company as of the time of the issuance of this report and on certain assumptions about uncertainties that may have an impact on the future performance. Actual results may differ owing to various factors.

End of News Release