

Disclosure of Financial Results Forecast for the Year Ending March 2021

- TOKYO, Japan, July 31, 2020 -

Seiko Epson Corporation (TSE: 6724, "Epson") today announced that its board of directors had approved disclosure of its to date undisclosed financial results forecast for the year ending March 2021.

1. Disclosure of financial results for the year ending March 2021 (April 1, 2020 to March 31, 2021)

	Revenue	Business profit	Profit from operating activities	Profit before tax	Profit for the period	Profit for the year attributable to owners of the parent company	Basic earnings per share
Previous forecast (A)	Millions of yen —	Millions of yen —	Millions of yen —	Millions of yen —	Millions of yen —	Millions of yen —	Yen —
Current forecast (B)	930,000	20,000	16,000	14,000	1,000	1,000	2.89
Change (B – A)	—	—	—	—	—	—	—
Change (%)	—	—	—	—	—	—	—
Reference: Results for the year ended March 2020	1,043,600	40,861	39,479	39,713	7,823	7,733	22.26

Note: Business profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

2. Reasons for disclosure

Until now, Epson had not disclosed its financial results forecast for the year ending March 2021 due to the difficulties involved in calculating the impact of the coronavirus pandemic on Group operations. We are now disclosing our forecast based on available information and forecasts.

Revenue will be significantly below the same period in the previous year. In the printer business in the first half, stay-at-home demand will drive ongoing enhanced sales of office and home inkjet printers and consumables in North America, western Europe and other developed economies. However, we forecast that this will be offset by production delays and slack demand and sales as a result of the pandemic. Second half revenue will be slightly below the same period in the previous year. Although we expect to benefit from the launch of strategic products, we expect to feel the lingering effects of the pandemic in certain regions.

We also forecast declines in each profit category. While on one hand, in recognition of

the tough business environment, we will implement strict cost cuts and carefully prioritize expenditures throughout the year, profitability will be affected by the impact of the pandemic on revenue.

We are basing our financial disclosures for the second quarter onwards on assumed exchange rates of 105 yen to the US dollar and 118 yen to the euro.

The current forecast is subject to change due to factors including the ongoing impact and recovery period of the pandemic, and the macroeconomic situation both in Japan and the rest of the world.

About Epson

Epson is a global technology leader dedicated to becoming indispensable to society by connecting people, things and information with its original efficient, compact and precision technologies. The company is focused on driving innovations and exceeding customer expectations in inkjet, visual communications, wearables and robotics.

Epson is proud of its contributions to realizing a sustainable society and its ongoing efforts to realizing the United Nations' Sustainable Development Goals.

Led by the Japan-based Seiko Epson Corporation, the worldwide Epson Group generates annual sales of more than JPY 1 trillion.

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