

October 30, 2020

Notice on the Revision to the Financial Forecasts

Company name : **SMC Corporation**
 Stock exchange listing : Tokyo Stock Exchange First Section
 Security code : 6273
 URL : <https://www.smcworld.com/ir/en/>
 Representative : Katsunori Maruyama, President
 Contact person : Masahiro Ota, Director and Executive Officer

Based on its recent business performance, SMC Corporation hereby announces the revision to the consolidated financial forecasts announced on May 15, 2020.

1. Revision to consolidated financial forecasts for the 2nd Quarter ended September 30, 2020 (Period from April 1, 2020 through September 30, 2020)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Net Income per share
Previous Forecasts (A) (announced on May 15, 2020)	(Millions of Yen) 225,000	(Millions of Yen) 46,000	(Millions of Yen) 50,000	(Millions of Yen) 36,000	(Yen) 541.20
Revised Forecasts (B)	251,000	65,000	68,000	46,000	691.54
Changes (B-A)	26,000 11.6%	19,000 41.3%	18,000 36.0%	10,000 27.8%	—

<Reference>

Results of the 2Q, FY 2019 (2Q ended September 30, 2019)	264,470	73,472	72,972	53,603	801.23
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2. Revision to consolidated financial forecasts for the year ending March 31, 2021 (Period from April 1, 2020 through March 31, 2021)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Net Income per share
Previous Forecasts (A) (announced on May 15, 2020)	(Millions of Yen) 450,000	(Millions of Yen) 92,000	(Millions of Yen) 100,000	(Millions of Yen) 72,000	(Yen) 1,082.40
Revised Forecasts (B)	480,000	116,000	125,000	86,500	1,300.40
Changes (B-A)	30,000 6.7%	24,000 26.1%	25,000 25.0%	14,500 20.1%	—

<Reference>

Results of the FY 2019 (Year ended March 31, 2020)	526,000	146,254	158,450	110,500	1,656.44
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**3. Differences between the non-consolidated financial forecasts for the year ending March 31, 2021 and the actual results for the year ended March 31, 2020
(Period from April 1, 2020 through March 31, 2021)**

	Net Sales	Operating Profit	Ordinary Profit	Profit	Net Income per share
Results of the FY 2019 (A) (Year ended March 31, 2020)	(Millions of Yen) 333,045	(Millions of Yen) 92,874	(Millions of Yen) 92,755	(Millions of Yen) 66,048	(Yen) 990.08
Newly Announced Forecasts (B)	312,000	69,000	234,000	205,000	3,081.89
Differences (B-A)	(21,045) (6.3%)	(23,874) (25.7%)	141,244 152.3%	138,951 210.4%	—

4. Reason for the revision

Regarding to the consolidated financial results on this second quarter, both sales and profits are expected to exceed the previous forecast largely as a result of increased demand mainly from medical equipment related industry and China. Regarding to the non-consolidated financial results, dividend income from several consolidated subsidiaries are expected.

With these reasons, SMC revises its consolidated financial forecasts for the second quarter ended September 30, 2020 and for the year ending March 31, 2021. Also, SMC newly announces non-consolidated financial forecast for the full-year ending March 31, 2021 that are expected to make a substantial difference from the results for the previous fiscal year.

The average exchange rates for the fiscal year as a premise of above forecasts are changed to 1 US\$ = 105 yen (previous forecast 106 yen), 1 EUR = 121 yen (previous forecast 116 yen), 1 CNY = 15 yen (previous forecast 15 yen), respectively.

Cautionary statements

The above forecasts are based on information and certain premises that we consider to be reasonable at the time of release of this announcement.

Some factors could cause actual results to differ from expectations.