

Revision of Financial Results Forecast for the Year Ending March 2021

- TOKYO, Japan, January 28, 2021 -

Seiko Epson Corporation (TSE: 6724, "Epson") today announced that its board of directors had approved a revision of its financial results forecast for the year ending March 2021, disclosed on October 29, 2020.

1. Revision of the financial results forecast 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 period attributable to owners of the parent company	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	960,000	35,000	28,000	24,000	8,000	8,000	23.12
Revised forecast (B)	980,000	50,000	38,000	34,000	18,000	18,000	52.03
Change (B - A)	20,000	15,000	10,000	10,000	10,000	10,000	—
Change (%)	2.1	42.9	35.7	41.7	125.0	125.0	—
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 the revision

Revenue was positively impacted by ongoing home printing demand resulting from the pandemic. The printer business has benefitted from higher-than-forecast prices for high-capacity ink tank and ink cartridge models for the office and home, and robust ink sales. In addition, revenue is expected to expand due to increased demand for external sales of printheads in Japan and China.

Revenue is also expected to exceed plan in microdevices due to a recovery in electronic devices for automotive and consumer electronics and for internal demand, and in robotics solutions where we have captured orders for robots primarily in China and the United States.

As with revenue, we expect business profit and subsequent profit categories to exceed our earlier forecasts. In addition to the effects of the above and foreign exchange, we have benefited from ongoing cost cutting that has resulted from efficient spending. Business profit includes a 3.6-billion-yen impairment loss incurred in the 3rd quarter accounting period on

declining profitability in the wearable products business.

As a result of these factors, we are revising our outlook for the year ending March 2021. Our foreign exchange assumptions for the fourth quarter are 102.00 yen to the US dollar and 125.00 yen to the euro.

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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