

(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.

February 26, 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 six months ending June 30, 2020 and the fiscal year ending December 31, 2020 in the “Consolidated Financial Results for the Fiscal Year Ended December 31, 2019” and another disclosure document (*) released on February 12, 2020 as follows.

Revisions to the Forecast of Financial Results

Revisions to the forecast of consolidated financial results for the six months ending June 30, 2020 (January 1, 2020 to June 30, 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	265,000	9,500	9,500	5,500	57.82
Revised Forecast: B	265,000	13,100	13,100	8,000	84.10
Change (B-A)	—	3,600	3,600	2,500	—
Change Ratio (%)	—	37.9%	37.9%	45.5%	—
(Reference) Results for the six months ended June 30, 2019	248,055	12,973	13,349	8,025	81.91

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	526,000	27,000	25,500	16,000	168.20
Revised Forecast: B	526,000	30,600	29,100	18,500	194.48
Change (B-A)	—	3,600	3,600	2,500	—
Change Ratio (%)	—	13.3%	14.1%	15.6%	—
(Reference) Results for the fiscal year ended December 31, 2019	522,424	35,298	35,571	23,349	241.79

(*) another disclosure document: “Results Presentation for FY2019 Ended December 31, 2019” released on February 12, 2020

Reasons for the Revision

On February 7, 2020, the Company decided to donate the funds necessary for the expansion and renovation of the Hatakeyama Memorial Museum owned by the Ebara Hatakeyama Memorial Foundation (“the Foundation”) in order to support the social contribution activities of the Foundation based on “the practice of advanced ESG-based management” which is one of the strategies of Long-term Vision “E-Vision2030”.

The total amount of the expenses of this project is expected to be approximately ¥4,000 million, and was supposed to be recorded in a lump as donations in the fiscal year ending December 31, 2020. However, on February 20, 2020, the Company revised the policy that each fiscal year the amount will be decided at a meeting of the Board of Directors and recorded. The Company has decided to record ¥400 million in the fiscal year ending December 31, 2020.

In accordance with the revision of the policy, “Significant Subsequent Events” on page 28 has been deleted from the “Consolidated Financial Results for the Fiscal Year Ended December 31, 2019” released on February 12, 2020.

(Reference) Forecast by Business Segment

		Millions of yen				
		Fluid Machinery & Systems	Environmental Plants	Precision Machinery	Others	Total
Sales	Previous Forecast: A	318,000	67,000	139,000	2,000	526,000
	Revised Forecast: B	318,000	67,000	139,000	2,000	526,000
	Change (B-A)	—	—	—	—	—
	Change Ratio (%)	—	—	—	—	—
Segment Income	Previous Forecast: A	15,000	5,500	10,500	(4,000)	27,000
	Revised Forecast: B	15,000	5,500	10,500	(400)	30,600
	Change (B-A)	—	—	—	3,600	3,600
	Change Ratio (%)	—	—	—	—	13.3%

(Note)

The forecast of performance contained in this report is 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 performance may differ owing to a wide range of factors.

The forecast of consolidated financial results does not take into account the impact of the new coronavirus epidemic.

End of News Release