

(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 12, 2021

To whom it may concern

Company EBARA CORPORATION
Representative Masao Asami, President and Representative
Executive Officer
(Securities code: 6361, TSE First Section)
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Notice of Voluntary Adoption of International Financial Reporting Standards (IFRS)

At a meeting of the Board of Directors held today (February 12, 2021), Ebara Corporation (“the Company”) resolved to voluntarily adopt the International Financial Reporting Standards (IFRS) in place of the existing Japanese Generally Accepted Accounting Principles (JGAAP) for the consolidated financial statements of the EBARA Group. In doing so, the Company aims to increase the international comparability of financial information.

The Company will make disclosure based on IFRS from the first quarter of the fiscal year ending December 31, 2021.

(Reference) Disclosure schedule and accounting standards associated with transition to IFRS

- February 2021 : Earnings report for the fiscal year ended December 31, 2020 (JGAAP)*
*Forecast of consolidated financial results for the fiscal year ending
December 31, 2021 will be disclosed based on IFRS.
- March 2021 : Consolidated financial statements¹ and annual securities report for the
fiscal year ended December 31, 2020 (JGAAP)
- May 2021 : Earnings report and quarterly securities report for the three months ending
March 31, 2021 (IFRS)

The impact of IFRS transition on the Medium-term Management Plan, E-Plan 2022 (released in February 2020) is shown in the following table.

E-Plan 2022 Numerical Targets (FY22)

		Targets	
		(Current) JGAAP	(New) IFRS
Key Performance Indicators (KPI)	ROIC	8.0% or more	7.6% or more
	Operating Income to Sales Ratio (company-wide)	8.5% or more	Same as left
Target Achievement Indicators	ROE	11.0% or more	11.2% or more
	Debt-to-Equity Ratio	0.3-0.5 times	0.4-0.6 times

¹ This document is required under the Companies Act.

Impact on “Operating Income to Sales Ratio” (company-wide and by business) is minor and the targets remain the same. For details of the IFRS transition impact, please refer to our Earnings Report (Financial Results) and Results Presentation for the fiscal year ended December 31, 2020.

(Note)

The forward-looking statements 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 performance may differ owing to a wide range of factors.

End of News Release