November 8, 2016

Notice on Difference between Financial Forecasts and the Revision to Financial Forecasts for the year ending March 31, 2017

Company name : **SMC Corporation**
Stock exchange listing : Tokyo Stock Exchange first section
Security code : 6273
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Representative : Katsunori Maruyama, President
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Based on the trends of its recent business performance, SMC Corporation hereby announces the revision to consolidated financial forecasts for the year ending March 31, 2017, announced on May 13, 2016, and the difference between the newly announced non-consolidated financial forecasts for the year ending March 31, 2017 and actual results for the year ended March 31, 2016.

1. Revision to consolidated financial forecasts for the year ending March 31, 2017 (Period from April 1, 2016 through March 31, 2017)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per share
Previous Forecasts (A) (announced on May 13, 2016)	(Millions of Yen) 450,000	(Millions of Yen) 107,000	(Millions of Yen) 114,000	(Millions of Yen) 82,000	(Yen) 1,220.40
Revised Forecasts (B)	**450,000**	**122,000**	**110,000**	**87,000**	**1,294.75**
Changes (B-A)	—	15,000 14.0%	(4,000) (3.5%)	5,000 6.1%	—
<Reference>					
Results of the FY 2015 (Year ended March 31, 2016)	475,608	134,233	129,188	92,138	1,371.34

2. Difference between the non-consolidated financial forecasts for the year ending March 31, 2017 and actual results for the year ended March 31, 2016 (Period from April 1, 2016 through March 31, 2017)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
Results of the FY 2015 (A) (Year ended March 31, 2016)	(Millions of Yen) 302,755	(Millions of Yen) 84,254	(Millions of Yen) 73,164	(Millions of Yen) 50,551	(Yen) 752.38
Newly Announced Forecasts (B)	**299,000**	**71,000**	**56,000**	**46,000**	**684.58**
Changes (B-A)	(3,755) (1.2%)	(13,254) (15.7%)	(17,164) (23.5%)	(4,551) (9.0%)	—

3. Reason for the revision

Consolidated net sales have not changed since the last time we announced the forecasts.

Regarding incomes, the forecast for the full-year consolidated operating income have increased 15,000 million yen to 122,000 million yen and the forecast for the full-year consolidated ordinary income have decreased 4,000 million yen to 110,000 million yen, because the gross profit rate is expected to increase based on the actual results for the second quarter ended September 30, 2016, while yen is expected to rise more than the initial forecast. The forecast for the full-year profit attributable to owners of parent have increased 5,000 million yen to 87,000 million yen.

The full-year estimated foreign exchange rates for the major currencies have been changed from 108 yen to 103 yen per 1 US dollar and from 123 yen to 115 yen per 1 Euro.

Cautionary statements

The above forecasts contain forward-looking statements that are based on available data at the time of release of this announcement. Some factors could cause actual results to differ from expectations.