

Revision of Year-End Dividend Outlook

- TOKYO, Japan, January 31, 2018 -

Seiko Epson Corporation (TSE: 6724, "Epson") today revised its year-end dividend outlook for the year ending March 31, 2018. The announcement revises the outlook announced on October 26, 2017.

The revision is subject to approval by the shareholders' meeting, planned for June 2018.

1. Revision of year-end dividend outlook

Period	Dividend per share (yen)		
	Interim	Year end	Total
Previous outlook	—	30.00	60.00
Revised outlook		32.00	62.00
Actual	30.00		
Previous (year ended March 31, 2017)	30.00	30.00	60.00

2. Reason for revision

Epson is dedicated to generating ongoing growth based on the idea of creating original value for customers, and on generating stable cash by improving profitability and efficiently using management resources. The Company prioritizes investment based on its growth strategy, and has established a dividend policy that relies on both the construction of a robust financial structure capable of withstanding changes in the management environment, and on aggressively providing shareholder returns.

Based on this policy, we set a mid-range target of a 40% dividend payout ratio calculated after subtracting an amount equivalent to the statutory effective tax rate from business profit, which is roughly equivalent to the profit acquired through our main businesses. We have also prioritized more aggressive shareholder returns, which we will implement after comprehensively assessing factors such as share price and the cash situation, and share buybacks, as the situation demands.

Following this policy, we set our interim dividend as initially planned at 30 yen per share. However, we have decided to upwardly raise our year-end dividend from the previous outlook of 30 yen per share to 32 yen. This is because we forecast an increase in revenue and business profit compared to our previous assumptions due to the progress in our business strategy, and the impact of foreign exchange, and because of our dividend payout and cash situation.

The total dividend for the year will therefore amount to 62 yen per share.