



Full-Year & Q4 Financial Results Fiscal Year 2009 (Ending March 2010)

April 30, 2010

SEIKO EPSON CORPORATION



■ Disclaimer regarding forward-looking statements

The foregoing statements regarding future results reflect the Company's expectations based on information available at the time of announcement. The information contains certain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to, the competitive environment, market trends, general economic conditions, technological changes, exchange rate fluctuations and our ability to continue to timely introduce new products and services.

■ Numerical values presented herein

Numbers are rounded to the unit indicated.

Percentages are rounded off to one decimal place.

Changes to business incubation projects included under "Other" segment

From FY2009

- In line with the structural reforms for the electronic device businesses announced in March 2009, corporate R&D on some of the business incubation projects that we plan to bring to market were charged to other segments instead of being allocated to the "Other" segment.
- This resulted in a change to the disclosed profit and loss figures for each segment in fiscal 2009.
- In the slides explaining fiscal 2009, fiscal 2008 segment profit and loss figures have been adjusted for the purpose of comparison.

Changes to segment reporting based on new management approach

From FY2010

- Under our new management approach, Head Office expenses that were allocated to the various segments and business in proportion to their respective sales will be consolidated under the Corporate Segment from fiscal 2010.
- The functions of subsidiaries that provided services to the Epson Group and whose results were reported under the "Other" segment have been transferred to the various businesses.
- In the slides showing the fiscal 2010 outlook, fiscal 2009 segment profit and loss figures have been adjusted for the purpose of comparison.

1. Overview

2. Details

Financial Highlights (Full Year)

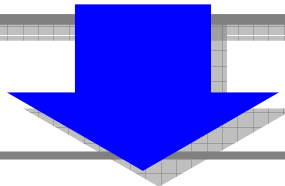


	FY2008		FY2009				Change (amount, %)	
	Actual	%	Previous Outlook	%	Actual	%	Y/Y	Vs. Prev. Outlook
(Billions of yen)								
Net Sales	1,122.4	-	990.0	-	985.3	-	-137.1 -12.2%	-4.6 -0.5%
Operating Income	-1.5	-0.1%	20.0	2.0%	18.2	1.8%	+19.8 -	-1.7 -8.9%
Ordinary Income	5.3	0.5%	13.0	1.3%	13.8	1.4%	+8.5 +161.7%	+0.8 +6.7%
Net Income Before Income Taxes	-89.5	-8.0%	0	0.0%	-0.7	-0.1%	+88.7 -	-0.7 -
Net Income	-111.3	-9.9%	-21.0	-2.1%	-19.7	-2.0%	+91.5 -	+1.2 -
EPS	-¥566.92		-¥105.41		-¥99.34			
Exchange Rate	USD	¥100.53	¥93.00		¥92.85			
	EUR	¥143.48	¥133.00		¥131.15			

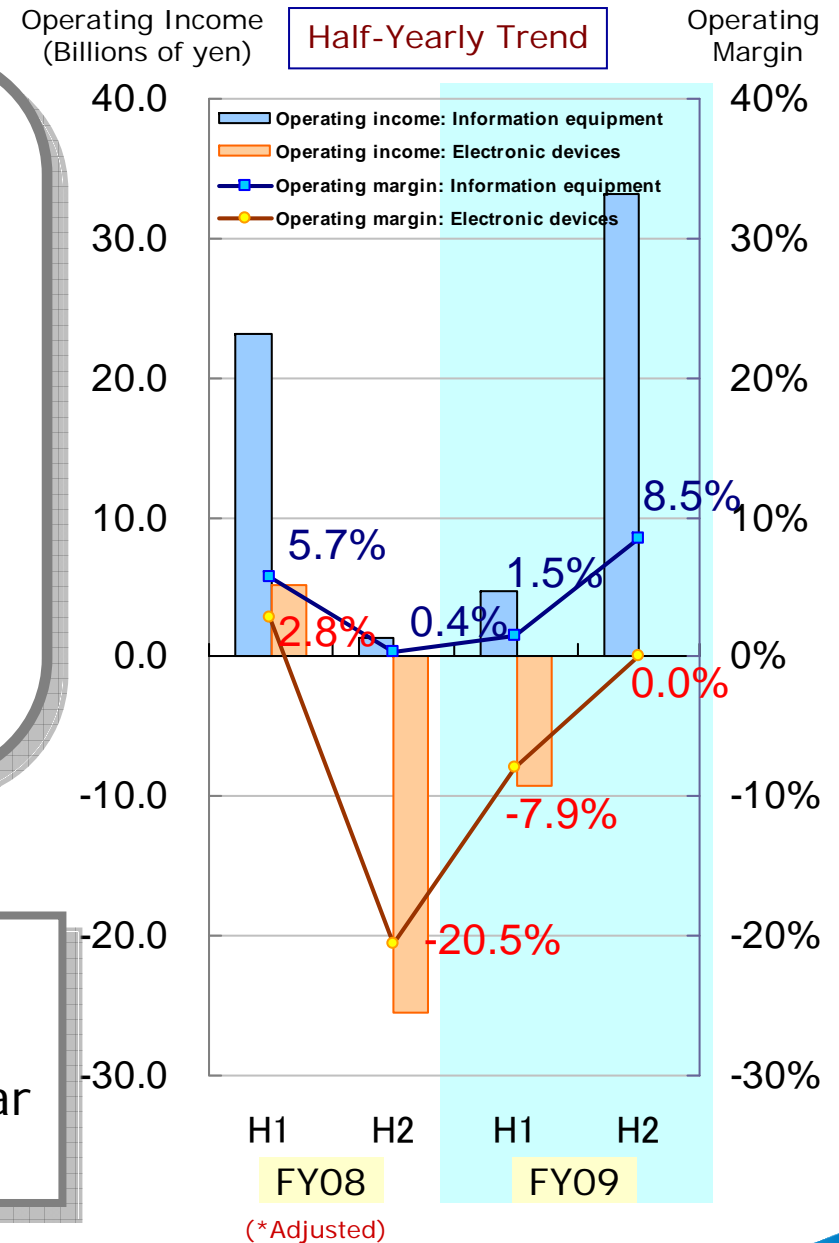


FY2009 Financial Highlights

- First-half income hit hard by effects of global recession, especially in enterprise sector
- Sharp improvement in second half income due to economic recovery and various initiatives to improve earnings
- Consistent efforts to reduce fixed costs
- Aggressively expanded sales of inkjet printers to achieve a stronger earnings base in FY2010 and beyond



Achieved our original target of break-even in ordinary income for the full year



Information-Related Equipment Segment

Despite the lingering effects of the recession and a fledgling recovery in the enterprise market, income showed improvement due to our ongoing efforts to make operations more efficient through cost reductions and other actions.

- Inkjet printers: Launched competitive products and strengthened moves into emerging markets and the commercial and industrial sectors, all of which promise growth.
- Business systems: Maintained and enhanced presence in POS-related products and SIDM
- Projectors: Maintained top market share in volume zone and expanded into high brightness area

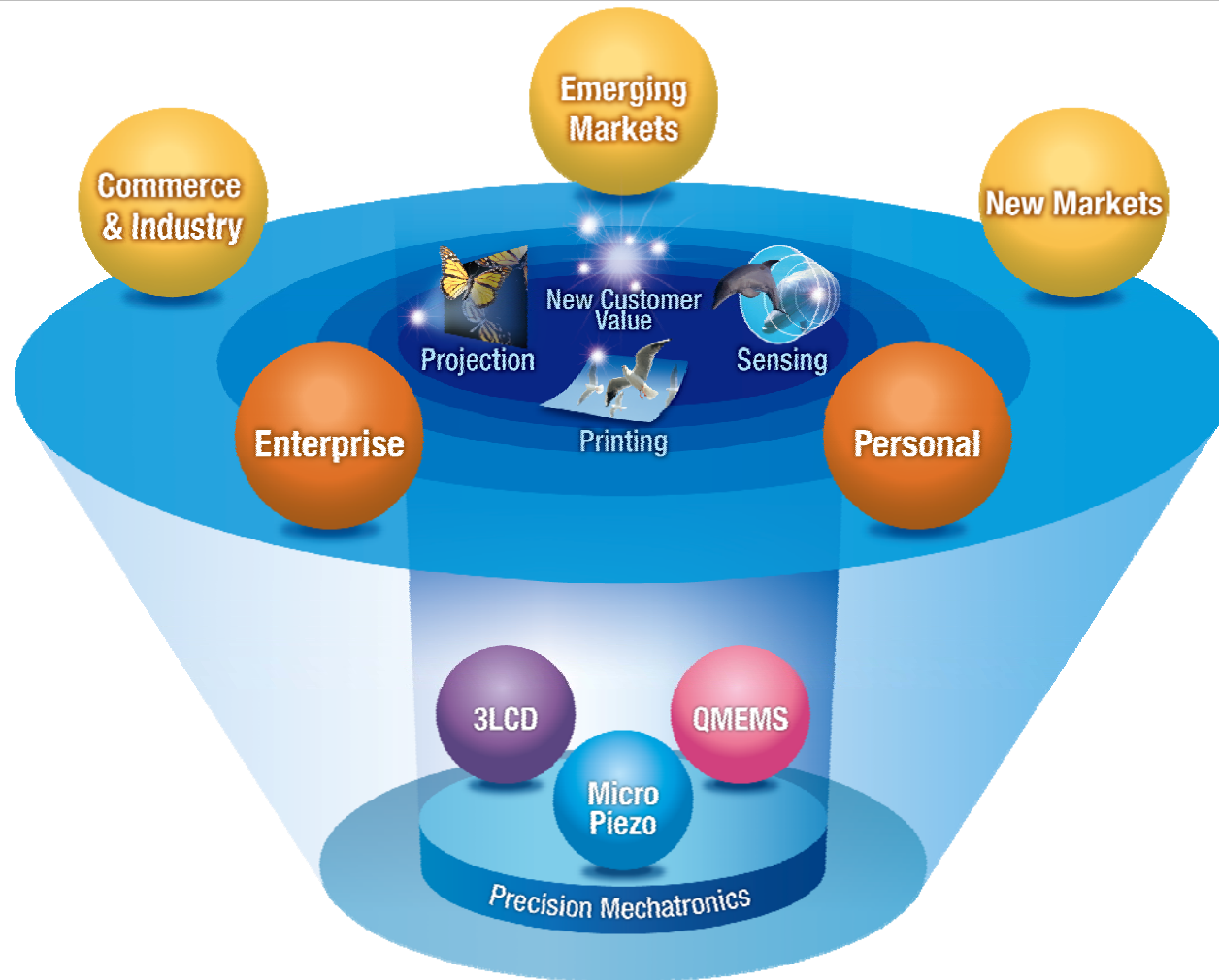
Electronic Devices Segment

Losses shrank significantly due to a second-half recovery in demand for products such as digital home electronics and mobile phones, combined with the effects of impairments recorded in the previous fiscal year and fixed cost reductions.

- Crystal devices, semiconductors: Took advantage of synergies resulting from making Epson Toyocom a wholly owned subsidiary, and pressed our advantage in sectors such as sensing devices.
- Small- and medium-sized displays: Transferred part of the business assets of our amorphous silicon TFT LCD business to Sony as scheduled, in line with the mid-range business plan

SE15 Long-Range Corporate Vision

Epson is committed to the relentless pursuit of innovation in compact, energy-saving, high-precision technologies, and through the formation of group-wide platforms will become a community of robust businesses, creating, producing, and delivering products and services that emotionally engage customers worldwide.

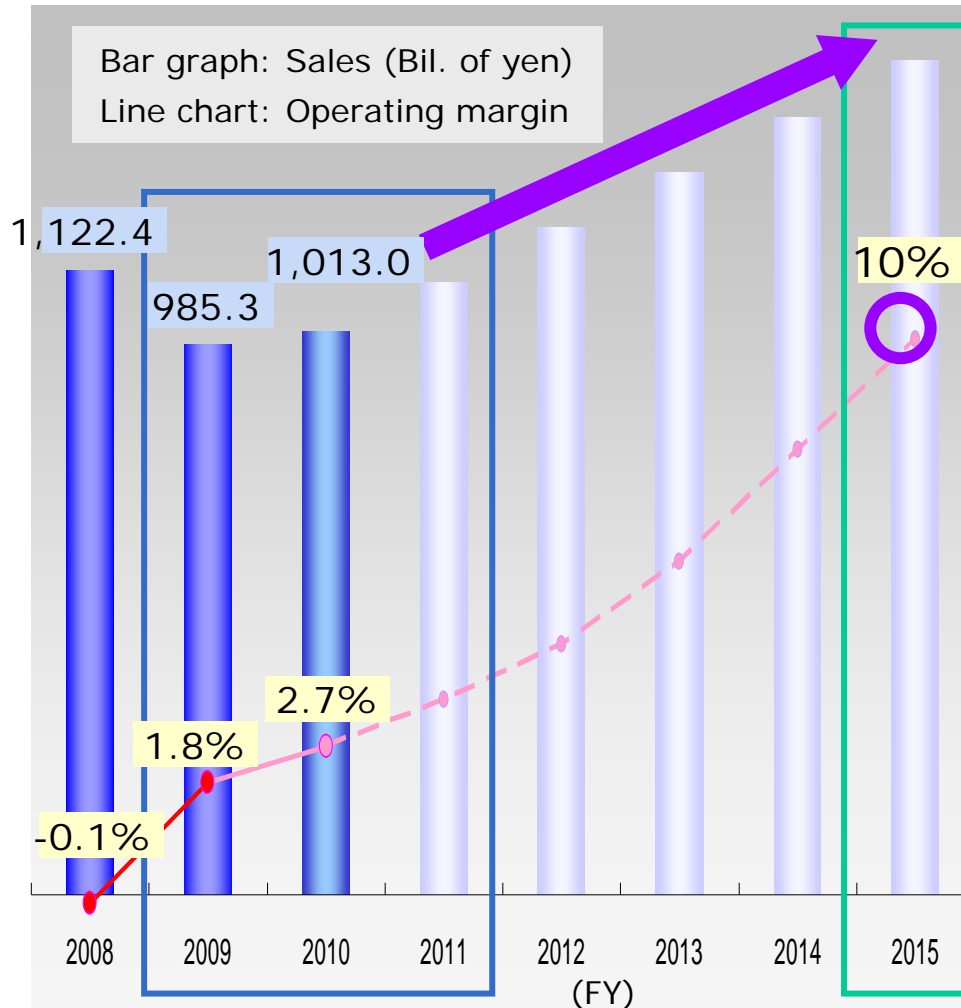


SE15 Long-Range Corporate Vision & Mid-Range Business Plan (FY2009 - FY2011)



SE15 Financial Objectives (FY2015)

ROS: 10%, ROE: Sustained 10% or greater (assuming net sales growth)



SE15 & Mid-Range Business Plan (FY2009 – FY2011)

FY2009: Aim to break-even in ordinary income and to restructure the business foundations that underpin SE15

FY2010: Firmly establish a profit-generating corporate structure

FY2011: Set Epson on a new growth path aimed at fulfilling the SE15 Long-Range Corporate Vision

FY2010 Business Outlook

► Year-over-year



(Billions of yen)	FY2009		FY2010		Change	
	Total	%	Total	%	Amount	%
Net Sales	985.3	-	1,013.0	-	+27.6	+2.8%
Operating Income	18.2	1.8%	27.0	2.7%	+8.7	+48.1%
Ordinary Income	13.8	1.4%	24.0	2.4%	+10.1	+73.0%
Net Income Before Income Taxes	-0.7	-0.1%	12.0	1.2%	+12.7	-
Net Income	-19.7	-2.0%	0	-	+19.7	-
EPS	-¥99.34		¥0.00			
Exchange Rate	USD	¥92.85	¥85.00			
	EUR	¥131.15	¥125.00			



Inkjet Printer Business

- ◆ Enhance and expand product lineup to provide products optimized to the needs of specific customer segments, including enterprise, emerging and consumer markets

Projector Business

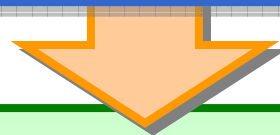
- ◆ Offer an extensive product lineup only possible with our No. 1 position

Quartz Device & Sensor Business

- ◆ Expand our leading competitiveness with greater capacity and capitalize on synergies with our semiconductor operations

In the second year of our mid-range business plan (FY2009 - FY2011), we will aim to set a profit-generating corporate structure firmly in place.

- Aim for at least break-even in net income
- Lay the groundwork to achieve the goals of the SE15 long-range corporate vision
- Bring business reorganization to completion



In fiscal 2011, the final year of the mid-range business plan, set Epson on a new growth path aimed at fulfilling the SE15 Long-Range Corporate Vision.



1. Overview

2. Details

1) FY2009 Financial Results

2) FY2010 Business Outlook

Financial Highlights (Full Year)



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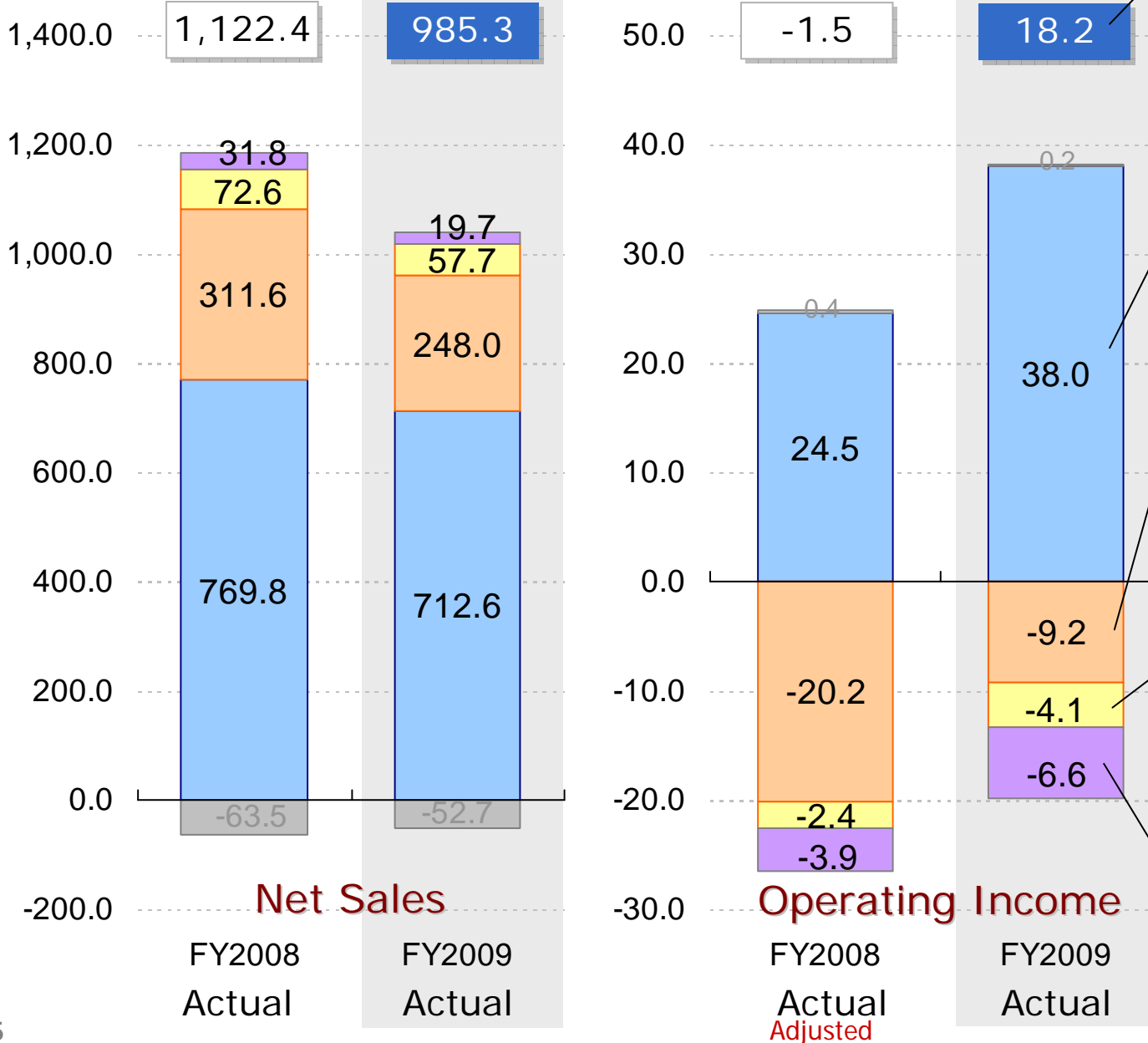


FY2009 Business Results

► By business segment



(Billions of yen)



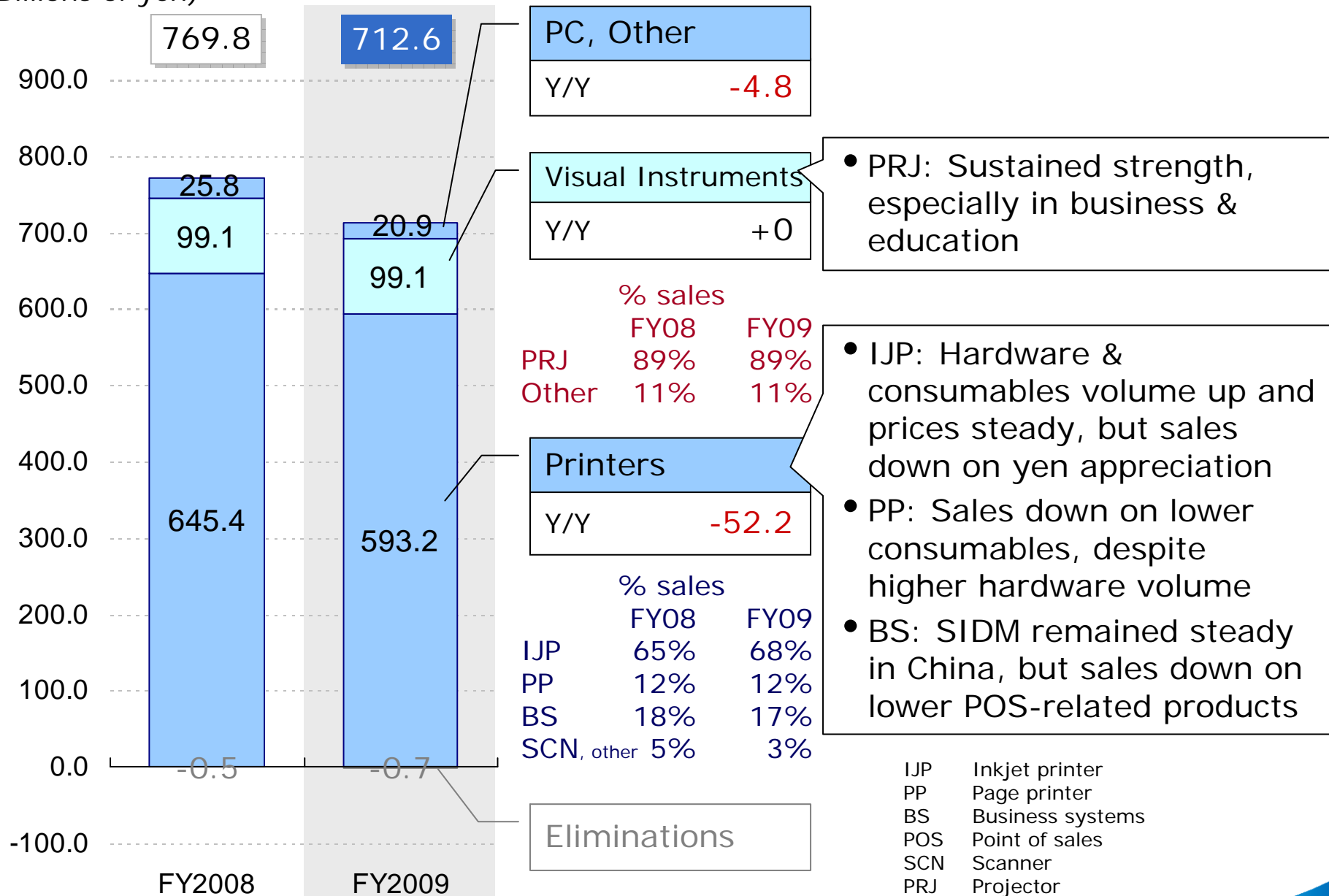
Consolidated Total	Net sales -137.1	Op. income +19.8
Eliminations		
Information Equipment	Net sales -57.1	Op. income +13.4
Electronic Devices	Net sales -63.6	Op. income +10.9
Precision Products	Net sales -14.9	Op. income -1.6
Other	Net sales -12.1	Op. income -2.6

Net Sales Comparison (Full Year)

Information Equipment Segment



(Billions of yen)

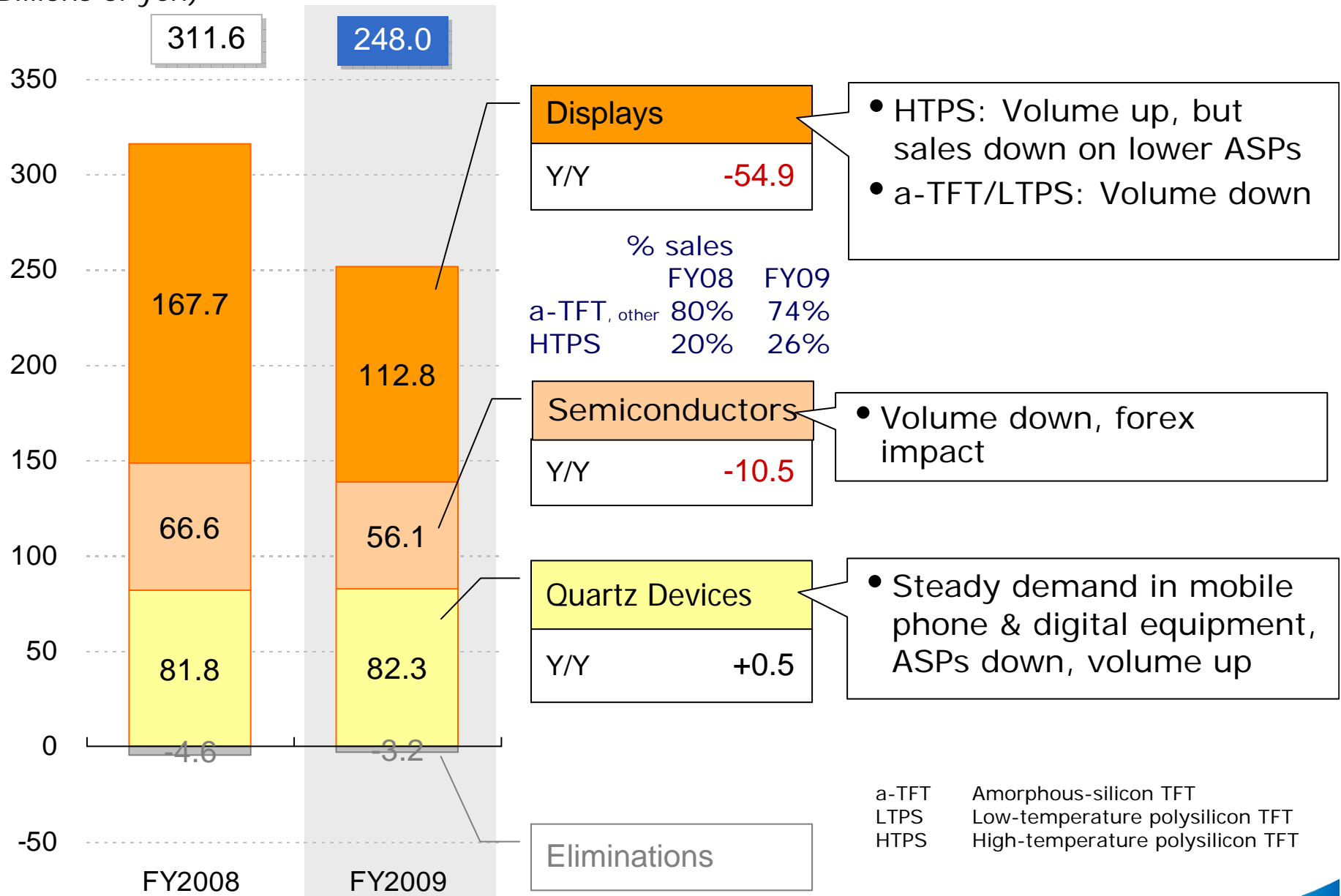


Net Sales Comparison (Full Year)

▶ Electronic Devices Segment



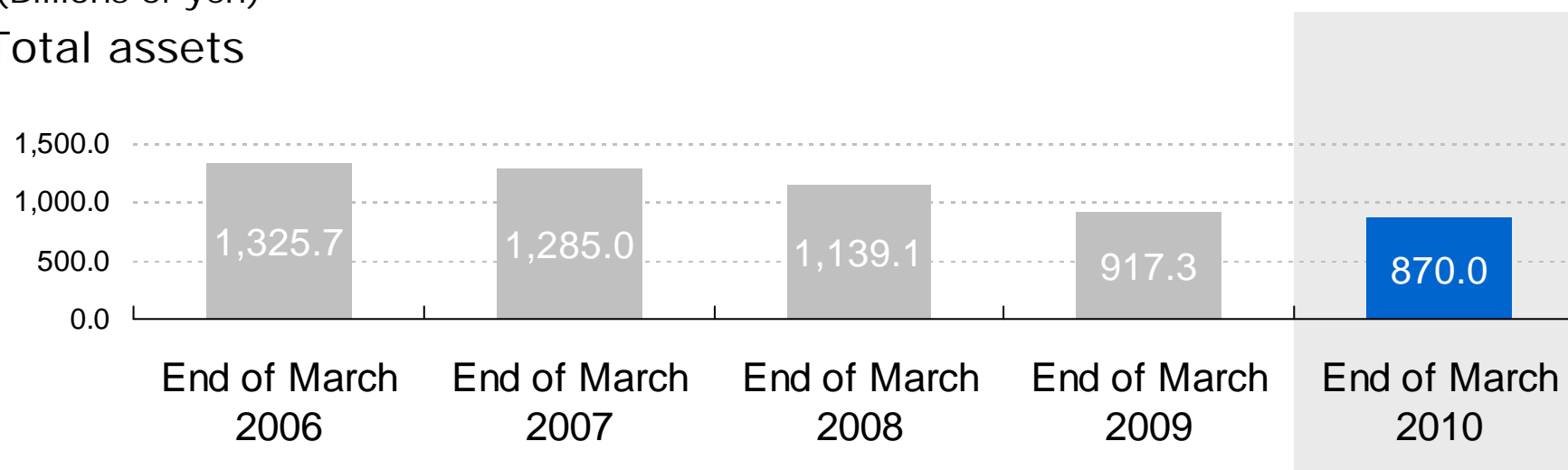
(Billions of yen)



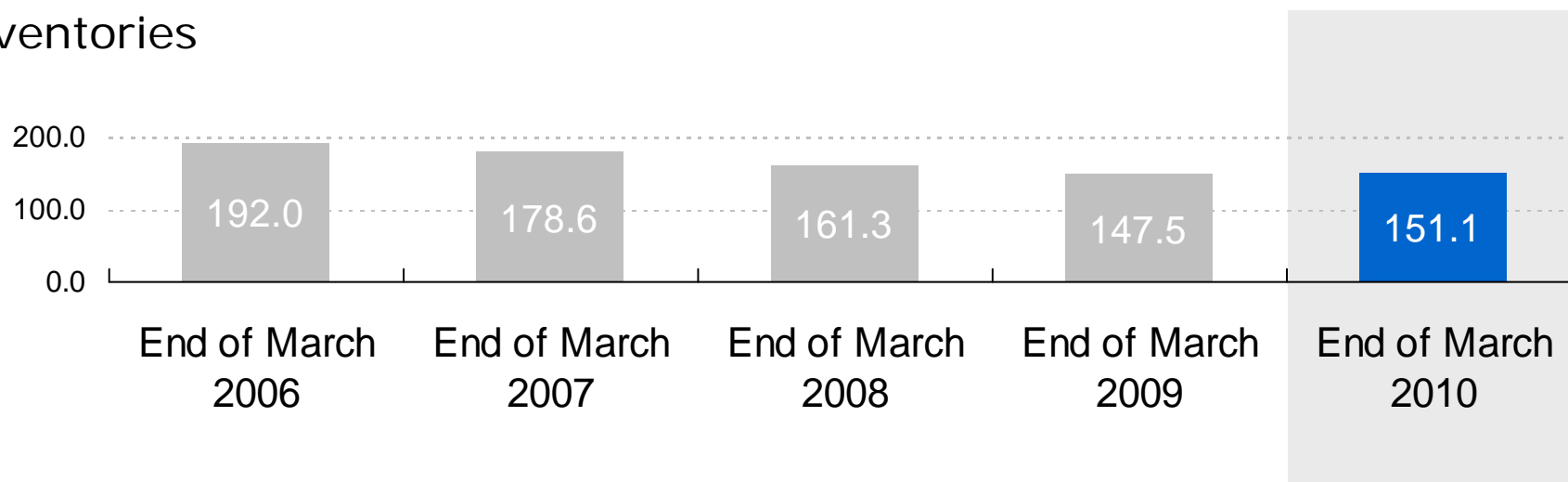
Statistics of Balance Sheet Items

(Billions of yen)

Total assets



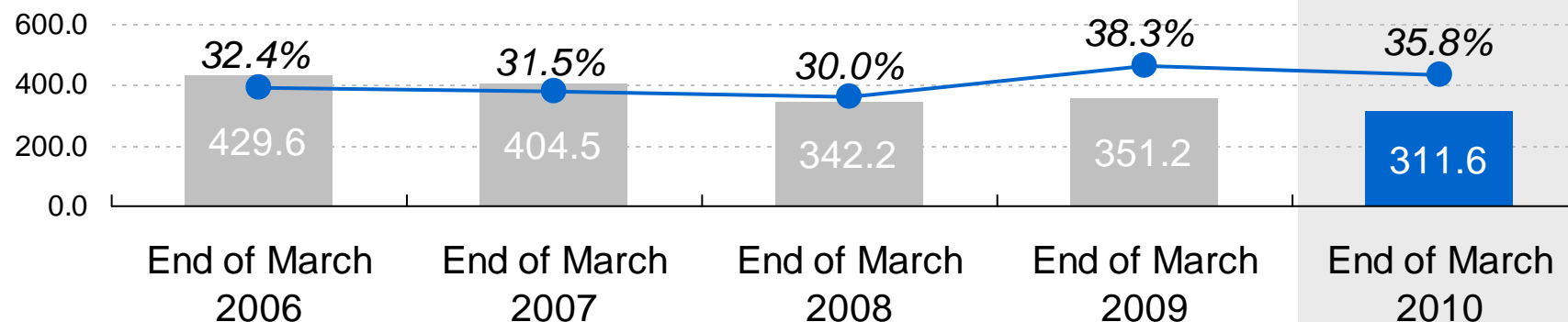
Inventories



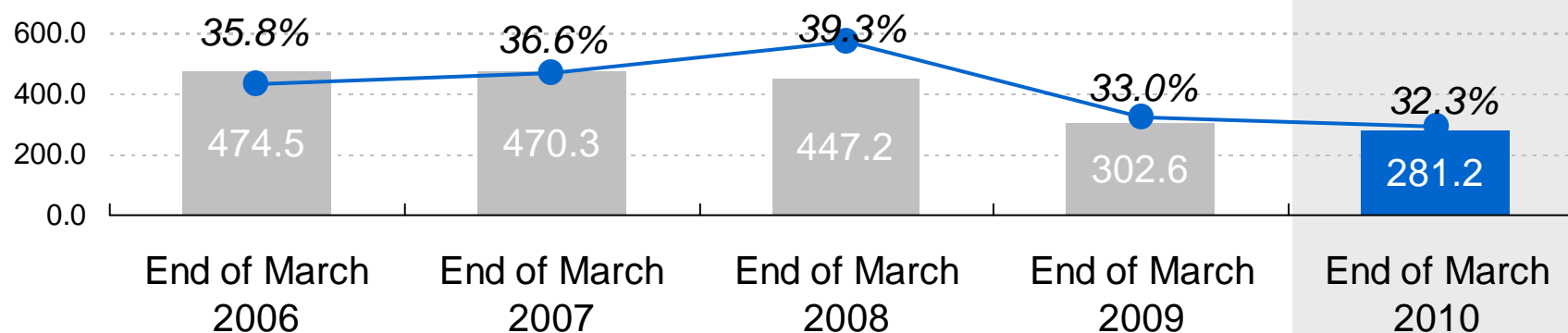
Statistics of Balance Sheet Items

(Billions of yen)

Interest-bearing liabilities & ratio of interest-bearing liabilities



Shareholders' equity & equity ratio



*Starting from FY2008, lease obligations were included in interest-bearing liabilities

*Shareholder equity = total net assets - minority interests in subsidiaries

Financial Highlights (Fourth Quarter)



(Billions of yen)	FY2008		FY2009		Change	
	Q4 Actual	%	Q4 Actual	%	Amount	%
Net Sales	216.1	-	247.2	-	+31.1	+14.4%
Operating Income	-34.2	-15.9%	-3.9	-1.6%	+30.3	-
Ordinary Income	-32.2	-14.9%	-2.5	-1.0%	+29.6	-
Net Income Before Income Taxes	-109.3	-50.6%	-8.2	-3.4%	+101.0	-
Quarterly Net Income	-123.2	-57.0%	-15.0	-6.1%	+108.1	-
EPS	¥627.47		¥75.33			
Exchange Rate	USD	¥93.61	¥90.70			
	EUR	¥121.81	¥125.62			

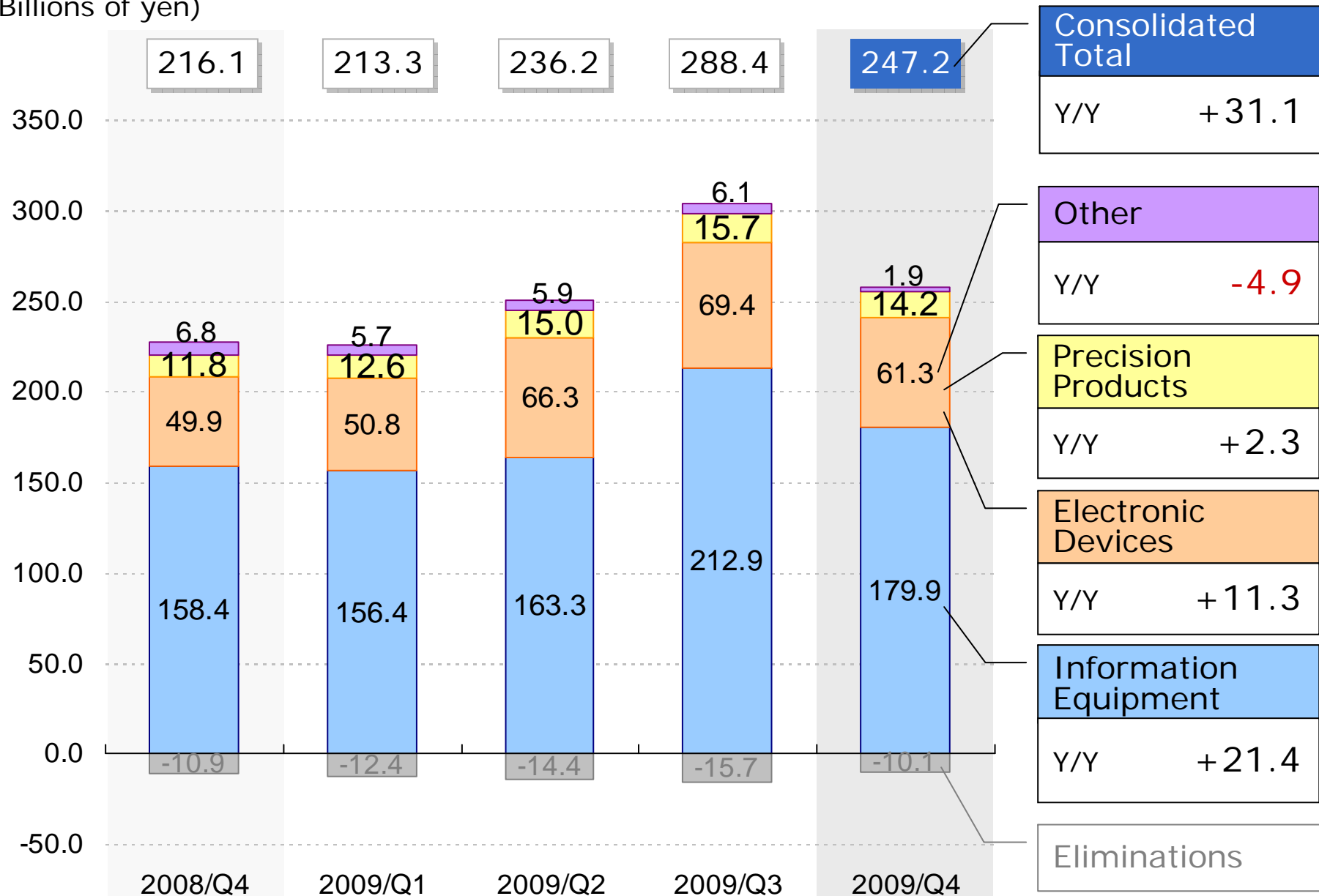


Quarterly Net Sales

► By business segment



(Billions of yen)

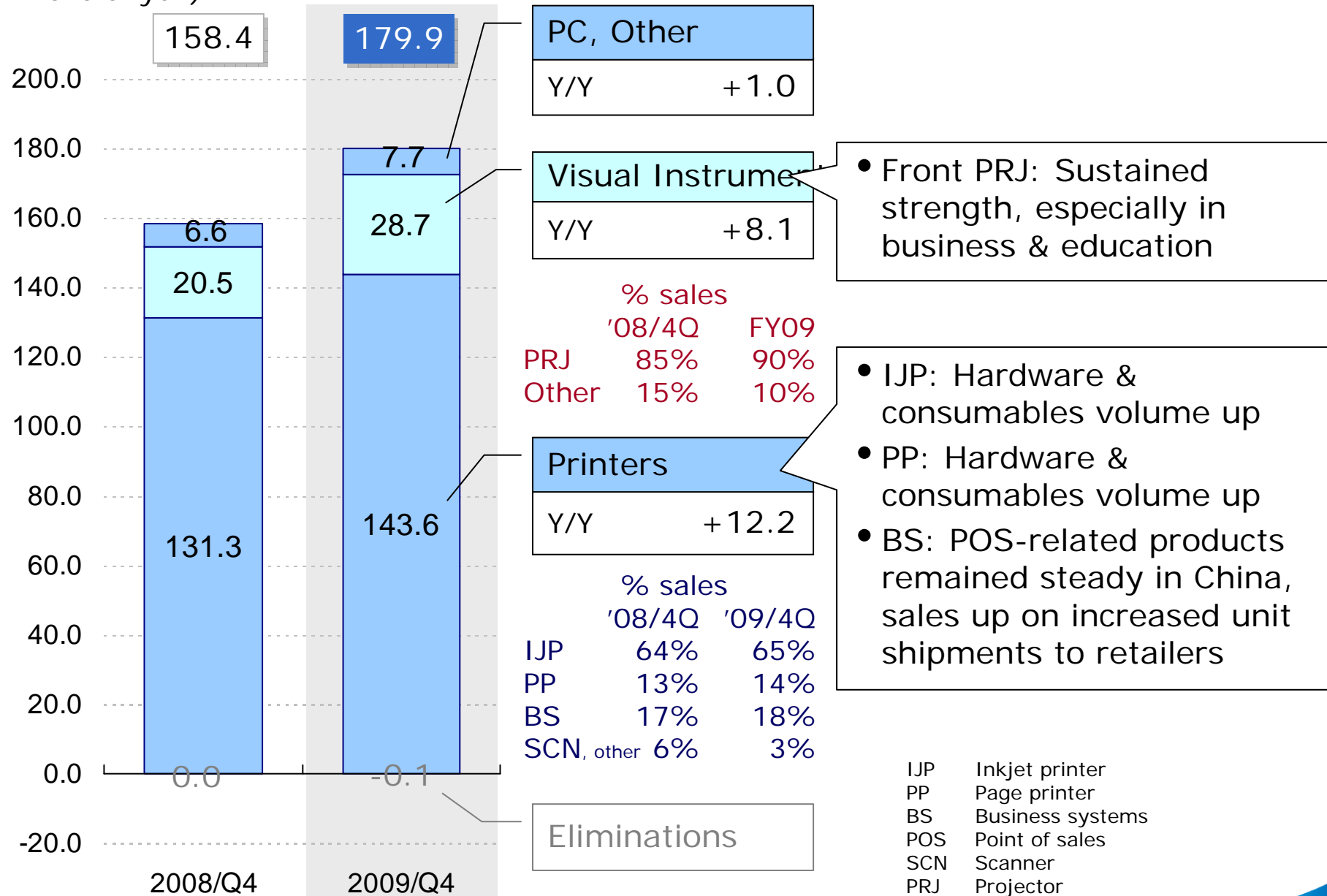


Quarterly Net Sales Comparison

Information Equipment Segment



(Billions of yen)



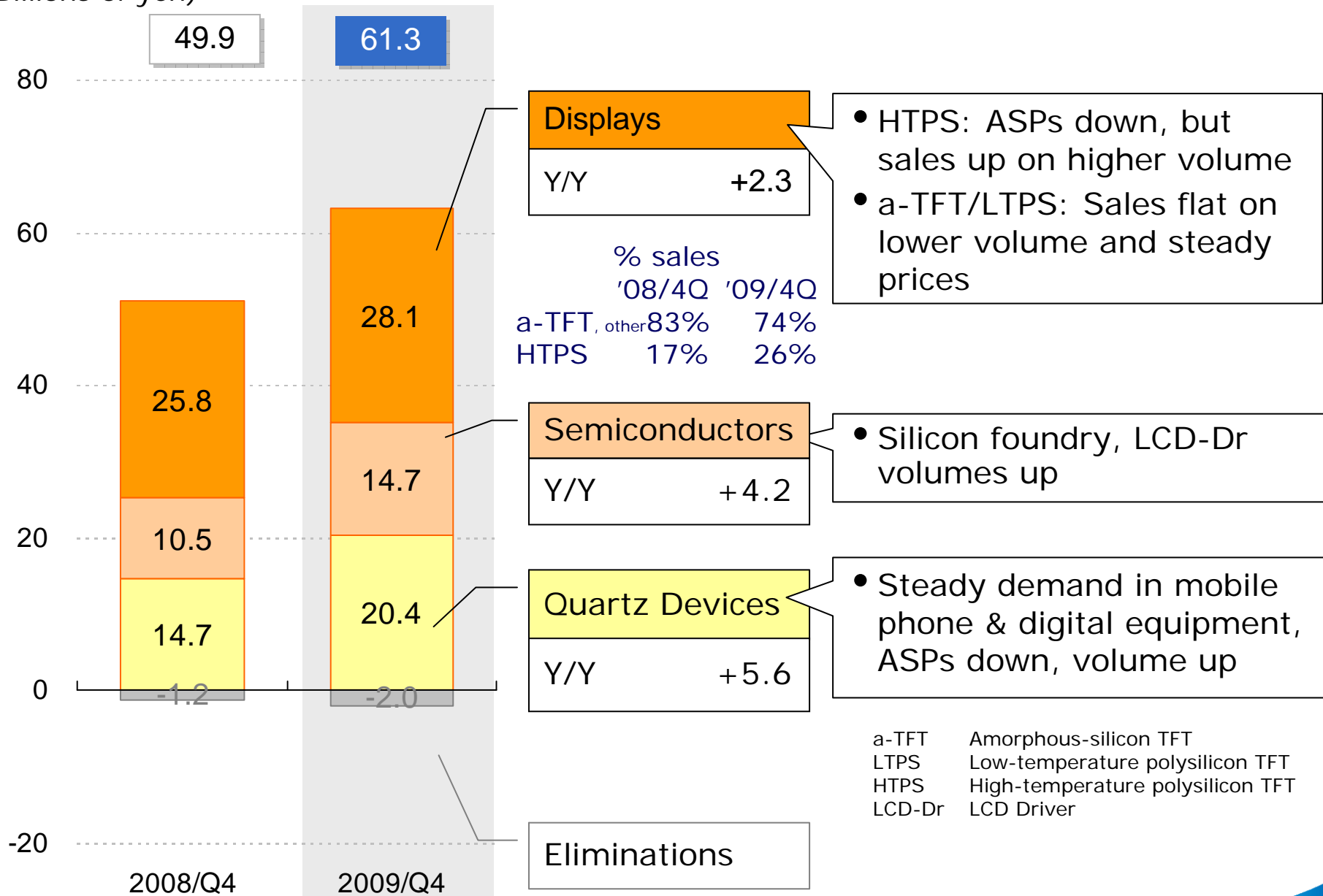
- Front PRJ: Sustained strength, especially in business & education

- IJP: Hardware & consumables volume up
- PP: Hardware & consumables volume up
- BS: POS-related products remained steady in China, sales up on increased unit shipments to retailers

Quarterly Net Sales Comparison

▶ Electronic Devices Segment

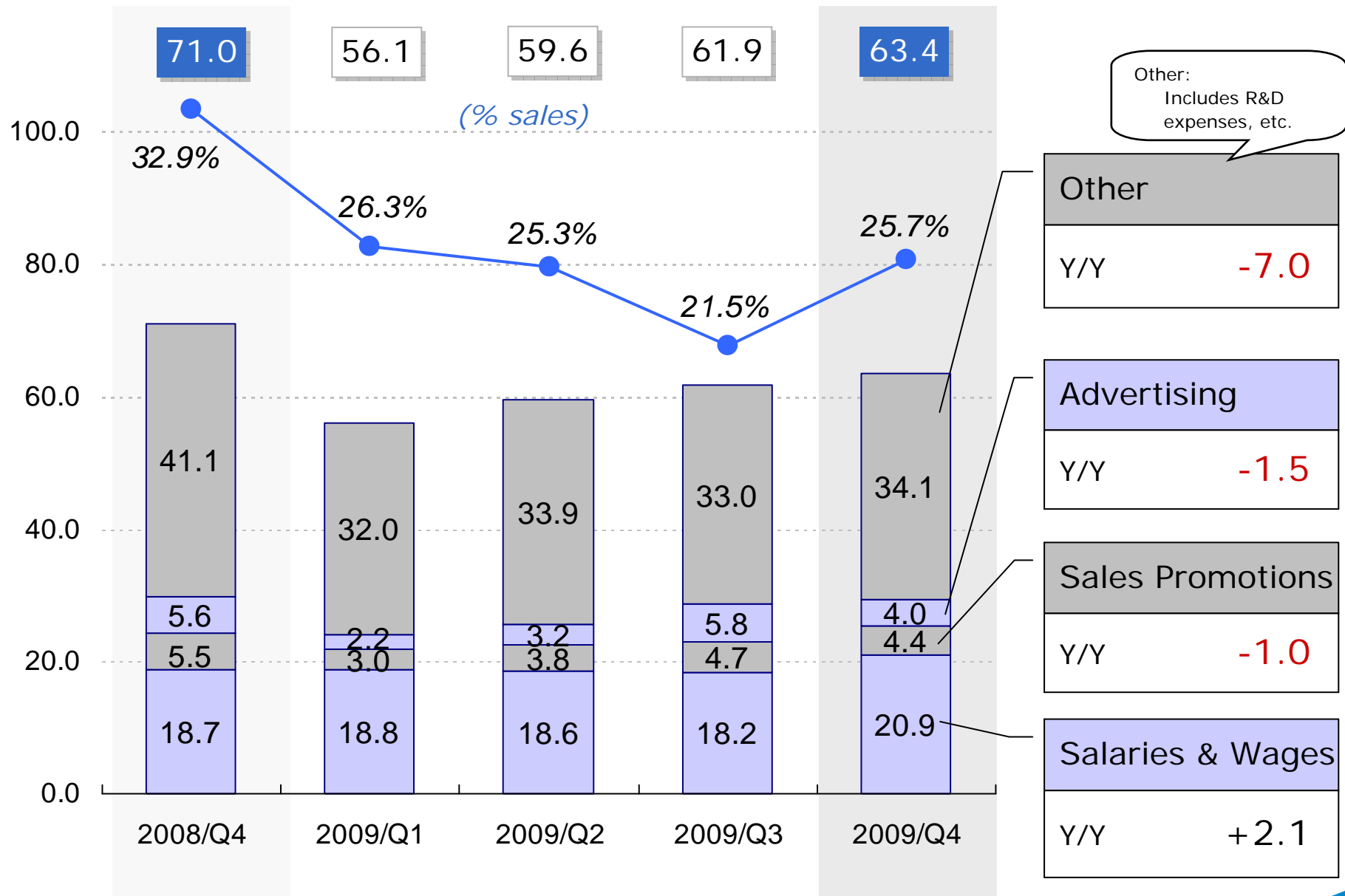
(Billions of yen)



Quarterly Selling, General and Administrative Expenses



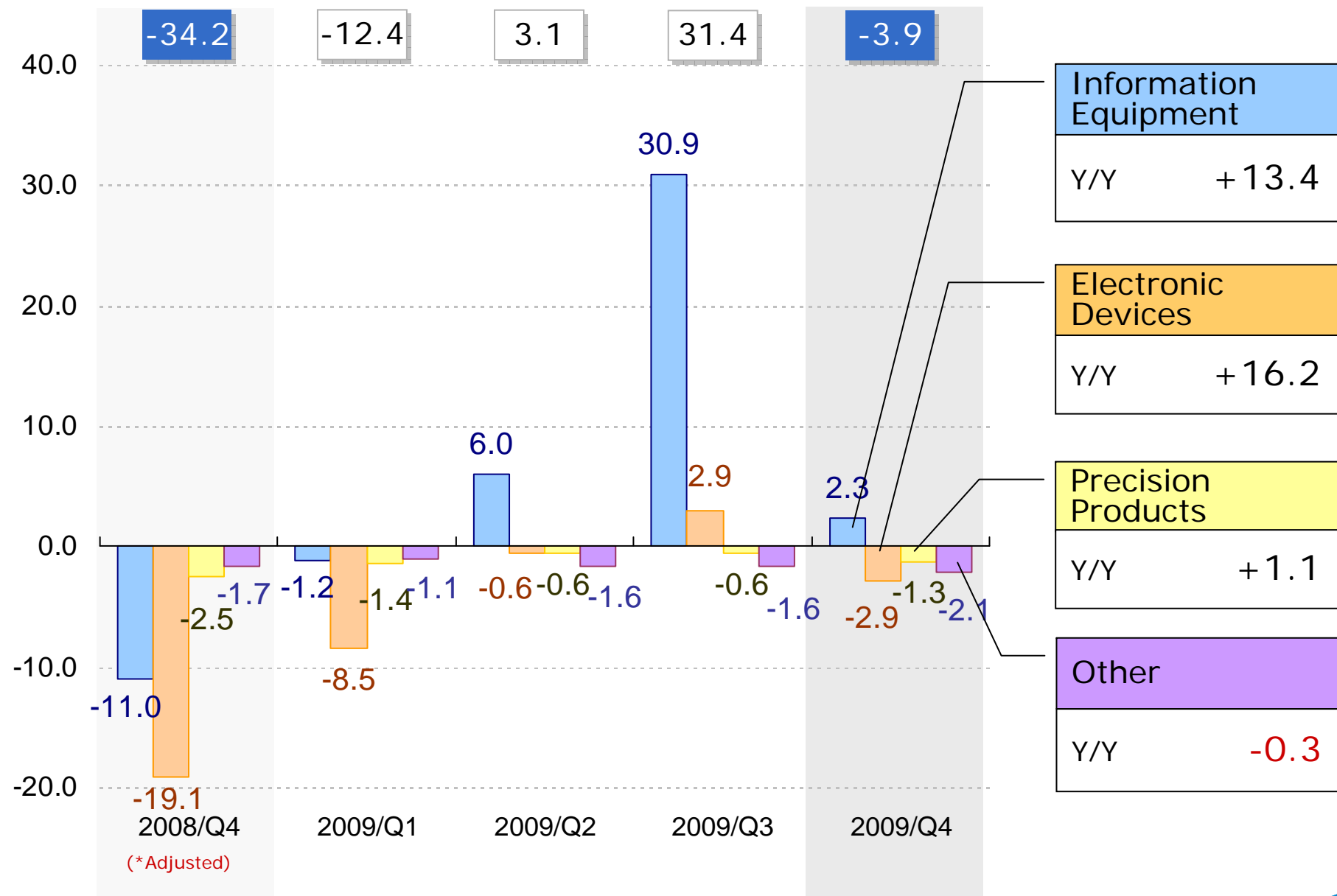
(Billions of yen)



Quarterly Operating Income

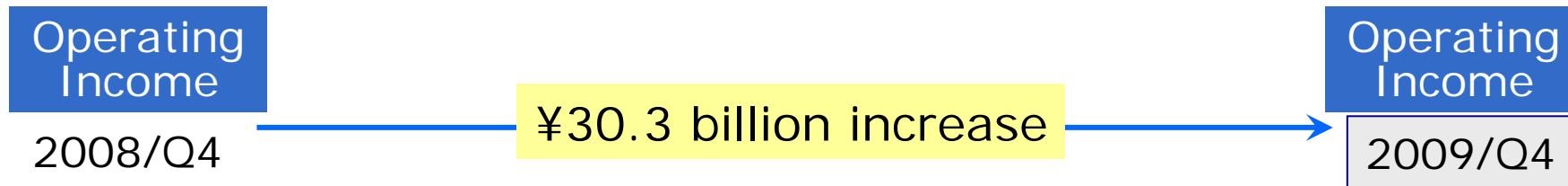
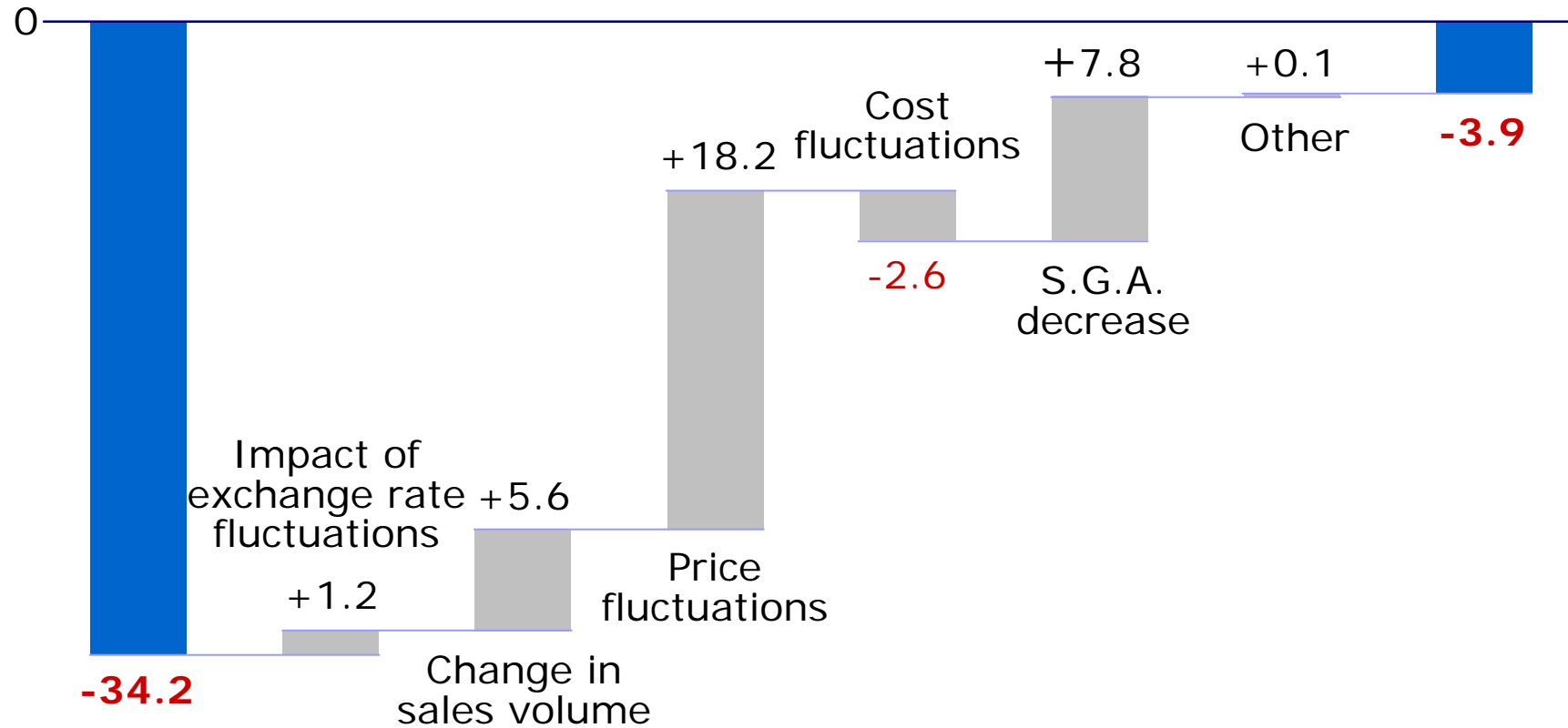
► By business segment

(Billions of yen)



Operating Income Fluctuation Cause Analysis

(Billions of yen)



1) FY2009 Financial Results

2) FY2010 Business Outlook

Caution:
There are changes to segment reporting based on the new "management approach."
Please refer to slide 2 for details on the changes.

FY2010 Business Outlook

► Year-over-year

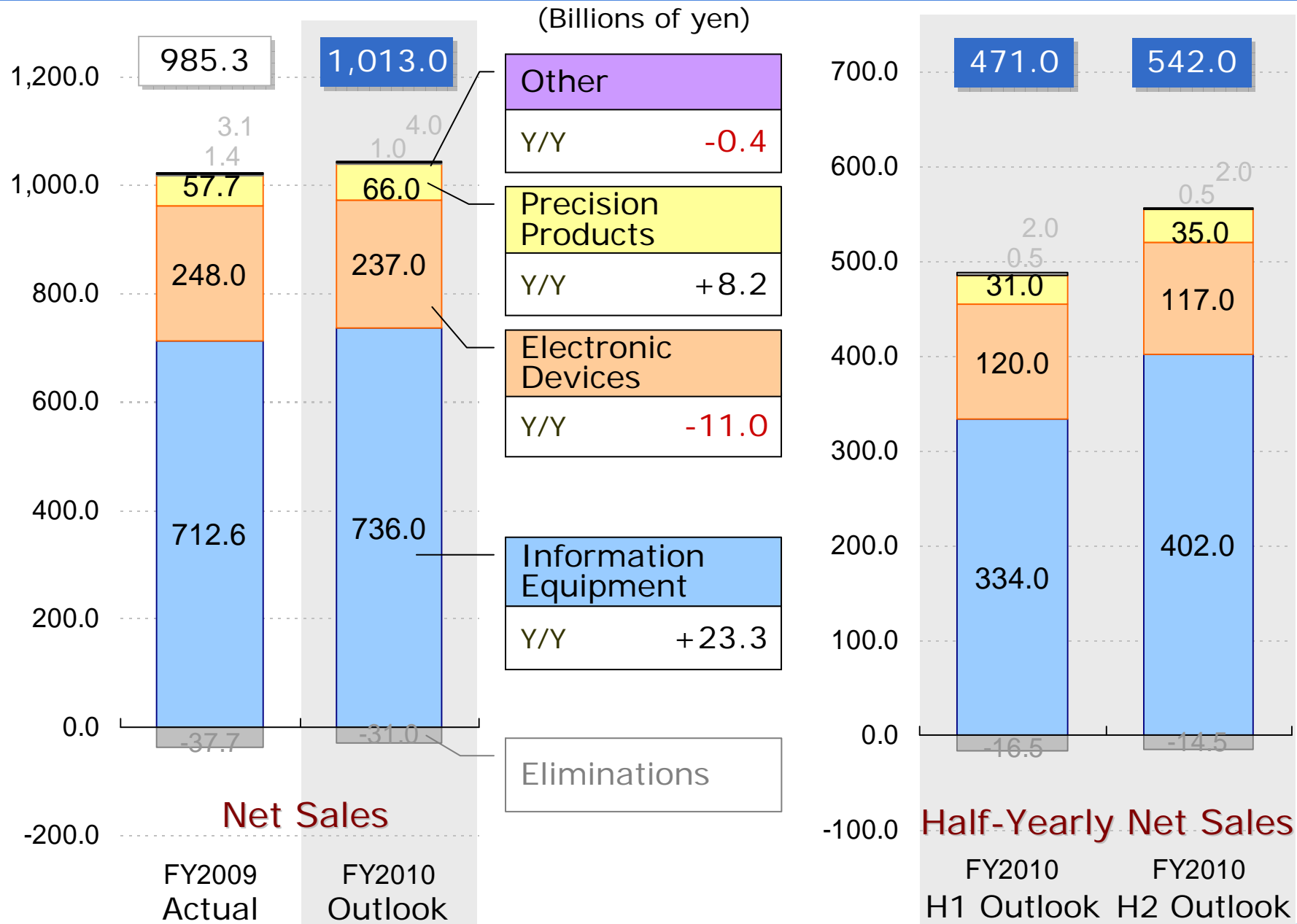


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EPS	-¥99.34		¥0.00			
Exchange Rate	USD	¥92.85	¥85.00			
	EUR	¥131.15	¥125.00			



FY2010 Business Outlook (Net Sales)

► By business segment

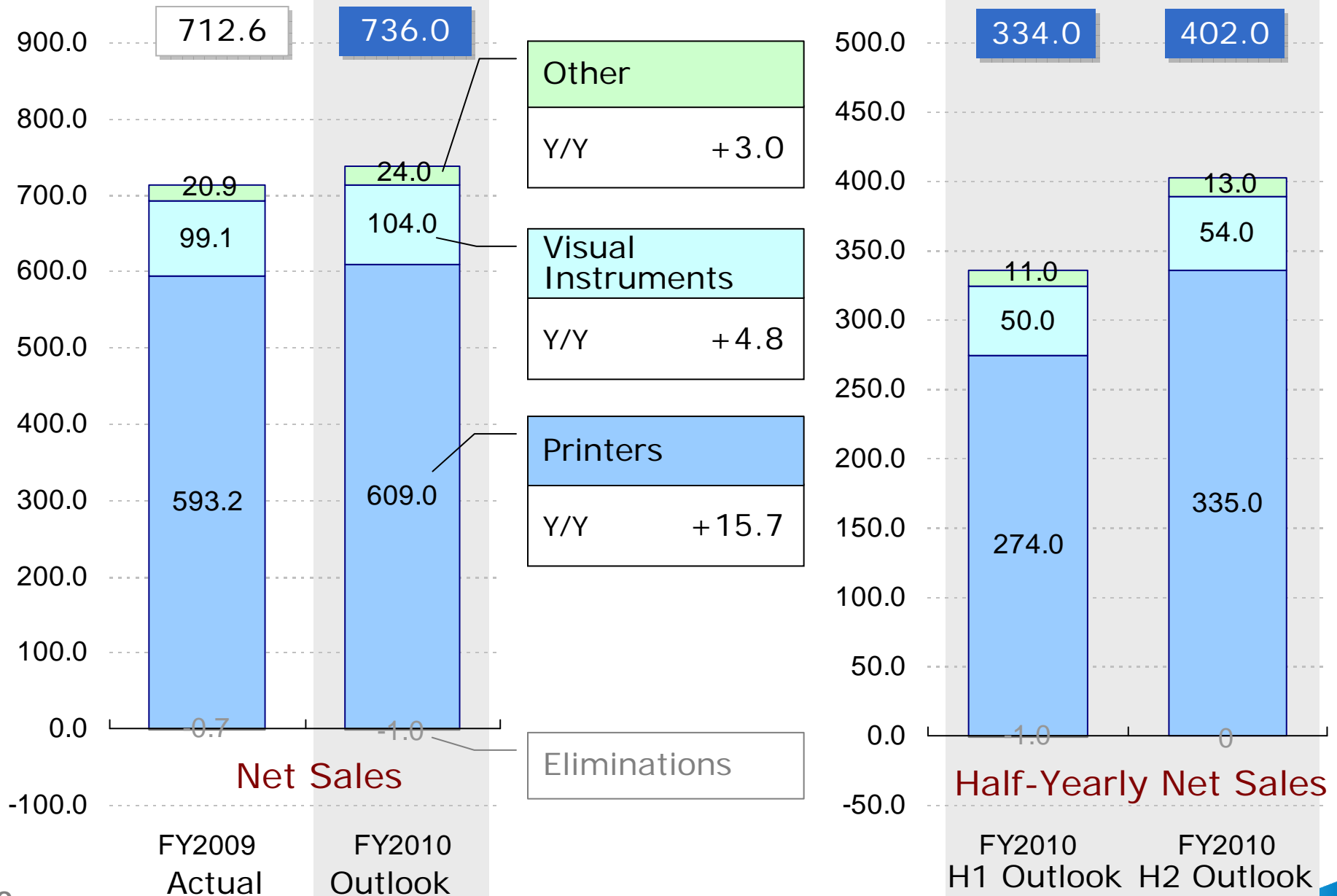


Net Sales Outlook by Business

Information Equipment Segment

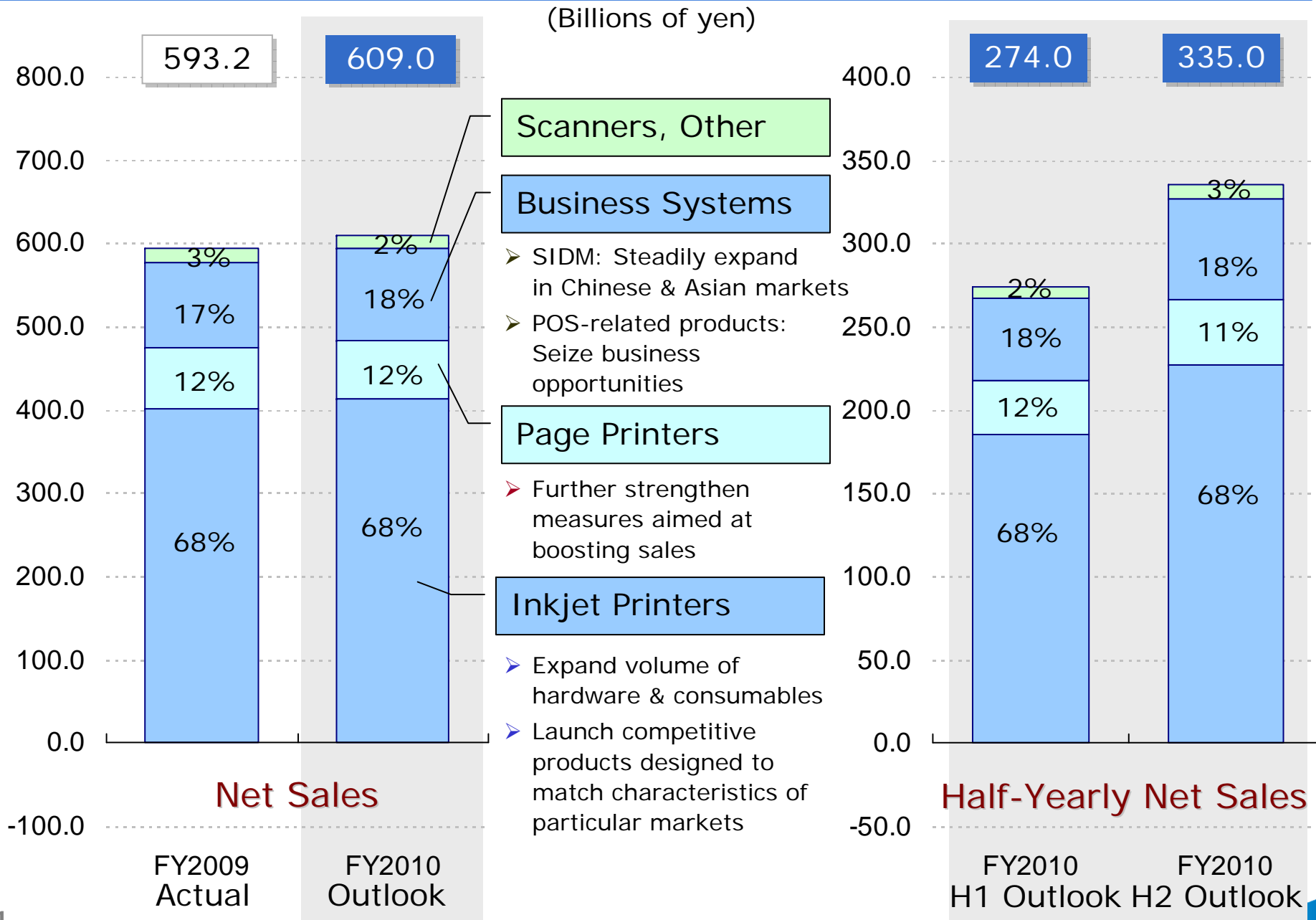


(Billions of yen)



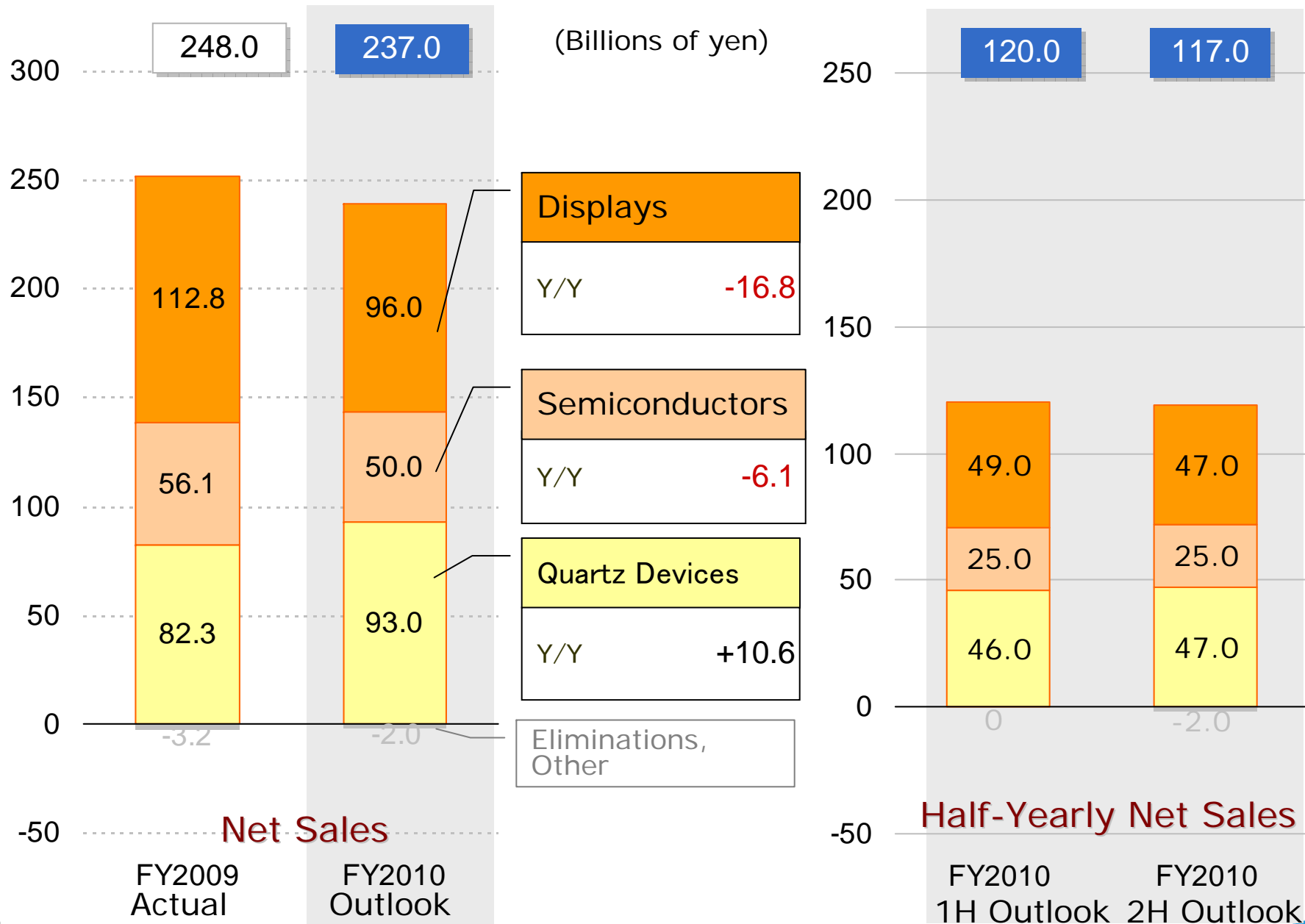
Net Sales Outlook by Business

▶ Printer Business



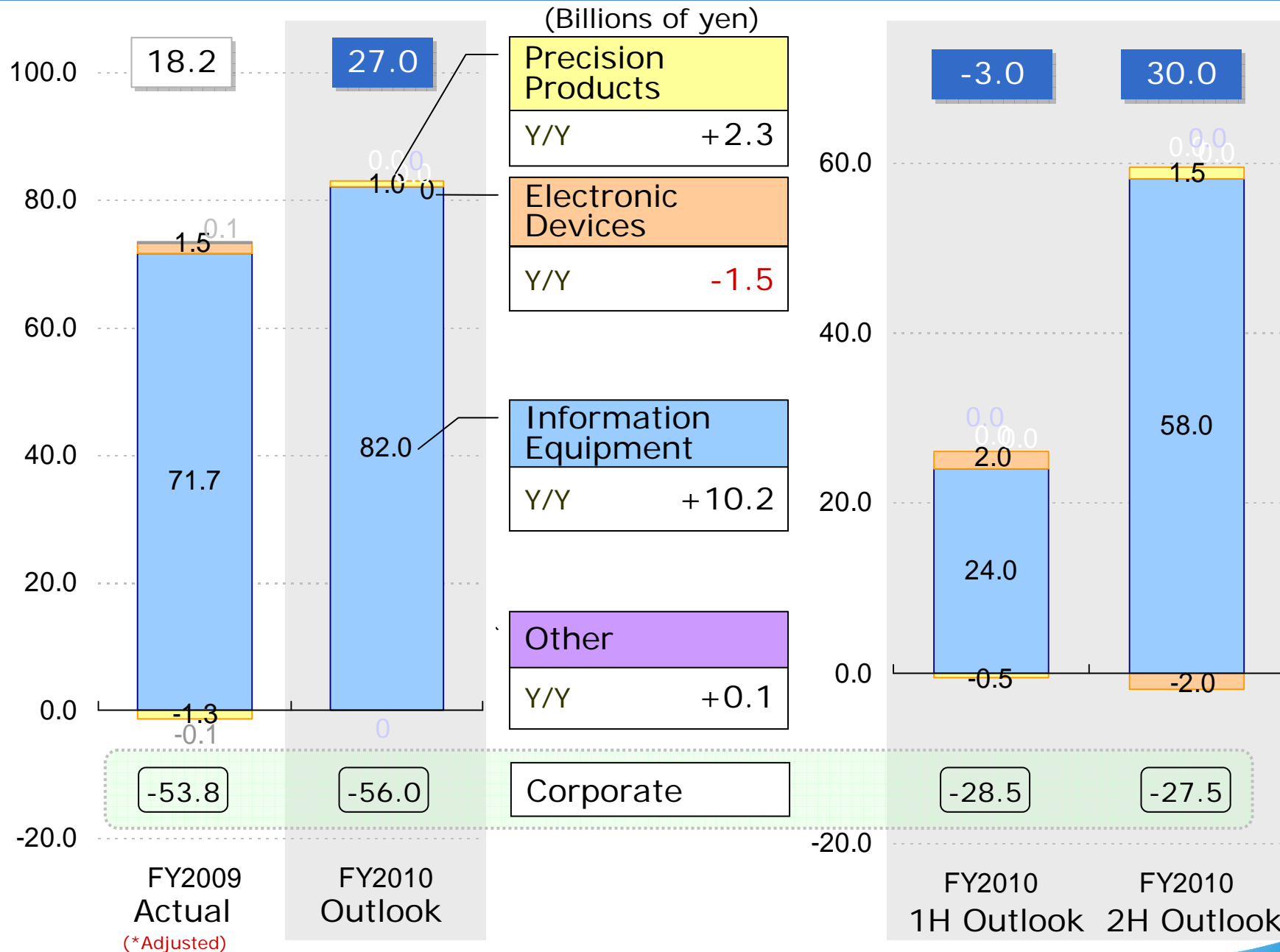
Net Sales Outlook by Business

▶ Electronic Devices Segment



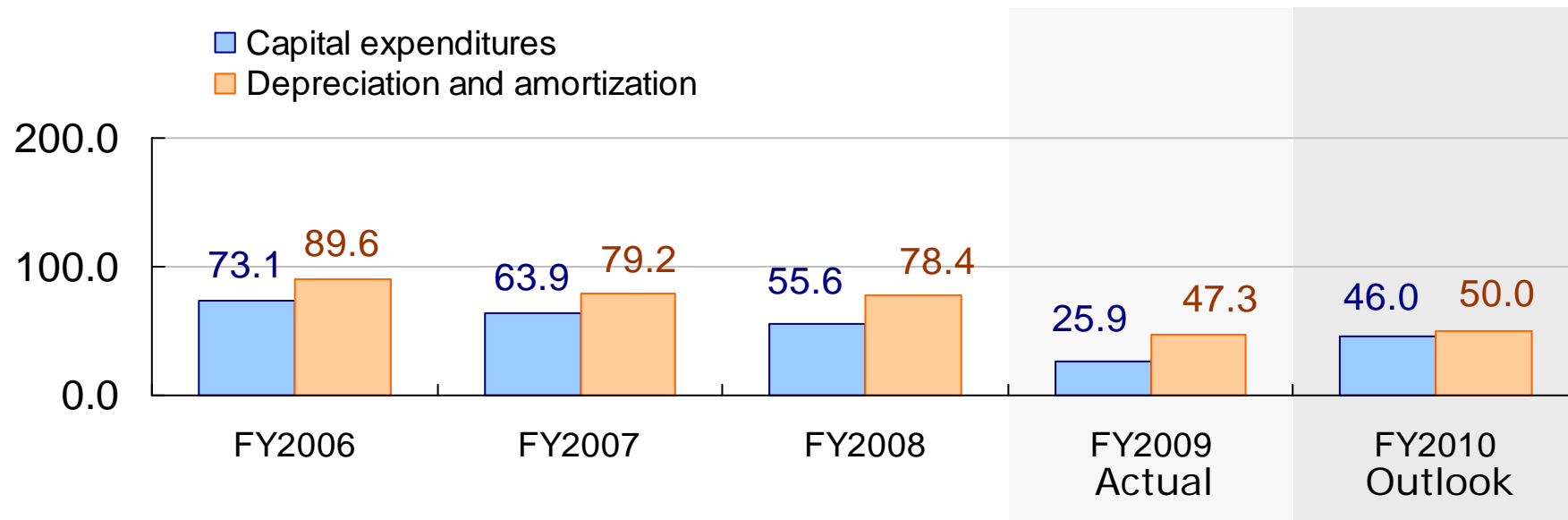
FY2010 Business Outlook (Operating Income)

► By business segment



Outlook for Capital Expenditure and Depreciation & Amortization Expenses

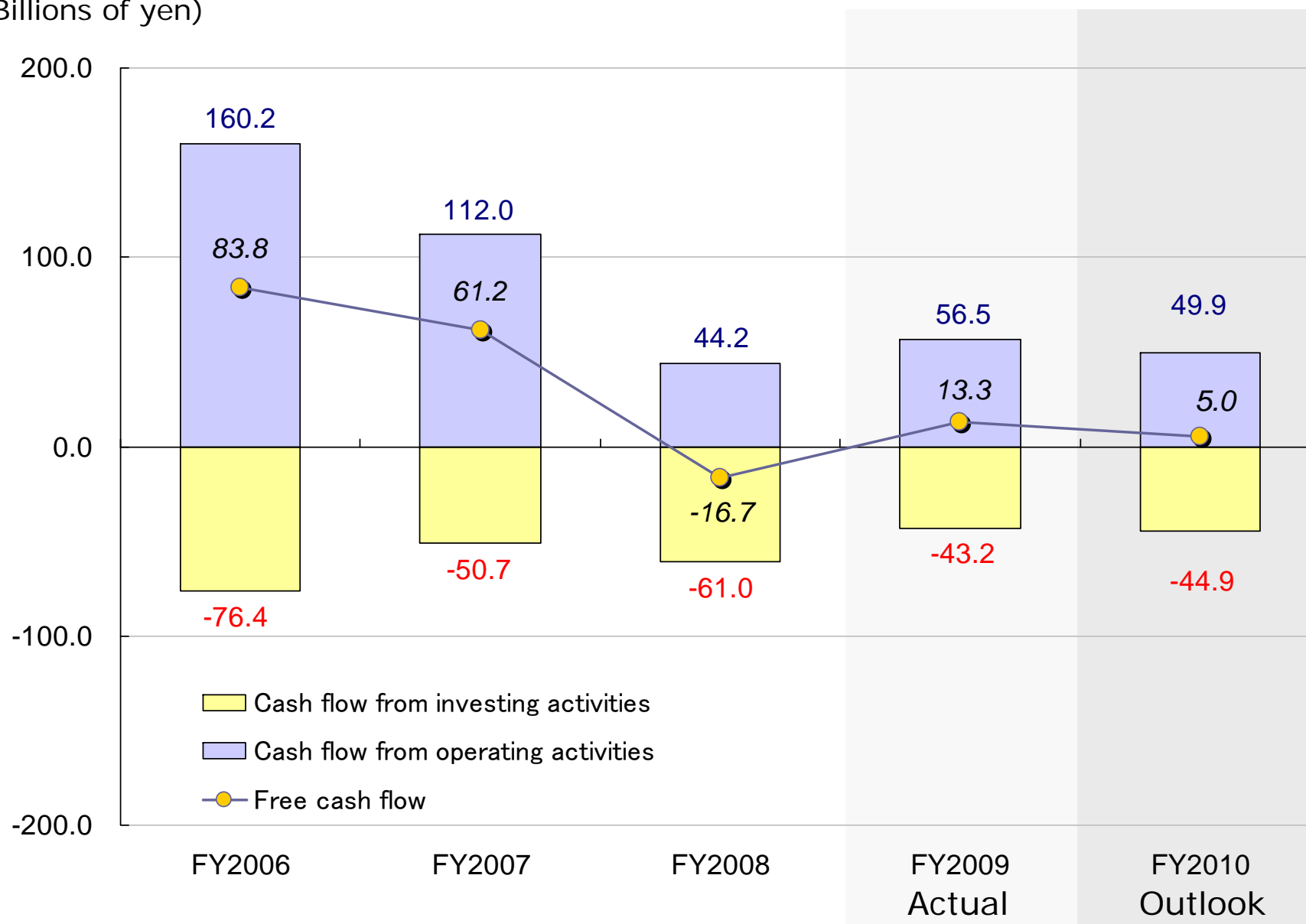
(Billions of yen)



Breakdown by segment	FY2009 Actual		FY2010 Outlook	
	Cap. Ex.	D&A	Cap. Ex.	D&A
Information Equipment	12.5	24.4	21.0	26.0
Electronic Devices	9.8	10.4	18.0	12.0
Precision Products	1.8	3.9	3.0	4.0
Corporate/Other	1.6	8.5	4.0	8.0

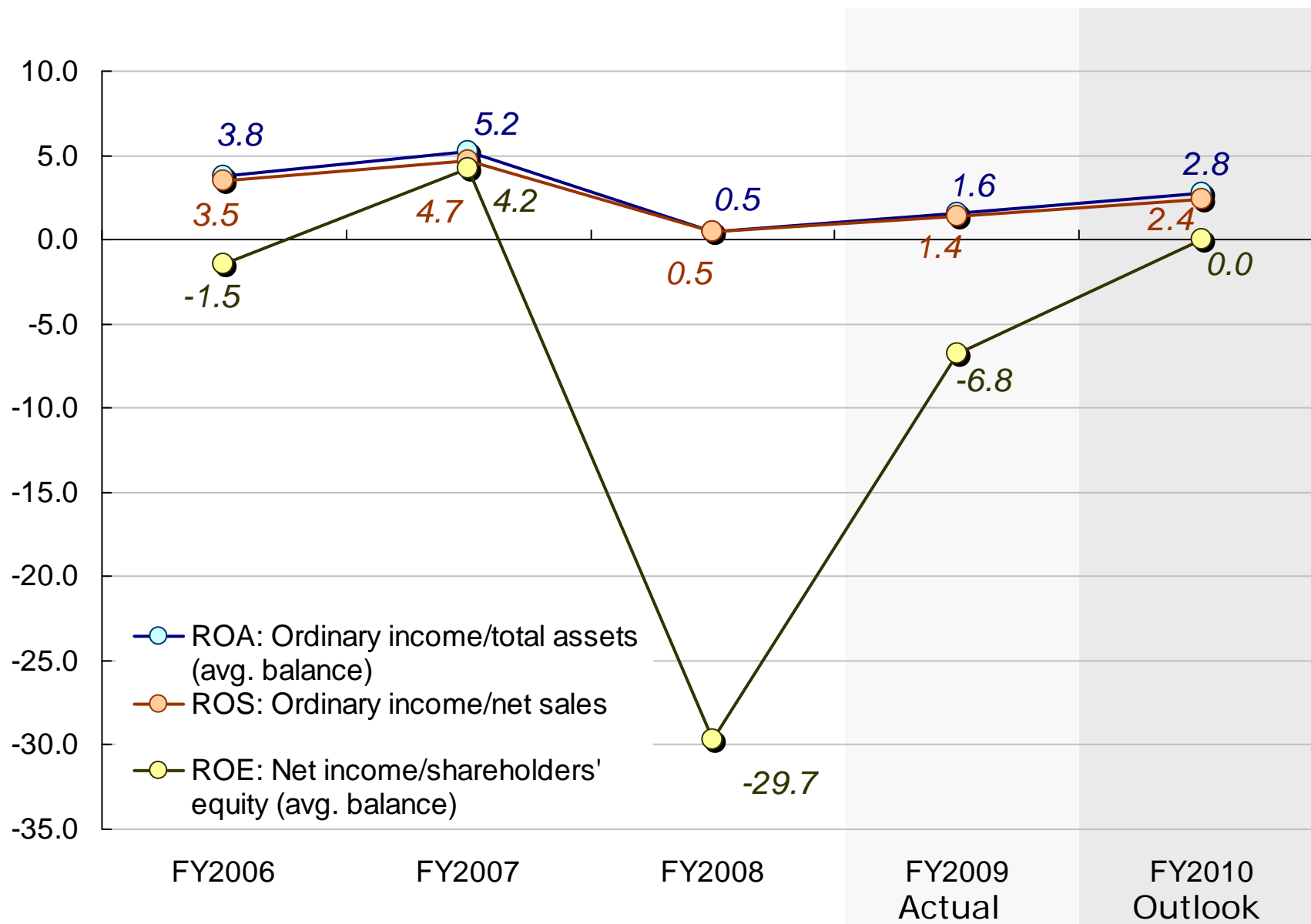
Free Cash Flow Outlook

(Billions of yen)



Main Management Indicators

(%)



EPSON
EXCEED YOUR VISION