

Second Quarter Financial Results Fiscal Year 2019 (Ending March 2020)

October 30, 2019

SEIKO EPSON CORP.

■ 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.

■ Note regarding business profit

Business profit is calculated by deducting cost of sales and SGA expenses from revenue. Although not defined in the statement of consolidated comprehensive income, this indicator is very similar to the concept of operating income under J-GAAP. Epson will present this information as a reference, as the Company believes users of financial statements will find it useful when evaluating Epson's financial performance.

■ Numerical values presented herein

Numbers are rounded down to the unit indicated. Percentages are rounded off to one decimal place. Years mentioned in these materials are fiscal years unless otherwise indicated.

- **FY2019 Q2 Financial Results**
- FY2019 Financial Outlook
- Contribution toward Social Issues

Financial Highlights (Second Quarter)

	FY2018		FY2019		Change	
	(Billions of yen) Q2 Actual	%	Q2 Actual	%	Y/Y	%
Revenue	271.9		266.4		-5.4	-2.0%
Business profit	12.7	4.7%	14.6	5.5%	+1.8	+14.6%
Profit from operating activities	12.1	4.5%	15.9	6.0%	+3.7	+31.3%
Profit before tax	12.5	4.6%	16.2	6.1%	+3.6	+29.2%
Profit for the period attributable to owners of the parent company	9.0	3.3%	12.0	4.5%	+2.9	+32.8%
EPS ^{*1} (yen)	25.67		34.63			
Exchange rate (yen, index)	USD	¥111.46	¥107.31			
	EUR	¥129.66	¥119.34			
	Other currencies ^{*2}	100	94			

*1 Basic earnings per share for the period

*2 Index showing weighted average variance of rates for currencies other than USD and EUR against a benchmark of 100 for the previous period. Rates are weighted according to Epson's net volume of revenue and cost for each currency

Exchange Effect (Billions of yen)	USD	EUR	Other currencies	Total
Revenue	-3.0	-3.5	-4.7	-11.2
Business profit	+1.0	-2.2	-2.3	-3.4

- ◆ The business environment remained challenging, as the slowing of macroeconomic activity exceeded expectations and the yen further appreciated.
 - A worsening of market conditions expanded to Europe and the Americas in addition to markets such as China and India.
 - The yen also climbed against currencies such as the euro, renminbi, and Latin American currencies.
- ◆ Revenue declined year on year.
 - Revenue hurt by negative foreign exchange effects and soft market conditions.
 - Projectors, microdevices and other, and robots, etc.
 - Advanced efforts in priority areas
 - Expanded sales of high-capacity ink tank printers and shared office printers.
- ◆ Business profit increased year on year.
 - Although impacted by foreign exchange effects, business profit rose primarily due to an increase in high-capacity ink printers, a decrease in sales of ink cartridge printers, and the containment of fixed costs.

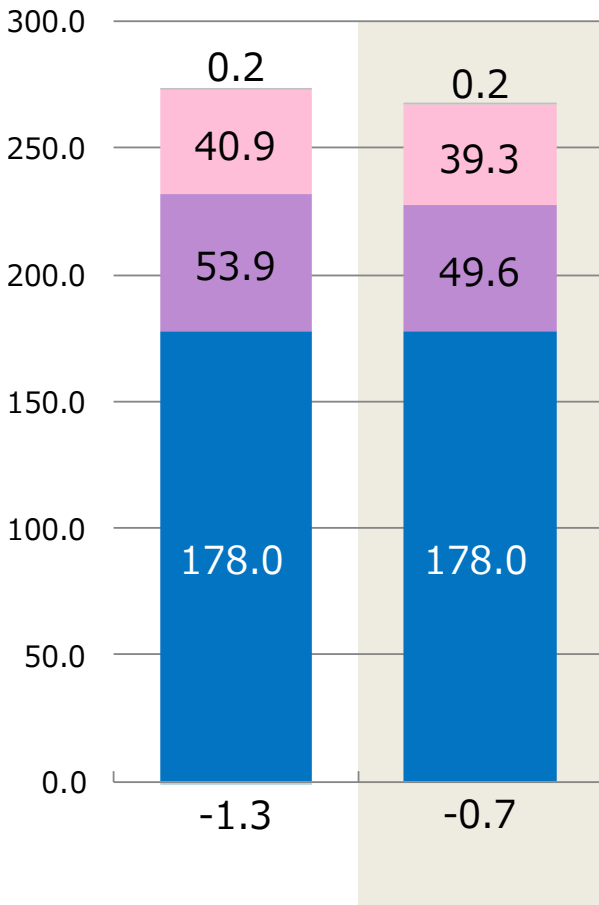
Q2 Financial Results by Business Segment

Revenue

(Billions of yen)

271.9

266.4



FY2018
Q2 Actual

FY2019
Q2 Actual

Consolidated

Y/Y **-5.4**

Other

Wearable &
Industrial Products

Y/Y **-1.5**

Visual
Communications

Y/Y **-4.3**

Printing Solutions

Y/Y **-0.0**

Corporate expenses &
Eliminations

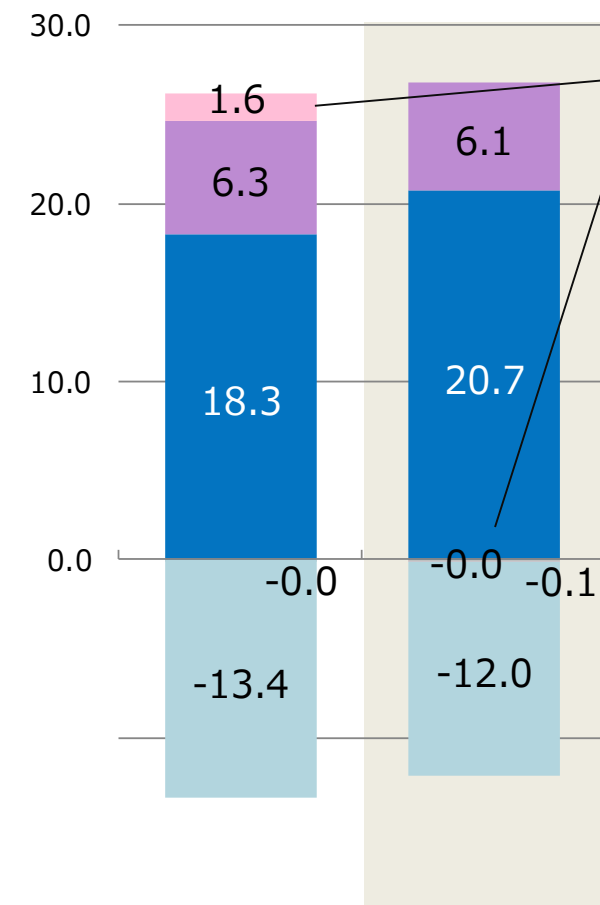
Y/Y **+0.5**

Business profit

(Billions of yen)

12.7

14.6



FY2018
Q2 Actual

FY2019
Q2 Actual

Consolidated

Y/Y **+1.8**

Wearable &
Industrial Products

Y/Y **-1.6**

Visual
Communications

Y/Y **-0.2**

Printing Solutions

Y/Y **+2.3**

Other

Corporate expenses &
Eliminations

Y/Y **+1.3**

Quarterly Comparison by Business

(Billions of yen)

Printing Solutions	Q2/2018 Actual	Q2/2019 Actual	Y/Y	Exchange effect
Revenue	178.0	178.0	-0.0	-7.6
Printers	123.6	119.9	-3.7	
% sales IJP	83%	83%		
SIDM	8%	8%		
Other	9%	9%		
Professional Printing	50.0	49.8	-0.2	
Other	4.3	8.3	+3.9	
Inter-segment revenue	-0.0	-0.0	+0.0	
Segment profit	18.3	20.7	+2.3	-2.0
ROS	10.3%	11.6%		

Printers

- ◆ IJP:
 - SOHO and home ink cartridge printer sales decreased, as did ink sales.
 - High-capacity ink tank printer unit shipments increased in both emerging and developed economies.
 - Sales of office shared inkjet printers steadily expanded.

◆ SIDM:

- Demand declined chiefly in China.

Professional printing

- ◆ Commercial & industrial IJP:
 - Firm demand in both priority and existing areas
- ◆ POS printers:
 - Won contracts in Italy and Japan.

Other

- ◆ PC:
 - Captured demand created by OS upgrades.

Quarterly Comparison by Business

(Billions of yen)

Visual Communications	Q2/2018 Actual	Q2/2019 Actual
Revenue	53.9	49.6
Segment profit	6.3	6.1
ROS	11.7%	12.3%

Y/Y	Exchange effect
-4.3	-2.6
-0.2	-1.0

◆ Projectors:

- Markets stagnant in the Americas, India, and elsewhere
- Decline in standard and other models

(Billions of yen)

Wearable & Industrial Products	Q2/2018 Actual	Q2/2019 Actual
Revenue	40.9	39.3
Wearable Products	12.1	11.7
Robotics Solutions	5.0	5.1
Microdevices, Other	25.2	23.9
Inter-segment revenue	-1.4	-1.4
Segment profit	1.6	-0.0
ROS	4.0%	-0.0%

Y/Y	Exchange effect
-1.5	-1.1
-0.4	
+0.1	
-1.3	
+0.0	
-1.6	-0.4

◆ Watches:

- High-end watch sales were firm
- Sales declined for mid-range and low-end watches and movements

◆ Robots:

- Decreased appetite for large investments
- Applications expanded

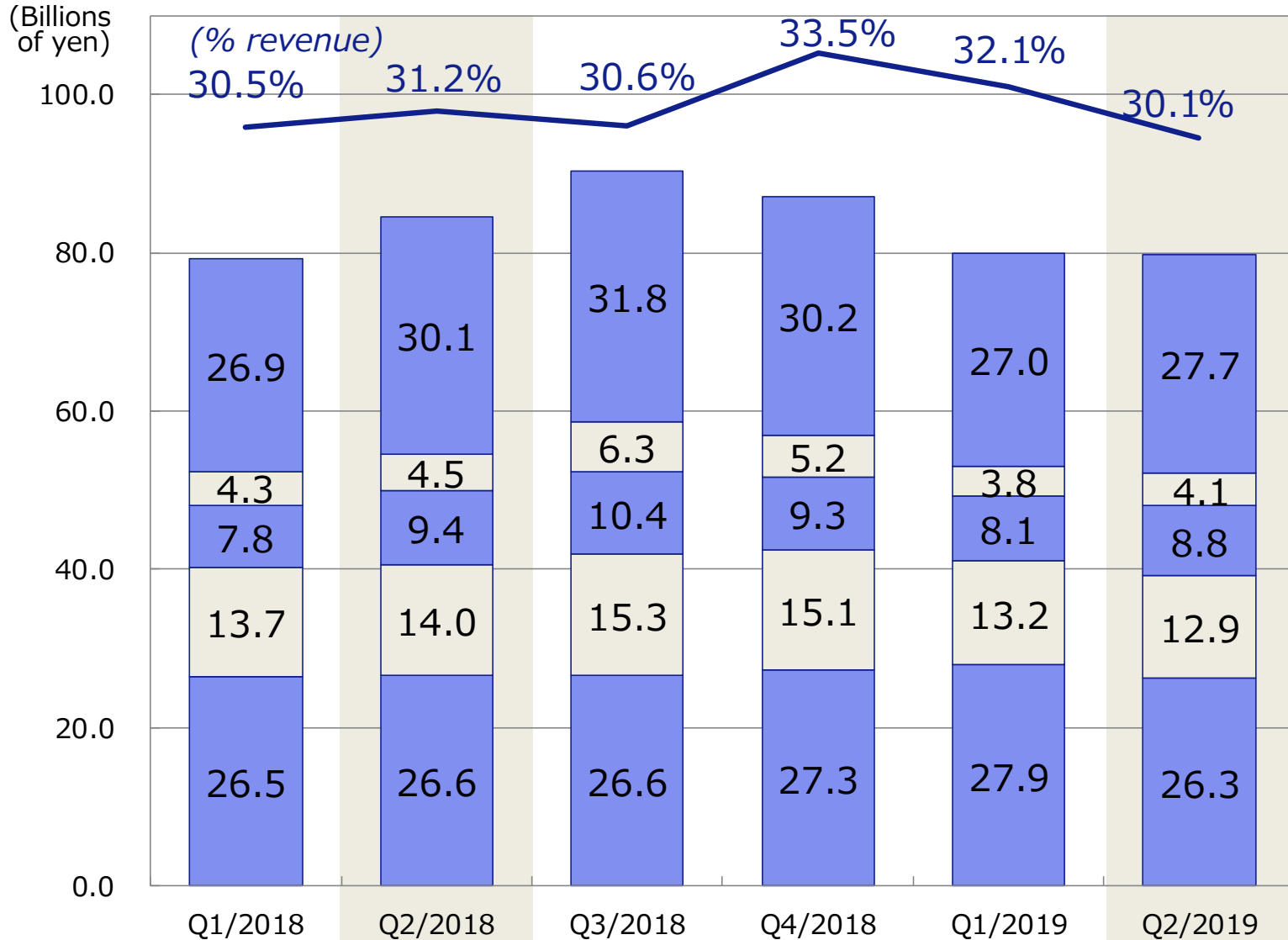
◆ Microdevices and other:

- Demand for semiconductors remained soft

Selling, General and Administrative Expenses

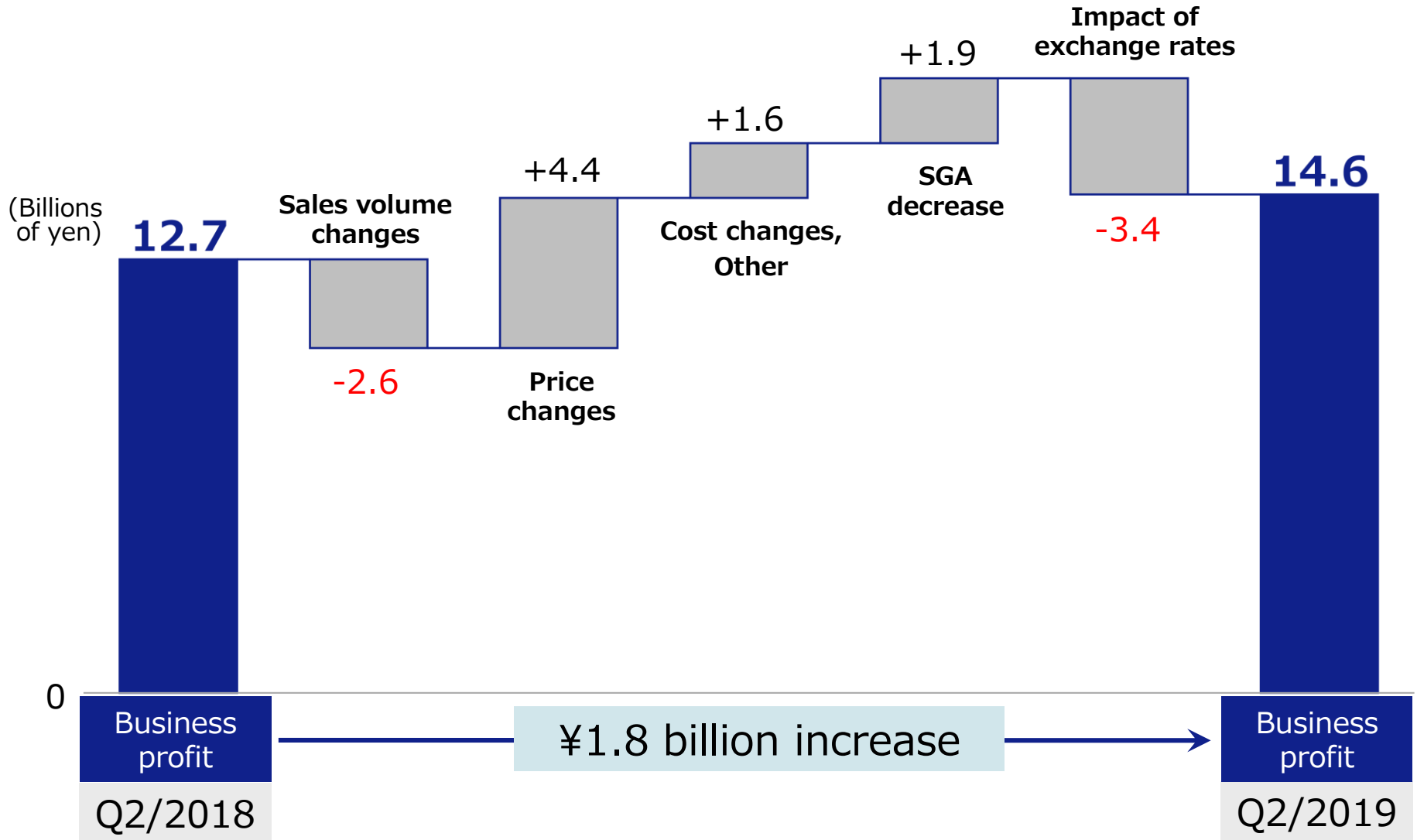
79.3	84.7	90.7	87.2	80.2	80.1
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Y/Y
-4.6



Other	-2.3
Advertising	-0.3
Sales Promotions	-0.6
Research & Development	-1.0
Salaries & Wages	-0.2

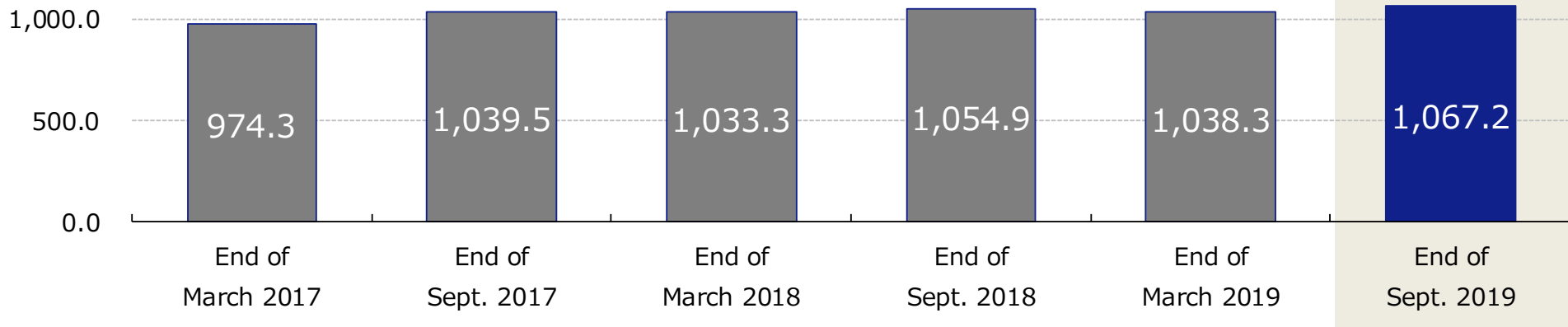
Q2 Business Profit Change Cause Analysis



Statements of Financial Position

Total assets

(Billions of yen)

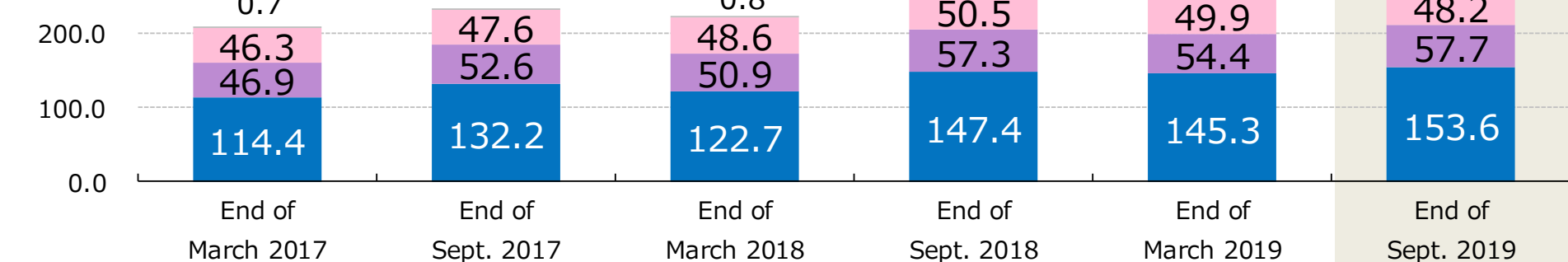


Inventories/ Turnover by days

- Printing Solutions
- Visual Communications
- Wearable & Industrial Products
- Other/ Corporate expenses

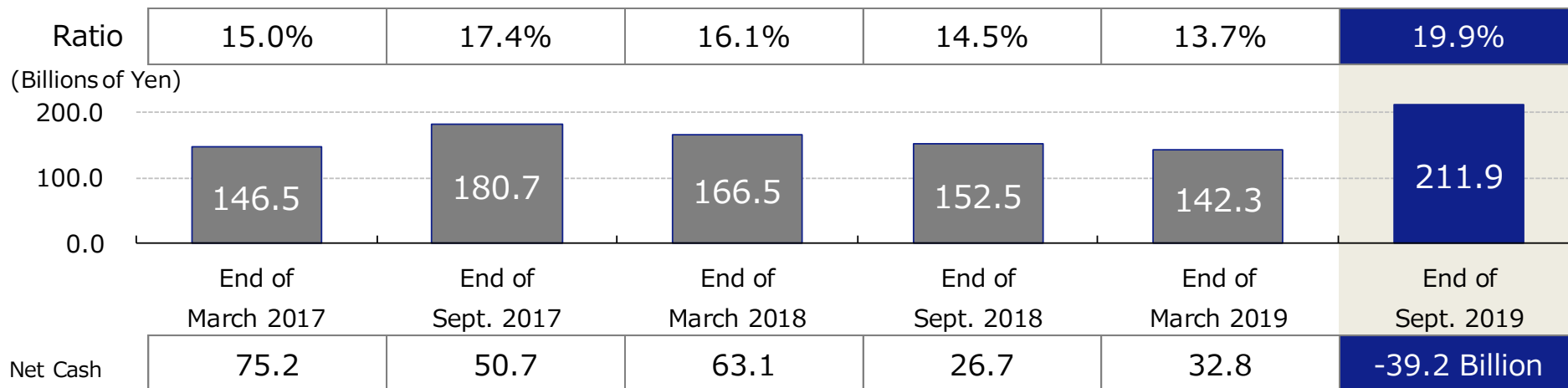
Inventories	208.5	233.9	223.2	256.3	250.7	260.6 Billion
Turnover by days	74 days	81 days	74 days	88 days	84 days	92 days

(Billions of yen)

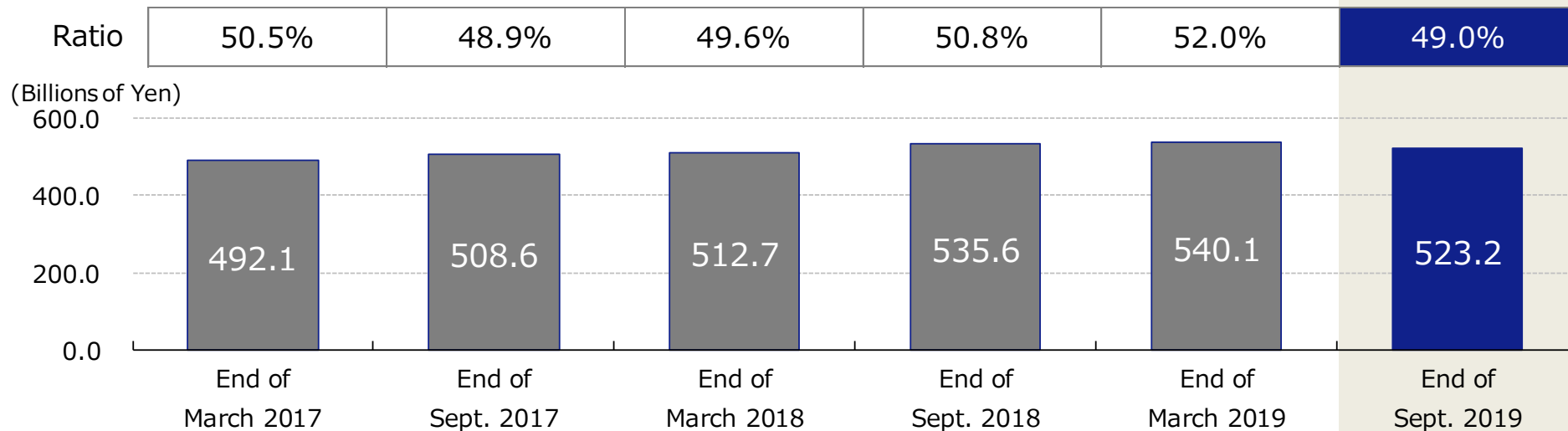


Statements of Financial Position

Interest-bearing liabilities and ratio of interest-bearing liabilities, Net Cash



Equity and equity ratio attributable to owners of the parent company



- FY2019 Q2 Financial Results
- **FY2019 Financial Outlook**
- Contribution toward Social Issues

FY2019 Financial Outlook

	FY2018		FY2019				Change		
	(Billions of yen)	Actual	%	7/30 Outlook	%	10/30 Outlook	%	Y/Y	Vs. 7/30 outlook
Revenue		1,089.6		1,130.0		1,060.0		-29.6 -2.7%	-70.0 -6.2%
Business profit		70.4	6.5%	65.0	5.8%	42.0	4.0%	-28.4 -40.4%	-23.0 -35.4%
Profit from operating activities		71.3	6.5%	60.0	5.3%	37.0	3.5%	-34.3 -48.1%	-23.0 -38.3%
Profit before tax		72.0	6.6%	59.0	5.2%	36.0	3.4%	-36.0 -50.0%	-23.0 -39.0%
Profit for the year attributable to owners of the parent company		53.7	4.9%	45.0	4.0%	27.0	2.5%	-26.7 -49.7%	-18.0 -40.0%
EPS* ¹ (yen)		152.49		129.07		78.03			
Exchange rate (yen, index)	USD	¥110.86		¥110.00		¥107.00			
	EUR	¥128.40		¥125.00		¥118.00			
	Other currencies* ²	100		98		92			

Exchange rate assumptions from Q3 onward (yen)	USD	105.00	Exchange sensitivity* ³	USD	EUR	Other currencies	Total exchange effect outlook
		EUR		115.00	Revenue	-3.0	-1.5
			Business profit	+0.7	-1.0	-1.3	-20.0

*1 Basic earnings per share for the year

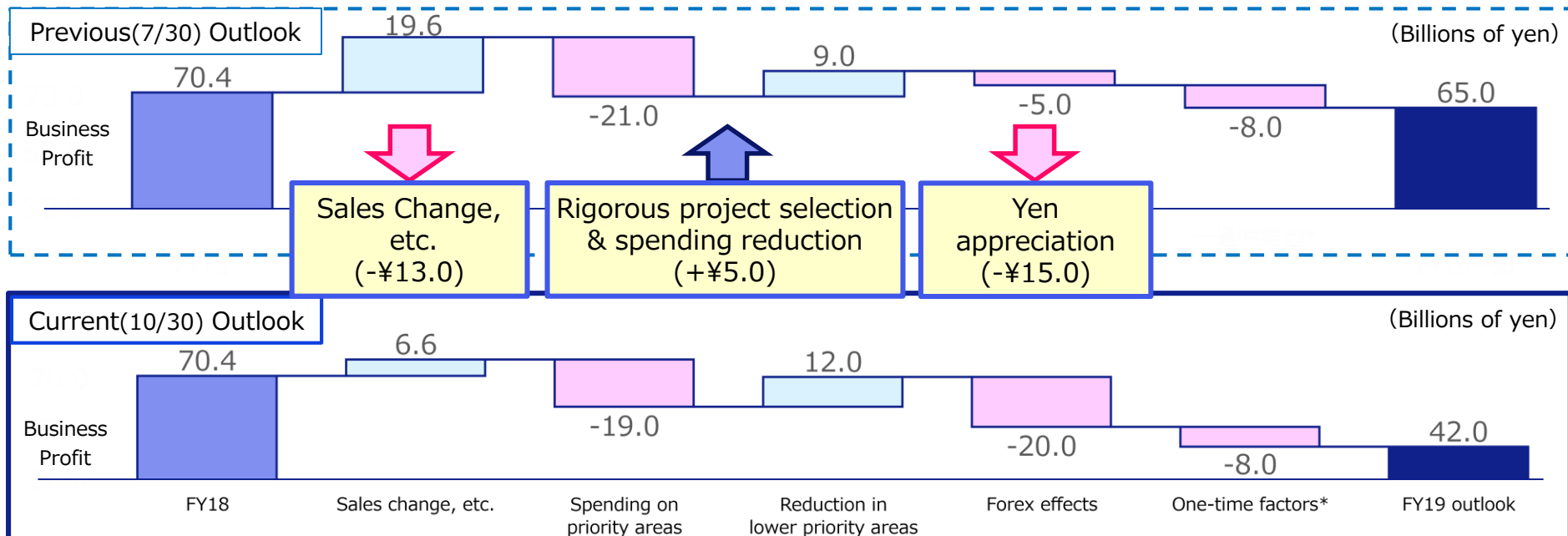
*2 Index showing weighted average variance of rates for currencies other than USD and EUR against a benchmark of 100 for the previous fiscal year
Rates are weighted according to Epson's net volume of revenue and cost for each currency.

*3 Annual impact of a 1-yen increase in the value of the yen versus the USD & EUR (in billions of yen)
Annual impact of a 1% increase in the value of the yen versus other currencies (in billions of yen)

- ◆ Financial outlook revised due to greater than anticipated macroeconomic deterioration and yen appreciation
 - Printer demand soft in Europe and the Americas, as well as in China and India
 - However, high-capacity ink tank printer sales are expected to continue to expand in both developed and emerging markets.
 - Ongoing sluggish projector demand
 - Sluggish markets for wearable and industrial products in Europe, the Americas and China
- ◆ Given the challenging business environment, we will strengthen cost reduction programs and focus more tightly on core businesses and products.

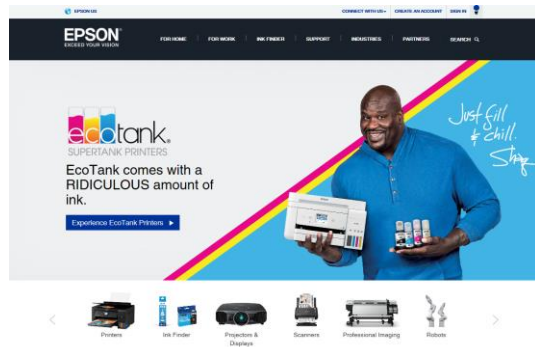
Focus Management Resources on Core Areas

- ◆ Identify priority areas and efficiently invest management resources as needed for future growth.
 - Rigorously select spending projects in priority areas, and further curtail spending in lower-priority areas.
 - Priority areas: High-capacity ink tank models, shared office printers, commercial and industrial IJP (signage and textile), external printhead sales, high-brightness projectors, robots, quartz devices (communications and automotive), PaperLab, etc.
 - Lower priority areas: Design and development of conventional IJPs (ink cartridge models, etc.), design and development of projectors (excluding high-brightness models), watches, etc.
 - Continue to step up investment in ICT to strengthen business infrastructure over the long term, and strengthen actions that support the acceleration of digital transformation and open innovation.



*Change in the method of accounting for printhead devaluations, patent licensing income, etc.

- ◆ The environment is challenging, but we are steadily preparing for growth.
 - Continue high-capacity ink tank printer promotions in developed economies.
 - Propose a range of sales plans to strengthen customer touch points.
 - Expand shared office IJPs and commercial and industrial IJPs.
 - Achieve steady profit growth in projectors by capitalizing on accumulated strengths to maximize business operations efficiency.
 - Make maximum use of customer touch points and laser light source platforms, etc.
 - Lay the groundwork to make robots a core business.



FY2019 Financial Outlook by Business Segment

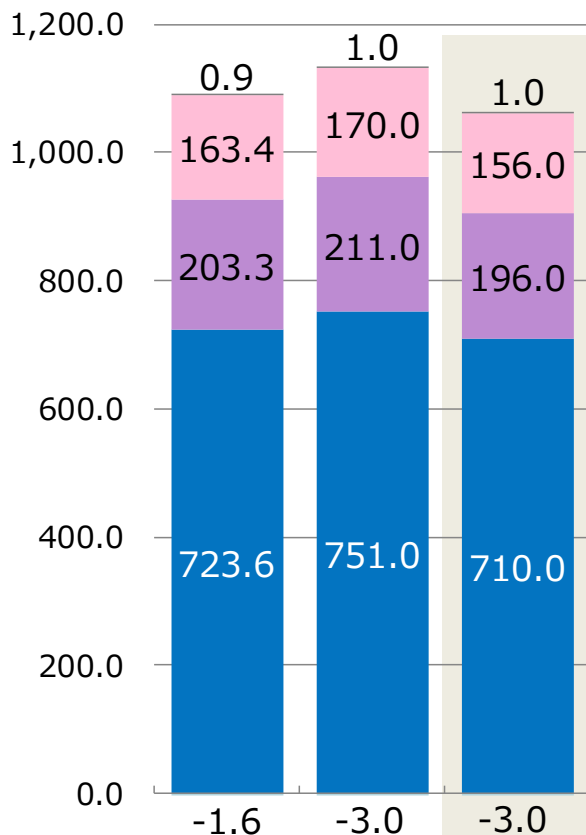
Revenue

Consolidated

(Billions of yen)

1,089.6	1,130.0	1,060.0
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Y/Y	-29.6
vs. previous	-70.0



Other

Wearable & Industrial Products

Y/Y	-7.4
vs. previous	-14.0

Visual Communications

Y/Y	-7.3
vs. previous	-15.0

Printing Solutions

Y/Y	-13.6
vs. previous	-41.0

Corporate expenses & Eliminations

Y/Y	-1.3
vs. previous	-

FY2018 Actual	FY2019 7/30 Outlook	FY2019 10/30 Outlook
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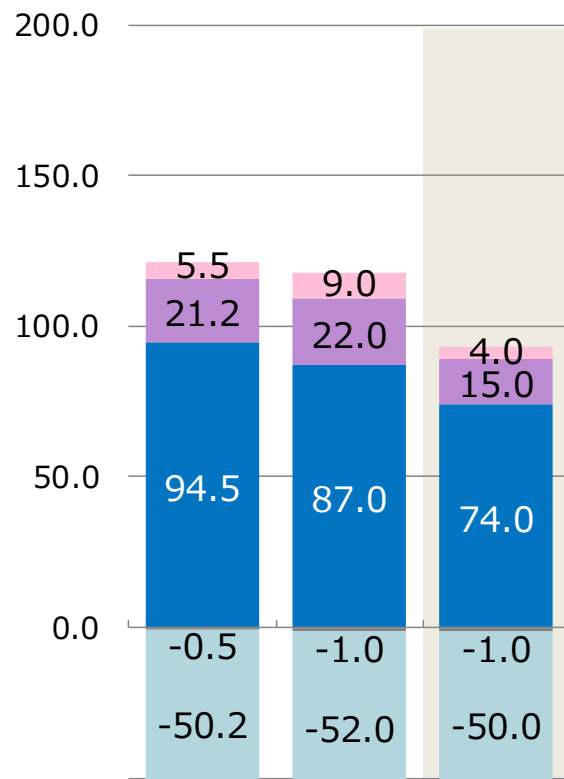
Business profit

Consolidated

(Billions of yen)

70.4	65.0	42.0
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Y/Y	-28.4
vs. previous	-23.0



Wearable & Industrial Products

Y/Y	-1.5
vs. previous	-5.0

Visual Communications

Y/Y	-6.2
vs. previous	-7.0

Printing Solutions

Y/Y	-20.5
vs. previous	-13.0

Other

Corporate expenses & Eliminations

Y/Y	+0.2
vs. previous	+2.0

FY2018 Actual	FY2019 7/30 Outlook	FY2019 10/30 Outlook
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FY2019 Outlook Comparison by Business

(Billions of yen)

Printing Solutions	FY2018 Actual	FY2019 7/30 Outlook	FY2019 10/30 Outlook	Y/Y	vs. 7/30 Outlook
Revenue	723.6	751.0	710.0	-13.6	-41.0
Printers	505.9	513.0	479.0	-26.9	-34.0
% sales IJP	84%	84%	84%		
SIDM	8%	7%	7%		
Other	8%	9%	9%		
Professional Printing	198.0	217.0	207.0	+8.9	-10.0
Other	19.7	21.0	24.0	+4.2	+3.0
Inter-segment revenue	-0.1	0.0	0.0	+0.1	-
Segment profit	94.5	87.0	74.0	-20.5	-13.0
ROS	13.1%	11.6%	10.4%		

FY2019 Outlook Comparison by Business

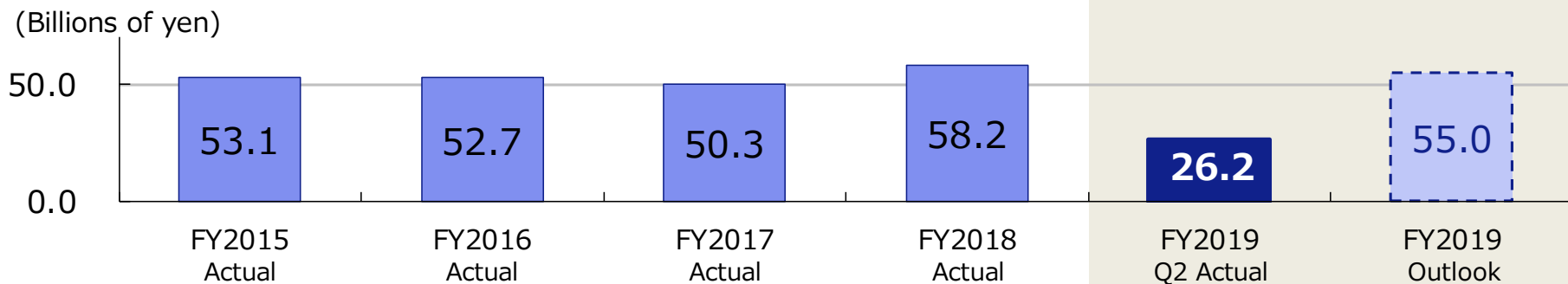
(Billions of yen)

Visual Communications	FY2018 Actual	FY2019 7/30 Outlook	FY2019 10/30 Outlook	Y/Y	vs. 7/30 Outlook
Revenue	203.3	211.0	196.0	-7.3	-15.0
Segment profit	21.2	22.0	15.0	-6.2	-7.0
ROS	10.4%	10.4%	7.7%		

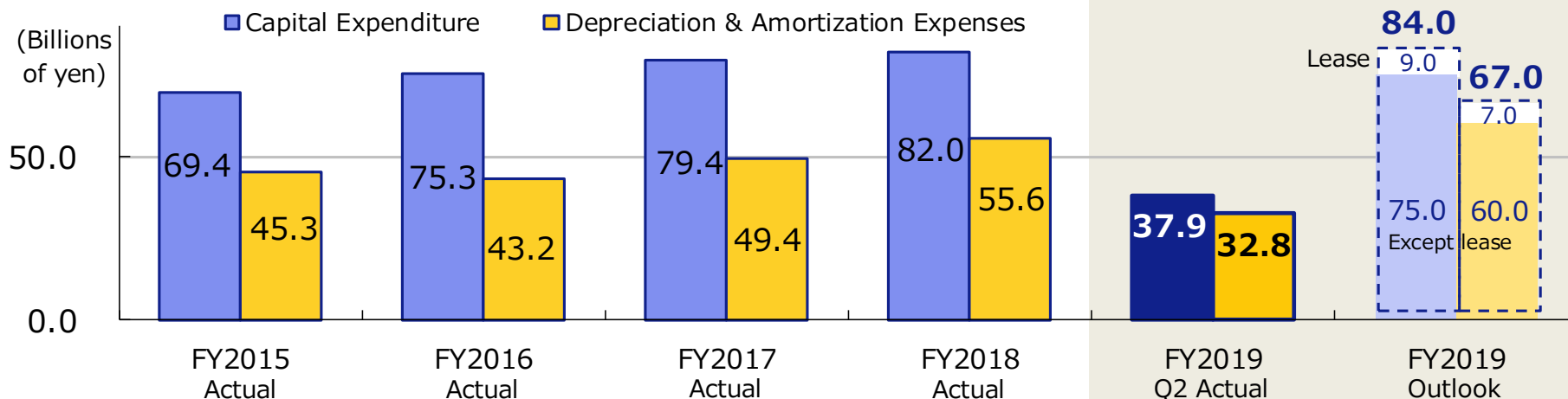
(Billions of yen)

Wearable & Industrial Products	FY2018 Actual	FY2019 7/30 Outlook	FY2019 10/30 Outlook	Y/Y	vs. 7/30 Outlook
Revenue	163.4	170.0	156.0	-7.4	-14.0
Wearable Products	49.8	50.0	46.0	-3.8	-4.0
Robotics Solutions	22.6	26.0	21.0	-1.6	-5.0
Microdevices, Other	96.6	99.0	94.0	-2.6	-5.0
Inter-segment revenue	-5.8	-5.0	-5.0	+0.8	-
Segment profit	5.5	9.0	4.0	-1.5	-5.0
ROS	3.4%	5.3%	2.6%		

Research & Development Costs



Capital Expenditure and Depreciation and Amortization Expenses



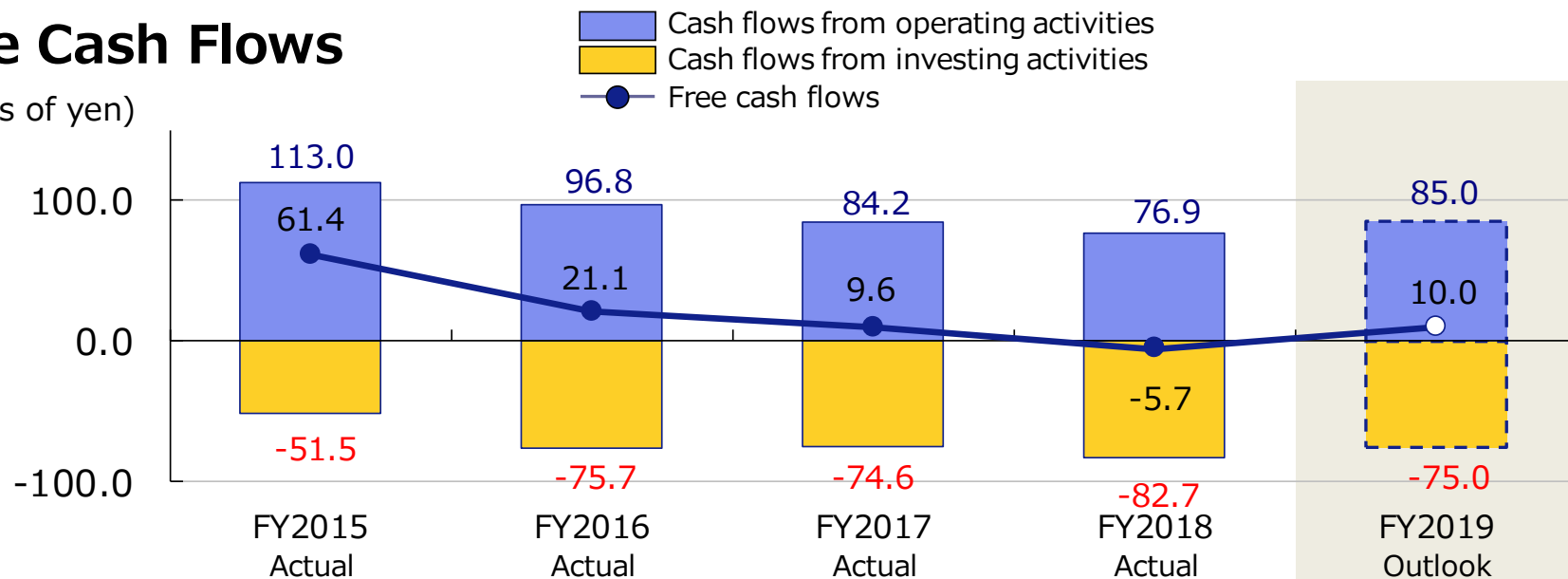
	Capex.	Depreciation & Amortization	Capex.	Depreciation & Amortization
Printing Solutions	22.4	18.1	45.0	39.0
Visual Communications	4.7	5.6	15.0	12.0
Wearable & Industrial Products	7.7	5.0	15.0	10.0
Other, Corporate	2.9	3.9	9.0	6.0

Includes lease from FY2019 outlook

Free Cash Flows Main Management Indices

Free Cash Flows

(Billions of yen)



Main Management Indices

(%)	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Outlook
ROS *1	7.8	6.4	6.8	6.5	4.0
ROA *2	8.7	6.9	7.4	6.8	3.9
ROE *3	9.5	10.1	8.3	10.2	5.1

*1 Business profit/ revenue

*2 Business profit/ total assets (avg. balance)

*3 Profit for the year attributable to owners of the parent company/ Equity attributable to owners of the parent company (avg. balance)

- FY2019 Q2 Financial Results
- FY2019 Financial Outlook
- **Contribution toward Social Issues**

Manufacturing Innovation



- ✓ Precise color matching
- ✓ Simple process
- ✓ Safe process



Improve productivity with digital printing for meeting high-mix low-volume printing needs, while keeping low environmental impact

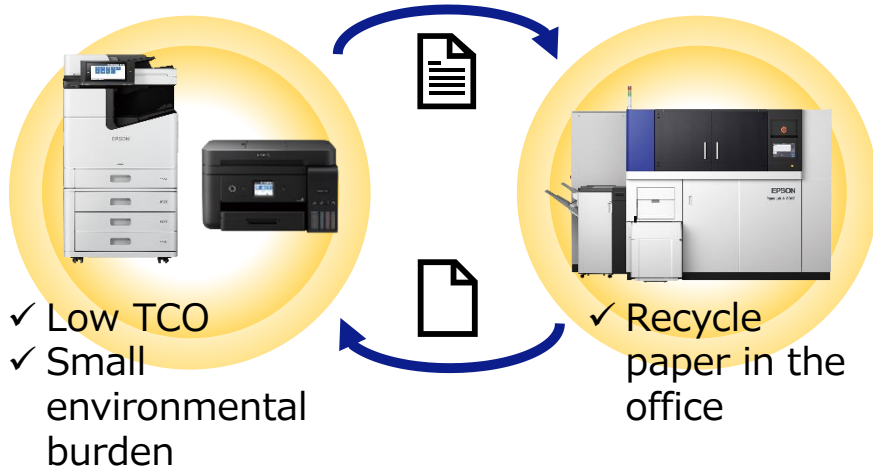


- ✓ Small footprint, lightweight
- ✓ Equip sensors to replace human labor
- ✓ Easy teaching



Improve productivity and work environment with robotic solutions that lower barriers to automation

Office Innovation



Promote smooth and highly-productive paper communication without hesitation about printing cost and environmental impact



- ✓ Laser light source
- ✓ Big screen by ultra short-throw lens
- ✓ Interactive UI

Provide highly-productive face-to-face communication using projector solutions

Respond to TCFD recommendations

- Announced support for recommendations in Oct. 2019
- Acting to address climate change in all areas of operations

Reference

Financial Highlights (First Half)

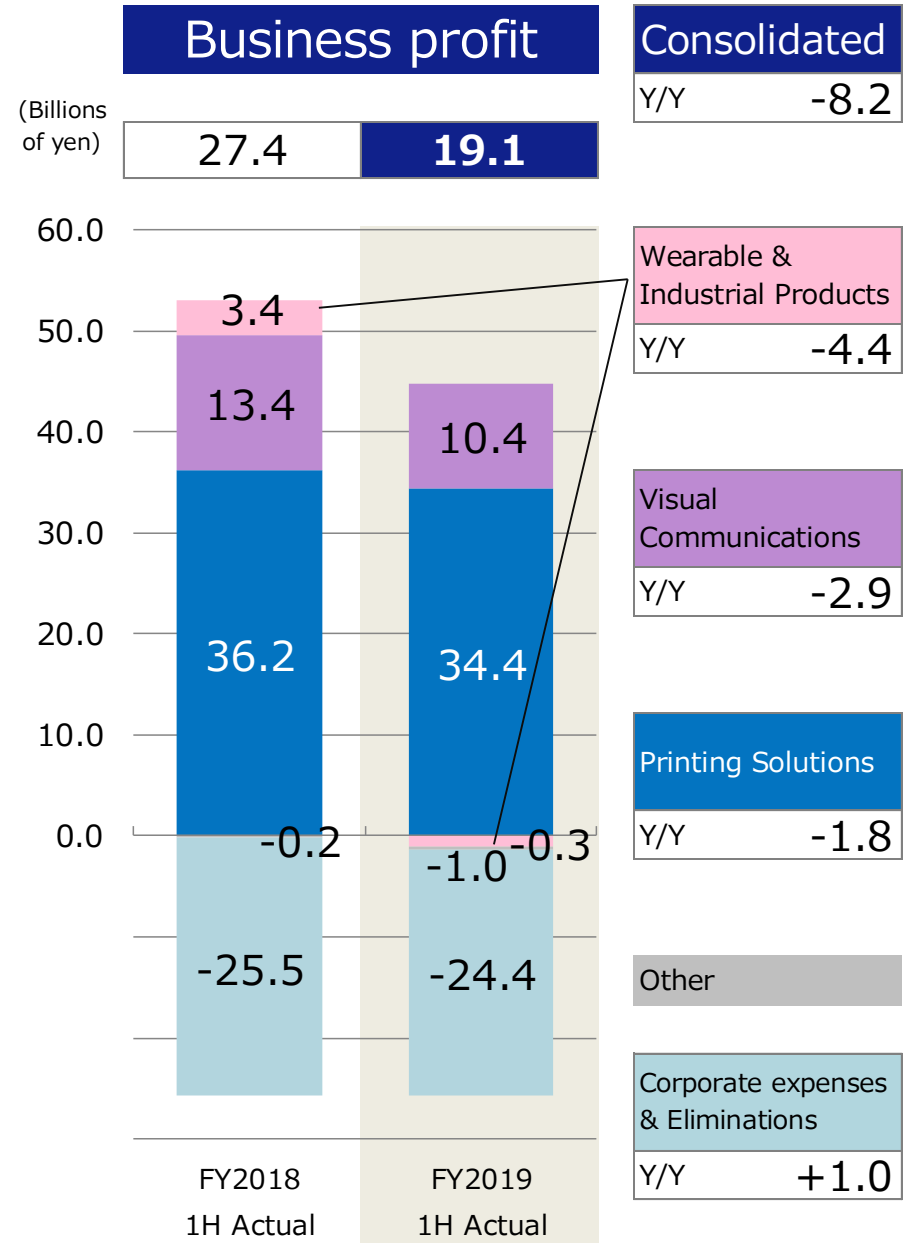
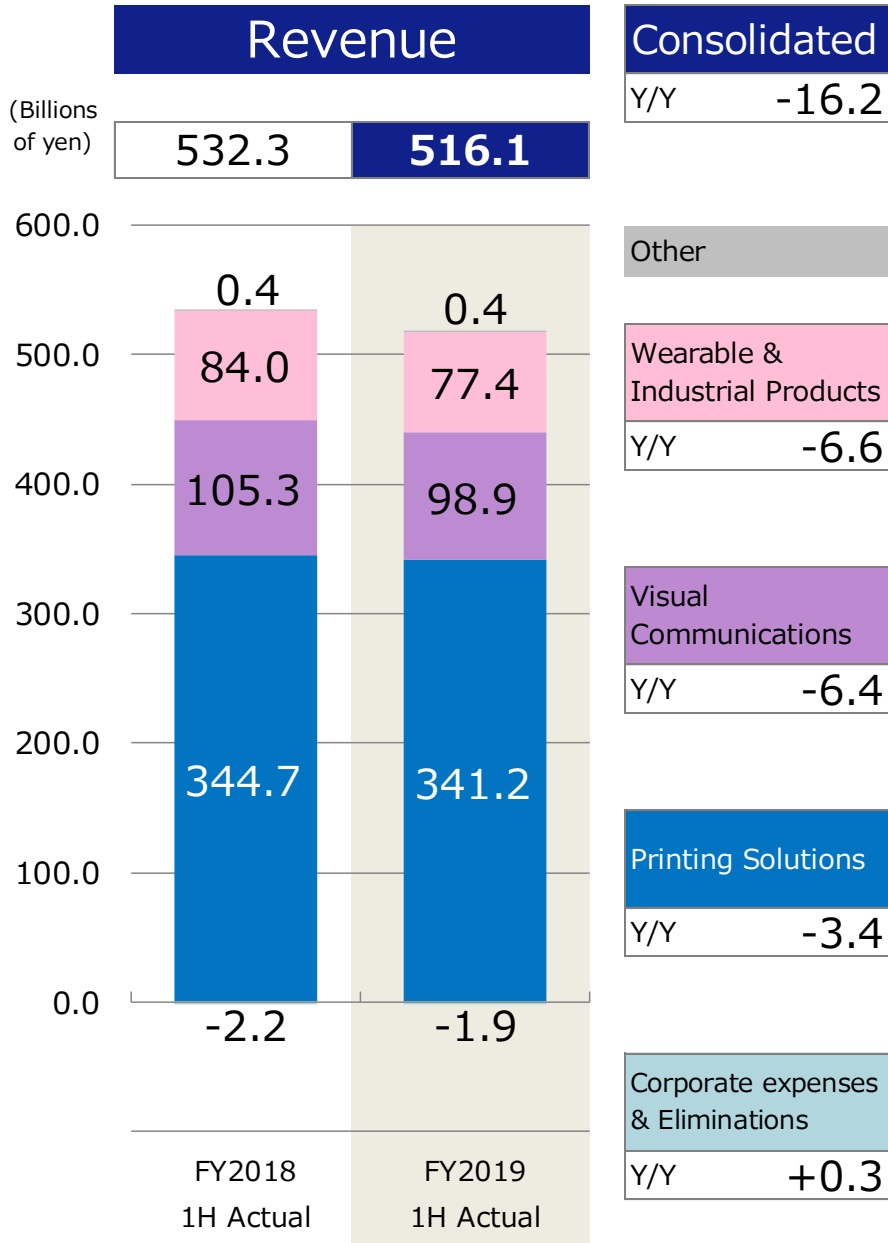
	FY2018		FY2019		Change		
	(Billions of yen)	1H Actual	%	1H Actual	%	Y/Y	%
Revenue		532.3		516.1		-16.2	-3.1%
Business profit		27.4	5.1%	19.1	3.7%	-8.2	-30.1%
Profit from operating activities		25.6	4.8%	19.3	3.7%	-6.2	-24.5%
Profit before tax		26.9	5.1%	19.1	3.7%	-7.7	-29.0%
Profit for the period attributable to owners of the parent company		20.2	3.8%	12.2	2.4%	-7.9	-39.3%
EPS ^{*1} (yen)		57.38		35.14			
Exchange rate (yen, index)	USD	¥110.26		¥108.62			
	EUR	¥129.88		¥121.44			
	Other currencies ^{*2}	100		94			

*1 Basic earnings per share for the period

*2 Index showing weighted average variance of rates for currencies other than USD and EUR against a benchmark of 100 for the previous period. Rates are weighted according to Epson's net volume of revenue and cost for each currency

Exchange effect (Billions of yen)	USD	EUR	Other currencies	Total
Revenue	-2.4	-5.5	-8.5	-16.4
Business profit	+0.8	-3.3	-4.1	-6.6

1H Financial Results by Business Segment



1H Comparison by Business

(Billions of yen)

Printing Solutions	1H/2018 Actual	1H/2019 Actual	Y/Y	Exchange effect
Revenue	344.7	341.2	-3.4	-11.4
Printers	240.0	228.0	-11.9	+0.0
% sales IJP	83%	83%		
SIDM	9%	8%		
Other	8%	9%		
Professional Printing	96.3	99.0	+2.7	+0.0
Other	8.3	14.1	+5.8	+0.0
Inter-segment revenue	-0.0	-0.0	+0.0	
Segment profit	36.2	34.4	-1.8	-4.5
ROS	10.5%	10.1%		

1H Comparison by Business

(Billions of yen)

Visual Communications	1H/2018 Actual	1H/2019 Actual	Y/Y	Exchange effect
Revenue	105.3	98.9	-6.4	-3.8
Segment profit	13.4	10.4	-2.9	-1.9
ROS	12.8%	10.6%		

(Billions of yen)

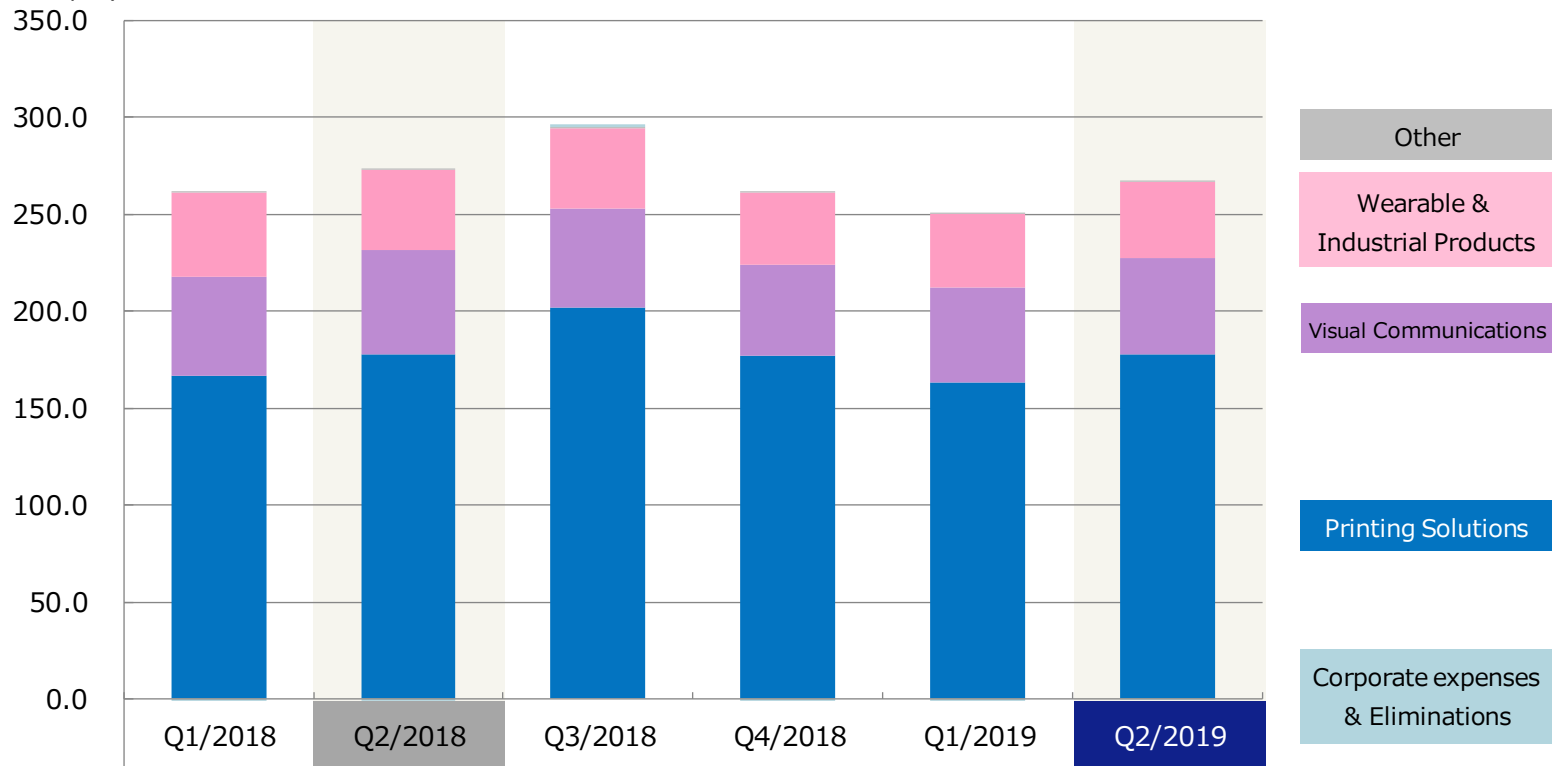
Wearable & Industrial Products	1H/2018 Actual	1H/2019 Actual	Y/Y	Exchange effect
Revenue	84.0	77.4	-6.6	-1.2
Wearable Products	24.5	22.9	-1.6	+0.0
Robotics Solutions	12.4	10.1	-2.2	+0.0
Microdevices, Other	50.1	47.3	-2.8	+0.0
Inter-segment revenue	-3.0	-2.9	+0.1	
Segment profit	3.4	-1.0	-4.4	-0.2
ROS	4.1%	-1.3%		

Quarterly Revenue Trend By Business Segment

Exchange rate	USD	109.06	111.46	112.80	110.14	109.93	107.31	-4.15
(yen)	EUR	130.09	129.66	128.73	125.13	123.54	119.34	-10.32

Revenue (Billions of yen)	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Q1/2019	Q2/2019	Y/Y
Printing Solutions	166.6	178.0	201.7	177.2	163.2	178.0	-0.0
Visual Communications	51.4	53.9	51.0	46.8	49.2	49.6	-4.3
Wearable & Industrial Products	43.1	40.9	41.9	37.4	38.1	39.3	-1.5
Other	0.2	0.2	0.2	0.2	0.2	0.2	+0.0
Corporate expenses & Eliminations	-0.9	-1.3	1.7	-1.1	-1.1	-0.7	+0.5
Consolidated total	260.4	271.9	296.6	260.6	249.6	266.4	-5.4

(Billions of yen)

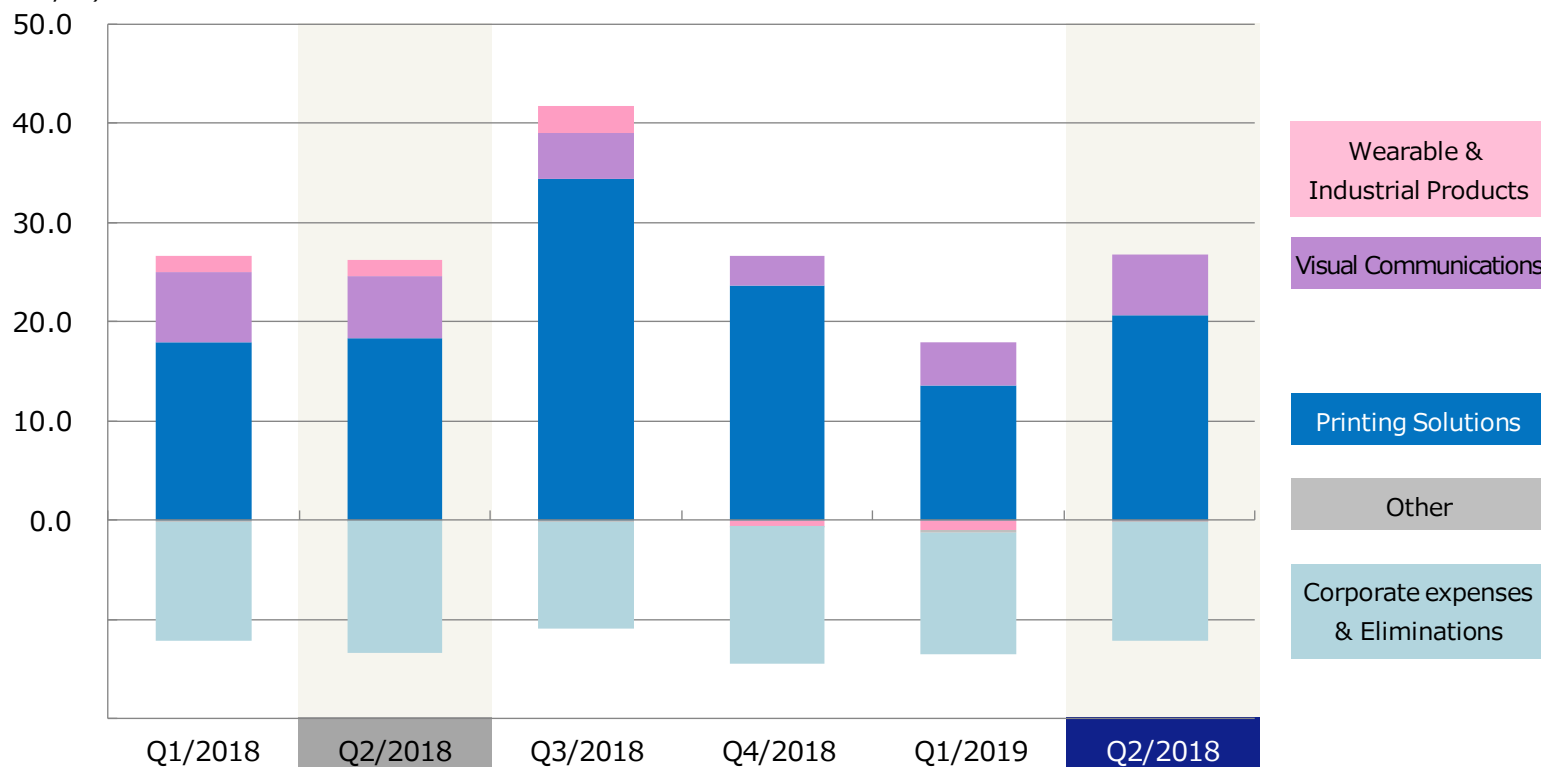


Quarterly Business Profit Trend By Business Segment

Exchange rate	USD	109.06	111.46	112.80	110.14	109.93	107.31	-4.15
(yen)	EUR	130.09	129.66	128.73	125.13	123.54	119.34	-10.32

Business profit (Billions of yen)	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Q1/2019	Q2/2018	Y/Y
Printing Solutions	17.9	18.3	34.4	23.7	13.6	20.7	+2.3
Visual Communications	7.1	6.3	4.7	2.9	4.3	6.1	-0.2
Wearable & Industrial Products	1.7	1.6	2.7	-0.6	-1.0	-0.0	-1.6
Other	-0.1	-0.0	-0.1	-0.0	-0.2	-0.1	-0.0
Corporate expenses & Eliminations	-12.0	-13.4	-10.8	-13.8	-12.3	-12.0	+1.3
Consolidated total	14.6	12.7	30.9	12.1	4.5	14.6	+1.8

(Billions of yen)



Revenue to customers outside of Japan

Employee numbers

Revenue to customers outside of Japan

Exchange rate	USD	109.06	111.46	112.80	110.14	109.93	107.31	-4.15
(yen)	EUR	130.09	129.66	128.73	125.13	123.54	119.34	-10.32

Revenue (Billions of yen)	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Q1/2019	Q2/2019	Y/Y
The Americas	75.5	82.1	77.0	75.7	74.5	71.7	-10.4
Europe	52.8	52.0	63.6	56.6	47.9	53.7	+1.6
Asia/ Oceania	79.2	79.4	76.1	67.5	72.5	75.8	-3.5
Total revenue to overseas customers	207.6	213.7	216.8	199.9	195.1	201.4	-12.2
Consolidated revenue	260.4	271.9	296.6	260.6	249.6	266.4	-5.4

% of revenue to consolidated revenue	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Q1/2019	Q2/2019
The Americas	29.0%	30.2%	26.0%	29.1%	29.9%	26.9%
Europe	20.3%	19.1%	21.5%	21.7%	19.2%	20.2%
Asia/ Oceania	30.4%	29.2%	25.7%	25.9%	29.1%	28.5%
Total	79.7%	78.6%	73.1%	76.7%	78.2%	75.6%

Employees

Number of employees at period end (person)	End of Mar. 2017	End of Sept. 2017	End of Mar. 2018	End of Sept. 2018	End of March 2019	End of Sept. 2019	Compared to end of Mar. 2019
Japan	19,175	19,616	19,436	19,694	19,456	19,825	+369
Non-Japan	53,245	61,312	56,955	61,699	57,191	58,914	+1,723
Consolidated total	72,420	80,928	76,391	81,393	76,647	78,739	+2,092

Major Business Indicators

(Billions of yen)

		FY2018 Actual	FY2019 Outlook	FY2021 (FY19-21 business plan)
Exchange rate (yen)	USD	110.86	107.00	110.00
	EUR	128.40	118.00	125.00
Printing	Revenue	723.6	710.0	780.0
Solutions	Segment profit	94.5	74.0	-
Visual	Revenue	203.3	196.0	225.0
Communications	Segment profit	21.2	15.0	-
Wearable & Industrial Products	Revenue	163.4	156.0	195.0
	Segment profit	5.5	4.0	-
Other	Revenue	0.9	1.0	-
	Segment profit	-0.5	-1.0	-
Corporate expenses & Eliminations	Revenue	-1.6	-3.0	-
	Segment profit	-50.2	-50.0	-
Consolidated total	Revenue	1,089.6	1,060.0	1,200.0
	Segment profit	70.4	42.0	96.0
	ROS	6.5%	4.0%	8%
	ROE	10.2%	5.1%	Over 10%

(Billions of yen)

	FY2018 Actual	FY2019 Outlook	Epson 25 FY19-21 business plan 3-year cumulative Outlook
USD	110.86	107.00	110.00
EUR	128.40	118.00	125.00
Operating CF	76.9	85.0	Approx. 370
FCF	-5.7	10.0	Approx. 170
R&D costs	58.2	55.0	Invest aggressively
Capital expenditure	82.0	84.0	Approx. 200
Except lease	82.0	75.0	

Main Product Sales Trends

The indicators in this document are based on values tracked internally by Epson

*1 Office Shared IJP : One of printer category for high print volume office users. This includes LIJ, RIPS, I/C printers, and excludes paid repairs and services

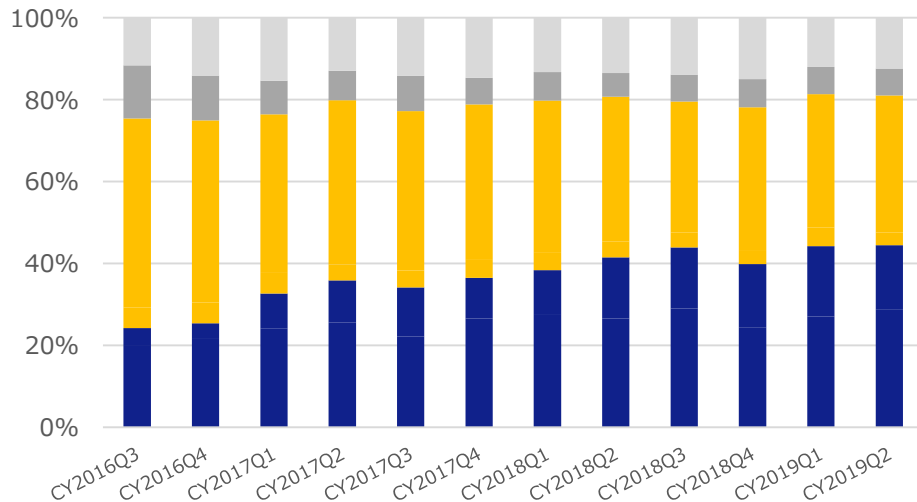
*2 LC: Local Currency base

				FY2018 Full-year Actual	FY2019 Q1 Actual	FY2019 Q2 Actual	FY2019 Full-year Outlook
			USD	110.86	109.93	107.31	107.00
			EUR	128.40	123.54	119.34	118.00
Printing Solutions	IJP Hardware	Revenue (JPY)	YoY %	Flat YoY	-6%	+0%	+1%
		Revenue (LC*2)	YoY %	-	-2%	+5%	-
		Volume	YoY %	-4%	-7%	+6%	+2%
		Volume	Units	Approx. 15.4 million	-	-	Approx. 15.8 million
		High-capacity ink tank	Units	Approx. 9.0 million	-	-	Approx. 10.2 million
		SOHO/ Home	Units	Approx. 6.1 million	-	-	Approx. 5.2 million
	IJP Ink	Revenue within IJP Ink / (HW+Ink)	Composition ratio	Approx. 50%	-	-	47%
		Revenue (JPY)	YoY %	- high single-digit %	-9%	-6%	-11%
		Revenue (LC*2)	YoY %	-	-8%	-2%	-
	Office Shared IJP*1 (Hardware + Ink)	Revenue within IJP	Composition ratio	high single-digit %	8%	8%	10%
	SIDM Hardware	Revenue (JPY)	YoY %	- high single-digit %	-15%	-14%	-13%
		Revenue (LC*2)	YoY %	-	-12%	-10%	-
		Volume	YoY %	-6%	-14%	-10%	-7%
Commercial & Industrial IJP (Hardware + Ink)	Revenue within Professional Printing	Composition ratio	low 60 %	63%	63%	64%	
Visual Communications	Projectors Hardware	Revenue (JPY)	YoY %	+ low single-digit %	-4%	-8%	-3%
		Revenue (LC*2)	YoY %	-	-1%	-3%	-
		Volume	YoY %	+1%	-8%	-9%	-4%
		Volume	Units	Approx. 2.6 million	-	-	Approx. 2.5 million

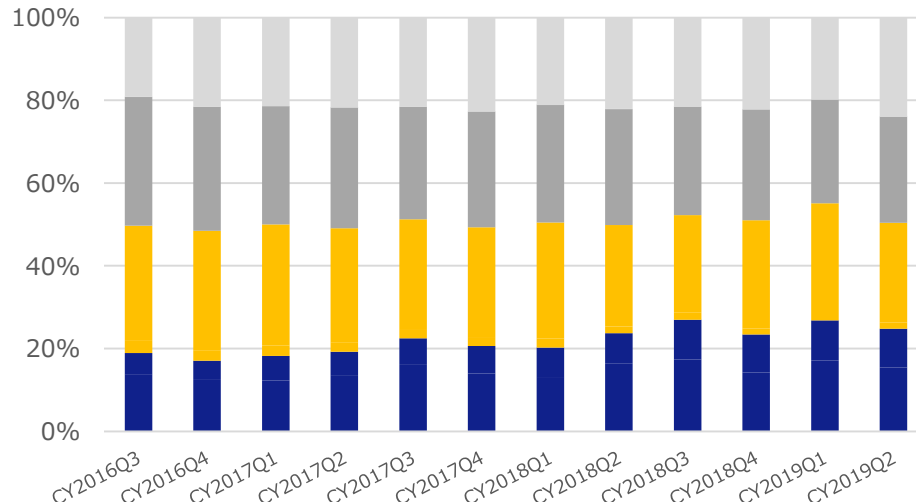
Penetration of High-Capacity Ink Tank Printers (Unit Volume)

A4 printer main unit market trend by region

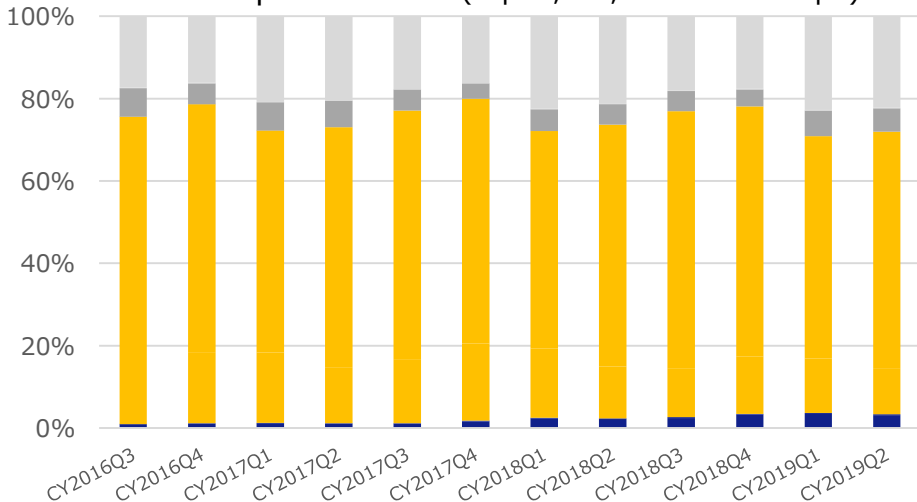
Latin America



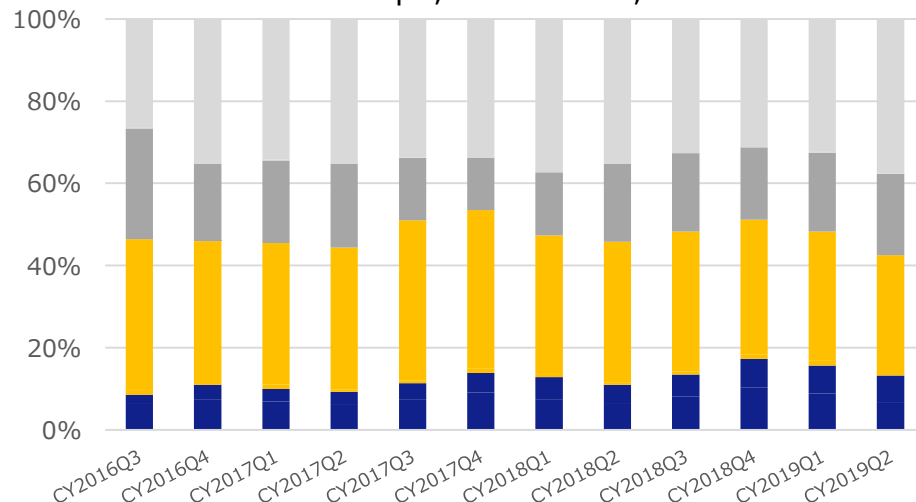
Asia-Pacific



Developed markets (Japan, US, Western Europe)



Eastern Europe, Middle East, and Africa



■ Ink tank printers ■ Ink cartridge printers
■ Laser printers (1-20 ppm) ■ Laser printers (21 ppm and more)

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 Printers include multifunction printers. Reproduction or republication of this data is prohibited

Definition of terms

Color Control Technology	Color management technology that enhances color reproducibility
Epson Connect	Epson's mobile cloud service for Epson products and services
I/C	Ink cartridges
IJP	Inkjet printers
LIJ	Line inkjet printers, high-speed line inkjet multifunction printers
LP	Laser printers, including multifunction printers
RIPS	Replaceable ink pack system, high-yield cartridge-free ink pack printers
SIDM	Serial impact dot matrix printers
SOHO	Small office, home office
Office Shared IJP	Printer category for high print volume office users. This includes LIJ, RIPS, and I/C printers.
Photos	Printer category that includes large-format printers for photo, graphics, proofing and CAD printing
Commercial & Industrial IJP	Printer category comprising large-format inkjet printers for commercial and industrial sectors.
High-capacity ink tank printers	Inkjet printers with high-capacity ink tank (includes EcoTank)
High-capacity ink models	General term for high-capacity ink cartridge printers, high-capacity ink tank printers, RIPS, and LIJ
Distributed printing	Printing method that prints out same images/ documents using several printers
3LCD	Technology that projects images by utilizing 3LCD-chips
FPD	Flat panel displays
OLED	Organic light emitting diode
High-brightness laser projectors	High-lumen projectors mainly used in venues such as conference rooms and halls
WP	Wearable Products business
MD, Other	Microdevices, Other business

Business segments

Innovation

Inkjet Innovation

Visual Innovation

Wearables Innovation

Robotics Innovation

Segment

Printing Solutions

Visual Communications

Wearable & Industrial Products

Business/
Major Products

Printers

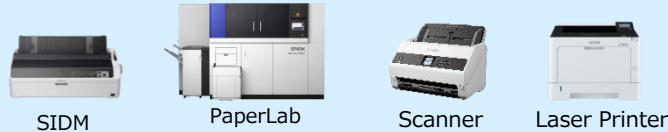
High-capacity Ink Tank Model



Office Shared



SOHO/Home



Professional Printing

Commercial & Industrial IJP

POS



PC他



Projectors



Wearable Products

Epson Brand



TRUME



Orient

Movement



Seiko Business



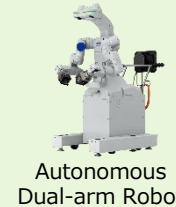
Robotics Innovation

Robots



SCARA

6-Axis



Autonomous Dual-arm Robot

IC Test Handler



Options



Microdevices, Others

Microdevices



Superfine alloy powders



Surface finishing

EPSON
EXCEED YOUR VISION