

Fourth Quarter Financial Results Fiscal Year 2020 (Ended March 2021)

April 28, 2021

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.

■ Summary

- Fourth-Quarter Financial Results
- FY2020 Full-Year Financial Results
- FY2021 Full-Year Financial Outlook
- Shareholder Returns
- Sustainability Initiatives

Q4 financial results

- Revenue: ¥277.9 billion (down ¥30.3 billion YoY)
 - Demand, which slumped due to COVID-19, is rebounding
- Business profit: ¥15.7 billion (up ¥11.7 billion YoY)
 - Increased mainly in printer business

FY2020 Full-year financial results

- Revenue: ¥995.9 billion (down ¥47.6 billion YoY)
 - Revenue boosted by at-home print demand but hurt in the first half by COVID-19
- Business profit: ¥61.6 billion (up ¥20.7 billion YoY)
 - Increased ink sales on sustained at-home print demand, rise in selling prices, and reduced costs

FY2021 Full-year financial outlook

- Revenue: ¥1,070.0 billion (up ¥74.0 billion YoY)
 - Invest in growth areas and improve business performance in mature areas as markets return to normal after COVID-19
- Business profit: ¥60.0 billion (down ¥1.6 billion YoY)
 - Profit expected to increase in many businesses but decrease in office and home printing as at-home print demand subsides

- Summary
- **Fourth-Quarter Financial Results**
- FY2020 Full-Year Financial Results
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Financial Highlights (Fourth Quarter)

	FY2019		FY2020		Change	
	(Billions of yen) Q4 Actual	%	Q4 Actual	%	Y/Y	%
Revenue	247.6		277.9		+30.3	+12.3%
Business profit	4.0	1.6%	15.7	5.7%	+11.7	+293.2%
Profit from operating activities	2.4	1.0%	13.7	4.9%	+11.2	+455.6%
Profit before tax	3.2	1.3%	15.1	5.4%	+11.8	+364.6%
Profit for the period attributable to owners of the parent company	-16.7	-6.8%	10.6	3.8%	+27.4	-
EPS ^{*1} (yen)	-48.55		30.72			
Exchange rate (yen, index)	USD	¥109.00	¥105.86			
	EUR	¥120.18	¥127.68			
	Other currencies ^{*2}	100	99			

*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	-2.5	+2.7	-0.4	-0.2
Business profit	+0.5	+1.7	-0.7	+1.5

Main Factors Affecting Q4 Results

- Revenue: ¥277.9 billion (up ¥30.3 billion)
 - Rebound from the effects of COVID-19
 - Supply problems continued due to material shortages for many products and logistics disruptions

- Business profit: ¥15.7 billion (up ¥11.7 billion)
 - Sustained at-home print demand
 - Selling prices rose for IJPs in the printer business
 - Profit increased on higher commercial & industrial IJP revenue
 - Home projector sales increased and fixed costs decreased in visual communications

- Profit for the period: ¥10.6 billion (up ¥27.4 billion)
 - Every category of profit increased due to higher business profit
 - Tax expenses significantly lower than last year, when there was a reduction in deferred tax assets
 - Recorded a ¥3.9 billion impairment loss under other operating expenses in wearable products

Q4 Financial Results by Business Segment

Revenue

Consolidated

Y/Y +30.3

(Billions of yen)

247.6

277.9

300.0

250.0

200.0

150.0

100.0

50.0

0.0

174.4

-0.6

FY2019

Q4 Actual

200.8

-1.0

FY2020

Q4 Actual

Other

Wearable & Industrial Products

Y/Y +2.5

Visual Communications

Y/Y +1.9

Printing Solutions

Y/Y +26.3

Corporate expenses & Eliminations

Y/Y -0.4

Business profit

Consolidated

Y/Y +11.7

(Billions of yen)

4.0

15.7

40.0

30.0

20.0

10.0

0.0

16.2

0.0

1.1

0.0

FY2019

Q4 Actual

28.3

2.2

-0.3

-0.1

-14.3

FY2020

Q4 Actual

Wearable & Industrial Products

Y/Y -1.4

Visual Communications

Y/Y +2.1

Printing Solutions

Y/Y +12.1

Other

Corporate expenses & Eliminations

Y/Y -1.0

Quarterly Comparison by Business

(Billions of yen)

Printing Solutions	Q4/FY2019 Actual	Q4/FY2020 Actual	Y/Y	Exchange effect
Revenue	174.4	200.8	+26.3	-0.4
Printers	120.4	140.2	+19.8	
% sales Office & home IJP	85%	87%		
SIDM	5%	5%		
Other	10%	8%		
Professional Printing	47.0	53.0	+6.0	
% sales C&I IJP	66%	69%		
POS printers, other	34%	31%		
Other	7.0	7.4	+0.4	
Inter-segment revenue	-0.0	-0.0	+0.0	
Segment profit	16.2	28.3	+12.1	+1.2
ROS	9.3%	14.1%		

Printer business

- ◆ Office & home IJP
 - At-home print demand continued and ink sales firm
 - High-capacity ink tank printer sales strong
 - Printer selling prices rose
 - Shared office printer sales steadily expanded

◆ SIDM

- Demand recovered in China

Professional printing business

- ◆ Commercial & industrial IJP
 - Demand recovered in the finished product business, and revenue increased in growth areas
 - Printhead sales expanded in China
- ◆ POS printers
 - Increase due to business wins in North America

◆ Office & home IJP Sales Trends*1

			Q4/FY19 Actual	Q4/FY20 Actual
Hardware	Revenue	JPY	+4%	+36%
		Local currency	+9%	+37%
	Q'ty	YoY%	+3%	+14%
Ink	Revenue	JPY	-2%	-1%
		Local currency	-0%	-1%
Office shared IJP*2	Revenue	Composition ratio within office & home IJP*3	10%	11%

*1 The indicators in sales trends are based on values tracked internally by Epson

*2 Office shared IJP: A printer category for high print volume office users. This includes LIJ, RIPS, I/C printers, ink, managed print services and other subscription service printers, and paid service

*3 Restated FY19 according to changes in product groups in FY20

Quarterly Comparison by Business

(Billions of yen)

Visual Communications	Q4/FY2019 Actual	Q4/FY2020 Actual
Revenue	37.5	39.5
Segment profit	0.0	2.2
ROS	0.2%	5.6%

Y/Y	Exchange effect
+1.9	+0.4
+2.1	+0.6

Visual communications

◆ Projectors

- Continued to show signs of rebound from the effects of COVID-19
- Home projector sales increased

◆ Projector sales trends*1

			Q4/FY19 Actual	Q4/FY20 Actual
Hardware	Revenue	JPY	-20%	+4%
		Local currency	-17%	+3%
	Q'ty	YoY %	-16%	-6%

Wearable & Industrial Products	Q4/FY2019 Actual	Q4/FY2020 Actual
Revenue	36.0	38.5
Wearable Products	9.0	7.1
Robotics Solutions	5.8	7.2
Microdevices, Other	22.1	24.8
Inter-segment revenue	-1.0	-0.6
Segment profit	1.1	-0.3
ROS	3.1%	-0.9%

Y/Y	Exchange effect
+2.5	-0.3
-1.8	
+1.3	
+2.6	
+0.3	
-1.4	-0.3

Wearable products

- Sales sluggish due to the prolonged pandemic

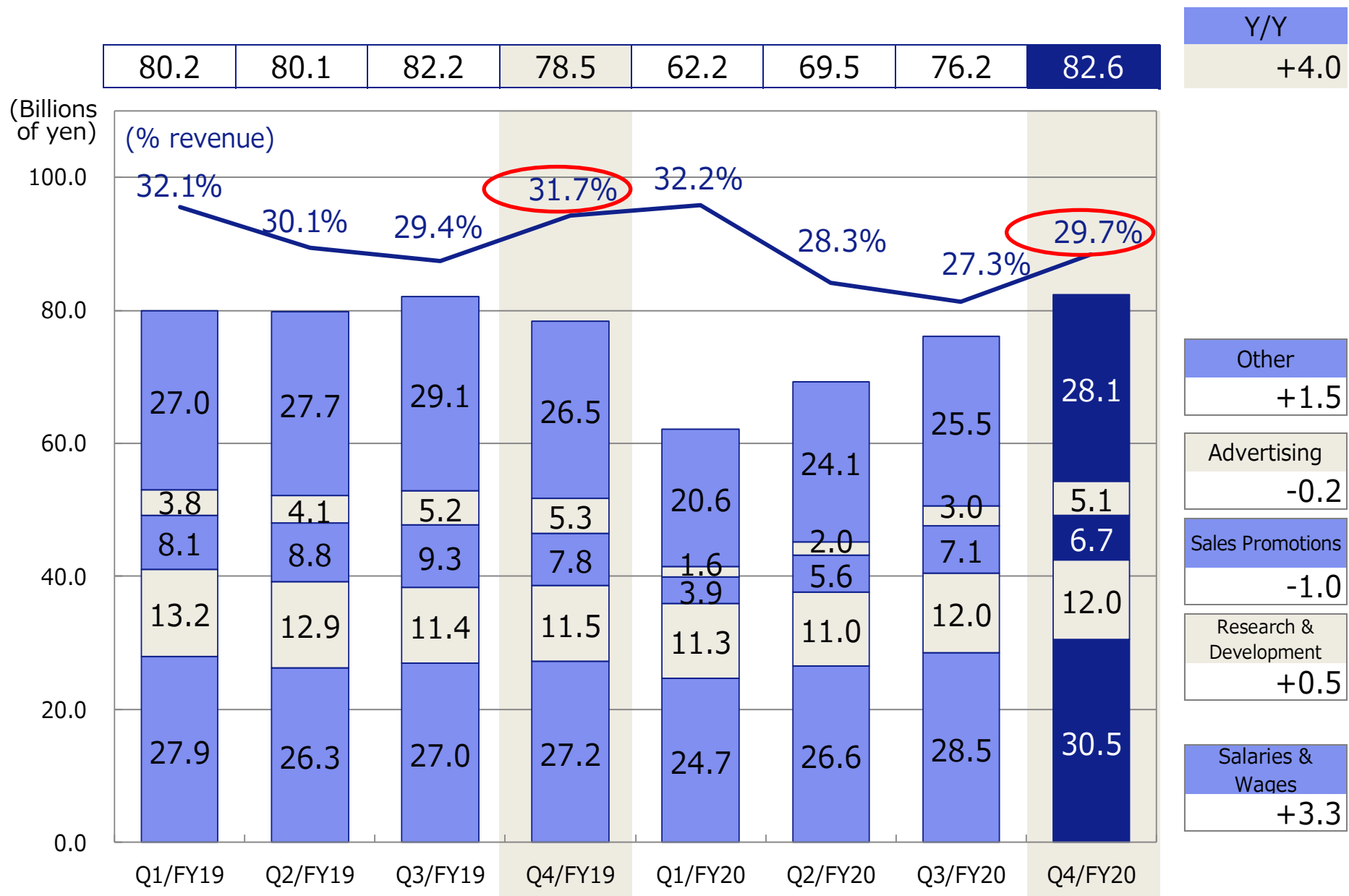
Robotics solutions

- Sales in China in particular increased

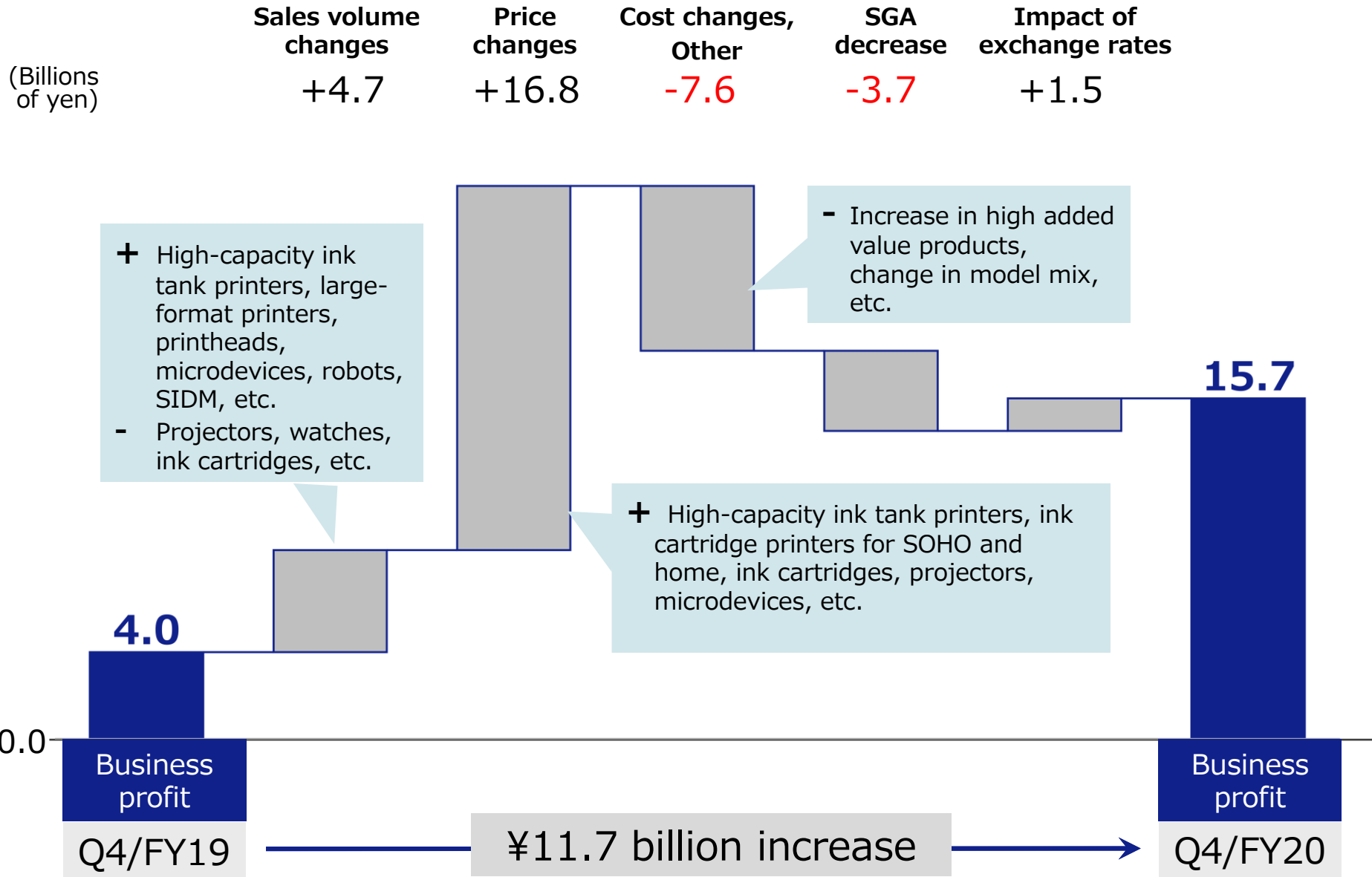
Microdevices and other

- Crystal devices
 - Strong demand in telecom network market, etc.
- Semiconductor
 - Demand remained firm

Selling, General and Administrative Expenses



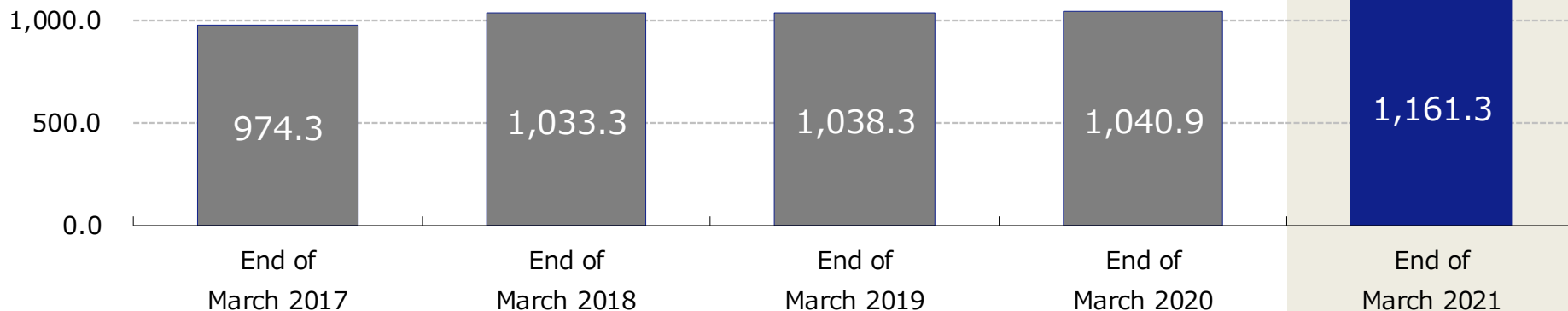
Q4 Business Profit Change Cause Analysis



Statements of Financial Position

Total assets

(Billions of yen)



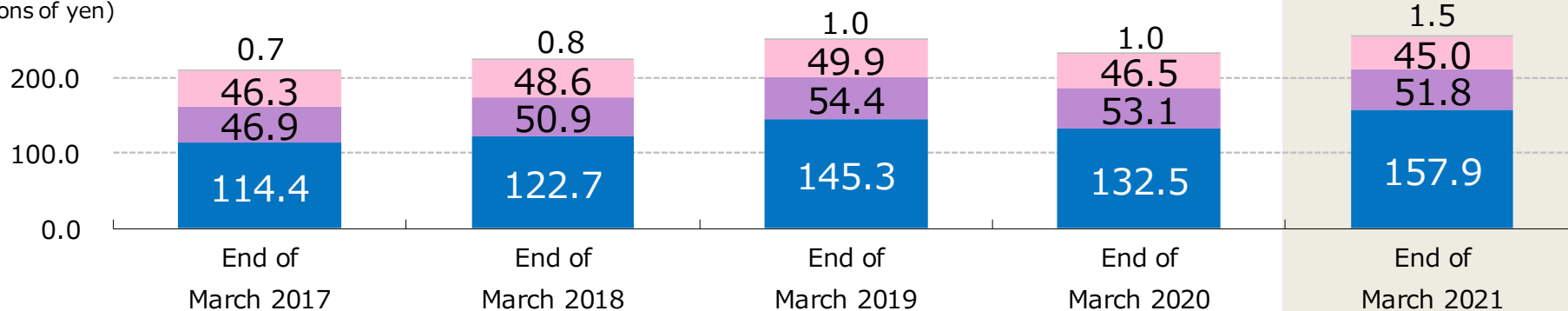
Inventories/ Turnover by days

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

Inventories	208.5	223.2	250.7	233.4	256.3 Billion
Turnover by days	74	74	84	82	94 days

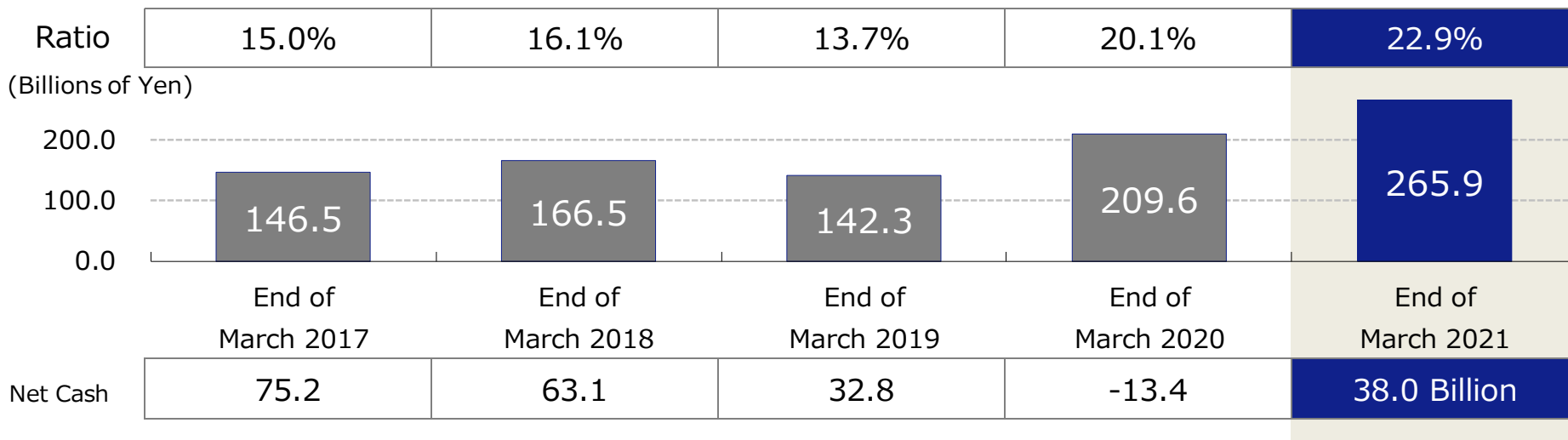
* Turnover by days : Ending balance of inventory / Prior 12 months revenue per day

(Billions of yen)

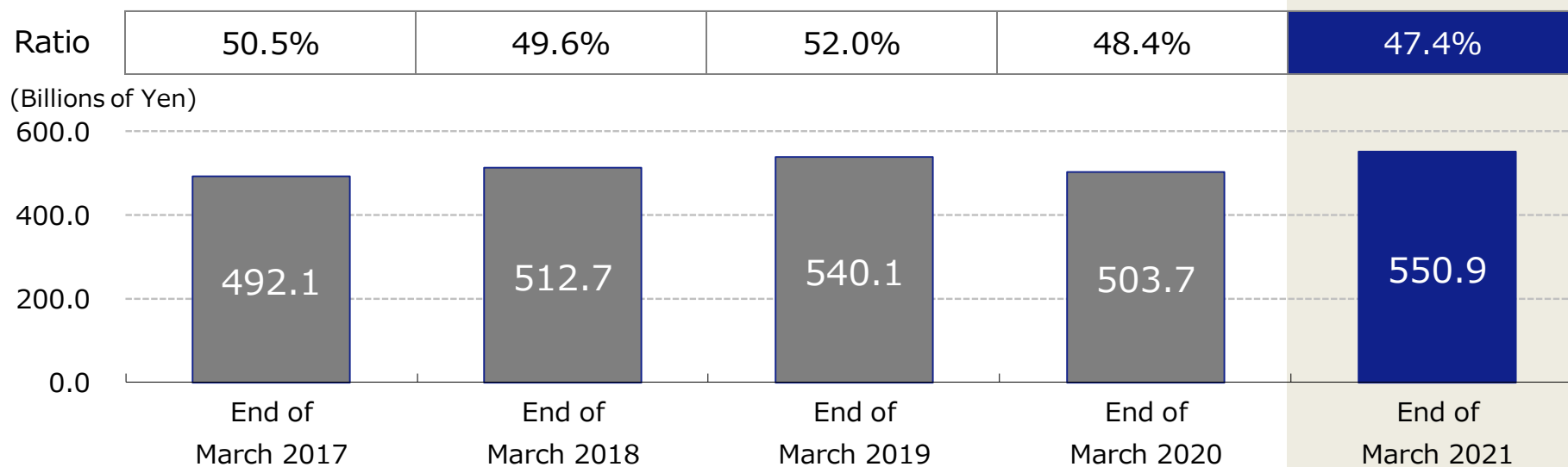


Statements of Financial Position

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



Equity and equity ratio attributable to owners of the parent company



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FY2020 Financial Highlights (Full Year)

	FY2019		FY2020				Change		
	(Billions of yen)	Actual	%	1/28 Outlook	%	Actual	%	Y/Y	Vs. 1/28 outlook
Revenue		1,043.6		980.0		995.9		-47.6 -4.6%	+15.9 +1.6%
Business profit		40.8	3.9%	50.0	5.1%	61.6	6.2%	+20.7 +50.9%	+11.6 +23.3%
Profit from operating activities		39.4	3.8%	38.0	3.9%	47.6	4.8%	+8.1 +20.7%	+9.6 +25.4%
Profit before tax		39.7	3.8%	34.0	3.5%	44.9	4.5%	+5.2 +13.1%	+10.9 +32.2%
Profit for the year attributable to owners of the parent company		7.7	0.7%	18.0	1.8%	30.9	3.1%	+23.1 +299.9%	+12.9 +71.8%
EPS* ¹ (yen)		22.26		52.03		89.38			
Exchange rate (yen, index)	USD	¥108.74		¥105.00		¥106.01			
	EUR	¥120.85		¥123.00		¥123.67			
	Other currencies* ²	100		93		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

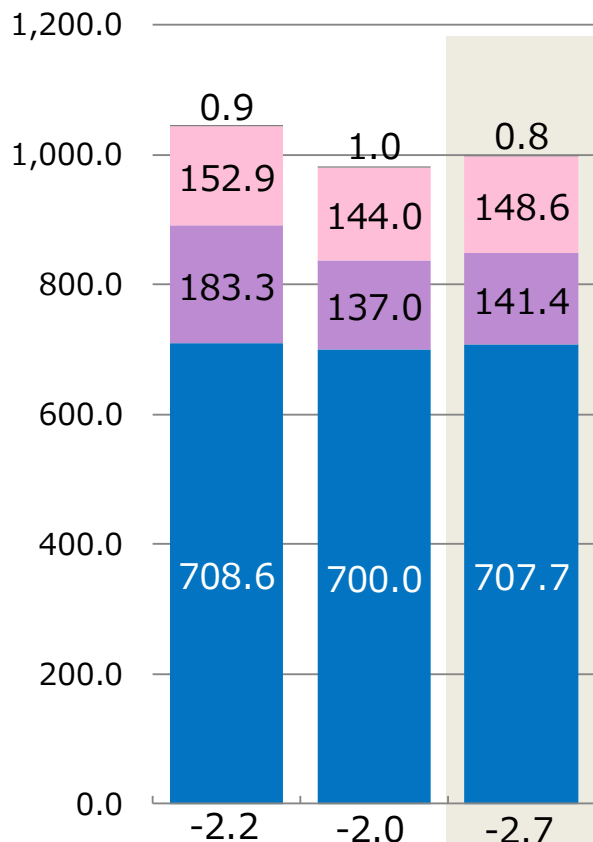
Exchange Effect (Billions of yen)	USD	EUR	Other currencies	Total
Revenue	-8.1	+4.4	-11.6	-15.3
Business profit	+1.6	+2.9	-7.3	-2.7

FY2020 Results by Business Segment

Revenue

(Billions of yen)

1,043.6	980.0	995.9
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FY2019 Actual	FY2020 1/28 Outlook	FY2020 Actual
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Consolidated

Y/Y	-47.6
vs. 1/28	+15.9

Other

Wearable & Industrial Products

Y/Y	-4.2
vs. 1/28	+4.6

Visual Communications

Y/Y	-41.8
vs. 1/28	+4.4

Printing Solutions

Y/Y	-0.8
vs. 1/28	+7.7

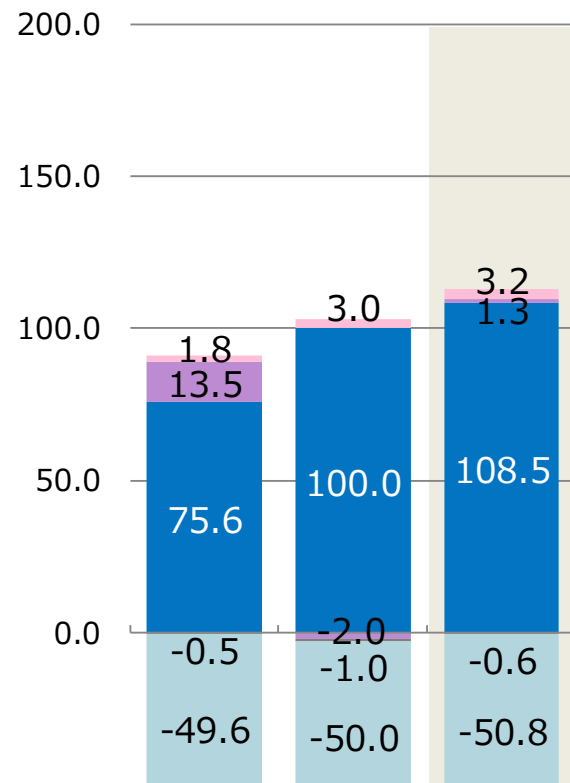
Corporate expenses & Eliminations

Y/Y	-0.5
vs. 1/28	-0.7

Business profit

(Billions of yen)

40.8	50.0	61.6
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FY2019 Actual	FY2020 1/28 Outlook	FY2020 Actual
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Consolidated

Y/Y	+20.7
vs. 1/28	+11.6

Wearable & Industrial Products

Y/Y	+1.3
vs. 1/28	+0.2

Visual Communications

Y/Y	-12.2
vs. 1/28	+3.3

Printing Solutions

Y/Y	+32.9
vs. 1/28	+8.5

Other

Corporate expenses & Eliminations

Y/Y	-1.2
vs. 1/28	-0.8

FY2020 Results Comparison by Business

(Billions of yen)

Printing Solutions	FY2019 Actual	FY2020 1/28 Outlook	FY2020 Actual	Y/Y	vs. 1/28 Outlook
Revenue	708.6	700.0	707.7	-0.8	+7.7
Printers	482.5	503.0	509.3	+26.8	+6.3
% sales Office & home IJP	84%	87%	87%		
SIDM	7%	5%	5%		
Other	9%	8%	8%		
Professional Printing	197.9	179.0	179.5	-18.4	+0.5
% sales C&I IJP	64%	69%	69%		
POS printers, other	36%	31%	31%		
Other	28.2	18.0	19.0	-9.2	+1.0
Inter-segment revenue	-0.1	0.0	-0.1	+0.0	-0.1
Segment profit	75.6	100.0	108.5	+32.9	+8.5
ROS	10.7%	14.3%	15.3%		

Printer business

- ◆ Office & home IJP
 - High-capacity ink tank printer and ink sales were firm on heightened at-home print demand
 - Unit shipments decreased due to suspension of operations and logistics delays
 - Ongoing sluggish demand for SIDMs

Professional printing

- ◆ Commercial & industrial IJP
 - Although the market recovery progressed and sales grew in the second half, revenue was lower due to the weak first half
- ◆ POS printers
 - Markets were stagnant and revenue declined in many regions

Other

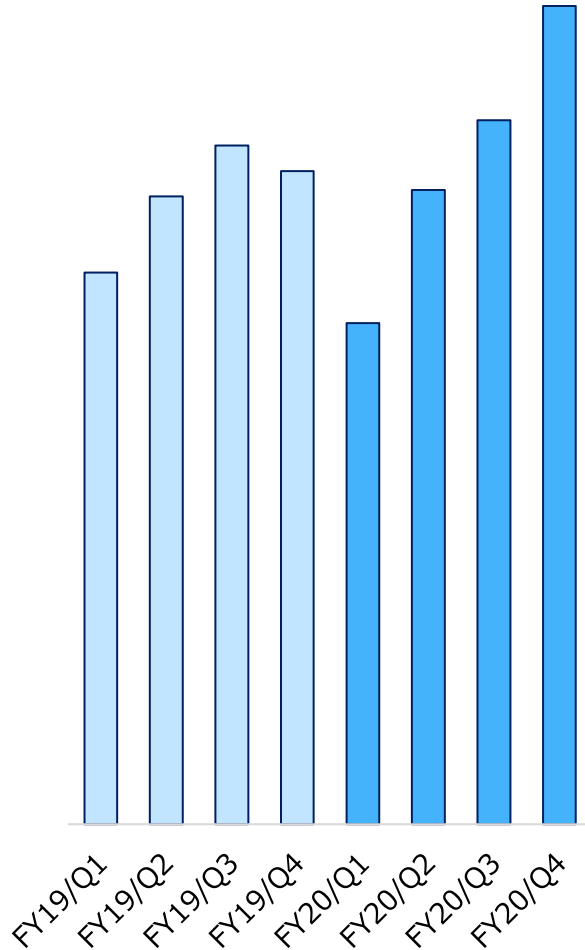
- Extra PC demand wound down and revenue declined

◆ Office & home IJP Sales Trends*1

			FY19 Actual	FY20 1/28 Outlook	FY20 Actual
		YoY %	+1%	-3%	-2%
		Approx., million	15.7	15.2	15.4
Hardware	Q'ty	High-capacity ink tank printers	10.0	10.3	10.4
		SOHO/ Home I/C model	5.3	4.6	4.6
		Office shared IJP*2*3	0.4	0.3	0.3
		JPY	-8%	+6%	+6%
Ink	Revenue	YoY %	-5%	-	+7%
Office shared IJP	Revenue	Composition ratio within office & home IJP*3	10%	10%	9%

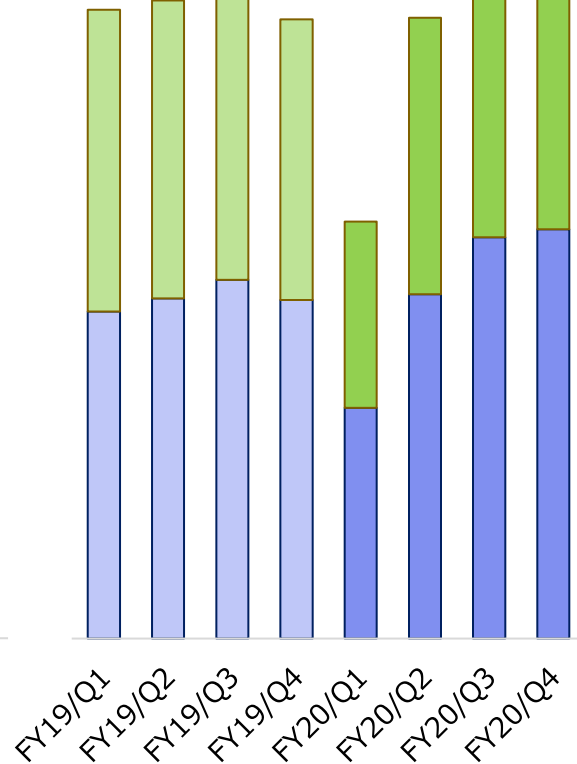
- *1 The indicators in sales trends are based on values tracked internally by Epson
- *2 Office shared IJP: A printer category for high print volume office users. This includes LIJ, RIPS, I/C printers, ink, managed print services and other subscription service printers, and paid service
- *3 Restated FY19 according to changes in product groups in FY20

Office & Home IJP
Office shared IJP Revenue Trend



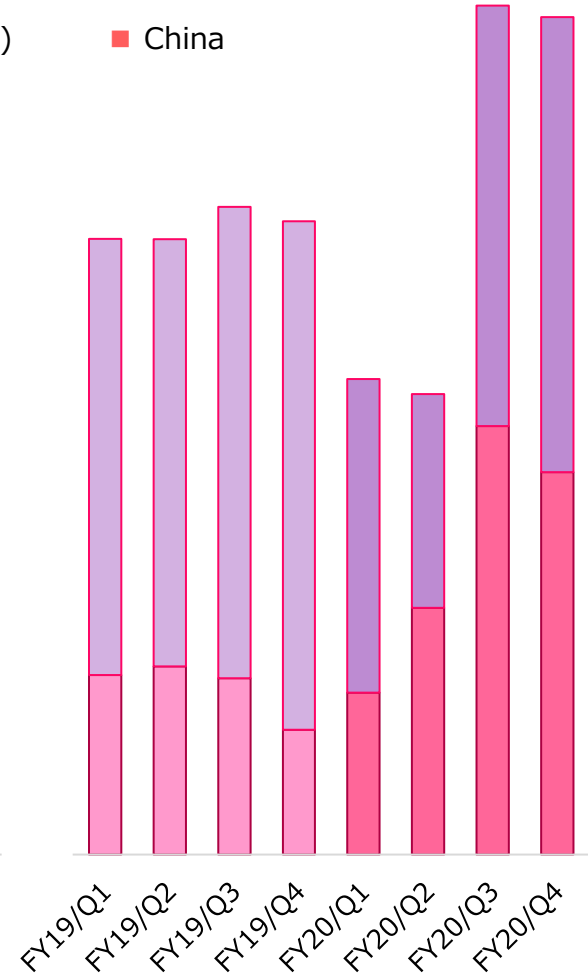
Commercial & Industrial IJP
Finished Product Business
Revenue Trend

- Existing areas (photo)
- Growth areas (corporate, signage, textile, label)



Commercial & Industrial IJP
Printhead Sales Business
Revenue Trend

- Others
- China



FY2020 Results Comparison by Business

(Billions of yen)

Visual Communications	FY2019 Actual	FY2020 1/28 Outlook	FY2020 Actual	Y/Y	vs. 1/28 Outlook
Revenue	183.3	137.0	141.4	-41.8	+4.4
Segment profit	13.5	-2.0	1.3	-12.2	+3.3
ROS	7.4%	-1.5%	1.0%		

Visual communications

- ◆ Projectors
 - Revenue & profit decreased due substantial market shrinkage caused by COVID-19 and FPD competition
 - Continued to make cost and structural improvements

◆ Projector Sales Trends*1

		FY19 Actual	FY20 1/28 Outlook	FY20 Actual
Hardware	Q'ty	-9%	-31%	-30%
	YoY % Approx., million	2.4	1.6	1.7

* 1 The indicators in sales trends are based on values tracked internally by Epson

(Billions of yen)

Wearable & Industrial Products	FY2019 Actual	FY2020 1/28 Outlook	FY2020 Actual	Y/Y	vs. 1/28 Outlook
Revenue	152.9	144.0	148.6	-4.2	+4.6
Wearable Products	44.0	28.0	28.1	-15.8	+0.1
Robotics Solutions	21.2	27.0	28.4	+7.2	+1.4
Microdevices, Other	92.9	91.0	94.3	+1.4	+3.3
Inter-segment revenue	-5.3	-2.0	-2.3	+2.9	-0.3
Segment profit	1.8	3.0	3.2	+1.3	+0.2
ROS	1.2%	2.1%	2.2%		

◆ Wearable products

- Difficult conditions persisted due to the prolonged pandemic

◆ Robotics solutions

- Sales increased from contracts captured in China, etc.

◆ Microdevices and other

- Crystal device revenue increased on firm demand in consumer and industrial applications
- Semiconductor foundry increased due to firm demand

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FY2021 Financial Outlook (Full Year)

	FY2020		FY2021		Y/Y	
	(Billions of yen)	Actual	%	Outlook	%	Change
Revenue		995.9		1,070.0		+74.0 +7.4%
Business profit		61.6	6.2%	60.0	5.6%	-1.6 -2.7%
Profit from operating activities		47.6	4.8%	57.0	5.3%	+9.3 +19.6%
Profit before tax		44.9	4.5%	55.0	5.1%	+10.0 +22.4%
Profit for the year attributable to owners of the parent company		30.9	3.1%	38.0	3.6%	+7.0 +22.9%
EPS ^{*1} (yen)		89.38		109.83		
Exchange rate (yen, index)	USD	¥106.01		¥107.00		
	EUR	¥123.67		¥127.00		
	Other currencies ^{*2}	100		103		

Exchange sensitivity ^{*3}	USD	EUR	Other currencies
Revenue	-3.0	-1.4	-3.0
Business profit	+0.7	-0.9	-1.3

*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)

Changes in Business Segments

Before (FY2020)

After (FY2021)

Printing Solutions	
Printers	
Office & home IJP	
High-capacity ink tank printers	
Ink cartridge printers for SOHO & home	
Office shared IJPs	
SIDM	
Other	
Professional printing	
Commercial & industrial IJPs	
POS printers, other	
Other (PC and other)	
Visual Communications	
Wearable & Industrial Products	
Wearable products	
Robotics solutions	
Microdevices and other	
Other	
Corporate	

Printing Solutions	
Office & Home Printing	
Office & home IJPs	
High-capacity ink tank printers	
Ink cartridge printers for SOHO & home	
Office shared IJPs	
SIDM	
Other	
Commercial & Industrial Printing	
Commercial & industrial IJPs	
POS printers, other	
Visual Communications	
Manufacturing-related & Wearables	
Manufacturing solutions*	
Wearable products	
Microdevices and other	
PC	
Corporate and Other	



* Manufacturing-related operations in corporate expenses will be transferred to the Manufacturing Solutions

- The global economy will gradually return to normal as COVID-19 subsides
- Logistics disruptions to ease in 2nd half; uncertain outlook for material shortages in 2nd half
- Invest in growth areas and improve business performance in mature areas

Printing solutions

- Growth in Office shared IJP and Commercial & industrial IJP sales
- At-home print demand in office and home printing will subside in the second half
- Anticipate a restoration of the competitive market environment and spending on sales promotions

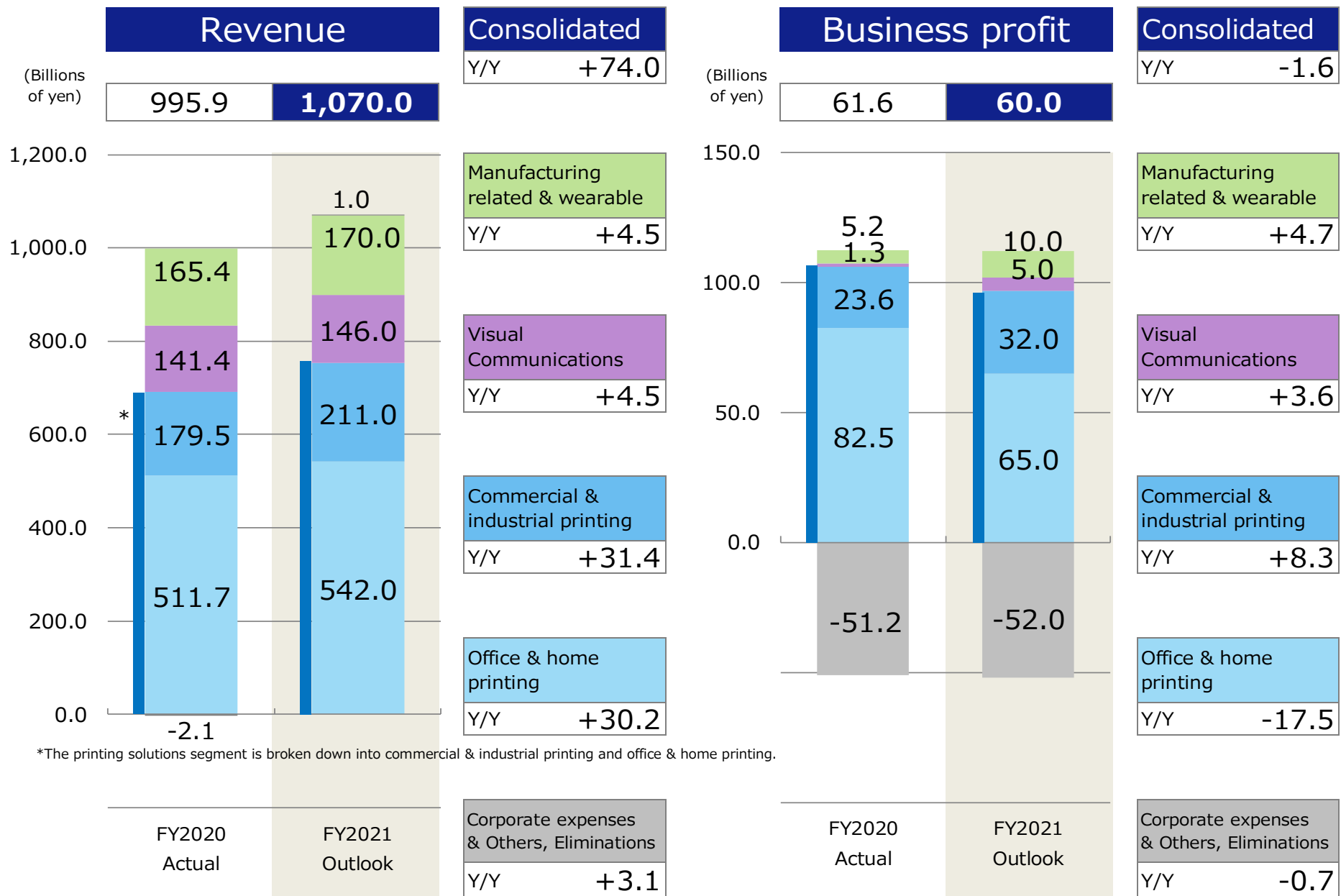
Visual communications

- The projector market will grow slightly compared to last fiscal year, where the market dropped sharply as FPDs made deep inroads
- Business profit to keep improving as structural improvements are made

Manufacturing related & wearables

- Investment in growth of manufacturing solutions will continue
- COVID-19 will delay a recovery in the watch market
- Firm demand for microdevices is seen continuing

FY2021 Financial Outlook by Business Segment



FY2021 Outlook Comparison by Business

(Billions of yen)

Printing Solutions	FY2020 Actual	FY2021 Outlook	Y/Y
Revenue	691.1	753.0	61.8
Segment profit	106.2	97.0	-9.2
ROS	15.4%	12.9%	

Office & home printing	FY2020 Actual	FY2021 Outlook	Y/Y
Revenue	511.7	542.0	30.2
% sales Office & home IJP	86%	87%	
SIDM	5%	5%	
Oter	9%	8%	
Business profit	82.5	65.0	-17.5
ROS	16.1%	12.0%	

Office & home printing

- ◆ Office & home IJP
 - High-capacity ink tank printer sales to increase in both emerging and developed countries
 - Growth in ink sales for SOHO and home printers to subside as at-home print demand subsides
 - Shared office IJPs to replace laser printers
 - SIDM market to shrink

◆ Office & home IJP Sales Trends*1		FY20 Actual	FY21 Outlook	
YoY %		-2%	+16%	
Approx., million		15.4	17.9	
Hardware	Q'ty	High-capacity ink tank printers	10.4	12.5
		SOHO/ Home I/C model	4.6	5.1
		Office shared IJP*2	0.3	0.3
		JPY	+6%	-5%
Ink	Revenue	YoY %	+7%	-
		Local currency		
Office shared IJP	Revenue	Composition ratio within office & home IJP	9%	12%

*1 The indicators in sales trends are based on values tracked internally by Epson

*2 Office shared IJP: A printer category for high print volume office users. This includes LIJ, RIPS, I/C printers, ink, managed print services and other subscription service printers, and paid service

FY2021 Outlook Comparison by Business

(Billions of yen)

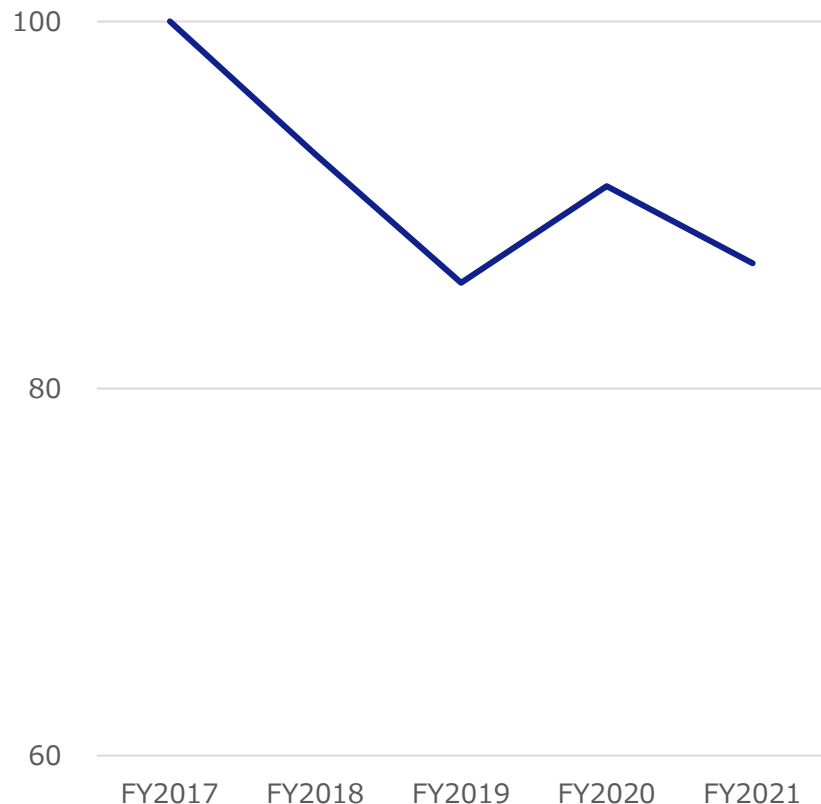
Commercial & industrial printing	FY2020 Actual	FY2021 Outlook	Y/Y
Commercial & industrial IJP	179.5	211.0	31.4
Small printers, other	56.4	62.0	5.5
Business profit	23.6	32.0	8.3
ROS	13.2%	15.2%	

Office & home printing

- ◆ Commercial & industrial IJP
 - Sales of finished products to increase due to new product launches
 - External sales of printheads to increase especially in China
- ◆ POS printers, other
 - Signs of recovery are limited due to ongoing impact of COVID-19

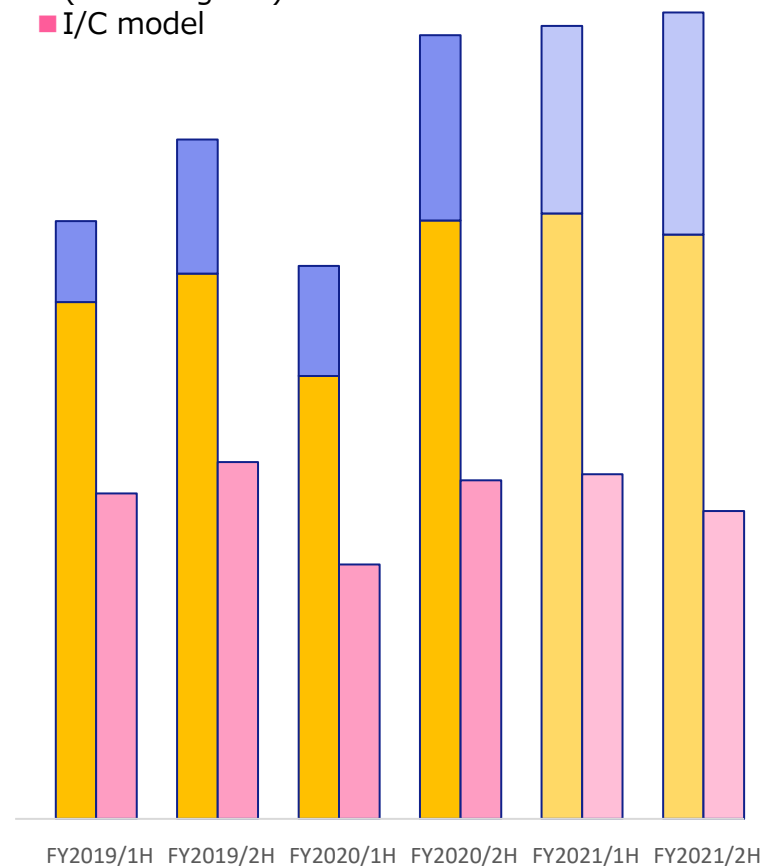
Office & Home IJP Ink revenue Trend

FY2017 revenue normalized to 100



High-capacity ink tank & Ink cartridge model Unit Sales Trend

- High-Capacity Ink Tank Printer (Japan, N. America & W. Europe)
- High-Capacity Ink Tank Printer (Other regions)
- I/C model



FY2021 Outlook Comparison by Business

(Billions of yen)

Visual Communications	FY2020 Actual	FY2021 Outlook	Y/Y
Revenue	141.4	146.0	+4.5
Segment profit	1.3	5.0	+3.6
ROS	1.0%	3.4%	

Visual communications

- ◆ Projectors
 - Pressure from FPDs will keep growth slight even as market recovers from COVID-19
 - Continue restructuring to improve profitability

◆ Projector Sales Trends*1

		FY20 Actual	FY21 Outlook
Hardware	Volume	-30%	+4%
	YoY % Approx., million	1.7	1.7

*1 The indicators in sales trends are based on values tracked internally by Epson

(Billions of yen)

Manufacturing-related & Wearables	FY2020 Actual	FY2021 Outlook	Y/Y
Revenue	165.4	170.0	+4.5
Manufacturing solutions	28.6	24.0	-4.6
Wearable Products	28.1	31.0	+2.8
Microdevices, Other	94.3	101.0	+6.6
PC	16.5	18.0	+1.4
Inter-segment revenue	-2.3	-4.0	-1.6
Segment profit	5.2	10.0	+4.7
ROS	3.2%	5.9%	

◆ Manufacturing solutions

- IC handler business transferred
- Ongoing firm demand in robot business

◆ Wearable products

- Difficult conditions will persist in watch market
- Restructure to improve profitability

◆ Microdevices and other

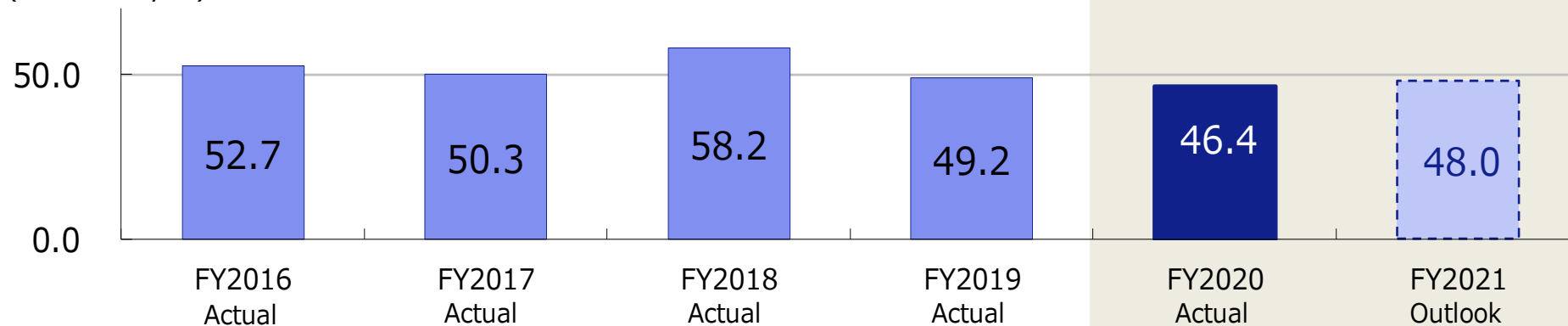
- Expand sales in the growing IoT, 5G, and ADAS markets

Epson 25 Renewed Progress

	FY2025 Targets	FY2021 Outlook
Growth areas Office printing Commercial & industrial printing Printhead sales Production systems	FY2020→25 revenue CAGR +15% or more	FY2020→21 revenue +16%
Mature areas Projection Watches	FY2020→25 ROS improvement +10 pts or more	FY2020→21 ROS improvement +6 pts
	Home printing Microdevices Sustained ROS of 15% or more	FY2021 ROS 17%
New areas Sensing Environmental business	FY2025 revenue ¥10.0 billion or more	FY2021 revenue ¥2.0 billion

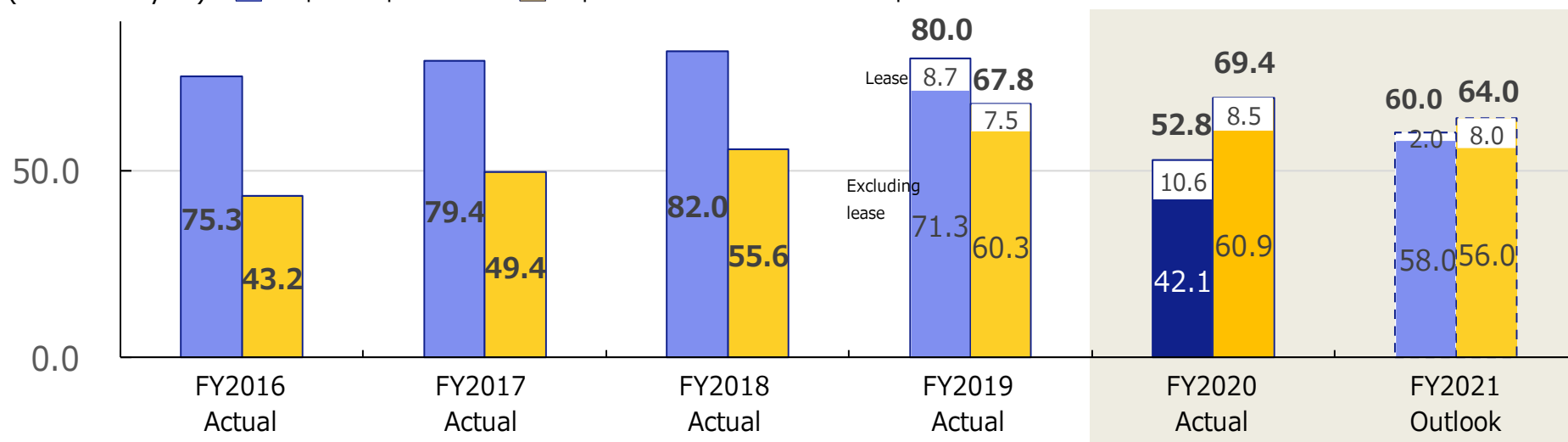
Research & Development Costs

(Billions of yen)



Capital Expenditure and Depreciation and Amortization Expenses

(Billions of yen) ■ Capital Expenditure ■ Depreciation & Amortization Expenses

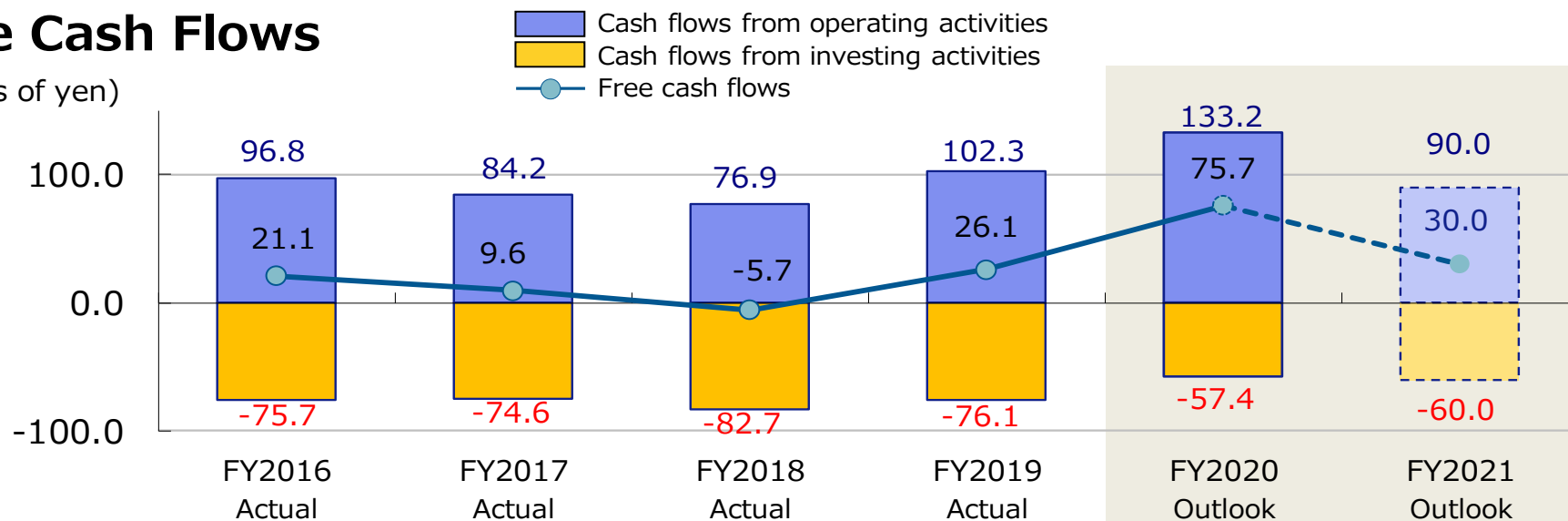


Free Cash Flows

Main Management Indices

Free Cash Flows

(Billions of yen)



Main Management Indices

(%)	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Outlook
ROS *1	6.4	6.8	6.5	3.9	6.2	5.6
ROA *2	6.9	7.4	6.8	3.9	5.6	5.2
ROE *3	10.1	8.3	10.2	1.5	5.9	6.8
ROIC *4	7.4	7.9	7.2	4.1	5.6	5.2

*1 ROS: Business profit/ revenue

*2 ROA: ROA (Business profit), Business profit / Beginning and ending balance average total assets

*3 ROE: Profit for the year attributable to owners of the parent company / Beginning and ending balance average equity attributable to owners of the parent company

*4 ROIC: After tax business profit / (equity attributable to owners of the parent company + interest-bearing liabilities)

Equity attributable to owners of the parent company and interest-bearing liabilities are average of beginning and ending balance

- Summary
- Fourth-Quarter Financial Results
- FY2020 Full-Year Financial Results
- FY2021 Full-Year Financial Outlook
- **Shareholder Returns**
- Sustainability Initiatives

■ Basic policy on dividends

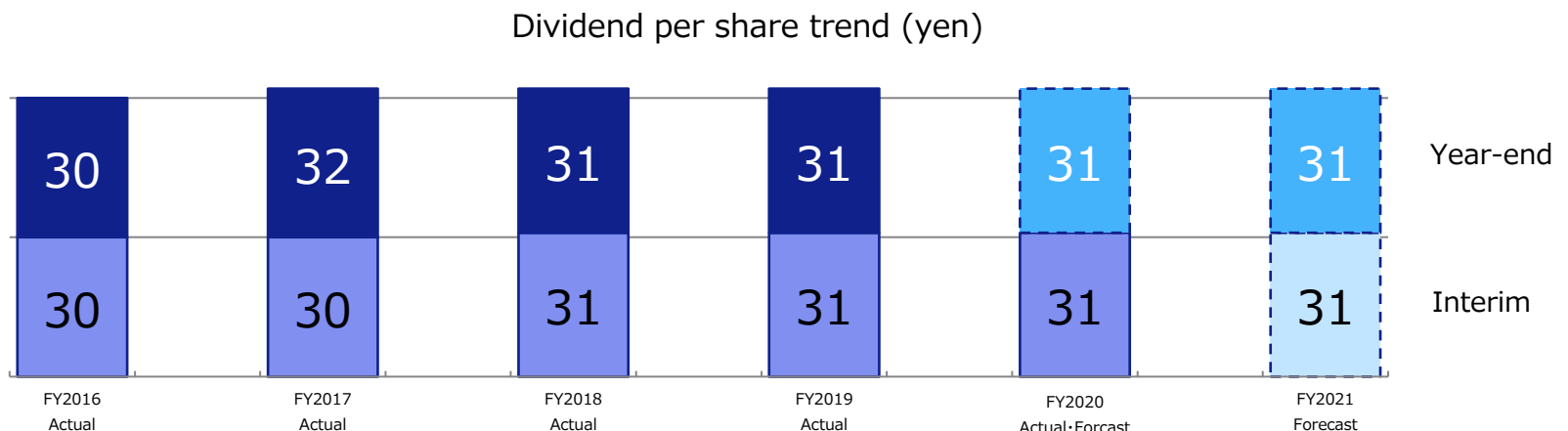
- Build a robust financial structure while proactively providing returns to shareholders
- Achieve a consolidated dividend payout ratio* of around 40% over the mid-term

* Calculated based on profit after an amount equivalent to the statutory effective tax rate is deducted from business profit, which shows profit from operations

■ FY2021 annual dividend outlook

- 62 yen per share, the same as in FY2020

■ Dividends and forecast



- Summary
- Fourth-Quarter Financial Results
- FY2020 Full-Year Financial Results
- FY2021 Full-Year Financial Outlook
- Shareholder Returns
- **Sustainability Initiatives**

■ Transitioned to 100% renewable electricity at all sites in Nagano Prefecture in April

● Steps toward 100% renewable electricity

- Apr. 1, 2021 All sites in Nagano Prefecture*
- FY2021 All sites in Japan*
- CY2023 All sites globally*

* Excludes leased properties for sales offices, etc.

■ Joined the international RE100 initiative

● Made commitment to using 100% renewable electricity

RE100
CLIMATE GROUP



Sustainability Initiatives (2)

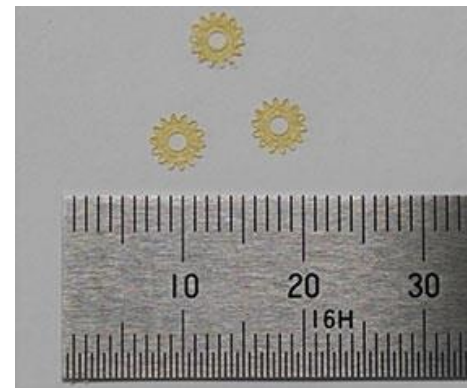
- Established the Pararesin Japan Consortium with Euglena and NEC
 - Aim: Develop and promote pararesin (biomass plastic) technology
 - Epson to contribute to the establishment of a saccharification process by applying Dry Fiber Technology*

* Technology for producing new raw materials from paper and other fibrous materials



Pararesin pellets before processing

Image provided by Euglena Co., Ltd.



Molded precision test parts
for products by Epson

EPSON
EXCEED YOUR VISION

Reference

Main Product Sales Trends

*1 Office shared IJP: A printer category for high print volume office users. This includes LIJ, RIPS, I/C printers, ink, managed print services and other subscription service printers, and paid service.

*2 LC: Local Currency base

*3 Restated FY19 according to changes in product groups in FY20

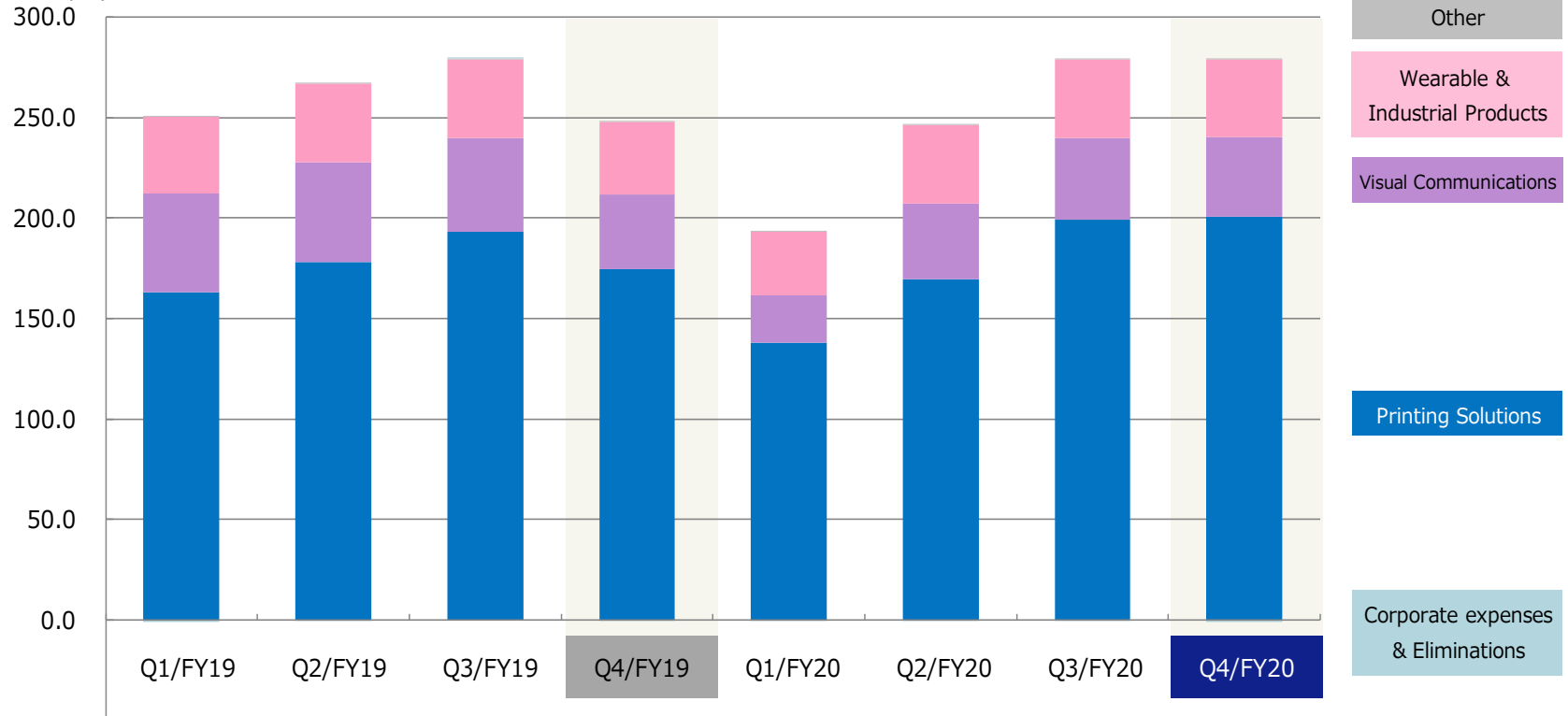
				FY2019	FY2020	FY2020	FY2020	FY2020	FY2020	FY2021
				Full-year	Q1	Q2	Q3	Q4	Full-year	Full-year
				Actual	Actual	Actual	Actual	Actual	Actual	Outlook
				USD	108.74	107.54	106.16	104.48	105.86	107.00
				EUR	120.85	118.39	124.10	124.51	127.68	127.00
Printing Solutions	Office & Home IJP Hardware	Revenue (JPY)	YoY %	-0%	-14%	+2%	+17%	+36%	+12%	+17%
		Revenue (LC*2)	YoY %	+4%	-8%	+5%	+22%	+37%	+15%	-
		Volume	YoY %	+1%	-17%	-9%	+2%	+14%	-2%	+16%
		Volume (Approx., million)	Units	15.7	-	-	-	-	15.4	17.9
		High-capacity ink tank printers	Units	10.0	-	-	-	-	10.4	12.5
		SOHO/ Home I/C model	Units	5.3	-	-	-	-	4.6	5.1
		Office shared IJP	Units	0.4	-	-	-	-	0.3	0.3
	Office & Home IJP Ink	Revenue within office & home IJP Ink / (HW+Ink)	Composition ratio	48%	-	-	-	-	47%	42%
		Revenue (JPY)	YoY %	-8%	+15%	+7%	+5%	-1%	+6%	-5%
		Revenue (LC*2)	YoY %	-5%	+19%	+8%	+6%	-1%	+7%	-
	Office Shared IJP*1 (Hardware + Ink)	Revenue within office & home IJP*3	Composition ratio	10%	9%	10%	9%	11%	9%	12%
	SIDM Hardware	Revenue (JPY)	YoY %	-19%	-43%	-16%	-19%	+28%	-17%	-2%
		Revenue (LC*2)	YoY %	-16%	-40%	-15%	-18%	+26%	-16%	-
Volume		YoY %	-16%	-39%	-16%	-22%	+33%	-16%	-9%	
Visual Communications	Projectors Hardware	Revenue (JPY)	YoY %	-9%	-52%	-24%	-13%	+4%	-23%	+5%
		Revenue (LC*2)	YoY %	-6%	-50%	-24%	-12%	+3%	-22%	-
		Volume	YoY %	-9%	-57%	-32%	-20%	-6%	-30%	+4%
		Volume (Approx., million)	Units	2.4	-	-	-	-	1.7	1.7

Quarterly Revenue Trend By Business Segment

Exchange rate	USD	109.93	107.31	108.72	109.00	107.54	106.16	104.48	105.86
	(yen)	EUR	123.54	119.34	120.35	120.18	118.39	124.10	124.51

Revenue (Billions of yen)	Q1/FY19	Q2/FY19	Q3/FY19	Q4/FY19	Q1/FY20	Q2/FY20	Q3/FY20	Q4/FY20	Y/Y
Printing Solutions	163.2	178.0	192.9	174.4	138.0	169.8	199.0	200.8	+26.3
Visual Communications	49.2	49.6	46.8	37.5	23.5	37.6	40.7	39.5	+1.9
Wearable & Industrial Products	38.1	39.3	39.4	36.0	31.8	38.8	39.4	38.5	+2.5
Other	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.2	-0.0
Corporate expenses & Eliminations	-1.1	-0.7	0.3	-0.6	-0.3	-0.6	-0.6	-1.0	-0.4
Consolidated total	249.6	266.4	279.8	247.6	193.2	245.9	278.8	277.9	+30.3

(Billions of yen)

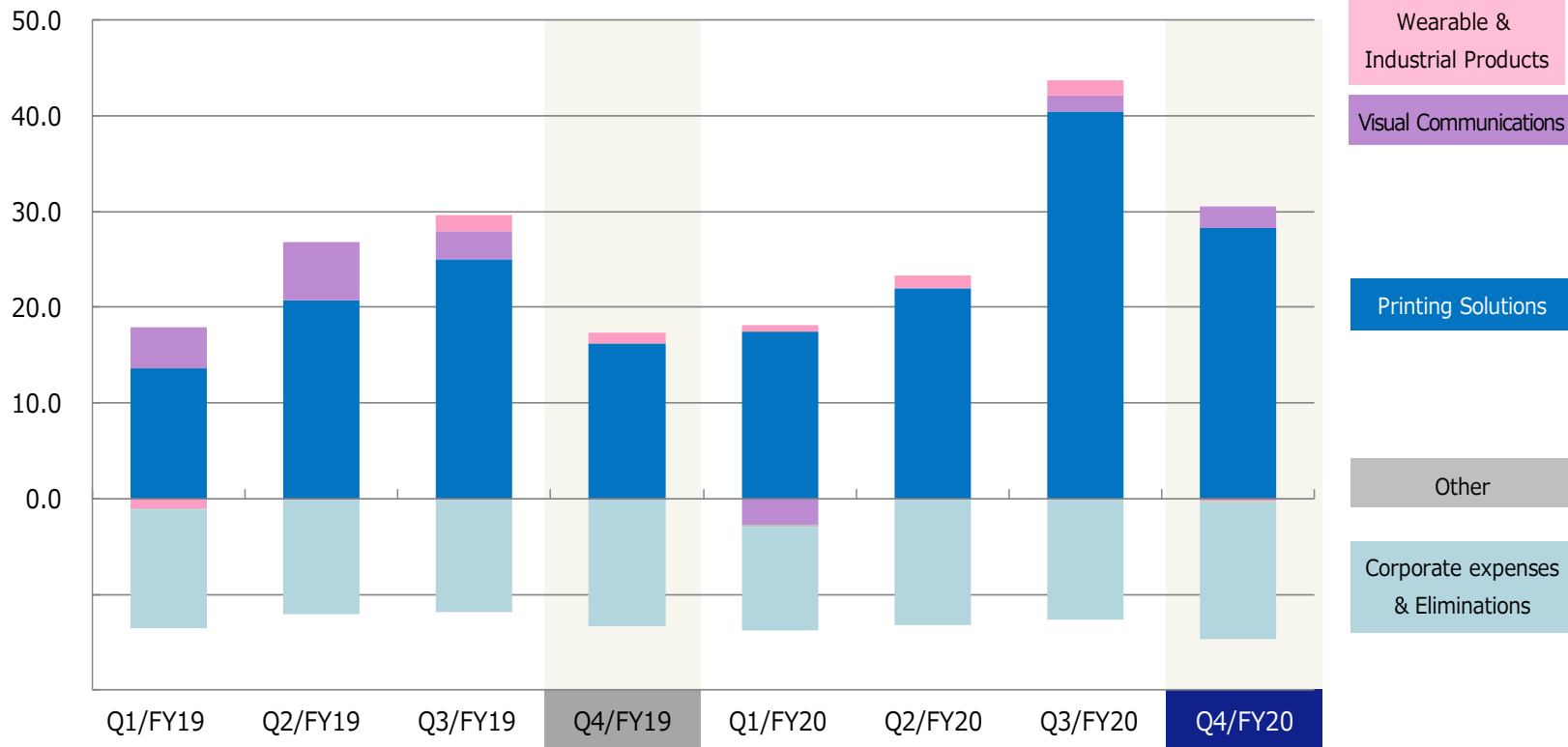


Quarterly Business Profit Trend By Business Segment

Exchange rate	USD	109.93	107.31	108.72	109.00	107.54	106.16	104.48	105.86
	(yen)	EUR	123.54	119.34	120.35	120.18	118.39	124.10	124.51

Business profit (Billions of yen)	Q1/FY19	Q2/FY19	Q3/FY19	Q4/FY19	Q1/FY20	Q2/FY20	Q3/FY20	Q4/FY20	Y/Y
Printing Solutions	13.6	20.7	25.0	16.2	17.5	22.0	40.5	28.3	+12.1
Visual Communications	4.3	6.1	2.9	0.0	-2.7	0.1	1.7	2.2	+2.1
Wearable & Industrial Products	-1.0	-0.0	1.7	1.1	0.6	1.2	1.5	-0.3	-1.4
Other	-0.2	-0.1	-0.1	-0.0	-0.2	-0.1	-0.1	-0.1	-0.0
Corporate expenses & Eliminations	-12.3	-12.0	-11.8	-13.3	-10.9	-13.1	-12.5	-14.3	-1.0
Consolidated total	4.5	14.6	17.6	4.0	4.3	10.2	31.1	15.7	+11.7

(Billions of yen)



Revenue to customers outside of Japan

Employee numbers

Revenue to customers outside of Japan

Exchange rate	USD	109.93	107.31	108.72	109.00	107.54	106.16	104.48	105.86
(yen)	EUR	123.54	119.34	120.35	120.18	118.39	124.10	124.51	127.68

Revenue (Billions of yen)	Q1/FY19	Q2/FY19	Q3/FY19	Q4/FY19	Q1/FY20	Q2/FY20	Q3/FY20	Q4/FY20	Y/Y
The Americas	74.5	71.7	71.2	75.3	59.8	71.9	73.3	82.7	+7.4
Europe	47.9	53.7	59.3	52.9	39.7	50.0	58.7	59.8	+6.9
Asia/ Oceania	72.5	75.8	74.4	58.5	49.5	73.9	79.7	74.9	+16.3
Total revenue to overseas customers	195.1	201.4	205.1	186.9	149.0	195.9	211.9	217.5	+30.6
Consolidated revenue	249.6	266.4	279.8	247.6	193.2	245.9	278.8	277.9	+30.3

% of revenue to consolidated revenue	Q1/FY19	Q2/FY19	Q3/FY19	Q4/FY19	Q1/FY20	Q2/FY20	Q3/FY20	Q4/FY20
The Americas	29.9%	26.9%	25.5%	30.4%	31.0%	29.3%	26.3%	29.8%
Europe	19.2%	20.2%	21.2%	21.4%	20.6%	20.4%	21.1%	21.5%
Asia/ Oceania	29.1%	28.5%	26.6%	23.7%	25.6%	30.1%	28.6%	27.0%
Total	78.2%	75.6%	73.3%	75.5%	77.2%	79.7%	76.0%	78.3%

Employees

Number of employees at period end (person)	End of March 2017	End of March 2018	End of March 2019	End of March 2020	End of March 2021	Compared to end of March 2020
Japan	19,175	19,436	19,456	19,558	19,470	-88
Non-Japan	53,245	56,955	57,191	56,050	60,474	+4,424
Consolidated total	72,420	76,391	76,647	75,608	79,944	+4,336

Financial data (FY2020)

(Billions of yen)

		FY2018	FY2019	FY2019	FY2019	FY2019	FY2019	FY2020	FY2020	FY2020	FY2020	FY2020
		Actual	Q1	Q2	Q3	Q4	Actual	Q1	Q2	Q3	Q4	Actual
			Actual	Actual	Actual	Actual		Actual	Actual	Actual	Actual	
Exchange Rate (yen)	USD	110.86	109.93	107.31	108.72	109.00	108.74	107.54	106.16	104.48	105.86	106.01
	EUR	128.40	123.54	119.34	120.35	120.18	120.85	118.39	124.10	124.51	127.68	123.67
Printing	Revenue	723.6	163.2	178.0	192.9	174.4	708.6	138.0	169.8	199.0	200.8	707.7
Solutions	Segment profit	94.5	13.6	20.7	25.0	16.2	75.6	17.5	22.0	40.5	28.3	108.5
Visual	Revenue	203.3	49.2	49.6	46.8	37.5	183.3	23.5	37.6	40.7	39.5	141.4
Communications	Segment profit	21.2	4.3	6.1	2.9	0.0	13.5	-2.7	0.1	1.7	2.2	1.3
Wearable & Industrial Products	Revenue	163.4	38.1	39.3	39.4	36.0	152.9	31.8	38.8	39.4	38.5	148.6
	Segment profit	5.5	-1.0	0.0	1.7	1.1	1.8	0.6	1.2	1.5	-0.3	3.2
Other	Revenue	0.9	0.2	0.2	0.2	0.2	0.9	0.1	0.2	0.2	0.2	0.8
	Segment profit	-0.5	-0.2	-0.1	-0.1	0.0	-0.5	-0.2	-0.1	-0.1	-0.1	-0.6
Corporate expenses & Eliminations	Revenue	-1.6	-1.1	-0.7	0.3	-0.6	-2.2	-0.3	-0.6	-0.6	-1.0	-2.7
	Segment profit	-50.2	-12.3	-12.0	-11.8	-13.3	-49.6	-10.9	-13.1	-12.5	-14.3	-50.8
Consolidated total	Revenue	1,089.6	249.6	266.5	279.8	247.6	1,043.6	193.2	245.9	278.8	278.0	995.9
	Business profit	70.4	4.5	14.6	17.7	4.0	40.8	4.4	10.3	31.2	15.8	61.6
	ROS	6.5%	1.8%	5.5%	6.3%	1.6%	3.9%	2.3%	4.2%	11.2%	5.7%	6.2%
	Operating CF	76.9	13.9	14.5	38.0	35.8	102.3	11.8	33.6	47.6	40.0	133.2
	FCF	-5.7	-3.6	-9.8	22.0	17.6	26.1	-5.4	17.4	35.5	28.2	75.7
R&D Costs		58.2	-	-	-	-	49.2	-	-	-	-	46.4
Capital expenditures	Printing Solutions	46.8	13.0	9.4	7.2	13.8	43.5	4.4	9.2	6.5	7.0	27.2
	Visula Communications Wearable & Industrial Products	11.4	2.3	2.3	3.4	5.9	14.1	2.0	2.7	1.4	1.8	8.0
		13.9	4.0	3.7	2.9	4.0	14.7	1.6	2.6	1.8	4.3	10.5
Icl. lease from FY19	Other, corporate	9.8	1.4	1.5	1.9	2.6	7.5	0.7	1.6	1.9	2.6	6.9
Depreciation & amortization expenses	Printing Solutions	30.6	9.0	9.1	9.6	9.9	37.7	9.6	9.4	9.4	9.5	38.1
	Visula Communications Wearable & Industrial Products	9.8	2.7	2.9	3.0	3.0	11.7	3.1	3.1	3.3	3.3	13.0
		9.1	2.4	2.5	2.6	2.6	10.3	2.6	2.5	2.5	2.3	10.0
Icl. lease from FY19	Other, corporate	5.9	1.9	1.9	1.9	2.0	7.9	2.1	2.1	1.9	1.9	8.1

Financial data (FY2021)

(Billions of yen)

		FY2020	FY2021
		Actual	Outlook
Exchange rate (yen)	USD	106.01	107.00
	EUR	123.67	127.00
Printing	Revenue	691.1	753.0
Solutions	Segment profit	106.2	97.0
Office & home printing	Revenue	511.7	542.0
	Segment profit	82.5	65.0
Commercial & industrial printing	Revenue	179.5	211.0
	Segment profit	23.6	32.0
Visual	Revenue	141.4	146.0
Communications	Segment profit	1.3	5.0
Manufacturing related & wearable	Revenue	165.4	170.0
	Segment profit	5.2	10.0
Corporate expenses & Others, eliminations	Revenue	-2.1	1.0
	Segment profit	-51.2	-52.0
Consolidated total	Revenue	995.9	1,070.0
	Business profit	61.6	60.0
	ROS	6.2%	5.6%
	Operating CF	133.2	90.0
	FCF	75.7	30.0
R&D Costs		46.4	48.0
Capital Expenditures	Printing Solutions	27.2	33.0
	Visual Communications	8.0	6.0
	Manufacturing related & wearable	10.5	13.0
	Corporate expenses & Others	6.9	8.0
Depreciation & amortization Expense	Printing Solutions	—	37.0
	Visual Communications	—	10.0
	Manufacturing related & wearable	—	9.0
	Corporate expenses & Others	—	8.0

Major Business Indicators

(Billions of yen)

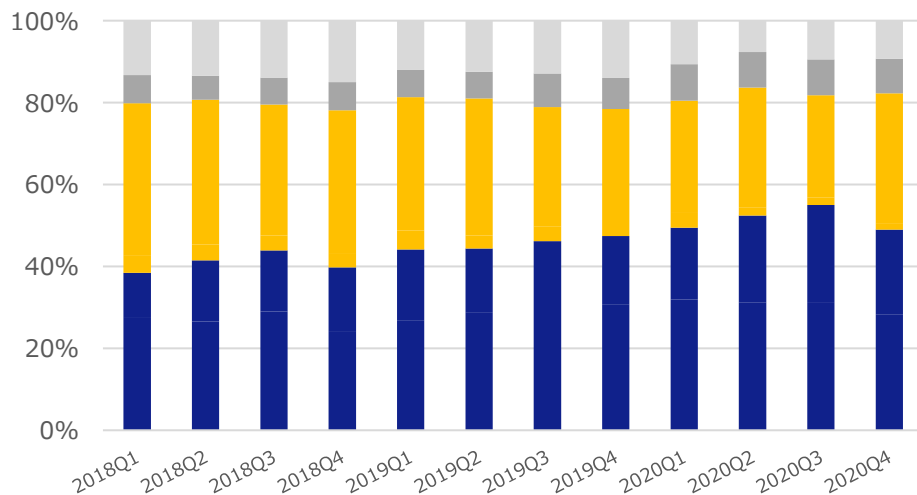
		FY2019	FY2020	FY2021	FY2023	FY2025
		Actual	Actual	Outlook	Epson 25 Renewed Target	Epson 25 Renewed Target
Exchange rate (yen)	USD	108.74	106.01	107.00	-	-
	EUR	120.85	123.67	127.00	-	-
Consolidated total	Revenue	1,043.6	995.9	1,070.0	-	-
	Business profit	40.8	61.6	60.0	-	-
	ROS	3.9%	6.2%	5.6%	over8%	over10%
	ROA	3.9%	5.6%	5.2%	-	-
	ROE	1.5%	5.9%	6.8%	over10%	over13%
	ROIC	4.1%	5.6%	5.2%	over8%	over11%

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

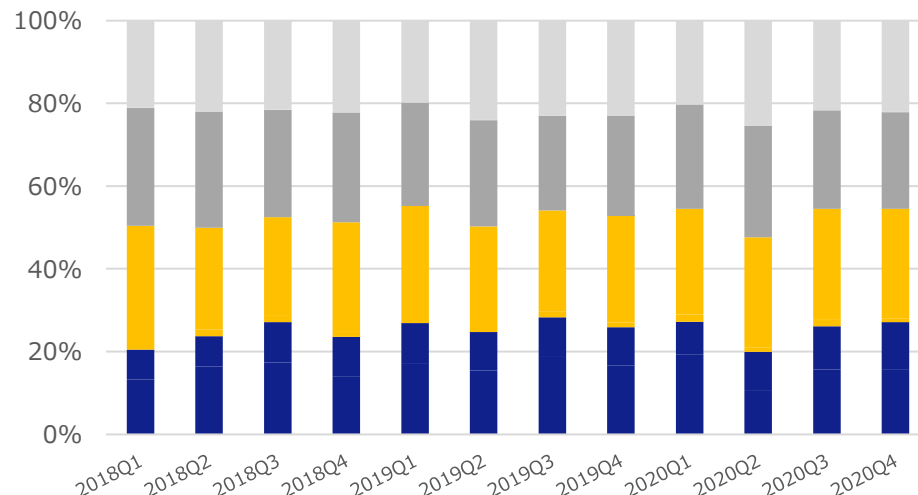
A4 printer main unit market trend by region

All graphs show calendar year

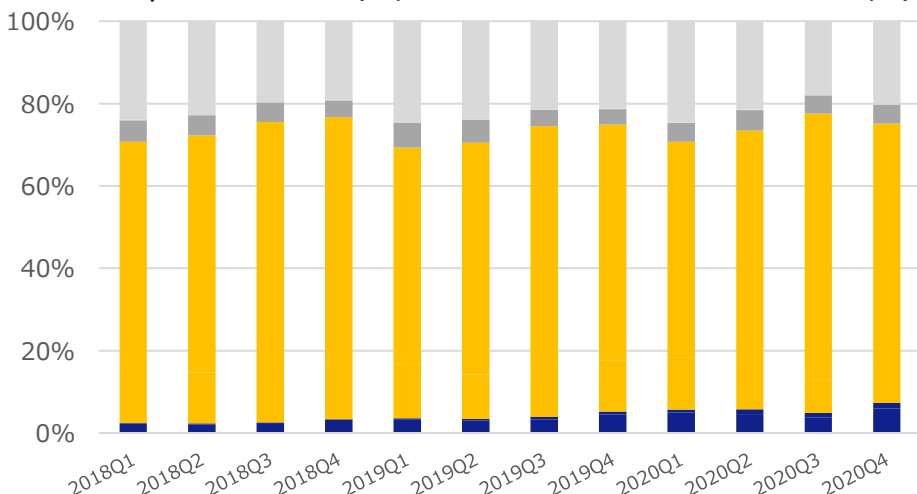
Latin America



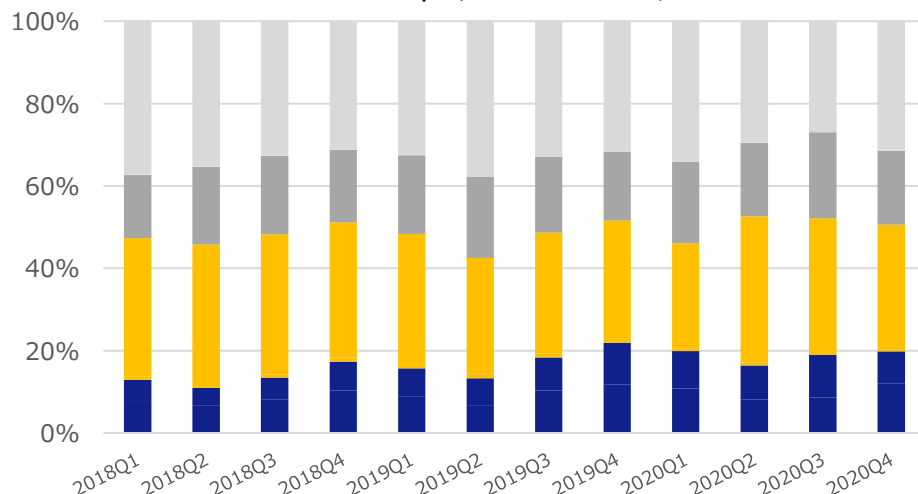
Asia-Pacific



Developed markets (Japan, North America, 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)

Source: IDC Worldwide Quarterly Hardcopy Peripherals Tracker 2020Q4
 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 (C&I) 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 (FY2020)

Innovation

Inkjet Innovation

Visual Innovation

Wearables Innovation

Robotics Innovation

Segment

Printing Solutions

Visual Communications

Wearable & Industrial Products

Office & Home IJP

Printers

High-capacity Ink Tank Model



Office Shared



High-capacity Ink Pack Printer

SOHO/Home



Ink Cartridge Model

High-speed linehead inkjet multifunction printers



Ink Cartridge Model for office



SIDM



PaperLab



Scanner



Laser Printer

Professional Printing

Commercial & Industrial IJP

POS



Photos



Signage



Textiles



Labels



Inkjet Printheads



POS Printers

Others



Epson Direct PC

Projectors



High Brightness



Ultra short throw



Standard



Home



Small Projectors



Lighting



Smart Glasses

Wearable Products

Epson Brand



TRUME



Orient

Movement



Seiko Business



Robotics Innovation

Robots



SCARA



6-Axis

IC Test Handler



Options



Microdevices, Others

Microdevices



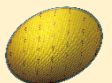
Quartz Crystal Devices



Semiconductors



Superfine alloy powders



Surface finishing

Business/
Major
Products

Business segments (FY2021)

Innovation

Office & Home
Printing Innovation

Commercial & Industrial
Printing Innovation

Visual
Innovation

Manufacturing
Innovation

Lifestyle
Innovation

Segment

Printing Solutions

Visual
Communications

Manufacturing-related & Wearables

Office & Home Printing

Commercial & Industrial Printing

Office & Home IJP

High-capacity
Ink Tank Model



SOHO /Home



Ink Cartridge Model

Office Shared



High-capacity
Ink Pack Printer

High-speed
linehead inkjet
multifunction
printers

Ink Cartridge
Model for office



SIDM



Scanner



PaperLab



Laser Printer

Commercial & Industrial
IJP



Photos



Corporate



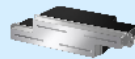
Signage



Textiles



Labels



Inkjet
Printhead

POS Printer, Others



Projectors



High Brightness



Ultra short throw



Standard



Home



Small
Projectors

Lighting



Smart
Glasses

Manufacturing
Solutions

Robots



SCARA



6-Axis

Options



Wearable
Products

Epson Brand



TRUME



Orient

Movement



Seiko
Business



Microdevices,
Others

Microdevices



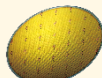
Quartz Crystal
Devices



Semiconductors



Superfine alloy
powders



Surface
finishing

PC



Epson Direct PC

Business/
Major
Products

EPSON
EXCEED YOUR VISION