

Second Quarter Financial Results Fiscal Year 2021 (Ending March 2022)

October 29, 2021

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.

■ 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

- Second-Quarter Financial Results
- FY2021 Full-Year Financial Outlook
- Shareholder Returns
- Initiatives for Greater Corporate Value

- Q2 revenue and profit increased YoY as markets progressively recovered from the effects of COVID-19
 - Revenue fell short of the internal plan mainly due to product supply constraints resulting from component shortages and logistics disruptions. Business profit exceeded the plan due to pricing measures we took to reflect the balance of supply and demand and increases in parts and transportation costs, and also because of cost containment measures.

- In the second half, component shortages, logistics disruptions, and further increases in component prices pose a threat to the Chinese and other parts of the global economy
 - Continue pricing measures and cost containment
 - Steadily spend and invest as needed

- Summary
- **Second-Quarter Financial Results**
- FY2021 Full-Year Financial Outlook
- Shareholder Returns
- Initiatives for Greater Corporate Value

Financial Highlights (Second Quarter)

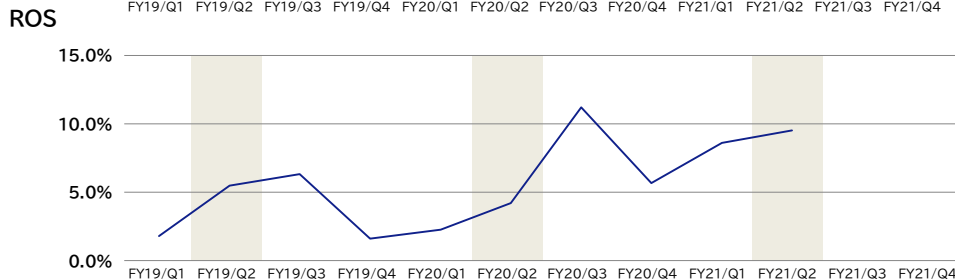
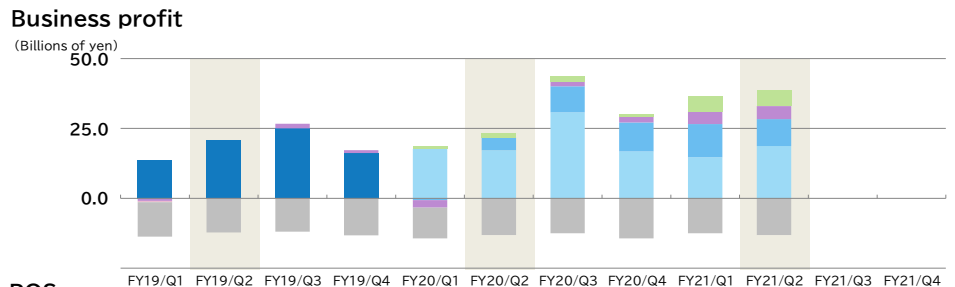
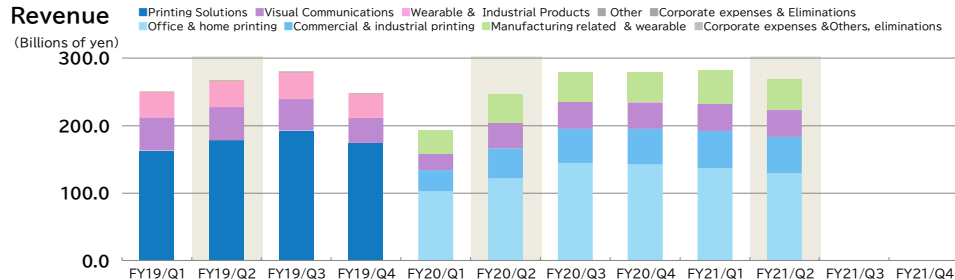
	FY2020		FY2021		Change		
	(Billions of yen)	Q2 Actual	%	Q2 Actual	%	Y/Y	%
Revenue		245.9		268.4		+22.5	+9.2%
Business profit		10.2	4.2%	25.4	9.5%	+15.1	+147.5%
Profit from operating activities		7.2	2.9%	24.4	9.1%	+17.2	+238.2%
Profit before tax		5.8	2.4%	24.3	9.1%	+18.5	+318.9%
Profit for the period attributable to owners of the parent company		4.4	1.8%	19.0	7.1%	+14.5	+324.4%
EPS* ¹ (yen)		12.95		54.93			
Exchange rate (yen, index)	USD	¥106.16		¥110.08			
	EUR	¥124.10		¥129.77			
	Other currencies* ²	100		109			

*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	+1.9	+6.0	+11.0
Business profit	-0.5	+1.2	+3.2	+3.9

FY2021 Q2 Results Overview



- Both revenue and business profit rebounded from the same period last year on brisk demand
- Growth businesses steadily expanded, while mature businesses benefited from restructuring
- Main factors
 - Businesses recovering from COVID-19 impact
 - Sustained at-home print demand
 - Costs rose and product supplies were constrained by materials shortages and logistics disruptions, but ROS improved owing to pricing measures and cost containment

* Data for FY2019 is based on the business segments that existed before the segments were reorganized in FY2021.

FY2021 Q2 Results | Printing Solutions (1)

			(Billions of yen)		
Printing Solutions	Q2/FY2020 Actual	Q2/FY2021 Actual	Y/Y	Exchange effect	Y/Y ratio
Revenue	166.3	183.2	+16.9	+7.7	+10.2%
Segment profit	21.6	28.3	+6.7	+2.7	+31.1%
ROS	13.0%	15.5%			
Office & home printing	Q2/FY2020 Actual	Q2/FY2021 Actual	Y/Y	Exchange effect	Y/Y ratio
Revenue	122.3	129.8	+7.5	+5.4	+6.2%
% sales Office & home IJP	85%	87%			
SIDM	6%	5%			
Oter	9%	8%			
Business profit	17.2	18.7	+1.5	+1.7	+9.2%
ROS	14.1%	14.5%			

■ Printing Solutions

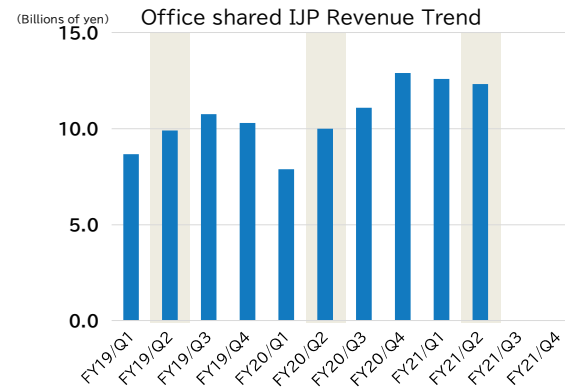
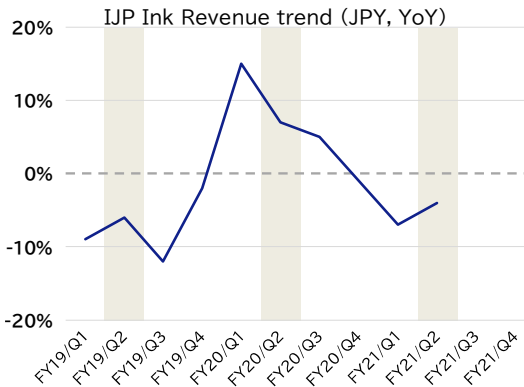
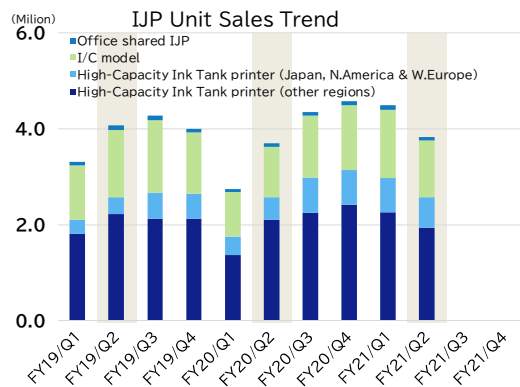
➤ Revenue and profit grew as markets recovered from the pandemic

■ Office & Home Printing

➤ IJP hardware supply constrained, but revenue increased due to pricing measures and growth of high-capacity ink tank models in developed economies

- IJP ink sales decreased after spiking last year
- Office Shared printer revenue grew as machines in field increased
- SIDM printer revenue fell on constrained supply in China

➤ Parts and transport costs soared, but profit grew due to pricing measures and cost containment

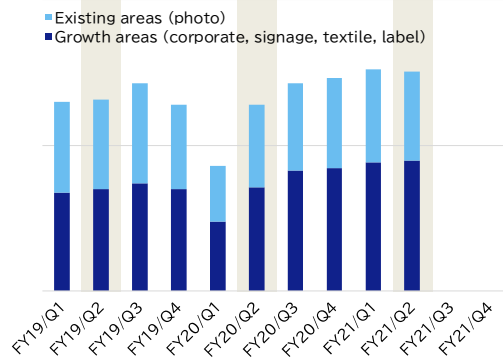


Commercial & industrial printing	(Billions of yen)		Y/Y	Exchange effect	Y/Y ratio
	Q2/FY2020 Actual	Q2/FY2021 Actual			
Revenue	44.0	53.4	+9.3	+2.3	+21.3%
Commercial & industrial IJP	29.4	37.7	+8.2		+28.1%
Small printers, other	14.5	15.6	+1.1		+7.6%
Business profit	4.4	9.6	+5.1	+0.9	+115.7%
ROS	10.1%	18.0%			

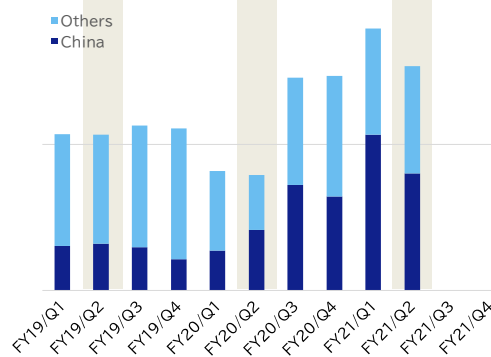
■ Commercial & Industrial Printing

- Commercial & Industrial IJP: Revenue up amid market recovery
 - Finished products: Benefited from enhanced lineup with launch of new products
 - Printheads: Strong sales, particularly in China
- Small printers: POS printer revenue up despite constrained supply as the retail and restaurant sectors in developed economies resumed investing

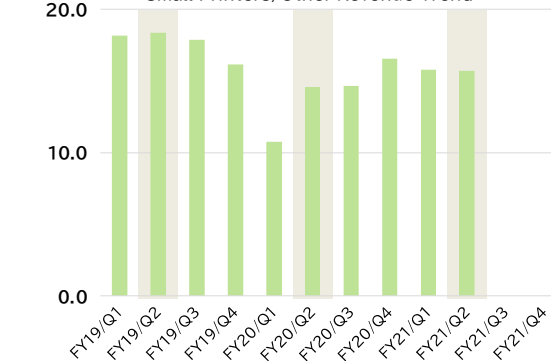
C&I IJP Finished Products Business Revenue Trend



C&I IJP Printhead Sales Business Revenue Trend



Small Printers, Other Revenue Trend



Visual Communications	(Billions of yen)		YoY	Exchange effect	YoY ratio
	Q2/FY2020 Actual	Q2/FY2021 Actual			
Revenue	37.6	39.9	+2.3	+2.0	+6.2%
Segment profit	0.1	4.7	+4.5	+0.7	+2524.2%
ROS	0.5%	11.8%			

◆ Projector sales trends*1

	Q2/FY2020 Actual	Q2/FY2021 Actual
Revenue(JPY)	-24%	+7%
Revenue(LC)	-24%	+1%
Q'ty	-32%	-2%

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

Manufacturing-related & Wearables	(Billions of yen)		YoY	Exchange effect	YoY ratio
	Q2/FY2020 Actual	Q2/FY2021 Actual			
Revenue	42.4	45.8	+3.4	+1.2	+8.2%
Manufacturing Solutions*2	7.7	7.4	-0.3		-4.8%
Wearable Products	7.6	8.0	+0.3		+4.1%
Microdevices, Other	23.7	26.8	+3.0		+12.9%
PC	3.5	4.3	+0.8		+24.3%
Inter-segment revenue	-0.3	-0.7	-0.3		-
Segment profit	1.5	5.6	+4.0	+0.5	+252.7%
ROS	3.8%	12.2%			

*2 IC Handler business transferred in Apr 2021

■ Visual Communications

- Market progressively recovered from COVID-19
 - Demand recovered in education and home markets, but supply was constrained
- Structural changes reduced costs to significantly improve profitability

■ Manufacturing-related & Wearables

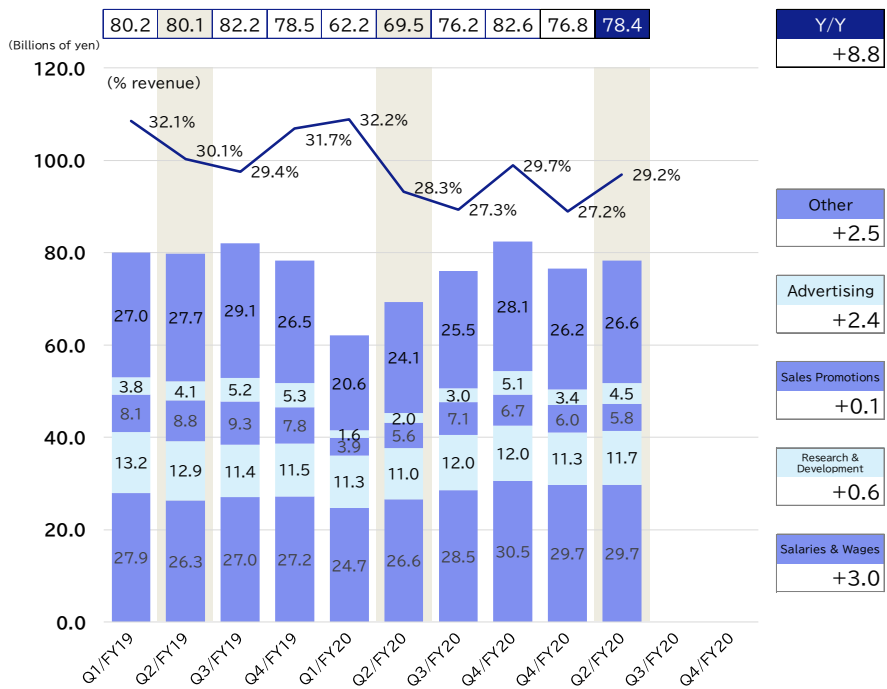
- Strong revenue and profit growth in microdevices and other
 - Manufacturing solutions: Increased orders for robots used in lithium battery and automotive applications
 - Wearable products: Overseas demand recovered, but domestic sales continued to struggle
 - Microdevices, other: Strong sales of crystal devices and semiconductors amid brisk demand

Selling, General & Administrative Expenses Business Profit Change Cause Analysis

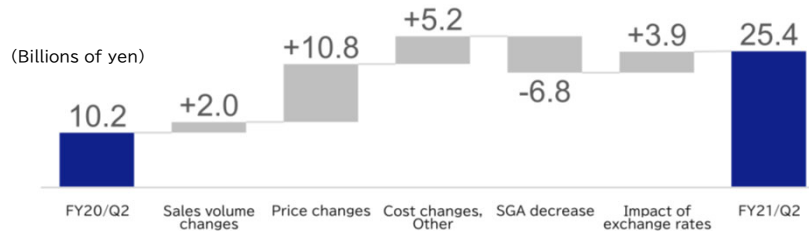
SG&A:

- Up YoY, as business was restricted during FY2020 Q2
- Continued expense control and spending efficiency

Selling, General and Administrative Expenses Trend



Business Profit Changes



Sales volume

- + Commercial & Industrial IJPs, Office Shared IJPs, etc.
- Office & Home IJPs and ink, projectors, SIDM printers

Price

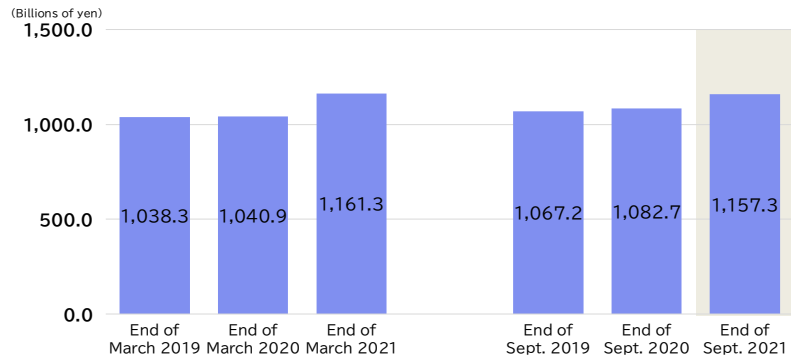
- + Office & Home IJPs, projectors, microdevices, etc.
- Commercial & Industrial IJPs (sales of printers in the volume zone increased)

Cost changes, others

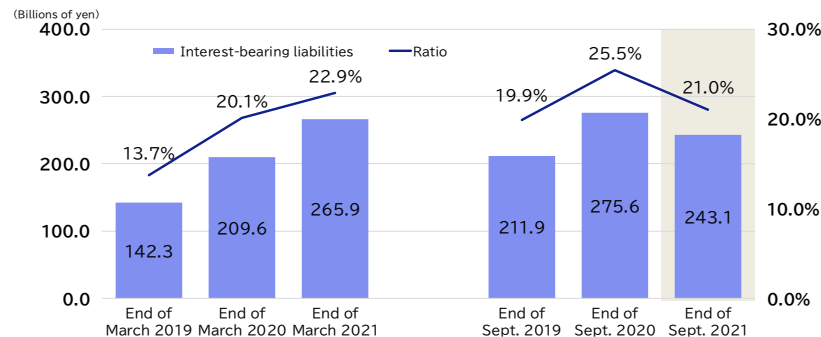
- + Effects of inventory changes, etc.
- Expenses increased as business activities resumed

Statements of Financial Position

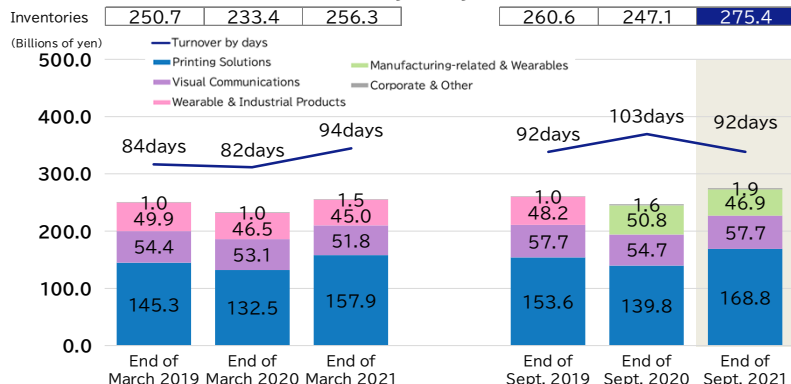
Total assets



Interest-bearing liabilities and ratio of interest-bearing liabilities



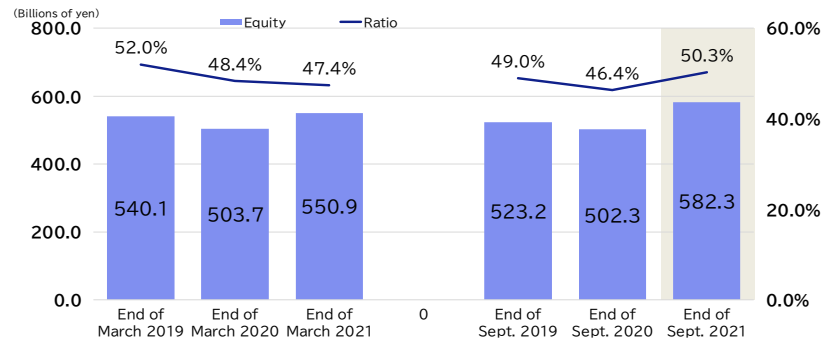
Inventories / Turnover by days



Net Cash



Equity and equity ratio attributable to owners of the parent company



* Turnover by days : Interim (Ending) balance of inventory / Prior 3 months (Prior 12 months) revenue per day

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FY2021 Financial Outlook

	FY2020		FY2021				Change		
	(Billions of yen)	Actual	%	7/30 Outlook	%	10/29 Outlook	%	Y/Y	Vs. 7/30 outlook
Revenue		995.9		1,150.0		1,130.0		+134.0 +13.5%	-20.0 -1.7%
Business profit		61.6	6.2%	75.0	6.5%	80.0	7.1%	+18.3 +29.8%	+5.0 +6.7%
Profit from operating activities		47.6	4.8%	70.0	6.1%	75.0	6.6%	+27.3 +57.4%	+5.0 +7.1%
Profit before tax		44.9	4.5%	67.0	5.8%	72.0	6.4%	+27.0 +60.2%	+5.0 +7.5%
Profit for the year attributable to owners of the parent company		30.9	3.1%	48.0	4.2%	52.0	4.6%	+21.0 +68.2%	+4.0 +8.3%
EPS*1 (yen)		89.38		138.73		150.28			
Exchange rate (yen, index)	USD	¥106.01		¥108.00		¥111.00			
	EUR	¥123.67		¥129.00		¥130.00			
	Other currencies*2	100		106		108			

*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.

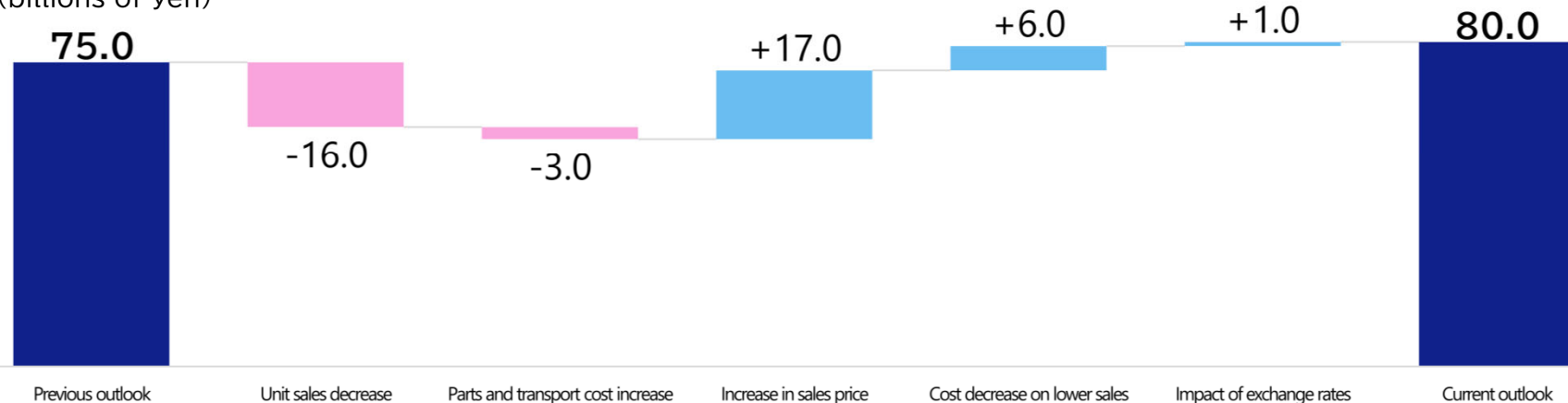
*3 Annual impact of a 1-yen increase in the value of the yen versus the USD & EUR (in billions of yen)
Annual impact of a 1% increase in the value of the yen versus other currencies (in billions of yen)

Exchange rate assumptions from Q (yen)	USD	112.00	Exchange sensitivity *3	USD	EUR	Other currencies	Total exchange effect outlook
		EUR		130.00	Revenue	-3.0	-1.4
			Business profit	+0.7	-0.9	-1.3	+14.0

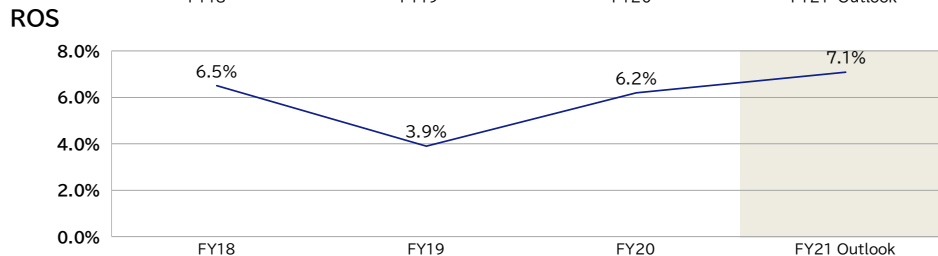
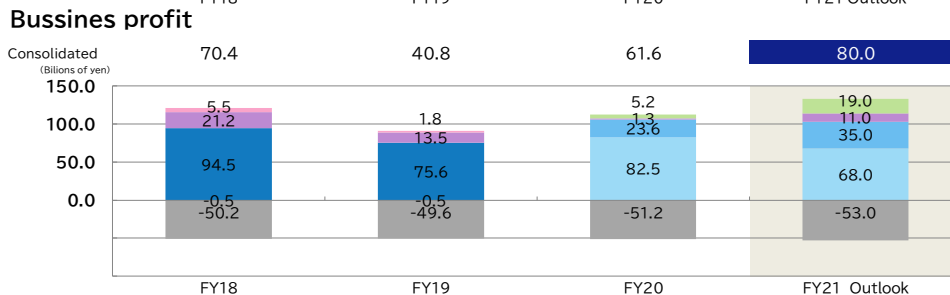
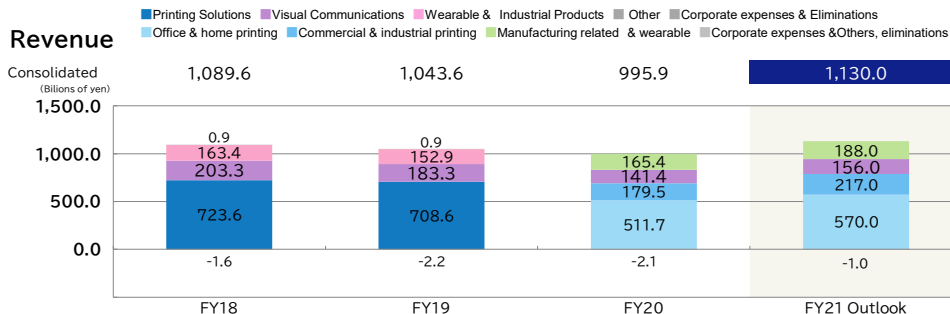
- Supply constraints caused by component shortages and logistics disruptions will be a bottleneck
- Generate profit by taking pricing measures in light of the current supply and demand balance, and by containing costs

Business Profit Change Factors

(billions of yen)



Changes to Assumptions from Last Outlook



■ Business environment to change from the second half

- First-half business profit exceeded our internal plan by about ¥10 billion, but second-half business profit is expected to be lower by about ¥5 billion
- The global economy will continue to recover from COVID-19, but clouds are gathering on the horizon in China and other economies
- Product supply constraints will worsen due to component shortages while parts costs will soar
- Logistics disruptions will continue, and transport costs will remain high

■ Epson's response

- Continue to expand suppliers and make design changes to use substitute parts, and continue pricing and cost containment measures
- Steadily spend and invest for growth as needed

* Data for FY2018- FY2019 is based on the business segments that existed before the segments were reorganized in FY2021.

(Billions of yen)

Printing Solutions	FY2020 Actual	FY2021 7/30 Outlook	FY2021 10/29 Outlook	YoY	YoY Ratio	vs 7/30 Outlook
Revenue	691.1	807.0	787.0	+95.8	+13.9%	-20.0
Segment profit	106.2	101.0	103.0	-3.2	-3.0%	+2.0
ROS	15.4%	12.5%	13.1%			

Office & Home Printing	FY2020 Actual	FY2021 7/30 Outlook	FY2021 10/29 Outlook	YoY	YoY Ratio	vs 7/30 Outlook
Revenue	511.7	584.0	570.0	+58.2	+11.4%	-14.0
% sales Office & home IJP	86%	88%	88%			
SIDM	5%	5%	5%			
Oter	9%	7%	7%			
Business profit	+82.5	+63.0	+68.0	-14.5	-17.6%	+5.0
ROS	16.1%	10.8%	11.9%			

Commercial & Industrial Printing	FY2020 Actual	FY2021 7/30 Outlook	FY2021 10/29 Outlook	YoY	YoY Ratio	vs 7/30 Outlook
Revenue	179.5	223.0	217.0	+37.4	+20.9%	-6.0
Commercial & industrial IJP	123.0	159.0	155.0	+31.9	+26.0%	-4.0
Small printers, other	56.4	64.0	62.0	+5.5	+9.8%	-2.0
Business profit	23.6	38.0	35.0	+11.3	+47.7%	-3.0
ROS	13.2%	17.0%	16.1%			

■ Office & Home Printing

- Demand is strong but supply constraints will be a bottleneck
- Parts costs to increase and transport costs to remain high
- Continue pricing measures and cost containment

■ Commercial & Industrial Printing

- Sales of commercial & industrial IJPs grew smoothly through Q2, but we forecast a temporary demand fluctuation for photo printers for commercial use, and also worsening economic conditions in China and elsewhere
- POS printer supply will be constrained by component shortages

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

■ Office & Home IJP sales trends*

	FY20 Actual	FY21 7/30 Outlook	FY21 10/29 Outlook
Hardware q'ty YoY	-2%	+24%	+15%
Approx., million	15.4	19.0	17.7
High-capacity ink tank printers	10.4	13.4	12.4
SOHO/ Home I/C model	4.6	5.2	5.0
Office Shared IJP	0.3	0.35	0.3
Ink revenue JPY	+6%	-2%	-2%
Local currency	+7%	-	-
Office Shared IJP revenue composition ratio within Office & Home IJP	9%	11%	11%

(Billions of yen)

Visual Communications	FY2020 Actual	FY2021 7/30 Outlook	FY2021 10/29 Outlook	YoY	YoY Ratio	vs 7/30 Outlook
Revenue	141.4	156.0	156.0	+14.5	+10.3%	-
Segment profit	1.3	11.0	11.0	+9.6	+715.6%	-
ROS	1.0%	7.1%	7.1%			

◆ Projector Sales Trends*1

	FY2020 Actual	FY2021 7/30 Outlook	FY2021 10/29 Outlook
Hardware q'ty Approx, million	170	170	170
YoY	-30%	+1%	+3%

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

(Billions of yen)

Manufacturing-related & Wearables	FY2020 Actual	FY2021 7/30 Outlook	FY2021 10/29 Outlook	YoY	YoY Ratio	vs 7/30 Outlook
Revenue	165.4	187.0	188.0	+22.5	+13.6%	+1.0
Manufacturing Solutions*2	28.6	30.0	27.0	-1.6	-5.8%	-3.0
Wearable Products	28.1	33.0	33.0	+4.8	+17.2%	-
Microdevices, Other	94.3	109.0	113.0	+18.6	+19.7%	+4.0
PC	16.5	18.0	18.0	+1.4	+8.7%	-
Inter-segment revenue	-2.3	-3.0	-3.0	-0.6	-	-
Segment profit	5.2	18.0	19.0	+13.7	+259.7%	+1.0
ROS	3.2%	9.6%	10.1%			

*2 IC Handler business transferred in Apr 2021

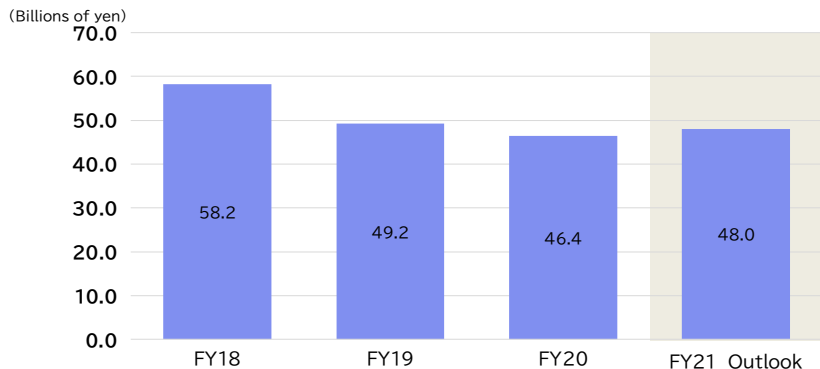
■ Visual Communications

- Projector demand is trending toward recovery, but the model mix will worsen since the previous outlook due to component shortages
- Continue to take pricing and cost containment measures

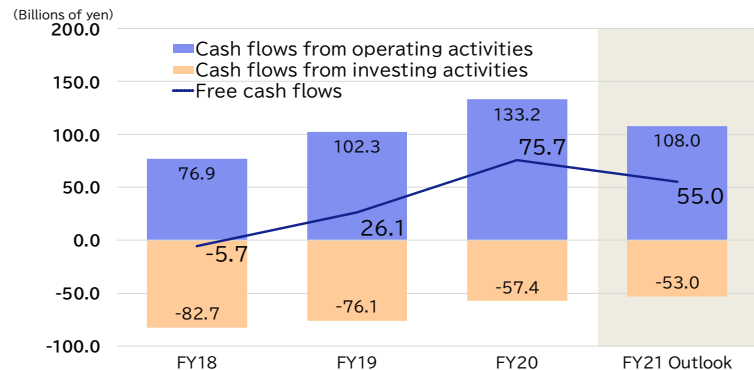
■ Manufacturing-related & Wearables

- Manufacturing Solutions
 - Change in customers' investment plans due to component shortages in China, etc.
- Wearable Products
 - Continue to improve profitability
- Microdevices, Other
 - Crystal device and semiconductor sales will be strong amid robust demand

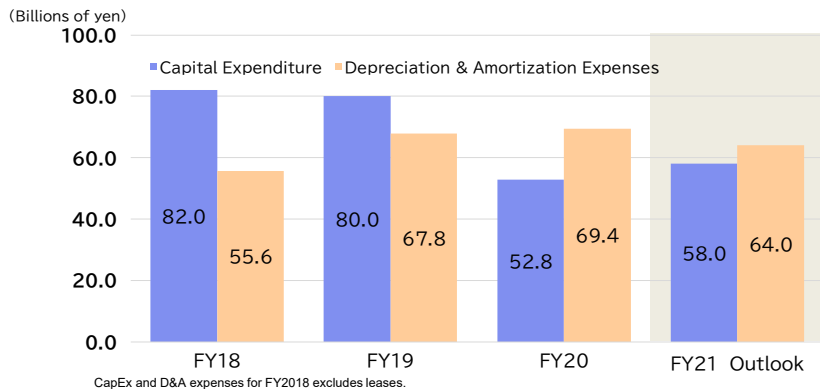
Research & Development Costs



Free Cash Flows



Capital Expenditure and Depreciation and Amortization Expenses



Main Management Indices	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Outlook	FY23 Target	FY25 Target
Exchange rate:USD	110.86	108.74	106.01	111yen	-	-
Exchange rate:EUR	128.40	120.85	123.67	130yen	-	-
Revenue (Billions of yen)	1,089.6	1,043.6	995.9	1,130.0	-	-
Business profit (Billions of yen)	70.4	40.8	61.6	80.0	-	-
Profit for the year attributable to owners of the parent company (Billions of yen)	53.7	7.7	30.9	52.0	-	-
ROS *1	6.5	3.9	6.2	7.1%	over 8%	over 10%
ROA *2	6.8	3.9	5.6	6.8%	-	-
ROE *3	10.2	1.5	5.9	9.2%	over 10%	over 13%
ROIC*4	7.2	4.1	5.6	6.8%	over 8%	over 11%

*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

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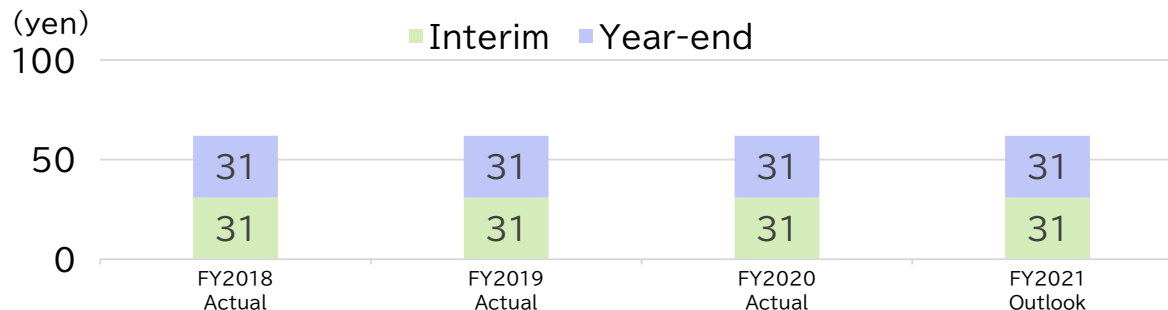
■ Basic policy

- Build a robust financial structure while proactively providing returns to shareholders
 - ✓ Achieve a consolidated dividend payout ratio* of around 40% over the mid-term
 - ✓ Repurchase shares if necessary, depending on the share price, the capital situation, and other factors

* 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



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- Finished products business
 - Compact new platform



Deployable in broad range of segments by using printheads, ink, ink supply systems, and control systems in different combinations

- Printhead sales business
 - New series for signage



Galvanize the digital printer market with a lineup expanded into 6 series

Reference materials: Commercial and Industrial IJPs (Finished Products) Small Meeting, Printhead Sales Strategy Meeting
<https://global.epson.com/IR/library/presentations.html>

- First manufacturer¹ to switch to 100% renewable electricity at all Japanese sites²
 - Achieved earlier than originally planned
 - Action to continue until all Epson Group sites² are operating on 100% renewable electricity (scheduled for 2023)

¹ First among Japanese companies that have joined the RE100 per research conducted as of October 27, 2021

² Excludes some sales sites and other leased properties

- Earned a platinum rating for sustainability from EcoVadis for 2 consecutive years



- Ranked No. 1 overall among “The 100 Most Sustainable Companies” by Forbes Japan



Forbes Japan
November 2021 issue

- Integrated Report 2021 to be issued in November

EPSON

EXCEED YOUR VISION

Reference

Financial Highlights (First Half)

	FY2020		FY2021		Change	
	1H Actual	%	1H Actual	%	Y/Y	%
(Billions of yen)						
Revenue	439.1		550.5		+111.4	+25.4%
Business profit	14.6	3.3%	49.7	9.0%	+35.0	+239.2%
Profit from operating activities	9.2	2.1%	48.1	8.7%	+38.8	+418.2%
Profit before tax	6.9	1.6%	47.8	8.7%	+40.8	+586.1%
Profit for the period attributable to owners of the parent company	4.2	1.0%	36.4	6.6%	+32.2	+762.4%
EPS*1 (yen)	12.23		105.49			
Exchange rate (yen, index)	USD	¥106.85	¥109.77			
	EUR	¥121.24	¥130.84			
	Other currencies*2	100	110			

*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	+4.7	+6.5	+14.1	+25.4
Business profit	-0.8	+4.2	+7.9	+11.3

1H Financial Results by Business Segment

(Billions of yen)

Printing Solutions	1H/FY2020 Actual	1H/FY2021 Actual	Y/Y	Exchange effect	Y/Y ratio
Revenue	300.7	375.5	+74.8	+18.1	+24.9%
Segment profit	38.7	55.0	+16.2	+8.0	+41.9%
ROS	12.9%	14.7%			

Office & home printing	1H/FY2020 Actual	1H/FY2021 Actual	Y/Y	Exchange effect	Y/Y ratio
Revenue	224.7	267.0	+42.2	+12.8	+18.8%
% sales Office & home IJP	86%	87%			
SIDM	6%	5%			
Oter	8%	8%			
Business profit	34.9	33.5	-1.4	+5.4	-4.0%
ROS	15.6%	12.6%			

Commercial & industrial printing	1H/FY2020 Actual	1H/FY2021 Actual	Y/Y	Exchange effect	Y/Y ratio
Revenue	75.9	108.6	+32.6	+5.3	+42.9%
Commercial & industrial IJP	50.6	77.1	+26.4		+52.2%
Small printers, other	25.3	31.4	+6.1		+24.3%
Business profit	3.8	21.5	+17.6	+2.5	+461.4%
ROS	5.0%	19.8%			

1H Financial Results by Business Segment

(Billions of yen)

Visual Communications	1H/FY2020 Actual	1H/FY2021 Actual	YoY	Exchange effect	YoY ratio
Revenue	61.1	80.6	+19.4	+4.7	+31.8%
Segment profit	-2.6	9.2	+11.8	+2.3	-
ROS	-4.3%	11.4%			

(Billions of yen)

Manufacturing-related & Wearables	1H/FY2020 Actual	1H/FY2021 Actual	YoY	Exchange effect	YoY ratio
Revenue	77.9	95.4	+17.5	+2.5	+22.5%
Manufacturing Solutions*	14.4	16.7	+2.2		+15.8%
Wearable Products	13.0	17.3	+4.2		+32.7%
Microdevices, Other	44.2	54.4	+10.1		+23.0%
PC	7.1	8.4	+1.2		+17.6%
Inter-segment revenue	-0.9	-1.4	-0.5		-
Segment profit	2.6	11.3	+8.6	+0.9	+320.6%
ROS	3.5%	11.9%			

* IC Handler business transferred in Apr 2021

Main Product Sales Trends

			FY2020 Q1 Actual	FY2020 Q2 Actual	FY2020 Q3 Actual	FY2020 Q4 Actual	FY2020 Full-year Actual	FY2021 Q1 Actual	FY2021 Q2 Actual	FY2021 Full-year Outlook	
			USD	107.54	106.16	104.48	105.86	106.01	109.46	110.08	111.00
			EUR	118.39	124.10	124.51	127.68	123.67	131.91	129.77	130.00
Office & Home Printing	Office & Home IJP Hardware	Revenue (JPY)	YoY %	-14%	+2%	+17%	+36%	+12%	+85%	+20%	+26%
		Revenue (Local Currency)	YoY %	-8%	+5%	+22%	+37%	+15%	+74%	+14%	-
		Q' ty	YoY %	-17%	-9%	+2%	+14%	-2%	+63%	+4%	+15%
		Q' ty(Approx., million)	Units	-	-	-	-	15.4	-	-	17.7
		High-capacity ink tank printers	Units	-	-	-	-	10.4	-	-	12.4
		SOHO/ Home I/C model	Units	-	-	-	-	4.6	-	-	5.0
		Office Shared IJP	Units	-	-	-	-	0.3	-	-	0.3
	Office & Home IJP Ink	Revenue within Office & Home IJP Ink/(HW+Ink)	Composition ratio	-	-	-	-	47%	-	-	41%
		Revenue (JPY)	YoY %	+15%	+7%	+5%	-1%	+6%	-7%	-4%	-2%
		Revenue (Local Currency)	YoY %	+19%	+8%	+6%	-1%	+7%	-11%	-7%	-
	Office Shared IJP* (Hardware + Ink)	Revenue within Office & Home IJP	Composition ratio	9%	10%	9%	11%	9%	11%	11%	11%
	SIDM Hardware	Revenue (JPY)	YoY %	-43%	-16%	-19%	+28%	-17%	+40%	-20%	+4%
		Revenue (Local Currency)	YoY %	-40%	-15%	-18%	+26%	-16%	+30%	-25%	-
Q' ty		YoY %	-39%	-16%	-22%	+33%	-16%	+25%	-28%	-5%	
Visual Communications	Projectors Hardware	Revenue (JPY)	YoY %	-52%	-24%	-13%	+4%	-23%	+72%	+7%	+11%
		Revenue (Local Currency)	YoY %	-50%	-24%	-12%	+3%	-22%	+60%	+1%	-
		Q' ty	YoY %	-57%	-32%	-20%	-6%	-30%	+67%	-2%	+3%
		Q' ty (Approx., million)	Units	-	-	-	-	1.7	-	-	1.7

Financial Data (FY2020/FY2021)

		(Billions of yen)									
		FY2020 Q1 Actual	FY2020 Q2 Actual	FY2020 Q3 Actual	FY2020 Q4 Actual	FY2020 Actual	FY2021 Q1 Actual	FY2021 Q2 Actual	FY2021 Q3 Actual	FY2021 Q4 Actual	FY2021 Outlook
Exchange rate (yen)	USD	107.54	106.16	104.48	105.86	106.01	109.46	110.08			111.00
	EUR	118.39	124.10	124.51	127.68	123.67	131.91	129.77			130.00
Printing Solutions	Revenue	134.3	166.3	195.2	195.1	691.1	192.3	183.2			787.0
	Segment profit	17.1	21.6	40.1	27.2	106.2	26.6	28.3			103.0
Office & Home Printing	Revenue	102.4	122.3	144.8	142.1	511.7	137.1	129.8			570.0
	Business profit	17.7	17.2	30.7	16.8	82.5	14.7	18.7			68.0
Commercial & Industrial Printing	Revenue	31.9	44.0	50.4	53.0	179.5	55.1	53.4			217.0
	Business profit	-0.6	4.4	9.4	10.3	23.6	11.9	9.6			35.0
Visual Communications	Revenue	23.5	37.6	40.7	39.5	141.4	40.7	39.9			156.0
	Segment profit	-2.7	0.1	1.7	2.2	1.3	4.4	4.7			11.0
Manufacturing-related & wearables	Revenue	35.5	42.4	43.2	44.2	165.4	49.5	45.8			188.0
	Segment profit	1.0	1.5	1.8	0.7	5.2	5.6	5.6			19.0
Corporate expenses & Others, eliminations	Revenue	-0.2	-0.4	-0.5	-0.9	-2.1	-0.4	-0.6			-1.0
	Segment profit	-11.0	-13.1	-12.6	-14.3	-51.2	-12.6	-13.2			-53.0
Consolidated total	Revenue	193.2	245.9	278.8	277.9	995.9	282.1	268.4			1,130.0
	Business profit	4.3	10.2	31.1	15.7	61.6	24.2	25.4			80.0
	ROS	2.3%	4.2%	11.2%	5.7%	6.2%	8.6%	9.5%			7.1%
R&D Costs		11.3	11.0	12.0	12.0	46.4	11.3	11.7			48.0
Capital Expenditures	Printing Solutions	4.4	9.2	6.5	7.0	27.2	5.1	6.0			31.0
	Visual Communications	2.0	2.7	1.4	1.8	8.0	0.9	0.9			6.0
	Manufacturing-related & wearables	1.6	2.6	1.8	4.3	10.5	1.4	2.1			13.0
	Corporate expenses & Others	0.7	1.6	1.9	2.6	6.9	0.6	0.9			8.0
Depreciation & amortization Expense	Printing Solutions	9.6	9.4	9.4	9.4	38.0	9.4	9.2			37.0
	Visual Communications	3.1	3.1	3.3	3.3	13.0	2.6	2.5			10.0
	Manufacturing-related & wearables	2.6	2.6	2.6	2.3	10.3	2.1	2.1			9.0
	Corporate expenses & Others	2.0	2.0	1.9	1.9	7.9	1.9	1.9			8.0
Operating CF		11.8	33.6	47.6	40.0	133.2	21.3	34.9			108.0
FCF		-5.4	17.4	35.5	28.2	75.7	9.8	24.4			55.0

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	109.46	110.08
(yen)	EUR	123.54	119.34	120.35	120.18	118.39	124.10	124.51	127.68	131.91	129.77

Revenue (Billions of yen)	FY19/Q1	FY19/Q2	FY19/Q3	FY19/Q4	FY20/Q1	FY20/Q2	FY20/Q3	FY20/Q4	FY21/Q1	FY21/Q2	Y/Y
The Americas	74.5	71.7	71.2	75.3	59.8	71.9	73.3	82.7	85.2	80.1	+8.1
Europe	47.9	53.7	59.3	52.9	39.7	50.0	58.7	59.8	58.3	57.1	+7.1
Asia/ Oceania	72.5	75.8	74.4	58.5	49.5	73.9	79.7	74.9	86.8	78.9	+4.9
Total revenue to overseas customers	195.1	201.4	205.1	186.9	149.0	195.9	211.9	217.5	230.4	216.2	+20.2
Consolidated revenue	249.6	266.4	279.8	247.6	193.2	245.9	278.8	277.9	282.1	268.4	+22.5

% of revenue to consolidated revenue	FY19/Q1	FY19/Q2	FY19/Q3	FY19/Q4	FY20/Q1	FY20/Q2	FY20/Q3	FY20/Q4	FY21/Q1	FY21/Q2
The Americas	29.9%	26.9%	25.5%	30.4%	31.0%	29.3%	26.3%	29.8%	30.2%	29.9%
Europe	19.2%	20.2%	21.2%	21.4%	20.6%	20.4%	21.1%	21.5%	20.7%	21.3%
Asia/ Oceania	29.1%	28.5%	26.6%	23.7%	25.6%	30.1%	28.6%	27.0%	30.8%	29.4%
Total	78.2%	75.6%	73.3%	75.5%	77.2%	79.7%	76.0%	78.3%	81.7%	80.6%

Employees

Number of employees at period end (person)	End of Jun 2019	End of Sep 2019	End of Dec 2019	End of Mar 2020	End of Jun 2020	End of Sep 2020	End of Dec 2020	End of Mar 2021	End of Jun 2021	End of Sep 2021	Y/Y
Japan	19,879	19,825	19,456	19,558	19,962	19,723	19,620	19,470	19,827	19,805	+82
Non-Japan	58,918	58,914	57,191	56,050	57,107	59,287	62,618	60,474	60,813	60,000	+713
Consolidated total	78,797	78,739	76,647	75,608	77,069	79,010	82,238	79,944	80,640	79,805	+795

Changes in Business Segments

Before (FY2020)

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	

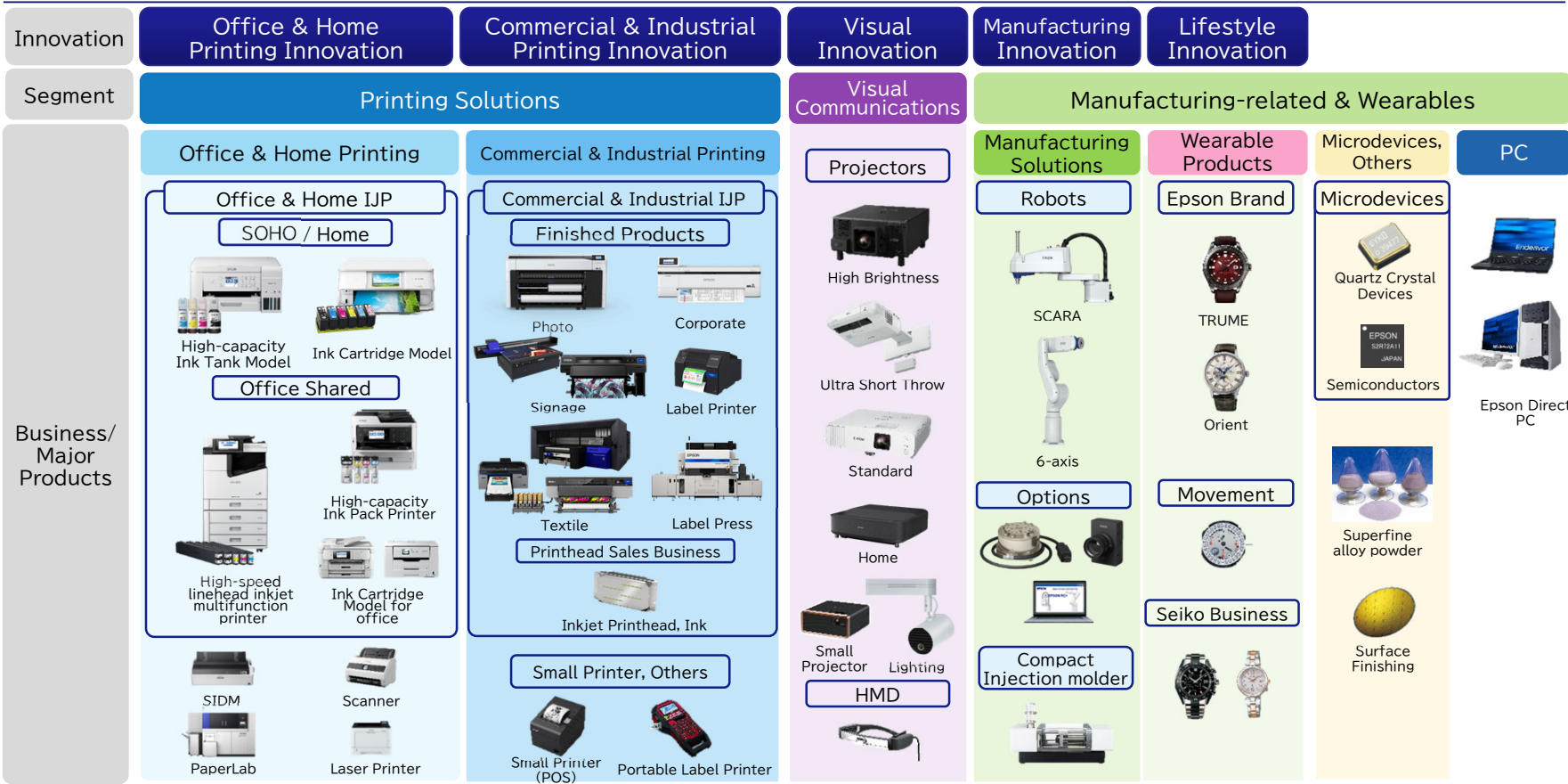
After (FY2021)

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	
Small 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

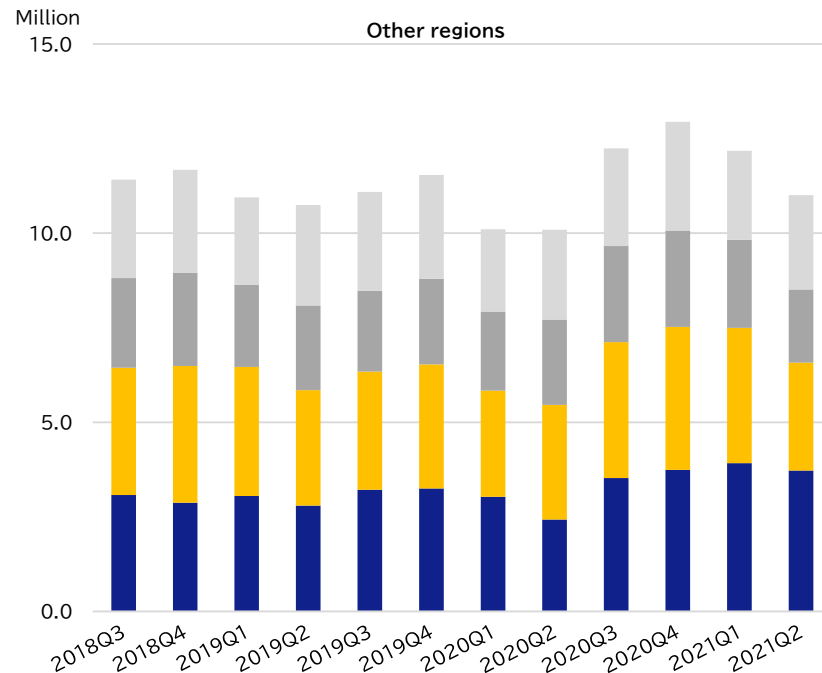
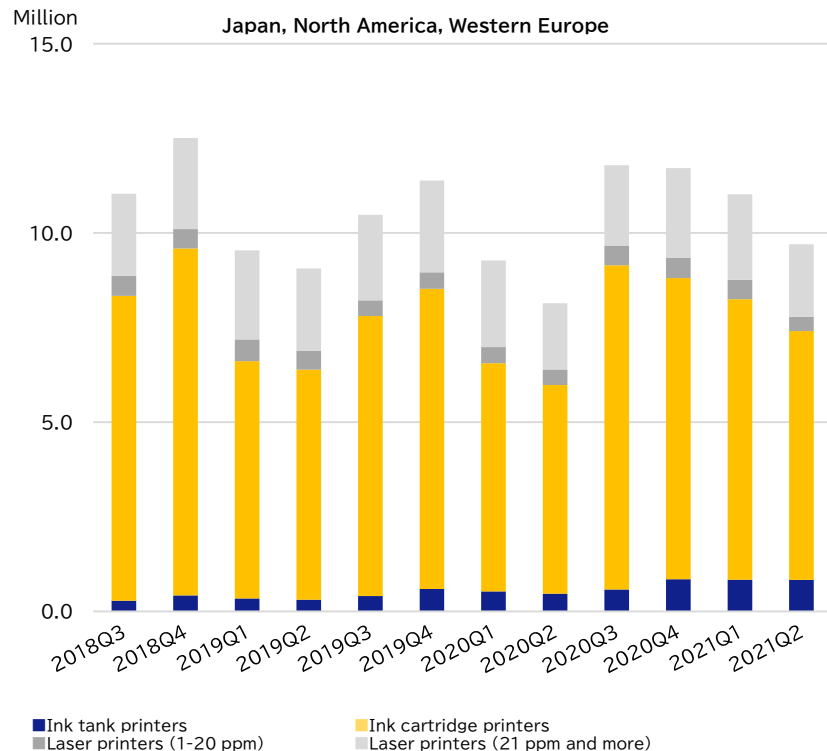
Business segments



Penetration of High-Capacity Ink Tank Printers

A4 printer main unit market trend by region

All graphs show calendar year



Source: IDC Worldwide Quarterly Hardcopy Peripherals Tracker 2021Q2
Printers include multifunction printers. Reproduction or republication of this data is prohibited

Definition of Terms

IJP	Inkjet printers
I/C	Ink cartridges
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
High-capacity ink tank printers	Inkjet printers with high-capacity ink tank (includes EcoTank)
High-capacity ink models	General term for high-capacity ink tank printers, RIPS, and LIJ
SOHO	Small office, home office
Office Shared IJP	Printer category for high print volume office users. This includes LIJ, RIPS, and I/C printers
Epson Connect	Epson's mobile cloud service for Epson products and services
Color Control Technology	Color management technology that enhances color reproducibility
Commercial & Industrial (C&I) IJP	Inkjet printers, ink, services for commerce and industry
Printhead sales business	Printheads, ink, etc.
Distributed printing	Printing method that prints out same images/ documents using several printers
SIDM	Serial impact dot matrix printers
3LCD	Technology that projects images by utilizing 3LCD-chips
High-brightness laser projectors	High-lumen projectors mainly used in venues such as conference rooms and halls
FPD	Flat panel displays
OLED	Organic light emitting diode
WP	Wearable Products business
MD, Other	Microdevices, Other business

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EXCEED YOUR VISION