

EPSON

Second Quarter Financial Results Fiscal Year 2024 (Ending March 2025)

November 1, 2024
Seiko Epson Corporation

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- Q2 Results
 - Revenue slightly increased; business profit sharply increased.
 - ✓ Sales of printing solutions expanded.
 - ✓ Business profit increased from the same period last year, when profit was negatively impacted by inventory changes.
 - Revenue was in line with Epson's internal plan; business profit significantly exceeded the plan.
 - ✓ Although projector sales were sluggish, ink sales for office and home printing were strong and high-capacity ink tank printer selling prices were higher than expected.
 - ✓ Cost reduction progressed in each business
- FY2024 full-year financial outlook (vs. the previous (7/31) outlook) : Business profit outlook reiterated
 - Challenging economic conditions to continue
 - In addition to weakened demand for projectors, the outlook reflects risks associated with SOHO & home IJP selling prices.
 - We continue to contain costs in each business segment.
- Fiery, LLC acquisition
 - Create synergies to accelerate digitalization of commercial and industrial printing markets
 - * The current outlook does not include the impact of the Fiery acquisition.

- This is a summary of the key points in today's presentation.
- In the second quarter, sales of printing solutions expanded, and revenue increased.
- Business profit increased considerably compared to the same period last year, when profit was negatively impacted by inventory changes.
- Revenue was in line with the internal plan, but business profit was sharply higher, mainly due to progress in controlling expenses in each business segment.
- The full-year revenue outlook reflects our assumptions for lower demand in projectors, as well as risks for lower selling prices in SOHO/ Home IJP hardware, based on our assumptions that the current challenging economic conditions will continue.
- We have not changed full-year business profit outlook as we will continue to contain costs in each business.
- Later, I will also explain the aims and benefits of the Fiery acquisition announced in September.
- Since the closing procedures are still in progress, the outlook does not include the impact of the Fiery acquisition.

- **Second-Quarter Financial Results**
- FY2024 Full-Year Financial Outlook & Shareholder Returns
- Fiery Acquisition

Financial Highlights (Second Quarter)

| (Billions of yen) | FY2023 | | FY2024 | | Change | |
|--|--------------------|---------|-----------|------|--------|---------|
| | Q2 Actual | % | Q2 Actual | % | YoY | % |
| Revenue | 323.6 | | 337.5 | | +13.8 | +4.3% |
| Business profit | 8.8 | 2.7% | 27.5 | 8.2% | +18.7 | +211.9% |
| Profit from operating activities | 8.2 | 2.5% | 12.4 | 3.7% | +4.2 | +51.7% |
| Profit before tax | 10.0 | 3.1% | 5.9 | 1.8% | -4.1 | -40.9% |
| Profit for the period attributable to owners of the parent company | 7.2 | 2.3% | 4.1 | 1.2% | -3.1 | -43.5% |
| EPS*1 (yen) | 21.99 | | 12.50 | | | |
| Exchange rate (yen, index) | USD | ¥144.47 | ¥149.23 | | | |
| | EUR | ¥157.20 | ¥163.86 | | | |
| | Other currencies*2 | 100 | 101 | | | |

- Profit from operating activities
 - Recorded a foreign exchange loss in other operating expenses due to yen appreciation
- Profit before tax
 - Recorded a foreign exchange loss in finance costs due to yen appreciation

| Exchange effect (Billions of yen) | USD | EUR | Other currencies | Total |
|-----------------------------------|------|------|------------------|-------|
| Revenue | +3.3 | +2.2 | +0.5 | +6.1 |
| Business profit | -1.2 | +1.4 | +0.3 | +0.5 |

*1 Basic earnings per share for the period
 *2 The exchange effect on currencies other than the USD and EUR is compared by converting the amounts to JPY using current and previous period exchange rates. The current period is shown as an index versus 100 for the previous period.

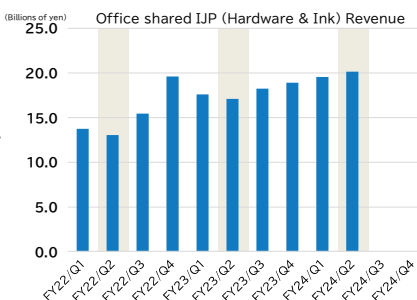
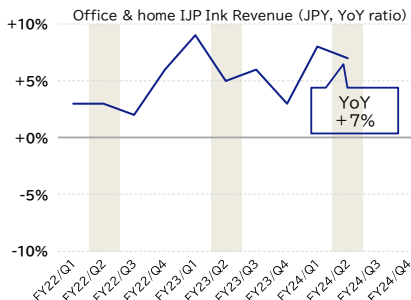
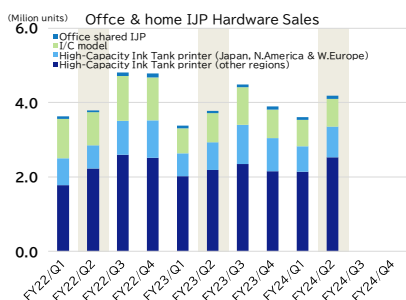
- These are our second-quarter results.
- Revenue was ¥337.5 billion, up ¥13.8 billion year on year in part due to positive foreign exchange effects.
- Business profit was ¥27.5 billion, an increase of ¥18.7 billion compared to the same period last year, when profit was negatively impacted by inventory changes.
- We recorded foreign exchange losses due to the rapid appreciation of the yen. As a result of this and other factors, we ended up with ¥12.4 billion in profit from operating activities and ¥5.9 billion in profit before tax.
- As a result, profit for the period was ¥4.1 billion.
- Although revenue varied to some extent among the business segments, it was in line with the internal plan that served as the basis for the previous outlook.
- Business profit sharply exceeded the plan mainly due to progress in containing costs in each business.
- I will explain the disparities between the plan and our results in each business on the coming slides.

| (Billions of yen) | | | | | |
|--------------------|------------------|------------------|-------|-----------------|-----------|
| Printing Solutions | Q2/FY2023 Actual | Q2/FY2024 Actual | YoY | Exchange effect | YoY ratio |
| Revenue | 222.1 | 240.6 | +18.4 | +4.0 | +8.3% |
| Segment profit | 15.0 | 33.9 | +18.8 | +0.2 | +125.5% |
| ROS | 6.8% | 14.1% | | | |

| Office & Home Printing | Q2/FY2023 Actual | Q2/FY2024 Actual | YoY | Exchange effect | YoY ratio |
|---|------------------|------------------|-------|-----------------|-----------|
| Revenue | 156.9 | 167.7 | +10.7 | +2.2 | +6.9% |
| Office & home IJP (SOHO, Home IJP) ^{*1} | 122.1 | 131.0 | +8.9 | | +7.3% |
| Office & home IJP (Office Shared IJP) ^{*2} | 17.1 | 20.1 | +3.0 | | +17.8% |
| Other ^{*3} | 17.6 | 16.4 | -1.1 | | -6.7% |
| Business profit | 6.2 | 15.4 | +9.1 | -0.8 | +146.9% |
| ROS | 4.0% | 9.2% | | | |

- Office & Home Printing
 - IJP unit sales were +9% on a local currency basis and +10% on a yen basis compared to the same period last year. Unit sales were +11%.
 - IJP ink revenue was +5% on a local currency basis and +7% on a yen basis compared to the same period last year, as sales of high-capacity ink bottles and office shared printer ink increased.
 - Profit increased on higher revenue as well as lower transport costs and the effects of changes in inventory.

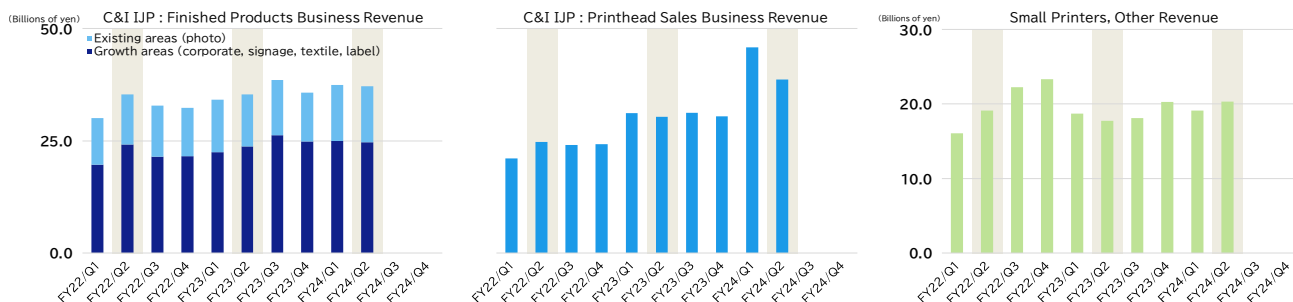
*1: I/C printers, high-capacity ink tank printers, ink, etc. *2: I/LJ, RIPS, I/C printers, ink, etc. *3: Scanners, SIDMs, LPs, dry-process office papermaking systems



- Results in printing solutions are shown here.
- Revenue was ¥240.6 billion, up ¥18.4 billion year on year. Segment profit was ¥33.9 billion, up ¥18.8 billion.
- Revenue in office and home printing was ¥167.7 billion.
- Inkjet printer hardware revenue increased due to an increase in unit sales of high-capacity ink tank printers and office shared printers.
- Inkjet printer ink revenue increased by 7% YoY. This is due to an increase in sales of high-capacity ink bottles and ink for office shared printers, a result of an increase in the number of machines in the field as well as stockpiling demand from some channels.
- Business profit sharply increased to ¥15.4 billion. In addition to revenue growth, business profit benefited from lower transport costs and effects from inventory changes.
- Both revenue and business profit exceeded the internal plan primarily because inkjet printer selling prices were higher than expected in most regions except North America and because of strong ink sales.

| Commercial & Industrial Printing | (Billions of yen) | | YoY | Exchange effect | YoY ratio |
|----------------------------------|-------------------|------------------|------|-----------------|-----------|
| | Q2/FY2023 Actual | Q2/FY2024 Actual | | | |
| Revenue | 65.2 | 72.9 | +7.6 | +1.8 | +11.7% |
| Commercial & industrial IJP | 47.5 | 52.6 | +5.1 | | +10.7% |
| Small printers, other | 17.7 | 20.3 | +2.5 | | +14.4% |
| Business profit | 8.7 | 18.4 | +9.6 | +1.1 | +110.2% |
| ROS | 13.4% | 25.3% | | | |

- Commercial & Industrial Printing
 - Commercial & industrial IJP finished products: Hardware sales were affected by customers' curbing investment due to high interest rates, but ink sales were strong.
 - Printheads: External sales were strong, especially to Chinese manufacturers that are also exporting.
 - Small printers, other: Investment appetite improved in the retail and food service industries.
 - Profit sharply increased primarily due to higher revenue, but changes in inventory and other factors also had a positive impact.



- Commercial and industrial printing revenue was ¥72.9 billion. Business profit was ¥18.4 billion.
- Commercial & industrial IJP finished product hardware sales were affected by customers' curbing investment due to high interest rates, but ink sales were strong.
- As shown in the graph in the center of the page, printhead sales revenue increased from the same period last year owing to robust demand. However, sales were down after the first quarter, which coincided with the launch of new products by printer manufacturers.
- In the small printers and other category, revenue increased mainly because of an improved investment appetite in the retail and food service industries.
- Business profit in the commercial and industrial printing segment sharply increased due the impact of increased revenue, in addition to the positive impact of inventory changes on profit in this quarter.
- Revenue was in line with the internal plan, but business profit exceeded it primarily due to cost control and effects of inventory changes.

| (Billions of yen) | | | | | |
|-----------------------|------------------|------------------|------|-----------------|-----------|
| Visual Communications | Q2/FY2023 Actual | Q2/FY2024 Actual | YoY | Exchange effect | YoY ratio |
| Revenue | 57.3 | 52.3 | -4.9 | +1.3 | -8.6% |
| Segment profit | 7.9 | 8.1 | +0.2 | +0.3 | +3.7% |
| ROS | 13.8% | 15.6% | | | |

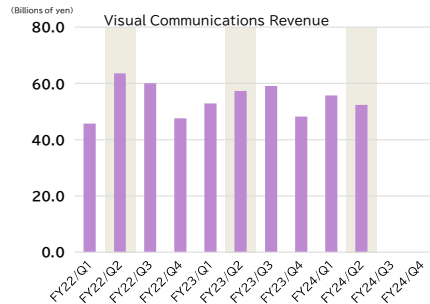
◆ Projector sales trends* (YoY ratio)

| | Q2/FY2023 Actual | Q2/FY2024 Actual |
|--------------|------------------|------------------|
| Revenue(JPY) | -10% | -8% |
| Revenue(LC) | -15% | -10% |
| Q'ty | -10% | -10% |

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

| (Billions of yen) | | | | | |
|-----------------------------------|------------------|------------------|------|-----------------|-----------|
| Manufacturing-related & Wearables | Q2/FY2023 Actual | Q2/FY2024 Actual | YoY | Exchange effect | YoY ratio |
| Revenue | 45.2 | 44.6 | -0.6 | +0.8 | -1.4% |
| Manufacturing Solutions | 5.6 | 4.3 | -1.2 | | -22.5% |
| Wearable Products | 9.1 | 9.7 | +0.6 | | +7.1% |
| Microdevices, Other | 26.3 | 25.9 | -0.3 | | -1.4% |
| PC | 5.1 | 5.6 | +0.5 | | +10.5% |
| Inter-segment revenue | -0.9 | -1.1 | -0.1 | | - |
| Segment profit | 1.0 | -0.2 | -1.2 | -0.0 | - |
| ROS | 2.2% | -0.5% | | | |

- Visual Communications
- Revenue decreased mainly because projector sales decreased on weak demand from the education markets in Europe and North America and economic stagnation in China.
- Although negatively impacted by lower revenue, segment profit was flat year on year due to the absence of negative effects from inventory changes in this quarter.

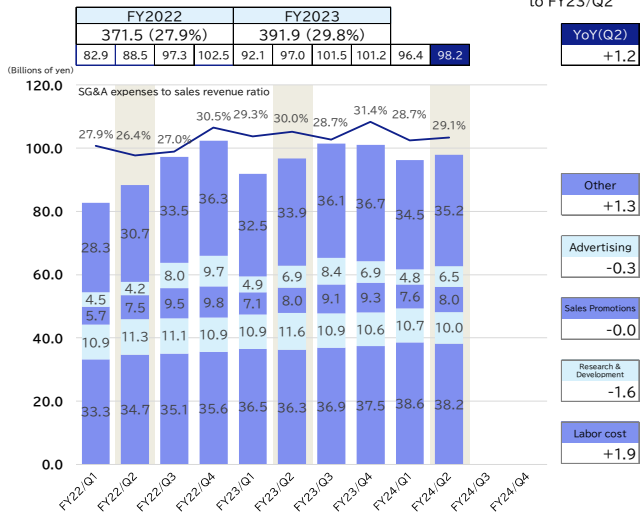


- Manufacturing-related & Wearables
- Manufacturing solutions: SCARA robot sales were impacted by economic stagnation in China and curbed investment in Europe and North America due to high interest rates.
- Wearable products: Revenue increased mainly due to demand from visitors to Japan.
- Microdevices, other: A recovery was seen in demand for crystal devices from the consumer electronics sector, but demand for semiconductors was sluggish, especially in the industrial sector.

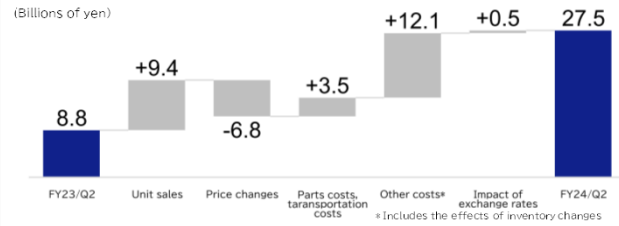
- In visual communications, revenue decreased by ¥4.9 billion to ¥52.3 billion due to a decrease in projector unit sales caused by sluggish demand in the education markets of Europe and North America and economic stagnation in China.
- Although negatively impacted by lower revenue, segment profit, at ¥8.1 billion, was flat year on year due to the absence of negative effects of inventory changes in this quarter.
- Both revenue and segment profit fell short of the internal plan because unit sales expectations were not met.
- Manufacturing-related and wearables revenue was ¥44.6 billion, which was on a par with the same period last year.
- Manufacturing solutions revenue was hurt by the ongoing economic stagnation in China, which impacted sales of SCARA robots used in the transport and assembly of goods such as consumer electronics. Revenue was also hurt by investment curbs in Europe and North America due to high interest rates.
- Wearable products revenue increased mainly due to demand from visitors to Japan.
- In the microdevices and other category, revenue was flat year-on-year. Although a recovery in demand was seen for crystal devices used in consumer electronics such as smartphones and PCs, the sluggish demand for semiconductors continued, especially in the industrial sector.
- Segment profit fell by ¥1.2 billion on lower revenue, resulting in a ¥0.2 billion loss.
- Both revenue and segment profit were generally in line with our internal plan.

Selling, General & Administrative Expenses Business Profit Change Cause Analysis

Selling, General & Administrative Expenses



Business Profit Changes



Unit sales changes
 + IJP ink, high-capacity ink tank printers, commercial & industrial IJP finished products, printheads, etc.
 - Projectors, robots, etc.

Price changes
 + Watches, etc.
 - Office & home IJPs, projectors, etc.

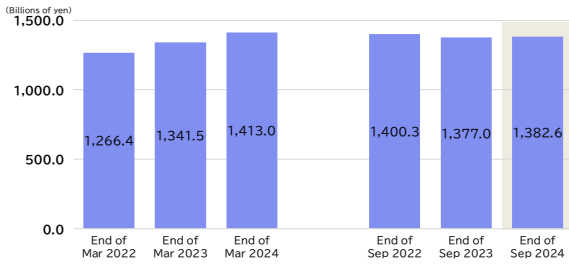
Parts & transport cost changes
 + Lower transport costs mainly due to revised ocean freight rates

Other cost changes
 + Other cost changes had a positive impact on business profit compared to the same period last year, when profit was negatively impacted by inventory changes.

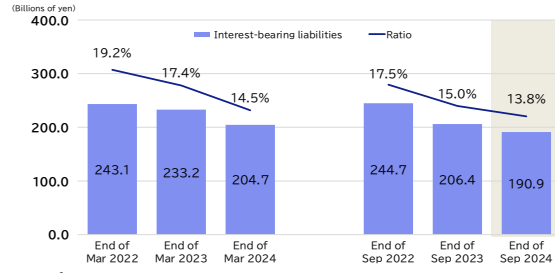
- The graph on the left shows the trend in selling, general and administrative expenses.
- The SG&A expense ratio for the quarter was 29.1%.
- Let's look at the change factors that affected business profit.
- Unit sales were positive for product such as inkjet printer ink, high-capacity ink tank printers, and commercial & industrial IJP.
- Prices of products such as office and home inkjet printers and projectors negatively impacted business profit.
- Transport costs decreased due to the effect of revised ocean freight rates.
- Other cost changes had a positive impact on business profit compared to the same period last year, when profit was negatively impacted by inventory changes.

Statements of Financial Position

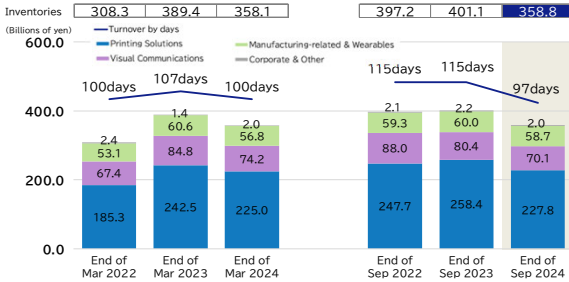
Total assets



Interest-bearing liabilities and ratio of interest-bearing liabilities



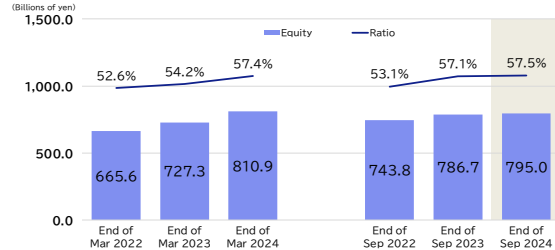
Inventories / Turnover by days



Net Cash



Equity and equity ratio attributable to owners of the parent company



* Turnover by days : Interim (Endings) balance of inventory / Prior 6 months (Prior 12 months) revenue per day

- The major items on the statements of financial position were as shown here.
- Inventory turnover by days at the end of September was 97 days.
- We will continue to maintain appropriate inventory control.

- Second-Quarter Financial Results
- FY2024 Full-Year Financial Outlook & Shareholder Returns
- Fiery Acquisition

FY2024 Financial Outlook

| (Billions of yen) | FY2023 | | FY2024 | | | | Change | |
|--|--------------------|---------|--------------|------|--------------|------|---|------------------|
| | Actual | % | 7/31 Outlook | % | 11/1 Outlook | % | YoY | vs. 7/31 Outlook |
| Revenue | 1,313.9 | | 1,370.0 | | 1,340.0 | | +26.0 +2.0% | -30.0 -2.2% |
| Business profit | 64.7 | 4.9% | 85.0 | 6.2% | 85.0 | 6.3% | +20.2 +31.3% | - |
| Profit from operating activities | 57.5 | 4.4% | 77.0 | 5.6% | 68.0 | 5.1% | +10.4 +18.2% | -9.0 -11.7% |
| Profit before tax | 70.0 | 5.3% | 77.0 | 5.6% | 67.0 | 5.0% | -3.0 -4.4% | -10.0 -13.0% |
| Profit for the year attributable to owners of the parent company | 52.6 | 4.0% | 54.0 | 3.9% | 47.0 | 3.5% | -5.6 -10.7% | -7.0 -13.0% |
| EPS*1 (yen) | 158.68 | | 162.83 | | 143.69 | | | |
| Exchange rate (yen, index) | USD | ¥144.44 | ¥151.00 | | ¥149.00 | | | |
| | EUR | ¥156.66 | ¥163.00 | | ¥163.00 | | | |
| | Other currencies*2 | 100 | 102 | | 101 | | | |
| Exchange sensitivity*3 (Billions of yen) | USD | | | | | | | |
| | EUR | | | | | | | |
| | Other currencies | | | | | | | |
| | | | | | | | Estimated Exchange effect (Billions of yen) | |
| Revenue | | -2.9 | -1.5 | -4.8 | | | +27.0 | |
| Business profit | | +0.9 | -0.9 | -2.7 | | | +4.0 | |

* This outlook does not include the impact of the Fiery acquisition.

- Profit from operating activities & profit before tax
- Change in the foreign exchange gains and losses outlook

- *1 Basic earnings per share for the year
- *2 The exchange effect on currencies other than the USD and EUR is compared by converting the amounts to JPY using current and previous period exchange rates. The current period is shown as an index versus 100 for the previous period.
- *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)

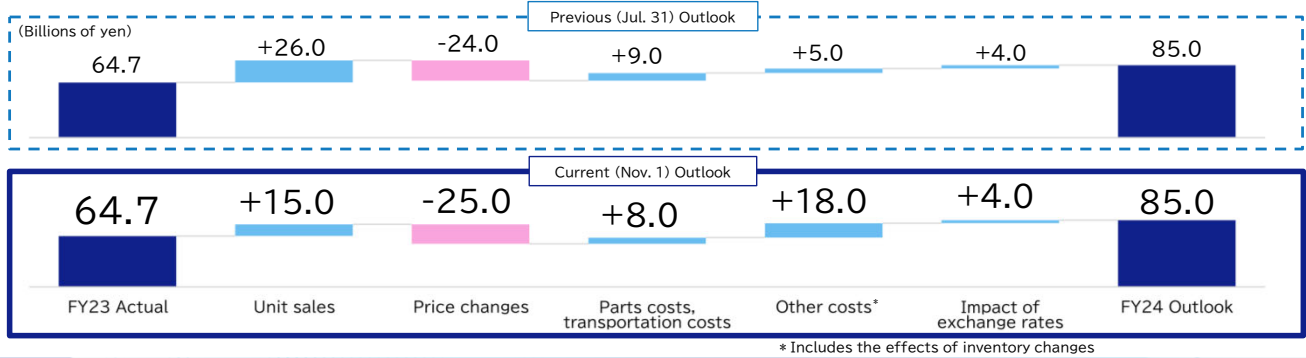
| Exchange rate assumptions from Q3 (yen) | USD | 146.00 |
|---|-----|--------|
| | EUR | 161.00 |

- Next, I would like to explain our 2024 full fiscal year financial outlook.
- While we have lowered the full-year revenue outlook to ¥1,340.0 billion, we have left full-year business profit unchanged at ¥85.0 billion because we continue to curb expenses in each business.
- Although business profit in the second quarter sharply exceeded our internal plan, we lowered the second-half business profit outlook. The current outlook reflects changes in the business environment that could impact products such as projectors in the second half, as well as the risk of lower selling prices for SOHO and home inkjet printers.
- Profit for the period is now expected to come in at ¥47.0 billion, mainly because we assume a stronger yen, which forced us to change the forecast for foreign exchange gains and losses.
- The impact of the acquisition of Fiery is not included in the new financial outlook because the closing procedures are still in progress.

Cause Analysis of Change in Business Profit EPSON

■ Compared to the previous outlook

- The outlook for office and home IJPs has not changed since the previous outlook, but we lowered the unit sales outlook. This is primarily a reflection of changes in the business environment for projectors.
- IJP prices remained higher than expected in 2Q in most regions outside North America. However, in light of moves by competitors, we cautiously factored in the risk of further price competition, particularly in North America.
- For other costs, we will continue to reduce and contain costs.



- I will explain the main changes since the previous outlook that will affect business profit.
- The unit sales outlook for office and home IJPs has not changed since the previous outlook, but we lowered the unit sales outlook for the year. This is primarily a reflection of changes in the business environment for projectors.
- IJP selling prices remained higher than expected in the second quarter in most regions except North America. However, the risk of further price competition, particularly in North America, was cautiously factored into the outlook.
- For other costs, we will continue to reduce and contain costs.

(Billions of yen)

| Printing Solutions | FY2023 Actual | FY2024 7/31 Outlook | FY2024 11/1 Outlook | YoY | YoY Ratio | vs.7/31 Outlook |
|--------------------|---------------|---------------------|---------------------|-------|-----------|-----------------|
| Revenue | 918.6 | 959.0 | 947.0 | +28.3 | +3.1% | -12.0 |
| Segment profit | 96.1 | 113.0 | 116.0 | +19.8 | +20.7% | +3.0 |
| ROS | 10.5% | 11.8% | 12.2% | | | |

| Office & Home Printing | FY2023 Actual | FY2024 7/31 Outlook | FY2024 11/1 Outlook | YoY | YoY Ratio | vs.7/31 Outlook |
|---|---------------|---------------------|---------------------|-------|-----------|-----------------|
| Revenue | 650.8 | 662.0 | 656.0 | +5.1 | +0.8% | -6.0 |
| Office & home IJP (SOHO/Home IJP) ^{*1} | 508.4 | 510.0 | 504.0 | -4.4 | -0.9% | -6.0 |
| Office & home IJP (Office Shared IJP) ^{*2} | 71.8 | 86.0 | 86.0 | +14.1 | +19.6% | - |
| Other ^{*3} | 70.5 | 66.0 | 66.0 | -4.5 | -6.4% | - |
| Business profit | 53.6 | 56.0 | 58.0 | +4.3 | +8.1% | +2.0 |
| ROS | 8.2% | 8.5% | 8.8% | | | |

| Commercial & Industrial Printing | FY2023 Actual | FY2024 7/31 Outlook | FY2024 11/1 Outlook | YoY | YoY Ratio | vs.7/31 Outlook |
|----------------------------------|---------------|---------------------|---------------------|-------|-----------|-----------------|
| Revenue | 267.9 | 297.0 | 291.0 | +23.0 | +8.6% | -6.0 |
| Commercial & industrial IJP | 193.0 | 219.0 | 213.0 | +19.9 | +10.3% | -6.0 |
| Small printers, other | 74.8 | 78.0 | 78.0 | +3.1 | +4.2% | - |
| Business profit | 42.4 | 57.0 | 58.0 | +15.5 | +36.7% | +1.0 |
| ROS | 15.8% | 19.2% | 19.9% | | | |

*1: I/C printers, high-capacity ink tank printers, ink, etc. *2: IJ, RIPS, I/C printers, ink, etc. *3: Scanners, SIDsMs, LPs, dry-process office papermaking systems

Office & Home Printing

• The revenue outlook was lowered mainly due to the impact of yen appreciation. The business profit outlook was raised mainly due to cost reductions.

Office & Home IJP sales trends^{*4}

| | YoY | FY23 Actual | FY24 7/31 Outlook | FY24 11/1 Outlook |
|---|-----|-------------|-------------------|-------------------|
| Hardware quantity | | | | |
| Approx., million | | 15.55 | 16.00 | 16.00 |
| SOHO/Home High-capacity ink tank printers | | 12.00 | 12.65 | 12.65 |
| SOHO/ Home I/C model | | 3.25 | 3.00 | 3.00 |
| Office Shared IJP | | 0.30 | 0.35 | 0.35 |
| Ink revenue JPY | | +6% | +0% | +1% |
| YoY ratio Local currency | | -0% | | |

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

Commercial & Industrial Printing

• The revenue outlook was lowered mainly due to the impact of yen appreciation. The business profit outlook was raised mainly due to cost reductions.

- Next, let's look at the situation by business segment.
- We have lowered the revenue outlook in printing solutions for both office and home printing as well as commercial and industrial printing. We did so mainly because of the appreciation of the yen. However, we raised the business profit outlook mainly due to cost reductions.
- We are leaving the annual unit sales outlook for office and home inkjet printers unchanged at 16 million units.

(Billions of yen)

| Visual Communications | FY2023 Actual | FY2024 7/31 Outlook | FY2024 11/1 Outlook | YoY | YoY Ratio | vs. 7/31 Outlook |
|-----------------------|---------------|---------------------|---------------------|------|-----------|------------------|
| Revenue | 217.4 | 227.0 | 208.0 | -9.4 | -4.4% | -19.0 |
| Segment profit | 31.5 | 37.0 | 29.0 | -2.5 | -8.2% | -8.0 |
| ROS | 14.5% | 16.3% | 13.9% | | | |

Visual Communications

- The outlook reflects the effects of investment curbs on demand in the education markets of Europe and North America and economic stagnation in China. Both revenue and segment profit expectations were lowered based on lower projected unit sales and the impact of yen appreciation.

◆Projector Sales Trends* (YoY ratio)

| | FY2023 Actual | FY2024 7/31 Outlook | FY2024 11/1 Outlook |
|-------------------------------|---------------|---------------------|---------------------|
| Hardware q'ty Approx, million | 1.80 | 1.75 | 1.65 |
| YoY | -5% | -1% | -7% |

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

(Billions of yen)

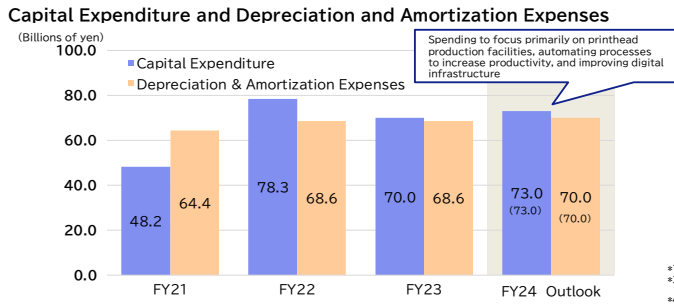
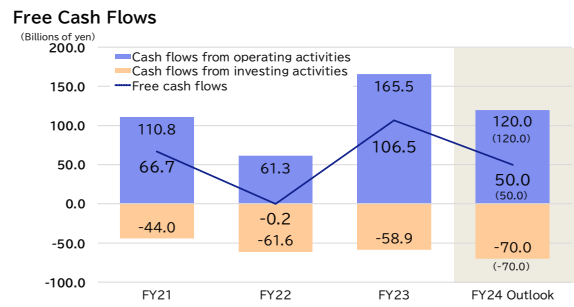
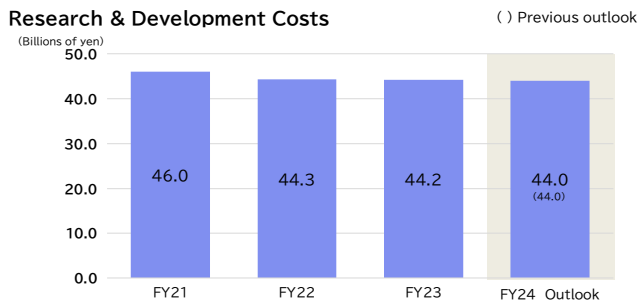
| Manufacturing-related & Wearables | FY2023 Actual | FY2024 7/31 Outlook | FY2024 11/1 Outlook | YoY | YoY Ratio | vs. 7/31 Outlook |
|-----------------------------------|---------------|---------------------|---------------------|------|-----------|------------------|
| Revenue | 179.9 | 185.0 | 185.0 | +5.0 | +2.8% | - |
| Manufacturing Solutions | 24.7 | 24.0 | 24.0 | -0.7 | -3.1% | - |
| Wearable Products | 34.7 | 37.0 | 37.0 | +2.2 | +6.5% | - |
| Microdevices, Other | 104.3 | 105.0 | 105.0 | +0.6 | +0.6% | - |
| PC | 19.6 | 23.0 | 23.0 | +3.3 | +17.1% | - |
| Inter-segment revenue | -3.5 | -4.0 | -4.0 | -0.4 | - | - |
| Segment profit | -1.5 | 0.0 | 0.0 | +1.5 | - | - |
| ROS | -0.9% | 0.0% | 0.0% | | | |

Manufacturing-related & Wearables

- Effect of cost reductions in manufacturing solutions were factored into the outlook.
- Profit in microdevices will be negatively impacted by yen appreciation. A market recovery is expected in FY2025 and beyond.

* The financial results of the micro injection molding machine business, etc., which were included in manufacturing solutions, will be recorded in "corporate expenses, others" from FY24Q3. (The figures for FY23 and the July 31 outlook are before this change.)

- The visual communications outlook for both revenue and business profit were lowered. The outlook reflects the lower projected unit sales due to investment curbs on demand in the education markets of Europe and North America and economic stagnation in China, as well as the impact of yen appreciation.
- In manufacturing-related and wearables, we are reiterating the previous guidance for both revenue and segment profit.
- Although the appreciation of the yen will negatively impact profit in the microdevices and other category, we expect to see benefits from things such as cost reductions in manufacturing solutions.



| Main Management Indices | FY21 Actual | FY22 Actual | FY23 Actual | FY24 Outlook | FY25 Mid-term Target (Forecast) |
|--|-------------|-------------|-------------|--------------|---------------------------------|
| Exchange rate:USD/Yen | 112.37 | 135.44 | 144.44 | 149.00 | - |
| Exchange rate:EUR/Yen | 130.55 | 140.90 | 156.66 | 163.00 | - |
| Revenue (Billions of yen) | 1,128.9 | 1,330.3 | 1,313.9 | 1,340.0 | - |
| Business profit (Billions of yen) | 89.6 | 95.1 | 64.7 | 85.0 | - |
| Profit for the year attributable to owners of the parent company (Billions of yen) | 92.2 | 75.0 | 52.6 | 47.0 | - |
| ROS ⁺¹ | 7.9 | 7.1 | 4.9 | 6.3% | over 7% |
| ROA ⁺² | 7.4 | 7.3 | 4.7 | 6.1% | - |
| ROE ⁺³ | 15.2 | 10.8 | 6.8 | 5.9% | over 8% |
| ROIC ⁺⁴ | 7.3 | 7.1 | 4.6 | 6.0% | over 7% |

⁺¹ ROS: Business profit / revenue ⁺² ROA: 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) After tax business profit: deducting an amount equivalent to the statutory effective tax rate from business profit Equity attributable to owners of the parent company and interest-bearing liabilities are average of beginning and ending balance

- The outlook for R&D costs, capital expenditure, depreciation and amortization, and free cash flow has not changed.
- The management indices are as shown here.
- The changes in the current full-year outlook are mainly due to the changes in our foreign exchange assumptions.

- Continue to reduce costs globally on the assumption that the external environment will remain challenging.
 - Headcount is being reduced primarily at overseas sales companies to realize greater operational efficiency.

- Began operational reform in the manufacturing solutions business, while simultaneously enhancing our customer responsive capabilities and cost competitiveness in preparation for growth in the future.
 - We are re-examining development, production, and sales systems and organizations to improve efficiency and reduce costs.
 - Focus more narrowly on target customers and provide them with optimized solutions.

- In our earnings announcement at the end of April, we reported on our efforts to improve profitability.
- I will explain the progress we have made.

- Epson continues to reduce costs globally based on the assumption that the external environment will remain challenging for the foreseeable future.
- In particular, we are reducing headcount at our overseas sales companies to improve the operational efficiency.

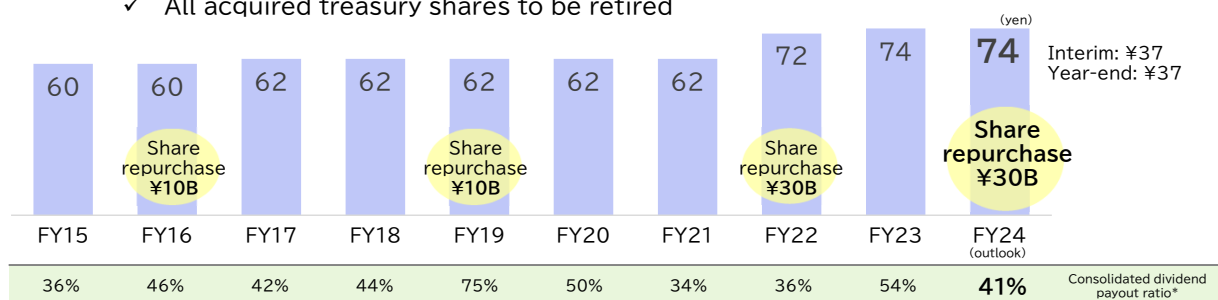
- The manufacturing solutions business is an area that promises future growth, but it is currently facing a challenging situation.
- The slowdown in the global economy has caused customers to curb investment. The emergence of Chinese competitors has also had an impact.
- Given this environment, Epson has begun to reform its operations.
- We are re-examining development, production, and sales systems and organizations to improve efficiency and reduce costs.
- Moving forward, we will prepare for growth by narrowing down our targets customers and providing them with optimal solutions, thereby enhancing our customer response capabilities and cost competitiveness.

■ Dividends

- Expect to pay an annual dividend of ¥74 per share for FY2024
 - ✓ Continue to provide stable dividends, with a consolidated dividend payout ratio* of about 40% over the mid-term

■ Share repurchase

- Repurchasing up to 30 billion yen in shares in FY2024.
(Purchase period July 18, 2024 to March 31, 2025)
 - ✓ Progress as of the end of September 2024: 39.66% (on a monetary basis)
 - ✓ All acquired treasury shares to be retired



* Calculated based on the amount obtained by deducting an amount equivalent to the statutory effective tax rate from business profit

- Next, I will explain shareholder returns.
- The annual dividend per share for the current fiscal year remains unchanged at ¥74 per share.
- As announced in April, we began a repurchase of up to ¥30 billion in treasury shares in July as planned. By the end of September, we had acquired about 40% of that amount.
- All acquired treasury shares will be retired.
- We will continue to provide stable and proactive shareholder returns going forward.

- First-Quarter Financial Results
- FY2024 Full-Year Financial Outlook & Shareholder Returns
- **Fiery Acquisition**

■ Fiery Acquisition

- About the acquisition and Fiery overview
- Achieving the Epson25 Renewed growth strategy
- Synergy effects
- Financial impact
- Realizing synergies

| | |
|-----------------------|---|
| Target company | Fiery, LLC |
| Acquisition method | Acquisition of 100% equity interest |
| Acquisition price | Approx. 84.5 billion yen Exchange rate as of September 17, 2024 (1 USD = 140.59 JPY) |
| Acquisition financing | Acquisition will be achieved by combining cash on hand with interest-bearing debt. We will not implement a capital increase. |
| Schedule | Sep. 19 Concluded contract By end of 2024 Execute full equity interest transfer and make it a wholly owned subsidiary |

- First, let me explain the outline of the acquisition, which was agreed upon in September.
- The target company is Fiery, and we plan to acquire 100% of Fiery's equity interest for approximately 84.5 billion yen within 2024, making it a wholly-owned subsidiary.
- The acquisition will be financed by a combination of cash on hand and interest-bearing debt, and we will not implement a capital increase.

| | |
|----------------|--|
| Company name | Fiery, LLC |
| Representative | CEO, Toby Weiss |
| Business lines | Digital printing software solutions <ul style="list-style-type: none"> • Digital front end (DFE) • Print workflow control and management |
| Milestones | 1991 Fiery established within Electronics for Imaging (EFI) 2021 Fiery established after company split from EFI |
| Head Office | Fremont, CA USA |
| Business sites | USA, India, Canada, Netherlands, Germany, UK, Japan |
| Employees | 788 (mainly in USA and India) |



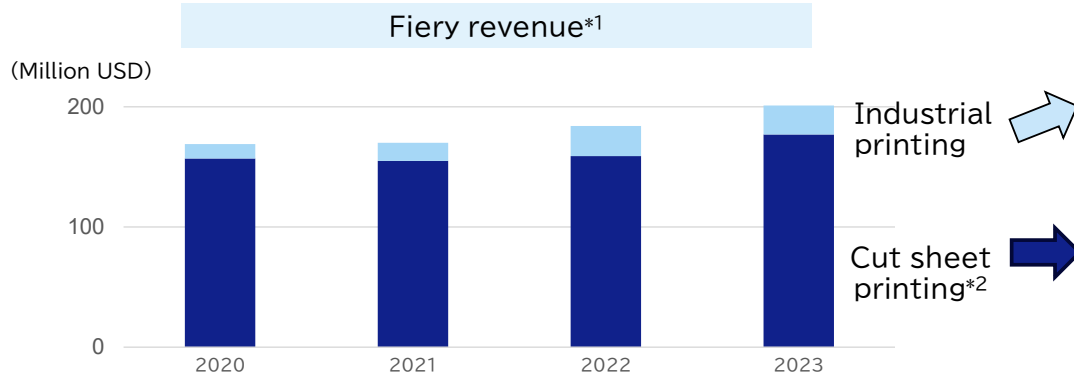
Servers, software



Cloud solutions

- This shows a profile of Fiery.
- The current CEO is Toby Weiss. His leadership role in building customer relationships is extremely important, and we expect him to continue in his role after the acquisition.
- Fiery provides software solutions essential for commercial & industrial digital printing, including digital front-end and print workflow management.
- The company's headquarters are in Silicon Valley, USA, with India as its second largest base.
- Many of the company's employees are based in these two locations and are responsible for software development.

- We anticipate continued stable profits from cut sheet printing.
- While industrial printing has an order of a magnitude higher printing volume, analog printing is still the mainstream, so the progress of digitalization is expected to lead to significant growth.



*1 EFI's Fiery business sales in 2020 and 2021 *2 Cut sheets: Paper that has been cut into individual sheets in a standard format, such as A4 paper

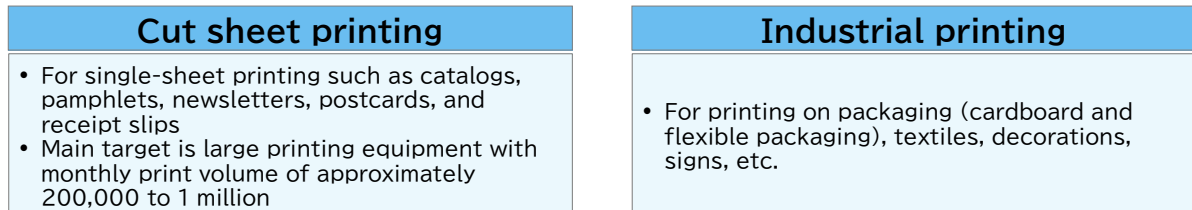
- This shows Fiery's revenue trend.
- So far, Fiery has grown mainly in cut-sheet printing, and we view this business as a continuing source of stable revenue.
- In industrial printing, analog printing is still the mainstream in the majority of the market, and we expect significant growth to come from expanding digitalization.

- Fiery develops solutions centered on digital front end (DFE), which is a core function in commercial & industrial printing processes.
- Fiery has been a market leader for many years, especially in the cut sheet market.

Digital Front End (DFE)

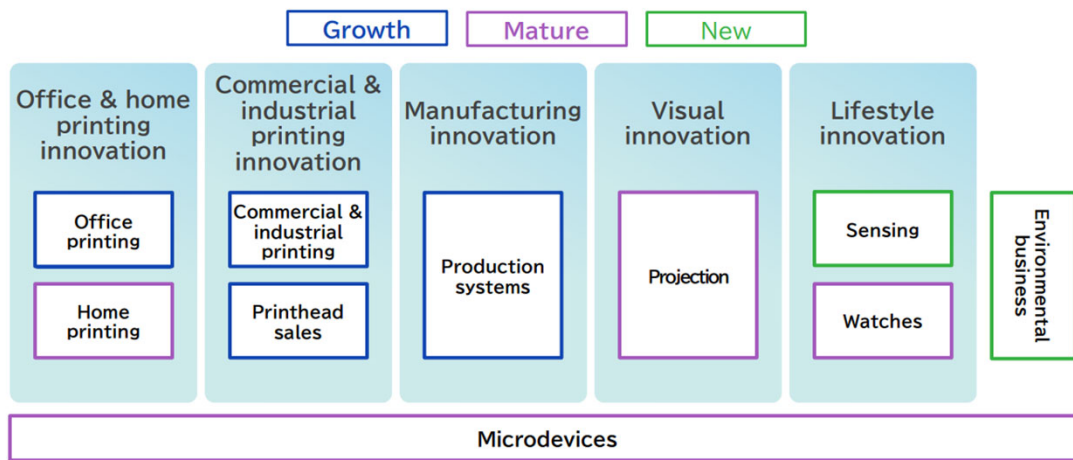


Business domains



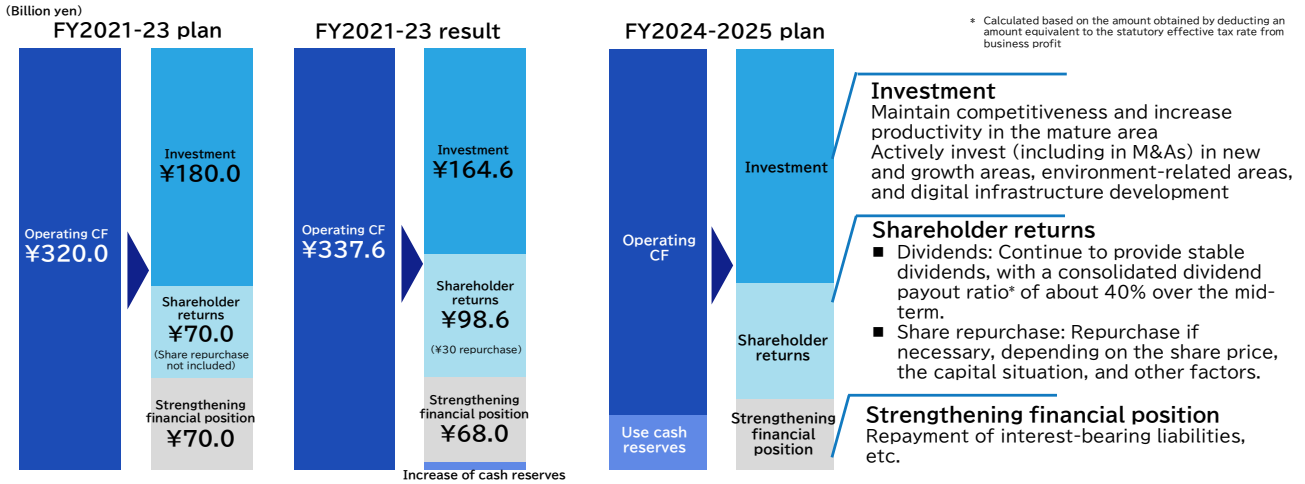
- Next, I will give an overview of the Fiery's business.
- Digital front-end is a software solution that provides RIP, which processes print images, and workflow control from order receipt to pre- and post-printing processing, output to the printing machine or printer, and delivery.
- In this digital front-end solution business, Fiery has been a market leader for many years, particularly in the cut-sheet market.
- For single-sheet cut-sheet printing such as catalogs, brochures, and postcards, Fiery targets customers with large printing equipment with a monthly printing volume of up to about 1 million sheets.
- In industrial printing, Fiery targets customers who print on packaging such as cardboard, textiles, decorations, and signs.

- Epson has outlined five innovation areas.
- Aim to ensure profitability and future growth by identifying businesses as growth, mature, and new.

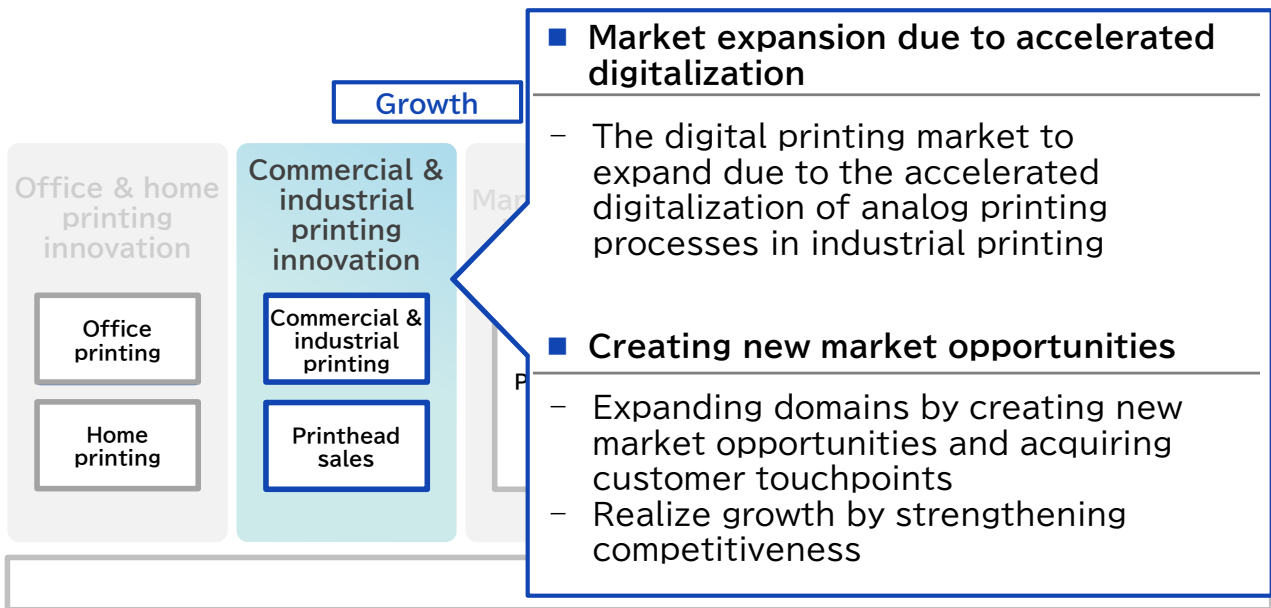


- These are the five areas of innovation outlined in our current Epson 25 Renewed long-term growth strategy.
- We have identified growth businesses in which we will invest management resources, mature businesses where we will focus on profitability, and new businesses, with the aim of improving profitability and achieving future growth.

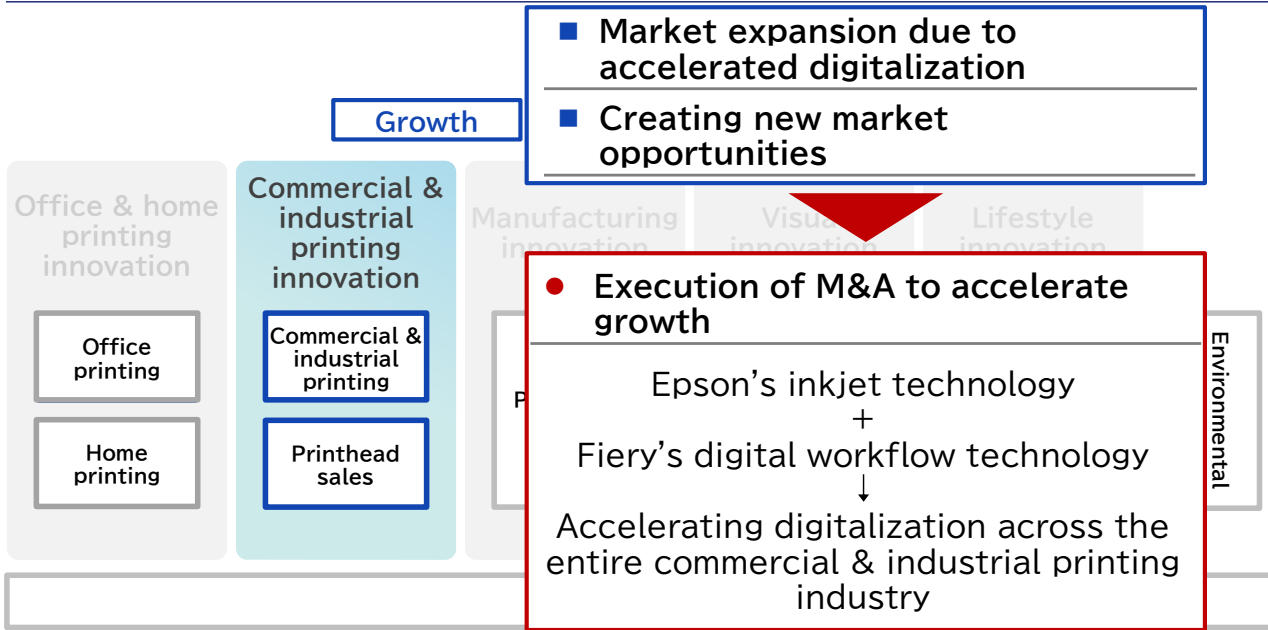
- From FY2021 to FY2023, we will made investments based on our growth strategy.
- From FY2024 onwards, in addition to maintaining competitiveness and improving productivity in mature businesses, we will actively invest including through M&As in growth businesses, the environmental business, and digital infrastructure development.



- Cash allocation results and plan which we indicated in April 2024 are shown here.
- We have invested 164.6 billion yen from FY2021 to FY2023.
- From FY2024 onwards, in addition to maintaining competitiveness and improving productivity in mature businesses, we will continue to make aggressive investments, including M&As, in growth businesses, the environmental business, and in digital infrastructure development.



- This acquisition is connected to our strategy in commercial & industrial printing innovation, one of our growth areas.
- We have two directions for growth in this area.
- Firstly, we anticipate market expansion due to accelerated digitalization.
- We believe that the digitalization of analog printing processes in industrial printing are highly compatible with inkjet, and to date we have been working to generate value for customers using Epson finished products and printheads.
- Second direction is creating new market opportunities.
- We will expand domains by creating new market opportunities and acquiring customer touchpoints in industrial printing, where digitalization will accelerate and the market will expand. We will also strengthen our competitiveness by proposing value to new customers, thereby realizing growth.

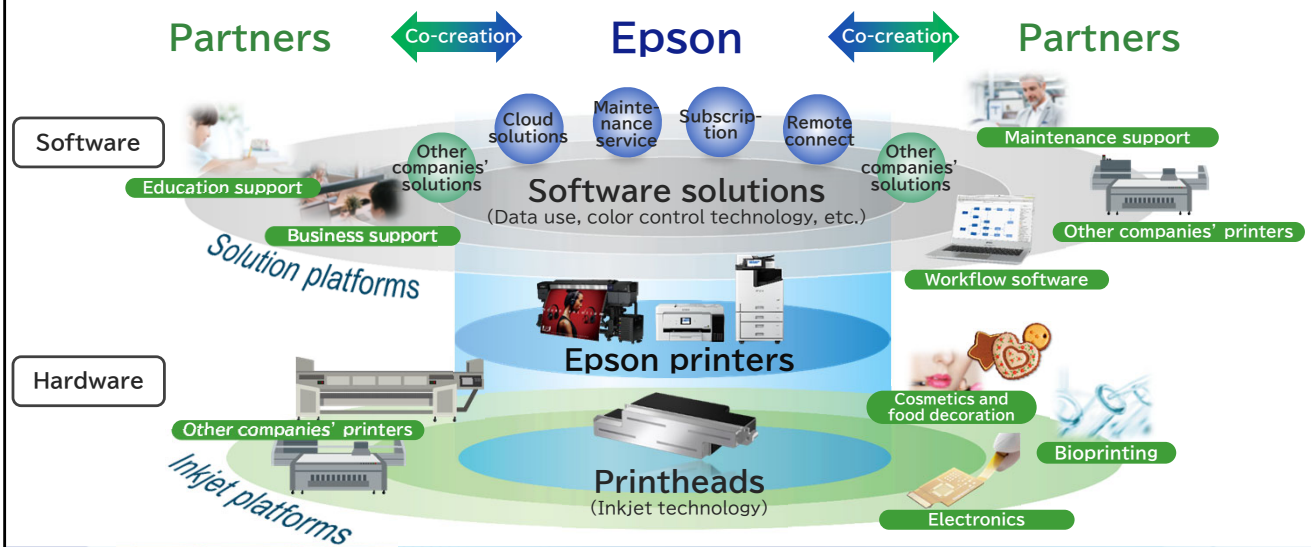


- To accelerate our growth strategy, we have been refining our inkjet technology, focusing on hardware such as printers and printheads.
- However, to digitize the entire process from input to output of print data, we determined that we needed to acquire software platform technology such as system solutions that we didn't have to create new value. This is why we decided to acquire Fiery.

Printing innovation growth strategy

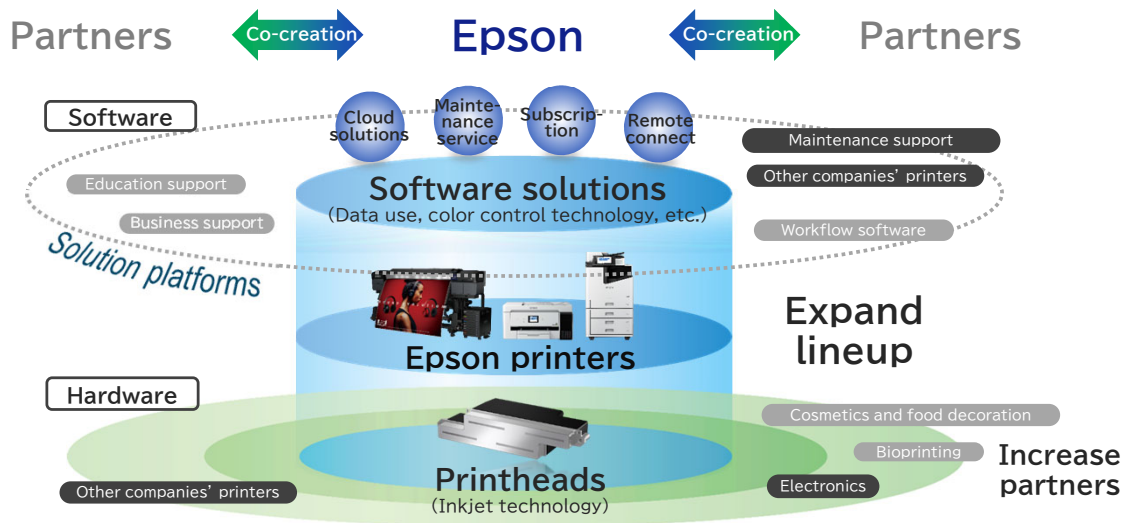
EPSON

With our unique inkjet technology at the core, we have built hardware and software platforms, and will continue to create and provide new value together with our partners.



- This shows our concept of a printing innovation ecosystem that combines the office & home and commercial & industrial domains that we explained as part of Epson 25 Renewed.
- In the printing domain, we will build hardware and software platforms with our original inkjet technology at the core, and will continue to generate and provide new value together with our partners.

With our unique inkjet technology at the core, we have built hardware and software platforms, and will continue to create and provide new value together with our partners.

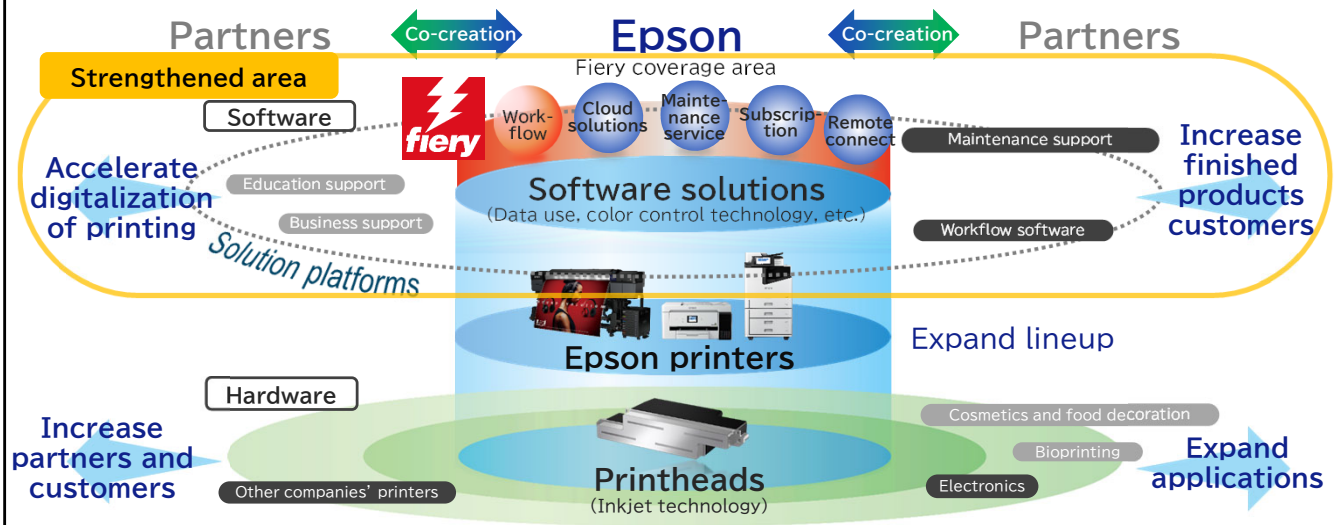


- With Micro Piezo printheads at the core, Epson has been refining core technologies for ink, control systems, image processing, precision machining and production technology to create an inkjet platform.
- By increasing partners who adopt our printheads from this platform, we have been able to expand inkjet value.
- We also have been expanding the lineup for Epson printers using core technologies in office & home as well as in commercial & industrial printing.
- However, in software solutions, although we have made steady progress in software for Epson printers, we have not yet been able to generate value as a software platform.

Printing innovation growth strategy

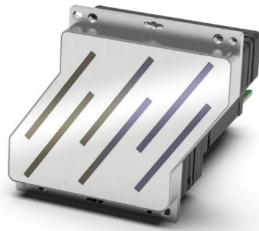
EPSON

With our unique inkjet technology at the core, we have built hardware and software platforms, and will continue to create and provide new value together with our partners.



- The acquisition of Fieri will sharply increase the value of software solutions, shown in this chart in orange, by complementing Epson's color control technology and workflow software.
- By combining these with Epson's finished products and printheads, we will strengthen our ability to propose solutions to customers.
- I will explain in more detail in the following pages.

Accelerating industrial printing market digitalization by combining inkjet printheads and DFE



Integrating Epson's inkjet technology and Fieri's software technology to achieve high image quality and ease of use

- Create solutions which offer high color reproducibility, high image quality, and ease of use by combining Epson's inkjet and Fieri's DFE
- Offer optimized solutions for the industrial printing market to customers

- I would like to explain three synergies through integration which will contribute to realizing printing innovation.
- One of the benefits of the integration is the impact from combining Epson's high image quality inkjet technology and Fieri's high image quality and high productivity DFE.
- It will be possible to provide optimized solutions for the industrial printing market offering high color reproducibility, high image quality, and ease of use.
- This will make it easier for printing businesses and printer manufacturers to introduce digital printing. It will drive the digitalization of industrial printing and help expand the market.

Adapting commercial and industrial printers to the Fiery workflow to deliver greater customer value



Adapting and optimizing Epson commercial & industrial printers to Fiery workflow platform

- Propose solutions including Fiery workflows to customers who are considering to digitalize
- Expand the customer base by proposing Epson products and services to printing business customers who already have Fiery installed (Cross-sell and increased opportunities)

- Second, by adapting Epson's finished commercial and industrial printers to Fiery's excellent workflows we can deliver greater customer value.
- For customers who are considering to digitalize, we can offer solutions with Epson printers and Fiery workflows.
- We also can lower the barrier to adoption of Epson printers for customers who have already installed Fiery products.
- In addition, we can cross-sell to Epson customers who have not yet installed Fiery, allowing us to deliver extra value to all customers.

Leveraging Fiery's accumulated knowledge in software development and their talented workforce



Creating new customer value centered on software

- Creating and proposing new customer value by utilizing Fiery's software services and platforms

Strengthening development infrastructure

- Strengthen development infrastructure by leveraging Fiery's cutting-edge software development capabilities and their knowledge and capabilities of software product development systems

- Third, we can create new value by leveraging Fiery's accumulated knowledge in software development, and by leveraging their talented workforce.
- For example, it will be possible to propose new value in printing by utilizing Fiery's software services.
- Fiery uses cutting-edge software development processes, so we also aim to strengthen our development infrastructure by utilizing their knowledge and capabilities of software product development systems.

To continue to provide high-quality, highly reliable products and services, Fiery will continue to operate as in the past for its customers after the acquisition

- Fiery has grown by providing high quality and high reliability products to printer manufacturers.
- Fiery will continue to operate as an independent business, and Epson will strictly enforce information control so that customer information will not be shared to other businesses.

| | |
|-----------------|---|
| Profit & loss | <ul style="list-style-type: none"> • Currently expect sales and profits to positively contribute from fiscal 2024 • Any information necessary for disclosure will be promptly announced |
| Cash allocation | <ul style="list-style-type: none"> • Acquisition to be funded through cash on hand and interest-bearing debt, and although the equity ratio will decline slightly, there will be no significant impact on our financial stability or fundraising capacity • No change to aggressive investment policy (maintaining competitiveness in mature businesses, improving productivity, new and growing businesses, environmental business, digital infrastructure development, etc.) • No change to shareholder returns policy |

- We are currently confirming the financial impact of this acquisition as we approach closing, but would like to explain our current expectations.
- In profit and loss, we expect the acquisition to make a positive contribution to both sales and profits from fiscal 2024. If there is any information that needs to be announced, we will disclose it promptly.
- In cash allocation, we plan to raise funds for the acquisition from cash on hand and interest-bearing debt.
- Although our equity ratio is expected to decrease slightly, it will not have a significant impact on our financial safety or fundraising capacity.
- There will be no changes to our investment policy or shareholder return policy.

■ PMI | Engagement with Fiery employees

Sep. 17 Video message to Fiery employees



Mid-November:
Town hall meeting with Fiery

Engagement with local employees
and management

■ PMI | Realization process

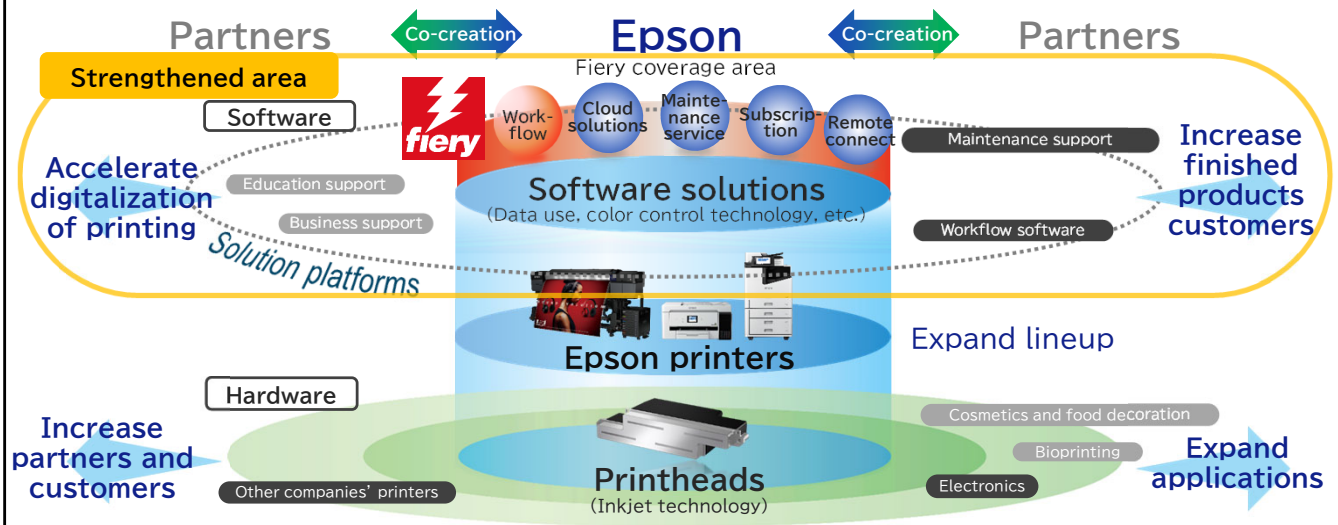
- Dedicated PMI team is making progress in planning and executing the integration
- Fiery management and employees are positive about the integration

- We have now completed the competition law filings and are preparing for closing in December.
- Prior to that, on the day the transfer agreement was signed, I sent a video message to Fiery employees.
- Also, in mid-November, the management team who supported this deal including myself will visit Fiery to directly and personally communicate with employees about Epson's thoughts toward this acquisition.
- While communicating closely with Fiery, we have also formed a team to begin the PMI process, which will enable Fiery to begin operations as a subsidiary of our group after the closing.

Printing innovation growth strategy

EPSON

With our unique inkjet technology at the core, we have built hardware and software platforms, and will continue to create and provide new value together with our partners.



- Epson will continue to create and provide new value with our partners by building and strengthening hardware and software platforms with unique inkjet technology as the core.

EPSON

Reference

Financial Highlights (First Half)

EPSON

| | FY2023 | | FY2024 | | Change | |
|--|-----------------------------|---------|------------------|-------|--------|---------|
| | (Billions of yen) 1H Actual | % | 1H Actual | % | YoY | % |
| Revenue | 638.5 | | 674.1 | | +35.6 | +5.6% |
| Business profit | 24.4 | 3.8% | 51.0 | 7.6% | +26.6 | +108.9% |
| Profit from operating activities | 27.9 | 4.4% | 34.9 | 5.2% | +7.0 | +25.1% |
| Profit before tax | 38.3 | 6.0% | 32.8 | 4.9% | -5.5 | -14.4% |
| Profit for the period attributable to owners of the parent company | 27.4 | 4.3% | 23.2 | 3.5% | -4.1 | -15.3% |
| EPS*1 (yen) | 82.88 | | 70.43 | | | |
| Exchange rate (yen, index) | USD | ¥140.83 | ¥152.51 | | | |
| | EUR | ¥153.30 | ¥165.80 | | | |
| | Other currencies*2 | 100 | 107 | | | |
| Exchange effect (Billions of yen) | USD | EUR | Other currencies | Total | | |
| Revenue | +16.2 | +8.1 | +11.0 | +35.4 | | |
| Business profit | -5.1 | +5.1 | +7.5 | +7.4 | | |

*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

1H Financial Results by Business Segment

EPSON

(Billions of yen)

| Printing Solutions | 1H/FY2023 Actual | 1H/FY2024 Actual | YoY | Exchange effect | YoY ratio |
|--------------------|---------------------|---------------------|-------|--------------------|-----------|
| Revenue | 437.3 | 476.5 | +39.2 | +24.8 | +9.0% |
| Segment profit | 37.3 | 63.5 | +26.1 | +4.6 | +69.9% |
| ROS | 8.5% | 13.3% | | | |

| Office & Home Printing | 1H/FY2023 Actual | 1H/FY2024 Actual | YoY | Exchange effect | YoY ratio |
|---|---------------------|---------------------|-------|--------------------|-----------|
| Revenue | 306.7 | 328.7 | +22.0 | +16.2 | +7.2% |
| Office & home IJP (SOHO,Home IJP)*1 | 236.3 | 255.8 | +19.4 | | +8.2% |
| Office & home IJP (Office Shared IJP)*2 | 34.7 | 39.7 | +4.9 | | +14.4% |
| Other*3 | 35.6 | 33.2 | -2.4 | | -6.8% |
| Business profit | 18.8 | 28.7 | +9.8 | +0.3 | +52.1% |
| ROS | 6.2% | 8.7% | | | |

*1: I/C printers, High-capacity ink tank printers, Ink, etc. *2: IJ, RIPS, I/C printers, Ink, etc. *3: Scanners, SIDsMs, LPs, Dry-process office papermaking systems

| Commercial & Industrial Printing | 1H/FY2023 Actual | 1H/FY2024 Actual | YoY | Exchange effect | YoY ratio |
|-------------------------------------|---------------------|---------------------|-------|--------------------|-----------|
| Revenue | 130.6 | 147.8 | +17.2 | +8.6 | +13.2% |
| Commercial & industrial IJP | 94.1 | 108.3 | +14.2 | | +15.1% |
| Small printers, other | 36.4 | 39.4 | +2.9 | | +8.1% |
| Business profit | 18.4 | 34.7 | +16.2 | +4.3 | +88.2% |
| ROS | 14.1% | 23.5% | | | |

1H Financial Results by Business Segment

EPSON

(Billions of yen)

| Visual Communications | 1H/FY2023 Actual | 1H/FY2024 Actual | YoY | Exchange effect | YoY ratio |
|-----------------------|---------------------|---------------------|------|--------------------|-----------|
| Revenue | 110.2 | 108 | -2.1 | +7.0 | -2.0% |
| Segment profit | 14.6 | 15.9 | +1.2 | +2.3 | +8.8% |
| ROS | 13.3% | 14.8% | | | |

(Billions of yen)

| Manufacturing-related & Wearables | 1H/FY2023 Actual | 1H/FY2024 Actual | YoY | Exchange effect | YoY ratio |
|--------------------------------------|---------------------|---------------------|------|--------------------|-----------|
| Revenue | 92.6 | 89.9 | -2.6 | +3.8 | -2.9% |
| Manufacturing Solutions | 12.5 | 11.2 | -1.3 | | -10.9% |
| Wearable Products | 17.9 | 20.2 | +2.2 | | +12.7% |
| Microdevices, Other | 54.0 | 50.7 | -3.2 | | -6.1% |
| PC | 9.7 | 9.9 | +0.1 | | +1.8% |
| Inter-segment revenue | -1.8 | -2.2 | -0.4 | | - |
| Segment profit | 1.7 | -0.5 | -2.3 | +0.6 | - |
| ROS | 1.9% | -0.6% | | | |

Main Product Sales Trends

| | | | FY2023 Q1 Actual | FY2023 Q2 Actual | FY2023 Q3 Actual | FY2023 Q4 Actual | FY2023 Full-year Actual | FY2024 Q1 Actual | FY2024 Q2 Actual | FY2024 Full-year Outlook |
|--|----------------------------|---|---------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------|---------------------|--------------------------------|
| * The indicators in sales trends are based on values tracked internally by Epson | | | USD | 137.18 | 144.77 | 147.78 | 148.31 | 144.44 | 155.79 | 149.00 |
| | | | EUR | 149.40 | 157.20 | 158.98 | 161.07 | 167.74 | 163.86 | 163.00 |
| Office & Home Printing | Office & Home IJP Hardware | Revenue (JPY) | YoY % | +1% | +3% | -4% | -13% | -4% | +11% | +10% |
| | | Revenue (Local Currency) | YoY % | -3% | -2% | -9% | -21% | -10% | +1% | +9% |
| | | Q' ty | YoY % | -7% | -0% | -7% | -19% | -9% | +7% | +11% |
| | | Q' ty (Approx., million) | Units | | | | | 15.55 | | |
| | | SOHO/ Home High-capacity ink tank printers | Units | | | | | 12.00 | | |
| | | SOHO/ Home I/C model | Units | | | | | 3.25 | | |
| | | Office shared IJP | Units | | | | | 0.30 | | |
| | Office & Home IJP Ink | Revenue within office & home IJP Ink/(HW+Ink) | Composition ratio | | | | | 38% | | |
| | | Revenue (JPY) | YoY % | +9% | +5% | +6% | +3% | +6% | +8% | +7% |
| | | Revenue (Local Currency) | YoY % | +5% | -1% | +1% | -6% | -0% | -1% | +5% |
| Mainstream Commercial Solutions | Projectors Hardware | Revenue (JPY) | YoY % | +17% | -10% | -2% | +1% | +0% | +5% | -8% |
| | | Revenue (Local Currency) | YoY % | +12% | -15% | -7% | -9% | -6% | -6% | -10% |
| | | Q' ty | YoY % | +4% | -10% | -5% | -8% | -5% | -8% | -10% |
| | | Q' ty (Approx., million) | Units | | | | | 1.80 | | |

Financial Data (FY2023, FY2024)

EPSON

(Billions of yen)

| | | FY2023 Q1 Actual | FY2023 Q2 Actual | FY2023 Q3 Actual | FY2023 Q4 Actual | FY2023 Full-year Actual | FY2024 Q1 Actual | FY2024 Q2 Actual | FY2024 Q3 Actual | FY2024 Q4 Actual | FY2024 Full-year Outlook |
|--|-----------------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|--------------------------------|
| Exchange rate (yen) | USD | 137.18 | 144.47 | 147.78 | 148.31 | 144.44 | 155.79 | 149.23 | | | 149.00 |
| | EUR | 149.40 | 157.20 | 158.98 | 161.07 | 156.66 | 167.74 | 163.86 | | | 163.00 |
| Printing Solutions | | Revenue | 215.1 | 222.1 | 251.0 | 230.2 | 918.6 | 235.9 | 240.6 | | 947.0 |
| | Segment profit | 22.3 | 15.0 | 36.9 | 21.7 | 96.1 | 29.6 | 33.9 | | | 116.0 |
| Office & Home Printing | Revenue | 149.8 | 156.9 | 181.9 | 162.1 | 650.8 | 161.0 | 167.7 | | | 656.0 |
| | Business profit | 12.6 | 6.2 | 23.7 | 10.9 | 53.6 | 13.2 | 15.4 | | | 58.0 |
| Commercial & Industrial Printing | Revenue | 65.3 | 65.2 | 69.1 | 68.1 | 267.9 | 74.8 | 72.9 | | | 291.0 |
| | Business profit | 9.7 | 8.7 | 13.1 | 10.7 | 42.4 | 16.3 | 18.4 | | | 58.0 |
| Visual Communications | | Revenue | 52.9 | 57.3 | 59.0 | 48.1 | 217.4 | 55.6 | 52.3 | | 208.0 |
| | Segment profit | 6.7 | 7.9 | 9.7 | 7.1 | 31.5 | 7.7 | 8.1 | | | 29.0 |
| Manufacturing-related & Wearables | | Revenue | 47.3 | 45.2 | 43.9 | 43.3 | 179.9 | 45.3 | 44.6 | | 185.0 |
| | Segment profit | 0.7 | 1.0 | -1.5 | -1.8 | -1.5 | -0.3 | -0.2 | | | 0.0 |
| Corporate expenses & Others, eliminations | | Revenue | -0.5 | -1.0 | -0.5 | 0.1 | -2.0 | -0.3 | -0.0 | | 0.0 |
| | Segment profit | -14.3 | -15.1 | -15.3 | -16.6 | -61.4 | -13.5 | -14.3 | | | -60.0 |
| Consolidated total | | Revenue | 314.8 | 323.6 | 353.5 | 321.8 | 1,313.9 | 336.6 | 337.5 | | 1,340.0 |
| | Business profit | 15.5 | 8.8 | 29.8 | 10.3 | 64.7 | 23.4 | 27.5 | | | 85.0 |
| | ROS | 5.0% | 2.7% | 8.5% | 3.2% | 4.9% | 7.0% | 8.2% | | | 6.3% |
| R&D Costs | | | 10.9 | 11.6 | 10.9 | 10.6 | 44.2 | 10.7 | 10.0 | | 44.0 |
| Capital Expenditures | Printing Solutions | 6.7 | 6.4 | 16.7 | 14.2 | 44.1 | 9.1 | 9.9 | | | 44.0 |
| | Visual Communications | 1.2 | 0.9 | 2.0 | 1.8 | 6.0 | 1.1 | 2.3 | | | 8.0 |
| | Manufacturing-related & wearables | 1.6 | 2.2 | 3.4 | 4.9 | 12.3 | 1.3 | 2.5 | | | 14.0 |
| Corporate expenses & Others | | 0.9 | 2.0 | 1.9 | 2.6 | 7.5 | 1.1 | 1.9 | | | 7.0 |
| Depreciation & amortization Expenses | | | 10.3 | 10.3 | 10.5 | 10.6 | 41.8 | 10.9 | 10.6 | | 44.0 |
| Printing Solutions | Visual Communications | 2.4 | 2.4 | 2.3 | 2.2 | 9.4 | 2.3 | 2.2 | | | 10.0 |
| | Manufacturing-related & wearables | 2.5 | 2.5 | 2.6 | 2.6 | 10.3 | 2.7 | 2.7 | | | 10.0 |
| | Corporate expenses & Others | 1.7 | 1.7 | 1.7 | 1.7 | 6.9 | 1.6 | 1.6 | | | 6.0 |
| Operating CF | | 27.3 | 34.1 | 52.3 | 51.6 | 165.5 | 35.3 | 34.6 | | | 120.0 |
| FCF | | 6.3 | 23.5 | 39.4 | 37.1 | 106.5 | 15.5 | 17.2 | | | 50.0 |

Revenue to customers outside of Japan

| | | | | | | | | | | | |
|---------------|-----|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Exchange rate | USD | 129.64 | 138.30 | 141.55 | 132.28 | 137.18 | 144.47 | 147.78 | 148.31 | 155.79 | 149.23 |
| (yen) | EUR | 138.11 | 139.28 | 144.23 | 141.97 | 149.40 | 157.20 | 158.98 | 161.07 | 167.74 | 163.86 |

| Revenue (Billions of yen) | FY22/Q1 | FY22/Q2 | FY22/Q3 | FY22/Q4 | FY23/Q1 | FY23/Q2 | FY23/Q3 | FY23/Q4 | FY24/Q1 | FY24/Q2 | YoY |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| The Americas | 100.0 | 111.5 | 114.3 | 111.0 | 106.9 | 106.2 | 108.0 | 108.7 | 114.5 | 106.6 | +0.3 |
| Europe | 57.3 | 68.3 | 78.5 | 78.0 | 62.1 | 70.8 | 84.2 | 72.1 | 67.9 | 74.7 | +3.9 |
| Asia/ Oceania | 88.4 | 100.5 | 100.9 | 89.1 | 92.8 | 93.9 | 97.6 | 86.7 | 102.1 | 101.8 | +7.8 |
| Total revenue to customers outside of Japan | 245.7 | 280.4 | 293.8 | 278.2 | 261.9 | 271.0 | 289.8 | 267.7 | 284.6 | 283.2 | +12.1 |
| Consolidated revenue | 297.8 | 335.2 | 361.2 | 335.9 | 314.8 | 323.6 | 353.5 | 321.8 | 336.6 | 337.5 | +13.8 |

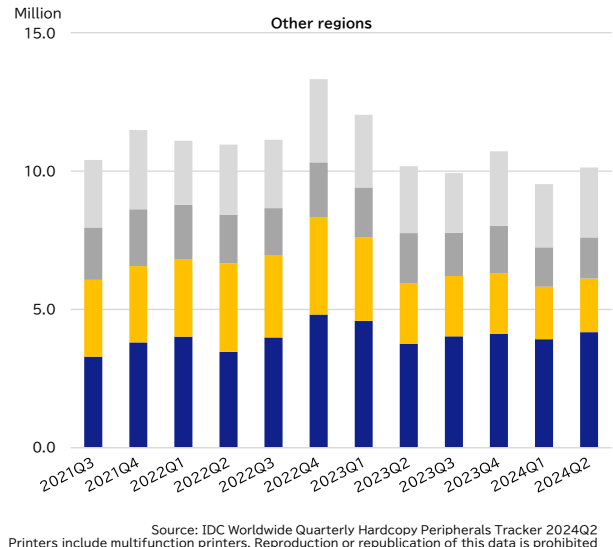
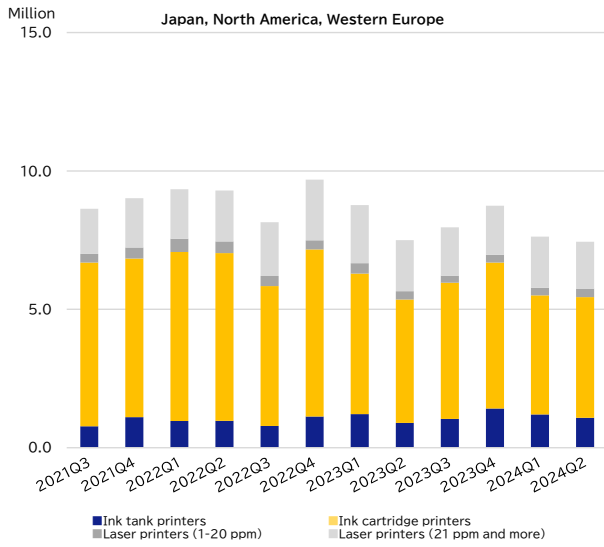
| % of revenue to consolidated revenue | FY22/Q1 | FY22/Q2 | FY22/Q3 | FY22/Q4 | FY23/Q1 | FY23/Q2 | FY23/Q3 | FY23/Q4 | FY24/Q1 | FY24/Q2 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| The Americas | 33.6% | 33.3% | 31.6% | 33.1% | 34.0% | 32.8% | 30.6% | 33.8% | 34.0% | 31.6% |
| Europe | 19.2% | 20.4% | 21.8% | 23.2% | 19.7% | 21.9% | 23.8% | 22.4% | 20.2% | 22.2% |
| Asia/ Oceania | 29.7% | 30.0% | 27.9% | 26.5% | 29.5% | 29.0% | 27.6% | 27.0% | 30.3% | 30.2% |
| Total | 82.5% | 83.7% | 81.3% | 82.8% | 83.2% | 83.7% | 82.0% | 83.2% | 84.6% | 83.9% |

Number of employees

| Number of employees at period end (person) | End of Jun 2022 | End of Sep 2022 | End of Dec 2022 | End of Mar 2023 | End of Jun 2023 | End of Sep 2023 | End of Dec 2023 | End of Mar 2024 | End of Jun 2024 | End of Sep 2024 | YoY |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------|
| Japan | 20,128 | 20,131 | 20,174 | 20,124 | 20,633 | 20,535 | 20,323 | 20,209 | 20,702 | 20,672 | +137 |
| Outside of Japan | 59,887 | 62,742 | 64,308 | 59,782 | 57,932 | 55,764 | 54,649 | 54,255 | 56,969 | 57,889 | +2,125 |
| Consolidated total | 80,015 | 82,873 | 84,482 | 79,906 | 78,565 | 76,299 | 74,972 | 74,464 | 77,671 | 78,561 | +2,262 |

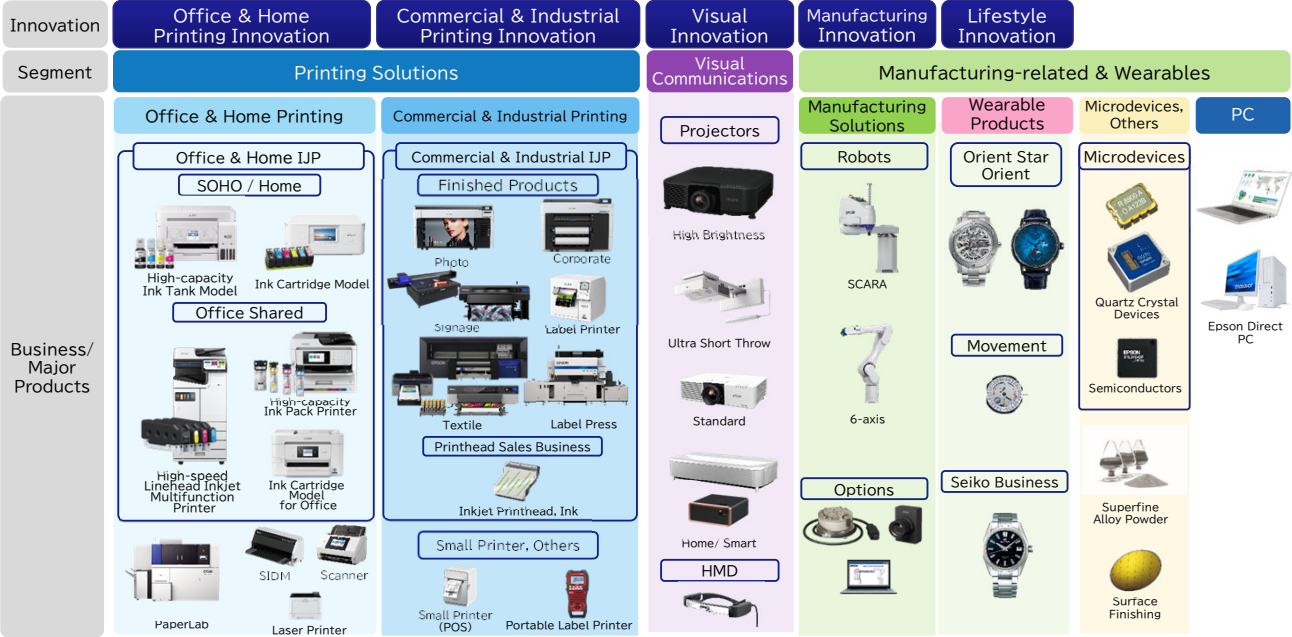
A4 printer main unit market trend

* All graphs show calendar year



Source: IDC Worldwide Quarterly Hardcopy Peripherals Tracker 2024Q2
Printers include multifunction printers. Reproduction or republication of this data is prohibited

Business Segments



ESG Indices and Ratings Inclusion

- FTSE4Good Index Series
- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index
- MSCI Nihonkabu ESG Select Leaders Index
- MSCI Japan Empowering Women Index (WIN)
- S&P/JPX Carbon Efficient Index
- Morningstar Japan ex-REIT Gender Diversity Tilt Index
- SOMPO Sustainability Index
- Prime rating in the ESG Corporate Ratings by ISS ESG
- CDP A Lists 2023 (climate change, water security)
- EcoVadis Platinum Rating for Overall Sustainability
- Development Bank of Japan (DBJ) Environmentally Rated Loan Program Rank A
- MSCI ESG Ratings 「AAA」
- RBA*1 Platinum CSR recognition at main overseas plants (Indonesia, Philippines)
- 24th Green Purchasing Awards “Grand Prize, METI Award”, : Dec. 2023
- Natural Resources and Energy Commissioner’s Award (Product & Business Model Category) “Grand Prize for Excellence in Energy Efficiency and Conservation” :Dec. 2023
- Corporate Governance of the Year 2023^B “Winner Company” :Jan. 2024
- 5th ESG Finance Awards Japan (Environmentally Sustainable Company Category) “Minister of the Environment Award, Silver Award” :Feb. 2024
- 2024 Health & Productivity Stock Selection*2 : Mar. 2024
- Nikkei 225: from 2017

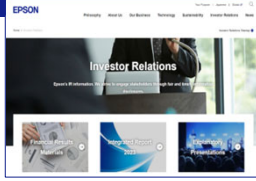
Now included in all six domestic ESG indexes used by the GPIF



ESG awards / Index Adoption, etc.

*1 The Responsible Business Alliance (RBA) is the world's largest industry coalition dedicated to corporate social responsibility in global supply chains.
 *2 Health Management Objectives and Organization <https://corporate.epson/en/sustainability/our-people/health-and-productivity.html>

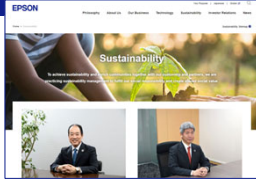
Investor Relations



- IR Materials <https://corporate.epson/en/investors/publications/>
 - Explanatory Presentations <https://corporate.epson/en/investors/publications/presentations.html>
 - New!** ➢ Integrated Report <https://corporate.epson/en/investors/publications/integrated-report.html>
- Epson in 5 Minutes <https://corporate.epson/en/investors/overview/>
- Shareholder Returns <https://corporate.epson/en/investors/information/stock-dividends.html>

- Purpose <https://corporate.epson/en/philosophy/purpose/>
- Vision <https://corporate.epson/en/philosophy/vision/>

Sustainability



- Sustainability Management <https://corporate.epson/en/sustainability/initiatives/>
- Environment <https://corporate.epson/en/sustainability/environment/>
- Human Resources <https://corporate.epson/en/sustainability/our-people/>
- ESG Data <https://corporate.epson/en/sustainability/esg-data/>

| | |
|-----------------------------------|--|
| 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 |
| 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 |
| Commercial & Industrial (C&I) IJP | Inkjet printers, ink, services for commerce and industry |
| Printhead sales business | Printheads, ink, etc. |
| Epson Connect | Epson's mobile cloud service for Epson products and services |
| Color Control Technology | Color management technology that enhances color reproducibility |
| 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 |
| Smart projectors | Projectors over 500 lm, with standalone network connectivity and video streaming service usability |
| FPD | Flat panel displays |
| WP | Wearable Products business |
| MD, Other | Microdevices, Other business |

■ 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.

EPSON