



## Financial Results for the Year ended March 31, 2025 [IFRS] (Consolidated)

Name of the listed company: SEIKO EPSON CORPORATION

Code: 6724 URL: <https://corporate.epson/en/investors/>

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Scheduled date of Annual Shareholders Meeting: June 26, 2025

Scheduled starting date of payment for the dividends: June 27, 2025

Scheduled date to file Annual Securities Report: June 27, 2025

Reference materials regarding financial results for the period: Yes

Briefing on financial results: Yes (for analysts)

May 1, 2025  
Stock Listing: TOKYO

(Amounts are rounded down to the nearest million yen)

### 1. Results of the Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

#### (1) Consolidated Operating Results

(%: Change from the previous year)

	Revenue		Business profit		Profit from operating activities		Profit before tax		Profit for the period		Profit for the period attributable to owners of the parent company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	1,362,944	3.7	89,589	38.4	75,108	30.5	78,395	11.8	55,181	4.9	55,177	4.9
Year ended March 31, 2024	1,313,998	(1.2)	64,721	(31.9)	57,533	(40.7)	70,094	(32.4)	52,620	(29.9)	52,616	(29.9)

Note: Total comprehensive income for the period: Year ended March 31, 2025 ¥47,999 million [(56.1)%]

Year ended March 31, 2024 ¥109,325 million [(3.2)%]

Business profit is calculated by subtracting Cost of sales and Selling, general and administrative expenses from Revenue.

	Basic earnings per share	Diluted earnings per share	ROE *1	ROA *2	ROS *3
	Yen	Yen	%	%	%
Year ended March 31, 2025	168.75	168.75	6.8	6.2	6.6
Year ended March 31, 2024	158.68	158.66	6.8	4.7	4.9

\*1 Profit for the period attributable to owners of the parent company / Equity attributable to owners of the parent company (avg. balance)

\*2 Business profit / Total assets (avg. balance)

\*3 Business profit / Revenue

Reference: Equity gains (losses) of affiliates: Year ended March 31, 2025 ¥7 million

Year ended March 31, 2024 ¥23 million

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent company	Equity attributable to owners of the parent company ratio	Equity attributable to owners of the parent company, per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	1,456,461	804,891	804,752	55.3	2,512.15
As of March 31, 2024	1,413,094	811,134	810,992	57.4	2,445.52

#### (3) Consolidated Cash Flows

	Net cash from (used in) operating activities	Net cash from (used in) investing activities	Net cash from (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2025	138,075	(150,787)	(45,129)	267,000
Year ended March 31, 2024	165,570	(58,981)	(65,395)	328,481

### 2. Cash Dividends

	Cash dividends per share					Total cash dividends	Dividend payout ratio	Ratio of dividends to equity attributable to owners of the parent company
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Year End	Year Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	-	37.00	-	37.00	74.00	24,548	46.6	3.2
Year ended March 31, 2025	-	37.00	-	37.00	74.00	23,955	43.9	3.0
Year ending March 31, 2026 (Forecast)	-	37.00	-	37.00	74.00		57.8	

### 3. Forecast for the Year ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(%: Change from the previous year)

	Revenue		Business profit		Profit from operating activities		Profit before tax		Profit for the period		Profit for the period attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the year ending March 31, 2026	1,320,000	(3.2)	75,000	(16.3)	63,000	(16.1)	59,000	(24.7)	41,000	(25.7)	41,000	(25.7)	127.99

※Notes

- (1) Significant changes in the scope of consolidation during the period : Yes  
 Newly included: 9 companies (Epson Global Reinsurance, Inc., Fiery, LLC and its subsidiaries (7 companies))  
 Excluded: None

- (2) Changes in accounting policies, or changes in accounting estimates

1. Changes in accounting policies required by IFRS: None
2. Changes in accounting policies other than the changes above: None
3. Changes in accounting estimates: None

- (3) Number of shares outstanding

(share)

1. Issued shares (including treasury shares):

2. Treasury shares:

3. Average number of shares:

As of March 31, 2025	373,573,152	As of March 31, 2024	385,022,278
As of March 31, 2025	53,229,249	As of March 31, 2024	53,398,912
Year ended March 31, 2025	326,976,566	Year ended March 31, 2024	331,589,159

**(Reference) Summary of Non-Consolidated Financial Results**

**Results of the Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)**

- (1) Non-Consolidated Operating Results

(%: Change from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	981,016	14.4	48,917	-	93,075	55.9	82,130	51.2
Year ended March 31, 2024	857,780	(11.6)	(8,406)	-	59,690	(22.6)	54,322	(22.3)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Year ended March 31, 2025	251.18	-
Year ended March 31, 2024	163.82	-

- (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	851,772	479,248	56.3	1,496.05
As of March 31, 2024	827,648	453,777	54.8	1,368.35

(Reference) Shareholders' equity: As of March 31, 2025 ¥479,248 million As of March 31, 2024 ¥453,777 million

※This report is not audited by certified public accountants nor auditors.

※Explanation of appropriate use of forecast and other special items

(Cautionary statement concerning forward-looking statements)

This report includes forward-looking statements that are based on management's view from the information available at the time of the announcement. These statements are subject to various risks and uncertainties. Actual results may be materially different from those discussed in the forward-looking statements. The factors that may affect Epson include, but are not limited to, general economic conditions, the ability of Epson to continue to timely introduce new products and services in markets, consumption trends, competition, technology trends, and exchange rate fluctuations.

Assumptions for the forecasts and warnings for users of the forecasts are available on "Outlook."

(How to access supplementary explanations and details of briefing on financial results)

The Company is scheduled to hold a briefing for analysts on financial results on Thursday, May 1, 2025 and to post materials used at the briefing on the Company's website on that day.

U.S. dollar amounts are presented for the convenience of the readers. This translation should not be construed to imply that the yen amounts actually represent, or have been or could be converted into, equivalent amounts in U.S. dollars. The exchange rate of ¥149.285 = U.S.\$1 at the end of the reporting period has been used for the purpose of presentation.

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## **1. Overview of Operating Results, etc.**

### **Operating Results Overview**

Epson's operating results for the year under review benefited from positive foreign exchange effects resulting from a weak yen. Despite a decline in sales in the visual communications segment, which was significantly impacted by a market slowdown, total consolidated revenue was ¥1,362.9 billion, up 3.7% from the prior year, owing primarily to a substantial increase in sales in the printing solutions segment, comprising high-capacity ink tank printers, office shared inkjet printers, and printhead sales.

Business profit was ¥89.5 billion, up 38.4% from the prior year, when inventory reductions had a substantial negative impact on profit. In addition to revenue growth, business profit sharply increased thanks to positive foreign exchange effects. Due to the recording of foreign exchange losses under other operating income and expenses, profit from operating activities was ¥75.1 billion, up 30.5% from the prior year, and profit before tax was ¥78.3 billion, up 11.8% from the prior year. Profit for the period attributable to owners of the parent company was ¥55.1 billion, up 4.9% from the prior year.

The average exchange rates of the yen against the U.S. dollar and of the yen against the euro during the year were ¥152.47 and ¥163.64, respectively. This represents a 6% depreciation of the yen against the dollar and a 4% depreciation of the yen against the euro compared to the prior year.

A breakdown of the financial results in each reporting segment is provided below.

### **Printing Solutions Segment**

Revenue in the office and home printing business increased. Inkjet printer revenue increased on higher unit sales and the positive foreign exchange effects. This was primarily a result of growth in unit sales of high-capacity ink tank printers in emerging markets, where demand was strong, and a sharp increase in sales of office shared inkjet printers particularly in Western Europe and South America. Sales of inkjet printer consumables increased mainly due to positive foreign exchange effects. Sales of ink cartridges decreased, but this decrease was more than offset by increased sales of ink bottles for high-capacity ink tank printers and ink for office shared inkjet printers.

Revenue in the commercial and industrial printing business increased. Sales of commercial and industrial inkjet printer finished products slightly increased. Although unit sales growth stagnated, steady sales of consumables and the positive impact of exchange rates contributed to this increase. Sales of small printers increased mainly due to firm demand in Europe and positive foreign exchange effects. Revenue in the printhead sales business sharply increased on robust demand from printer manufacturers in China.

Segment profit in the printing solutions segment sharply increased from the prior-year period, when inventory reductions had a large negative impact on profit, owing to revenue growth and positive foreign exchange effects.

As a result of the foregoing factors, revenue in the printing solutions segment was ¥980.1 billion, up 6.7% from the prior year. Segment profit was ¥124.8 billion, up 29.9% from the prior year.

Furthermore, the acquisition of Fiery, LLC, impacted this year's consolidated financial results. The effects between December and March were recorded in the fourth quarter in the commercial and industrial printing business.

### **Visual Communications Segment**

Revenue in the visual communications segment decreased despite positive foreign exchange effects. In

addition to deterioration in the Chinese market, revenue was significantly impacted by a decline in sales in the education markets of Europe, the Americas, the Middle East and Africa.

Segment profit declined in the visual communications segment because of the large negative impact from the decrease in revenue, which more than offset positive foreign exchange effects.

As a result of the foregoing factors, revenue in the visual communications segment was ¥203.7 billion, down 6.3% from the prior year. Segment profit was ¥29.0 billion, down 8.1% from the prior year.

## Manufacturing-Related & Wearables Segment

Revenue declined in the manufacturing solutions business due to continued sluggish sales resulting primarily from stagnant investment demand in China, Europe, and the Americas.

Revenue increased in the wearable products business owing mainly to increased sales volume and demand from visitors to Japan.

Revenue declined in the microdevices business. Crystal device revenue increased from the prior year, when market conditions deteriorated markedly due to the impact of market inventory adjustments. This increase was a result of a recovering consumer electronics market as well as positive foreign exchange effects. In contrast to the prior year, when sales increased due to the elimination of an order backlog primarily in the first quarter, semiconductor revenue declined this year because of ongoing stagnant customer demand, especially in the industrial sector.

Segment profit sharply declined in the manufacturing-related and wearables segment primarily due to lower revenue in the microdevices business.

As a result of the foregoing factors, revenue in the manufacturing-related and wearables segment was ¥181.4 billion, up 0.9% from the prior year. Segment loss was ¥3.2 billion (compared to a segment loss of ¥1.5 billion in the prior year).

We also recorded an impairment loss of ¥0.7 billion in the manufacturing solutions business because profitability continues to decrease due to factors including a slower than expected market recovery in China and the other main sales territories.

## Adjustments

Adjustments to the total profit of reporting segments amounted to negative ¥61.0 billion. (Adjustments in the prior year were negative ¥61.4 billion.) The main components of the adjustment were basic technology research and development expenses that do not correspond to the reporting segments, and revenue and expenses associated with things such as new businesses and corporate functions.

**Financial Position Overview**

Total assets at the end of the fiscal year were ¥1,456.4 billion, up ¥43.3 billion compared to the end of the prior fiscal year. While cash and cash equivalents decreased chiefly as a result of shareholder returns in the form of dividend payments and a purchase of treasury shares, total assets increased due to the inclusion of goodwill and intangible assets from the acquisition of Fiery, LLC.

Total liabilities were ¥651.5 billion, up ¥49.6 billion compared to the end of the prior fiscal year. This increase was primarily due to the issuance of bonds associated with the financing of the Fiery, LLC acquisition, resulting in an increase in bonds issued, borrowings, and lease liabilities.

Equity attributable to owners of the parent company was ¥804.7 billion, down ¥6.2 billion compared to the end of the prior fiscal year. This decrease was primarily due to shareholder returns in the form of dividend payments and a purchase of treasury shares, which more than offset the ¥55.1 billion recorded as profit for the period attributable to owners of the parent company.

**Cash Flows Overview**

Net cash from operating activities during the year totaled ¥138.0 billion (compared to ¥165.5 billion in the prior year). This was primarily due to change factors such as the recording of ¥55.1 billion in profit for the period and of depreciation and amortization.

Net cash used in investing activities totaled ¥150.7 billion (compared to ¥58.9 billion used in the prior year), with payments associated with the acquisition of shares of Fiery, LLC, the largest component.

Net cash used in financing activities totaled ¥45.1 billion (compared to ¥65.3 billion used in the prior year). This was due to income from an issue of bonds payable as well as expenditures from dividend payments and a purchase of treasury shares.

As a result of the foregoing, the balance of cash and cash equivalents at the end of the fiscal year, combined with the effects of exchange rate volatility, totaled ¥267.0 billion, down ¥61.4 billion from the end of the prior fiscal year.

**Outlook**

The financial outlook for the 2025 fiscal year ending March 31, 2026, is summarized below.

On a constant currency basis, both revenue and business profit are expected to increase from the prior year. However, both are expected to decline from the prior year due to a substantial negative impact of a stronger yen. Profit from operating activities and each level of profit thereafter are expected to decline from the prior year along with a decline in business profit.

The figures in the outlook are based on assumed exchange rates of ¥141.00 to the U.S. dollar and ¥155.00 to the euro.

A rise in the U.S. tariff rate is expected to have a significant impact on Epson's financial performance. Epson will swiftly implement measures to counter the impact, such as price adjustments and supply chain changes, including changes in production locations. Given the unpredictability of future moves, Epson will continue to monitor the situation closely.

For details, please see the fiscal year 2024 (ending March 2025) full-year financial results presentation that was announced simultaneously with this report.

**Consolidated Full-Year Financial Outlook**

	FY2024 Result	FY2025 Plan	Change	
Revenue	¥1,362.9 billion	¥1,320.0 billion	-¥42.9 billion	(-3.2%)
Business profit	¥89.5 billion	¥75.0 billion	-¥14.5 billion	(-16.3%)
Profit from operating activities	¥75.1 billion	¥63.0 billion	-¥12.1 billion	(-16.1%)
Profit before tax	¥78.3 billion	¥59.0 billion	-¥19.3 billion	(-24.7%)
Profit for the period	¥55.1 billion	¥41.0 billion	-¥14.1 billion	(-25.7%)
Profit for the period attributable to owners of the parent company	¥55.1 billion	¥41.0 billion	-¥14.1 billion	(-25.7%)
Exchange rates	1 USD = ¥152.47	1 USD = ¥141.00		
	1 EUR = ¥163.64	1 EUR = ¥155.00		

**2. Basic Policy on Selection of Accounting Standards**

Epson applies International Financial Reporting Standards (IFRS).

The purpose of adopting IFRS is to enable management based on a unified structure and information for each group company and business, and to strengthen Epson's management base as a “truly global company”.

## 3. Consolidated Financial Statements and Primary Notes

**Consolidated Statement of Financial Position**

Years ended March 31, 2024 and 2025

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2025	March 31, 2025
<b><u>Assets</u></b>			
Current assets			
Cash and cash equivalents	328,481	267,000	1,788,525
Trade and other receivables	212,781	210,091	1,407,314
Inventories	358,189	369,781	2,477,013
Income tax receivables	10,116	11,276	75,533
Other financial assets	1,995	2,451	16,418
Other current assets	21,923	20,254	135,673
Total current assets	933,487	880,855	5,900,492
Non-current assets			
Property, plant and equipment	377,333	379,712	2,543,537
Goodwill and intangible assets	27,066	122,417	820,022
Investment property	1,103	1,110	7,435
Investments accounted for using equity method	2,244	2,185	14,636
Net defined benefit assets	4,543	177	1,185
Other financial assets	29,369	23,990	160,699
Other non-current assets	1,827	5,522	36,989
Deferred tax assets	36,117	40,490	271,226
Total non-current assets	479,606	575,605	3,855,745
Total assets	1,413,094	1,456,461	9,756,244



# SEIKO EPSON CORPORATION

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2025	March 31, 2025
<b>Liabilities and equity</b>			
Liabilities			
Current liabilities			
Trade and other payables	159,827	158,085	1,058,947
Income tax payables	8,279	17,345	116,187
Bonds issued, borrowings and lease liabilities	29,688	80,214	537,321
Other financial liabilities	2,731	1,471	9,853
Provisions	12,703	13,228	88,609
Other current liabilities	159,163	173,772	1,164,028
Total current liabilities	372,395	444,117	2,974,960
Non-current liabilities			
Bonds issued, borrowings and lease liabilities	175,095	144,494	967,907
Other financial liabilities	5,256	5,362	35,917
Net defined benefit liabilities	13,836	15,765	105,603
Provisions	8,856	11,356	76,069
Other non-current liabilities	17,365	20,880	139,866
Deferred tax liabilities	9,154	9,592	64,252
Total non-current liabilities	229,564	207,451	1,389,630
Total liabilities	601,960	651,569	4,364,597
Equity			
Share capital	53,204	53,204	356,392
Capital surplus	84,042	83,904	562,039
Treasury shares	(55,455)	(70,260)	(470,643)
Other components of equity	172,175	165,194	1,106,567
Retained earnings	557,025	572,710	3,836,353
Equity attributable to owners of the parent company	810,992	804,752	5,390,709
Non-controlling interests	141	139	931
Total equity	811,134	804,891	5,391,640
Total liabilities and equity	1,413,094	1,456,461	9,756,244

# Consolidated Statement of Comprehensive Income

Years ended March 31, 2024 and 2025

	Millions of yen		Thousands of U.S. dollars
	Year ended March 31,		Year ended March 31,
	2024	2025	2025
Revenue	1,313,998	1,362,944	9,129,812
Cost of sales	(857,331)	(869,917)	(5,827,223)
Gross profit	456,666	493,026	3,302,582
Selling, general and administrative expenses	(391,945)	(403,437)	(2,702,461)
Other operating income	2,497	4,494	30,103
Other operating expense	(9,685)	(18,975)	(127,105)
Profit from operating activities	57,533	75,108	503,118
Finance income	15,252	6,180	41,397
Finance costs	(2,714)	(2,900)	(19,425)
Share of profit (loss) of investments accounted for using equity method	23	7	46
Profit before tax	70,094	78,395	525,136
Income taxes	(17,473)	(23,214)	(155,501)
Profit for the period	52,620	55,181	369,635
Profit for the period attributable to:			
Owners of the parent company	52,616	55,177	369,608
Non-controlling interests	4	3	20
Profit for the period	52,620	55,181	369,635

# SEIKO EPSON CORPORATION

	Millions of yen		Thousands of U.S. dollars
	Year ended March 31,		Year ended March 31,
	2024	2025	2025
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss, net of tax			
Remeasurement of net defined benefit liabilities (assets)	3,392	(2,680)	(17,952)
Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)	3,029	(306)	(2,049)
Subtotal	6,421	(2,986)	(20,002)
Items that may be reclassified subsequently to profit or loss, net of tax			
Exchange differences on translation of foreign operations	49,580	(4,472)	(29,956)
Net changes in fair value of cash flow hedges	637	293	1,962
Share of other comprehensive income of investments accounted for using equity method	64	(15)	(100)
Subtotal	50,283	(4,194)	(28,093)
Total other comprehensive income, net of tax	56,704	(7,181)	(48,102)
Total comprehensive income for the period	109,325	47,999	321,525
Total comprehensive income for the period attributable to:			
Owners of the parent company	109,308	48,000	321,532
Non-controlling interests	16	(1)	(6)
Total comprehensive income for the period	109,325	47,999	321,525
(Note) FVTOCI: Fair Value Through Other Comprehensive Income			
	Yen		U.S. dollars
	Year ended March 31,		Year ended March 31,
	2024	2025	2025
Earnings per share for the period:			
Basic earnings per share for the period	158.68	168.75	1.13
Diluted earnings per share for the period	158.66	168.75	1.13

# Consolidated Statement of Changes in Equity

Years ended March 31, 2024 and 2025

Millions of yen												
Equity attributable to owners of the parent company												
	Share capital	Capital surplus	Treasury shares	Other components of equity					Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
				Remeasurement of net defined benefit liabilities (assets)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)	Exchange differences on translation of foreign operations	Net changes in fair value of cash flow hedges	Total other components of equity				
As of April 1, 2023	53,204	83,979	(55,586)	-	5,711	114,972	(1,227)	119,455	526,299	727,352	125	727,477
Profit for the period	-	-	-	-	-	-	-	-	52,616	52,616	4	52,620
Other comprehensive income	-	-	-	3,392	3,029	49,633	637	56,692	-	56,692	12	56,704
Total comprehensive income for the period	-	-	-	3,392	3,029	49,633	637	56,692	52,616	109,308	16	109,325
Acquisition of treasury shares	-	-	(1)	-	-	-	-	-	-	(1)	-	(1)
Cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	(25,862)	(25,862)	(0)	(25,862)
Share-based payment transactions	-	62	132	-	-	-	-	-	-	195	-	195
Transfer from other components of equity to retained earnings	-	-	-	(3,392)	(580)	-	-	(3,972)	3,972	-	-	-
Total transactions with the owners	-	62	131	(3,392)	(580)	-	-	(3,972)	(21,889)	(25,668)	(0)	(25,668)
As of March 31, 2024	53,204	84,042	(55,455)	-	8,159	164,605	(589)	172,175	557,025	810,992	141	811,134

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

# SEIKO EPSON CORPORATION

Millions of yen												
Equity attributable to owners of the parent company												
	Share capital	Capital surplus	Treasury shares	Other components of equity					Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
				Remeasurement of net defined benefit liabilities (assets)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)	Exchange differences on translation of foreign operations	Net changes in fair value of cash flow hedges	Total other components of equity				
As of April 1, 2024	53,204	84,042	(55,455)	-	8,159	164,605	(589)	172,175	557,025	810,992	141	811,134
Profit for the period	-	-	-	-	-	-	-	-	55,177	55,177	3	55,181
Other comprehensive income	-	-	-	(2,680)	(306)	(4,483)	293	(7,176)	-	(7,176)	(4)	(7,181)
Total comprehensive income for the period	-	-	-	(2,680)	(306)	(4,483)	293	(7,176)	55,177	48,000	(1)	47,999
Acquisition of treasury shares	-	-	(30,022)	-	-	-	-	-	-	(30,022)	-	(30,022)
Cancellation of treasury shares	-	(175)	15,100	-	-	-	-	-	(14,924)	-	-	-
Dividends	-	-	-	-	-	-	-	-	(24,372)	(24,372)	(0)	(24,373)
Share-based payment transactions	-	37	116	-	-	-	-	-	-	153	-	153
Transfer from other components of equity to retained earnings	-	-	-	2,680	(2,484)	-	-	195	(195)	-	-	-
Total transactions with the owners	-	(138)	(14,805)	2,680	(2,484)	-	-	195	(39,493)	(54,241)	(0)	(54,242)
As of March 31, 2025	53,204	83,904	(70,260)	-	5,368	160,122	(296)	165,194	572,710	804,752	139	804,891

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

Thousands of U.S. dollars												
Equity attributable to owners of the parent company												
	Share capital	Capital surplus	Treasury shares	Other components of equity					Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
				Remeasurement of net defined benefit liabilities (assets)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)	Exchange differences on translation of foreign operations	Net changes in fair value of cash flow hedges	Total other components of equity				
As of April 1, 2024	356,392	562,963	(371,470)	-	54,653	1,102,622	(3,945)	1,153,330	3,731,285	5,432,508	944	5,433,459
Profit for the period	-	-	-	-	-	-	-	-	369,608	369,608	20	369,635
Other comprehensive income	-	-	-	(17,952)	(2,049)	(30,029)	1,962	(48,069)	-	(48,069)	(26)	(48,102)
Total comprehensive income for the period	-	-	-	(17,952)	(2,049)	(30,029)	1,962	(48,069)	369,608	321,532	(6)	321,525
Acquisition of treasury shares	-	-	(201,105)	-	-	-	-	-	-	(201,105)	-	(201,105)
Cancellation of treasury shares	-	(1,172)	101,148	-	-	-	-	-	(99,969)	-	-	-
Dividends	-	-	-	-	-	-	-	-	(163,258)	(163,258)	(0)	(163,264)
Share-based payment transactions	-	247	777	-	-	-	-	-	-	1,024	-	1,024
Transfer from other components of equity to retained earnings	-	-	-	17,952	(16,639)	-	-	1,306	(1,306)	-	-	-
Total transactions with the owners	-	(924)	(99,172)	17,952	(16,639)	-	-	1,306	(264,547)	(363,338)	(0)	(363,345)
As of March 31, 2025	356,392	562,039	(470,643)	-	35,958	1,072,592	(1,982)	1,106,567	3,836,353	5,390,709	931	5,391,640

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

**Consolidated Statement of Cash Flows**

Years ended March 31, 2024 and 2025

	Millions of yen		Thousands of U.S. dollars
	Year ended March 31,		Year ended March 31,
	2024	2025	2025
Cash flows from operating activities			
Profit for the period	52,620	55,181	369,635
Depreciation and amortization	68,682	72,142	483,250
Impairment loss (reversal of impairment loss)	1,339	1,256	8,413
Finance (income) costs	(12,537)	(3,280)	(21,971)
Share of (profit) loss of investments accounted for using equity method	(23)	(7)	(46)
Loss (gain) on sale and disposal of property, plant and equipment, intangible assets and investment property	532	92	616
Income taxes	17,473	23,214	155,501
Decrease (increase) in trade receivables	4,370	3,500	23,445
Decrease (increase) in inventories	71,097	(15,780)	(105,703)
Increase (decrease) in trade payables	(7,921)	2,562	17,161
Increase (decrease) in net defined benefit liabilities	663	1,648	11,039
Other	(10,957)	17,241	115,490
Subtotal	185,340	157,773	1,056,857
Interest and dividends income received	4,931	6,187	41,444
Interest expenses paid	(1,821)	(1,543)	(10,335)
Income taxes paid	(22,879)	(24,341)	(163,050)
Net cash from (used in) operating activities	165,570	138,075	924,908
Cash flows from investing activities			
Purchase of investment securities	(1,371)	(1,092)	(7,314)
Proceeds from sale of investment securities	1,004	5,708	38,235
Purchase of property, plant and equipment	(49,570)	(59,369)	(397,688)
Proceeds from sale of property, plant and equipment	404	621	4,159
Purchase of intangible assets	(7,023)	(10,897)	(72,994)
Proceeds from sale of intangible assets	15	13	87
Proceeds from sale of investment property	-	88	589
Payments for acquisition of subsidiaries	-	(85,483)	(572,616)
Other	(2,440)	(375)	(2,511)
Net cash from (used in) investing activities	(58,981)	(150,787)	(1,010,061)
Cash flows from financing activities			
Net increase (decrease) in current borrowings	502	(567)	(3,798)
Repayment of non-current borrowings	-	(9,000)	(60,287)
Proceeds from issuance of bonds issued	-	39,823	266,758
Redemption of bonds issued	(30,000)	(10,000)	(66,985)
Payment of lease liabilities	(10,033)	(10,989)	(73,610)
Dividends paid	(25,862)	(24,372)	(163,258)
Dividends paid to non-controlling interests	(0)	(0)	(0)
Purchase of treasury shares	(1)	(30,022)	(201,105)
Net cash from (used in) financing activities	(65,395)	(45,129)	(302,300)
Effect of exchange rate changes on cash and cash equivalents	19,907	(3,640)	(24,382)
Net increase (decrease) in cash and cash equivalents	61,100	(61,481)	(411,836)
Cash and cash equivalents at beginning of period	267,380	328,481	2,200,361
Cash and cash equivalents at end of period	328,481	267,000	1,788,525

**Notes to Consolidated Financial Statements**

(Going Concern Assumption)

Not applicable.

(Segment Information)

**(1) Outline of Reportable Segments**

The reportable segments of Epson are determined based on the operating segments that are components of Epson for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors in deciding how to allocate resources and in assessing performance.

The reportable segments of Epson are composed of three segments: “Printing Solutions”, “Visual Communications” and “Manufacturing-related & Wearables.” They are determined by types of products, nature of products, and markets. Epson conducts development, manufacturing and sales within its reportable segments as follows:

Reportable segments	Main products
Printing Solutions	Office/ Home inkjet printers, serial impact dot matrix printers, page printers, color image scanners, dry process office papermaking systems, commercial and industrial inkjet printers, inkjet printheads, printers for use in POS systems, label printers, printer consumables, digital printing software solutions, and others
Visual Communications	3LCD projectors, smart glasses, and others
Manufacturing-related & Wearables	Industrial robots, wristwatches, watch movements, quartz crystal devices, semiconductors, metal powders, surface finishing, PC, and others

## (2) Revenues and Performances of Reportable Segments

Revenues and performances of reportable segments are as follows. Transfer prices between the segments are based on prevailing market prices.

FY2023: Year ended March 31, 2024

	Millions of yen					Adjustments (Note 2)	Consolidated
	Reportable segments						
	Printing Solutions	Visual Communications	Manufacturing- related & Wearables	Subtotal			
Revenue							
External revenues	918,630	217,462	170,803	1,306,895	7,102	1,313,998	
Intersegment revenues	26	0	9,111	9,138	(9,138)	-	
Total revenue	918,656	217,462	179,914	1,316,034	(2,035)	1,313,998	
Segment profit (loss) (Business profit) (Note 1)	96,109	31,592	(1,579)	126,122	(61,400)	64,721	
			Other operating income (expense)			(7,188)	
			Profit from operating activities			57,533	
			Finance income (costs)			12,537	
			Share of profit (loss) of investments accounted for using equity method			23	
			Profit before tax			70,094	

Other items

	Reportable segments				Adjustments (Note 3)	Consolidated
	Printing Solutions	Visual Communications	Manufacturing- related & Wearables	Subtotal		
Depreciation and amortization	(41,855)	(9,456)	(10,378)	(61,690)	(6,991)	(68,681)
Impairment losses of assets other than financial assets	(159)	(63)	(Note 4) (1,067)	(1,290)	(49)	(1,339)
Segment assets	628,868	147,622	172,479	948,970	464,124	1,413,094
Capital expenditures	44,109	6,023	12,355	62,488	7,545	70,033

(Note 1) Segment profit (loss) (Business profit) is calculated by subtracting Cost of sales and Selling, general and administrative expenses from Revenue.

(Note 2) “Adjustments” of (¥61,400) million in Segment profit (loss) (Business profit) comprises ¥497 million in eliminated intersegment transactions and (¥61,898) million in Corporate and Other. Corporate and Other mainly includes expenses related to research and development for basic technology, as well as revenues and expenses related to new businesses and general corporate functions that are not attributed to reportable segments.

(Note 3) “Adjustments” of ¥464,124 million in Segment assets includes the elimination of intersegment transactions of (¥6,523) million and other amounts mainly consisting of corporate assets that are not attributed to reportable segments.

(Note 4) Epson recognizes an impairment loss of (¥606) million in the manufacturing solutions business because it is expected to take time to improve its profitability, due to changes in the market environment, such as economic stagnation and the rise of local manufacturers in China, as well as continued investments in human capital for its business growth.



# SEIKO EPSON CORPORATION

FY2024: Year ended March 31, 2025

	Millions of yen					Adjustments (Note 2)	Consolidated
	Reportable segments						
	Printing Solutions	Visual Communications	Manufacturing- related & Wearables	Subtotal			
Revenue							
External revenues	980,078	203,782	172,210	1,356,070	6,873	1,362,944	
Intersegment revenues	70	0	9,253	9,323	(9,323)	-	
Total revenue	980,148	203,782	181,463	1,365,394	(2,450)	1,362,944	
Segment profit (loss) (Business profit) (Note 1)	124,847	29,021	(3,221)	150,646	(61,057)	89,589	
			Other operating income (expense)			(14,481)	
			Profit from operating activities			75,108	
			Finance income (costs)			3,280	
			Share of profit (loss) of investments accounted for using equity method			7	
			Profit before tax			78,395	

Other items

	Reportable segments				Adjustments (Note 3)	Consolidated
	Printing Solutions	Visual Communications	Manufacturing- related & Wearables	Subtotal		
Depreciation and amortization	(45,160)	(9,293)	(10,859)	(65,313)	(6,708)	(72,021)
Impairment losses of assets other than financial assets	(92)	(29)	(Note 4) (792)	(913)	(343)	(1,256)
Segment assets	753,144	153,773	179,415	1,086,333	370,128	1,456,461
Capital expenditures	46,429	9,066	12,598	68,094	7,726	75,821

(Note 1) Segment profit (loss) (Business profit) is calculated by subtracting Cost of sales and Selling, general and administrative expenses from Revenue.

(Note 2) “Adjustments” of (¥61,057) million in Segment profit (loss) (Business profit) comprises ¥487 million in eliminated intersegment transactions and (¥61,545) million in Corporate and Other. Corporate and Other mainly includes expenses related to research and development for basic technology, as well as revenues and expenses related to new businesses and general corporate functions that are not attributed to reportable segments.

(Note 3) “Adjustments” of ¥370,128 million in Segment assets includes the elimination of intersegment transactions of (¥5,962) million and other amounts mainly consisting of corporate assets that are not attributed to reportable segments.

(Note 4) Epson recognizes an impairment loss of (¥777) million in the manufacturing solutions business due to the continued decline in profitability mainly caused by the slow recovery of markets in China and other major sales regions.

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FY2024: Year ended March 31, 2025

Thousands of U.S. dollars						
	Reportable segments				Adjustments (Note 2)	Consolidated
	Printing Solutions	Visual Communications	Manufacturing- related & Wearables	Subtotal		
Revenue						
External revenues	6,565,147	1,365,053	1,153,565	9,083,765	46,039	9,129,812
Intersegment revenues	468	0	61,982	62,451	(62,451)	-
Total revenue	6,565,616	1,365,053	1,215,547	9,146,223	(16,411)	9,129,812
Segment profit (loss) (Business profit) (Note 1)	836,299	194,399	(21,576)	1,009,116	(408,996)	600,120
			Other operating income (expense)			(97,002)
			Profit from operating activities			503,118
			Finance income (costs)			21,971
			Share of profit (loss) of investments accounted for using equity method			46
			Profit before tax			525,136

Other items

	Reportable segments				Adjustments (Note 3)	Consolidated
	Printing Solutions	Visual Communications	Manufacturing- related & Wearables	Subtotal		
Depreciation and amortization	(302,508)	(62,250)	(72,740)	(437,505)	(44,934)	(482,439)
Impairment losses of assets other than financial assets	(616)	(194)	(Note 4) (5,305)	(6,115)	(2,297)	(8,413)
Segment assets	5,045,007	1,030,063	1,201,828	7,276,906	2,479,338	9,756,244
Capital expenditures	311,009	60,729	84,388	456,134	51,753	507,894

(Note 1) Segment profit (loss) (Business profit) is calculated by subtracting Cost of sales and Selling, general and administrative expenses from Revenue.

(Note 2) “Adjustments” of (\$408,996) thousand in Segment profit (loss) (Business profit) comprises \$3,262 thousand in eliminated intersegment transactions and of (\$412,265) thousand in Corporate and Other. Corporate and Other mainly includes expenses related to research and development for basic technology, as well as revenues and expenses related to new businesses and general corporate functions that are not attributed to reportable segments.

(Note 3) “Adjustments” of \$2,479,338 thousand in Segment assets includes the elimination of intersegment transactions of (\$39,937) thousand and other amounts mainly consisting of corporate assets that are not attributed to reportable segments.

(Note 4) Epson recognizes an impairment loss of (\$5,204) thousand in the manufacturing solutions business due to the continued decline in profitability mainly caused by the slow recovery of markets in China and other major sales regions.

**(3) Geographic Information**

The regional breakdowns of non-current assets and external revenues as of each fiscal year end are as follows:

## Non-current Assets

	Millions of yen		Thousands of U.S. dollars
	March 31,		March 31,
	2024	2025	2025
Japan	214,342	224,835	1,506,078
The United States	26,000	120,200	805,171
The Philippines	47,844	46,899	314,157
Indonesia	33,637	33,306	223,103
China	30,619	28,468	190,695
Other	54,887	55,051	368,764
Total	407,331	508,762	3,407,991

(Note) Non-current assets, excluding Investments accounted for using equity method, Other financial assets, Deferred tax assets and retirement benefits assets, are segmented by the location of the assets.

## External Revenue

	Millions of yen		Thousands of U.S. dollars
	Year ended March 31,		Year ended March 31,
	2024	2025	2025
Japan	223,396	225,920	1,513,346
The United States	287,541	288,339	1,931,466
China	167,545	182,176	1,220,323
Other	635,514	666,507	4,464,661
Total	1,313,998	1,362,944	9,129,812

(Note) Revenues are segmented by country based on the location of the customers.

**(4) Information about Major Customers**

Epson has no transactions with a single external customer amounting to 10% or more of total external revenues.

# SEIKO EPSON CORPORATION

(Earnings per Share)

## (1) Basis of calculating basic earnings per share

	Millions of yen		Thousands of U.S. dollars
	Year ended March 31,		Year ended
	2024	2025	March 31, 2025
Profit for the period attributable to owners of the parent company	52,616	55,177	369,608
Profit for the period not attributable to owners of the parent company	-	-	-
Profit used for calculation of basic earnings per share	52,616	55,177	369,608
Weighted-average number of ordinary shares outstanding (Thousands of Shares)	331,589	326,977	326,977
Basic earnings per share	(Yen) 158.68	(Yen) 168.75	(\$ 1.13

## (2) Basis of calculating diluted earnings per share

	Millions of yen		Thousands of U.S. dollars
	Year ended March 31,		Year ended
	2024	2025	March 31, 2025
Profit used for calculation of basic earnings per share	52,616	55,177	369,608
Adjustments	-	-	-
Profit used for calculation of diluted earnings per share	52,616	55,177	369,608
Weighted-average number of ordinary shares outstanding (Thousands of Shares)	331,589	326,977	326,977
Effect of dilutive potential ordinary shares			
BIP trust for eligible officers (Thousands of Shares)	44	10	10
Weighted-average number of ordinary shares diluted (Thousands of Shares)	331,634	326,987	326,987
Diluted earnings per share	(Yen) 158.66	(Yen) 168.75	(\$ 1.13

(Note) For the purpose of calculation of basic earnings per share and diluted earnings per share, the shares of the Company held by BIP trust are accounted as treasury shares and the number of those shares are deducted from weighted-average number of ordinary shares outstanding during the period.

(Business Combinations)

FY2023: Year ended March 31, 2024

Not applicable.

FY2024: Year ended March 31, 2025

The Company acquired all equity interests of Fiery, LLC ("Fiery") from its shareholders, affiliates of Siris Capital Group, LLC and Electronics for Imaging, Inc. on December 2, 2024. As a result, Fiery became a wholly owned subsidiary of the Company.

### **(1) Overview of the Business Combination**

**(A) Name and business description of the acquiree**

Name of the acquiree    Fiery, LLC

Business description    Digital printing software solutions

**(B) Acquisition date**

December 2, 2024

**(C) Percentage of voting equity interests acquired**

100%

**(D) Primary reasons for the business combination**

Fiery, headquartered in the US, is a leading independent provider of comprehensive printing business-to-business software solutions and services including digital front end ("DFE")<sup>1</sup> servers for industrial and digital printing.

Epson and Fiery each have a long history of supporting customers to maximize their productivity with the use of digital printing technology which meets needs arising from office-use to commercial or industrial-use. Fiery's software, server, and workflow solutions will complement Epson's strategic vision and hardware leadership, and Epson will work with Fiery to accelerate growth in the digital printing field and enhance corporate value.

<sup>1</sup>Digital Front End: A general term for software and hardware used to process print data and manage the printing process.

**(E) Method used to obtain control of the acquiree**

Cash consideration for the acquisition of equity interests

# SEIKO EPSON CORPORATION

## (2) Fair Values of Consideration for the Acquisition, Assets Acquired, Liabilities Assumed and Goodwill as of the Acquisition Date

	Millions of yen		
	Initial provisional fair value	Revised amount	Fair value after revision
Fair value of the consideration for the acquisition (Note 1)	85,635	535	86,170
Fair values of the assets acquired and the liabilities assumed (Note 2)			
Current assets			
Cash and cash equivalents	687	-	687
Other current assets	5,645	18	5,664
Non-current assets			
Property, plant and equipment	1,816	-	1,816
Intangible assets (Note 3)	1,486	54,517	56,004
Other non-current assets	8,808	-	8,808
Current liabilities	(6,983)	(33)	(7,016)
Non-current liabilities	(2,576)	(13,629)	(16,206)
Fair values of the assets acquired and the liabilities assumed (net)	8,885	40,873	49,758
Goodwill (Note 4)	76,750	(40,338)	36,412

	Thousands of U.S. dollars		
	Initial provisional fair value	Revised amount	Fair value after revision
Fair value of the consideration for the acquisition (Note 1)	573,634	3,583	577,218
Fair values of the assets acquired and the liabilities assumed (Note 2)			
Current assets			
Cash and cash equivalents	4,601	-	4,601
Other current assets	37,813	120	37,940
Non-current assets			
Property, plant and equipment	12,164	-	12,164
Intangible assets (Note 3)	9,954	365,187	375,148
Other non-current assets	59,001	-	59,001
Current liabilities	(46,776)	(221)	(46,997)
Non-current liabilities	(17,255)	(91,295)	(108,557)
Fair values of the assets acquired and the liabilities assumed (net)	59,517	273,791	333,308
Goodwill (Note 4)	514,117	(270,207)	243,909

(Note 1) The final price adjustment under the equity purchase agreement has been completed, and the fair value of the consideration for the acquisition was determined.

(Note 2) The fair values of the assets acquired and the liabilities assumed were provisionally calculated as of December 31, 2024, but were finalized as of March 31, 2025 because the allocation of the purchase price has been completed.

(Note 3) Intangible assets mainly include customer-related intangible assets and technology-based intangible assets. These intangible assets are measured based on assumptions such as revenue growth rates, gross profit ratios, attrition rates of existing customers and discount rate.

(Note 4) Goodwill is primarily generated in relation to expected future profitability. None of the recognized goodwill is expected to be deductible for tax purposes.

**(3) Acquisition-related Costs**

The acquisition-related costs of ¥1,404 million (\$9,404 thousand) are included in Selling, general and administrative expenses in the consolidated statement of comprehensive income.

**(4) Cash Flows Associated with the Acquisition**

	Millions of yen	Thousands of U.S. dollars
	Amount	Amount
Acquisition consideration in cash (Note)	86,170	577,218
Cash and cash equivalents received on acquisition date	(687)	(4,601)
Expenditures for acquisition of the subsidiary	85,483	572,616

(Note) The final price adjustment under the equity purchase agreement has been completed, and the acquisition consideration was determined.

**(5) Impact on Business Performance**

Profit or loss information relating to the business combination after the acquisition date and profit or loss information assuming that the business combination had taken place at the beginning of the period are omitted because the impact on Epson's consolidated profit or loss is insignificant. This pro-forma information has not been audited by the independent auditor.

**(Contingencies)**

**Material litigation**

In general, litigation has uncertainties and it is difficult to make a reliable estimate of financial effect of the possibility of an outflow of resources embodying economic benefits. Epson does not recognize provisions when either an outflow of resources embodying economic benefits is not probable or an estimate of financial effect is not practicable. Epson has the following material action.

**The civil action on copyright fee of ink-jet printers**

In June 2010, Epson Europe B.V. ("EEB"), a consolidated subsidiary of the Company, brought a civil suit against La SCRL Reprobel ("Reprobel"), a Belgium-based group that collects copyright royalties, seeking restitution for copyright royalties for multifunction printers. After that, Reprobel also brought a civil suit against EEB. As a result, these two lawsuits were adjoined. EEB's claims were rejected at the first trial, but EEB, dissatisfied with the decision, intends to appeal.

**(Subsequent Events)**

Not applicable.

# SEIKO EPSON CORPORATION

## (Reference) Quarterly Information

(Millions of yen)

	FY2024 1Q (From Apr to Jun)	FY2024 2Q (From Jul to Sep)	FY2024 3Q (From Oct to Dec)	FY2024 4Q (From Jan to Mar)
Revenue	336,614	337,584	349,620	339,125
Cost of sales	(216,667)	(211,823)	(227,025)	(214,401)
Gross profit	119,946	125,760	122,595	124,723
Selling, general and administrative expenses	(96,446)	(98,219)	(99,673)	(109,097)
Business profit (Note)	23,499	27,540	22,922	15,626
Other operating income (expense)	(1,030)	(15,070)	5,005	(3,385)
Profit from operating activities	22,468	12,470	27,927	12,240
Finance income (costs)	4,438	(6,517)	6,413	(1,055)
Share of profit (loss) of investments accounted for using equity method	(16)	7	14	1
Profit before tax	26,891	5,961	34,356	11,187
Income taxes	(7,729)	(1,840)	(10,256)	(3,388)
Profit for the period	19,161	4,120	24,099	7,799
Profit for the period attributable to owners of the parent company	19,160	4,119	24,099	7,797
Basic earnings per share for the period (Yen)	57.78	12.50	74.10	24.25

(Note) Business profit is calculated by subtracting Cost of sales and Selling, general and administrative expenses from Revenue.