EPSON

FASF MEMBERSHIP

Financial Results for the Three Months ended June 30, 2026 [IFRS](Consolidated)

August 5, 2026

Name of the listed company: SEIKO EPSON CORPORATION
Stock Listing: TOKYO

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

Representative: Junkichi Yoshida, President

Inquiries: Osamu Shigemura, General Administrative Manager, Business Management & DX Division Tel: +81-266-52-3131

Scheduled starting date of payment for the dividends: -

Reference materials regarding financial results for the period: Yes

Briefing on financial results: Yes (for analysts)

(Amounts are rounded down to the nearest million yen)

1. Results for the Three months ended June 30, 2026（From April 1, 2026 to June 30, 2026）

(1) Consolidated Operating Results (%: Change from the same period 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	%
Three months ended June 30, 2026	367,241	14.4	22,122	12.0	20,601	45.7	20,726	60.4	12,982	96.3	12,984	96.4
Three months ended June 30, 2025	320,879	(4.7)	19,755	(15.9)	14,136	(37.1)	12,918	(52.0)	6,613	(65.5)	6,612	(65.5)

Note: Total comprehensive income for the period: Three months ended June 30, 2026 ¥23,595 million [- %]
Three months ended June 30, 2025 (¥3,624) million [- %]
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
	Yen	Yen
Three months ended June 30, 2026	40.52	-
Three months ended June 30, 2025	20.64	-

(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
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2026	1,580,342	865,427	865,284	54.8
As of March 31, 2026	1,534,870	853,648	853,503	55.6

2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	-	37.00	-	37.00	74.00
Year ending March 31, 2027	-				
Year ending March 31, 2027（Forecast）		40.00	-	40.00	80.00

Note: Changes from the latest announced forecasts: None

3. Forecast for the Fiscal Year ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

(%: 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, 2027	1,510,000	6.8	105,000	25.3	101,000	103.8	99,000	97.9	69,000	279.0	69,000	279.1	215.34

Note: Changes from the latest announced forecasts: Yes

※Notes

(1) Significant changes in the scope of consolidation during the period: 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)	As of June 30, 2026	373,573,152	As of March 31, 2026	373,573,152
2. Treasury shares	As of June 30, 2026	53,145,527	As of March 31, 2026	53,145,401
3. Average number of shares	Three months ended June 30, 2026	320,427,669	Three months ended June 30, 2025	320,343,806

※Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

※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 "Qualitative Information Regarding the Consolidated Financial 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 Wednesday, August 5, 2026 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 ¥162.125 = U.S.$1 at the end of the reporting period has been used for the purpose of presentation.

Table of Contents – Attachments

1. Overview of Operating Results, etc.

Operating Results Overview

During the first quarter of the fiscal year, the global economy remained subject to significant uncertainty. While AI-related demand and increased exports supported production activities in certain countries and regions, rising geopolitical risks and concerns over resource and energy prices stemming from heightened tensions in the Middle East continued to weigh on the economic outlook. In terms of regional trends, the domestic Japanese economy continued to gradually recover. The U.S. economy was supported by solid consumer spending and investment, particularly in AI-related sectors. In Europe, economic growth continued to slow amid the ongoing impact of inflation. In China, the pace of economic recovery showed signs of moderating, but the economy remained generally stable, supported by exports and production activities, particularly in the high-tech sector.
Against this backdrop, Epson posted revenue of ¥367.2 billion, up 14.4% from the prior-year period.
Business profit was ¥22.1 billion, up 12.0% from the prior-year period, primarily reflecting higher revenue and positive foreign exchange effects. Profit from operating activities was ¥20.6 billion, up 45.7% from the prior-year period. Profit before tax was ¥20.7 billion, up 60.4% from the prior-year period. Profit for the period attributable to owners of the parent company was ¥13.0 billion, up 96.4% from the prior-year period.
The average exchange rates of the yen against the U.S. dollar and of the yen against the euro during the first quarter of the year were ¥159.38 and ¥185.33, respectively. This represents a 10% depreciation in the value of the yen against the dollar and a 13% depreciation in the value of the yen against the euro from the prior-year period.

A breakdown of the financial results in each reporting segment is provided below. Effective from the current fiscal year, Epson has changed its reportable segment classifications in line with its new long-term vision, ENGINEERED FUTURE 2035. The Company now reports results under four segments: Precision Innovation, Industrial & Robotics, Office & Home Printing, and Visual & Lifestyle. These reportable segments correspond to the segment classifications presented in “2. Quarterly Condensed Consolidated Financial Statements and Primary Notes, Notes to Quarterly Condensed Consolidated Financial Statements.”

Precision Innovation Segment

Revenue in the Precision Innovation segment sharply increased, primarily due to revenue growth in the inkjet solutions business and microdevices business.
The inkjet solutions business recorded sharply higher revenue this quarter than in the prior-year period, when orders temporarily declined. This revenue growth was driven primarily by the capture of customer contracts and progress in developing new customers.
The microdevices business also recorded a sharp increase in revenue, reflecting continued growth in sales of crystal devices and a recovery in customer demand for semiconductors.
Segment profit in Precision Innovation increased sharply, primarily driven by the increase in revenue.
As a result of the foregoing factors, revenue in the Precision Innovation segment was ¥49.8 billion, up 23.5% from the prior-year period. Segment profit was ¥15.5 billion, up 62.1% from the prior-year period.

Industrial & Robotics Segment

Revenue in the Industrial & Robotics segment increased sharply, chiefly due to revenue growth in the commercial and industrial printing business, in addition to positive foreign exchange effects.
The commercial and industrial printing business recorded a sharp increase in revenue, driven by favorable foreign exchange effects and strong sales of certain finished products.

Robotics business revenue grew primarily by capturing demand in China and other parts of Asia.
Segment profit in Industrial & Robotics increased on higher revenue and foreign exchange effects.
As a result of the foregoing factors, revenue in the Industrial & Robotics segment was ¥82.0 billion, up 17.9% from the prior-year period. Segment profit was ¥5.5 billion, up 44.1% from the prior-year period.

Office & Home Printing Segment

Revenue in the Office & Home Printing segment rose on increased sales particularly of SOHO and home inkjet printers.
SOHO and home inkjet printer revenue grew primarily owing to a combination of positive foreign exchange effects and increased sales of high-capacity ink tank printers. Unit sales of printers were in line with the previous year, supported by steady sales of both ink cartridge models and high-capacity ink tank models. Revenue from consumables increased for both ink cartridges and ink bottles used in high-capacity ink tank models.
Office shared inkjet printer revenue increased sharply, driven by favorable foreign exchange effects and higher sales of both hardware and consumables.
Segment profit in Office & Home Printing decreased sharply, as the positive effects of revenue growth and foreign exchange were more than offset by higher costs associated with rising crude oil prices.
As a result of the foregoing factors, revenue in the Office & Home Printing segment was ¥167.0 billion, up 12.3% from the prior-year period. Segment profit was ¥11.4 billion, down 21.7% from the prior-year period.

Visual & Lifestyle Segment

Visual & Lifestyle segment revenue increased.
Revenue in the visual products business increased, supported by favorable foreign exchange effects and higher sales in South America and Europe associated with demand related to the FIFA World Cup.
Revenue in the wearable products business increased sharply, driven by continued strong demand for watch movements and solid demand from visitors to Japan.
Segment profit in Visual & Lifestyle decreased sharply, primarily because the positive effects of revenue growth and foreign exchange were more than offset by higher costs associated with rising crude oil prices.
As a result of the foregoing factors, revenue in the Visual & Lifestyle segment was ¥67.2 billion, up 7.2% from the prior-year period. Segment profit was ¥4.2 billion, down 30.1% from the prior-year period.

Adjustments

Adjustments to the total profit of reporting segments amounted to negative ¥14.5 billion. (Adjustments in the prior-year period were negative ¥14.3 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 first quarter were ¥1,580.3 billion, up ¥45.5 billion from the previous fiscal year end. This increase is mainly attributable to increases in cash and cash equivalents, as well as other current assets.
Total liabilities were ¥714.9 billion, up ¥33.7 billion from the previous fiscal year end. This increase was mainly due to an increase in bonds issued, borrowings and lease liabilities.
Equity attributable to owners of the parent company was ¥865.3 billion, up ¥11.8 billion compared to the end of the prior fiscal year. While dividends were paid, this increase was mainly due to the recording of ¥13.0 billion in quarterly profit for the period attributable to owners of the parent company and other comprehensive income, the primary component of which was exchange differences on translation of foreign operations.

Qualitative Information Regarding the Consolidated Financial Outlook

The financial outlook for the 2026 fiscal year ending March 31, 2027, is summarized below.
Epson has revised its previous full-year consolidated revenue outlook upward to reflect favorable foreign exchange effects resulting from the recent depreciation of the yen. The business profit outlook has been revised upward to reflect a one-time increase resulting from U.S. tariff refunds, as well as favorable foreign exchange effects.
We have also raised the outlook for profit from operating activities and each level of profit thereafter, reflecting the upward revision to business profit, the changing exchange rates, and the latest outlook.
The figures in the outlook are based on assumed exchange rates from the second quarter of ¥155.00 to the U.S. dollar and ¥176.00 to the euro.
For details, please see the fiscal year 2026 (ending March 2027) first-quarter financial results presentation that was announced simultaneously with this report.

Consolidated Full-Year Financial Outlook

	FY2025	Previous Outlook (A)	Current Outlook (B)	Change (B-A)	
Revenue	¥1,413.3 billion	¥1,450.0 billion	¥1,510.0 billion	+¥60.0 billion	(+4.1%)
Business profit	¥83.8 billion	¥90.0 billion	¥105.0 billion	+¥15.0 billion	(+16.7%)
Profit from operating activities	¥49.6 billion	¥86.0 billion	¥101.0 billion	+¥15.0 billion	(+17.4%)
Profit before tax	¥50.0 billion	¥84.0 billion	¥99.0 billion	+¥15.0 billion	(+17.9%)
Profit for the period	¥18.2 billion	¥59.0 billion	¥69.0 billion	+¥10.0 billion	(+16.9%)
Profit for the period attributable to owners of the parent company	¥18.2 billion	¥59.0 billion	¥69.0 billion	+¥10.0 billion	(+16.9%)
Exchange rates	1 USD = ¥150.69	1 USD = ¥151.00	1 USD = ¥156.00		
	1 EUR = ¥174.74	1 EUR = ¥175.00	1 EUR = ¥178.00		

2. Quarterly Condensed Consolidated Financial Statements and Primary Notes

Quarterly Condensed Consolidated Statement of Financial Position

	Millions of yen		Thousands of U.S. dollars
	March 31, 2026	June 30, 2026	June 30, 2026
Assets			
Current assets			
Cash and cash equivalents	288,582	316,864	1,954,442
Trade and other receivables	241,037	241,572	1,490,035
Inventories	394,733	393,195	2,425,258
Income tax receivables	15,095	15,389	94,920
Other financial assets	6,479	6,495	40,061
Other current assets	22,005	29,216	180,206
Total current assets	967,933	1,002,733	6,184,937
Non-current assets			
Property, plant and equipment	392,795	390,351	2,407,716
Goodwill and intangible assets	100,371	100,794	621,705
Investment property	831	831	5,125
Investments accounted for using equity method	2,415	2,469	15,228
Retirement benefit assets	331	322	1,986
Other financial assets	28,859	34,963	215,654
Other non-current assets	5,736	8,503	52,447
Deferred tax assets	35,596	39,372	242,849
Total non-current assets	566,937	577,609	3,562,738
Total assets	1,534,870	1,580,342	9,747,676

	Millions of yen		Thousands of U.S. dollars
	March 31, 2026	June 30, 2026	June 30, 2026
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	164,478	169,200	1,043,639
Income tax payables	7,054	12,165	75,034
Bonds issued, borrowings and lease liabilities	68,087	104,289	643,262
Other financial liabilities	2,332	2,191	13,514
Provisions	17,808	18,541	114,362
Other current liabilities	187,427	172,839	1,066,084
Total current liabilities	447,189	479,227	2,955,910
Non-current liabilities			
Bonds issued, borrowings and lease liabilities	163,371	165,754	1,022,383
Other financial liabilities	5,430	5,851	36,089
Retirement benefit liabilities	16,530	16,247	100,212
Provisions	9,592	9,664	59,608
Other non-current liabilities	24,138	23,996	148,009
Deferred tax liabilities	14,967	14,172	87,414
Total non-current liabilities	234,032	235,687	1,453,736
Total liabilities	681,222	714,914	4,409,646
Equity			
Share capital	53,204	53,204	328,166
Capital surplus	83,949	83,990	518,057
Treasury shares	(70,150)	(70,150)	(432,690)
Other components of equity	216,593	226,627	1,397,853
Retained earnings	569,907	571,614	3,525,760
Equity attributable to owners of the parent company	853,503	865,284	5,337,141
Non-controlling interests	144	142	875
Total equity	853,648	865,427	5,338,023
Total liabilities and equity	1,534,870	1,580,342	9,747,676

Quarterly Condensed Consolidated Statement of Comprehensive Income

Three months ended June 30, 2025 and 2026

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30,		Three months ended June 30,
	2025	2026	2026
Revenue	320,879	367,241	2,265,171
Cost of sales	(204,555)	(239,567)	(1,477,668)
Gross profit	116,324	127,674	787,503
Selling, general and administrative expenses	(96,569)	(105,551)	(651,047)
Other operating income	1,329	5,098	31,444
Other operating expense	(6,947)	(6,619)	(40,826)
Profit from operating activities	14,136	20,601	127,068
Finance income	1,376	1,366	8,425
Finance costs	(2,582)	(1,237)	(7,629)
Share of profit (loss) of investments accounted for using equity method	(12)	(4)	(24)
Profit before tax	12,918	20,726	127,839
Income taxes	(6,304)	(7,743)	(47,759)
Profit for the period	6,613	12,982	80,074
Profit for the period attributable to:			
Owners of the parent company	6,612	12,984	80,086
Non-controlling interests	1	(1)	(6)
Profit for the period	6,613	12,982	80,074

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30,		Three months ended June 30,
	2025	2026	2026
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss, net of tax			
Remeasurements of defined benefit plans	917	578	3,565
Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)	81	1,679	10,356
Subtotal	999	2,258	13,927
Items that may be reclassified subsequently to profit or loss, net of tax			
Exchange differences on translation of foreign operations	(8,333)	8,931	55,087
Net changes in fair value of cash flow hedges	(2,887)	(605)	(3,731)
Share of other comprehensive income of investments accounted for using equity method	(16)	28	172
Subtotal	(11,237)	8,354	51,528
Total other comprehensive income, net of tax	(10,237)	10,613	65,461
Total comprehensive income for the period	(3,624)	23,595	145,535
Total comprehensive income for the period attributable to:			
Owners of the parent company	(3,623)	23,596	145,542
Non-controlling interests	(1)	(1)	(6)
Total comprehensive income for the period	(3,624)	23,595	145,535

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

	Yen		U.S. dollars
	Three months ended June 30,		Three months ended June 30,
	2025	2026	2026
Earnings per share for the period:			
Basic earnings per share for the period	20.64	40.52	0.25
Diluted earnings per share for the period	-	-	-

Quarterly Condensed Consolidated Statement of Changes in Equity

Three months ended June 30, 2025 and 2026

Millions of yen

	Equity attributable to owners of the parent company										Non-controlling interests	Total equity
				Other components of equity								
	Share capital	Capital surplus	Treasury shares	Remeasurements of defined benefit plans	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	Retained earnings	Total equity attributable to owners of the parent company		
As of April 1, 2025	53,204	83,904	(70,260)	-	5,368	160,122	(296)	165,194	572,710	804,752	139	804,891
Profit for the period	-	-	-	-	-	-	-	-	6,612	6,612	1	6,613
Other comprehensive income	-	-	-	917	81	(8,347)	(2,887)	(10,235)	-	(10,235)	(2)	(10,237)
Total comprehensive income for the period	-	-	-	917	81	(8,347)	(2,887)	(10,235)	6,612	(3,623)	(1)	(3,624)
Acquisition of treasury shares	-	-	(0)	-	-	-	-	-	-	(0)	-	(0)
Dividends	-	-	-	-	-	-	-	-	(11,852)	(11,852)	(0)	(11,853)
Share-based payment transactions	-	39	-	-	-	-	-	-	-	39	-	39
Transfer from other components of equity to retained earnings	-	-	-	(917)	-	-	-	(917)	917	-	-	-
Total transactions with the owners	-	39	(0)	(917)	-	-	-	(917)	(10,934)	(11,813)	(0)	(11,814)
As of June 30, 2025	53,204	83,943	(70,260)	-	5,450	151,775	(3,184)	154,041	568,387	789,315	137	789,452

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

Millions of yen

	Equity attributable to owners of the parent company											
				Other components of equity								
	Share capital	Capital surplus	Treasury shares	Remeasurements of defined benefit plans	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	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
As of April 1, 2026	53,204	83,949	(70,150)	-	7,730	208,792	69	216,593	569,907	853,503	144	853,648
Profit for the period	-	-	-	-	-	-	-	-	12,984	12,984	(1)	12,982
Other comprehensive income	-	-	-	578	1,679	8,959	(605)	10,612	-	10,612	0	10,613
Total comprehensive income for the period	-	-	-	578	1,679	8,959	(605)	10,612	12,984	23,596	(1)	23,595
Acquisition of treasury shares	-	-	(0)	-	-	-	-	-	-	(0)	-	(0)
Dividends	-	-	-	-	-	-	-	-	(11,855)	(11,855)	(0)	(11,856)
Share-based payment transactions	-	40	-	-	-	-	-	-	-	40	-	40
Transfer from other components of equity to retained earnings	-	-	-	(578)	-	-	-	(578)	578	-	-	-
Total transactions with the owners	-	40	(0)	(578)	-	-	-	(578)	(11,277)	(11,815)	(0)	(11,816)
As of June 30, 2026	53,204	83,990	(70,150)	-	9,410	217,752	(535)	226,627	571,614	865,284	142	865,427

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

Thousands of U.S. dollars

	Equity attributable to owners of the parent company											
				Other components of equity								
	Share capital	Capital surplus	Treasury shares	Remeasurements of defined benefit plans	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	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
As of April 1, 2026	328,166	517,804	(432,690)	-	47,679	1,287,845	425	1,335,962	3,515,232	5,264,474	888	5,265,369
Profit for the period	-	-	-	-	-	-	-	-	80,086	80,086	(6)	80,074
Other comprehensive income	-	-	-	3,565	10,356	55,259	(3,731)	65,455	-	65,455	0	65,461
Total comprehensive income for the period	-	-	-	3,565	10,356	55,259	(3,731)	65,455	80,086	145,542	(6)	145,535
Acquisition of treasury shares	-	-	(0)	-	-	-	-	-	-	(0)	-	(0)
Dividends	-	-	-	-	-	-	-	-	(73,122)	(73,122)	(0)	(73,128)
Share-based payment transactions	-	246	-	-	-	-	-	-	-	246	-	246
Transfer from other components of equity to retained earnings	-	-	-	(3,565)	-	-	-	(3,565)	3,565	-	-	-
Total transactions with the owners	-	246	(0)	(3,565)	-	-	-	(3,565)	(69,557)	(72,875)	(0)	(72,882)
As of June 30, 2026	328,166	518,057	(432,690)	-	58,041	1,343,111	(3,299)	1,397,853	3,525,760	5,337,141	875	5,338,023

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

Quarterly Condensed Consolidated Statement of Cash Flows

Three months ended June 30, 2025 and 2026

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30,		Three months ended June 30,
	2025	2026	2026
Cash flows from operating activities			
Profit for the period	6,613	12,982	80,074
Depreciation and amortization	18,959	19,577	120,752
Impairment loss (reversal of impairment loss)	390	73	450
Finance (income) costs	1,206	(129)	(795)
Share of (profit) loss of investments accounted for using equity method	12	4	24
Loss (gain) on sale and disposal of property, plant and equipment, intangible assets and investment property	183	199	1,227
Income taxes	6,304	7,743	47,759
Decrease (increase) in trade receivables	5,807	7,376	45,495
Decrease (increase) in inventories	(11,617)	5,928	36,564
Increase (decrease) in trade payables	4,344	5,822	35,910
Increase (decrease) in retirement benefit liabilities	348	(462)	(2,849)
Other	(14,023)	(31,453)	(194,004)
Subtotal	18,529	27,664	170,633
Interest and dividends income received	1,476	1,503	9,270
Interest expenses paid	(503)	(923)	(5,693)
Income taxes paid	(16,267)	(8,296)	(51,170)
Net cash from (used in) operating activities	3,235	19,947	123,034
Cash flows from investing activities			
Purchase of investment securities	-	(315)	(1,942)
Proceeds from sale of investment securities	0	-	-
Purchase of property, plant and equipment	(16,342)	(12,759)	(78,698)
Proceeds from sale of property, plant and equipment	113	139	857
Purchase of intangible assets	(1,291)	(3,157)	(19,472)
Proceeds from sale of investment property	105	-	-
Other	(4,740)	220	1,356
Net cash from (used in) investing activities	(22,155)	(15,872)	(97,899)
Cash flows from financing activities			
Net increase (decrease) in current borrowings	19	36,032	222,248
Proceeds from non-current borrowings	30,000	-	-
Repayment of non-current borrowings	(30,000)	-	-
Payment of lease liabilities	(2,629)	(3,258)	(20,095)
Dividends paid	(11,852)	(11,855)	(73,122)
Purchase of treasury shares	(0)	(0)	(0)
Net cash from (used in) financing activities	(14,462)	20,917	129,017
Effect of exchange rate changes on cash and cash equivalents	(3,723)	3,290	20,292
Net increase (decrease) in cash and cash equivalents	(37,106)	28,282	174,445
Cash and cash equivalents at beginning of period	267,000	288,582	1,779,996
Cash and cash equivalents at end of period	229,894	316,864	1,954,442

Notes to Quarterly Condensed Consolidated Financial Statements

(Basis of Preparation)
The Company and its affiliates ("Epson") prepare its quarterly condensed consolidated financial statements in compliance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. (applying the omission of the description specified in Article 5, Paragraph 5 of the same standard) issued by Tokyo Stock Exchange, Inc. and omit some disclosure items required by International Accounting Standards (IAS) 34 "Interim Financial Reporting."

(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.
From the beginning of the current fiscal year, Epson changed its organizational structure and the reportable segments into four segments: "Precision Innovation", "Industrial & Robotics", "Office & Home Printing" and "Visual & Lifestyle." They are determined by types of products, nature of products, and markets.
Segment information for the three months ended June 30, 2025 has been reclassified based on new reportable segments.
Epson conducts development, manufacturing and sales within its reportable segments as follows:

Reportable segments	Main products
Precision Innovation	・Inkjet printheads ・Quartz crystal devices, semiconductors ・Metal powders
Industrial & Robotics	・Commercial and industrial inkjet printers, label printers, printers for use in POS systems, serial impact dot matrix printers, dry process office papermaking systems, printer consumables, digital printing software solutions ・Industrial robots
Office & Home Printing	・Office/ Home inkjet printers, printer consumables, color image scanners
Visual & Lifestyle	・3LCD projectors ・Wristwatches, watch movements ・PCs

(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.

FY2025: Three Months ended June 30, 2025

Millions of yen

	Reportable segments					Adjustments (Note 2)	Consolidated
	Precision Innovation	Industrial & Robotics	Office & Home Printing	Visual & Lifestyle	Subtotal		
Revenue							
External revenues	37,378	69,522	148,780	62,551	318,233	2,646	320,879
Intersegment revenues	2,955	42	8	112	3,118	(3,118)	-
Total revenue	40,333	69,565	148,789	62,664	321,352	(472)	320,879
Segment profit (loss) (Business profit) (Note 1)	9,580	3,791	14,614	6,018	34,005	(14,250)	19,755
Other operating income (expense)							(5,618)
Profit from operating activities							14,136
Finance income (costs)							(1,206)
Share of profit (loss) of investments accounted for using equity method							(12)
Profit before tax							12,918

(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 (¥14,250) million in Segment profit (loss) (Business profit) comprises ¥62 million in eliminated intersegment transactions and (¥14,313) 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.

FY2026: Three Months ended June 30, 2026

Millions of yen

	Reportable segments					Adjustments (Note 2)	Consolidated
	Precision Innovation	Industrial & Robotics	Office & Home Printing	Visual & Lifestyle	Subtotal		
Revenue							
External revenues	48,161	81,906	167,017	67,121	364,208	3,033	367,241
Intersegment revenues	1,631	87	11	83	1,813	(1,813)	-
Total revenue	49,793	81,994	167,028	67,204	366,021	1,220	367,241
Segment profit (loss) (Business profit) (Note 1)	15,533	5,465	11,449	4,204	36,653	(14,530)	22,122

Other operating income (expense)	(1,520)
Profit from operating activities	20,601
Finance income (costs)	129
Share of profit (loss) of investments accounted for using equity method	(4)
Profit before tax	20,726

(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 (¥14,530) million in Segment profit (loss) (Business profit) comprises ¥86 million in eliminated intersegment transactions and (¥14,617) 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.

FY2026: Three Months ended June 30, 2026

Thousands of U.S. dollars

	Reportable segments					Adjustments (Note 2)	Consolidated
	Precision Innovation	Industrial &Robotics	Office & Home Printing	Visual & Lifestyle	Subtotal		
Revenue							
External revenues	297,060	505,202	1,030,174	414,007	2,246,464	18,707	2,265,171
Intersegment revenues	10,060	536	67	511	11,182	(11,182)	-
Total revenue	307,127	505,745	1,030,242	414,519	2,257,646	7,525	2,265,171
Segment profit (loss) (Business profit) (Note 1)	95,808	33,708	70,618	25,930	226,078	(89,622)	136,450

Other operating income (expense)	(9,375)
Profit from operating activities	127,068
Finance income (costs)	795
Share of profit (loss) of investments accounted for using equity method	(24)
Profit before tax	127,839

(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 ($89,622) thousand in Segment profit (loss) (Business profit) comprises $530 thousand in eliminated intersegment transactions and ($90,158) 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.

(Going Concern Assumption)
Not applicable.

(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)
Share Repurchase
The Company resolved at the meeting of its Board of Directors held on August 5, 2026 on a share repurchase ("this share repurchase") pursuant to Article 156 of the Companies Act of Japan as applied pursuant to Article 165, Paragraph 3 of the same act.

(1) Purpose of this share repurchase
To improve capital efficiency and to enhance shareholder returns

(2) Details of this share repurchase

a. Class of shares to be repurchased	Ordinary shares
b. Total number of shares to be repurchased	17,000,000 shares (maximum) (5.31% of outstanding shares, excluding treasury shares)
c. Total repurchase amount	30 billion yen (maximum)
d. Repurchase period	August 7, 2026, to March 31, 2027
e. Repurchase method	Purchase on the Tokyo Stock Exchange (by securities company using discretionary method)

The Company plans to cancel all the treasury shares to be acquired as part of this share repurchase.

(Additional Information)
Commencement of Refund Procedures for U.S. Tariffs
Following the U.S. Supreme Court's ruling that tariffs imposed under the International Emergency Economic Powers Act ("IEEPA") were invalid, U.S. Customs and Border Protection ("CBP") commenced operation of Phase 2 of the Consolidated Administration and Processing of Entries ("CAPE"), an integrated customs management and processing system for handling refund claims related to such tariffs, on June 29, 2026.
Some of the subsidiaries located in the U.S. initiated procedures to claim refunds of such tariffs totaling $109 million (approximately ￥17.7 billion) in June 2026. The procedures are ongoing, and the final amount eligible for refund and the timing of any such refund have not yet been determined.