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EPSON

FASF MEMBERSHIP

Financial Results for the Six Months ended September 30, 2026 [IFRS](Consolidated)

November 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

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Scheduled date to file Semi-annual Securities Report: November 9, 2026

Scheduled starting date of payment for the dividends: November 30, 2026

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 Six months ended September 30, 2026（From April 1, 2026 to September 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	%
Six months ended September 30, 2026	741,115	11.1	67,156	79.4	63,204	102.9	62,177	102.0	44,650	139.2	44,655	139.3
Six months ended September 30, 2025	667,352	(1.0)	37,430	(26.7)	31,145	(10.9)	30,783	(6.3)	18,667	(19.8)	18,664	(19.8)

Note: Total comprehensive income for the period: Six months ended September 30, 2026 ¥41,038 million [56.5%]
Six months ended September 30, 2025 ¥26,228 million [222.3%]

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
Six months ended September 30, 2026	139.52	-
Six months ended September 30, 2025	58.26	-

(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 September 30, 2026	1,575,501	875,237	875,105	55.5
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	-	40.00			
Year ending March 31, 2027 (Forecast)			-	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	103,000	107.8	100,000	99.9	72,000	295.5	72,000	295.6	226.39

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 September 30, 2026	373,573,152	As of March 31, 2026	373,573,152
2. Treasury shares	As of September 30, 2026	55,536,582	As of March 31, 2026	53,145,401
3. Average number of shares	Six months ended September 30, 2026	320,060,464	Six months ended September 30, 2025	320,381,645

※Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

※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 Thursday, November 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 ¥157.135 = 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

During the first half of the fiscal year, the outlook for the global economy remained uncertain. While AI-related demand and increased exports supported production activities in certain countries and regions, rising resource and energy prices stemming from heightened tensions in the Middle East, as well as uncertainty surrounding trade policies, continued to cloud 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, weakness was observed in domestic demand, but production activities and exports, particularly in the high-tech sector, continued to support economic activity.

Against this backdrop, Epson posted revenue of ¥741.1 billion, up 11.1% from the prior-year period.

Business profit was ¥67.2 billion, up 79.4% from the prior-year period, primarily reflecting the impact of U.S. tariff refunds and higher revenue. Profit from operating activities was ¥63.2 billion, up 102.9% from the prior-year period. Profit before tax was ¥62.2 billion, up 102.0% from the prior-year period. Profit for the period attributable to owners of the parent company was ¥44.7 billion, up 139.3% from the prior-year period.

The average exchange rates of the yen against the U.S. dollar and the euro during the first half of the fiscal year were ¥159.32 and ¥184.31, respectively. This represents a 9% depreciation of the yen against the dollar and a 10% depreciation of the yen against the euro compared to 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. Condensed Interim Consolidated Financial Statements and Primary Notes, Notes to Condensed Interim Consolidated Financial Statements.”

Precision Innovation Segment

Revenue in the Precision Innovation segment increased sharply, primarily due to revenue growth in the inkjet solutions business and microdevices business.

The inkjet solutions business recorded sharply higher revenue than in the prior-year period, when orders had temporarily declined. This revenue growth primarily reflects progress in the development of new customers.

The microdevices business also recorded a sharp increase in revenue, reflecting continued growth in sales of crystal devices and a recovery in 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 ¥100.9 billion, up 24.4% from the prior-year period. Segment profit was ¥32.4 billion, up 55.5% from the prior-year period.

Industrial & Robotics Segment

Revenue in the Industrial & Robotics segment increased sharply, driven by revenue growth in both the commercial and industrial printing business and robotics business, in addition to positive foreign exchange effects.

The commercial and industrial printing business recorded revenue growth due to favorable foreign exchange effects and strong sales of certain finished-product models.

The robotics business posted a sharp increase in revenue, reflecting favorable foreign exchange effects and the

successful capture of demand in China and other parts of Asia.
Segment profit in Industrial & Robotics increased sharply due to U.S. tariff refunds, higher revenue, and positive foreign exchange effects.
As a result of the foregoing factors, revenue in the Industrial & Robotics segment was ¥164.9 billion, up 15.1% from the prior-year period. Segment profit was ¥19.4 billion, up 131.7% from the prior-year period.

Office & Home Printing Segment

Revenue in the Office & Home Printing segment increased, primarily due to growth in SOHO and home inkjet printer sales, together with favorable foreign exchange effects.
SOHO and home inkjet printer revenue increased, reflecting favorable foreign exchange effects and higher sales, mainly of high-capacity ink tank printers. While demand for high-capacity ink tank printers remained strong, total printer unit sales declined in part due to temporary component procurement issues during the first quarter. Revenue from consumables increased for both ink cartridges and ink bottles used in high-capacity ink tank printers.
Office shared inkjet printer revenue increased due to higher sales of both hardware and consumables, together with favorable foreign exchange effects.
Segment profit in Office & Home Printing increased, primarily reflecting U.S. tariff refunds.
As a result of the foregoing factors, revenue in the Office & Home Printing segment was ¥338.5 billion, up 7.0% from the prior-year period. Segment profit was ¥30.6 billion, up 14.9% from the prior-year period.

Visual & Lifestyle Segment

Revenue in the Visual & Lifestyle segment increased due to higher sales in the wearable products business, in addition to favorable foreign exchange effects.
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, reflecting solid demand both overseas and in Japan.
Segment profit in Visual & Lifestyle increased sharply, primarily due to U.S. tariff refunds.
As a result of the foregoing factors, revenue in the Visual & Lifestyle segment was ¥134.6 billion, up 7.0% from the prior-year period. Segment profit was ¥14.1 billion, up 21.1% from the prior-year period.

Adjustments

Adjustments to the total profit of reporting segments amounted to negative ¥29.4 billion. (Adjustments in the prior-year period were negative ¥30.1 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 such items as new businesses and corporate functions.

Financial Position Overview

Total assets at the end of the interim period were ¥1,575.5 billion, up ¥40.6 billion from the previous fiscal year-end. This increase was mainly attributable to increases in inventories and other financial assets.

Total liabilities were ¥700.3 billion, up ¥19.0 billion from the previous fiscal year-end. This increase was mainly due to increases in trade and other payables.

Equity attributable to owners of the parent company was ¥875.1 billion, up ¥21.6 billion compared with the end of the prior fiscal year. While the Company acquired treasury shares, recorded negative other comprehensive income primarily due to exchange differences on translation of foreign operations, and paid dividends, this increase was mainly attributable to the recording of ¥44.7 billion in interim profit attributable to owners of the parent company.

Qualitative Information Regarding the Consolidated Financial Outlook

The financial outlook for the fiscal year ending March 31, 2027, is summarized below.

Compared with the previous full-year consolidated financial outlook, Epson has left its revenue and business profit forecasts unchanged, taking into account the effects of foreign exchange fluctuations and the latest business outlook. Meanwhile, we have revised upward its forecast for profit from operating activities and each level of profit thereafter.

The figures in the outlook are based on assumed exchange rates from the third quarter onward of ¥153.00 to the U.S. dollar and ¥174.00 to the euro.

For details, please see the fiscal year 2026 (ending March 2027) second-quarter financial results presentation, which was released simultaneously with this report.

Consolidated Full-Year Financial Outlook

	FY2025 Result	Previous Outlook (A)	Current Outlook (B)	Change (B-A)	
Revenue	¥1,413.3 billion	¥1,510.0 billion	¥1,510.0 billion	—	—
Business profit	¥83.8 billion	¥105.0 billion	¥105.0 billion	—	—
Profit from operating activities	¥49.6 billion	¥101.0 billion	¥103.0 billion	+¥2.0 billion	(+2.0%)
Profit before tax	¥50.0 billion	¥99.0 billion	¥100.0 billion	+¥1.0 billion	(+1.0%)
Profit for the period	¥18.2 billion	¥69.0 billion	¥72.0 billion	+¥3.0 billion	(+4.3%)
Profit for the period attributable to owners of the parent company	¥18.2 billion	¥69.0 billion	¥72.0 billion	+¥3.0 billion	(+4.3%)
Exchange rates	1 USD = ¥150.69	1 USD = ¥156.00	1 USD = ¥156.00		
	1 EUR = ¥174.74	1 EUR = ¥178.00	1 EUR = ¥179.00		

2. Condensed Interim Consolidated Financial Statements and Primary Notes

Condensed Interim Consolidated Statement of Financial Position

	Millions of yen		Thousands of U.S. dollars
	March 31, 2026	September 30, 2026	September 30, 2026
Assets			
Current assets			
Cash and cash equivalents	288,582	299,781	1,907,792
Trade and other receivables	241,037	237,114	1,508,982
Inventories	394,733	419,385	2,668,947
Income tax receivables	15,095	10,588	67,381
Other financial assets	6,479	10,973	69,831
Other current assets	22,005	29,847	189,944
Total current assets	967,933	1,007,691	6,412,899
Non-current assets			
Property, plant and equipment	392,795	380,007	2,418,347
Goodwill and intangible assets	100,371	98,888	629,318
Investment property	831	831	5,288
Investments accounted for using equity method	2,415	2,485	15,814
Retirement benefit assets	331	317	2,017
Other financial assets	28,859	38,558	245,381
Other non-current assets	5,736	8,041	51,172
Deferred tax assets	35,596	38,679	246,151
Total non-current assets	566,937	567,809	3,613,510
Total assets	1,534,870	1,575,501	10,026,416

	Millions of yen		Thousands of U.S. dollars
	March 31, 2026	September 30, 2026	September 30, 2026
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	164,478	179,026	1,139,313
Income tax payables	7,054	16,439	104,617
Bonds issued, borrowings and lease liabilities	68,087	65,450	416,520
Other financial liabilities	2,332	1,391	8,852
Provisions	17,808	14,976	95,306
Other current liabilities	187,427	182,380	1,160,658
Total current liabilities	447,189	459,664	2,925,280
Non-current liabilities			
Bonds issued, borrowings and lease liabilities	163,371	173,067	1,101,390
Other financial liabilities	5,430	5,785	36,815
Retirement benefit liabilities	16,530	16,011	101,893
Provisions	9,592	9,339	59,432
Other non-current liabilities	24,138	24,046	153,027
Deferred tax liabilities	14,967	12,347	78,575
Total non-current liabilities	234,032	240,599	1,531,161
Total liabilities	681,222	700,263	4,456,441
Equity			
Share capital	53,204	53,204	338,587
Capital surplus	83,949	83,947	534,234
Treasury shares	(70,150)	(77,741)	(494,740)
Other components of equity	216,593	212,523	1,352,486
Retained earnings	569,907	603,171	3,838,552
Equity attributable to owners of the parent company	853,503	875,105	5,569,128
Non-controlling interests	144	132	840
Total equity	853,648	875,237	5,569,968
Total liabilities and equity	1,534,870	1,575,501	10,026,416

Condensed Interim Consolidated Statement of Comprehensive Income

Six months ended September 30, 2025 and 2026

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30,		Six months ended September 30,
	2025	2026	2026
Revenue	667,352	741,115	4,716,422
Cost of sales	(431,398)	(459,226)	(2,922,493)
Gross profit	235,953	281,888	1,793,922
Selling, general and administrative expenses	(198,522)	(214,732)	(1,366,544)
Other operating income	2,550	7,437	47,328
Other operating expense	(8,835)	(11,388)	(72,472)
Profit from operating activities	31,145	63,204	402,227
Finance income	2,407	2,653	16,883
Finance costs	(2,752)	(3,733)	(23,756)
Share of profit (loss) of investments accounted for using equity method	(17)	54	343
Profit before tax	30,783	62,177	395,691
Income taxes	(12,116)	(17,527)	(111,541)
Profit for the period	18,667	44,650	284,150
Profit for the period attributable to:			
Owners of the parent company	18,664	44,655	284,182
Non-controlling interests	2	(5)	(31)
Profit for the period	18,667	44,650	284,150

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30,		Six months ended September 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	681	464	2,952
Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)	1,604	3,091	19,670
Subtotal	2,285	3,555	22,623
Items that may be reclassified subsequently to profit or loss, net of tax			
Exchange differences on translation of foreign operations	6,193	(8,014)	(51,000)
Net changes in fair value of cash flow hedges	(930)	835	5,313
Share of other comprehensive income of investments accounted for using equity method	13	11	70
Subtotal	5,275	(7,167)	(45,610)
Total other comprehensive income, net of tax	7,561	(3,611)	(22,980)
Total comprehensive income for the period	26,228	41,038	261,163
Total comprehensive income for the period attributable to:			
Owners of the parent company	26,228	41,050	261,240
Non-controlling interests	0	(12)	(76)
Total comprehensive income for the period	26,228	41,038	261,163

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

	Yen		U.S. dollars
	Six months ended September 30,		Six months ended September 30,
	2025	2026	2026
Earnings per share for the period:			
Basic earnings per share for the period	58.26	139.52	0.89
Diluted earnings per share for the period	-	-	-

Condensed Interim Consolidated Statement of Changes in Equity

Six months ended September 30, 2025 and 2026

	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, 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	-	-	-	-	-	-	-	-	18,664	18,664	2	18,667
Other comprehensive income	-	-	-	681	1,604	6,208	(930)	7,563	-	7,563	(2)	7,561
Total comprehensive income for the period	-	-	-	681	1,604	6,208	(930)	7,563	18,664	26,228	0	26,228
Acquisition of treasury shares	-	-	(1)	-	-	-	-	-	-	(1)	-	(1)
Dividends	-	-	-	-	-	-	-	-	(11,852)	(11,852)	(0)	(11,853)
Share-based payment transactions	-	(33)	111	-	-	-	-	-	-	78	-	78
Transfer from other components of equity to retained earnings	-	-	-	(681)	-	-	-	(681)	681	-	-	-
Total transactions with the owners	-	(33)	110	(681)	-	-	-	(681)	(11,171)	(11,775)	(0)	(11,775)
As of September 30, 2025	53,204	83,871	(70,150)	-	6,973	166,331	(1,227)	172,076	580,203	819,206	138	819,344

(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	-	-	-	-	-	-	-	-	44,655	44,655	(5)	44,650
Other comprehensive income	-	-	-	464	3,091	(7,996)	835	(3,605)	-	(3,605)	(6)	(3,611)
Total comprehensive income for the period	-	-	-	464	3,091	(7,996)	835	(3,605)	44,655	41,050	(12)	41,038
Acquisition of treasury shares	-	-	(7,675)	-	-	-	-	-	-	(7,675)	-	(7,675)
Dividends	-	-	-	-	-	-	-	-	(11,855)	(11,855)	(0)	(11,856)
Share-based payment transactions	-	(1)	84	-	-	-	-	-	-	82	-	82
Transfer from other components of equity to retained earnings	-	-	-	(464)	-	-	-	(464)	464	-	-	-
Total transactions with the owners	-	(1)	(7,590)	(464)	-	-	-	(464)	(11,391)	(19,448)	(0)	(19,449)
As of September 30, 2026	53,204	83,947	(77,741)	-	10,822	200,795	905	212,523	603,171	875,105	132	875,237

(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	338,587	534,247	(446,431)	-	49,193	1,328,742	439	1,378,388	3,626,862	5,431,654	916	5,432,577
Profit for the period	-	-	-	-	-	-	-	-	284,182	284,182	(31)	284,150
Other comprehensive income	-	-	-	2,952	19,670	(50,886)	5,313	(22,942)	-	(22,942)	(38)	(22,980)
Total comprehensive income for the period	-	-	-	2,952	19,670	(50,886)	5,313	(22,942)	284,182	261,240	(76)	261,163
Acquisition of treasury shares	-	-	(48,843)	-	-	-	-	-	-	(48,843)	-	(48,843)
Dividends	-	-	-	-	-	-	-	-	(75,444)	(75,444)	(0)	(75,451)
Share-based payment transactions	-	(6)	534	-	-	-	-	-	-	521	-	521
Transfer from other components of equity to retained earnings	-	-	-	(2,952)	-	-	-	(2,952)	2,952	-	-	-
Total transactions with the owners	-	(6)	(48,302)	(2,952)	-	-	-	(2,952)	(72,491)	(123,766)	(0)	(123,772)
As of September 30, 2026	338,587	534,234	(494,740)	-	68,870	1,277,850	5,759	1,352,486	3,838,552	5,569,128	840	5,569,968

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

Condensed Interim Consolidated Statement of Cash Flows

Six months ended September 30, 2025 and 2026

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30,		Six months ended September 30,
	2025	2026	2026
Cash flows from operating activities			
Profit for the period	18,667	44,650	284,150
Depreciation and amortization	38,280	39,139	249,078
Impairment loss (reversal of impairment loss)	403	151	960
Finance (income) costs	344	1,080	6,873
Share of (profit) loss of investments accounted for using equity method	17	(54)	(343)
Loss (gain) on sale and disposal of property, plant and equipment, intangible assets and investment property	266	217	1,380
Income taxes	12,116	17,527	111,541
Decrease (increase) in trade receivables	(8,147)	950	6,045
Decrease (increase) in inventories	(21,060)	(30,799)	(196,003)
Increase (decrease) in trade payables	7,314	20,184	128,450
Increase (decrease) in retirement benefit liabilities	(178)	(705)	(4,486)
Other	(2,180)	(13,652)	(86,880)
Subtotal	45,844	78,689	500,773
Interest and dividends income received	2,460	2,589	16,476
Interest expenses paid	(994)	(1,449)	(9,221)
Income taxes paid	(23,071)	(10,799)	(68,724)
Net cash from (used in) operating activities	24,238	69,029	439,297
Cash flows from investing activities			
Purchase of investment securities	-	(372)	(2,367)
Proceeds from sale of investment securities	0	-	-
Purchase of property, plant and equipment	(29,030)	(24,629)	(156,737)
Proceeds from sale of property, plant and equipment	405	359	2,284
Purchase of intangible assets	(2,406)	(5,691)	(36,217)
Proceeds from sale of investment property	105	-	-
Other	(5,913)	(2,800)	(17,819)
Net cash from (used in) investing activities	(36,839)	(33,134)	(210,863)
Cash flows from financing activities			
Net increase (decrease) in current borrowings	20,371	7,447	47,392
Proceeds from non-current borrowings	30,000	-	-
Repayment of non-current borrowings	(30,000)	-	-
Proceeds from issuance of bonds issued	-	19,901	126,649
Redemption of bonds issued	(40,000)	(20,000)	(127,279)
Payment of lease liabilities	(5,453)	(6,265)	(39,870)
Dividends paid	(11,852)	(11,855)	(75,444)
Purchase of treasury shares	(1)	(7,675)	(48,843)
Decrease (increase) in deposits for purchase of treasury shares	-	(2,325)	(14,796)
Net cash from (used in) financing activities	(36,935)	(20,773)	(132,198)
Effect of exchange rate changes on cash and cash equivalents	430	(3,922)	(24,959)
Net increase (decrease) in cash and cash equivalents	(49,106)	11,199	71,269
Cash and cash equivalents at beginning of period	267,000	288,582	1,836,522
Cash and cash equivalents at end of period	217,893	299,781	1,907,792

Notes to Condensed Interim 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 business 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 consist of the business segments that are comprehensively classified by types of products, nature of products, and markets.

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.”

Segment information for the six months ended September 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: Six Months ended September 30, 2025

Millions of yen

	Reportable segments					Adjustments (Note 2)	Consolidated
	Precision Innovation	Industrial & Robotics	Office & Home Printing	Visual & Lifestyle	Subtotal		
Revenue							
External revenues	76,657	143,242	316,241	125,602	661,743	5,608	667,352
Intersegment revenues	4,472	79	29	218	4,799	(4,799)	-
Total revenue	81,129	143,322	316,270	125,821	666,543	808	667,352
Segment profit (loss) (Business profit) (Note 1)	20,826	8,386	26,605	11,683	67,502	(30,071)	37,430

Other operating income (expense)	(6,284)
Profit from operating activities	31,145
Finance income (costs)	(344)
Share of profit (loss) of investments accounted for using equity method	(17)
Profit before tax	30,783

(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 (¥30,071) million in Segment profit (loss) (Business profit) comprises ¥109 million in eliminated intersegment transactions and (¥30,181) 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: Six Months ended September 30, 2026

Millions of yen

	Reportable segments					Adjustments (Note 2)	Consolidated
	Precision Innovation	Industrial & Robotics	Office & Home Printing	Visual & Lifestyle	Subtotal		
Revenue							
External revenues	97,651	164,766	338,470	134,413	735,301	5,813	741,115
Intersegment revenues	3,290	158	28	226	3,704	(3,704)	-
Total revenue	100,941	164,925	338,498	134,640	739,006	2,108	741,115
Segment profit (loss) (Business profit) (Note 1)	32,374	19,427	30,581	14,144	96,529	(29,372)	67,156

Other operating income (expense)	(3,951)
Profit from operating activities	63,204
Finance income (costs)	(1,080)
Share of profit (loss) of investments accounted for using equity method	54
Profit before tax	62,177

(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 (¥29,372) million in Segment profit (loss) (Business profit) comprises ¥149 million in eliminated intersegment transactions and (¥29,522) 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: Six Months ended September 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	621,446	1,048,563	2,154,007	855,398	4,679,422	36,993	4,716,422
Intersegment revenues	20,937	1,005	178	1,438	23,572	(23,572)	-
Total revenue	642,383	1,049,575	2,154,185	856,842	4,703,000	13,415	4,716,422
Segment profit (loss) (Business profit) (Note 1)	206,026	123,632	194,616	90,011	614,306	(186,922)	427,377

Other operating income (expense)	(25,143)
Profit from operating activities	402,227
Finance income (costs)	(6,873)
Share of profit (loss) of investments accounted for using equity method	343
Profit before tax	395,691

(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 ($186,922) thousand in Segment profit (loss) (Business profit) comprises $948 thousand in eliminated intersegment transactions and ($187,876) 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.

(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.

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.

(Additional Information)

Finalization of Amount for U.S. Tariff Refunds

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.

Accordingly, certain U.S. subsidiaries initiated procedures to apply for refunds of such tariffs, and the review of those applications was completed during the six months ended September 30, 2026. The amount of ¥17,325 million ($110,255 thousand) approved for refund is recognized as a reduction of “Cost of sales” in the condensed interim consolidated statement of comprehensive income.

(Reference) Quarterly Information

(Millions of yen)

	FY2026 1Q (From Apr to Jun)	FY2026 2Q (From Jul to Sep)
Revenue	367,241	373,873
Cost of sales	(239,567)	(219,658)
Gross profit	127,674	154,214
Selling, general and administrative expenses	(105,551)	(109,181)
Business profit (Note)	22,122	45,033
Other operating income (expense)	(1,520)	(2,431)
Profit from operating activities	20,601	42,602
Finance income (costs)	129	(1,209)
Share of profit (loss) of investments accounted for using equity method	(4)	59
Profit before tax	20,726	41,451
Income taxes	(7,743)	(9,784)
Profit for the period	12,982	31,667
Profit for the period attributable to owners of the parent company	12,984	31,671
Basic earnings per share for the period (Yen)	40.52	99.07

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