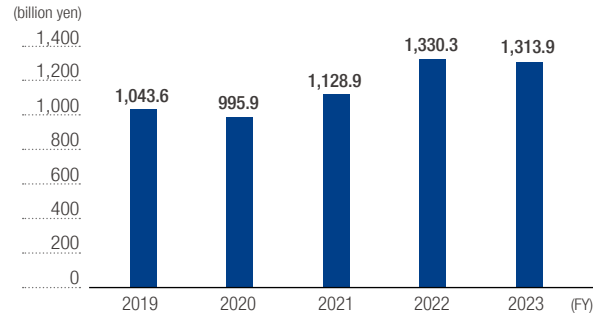


# Financial and Non-Financial Highlights

## Financial Highlights

### Revenue

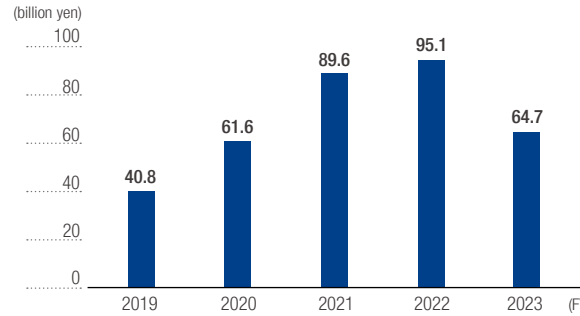
**¥1,313.9 billion**



Revenue decreased year on year because revenue in the manufacturing-related and wearables segment decreased due to lower demand for microdevices caused by ongoing market inventory adjustments and lower sales along with economic deceleration mainly in China.

### Business Profit

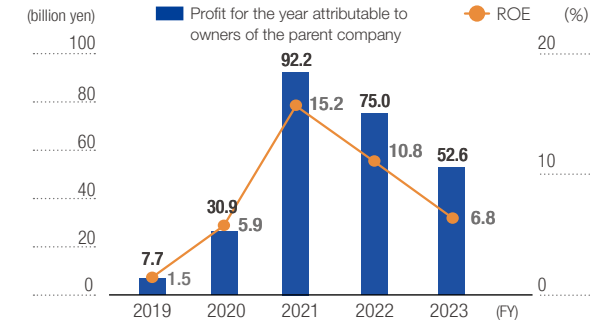
**¥64.7 billion**



Business profit decreased year on year largely due to the negative impact of production constraints and sharply lower revenue in the microdevices business.

### Profit for the Year Attributable to Owners of the Parent Company/ROE

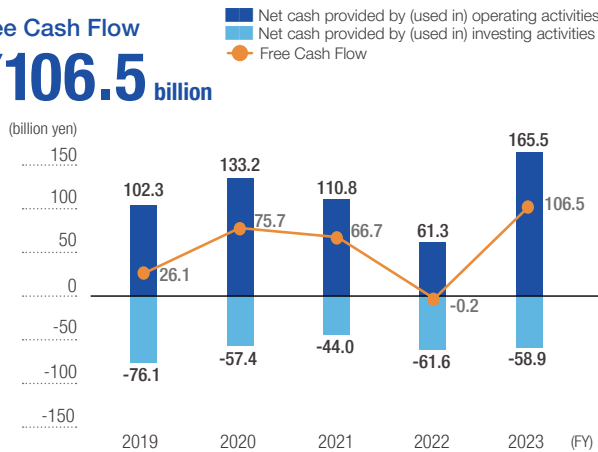
Profit attributable to owners of the parent company **¥52.6 billion** ROE **6.8%**



Profit for the period attributable to owners of the parent company decreased year on year. In addition to lower business profit, this was caused primarily by a decrease in profit from operating activities due to the recording of expenses related to a pension buyout at a Group company in the UK. As a result, ROE fell 4.0% from last fiscal year, to 6.8%.

### Free Cash Flow

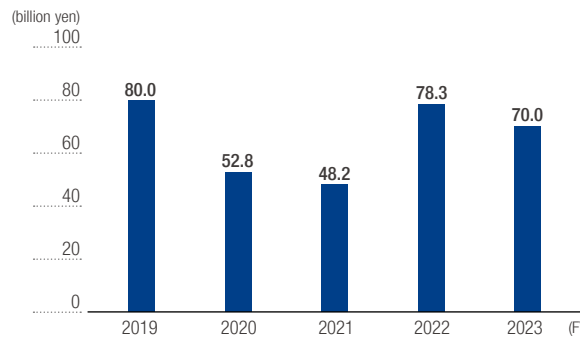
**¥106.5 billion**



Cash flows from operating activities totaled ¥165.5 billion. In addition to ¥52.6 billion in profit for the period, it was affected by positive factors such as ¥68.6 billion in depreciation and amortization and a ¥71.0 billion decrease in inventories. Net cash used in investing activities totaled ¥58.9 billion, mainly due to the acquisition of property, plant, equipment and intangible assets. Consequently, free cash flow sharply increased compared to last fiscal year.

### Capital Expenditure

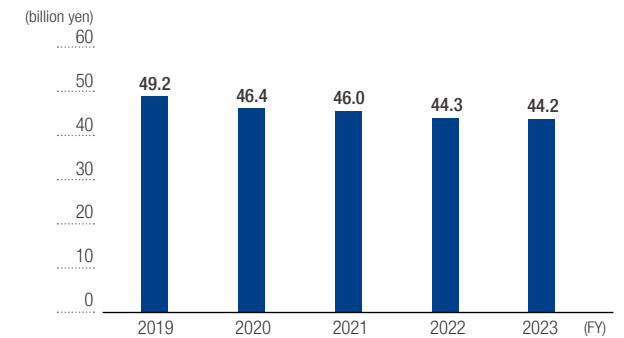
**¥70.0 billion**



Epson spent on future business growth, particularly on new products, production capacity, automation, maintenance and upgrades, and environmental. We will continue to focus investment on production systems for printheads and digital infrastructure, as well as on automation to improve productivity.

### Research and Development Expenses

**¥44.2 billion**



In addition to developing the next-generation products, core technologies, and key devices that will drive future growth, we are actively spending to strengthen manufacturing infrastructure and create new businesses.

## Non-Financial Highlights: Social, Governance, Environmental

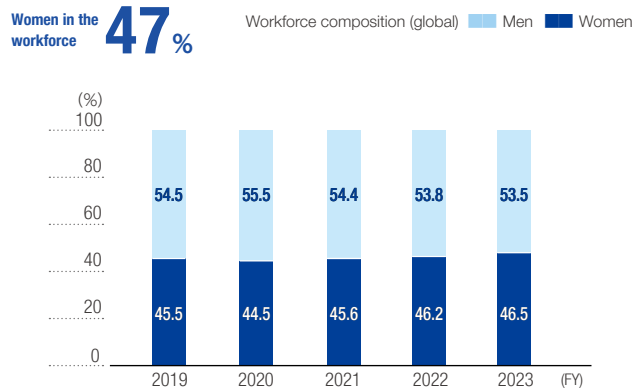
### Registered Patent Rankings<sup>1</sup>

Japan		U.S.	
Inkjet printers	1 <sup>st</sup>	Inkjet printers	1 <sup>st</sup>
Projectors	1 <sup>st</sup>	Projectors	1 <sup>st</sup>
Robots	3 <sup>rd</sup>	Robots	3 <sup>rd</sup>
Crystal devices	1 <sup>st</sup>	Crystal devices	1 <sup>st</sup>

<sup>1</sup>The 2023 ranking in number of registered patents (per Epson research)

Epson delivers new customer value through products that embody our core technologies. Our patent portfolio is both qualitatively and quantitatively world-class in product fields such as inkjet printers and projectors, and this industry-leading intellectual property supports the creation of proprietary core technologies.

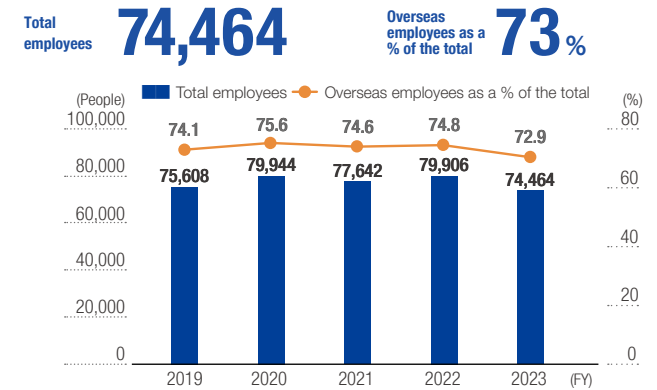
### Diversity<sup>2</sup>



To understand a diverse range of customers and meet their needs, our own diversity is important. Epson is taking action to support the advancement of more women in the workplace by, for example, increasing the number of female managers.

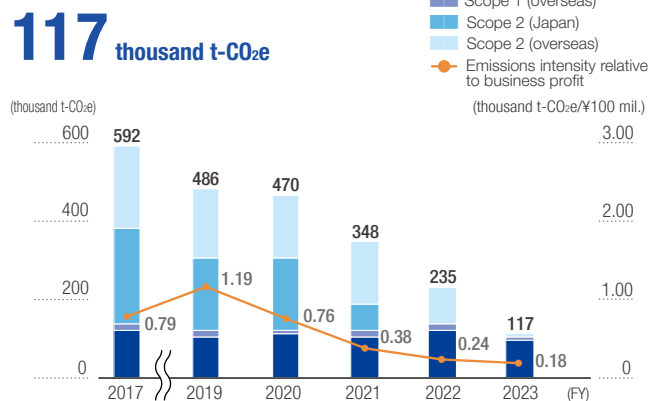
<sup>2</sup> Regular employees in the Epson Group as of the fiscal year-end (March 31)

### Total Employees & Overseas Employees as a % of the Total



Epson has 107 R&D, production, or sales sites in countries and regions outside Japan. Overseas operations generate approximately 80% of consolidated revenue and account for 70% of employees. For this reason, securing and retaining a solid base of human resources that can survive and thrive in global competition is the key to our human resources strategy.

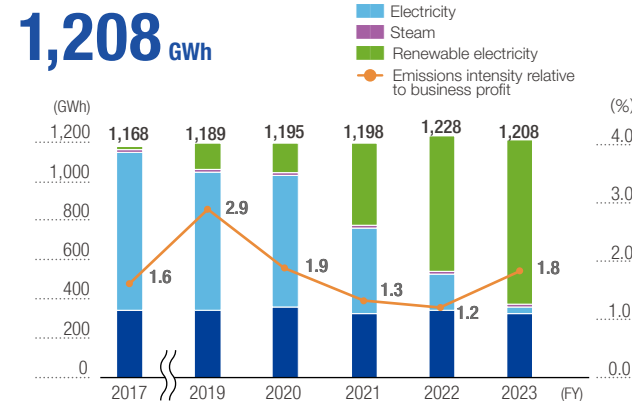
### Greenhouse Gas (GHG) Emissions<sup>3,4</sup>



In FY2023, Epson accelerated the use of renewable electricity in addition to driving site-based energy-saving initiatives. As a result, we achieved our SBT Initiative-validated 2025 target of reducing scope 1 and scope 2 greenhouse gas (GHG) emissions by 34% compared to FY2017.

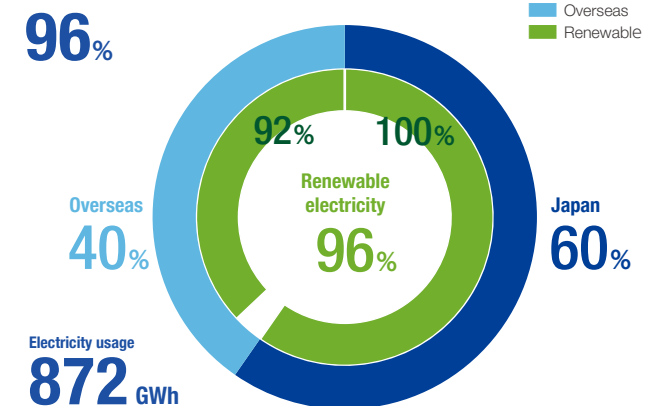
[▶ See the back cover for footnotes <sup>3, 4</sup>](#)

### Energy Usage



In FY2023, our energy use dipped slightly, but usage per unit of business profit deteriorated because of the decrease in business profit. The transition to renewable electricity has progressed, and the ratio of non-renewable energy, including oil and gas, has been reduced to less than half.

### Renewable Electricity Usage Ratio (FY2023)



In December 2023, Epson completed the switch to renewable electricity at all its sites worldwide<sup>5</sup>, increasing the percentage of renewable electricity to 96% of annual electricity usage. As a result, the percentage of Epson's GHG emissions from non-renewable electricity decreased to around 13% from more than 70%.

<sup>5</sup>Excluding some sales sites and leased properties where the amount of electricity consumed cannot be determined

# Consolidated Financial Highlights

		IFRS (Consolidation)				
		FY2014	FY2015	FY2016	FY2017	FY2018
Statement of income (billions of yen)	Revenue	1,086.3	1,092.4	1,024.8	1,102.1	1,089.6
	Gross profit	395.9	397.6	365.9	400.8	412.6
	Business profit <sup>1</sup>	101.2	84.9	65.8	74.7	70.4
	Profit from operating activities	131.3	94.0	67.8	65.0	71.3
	Profit before tax	132.5	91.5	67.4	62.6	72.0
	Profit for the period attributable to owners of the parent company	112.5	45.7	48.3	41.8	53.7
Statement of financial position (billions of yen)	Equity attributable to owners of the parent company	494.3	467.8	492.1	512.7	540.1
	Total assets	1,006.2	941.3	974.3	1,033.3	1,038.3
	Interest-bearing liabilities <sup>2</sup>	185.9	141.7	146.5	166.5	142.3
Statement of cash flows (billions of yen)	Net cash provided by (used in) operating activities	108.8	113.0	96.8	84.2	76.9
	Net cash provided by (used in) investing activities	△ 32.7	△ 51.5	△ 75.7	△ 74.6	△ 82.7
	Free cash flows	76.0	61.4	21.1	9.6	△ 5.7
Financial and management indicators (billions of yen•%)	Research and development expense	47.8	53.1	52.7	50.3	58.2
	Capital expenditures	45.4	69.4	75.3	79.4	82.0
	Depreciation and amortization	44.4	45.3	43.2	49.4	55.6
	Equity ratio attributable to owners of the parent company	49.1	49.7	50.5	49.6	52.0
	ROE (profit for the period attributable to owners of the parent company/beginning and ending balance average equity attributable to owners of the parent company)	26.3	9.5	10.1	8.3	10.2
	ROA (business profit/beginning and ending balance average total assets)	10.6	8.7	6.9	7.4	6.8
	ROS (business profit/revenue)	9.3	7.8	6.4	6.8	6.5
	ROIC (return on invested capital) <sup>3</sup>	-	-	7.4	7.9	7.2
	Consolidated dividend payout ratio	18.3	46.9	43.9	52.2	40.7
	Consolidated dividend payout ratio (based on business profit) <sup>4</sup>	29.0	36.1	45.9	41.7	44.3
Per share data (yen)	Basic earnings per share (EPS)	314.61 <sup>6</sup>	127.94	136.82	118.78	152.49
	Equity attributable to owners of the parent company per share (BPS)	1,381.66 <sup>6</sup>	1,307.58	1,397.40	1,455.67	1,533.57
	Cash dividends per share	115.00	60.00 <sup>7</sup>	60.00	62.00	62.00
Index of stock price (multiples)	Price earnings ratio (PER)	6.77	14.21	17.13	15.92	11.12
	Price book-value ratio (PBR)	1.54	1.39	1.68	1.30	1.11
Revenue breakdown by region (billions of yen) <sup>5</sup>	Japan	276.2	264.0	251.3	250.1	251.4
	The Americas	304.6	320.0	290.9	320.4	310.5
	Europe	230.9	226.3	211.9	233.2	225.2
	Asia/Oceania	274.4	282.0	270.5	298.2	302.4
Average exchange rate for the period (yen)	Yen/U.S. dollars	109.93	120.14	108.38	110.85	110.86
	Yen/Euro	138.77	132.58	118.79	129.66	128.40
Number of employees at period end (person)	Total	69,878	67,605	72,420	76,391	76,647
	Domestic	18,627	18,699	19,175	19,436	19,456
	Overseas	51,251	48,906	53,245	56,955	57,191

<sup>1</sup> Business profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

<sup>2</sup> Lease obligations are included in interest-bearing liabilities.

<sup>3</sup> ROIC = Business profit after tax/(equity attributable to owners of the parent company + interest-bearing liabilities)

<sup>4</sup> Calculated based on profit after an amount equivalent to the statutory effective tax rate is deducted from business profit.

<sup>5</sup> Sales (revenue) by region is based on the location of the customers.

<sup>6</sup> Basic earnings per share (EPS) and equity attributable to owners of the parent company per share (BPS) were calculated under the assumption that the shares split took effect at the beginning of the year ended March 31, 2015.

<sup>7</sup> Seiko Epson Corporation (the "Company") completed the Company's ordinary shares split with an effective date of April 1, 2015. As a result, each share of the Company's ordinary shares was split into two shares

<sup>8</sup> The figure for FY2019 includes leases. <sup>9</sup> Including a 10-yen anniversary dividend

## Consolidated Financial Highlights

		IFRS (Consolidation)				
		FY2019	FY2020	FY2021	FY2022	FY2023
Statement of income (billions of yen)	Revenue	1,043.6	995.9	1,128.9	1,330.3	1,313.9
	Gross profit	362.0	352.3	418.4	466.6	456.6
	Business profit <sup>1</sup>	40.8	61.6	89.6	95.1	64.7
	Profit from operating activities	39.4	47.6	94.4	97.0	57.5
	Profit before tax	39.7	44.9	97.1	103.7	70.0
	Profit for the period attributable to owners of the parent company	7.7	30.9	92.2	75.0	52.6
Statement of financial position (billions of yen)	Equity attributable to owners of the parent company	503.7	550.9	665.6	727.3	810.9
	Total assets	1,040.9	1,161.3	1,266.4	1,341.5	1,413.0
	Interest-bearing liabilities <sup>2</sup>	209.6	265.9	243.1	233.2	204.7
Statement of cash flows (billions of yen)	Net cash provided by (used in) operating activities	102.3	133.2	110.8	61.3	165.5
	Net cash provided by (used in) investing activities	△ 76.1	△ 57.4	△ 44.0	△ 61.6	△ 58.9
	Free cash flows	26.1	75.7	66.7	△ 0.2	106.5
Financial and management indicators (billions of yen・%)	Research and development expense	49.2	46.4	46.0	44.3	44.2
	Capital expenditures	80.0 <sup>8</sup>	52.8	48.2	78.3	70.0
	Depreciation and amortization	67.8	69.4	64.4	68.6	68.6
	Equity ratio attributable to owners of the parent company	48.4	47.4	52.6	54.2	57.4
	ROE (profit for the period attributable to owners of the parent company/beginning and ending balance average equity attributable to owners of the parent company)	1.5	5.9	15.2	10.8	6.8
	ROA (business profit/beginning and ending balance average total assets)	3.9	5.6	7.4	7.3	4.7
	ROS (business profit/revenue)	3.9	6.2	7.9	7.1	4.9
	ROIC (return on invested capital) <sup>3</sup>	4.1	5.6	7.3	7.1	4.6
	Consolidated dividend payout ratio	278.5	69.4	23.2	32.6	46.6
	Consolidated dividend payout ratio (based on business profit) <sup>4</sup>	75.0	49.7	34.2	36.3	54.2
Per share data (yen)	Basic earnings per share (EPS)	22.26	89.38	266.73	220.75	158.68
	Equity attributable to owners of the parent company per share (BPS)	1,456.20	1,592.36	1,923.68	2,194.02	2,445.52
	Cash dividends per share	62.00	62.00	62.00	72.00 <sup>9</sup>	74.00
Index of stock price (multiples)	Price earnings ratio (PER)	52.56	20.14	6.90	8.52	16.67
	Price book-value ratio (PBR)	0.80	1.13	0.96	0.86	1.08
Revenue breakdown by region (billions of yen) <sup>5</sup>	Japan	254.9	221.2	229.1	232.0	223.3
	The Americas	293.0	287.9	332.7	436.9	429.9
	Europe	214.0	208.4	239.5	282.2	289.4
	Asia/Oceania	281.5	278.1	327.4	379.0	371.1
Average exchange rate for the period (yen)	Yen/U.S. dollars	108.74	106.01	112.37	135.44	144.44
	Yen/Euro	120.85	123.67	130.55	140.90	156.66
Number of employees at period end (person)	Total	75,608	79,944	77,642	79,906	74,464
	Domestic	19,558	19,470	19,705	20,124	20,209
	Overseas	56,050	60,474	57,937	59,782	54,255

<sup>1</sup> Business profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.<sup>2</sup> Lease obligations are included in interest-bearing liabilities.<sup>3</sup> ROIC = Business profit after tax/(equity attributable to owners of the parent company + interest-bearing liabilities)<sup>4</sup> Calculated based on profit after an amount equivalent to the statutory effective tax rate is deducted from business profit.<sup>5</sup> Sales (revenue) by region is based on the location of the customers.<sup>6</sup> Basic earnings per share (EPS) and equity attributable to owners of the parent company per share (BPS) were calculated under the assumption that the shares split took effect at the beginning of the year ended March 31, 2015.<sup>7</sup> Seiko Epson Corporation (the "Company") completed the Company's ordinary shares split with an effective date of April 1, 2015. As a result, each share of the Company's ordinary shares was split into two shares<sup>8</sup> The figure for FY2019 includes leases. <sup>9</sup> Including a 10-yen anniversary dividend

# External Recognition



## External Recognition

<https://corporate.epson/en/sustainability/evaluation/index.html>

### Inclusion in ESG Indices and Ratings

**FTSE4Good Index Series**  
(June 2024)



FTSE4Good

**FTSE Blossom Japan Index**  
(June 2024)



FTSE Blossom Japan

**FTSE Blossom Japan Sector Relative Index**  
(June 2024)



FTSE Blossom Japan Sector Relative Index

**MSCI ESG Ratings**  
(March 2024)



ccc | B | BB | BBB | A | AA | AAA

**MSCI Nihonkabu ESG Select Leaders Index**  
(June 2024)

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

**MSCI Japan Empowering Women (WIN) Select Index**  
(June 2024)

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

**Morningstar Japan ex-REIT Gender Diversity Tilt Index**  
(December 2023)



Japan ex-REIT Gender Diversity Tilt Index

TOP CONSTITUENT 2024

**S&P/JPX Carbon Efficient Index**  
(June 2024)



**Sompo Sustainability Index**  
(June 2024)



Sompo Sustainability Index

**Named to the CDP's A List**  
(Category: climate change, water security)  
(February 2024)



CLIMATE WATER

**Certified by DBJ under its Environmentally Rated Loan Program**  
(January 2022)



**Earned a platinum rating for sustainability from EcoVadis**  
(September 2024)



### Participation in External Initiatives

#### United Nations Global Compact

Epson has pledged to conduct its affairs as a good corporate citizen and to uphold ten principles in the areas of human rights, labor, environment, and anti-corruption to achieve sustainable growth.



#### Responsible Business Alliance

A business alliance to promote CSR in global supply chains



Responsible Business Alliance

Advancing Sustainability Globally

#### Responsible Minerals Initiative

An alliance for the responsible sourcing of minerals



#### TCFD

Created by the Financial Stability Board to promote disclosures on climate-related risks and opportunities



#### CDP

An organization that gathers and evaluates environmental information from companies at the request of institutional investors and supply chain members

#### Science Based Targets Initiative

An international partnership that persuades companies to set science-based GHG emissions reduction targets



#### RE100

An international initiative that brings together the world's most influential businesses to drive the transition to 100% renewable electricity



#### Japan Climate Initiative

A network of non-state entities such as companies, local governments, research institutions, and NGOs committed to combating climate change



#### Japan for Circular Economy (J4CE)

A partnership established by the Ministry of the Environment, the Ministry of Economy, Trade and Industry, and the Japan Business Federation.

#### CSR Europe

An organization that makes recommendations on guidelines and principles for the European Commission. As a leading European business network, it supports the CSR efforts of businesses, industries, governments, and NGOs



# Group Outline (current as of March 31, 2024)

## Corporate Outline

Company name	Seiko Epson Corporation
Founded	May 18, 1942
Head Office	3-3-5 Owa, Suwa, Nagano Prefecture
Share capital	53,204 million yen
Employees	Epson Group: 74,464 person    Seiko Epson: 13,083 person

## Matters related to Company Shares

Total number of shares authorized to be issued	1,214,916,736 shares
Total number of shares outstanding	385,022,278 shares (including 53,289,742 shares of treasury stock)
Number of shareholders	33,164 persons

Major shareholders	Shareholder name	Number of shares held (shares)	Shareholding ratio (%)
	The Master Trust Bank of Japan, Ltd. (Trust Account)	72,625,700	21.89
	Custody Bank of Japan, Ltd. (Trust Account)	27,427,200	8.26
	Seiko Group Corporation	12,000,000	3.61
	Sanko Kigyo Kabushiki Kaisha	10,500,000	3.16
	Mizuho Trust & Banking Co., Ltd., Retirement benefit trust, Mizuho Bank, Ltd. Account	8,153,800	2.45
	Epson Group Employees' Shareholding Association	7,422,224	2.23
	STATE STREET BANK WEST CLIENT-TREATY 505234	6,152,177	1.85
	The Dai-ichi Life Insurance Company, Limited	6,115,200	1.84
	HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	4,604,864	1.38
	JPMorgan Securities Japan Co., Ltd.	4,581,315	1.38

Note: Although the Company holds 53,289,742 shares of treasury shares, the Company is excluded from the above list of major shareholders. Shareholding ratio is calculated by deducting treasury shares. Treasury shares do not include the Company's shares (109,170 shares) owned by the officer compensation BIP Trust.

## Management Philosophy

Epson aspires to be an indispensable company, trusted throughout the world for our commitment to openness, customer satisfaction and sustainability.

We respect individuality while promoting teamwork, and are committed to delivering unique value through innovative and creative solutions.

## EXCEED YOUR VISION

As Epson employees, we always strive to exceed our own vision, and to produce results that bring surprise and delight to our customers.

## Notes

P8	<p><sup>1</sup> Renewable electricity adoption ratio at all Epson Group sites. Excludes some sales sites and leased properties where the amount of electricity consumed cannot be determined.</p> <p><sup>2</sup> Ratio of sustainable resources (renewable resources + closed-loop materials + less depletable resources) to raw materials</p> <p><sup>3</sup> Source: IDC's Worldwide Quarterly Hardcopy Peripherals Tracker 2024Q2 Share by Brand</p> <p><sup>4</sup> Source: IDC's Worldwide Quarterly Hardcopy Peripherals Tracker 2024Q2 Share by Brand. Laser printers = up to 90 ppm monochrome laser printers. Color laser = up to 69 ppm</p> <p><sup>5</sup> FY2023 unit volume share for projectors with 500 lumens or more, excluding screenless TV products. Source: Futuresource Consulting Ltd.</p> <p><sup>6</sup> Market share based on unit sales of industrial SCARA robots, 2023. (Source: Fuji Keizai: "2024 Reality and Future Outlook of Worldwide Robot Market")</p> <p><sup>7</sup> Source: QYRESEARCH "Global Timing Device Market Report" (2023)</p>
P36	<p><sup>2</sup> ABE Initiative: The African Business Education Initiative for Youth is a program that invites young people from Africa to Japan and provides them with the opportunity to obtain a master's degree at a Japanese university and to internship at Japanese companies, with the aim of fostering industrial human resources in Africa and developing professionals who will serve as a bridge for businesses between Japan and Africa. Source: Japan International Cooperation Agency (JICA) "African Business Education Initiative for Youth" <a href="https://www.jica.go.jp/Resource/english/publications/brochures/c8h0vm000avs7w2-att/abe_initiative_en.pdf">https://www.jica.go.jp/Resource/english/publications/brochures/c8h0vm000avs7w2-att/abe_initiative_en.pdf</a></p>
P43	<p><sup>1</sup> MEMS: Micro Electro Mechanical System</p> <p><sup>2</sup> CAE: Computer Aided Engineering</p>
P44	<p><sup>3</sup> The Pararesin Japan Consortium studies business in biomass plastics derived from sources such as paramylon and fosters organic cooperation to accelerate the creation of a biomass plastic market and acquire market share. See the link for details (Japanese only) :<a href="https://pararesin.euglab.jp/">https://pararesin.euglab.jp/</a></p>
P45	<p><sup>4</sup> MI: Material Informatics (a technology to accelerate the development of new materials, from property prediction to prototyping, using data) PI: Process Informatics (a technology to accelerate a development process, from material prototyping to the invention of industrially applicable manufacturing methods, using data to reinforce the possessing knowledge)</p> <p><sup>5</sup> Temperature at which a liquid reaches a constant viscosity in a random structure (glassy state) without crystallization when it is cooled</p>
P60	<p><sup>1</sup> Conflict-free SORs (smelters/refiners) (CFS) certified by RMI's Responsible Minerals Assurance Program (RMAP)</p> <p><sup>2</sup> Smelters and refiners that have not been certified under the RMI's Responsible Minerals Assurance Program (RMAP) but have committed to obtain the certificate</p>
P78	<p><sup>3</sup> CO<sub>2</sub> conversion factor of greenhouse gas emissions</p> <ul style="list-style-type: none"><li>- Electric power: Disclose emissions at Market-base. In Japan, we use the adjusted emissions factors for the load serving entities (i.e., utilities) from which our sites purchase electricity, pursuant to Load Serving Entity Emission Factors announced by the Ministry of Environment and the Ministry of Economy, Trade and Industry. Overseas, we use the country emission factors listed in IEA (International Energy Agency) or from the load serving entities from which our sites purchase electricity. The emission factor is set to zero for the amount of renewable energy certificates and J-Credits utilized.</li><li>- Fuel: The factors announced by the IPCC in 2006 were used for both domestic and overseas data.</li><li>- GHGs other than CO<sub>2</sub>: Equivalents were calculated based on 100-year GWP values in the Fifth Assessment Report of the IPCC.</li></ul> <p><sup>4</sup> Includes cogeneration systems (CGS) electricity and self-generated electricity. Since it is difficult to procure renewable energy fuels or green gas certificates that meet the RE100 technical criteria, we have achieved 100% renewable electricity by voluntarily applying renewable energy certificates equivalent to the amount of electricity used.</p>

# EPSON

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