

Fourth Quarter Financial Results Fiscal Year 2018 (Ended March 2019)

April 26, 2019

SEIKO EPSON CORP.

■ Disclaimer regarding forward-looking statements

The foregoing statements regarding future results reflect the Company's expectations based on information available at the time of announcement. The information contains certain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to, the competitive environment, market trends, general economic conditions, technological changes, exchange rate fluctuations and our ability to continue to timely introduce new products and services.

■ Note regarding business profit

Business profit is calculated by deducting cost of sales and SGA expenses from revenue. Although not defined in the statement of consolidated comprehensive income, this indicator is very similar to the concept of operating income under J-GAAP. Epson will present this information as a reference, as the Company believes users of financial statements will find it useful when evaluating Epson's financial performance.

■ Numerical values presented herein

Numbers are rounded down to the unit indicated. Percentages are rounded off to one decimal place. Years mentioned in these materials are fiscal years unless otherwise indicated.

- FY2018 Full-Year Financial Results
 - FY2019 Financial Outlook
 - Shareholder Returns
-
- FY2018 Q4 Financial Results
 - Main Management Indices

FY2018 Financial Highlights (Full Year)

	FY2017		FY2018				Change		
	(Billions of yen)	Actual	%	1/31 Outlook	%	Actual	%	Y/Y	Vs. 1/31 outlook
Revenue		1,102.1		1,070.0		1,089.6		-12.4 -1.1%	+19.6 +1.8%
Business profit		74.7	6.8%	65.0	6.1%	70.4	6.5%	-4.2 -5.7%	+5.4 +8.5%
Profit from operating activities		65.0	5.9%	62.0	5.8%	71.3	6.5%	+6.3 +9.8%	+9.3 +15.1%
Profit before tax		62.6	5.7%	61.0	5.7%	72.0	6.6%	+9.3 +15.0%	+11.0 +18.1%
Profit for the year attributable to owners of the parent company		41.8	3.8%	50.0	4.7%	53.7	4.9%	+11.8 +28.4%	+3.7 +7.4%
EPS* ¹ (yen)		118.78		141.95		152.49			
Exchange rate (yen, index)	USD	¥110.85		¥110.00		¥110.86			
	EUR	¥129.66		¥127.00		¥128.40			
	Other currencies* ²	100		94		95			

*1 Basic earnings per share for the period

*2 Index showing weighted average variance of rates for currencies other than USD and EUR against a benchmark of 100 for the previous period. Rates are weighted according to Epson's net volume of revenue and cost for each currency.

Exchange effect (Billions of yen)	USD	EUR	Other currencies	Total
Revenue	+0.0	-2.2	-13.5	-15.7
Business profit	+0.1	-1.4	-7.3	-8.6

◆ Revenue

- Sales of strategic products expanded, but growth initiatives did not yield sufficient revenue. Foreign exchange took a toll, as did trade friction and the effects of plummeting currencies and economic stagnation in some emerging markets.

◆ Business profit

- Gross profit increased owing to an improved model mix.
- Continued to invest in future growth.
- A change in the method of accounting for printhead inventory devaluations had a one-time positive effect of ¥5.4 billion.
- Profit was hurt by foreign exchange effects.

◆ Other operating expenses and tax expenses

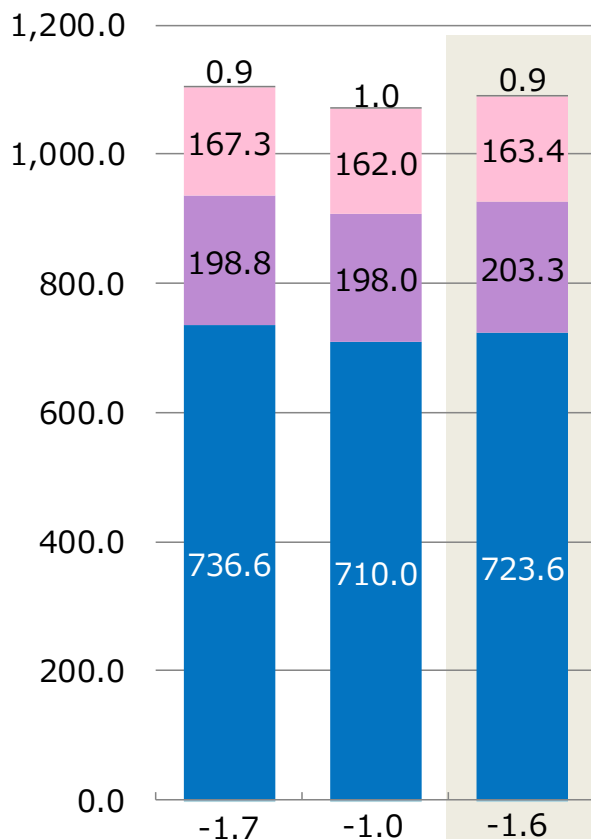
- Foreign exchange loss decreased year on year.
- Recorded a gain on sales of fixed assets.
- Tax expenses decreased compared to last year, when there was a partial reversal of deferred tax assets accompanying U.S. tax reform.

FY2018 Results by Business Segment

Revenue

(Billions of yen)

1,102.1	1,070.0	1,089.6
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FY2017 Actual	FY2018 1/31 Outlook	FY2018 Actual
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Consolidated

Y/Y	-12.4
vs. previous	+19.6

Other

Wearable & Industrial Products

Y/Y	-3.9
vs. previous	+1.4

Visual Communications

Y/Y	+4.4
vs. previous	+5.3

Printing Solutions

Y/Y	-13.0
vs. previous	+13.6

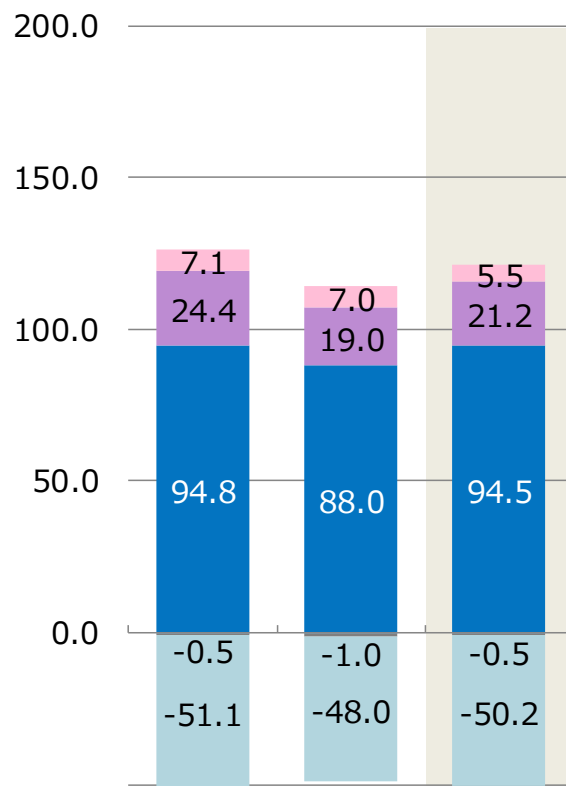
Corporate expenses & Eliminations

Y/Y	+0.0
vs. previous	-0.6

Business profit

(Billions of yen)

74.7	65.0	70.4
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FY2017 Actual	FY2018 1/31 Outlook	FY2018 Actual
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Consolidated

Y/Y	-4.2
vs. previous	+5.4

Wearable & Industrial Products

Y/Y	-1.6
vs. previous	-1.4

Visual Communications

Y/Y	-3.1
vs. previous	+2.2

Printing Solutions

Y/Y	-0.3
vs. previous	+6.5

Other

Corporate expenses & Eliminations

Y/Y	+0.9
vs. previous	-2.2

FY2018 Results Comparison by Business

(Billions of yen)

Printing Solutions	FY2017 Actual	FY2018 1/31 Outlook	FY2018 Actual	Y/Y	vs. 1/31 Outlook
Revenue	736.6	710.0	723.6	-13.0	+13.6
Printers	523.1	496.0	505.9	-17.2	+9.9
% sales IJP	83%	83%	84%		
SIDM	8%	8%	8%		
Other	9%	9%	8%		
Professional Printing	197.8	195.0	198.0	+0.2	+3.0
Other	17.3	19.0	19.7	+2.4	+0.7
Inter-segment revenue	-1.6	0.0	-0.1	+1.4	-0.1
Segment profit	94.8	88.0	94.5	-0.3	+6.5
ROS	12.9%	12.4%	13.1%		

Percentage of segment profit for the printer business (FY2018 results)

Mid-50% range

FY2018 Results Comparison by Business

(Billions of yen)

Visual Communications	FY2017 Actual	FY2018 1/31 Outlook	FY2018 Actual	Y/Y	vs. 1/31 Outlook
Revenue	198.8	198.0	203.3	+4.4	+5.3
Segment profit	24.4	19.0	21.2	-3.1	+2.2
ROS	12.3%	9.6%	10.4%		

(Billions of yen)

Wearable & Industrial Products	FY2017 Actual	FY2018 1/31 Outlook	FY2018 Actual	Y/Y	vs. 1/31 Outlook
Revenue	167.3	162.0	163.4	-3.9	+1.4
Wearable Products	50.3	49.0	49.8	-0.4	+0.8
Robotics Solutions	24.6	23.0	22.6	-1.9	-0.3
Microdevices, Other	98.9	96.0	96.6	-2.3	+0.6
Inter-segment revenue	-6.6	-6.0	-5.8	+0.8	+0.1
Segment profit	7.1	7.0	5.5	-1.6	-1.4
ROS	4.3%	4.3%	3.4%		

FY2019 Financial Outlook

	FY2018		FY2019		Change	
	(Billions of yen)	Actual	%	Outlook	%	Y/Y
Revenue		1,089.6		1,130.0		+40.3 +3.7%
Business profit		70.4	6.5%	65.0	5.8%	-5.4 -7.8%
Profit from operating activities		71.3	6.5%	60.0	5.3%	-11.3 -15.9%
Profit before tax		72.0	6.6%	59.0	5.2%	-13.0 -18.1%
Profit for the year attributable to owners of the parent company		53.7	4.9%	45.0	4.0%	-8.7 -16.2%
EPS ^{*1} (yen)		152.49		127.75		
Exchange rate (yen, index)	USD	¥110.86		¥110.00		
	EUR	¥128.40		¥125.00		
	Other currencies ^{*2}	100		98		

*1 Basic earnings per share for the year

*2 Index showing weighted average variance of rates for currencies other than USD and EUR against a benchmark of 100 for the previous fiscal year.

Rates are weighted according to Epson's net volume of revenue and cost for each currency.

*3 Annual impact of a 1-yen increase in the value of the yen versus the USD & EUR (in billions of yen)
Annual impact of a 1% increase in the value of the yen versus other currencies (in billions of yen)

Exchange sensitivity ^{*3}	USD	EUR	Other currencies
Revenue	-3.0	-1.5	-3.0
Business profit	+0.7	-1.0	-1.3

◆ Revenue

- Strategic products are seen driving revenue growth in a challenging business environment.

◆ Business profit

- Revenue will grow, but profit is seen decreasing because of negative foreign exchange effects and the elimination of one-time factors that provided gains in FY2018.
- While continuing to invest for the long term, we will exercise discipline and invest based on the external environment and strategy effectiveness to grow profit after excluding one-time factors and forex effects.
 - In printing solutions we will continue medium- and long-term strategic investments to replace LPs with IJPs.
 - We assume challenging conditions in visual communications and wearable & industrial products, but expect profit to increase.

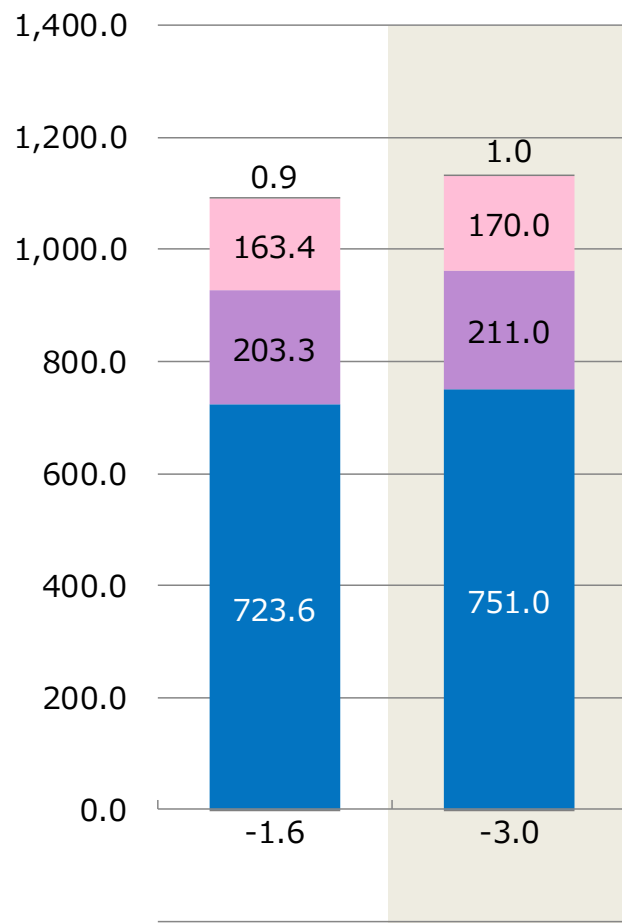
FY2019 Financial Outlook by Business Segment

Revenue

(Billions of yen)

1,089.6

1,130.0



FY2018
Actual

FY2019
Outlook

Consolidated

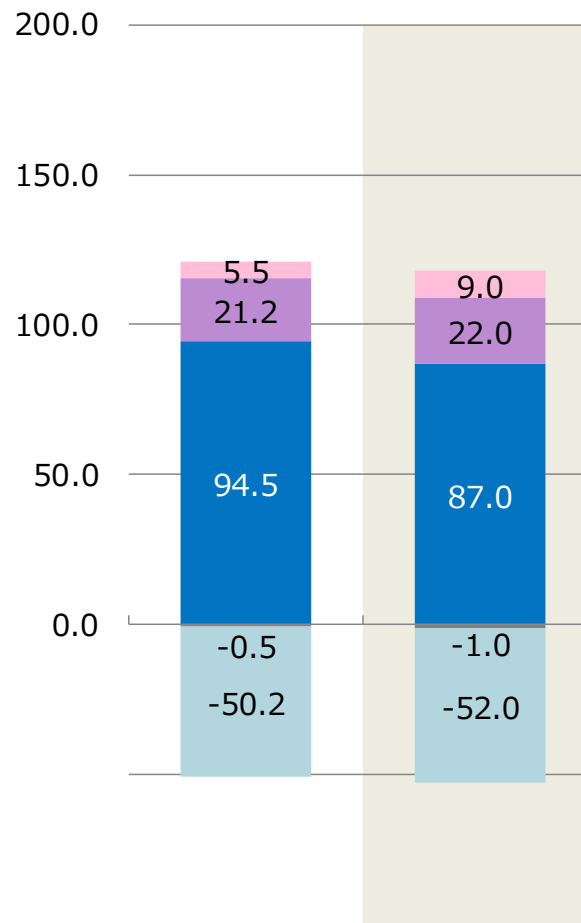
Y/Y +40.3

Business profit

(Billions of yen)

70.4

65.0



FY2018
Actual

FY2019
Outlook

Consolidated

Y/Y -5.4

Wearable & Industrial Products

Y/Y +3.4

Visual Communications

Y/Y +0.7

Printing Solutions

Y/Y -7.5

Other

Corporate expenses & Eliminations

Y/Y -1.7

FY2019 Financial Outlook by Business

(Billions of yen)

Printing Solutions	FY2018 Actual	FY2019 Outlook	Y/Y
Revenue	723.6	751.0	+27.3
Printers	505.9	513.0	+7.0
% sales IJP	84%	84%	
SIDM	8%	7%	
Other	8%	9%	
Professional Printing	198.0	217.0	+18.9
Other	19.7	21.0	+1.2
Inter-segment revenue	-0.1	0.0	+0.1
Segment profit	94.5	87.0	-7.5
ROS	13.1%	11.6%	

Percentage of segment profit for the printer business (FY2019 outlook)

Mid-40% range

FY2019 Financial Outlook by Business

(Billions of yen)

Visual Communications	FY2018 Actual	FY2019 Outlook	Y/Y
Revenue	203.3	211.0	+7.6
Segment profit	21.2	22.0	+0.7
ROS	10.4%	10.4%	

(Billions of yen)

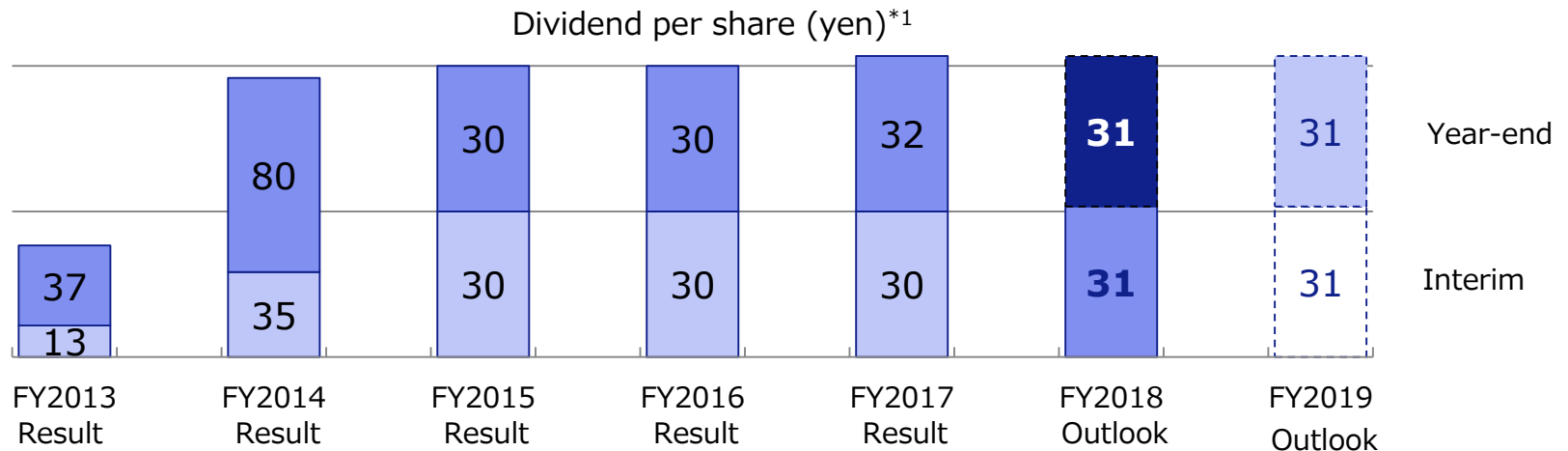
Wearable & Industrial Products	FY2018 Actual	FY2019 Outlook	Y/Y
Revenue	163.4	170.0	+6.5
Wearable Products	49.8	50.0	+0.1
Robotics Solutions	22.6	26.0	+3.3
Microdevices, Other	96.6	99.0	+2.3
Inter-segment revenue	-5.8	-5.0	+0.8
Segment profit	5.5	9.0	+3.4
ROS	3.4%	5.3%	

◆ Share repurchase

- Repurchase company shares as part of a policy to actively return profits to shareholders.

Class of shares to be repurchased	Ordinary shares
Total number of repurchasable shares	7.5 million (maximum)
Total repurchase amount	¥10 billion (maximum)
Repurchase period	May 7 to Sept. 20, 2019
Repurchase method	Purchase on the Tokyo Stock Exchange (By securities company using discretionary method)

◆ Dividends and forecast



*1: Epson declared a 2-for-1 stock split, effective April 1, 2015. The graph height shows the level after the split.

- FY2018 Full-Year Financial Results
 - FY2019 Financial Outlook
 - Shareholder Returns
-
- FY2018 Q4 Financial Results
 - Main Management Indices

Financial Highlights (Fourth Quarter)

	FY2017		FY2018		Change	
	(Billions of yen) Q4 Actual	%	Q4 Actual	%	Y/Y	%
Revenue	268.6		260.6		-7.9	-3.0%
Business profit	16.3	6.1%	12.1	4.6%	-4.2	-25.8%
Profit from operating activities	12.7	4.8%	13.1	5.1%	+0.4	+3.3%
Profit before tax	11.6	4.3%	13.1	5.1%	+1.5	+13.2%
Profit for the period attributable to owners of the parent company	7.2	2.7%	7.7	3.0%	+0.5	+7.2%
EPS ^{*1} (yen)	20.65		22.13			
Exchange rate (yen, index)	USD	¥108.39	¥110.14			
	EUR	¥133.20	¥125.13			
	Other currencies ^{*2}	100	94			

*1 Basic earnings per share for the period

*2 Index showing weighted average variance of rates for currencies other than USD and EUR against a benchmark of 100 for the previous period. Rates are weighted according to Epson's net volume of revenue and cost for each currency.

Exchange Effect (Billions of yen)	USD	EUR	Other currencies	Total
Revenue	+1.2	-2.8	-3.9	-5.5
Business profit	-0.2	-1.8	-2.0	-4.1

◆ Revenue

- Revenue declined due to negative foreign exchange effects, economic stagnation in China and Latin America, and political instability in various regions.
 - Robot and microdevices revenue continued to fall in China.
 - Trade friction impacted a broad range of countries and products.
- High-capacity ink tank printer growth rate restored
 - The overall growth rate was restored as revenue in Latin America fell year on year due to competition, economic stagnation and political instability, but expanded in China, India, and other parts of Asia as well as in developed economies.

◆ Business profit

- Profit decreased on lower revenue and due to forex effects, which combined to more than offset a one-time gain from a change in printhead inventory devaluation accounting.

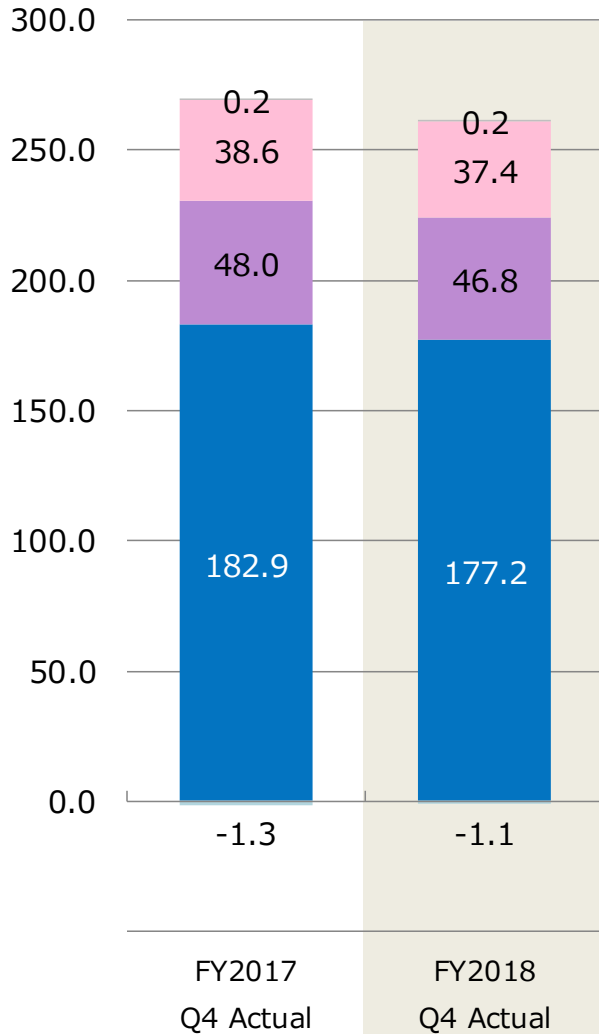
Q4 Financial Results by Business Segment

Revenue

(Billions of yen)

268.6

260.6



Consolidated

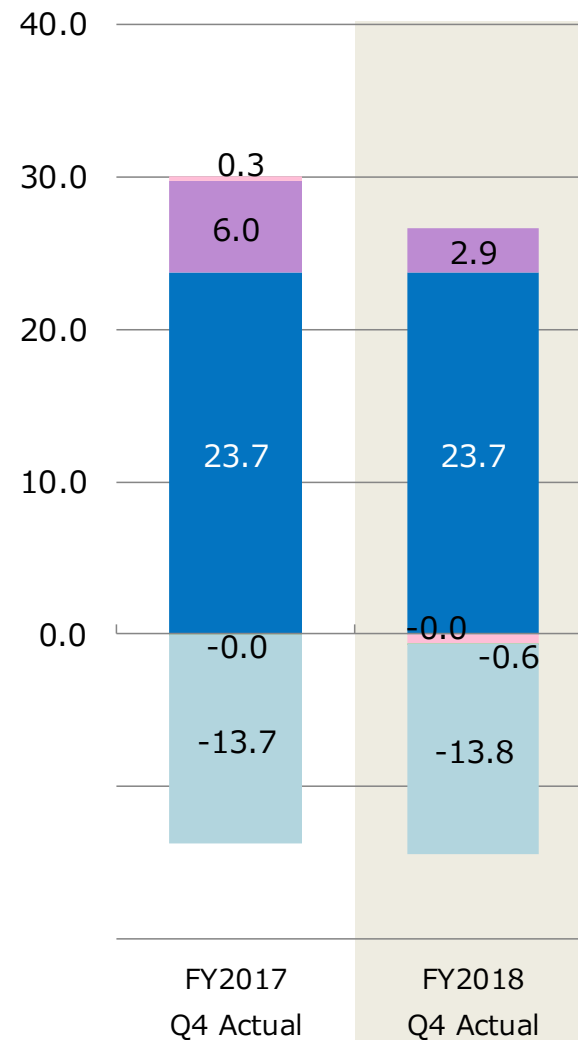
Y/Y -7.9

Business profit

(Billions of yen)

16.3

12.1



Consolidated

Y/Y -4.2

Quarterly Comparison by Business

(Billions of yen)

Printing Solutions	Q4/2017 Actual	Q4/2018 Actual	Y/Y
Revenue	182.9	177.2	-5.7
Printers	128.5	122.0	-6.5
% sales IJP	83%	83%	
SIDM	7%	7%	
Other	10%	10%	
Professional Printing	49.6	48.5	-1.1
Other	5.1	6.6	+1.5
Inter-segment revenue	-0.4	-0.0	+0.4
Segment profit	23.7	23.7	+0.0
ROS	13.0%	13.4%	

- ◆ IJP:
 - High-capacity ink tank printer sales were affected by market sluggishness, but still grew.
 - Ink cartridge printer sales decreased due to actions to maintain prices.
 - Ink earnings decreased.
- ◆ SIDM:
 - Demand continued to fall.
- ◆ Large-format printers:
 - Signage revenue continued to grow.
 - Photo printer revenue fell due to competition.
- ◆ POS printers:
 - Flat year on year

Percentage of segment profit for the printer business (FY2018 Q4)

Approx.
60%

Quarterly Comparison by Business

(Billions of yen)

Visual Communications	Q4/2017 Actual	Q4/2018 Actual	Y/Y
Revenue	48.0	46.8	-1.1
Segment profit	6.0	2.9	-3.0
ROS	12.6%	6.4%	

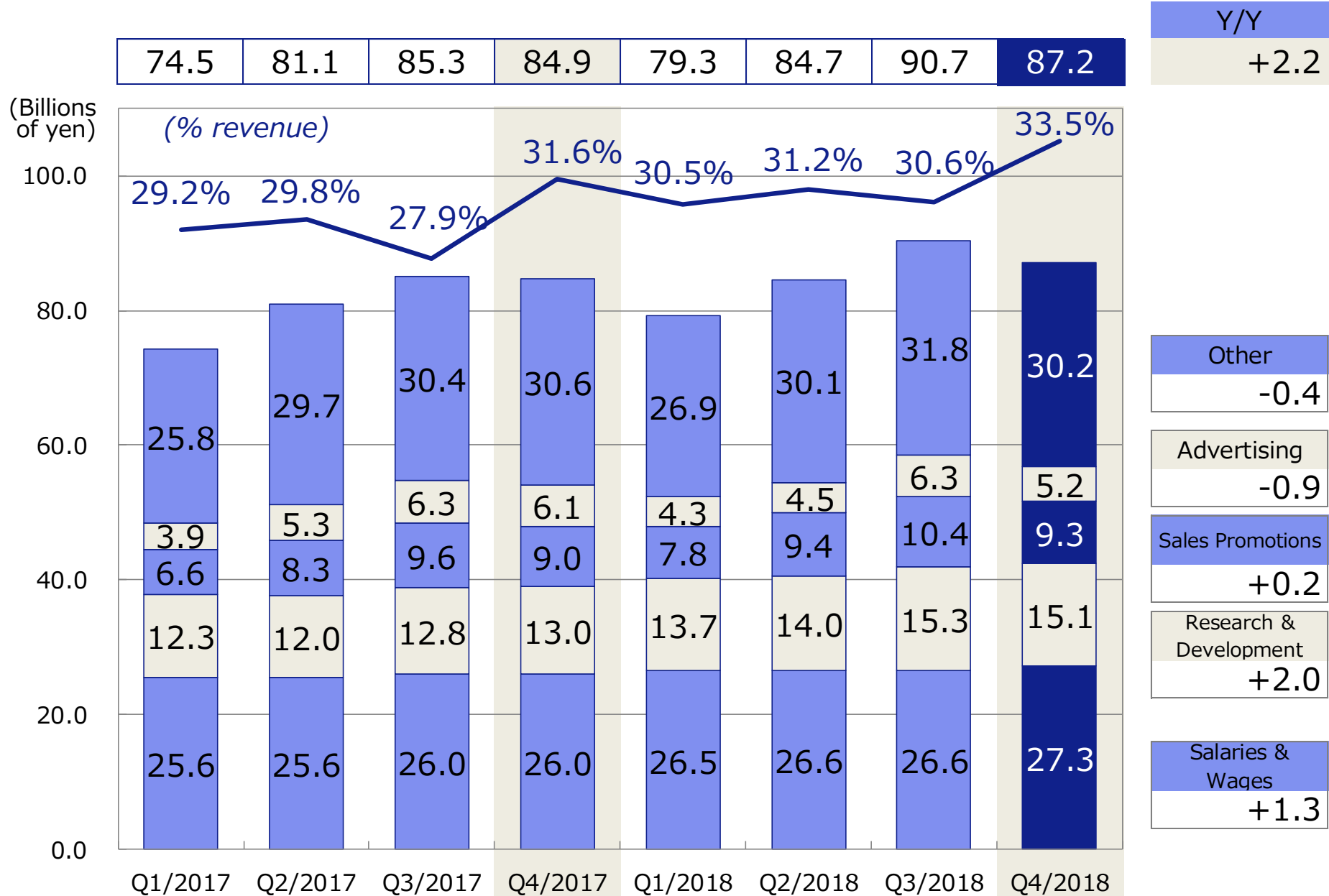
- ◆ Projectors:
 - Sales volume decreased.
 - Model mix improved owing to increased sales of ultra-short throw models.

(Billions of yen)

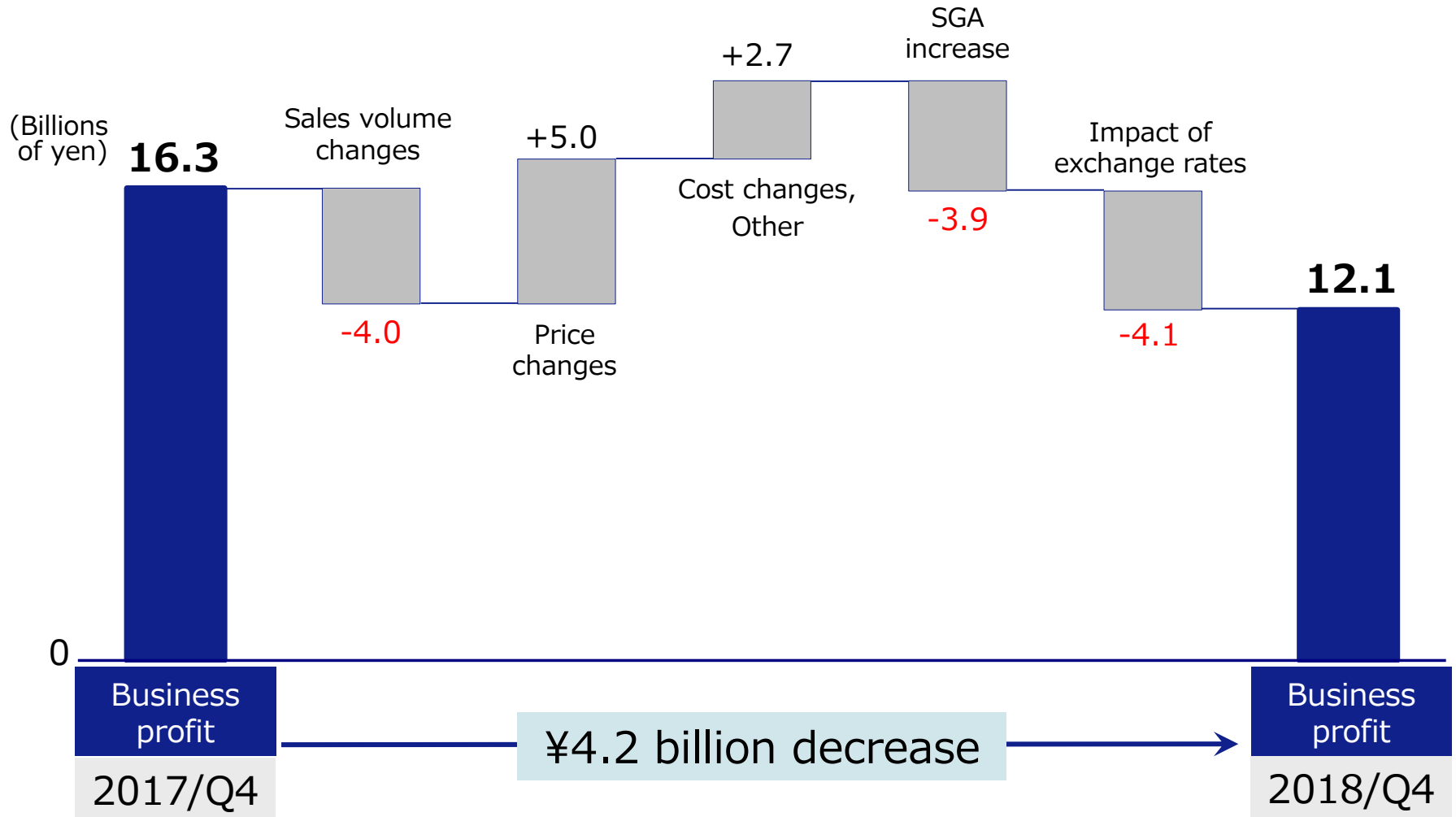
Wearable & Industrial Products	Q4/2017 Actual	Q4/2018 Actual	Y/Y
Revenue	38.6	37.4	-1.2
Wearable Products	10.4	11.2	+0.7
Robotics Solutions	5.8	5.1	-0.7
Microdevices, Other	24.0	22.5	-1.4
Inter-segment revenue	-1.6	-1.5	+0.1
Segment profit	0.3	-0.6	-1.0
ROS	1.0%	-1.8%	

- ◆ Watches:
 - Increased on foreign and domestic sales of high-added-value models.
- ◆ Robots:
 - Chinese demand continued to decline.
- ◆ Quartz:
 - Sales for consumer electronics applications continued to drop.
- ◆ Semiconductors:
 - Declined due to fall-off in customer demand.

Quarterly Selling, General and Administrative Expenses

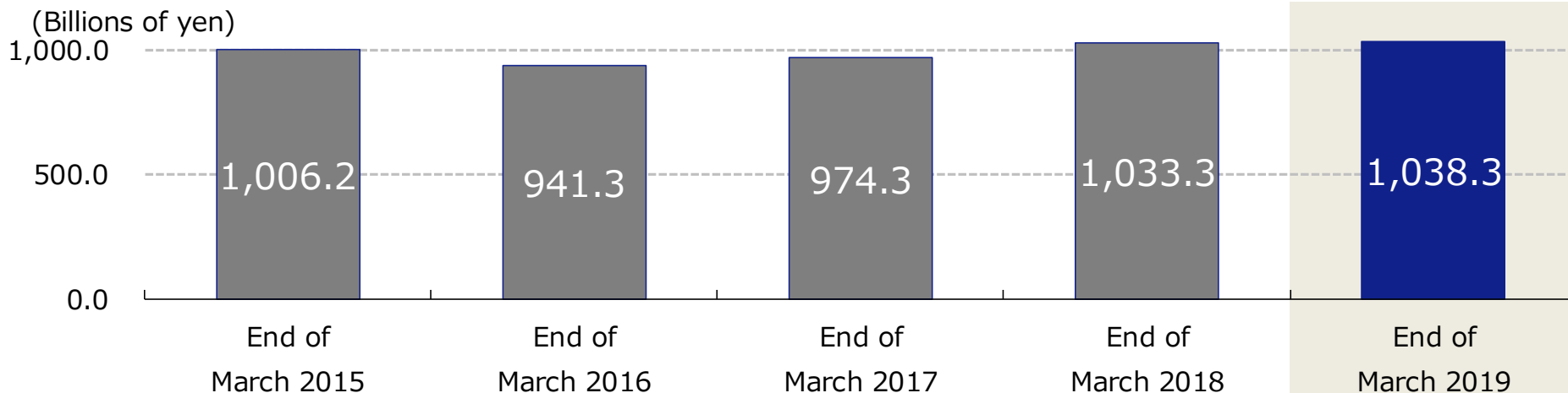


Q4 Business Profit Change Cause Analysis

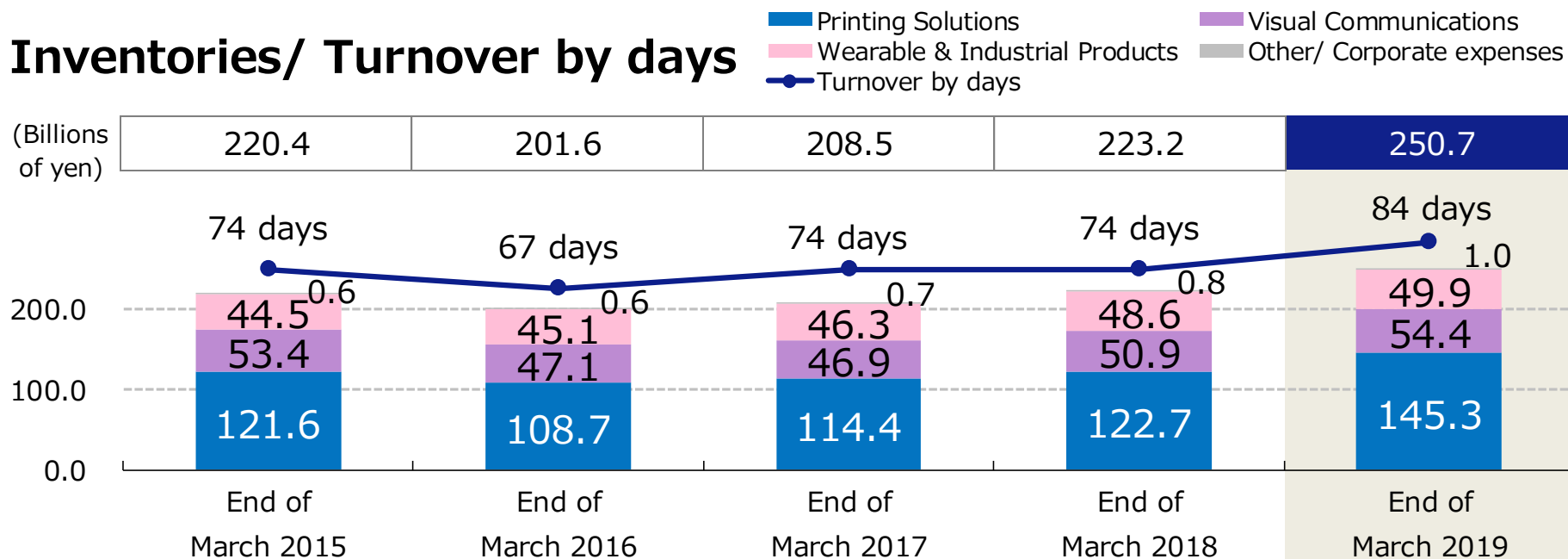


Statements of Financial Position

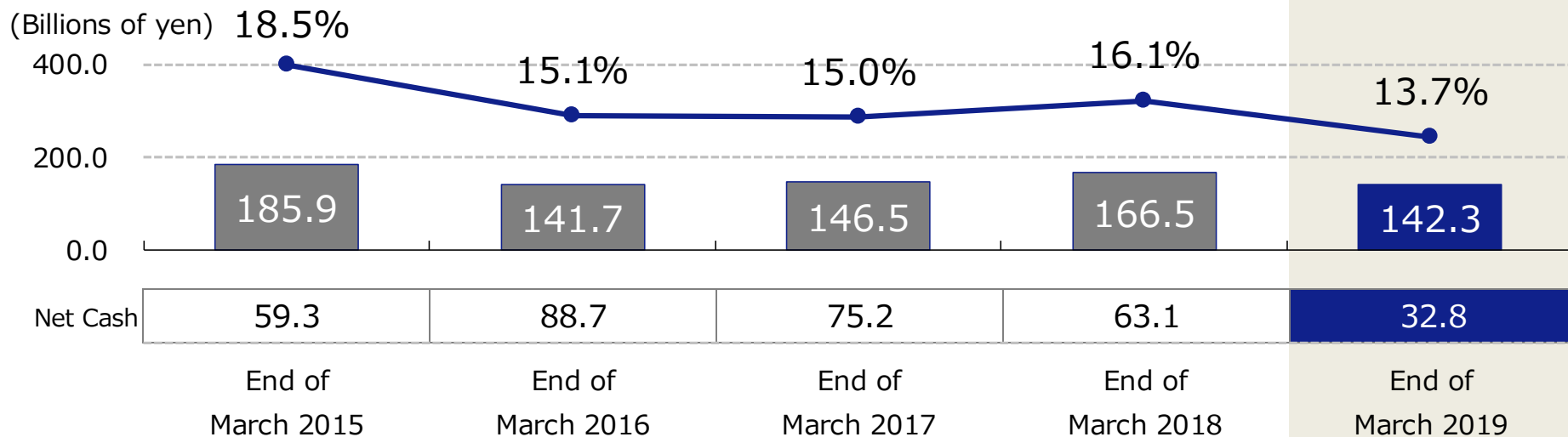
Total assets



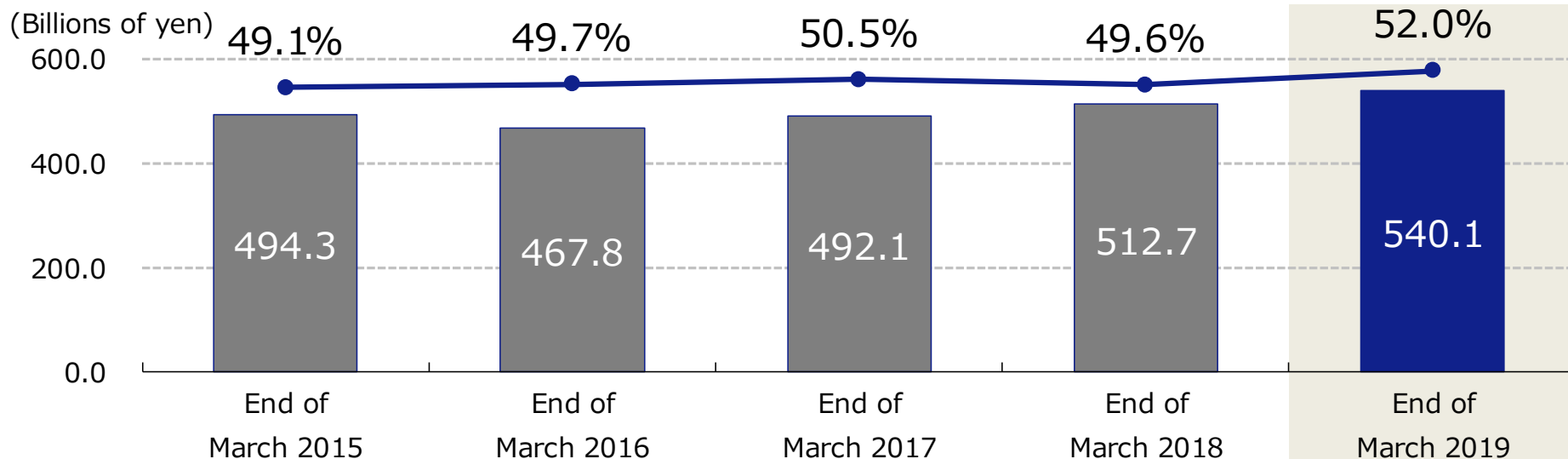
Inventories/ Turnover by days



Interest-bearing liabilities and ratio of interest-bearing liabilities, Net Cash

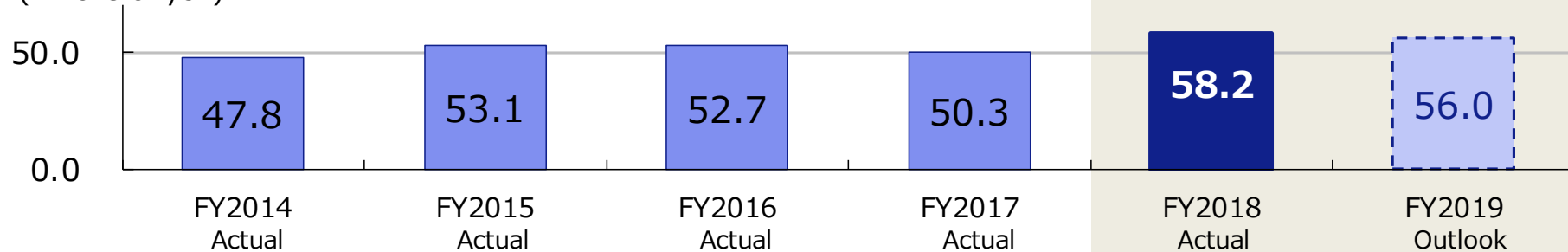


Equity and equity ratio attributable to owners of the parent company



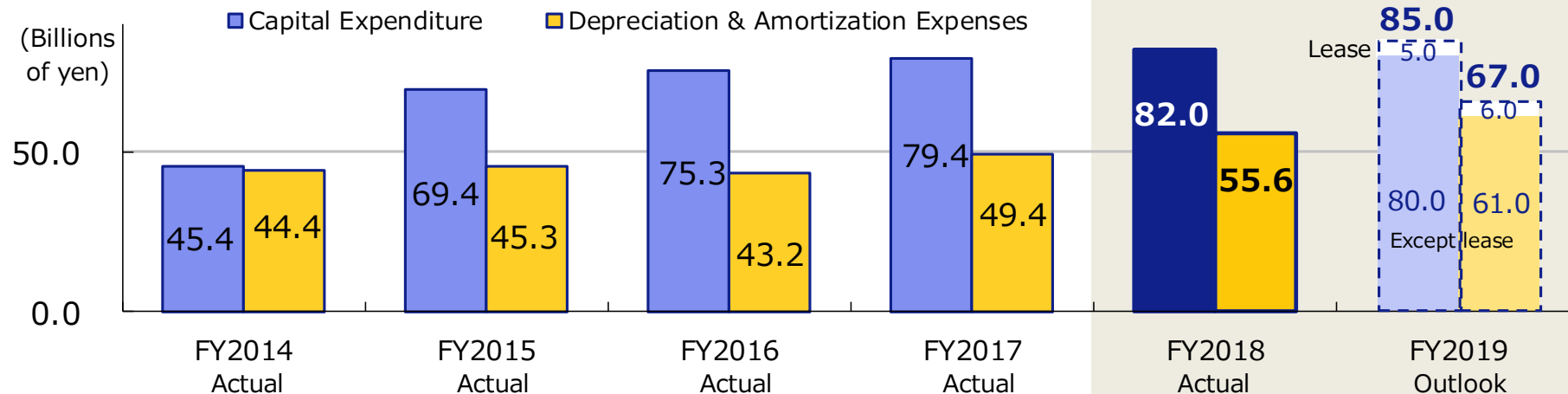
Research & Development Costs

(Billions of yen)



Capital Expenditure and Depreciation and Amortization Expenses

(Billions of yen)



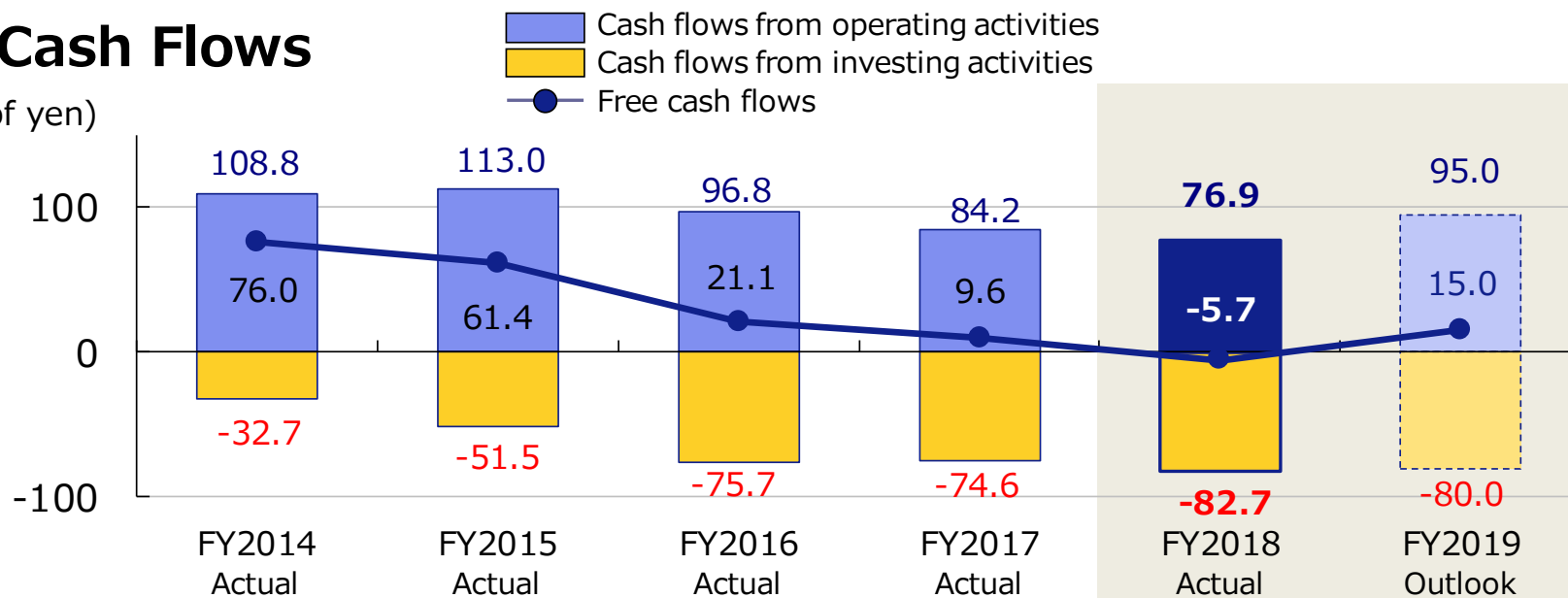
	Capex.	Depreciation & Amortization	Capex.	Depreciation & Amortization
Printing Solutions	46.8	30.6	43.0	39.0
Visual Communications	11.4	9.8	16.0	12.0
Wearable & Industrial Products	13.9	9.1	16.0	10.0
Other, Corporate	9.8	5.9	10.0	6.0

Includes lease from FY2019 outlook

Free Cash Flows Main Management Indices

Free Cash Flows

(Billions of yen)



Main Management Indices

(%)	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Outlook
ROS *1	9.3	7.8	6.4	6.8	6.5	5.8
ROA *2	10.6	8.7	6.9	7.4	6.8	6.1
ROE *3	26.3	9.5	10.1	8.3	10.2	8.2

*1 Business profit/ revenue

*2 Business profit/ total assets (avg. balance)

*3 Profit for the year attributable to owners of the parent company/ Equity attributable to owners of the parent company (avg. balance)

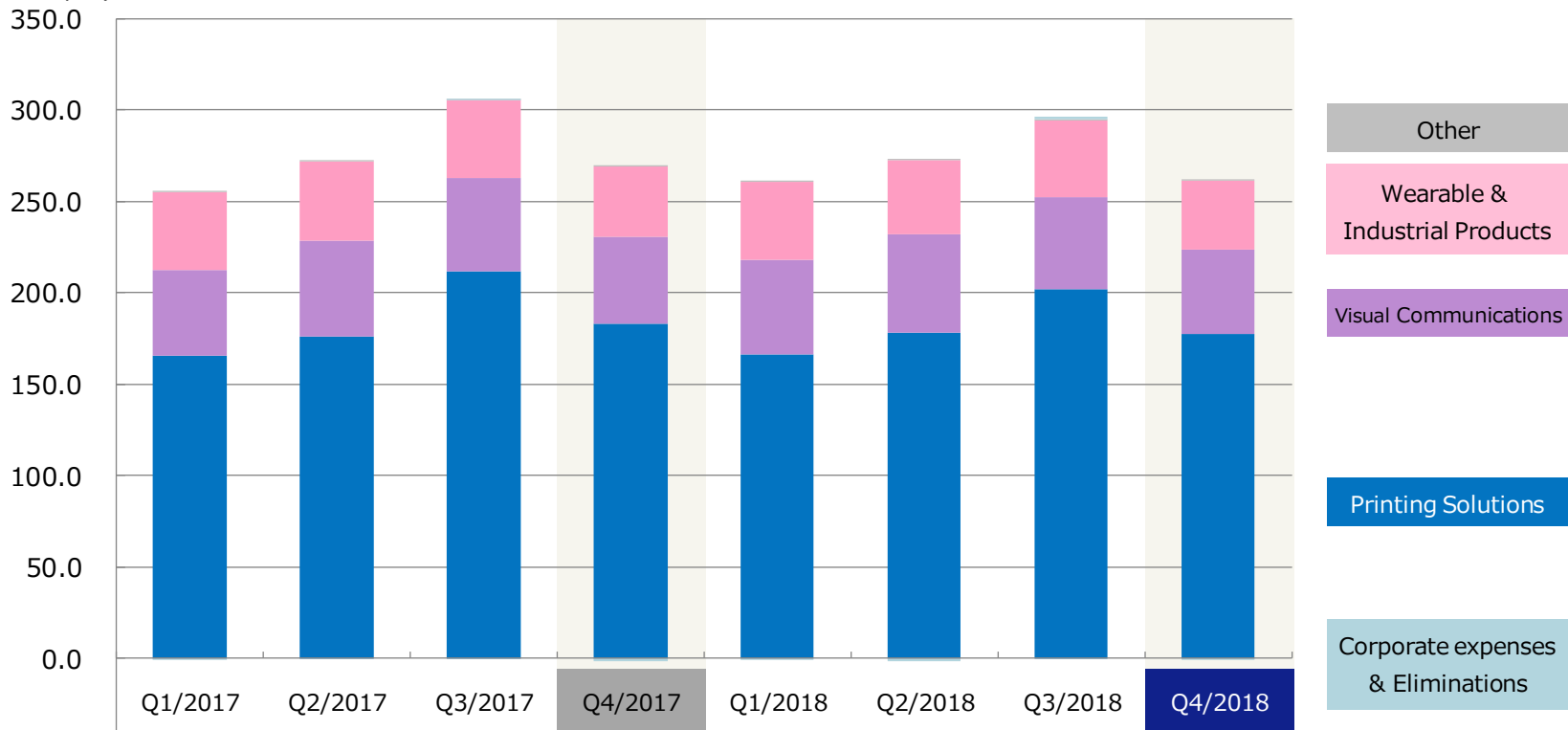
Reference

Quarterly Revenue Trend By Business Segment

Exchange rate	USD	111.08	111.00	112.92	108.39	109.06	111.46	112.80	110.14	+1.75
(yen)	EUR	122.12	130.36	132.96	133.20	130.09	129.66	128.73	125.13	-8.07

Revenue (Billions of yen)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Y/Y
Printing Solutions	165.9	176.1	211.6	182.9	166.6	178.0	201.7	177.2	-5.7
Visual Communications	46.3	52.8	51.6	48.0	51.4	53.9	51.0	46.8	-1.1
Wearable & Industrial Products	43.0	43.2	42.3	38.6	43.1	40.9	41.9	37.4	-1.2
Other	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	+0.0
Corporate expenses & Eliminations	-0.8	0.0	0.2	-1.3	-0.9	-1.3	1.7	-1.1	+0.1
Consolidated total	254.8	272.5	306.1	268.6	260.4	271.9	296.6	260.6	-7.9

(Billions of yen)

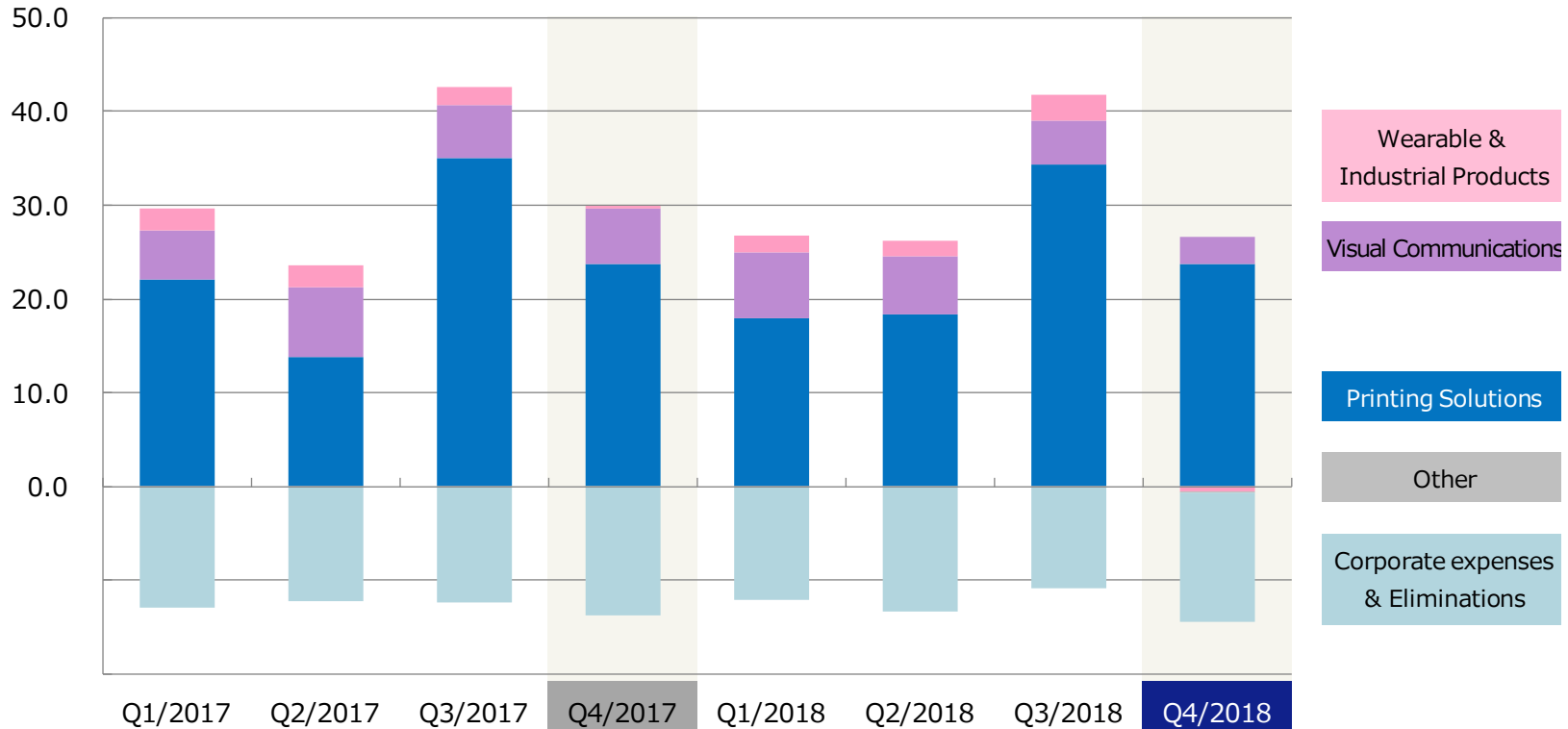


Quarterly Business Profit Trend By Business Segment

Exchange rate	USD	111.08	111.00	112.92	108.39	109.06	111.46	112.80	110.14	+1.75
(yen)	EUR	122.12	130.36	132.96	133.20	130.09	129.66	128.73	125.13	-8.07

Business profit (Billions of yen)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Y/Y
Printing Solutions	22.1	13.8	35.1	23.7	17.9	18.3	34.4	23.7	+0.0
Visual Communications	5.2	7.4	5.6	6.0	7.1	6.3	4.7	2.9	-3.0
Wearable & Industrial Products	2.3	2.4	1.9	0.3	1.7	1.6	2.7	-0.6	-1.0
Other	-0.1	-0.1	-0.1	-0.0	-0.1	-0.0	-0.1	-0.0	-0.0
Corporate expenses & Eliminations	-12.8	-12.2	-12.3	-13.7	-12.0	-13.4	-10.8	-13.8	-0.0
Consolidated total	16.7	11.3	30.3	16.3	14.6	12.7	30.9	12.1	-4.2

(Billions of yen)



Main Product Sales Trends (FY2018 Actual)

■ Results & outlook vs. previous fiscal year ASP (average selling prices) and sales amounts after conversion to yen

Product		FY2017 Full year (Actual)	Q1/FY2018 (Actual)	Q2/FY2018 (Actual)	Q3/FY2018 (Actual)	Q4/FY2018 (Actual)	FY2018 Full year (Actual)
Exchange rate	USD EUR	¥110.85 ¥129.66	¥109.06 ¥130.09	¥111.46 ¥129.66	¥112.80 ¥128.73	110.14 125.13	110.86 128.40
IJP hardware	Volume	+8%	+5%	-3%	-13%	-2%	-4%
	High-capacity*/ office models as % of total unit sales	Less than 50%/ More than 15%	-	-	-	-	Approx. 60%/ Approx. 15%
	ASP	+ low teen %	+ mid-single-digit %	+ high single-digit %	+ high single-digit %	Flat YoY	+ mid-single-digit %
	Revenue	+ low 20%	+ high single-digit %	+ mid-single-digit %	- high single-digit %	- low single-digit %	Flat YoY
IJP ink	Volume (packs)	-4%	-7%	-3%	-5%	-6%	-5%
	ASP	+ mid-single-digit %	Flat YoY	- mid-single-digit %	- low single-digit %	- low single-digit %	- low single-digit %
	Revenue	+ low single-digit %	- high single-digit %	- high single-digit %	- high single-digit %	- high single-digit %	- high single-digit %
SIDM printers	Volume	-7%	+5%	+5%	-21%	-10%	-6%
	ASP	+ low single-digit %	Flat YoY	- low single-digit %	- low single-digit %	- low single-digit %	- low single-digit %
	Revenue	- mid-single-digit %	+ mid-single-digit %	+ low single-digit %	- low 20%	- low 10%	- high single-digit %
Projectors	Volume	+1%	+10%	+1%	-3%	-5%	+1%
	ASP	+ high single-digit %	Flat YoY	+ low single-digit %	+ low single-digit %	+ low single-digit %	+ low single-digit %
	Revenue	+ low teen %	+ low teen %	+ low single-digit %	- low single-digit %	- low single-digit %	+ low single-digit %

The indicators in this document are based on values tracked internally by Epson.

* High-capacity ink printers (high-capacity ink tank, high-capacity ink pack, and high-speed linehead inkjet multifunction printers)

Main Product Sales Trends (FY2018 Actual vs FY2019 Outlook)

■ Results & outlook vs. previous fiscal year

				FY2018 Full-year (Actual)	FY2019 Full-year (Outlook)
			USD	110.86	110.00
			EUR	128.40	125.00
Printing Solutions	IJP Hardware	Revenue (JPY)	YoY %	Flat YoY	+11%
		Volume	YoY %	-4%	+5%
		Volume	Unit	Approx. 15.4 million	Approx. 16.2 million
		High-capacity ink tank	Unit	Approx. 9.0 million	Approx. 10.2 million
		Home & SOHO	Unit	Approx. 6.1 million	Approx. 5.6 million
	IJP Ink	Revenue in IJP (except media revenue)	Composition ratio	Approx. 50%	46%
		Revenue (JPY)	YoY %	- high single-digit %	-6%
	Office Shared* (Hardware + Ink)	Revenue in IJP	Composition ratio	high single-digit %	10%
	SIDM	Revenue (JPY)	YoY %	- high single-digit %	-8%
		Hardware Volume	YoY %	-6%	-5%
Commercial & Industrial IJP	Revenue in Professional Printing business	Composition ratio	low 60 %	65%	
Visual Communi- cations	Projectors hardware	Revenue (JPY)	YoY %	+ low single-digit %	+4%
		Volume	YoY %	+1%	+4%
		Volume	Unit	Approx. 2.6 million	Approx. 2.7 million

The indicators in this document are based on values tracked internally by Epson.

* Office Shared Printers : One of printer category for high print volume office users. This includes LIJ, RIPS, and I/C printers.

Revenue to customers outside of Japan

Employee numbers

Revenue to customers outside of Japan

Exchange rate	USD	111.08	111.00	112.92	108.39	109.06	111.46	112.80	110.14	+1.75
(yen)	EUR	122.12	130.36	132.96	133.20	130.09	129.66	128.73	125.13	-8.07

Revenue (Billions of yen)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Y/Y
The Americas	78.3	81.5	81.9	78.5	75.5	82.1	77.0	75.7	-2.8
Europe	50.2	52.1	68.2	62.6	52.8	52.0	63.6	56.6	-5.9
Asia/ Oceania	72.7	80.3	78.4	66.7	79.2	79.4	76.1	67.5	+0.8
Total revenue to overseas customers	201.2	214.0	228.6	207.9	207.6	213.7	216.8	199.9	-7.9
Consolidated revenue	254.8	272.5	306.1	268.6	260.4	271.9	296.6	260.6	-7.9

% of revenue to consolidated revenue	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Q1/2018	Q2/2018	Q3/2018	Q4/2018
The Americas	30.7%	29.9%	26.8%	29.3%	29.0%	30.2%	26.0%	29.1%
Europe	19.7%	19.1%	22.3%	23.3%	20.3%	19.1%	21.5%	21.7%
Asia/ Oceania	28.5%	29.5%	25.6%	24.8%	30.4%	29.2%	25.7%	25.9%
Total	79.0%	78.6%	74.7%	77.4%	79.7%	78.6%	73.1%	76.7%

Employees

Number of employees at period end (person)	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	Compared to end of Mar. 2018
Japan	18,627	18,699	19,175	19,436	19,456	+20
Non-Japan	51,251	48,906	53,245	56,955	57,191	+236
Consolidated total	69,878	67,605	72,420	76,391	76,647	+256

Major Business Indicators

(Billions of yen)

		FY2018 Actual	FY2019 Outlook	FY2021 (FY19-21 business plan)
Exchange rate (yen)	USD	110.86	110.00	110.00
	EUR	128.40	125.00	125.00
Printing	Revenue	723.6	751.0	780.0
Solutions	Segment profit	94.5	87.0	-
Visual	Revenue	203.3	211.0	225.0
Communications	Segment profit	21.2	22.0	-
Wearable & Industrial Products	Revenue	163.4	170.0	195.0
	Segment profit	5.5	9.0	-
Other	Revenue	0.9	1.0	-
	Segment profit	-0.5	-1.0	-
Corporate expenses & Eliminations	Revenue	-1.6	-3.0	-
	Segment profit	-50.2	-52.0	-
Consolidated total	Revenue	1,089.6	1,130.0	1,200.0
	Segment profit	70.4	65.0	96.0
	ROS	6.5%	5.8%	8%
	ROE	10.2%	8.2%	Over 10%

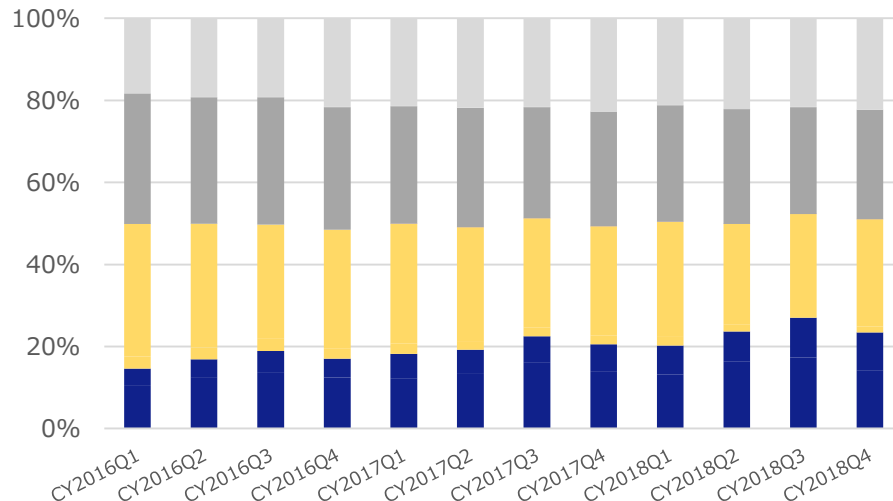
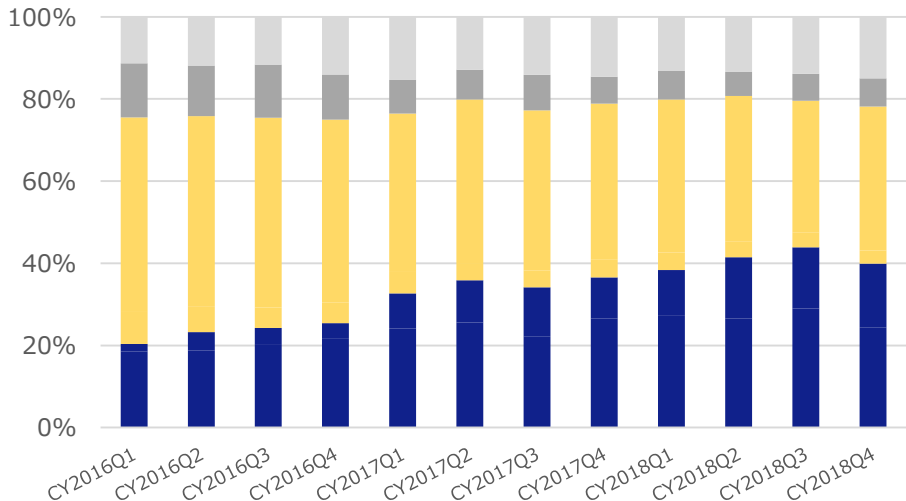
(Billions of yen)

	FY2018 Actual	FY2019 Outlook	Epson 25 FY19-21 business plan 3-year cumulative outlook
USD	110.86	110.00	110.00
EUR	128.40	125.00	125.00
Operating CF	76.9	95.0	Approx. 370
FCF	-5.7	15.0	Approx. 170
R&D costs	58.2	56.0	Invest aggressively
Capital expenditure	82.0	85.0	
Except lease	82.0	80.0	Approx. 200

A4 printer main unit market trend by region

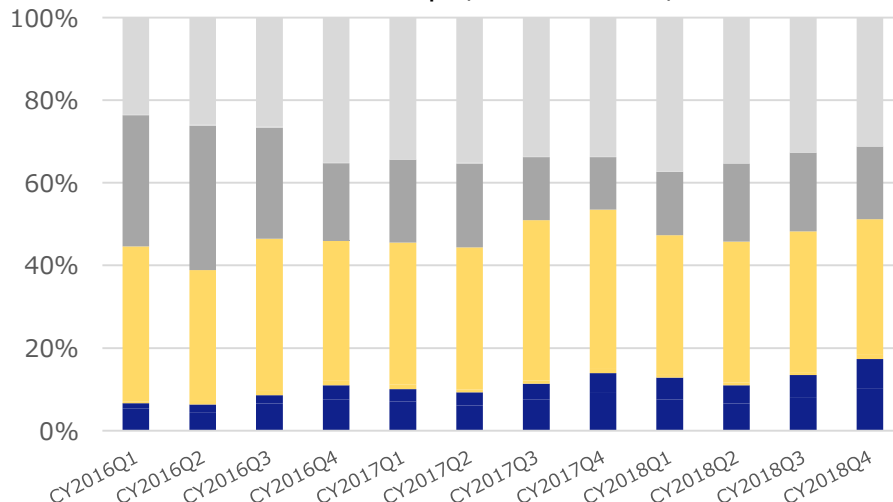
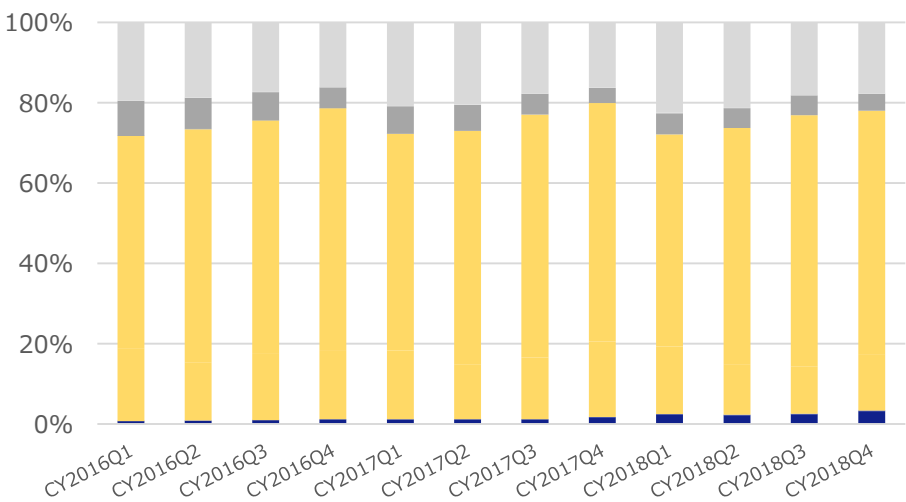
Latin America

Asia-Pacific



Developed markets (Japan, US, Western Europe, Canada)

Eastern Europe, Middle East, and Africa



■ Ink tank printers ■ Ink cartridge printers
■ Laser printers (1-20 ppm) ■ Laser printers (21 ppm and more)

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 Printers include multifunction printers. Reproduction or republication of this data is prohibited.

Definition of term

Color Control Technology	Color management technology that enhances color reproducibility
Epson Connect	Epson's mobile cloud service for Epson products and services
I/C	Ink cartridges
IJP	Inkjet printers
LIJ	Line inkjet printers, high-speed line inkjet multifunction printers
LP	Laser printers, including multi function printers
RIPS	Replaceable ink pack system, high-yield cartridge-free ink pack printers
SIDM	Serial impact dot matrix printers
SOHO	Small office, home office
Office Shared Printers	A printer category for high print volume office users. This includes LIJ, RIPS, and I/C printers.
Photos	A printer category that includes large-format printers for photo, graphics, proofing and CAD printing
Commercial & Industrial IJP	A printer category comprising large-format inkjet printers for commercial and industrial sectors.
High-capacity ink tank printers	Inkjet printers with high-capacity ink tank (includes EcoTank)
High-capacity ink models	General term for high-capacity ink cartridge printers, high-capacity ink tank printers, RIPS, and LIJ
Distributed printing	A printing method that prints out the same images/documents using several printers
3LCD	Technology that projects images by utilizing 3LCD-chips
FPD	Flat panel displays
OLED	Organic light emitting diode
High-brightness laser projectors	High-lumen projectors mainly used in venues such as conference rooms and halls
WP	Wearable Products business
MD, Other	Microdevices, Other business

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