

Consolidated Financial Highlights

		JGAAP (Consolidation)		
		FY2010	FY2011	FY2012
Statement of Income (Billions of yen)	Net sales	973.6	877.9	851.2
	Gross profit	262.9	248.8	234.4
	Operating income (loss)	32.7	24.6	21.2
	Ordinary income	31.1	27.0	17.6
	Income (loss) before income taxes and minority interests	15.3	15.6	△ 3.4
	Net income (loss)	10.2	5.0	△ 10.0
Statement of Financial Position (Billions of yen)	Total assets	798.2	740.7	778.5
	Shareholders' equity ¹	269.2	246.4	256.7
	Interest-bearing liabilities ²	272.1	239.8	271.8
Statement of Cash Flows (Billions of yen)	Net cash provided by (used in) operating activities	32.3	26.6	42.9
	Net cash provided by (used in) investing activities	△ 23.6	△ 31.5	△ 39.5
	Free cash flows	8.7	△ 4.8	3.4
Financial and Management Indicators (Billions of yen・%)	Research and development expense	54.3	52.1	49.9
	Capital expenditures	31.8	38.9	43.1
	Depreciation and amortization	41.1	37.6	39.3
	Shareholders' equity ratio	33.7	33.3	33.0
	ROE (net income (loss)/average shareholders' equity at beginning and end of year)	3.7	2.0	△ 4.0
	ROA (Ordinary income/average total assets at beginning and end of year)	3.7	3.5	2.3
	ROS (Ordinary income (loss)/net sales)	3.2	3.1	2.1
	Consolidated dividend payout ratio	39.0	99.2	-
Per Share Data (Yen)	Net income (loss) per share (EPS)	51.25	26.22	△ 56.41
	Shareholders' equity per share (BPS)	1,347.71	1,377.60	1,435.20
	Cash dividends per share	20.00	26.00	20.00
Index of Stock Price (Multiples)	Price Earnings Ratio (PER)	25.99	44.24	-
	Price Book-value Ratio (PBR)	0.99	0.84	0.64
Sales Breakdown by Region (Billions of yen) ³	Japan	367.5	313.9	266.6
	The Americas	199.2	175.6	200.3
	Europe	189.5	178.1	175.2
	Asia/Oceania	217.3	210.3	209.1
Average Exchange Rate for the Period (Yen)	Yen/U.S. dollars	85.72	79.08	83.11
	Yen/Euro	113.12	108.98	107.14
Number of Employees at Period End (Person)	Total	74,551	75,303	68,761
	Domestic	20,704	19,765	18,234
	Overseas	53,847	55,538	50,527

¹ Shareholders' equity = total net assets - minority interests

² Lease obligations are included in interest-bearing liabilities.

³ Sales (revenue) by region is based on the location of the customers.

Consolidated Financial Highlights

		IFRS (Consolidation)							
		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Statement of Income (Billions of yen)	Revenue	1008.4	1086.3	1092.4	1024.8	1102.1	1089.6	1043.6	995.9
	Gross profit	362.5	395.9	397.6	365.9	400.8	412.6	362.0	352.3
	Business profit ⁴	90.0	101.2	84.9	65.8	74.7	70.4	40.8	61.6
	Profit from operating activities	79.5	131.3	94.0	67.8	65.0	71.3	39.4	47.6
	Profit before tax	77.9	132.5	91.5	67.4	62.6	72.0	39.7	44.9
	Profit for the period attributable to owners of the parent company	84.2	112.5	45.7	48.3	41.8	53.7	7.7	30.9
Statement of Financial Position (Billions of yen)	Total assets	908.8	1006.2	941.3	974.3	1033.3	1038.3	1040.9	1161.3
	Equity attributable to owners of the parent company	362.3	494.3	467.8	492.1	512.7	540.1	503.7	550.9
	Interest-bearing liabilities	220.5	185.9	141.7	146.5	166.5	142.3	209.6	265.9
Statement of Cash Flows (Billions of yen)	Net cash provided by (used in) operating activities	114.8	108.8	113.0	96.8	84.2	76.9	102.3	133.2
	Net cash provided by (used in) investing activities	△ 41.2	△ 32.7	△ 51.5	△ 75.7	△ 74.6	△ 82.7	△ 76.1	△ 57.4
	Free cash flows	73.6	76.0	61.4	21.1	9.6	△ 5.7	26.1	75.7
Financial and Management Indicators (Billions of yen · %)	Research and development expense	48.8	47.8	53.1	52.7	50.3	58.2	49.2	46.4
	Capital expenditures	37.8	45.4	69.4	75.3	79.4	82.0	80.0 ⁹	52.8 ⁹
	Depreciation and amortization	40.7	44.4	45.3	43.2	49.4	55.6	67.8	69.4
	Equity ratio attributable to owners of the parent company	39.9	49.1	49.7	50.5	49.6	52.0	48.4	47.4
	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)	27.7	26.3	9.5	10.1	8.3	10.2	1.5	5.9
	ROA (Business profit/Beginning and ending balance average total assets)	10.4	10.6	8.7	6.9	7.4	6.8	3.9	5.6
	ROS (Business profit/revenue)	8.9	9.3	7.8	6.4	6.8	6.5	3.9	6.2
	Return on Invested Capital (ROIC) ⁵	-	-	-	7.4	7.9	7.2	4.1	5.6
	Consolidated dividend payout ratio	10.6	18.3	46.9	43.9	52.2	40.7	278.5	69.4
	Consolidated dividend Payout Ratio (Based on Business Profit) ⁶	14.2	29.0	36.1	45.9	41.7	44.3	75.0	49.7
	Per Share Data (Yen)	Basic earnings per share (EPS)	235.35 ⁷	314.61 ⁷	127.94	136.82	118.78	152.49	22.26
Equity attributable to owners of the parent company per share (BPS)		1,012.83 ⁷	1,381.66 ⁷	1,307.58	1,397.40	1,455.67	1,533.57	1,456.20	1,592.36
Cash dividends per share		50.00	115.00	60.00 ⁸	60.00	62.00	62.00	62.00	62.00
Index of Stock Price (Multiples)	Price Earnings Ratio (PER)	6.82	6.77	14.21	17.13	15.92	11.12	52.56	20.14
	Price Book-value Ratio (PBR)	1.58	1.54	1.39	1.68	1.30	1.11	0.83	1.13
Revenue Breakdown by Region (Billions of yen)	Japan	280.9	276.2	264.0	251.3	250.1	251.4	254.9	221.2
	The Americas	260.2	304.6	320.0	290.9	320.4	310.5	293.0	287.9
	Europe	218.4	230.9	226.3	211.9	233.2	225.2	214.0	208.4
	Asia/Oceania	248.8	274.4	282.0	270.5	298.2	302.4	281.5	278.1
Average Exchange Rate for the Period (Yen)	Yen/U.S. dollars	100.23	109.93	120.14	108.38	110.85	110.86	108.74	106.01
	Yen/Euro	134.37	138.77	132.58	118.79	129.66	128.40	120.85	123.67
Number of Employees at Period End (Person)	Total	73,171	69,878	67,605	72,420	76,391	76,647	75,608	79,944
	Domestic	18,372	18,627	18,699	19,175	19,436	19,456	19,558	19,470
	Overseas	54,799	51,251	48,906	53,245	56,955	57,191	56,050	60,474

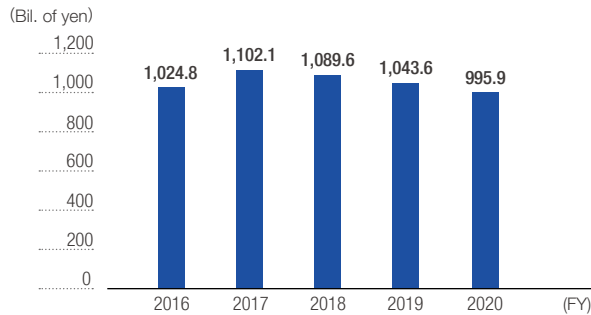
⁴ Business profit is calculated by subtracting Cost of sales and Selling, general and administrative expenses from Revenue.⁵ ROIC = Profit for the year attributable to owners of the parent company / (equity attributable to owners of the parent company + interest-bearing liabilities)⁶ Calculated based on profit after an amount equivalent to the statutory effective tax rate is deducted from business profit.⁷ 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, 2014.⁸ 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 shares⁹ The figure for FY2019 includes leases.

Financial and Non-Financial Highlights

Financial Highlights

Revenue

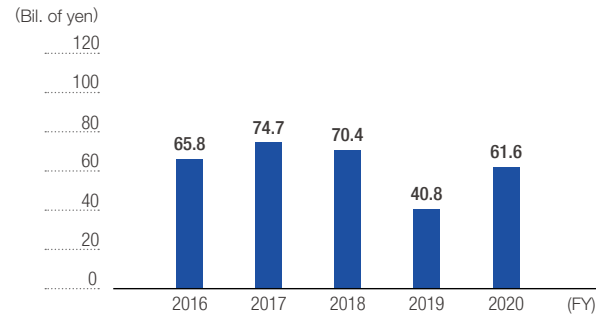
¥995.9 billion



Revenue decreased year-on-year. In developed countries and some emerging nations, inkjet printer sales received a boost from the Covid-driven demand for home printing. However, revenue ultimately declined because lockdowns in emerging nations caused demand to slump.

Business Profit

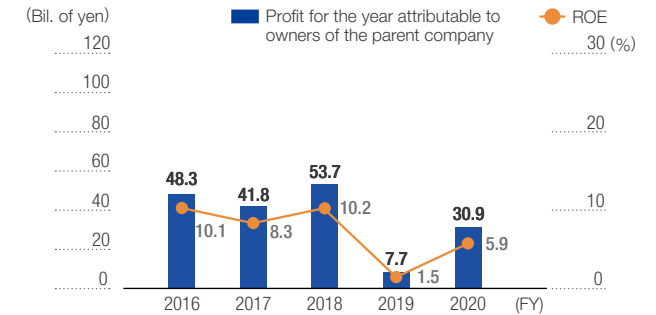
¥61.6 billion



Although revenue declined, business profit increased year-on-year. One reason was higher sales of inkjet printers and consumables amid the surging demand for home printing. Another factor was that, in response to the spread of Covid, we took immediate action to cut costs across the organization.

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

Profit for the year attributable to owners of the parent company ¥30.9 billion ROE 5.9%

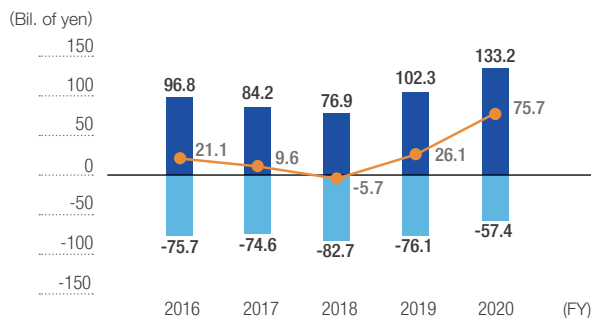


Profit for the period increased significantly year-on-year, causing ROE to rise 4.4 points. This reflects the increase in business profit and other profit indicators. It also reflects the low tax expenses relative to the previous year, when we reversed some deferred tax assets.

Free Cash Flow

¥75.7 billion

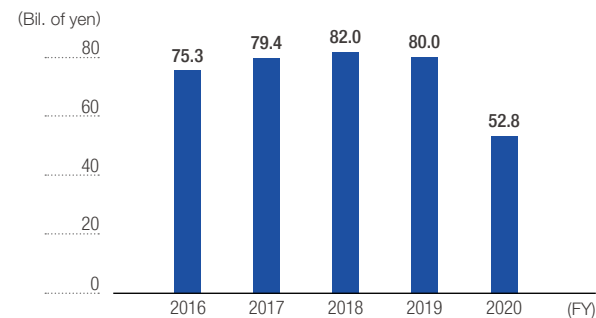
■ Net cash provided by (used in) operating activities
■ Net cash provided by (used in) investing activities
● Free cash flow



Net cash provided by operating activities increased because of depreciation, amortization, and higher trade payables, which more than offset higher inventories. Net cash used in investing activities decreased because of a tightened selection process for capital expenditure and because we passed the expenditure peak. Consequently, free cash flow increased significantly, to ¥75.7 billion.

Capital Expenditure¹

¥52.8 billion (¥42.1 billion after excluding leases)

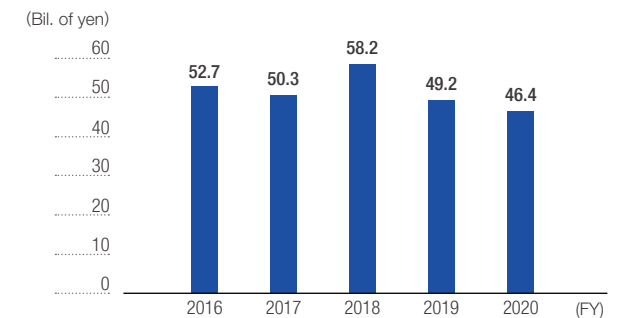


Capital expenditure decreased. Concentrating investment in key strategy areas, we invested in growth (product development and better production capacity) as well as in maintenance (rationalizing and upgrading assets). We kept a tight selection process and continued efforts to use existing assets efficiently. In addition, large-scale investment ended.

¹ Includes leases as of FY2019 (following change in accounting policy)

Research and Development Expense

¥46.4 billion



In addition to developing the next-generation products, core technology, and key devices that will drive future growth through creation of products and services that exceed customer expectations, we are working to strengthen manufacturing infrastructure and create new businesses.

Financial and Non-Financial Highlights

Non-Financial Highlights: Social, Governance

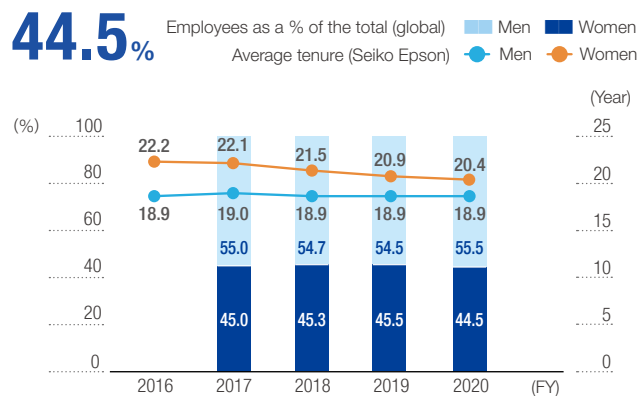
Ranking in Number of Patent Applications by Product Category²

Japan		US	
Inkjet printers	1 st	Inkjet printers	1 st
Projectors	1 st	Projectors	1 st
Robotics	2 nd	Robotics	3 rd
Crystal devices	1 st	Crystal devices	1 st

² The 2020 calendar year ranking in number of patents laid open to the public (Per Epson research, 2020/1/1-12/31)

Epson delivers new customer value through products that embody our refined core technologies. We are among the top in the industry for the quantity and quality of our patented products in categories such as inkjet printers and projectors. Our industry-leading intellectual property rights underpin our efforts to create proprietary core technologies.

Diversity (Female Employees)³

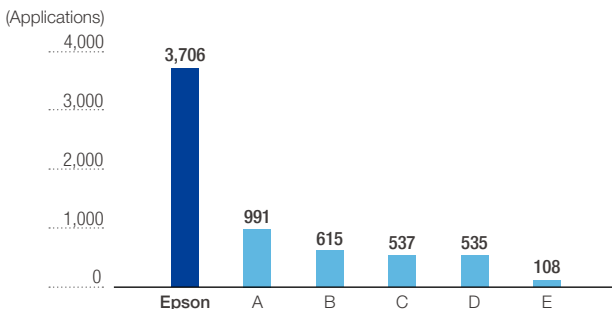


To understand a diverse range of customers and meet their needs, our own diversity is important. Epson is taking action to support the advancement of more women in the workplace by, for example, increasing the number of female managers.

³ Regular employees in the Epson Group as of year-end (March 31)

Number of Patents for Piezo Printheads

3,706

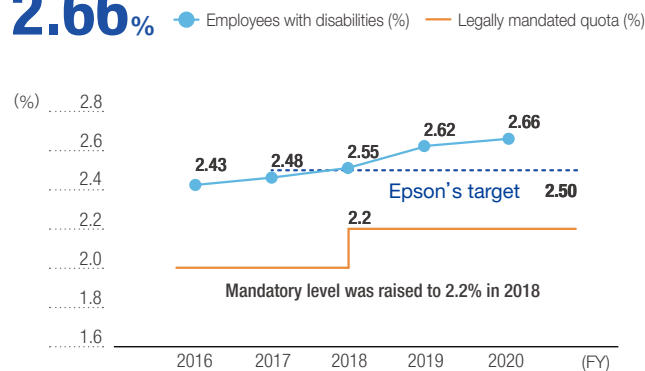


* As of July 27, 2021. Per Epson research
* Patent applications registered in Japan, US, China, and EU (after April 1, 2001)

We lead the industry in number of patent applications for piezo printheads, a core device in our mainstay printing business. This intellectual property gives us an unassailable lead over competitors.

Employees with Disabilities in the Epson Group in Japan⁴

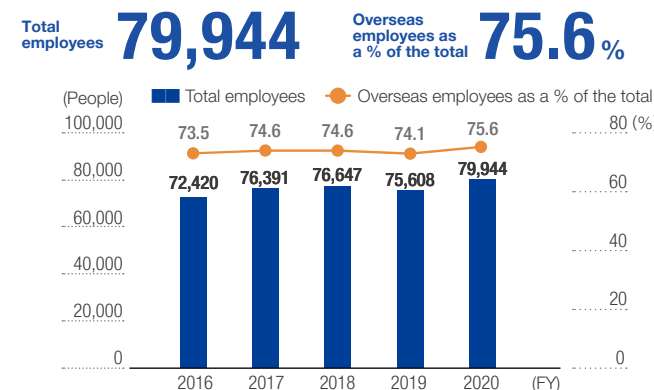
2.66%



We set a target of 2.5% in FY2021 and are looking to expand employment opportunities.

⁴ The figures for each year are as of June 1 of the year in question.

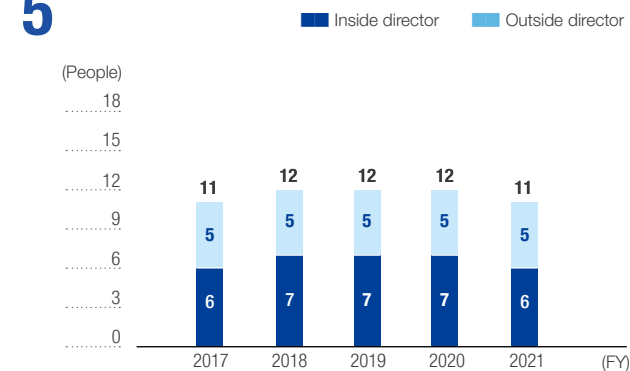
Total Employees & Overseas Employees as a % of the Total



The number of staff working overseas increased overall. The main increase was in manufacturing sites in Southeast Asia. This increase occurred because we adjusted our production lines to cope with the spread of Covid.

Outside Officers as a % of Total Officers⁵

5



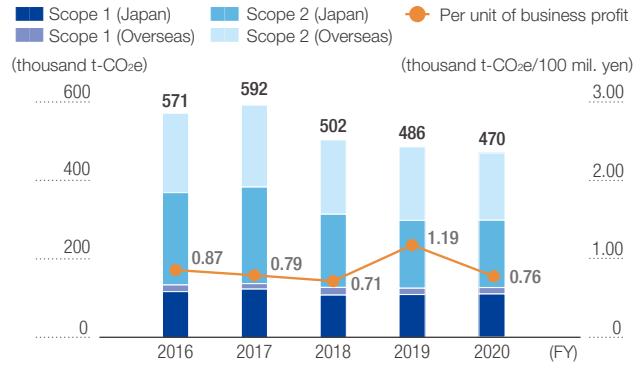
Independent outside directors must comprise at least 1/3 of the board. They are responsible for management oversight, advice for enhancing operational efficiency, and monitoring of conflicts of interest.

⁵ The number of officers as of the end of June of each year

Financial and Non-Financial Highlights

Non-Financial Highlights: Environmental

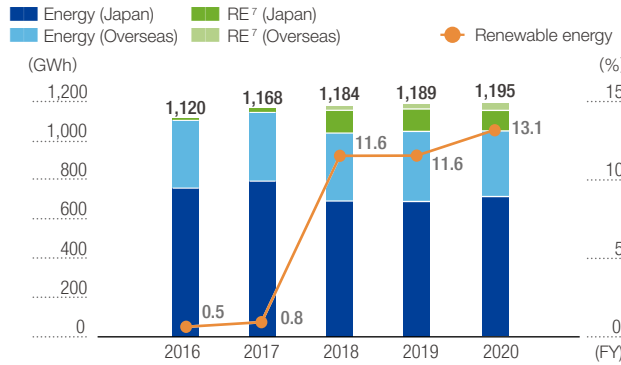
Greenhouse Gas Emissions⁶ **470** thousand t-CO₂e



In the 2020 fiscal year, Epson accelerated the use of renewable energy in addition to driving site-based energy-saving initiatives, enabling us to already reach our 2025 goal of reducing scope 1 and scope 2 greenhouse gas (GHG) emissions by 19% compared to FY2017.

⁶ See note ³, P28.

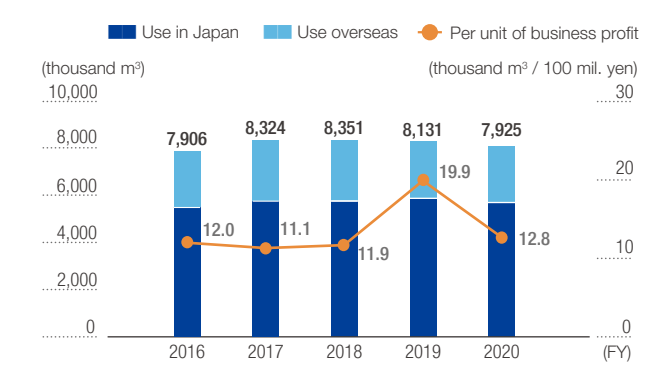
Energy Usage **1,195** GWh



Half of the fiscal 2020 reduction in GHG emissions (62,000 tonnes) was the result of using more renewable energy. Renewable energy now accounts for 13% of our energy use (and 19% on an electricity basis), compared to less than 1% in the past.

⁷ Renewable energy

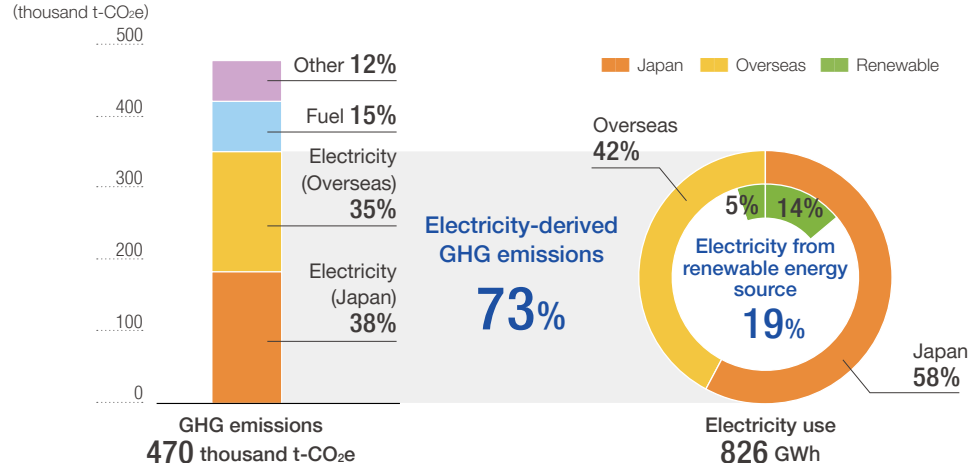
Water Usage **7,925** thousand m³



Water and climate change, as well as other environmental factors, are closely linked. Epson's business activities rely on water resources, and the sustainability of water resources substantially affects business continuity. Given this, we are working to preserve water resources by avoiding unnecessary contamination and usage, and by recycling the water we do use. In fiscal 2020, we worked to reduce water usage with the previous year's consumption level as a benchmark. We achieved our Group-wide reduction goals.

Renewable Energy Use

Breakdown of sources (renewable and non-renewable) of Scope 1 & 2 emissions in FY2020 (thousand t-CO₂e)



About 70% of Epson's GHG emissions come from the consumption of electricity. At home and abroad, we are increasing the ratio of renewable energy to 19% of electricity usage by selecting the optimal low-carbon electricity in each region, such as hydropower and wind power, and making active investments in on-site electricity generation.

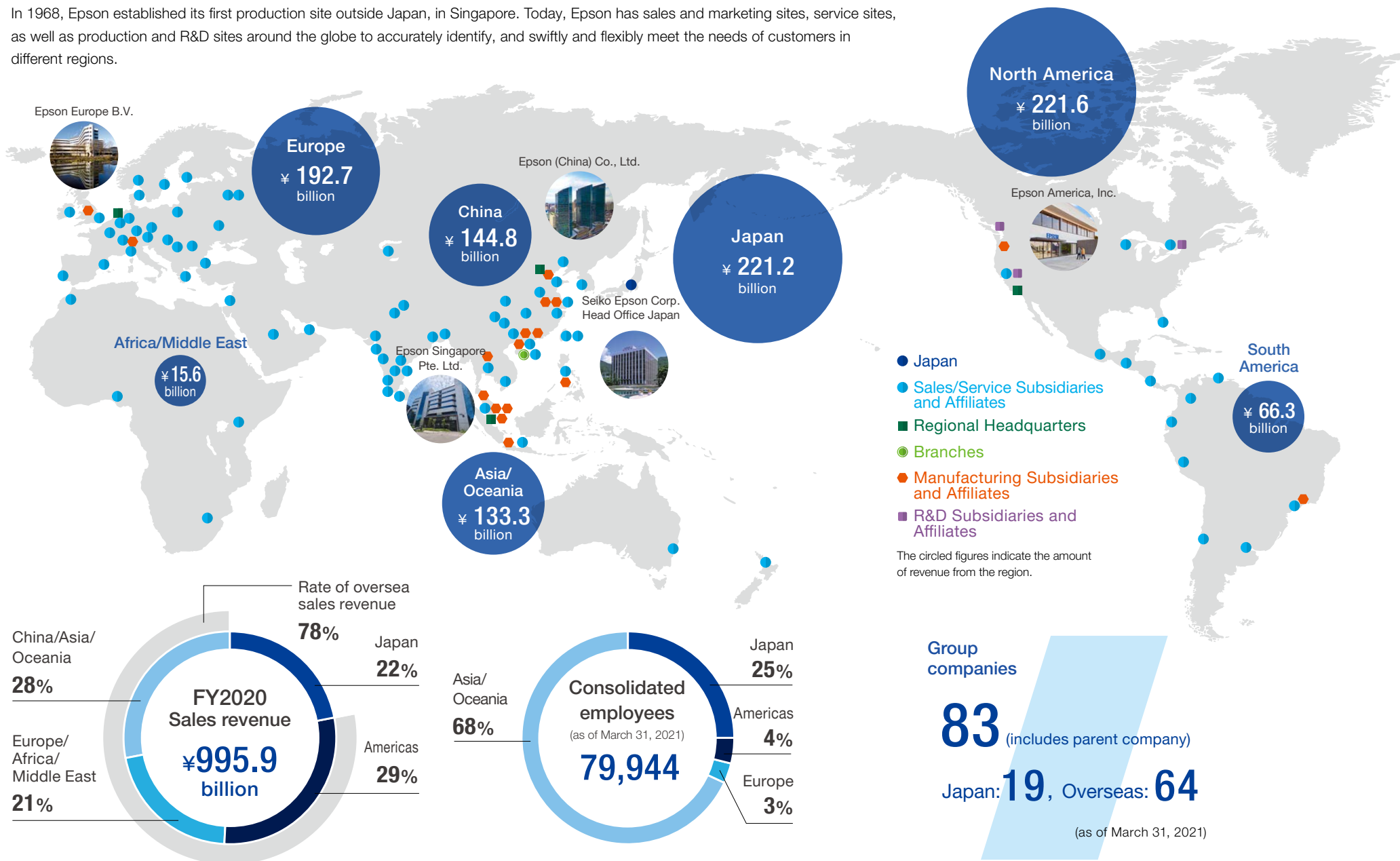
Third-Party Verification Report

We had the Japan Quality Assurance Organization (JQA) conduct a third-party verification of our calculations of GHG emissions and report of water-related data to ensure their reliability. Our FY2020 GHG emissions (scopes 1, 2, and 3) and energy and water usage data were verified as having been measured and calculated accurately, and a GHG verification report was obtained (for scope 3 categories 1 and 11).



Global Networks

In 1968, Epson established its first production site outside Japan, in Singapore. Today, Epson has sales and marketing sites, service sites, as well as production and R&D sites around the globe to accurately identify, and swiftly and flexibly meet the needs of customers in different regions.



Public Recognition



Evaluation by External Parties
<https://global.epson.com/SR/evaluation/>



Inclusion in ESG Indices and Ratings

Selected as a Constituent of the FTSE4Good Index Series for the 18th Consecutive Year (June 2021)



FTSE4Good

Selected as a Constituent of the FTSE Blossom Japan Index for the Fifth Consecutive Year (June 2021)



FTSE Blossom Japan

Selected as a Constituent of the Empowering Women Index (WIN) for the Fifth Consecutive Year (June 2021)

2021 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



Selected as a Constituent of the S&P/JPX Carbon Efficient Index for the Fourth Consecutive Year (July 2021)

Placed on Two Prestigious CDP A Lists for the First Time (December 2020)



Selected for the Second Consecutive Year as a Global Leader for Engaging its Supply Chain on Climate Change (February 2021)



Received EcoVadis Platinum Rating for Overall Sustainability (October 2021)



Selected as a Constituent of the Somo Sustainability Index for the 10th Consecutive Year (June 2021)



Somo Sustainability Index

Participation in External Initiatives

United Nations Global Compact

We have been participating in the U.N. Global Compact since 2004 and support the U.N.'s 10 universal principals on human rights, labor standards, the environment and anti-corruption. In 2019, we endorsed and signed the Statement from Business Leaders for Renewed Global Cooperation, which was put forth by the Global Compact.



Responsible Business Alliance (RBA)



Responsible Business Alliance

Advancing Sustainability Globally

RBA is a nonprofit comprised of companies committed to supporting the rights and wellbeing of workers and communities worldwide affected by the global supply chain

Responsible Business Alliance (RBA)



Task Force on Climate-Related Financial Disclosures (TCFD)



The Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to promote disclosures on climate-related risks and opportunities.

RE100



A global initiative that brings together the world's most influential businesses driving the transition to 100% renewable electricity.

Japan Climate Initiative (JCI)

JAPAN CLIMATE INITIATIVE

A network of various non-state actors such as companies, local governments, organizations and NGOs actively engaged in climate action.

CSR Europe



CSR Europe is an organization that makes recommendations on guidelines and principles for the European Commission.

Group Outline (as of March 31, 2021)**Corporate Outline**

Company Name	Seiko Epson Corporation
Founded	May 18, 1942
Head Office	3-3-5 Owa, Suwa, Nagano, Japan
Paid-in Capital	¥53,204 million
Number of employees	[Epson Group (consolidated)] 79,994 [Parent company] 12,676

Matters related to Company Shares

Total number of shares authorized to be issued	1,214,916,736 shares
Total number of shares outstanding	399,634,778 shares (including 53,444,897 shares of treasury stock)
Number of shareholders	43,476 persons

Major shareholders	Shareholder name	Number of shares held (shares)	Shareholding ratio (%)
	The Master Trust Bank of Japan, Ltd. (Trust Account)	59,964,200	17.32
	Custody Bank of Japan, Ltd. (Trust Account)	26,254,100	7.58
	Sanko Kigyo Kabushiki Kaisha	20,000,000	5.77
	Seiko Holdings Corporation	12,000,000	3.46
	The Dai-ichi Life Insurance Company, Limited	8,736,000	2.52
	Mizuho Trust & Banking Co., Ltd., Retirement benefit trust, Mizuho Bank, Ltd. account	8,153,800	2.35
	Epson Group Employees' Shareholding Association	7,569,979	2.18
	Milkiko Kidosaki	6,855,302	1.98
	Minako Hattori	6,855,302	1.98
	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	6,771,500	1.95

Note: Although the Company holds 53,444,897 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 (210,928 shares) owned by the officer compensation BIP Trust.

List of Notes

P18	¹ Comparison of A4 sheet printing costs between an EW-M670FT high-capacity ink tank printer and an LP-M620F Epson laser printer (only available in Japan)
	² Testing was commissioned by Epson and conducted by Keypoint Intelligence. Epson selected four competitor's models from worldwide top four best-selling vendor** in the 45-69 ppm color laser multi-function printer class. Epson WorkForce Enterprise WF-C20600 D4TW (only available in Japan) with 60 ppm. Devices were tested in default mode as per Keypoint Intelligence's proprietary standard energy consumption test methods. Calculations were based on a weekday workload of 2 x 4 hours printing + 16 hours in sleep/standby mode, and weekend energy use of 48 hours in sleep/standby mode. A total of 69 pages of workload test pattern using DOC, XLS, PPT, HTML, PDF files and Outlook email messages were printed six times in each four-hour printing period.
	** Source: IDC's Worldwide Quarterly Hardcopy Peripherals Tracker 2020Q2, Units Share by Company
	³ Print speed of a WF-C21000 high-speed linehead inkjet multifunction printer. A4, landscape, single-side printing. Print speeds are measured in accordance with ISO/IEC 24734. Actual print times will vary based on system configuration, software, and page complexity.
	⁴ Some water is used to maintain humidity inside the system.
	⁵ As a percentage of the total plastic by weight. The number (30%) was determined by calculating the weight of recycled plastic in each part based on the composition rate and then adding them up.
	⁶ Comparison of the EP-M553T high-capacity ink tank printer and EW-452A ink cartridge printer (printers which are only available in Japan). Comparison of CO ₂ emissions accompanying the raw materials, manufacture, transport, and disposal of consumables, including packaging materials, assuming 30,000 A4 color documents are printed over a period of 5 years. CO ₂ emissions were calculated based on Epson's evaluation conditions. Actual CO ₂ emissions will vary depending on customer printer use.
	⁷ Comparison of retail boxes for the EP-M553T and EP-M552T high-capacity ink tank printers (only available in Japan)

P34	¹ Calculation conditions are the same as explained in the third footnote on P18.
	² Calculation conditions are the same as explained in the second footnote on P18.
	³ Calculation conditions are the same as explained in the first footnote on P18.
	⁴ Calculation conditions are the same as explained in the sixth footnote on P18.

P37	¹ Here, an Sler refers not to a software system integrator but to a business operator that proposes, conceptualizes, installs, and supports automation systems in manufacturing processes
	² Including peripheral equipment (hardware that connects to robots)
	³ Mold clamping force 40tons and under
	⁴ Payloads up to 20 kg
	⁵ Market share based on unit sales of industrial SCARA robots, 2020. (Source: Fuji Keizai "2021 Reality and Future Outlook of Worldwide Robot Market").

P68	⁴ Percentage who answered "High" or "Normal"
	⁵ Percentage who answered "High," "Rather high," or "Normal"
	⁶ Indexed with the FY2015 percentage set to 1