



Consolidated Financial Highlights

19F

First Half

October 31st, 2019

6737

EIZO Corporation

Disclaimer Regarding Forward-looking Statements

Any statements in this document, other than those of historical fact, are forward-looking statements about the future performance of EIZO and its group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve apparent or potential risks and uncertainties including forex impact, and risks related to supply and demand. Actual results may differ materially from these forecasts.

Note: "19F1" appearing in this presentation means "First Half Fiscal year 2019".

"19F" appearing in this presentation means "Fiscal year 2019", that is Fiscal year ended March 31, 2020.

Details of the Market Group

Market Group	Market / Use
Business & Plus (B&P)	Financial institutions , Public authorities , Educational facilities , Office use , High-end home use
Healthcare (HC)	Medical imaging , Diagnostic applications , Operating rooms
Creative Work (CW)	Publication / Printing / Photo editing , Video production
Vertical & Specific (V&S)	Air traffic control , Maritime , Security & Surveillance , Other industrial fields
Amusement (AMU)	LCD-mounted pachinko and slot machines
Other (OTH)	Maintenance services and commissioned development of software

1. 19F1 Consolidated Financial Results

2. 19F Plan / Topics

3. Reference Materials

19F1 Consolidated Financial Highlights

Sales in HC and V&S increased.

Operating income was on the same level as 18F1.

- Sales in B&P and CW decreased mainly in Europe.
- Sales in HC and V&S increased in 19F1.
 - HC: Sales in Japan increased due to replacement by repeat customers as well as increasing demands because of the end of support for Windows 7 and an increase in consumption tax. Sales was steady due to non-profitable distribution businesses suspended from 18Q3.
 - V&S: Sales increased due to growing sales in ATC in North America.
- Sales in AMU decreased by 13.7% due to the effects of new regulations.
- Operating income was similar to 18F1. Increasing sales in HC / V&S compensated sales in B&P / AMU and forex fluctuations.

Consolidated Income Statement

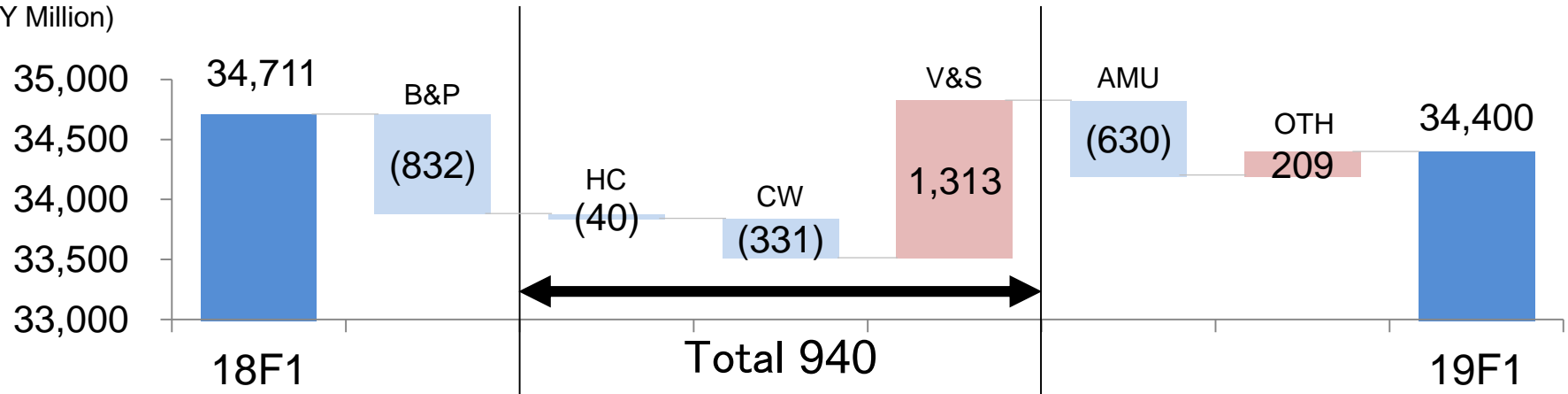
(JPY Million)

	18F1	19F1	18F1 vs. 19F1
Net Sales	34,711	34,400	99.1%
Gross Profit	11,310	11,322	100.1%
Gross Profit / Net Sales	32.6%	32.9%	0.3pt
Selling, General and Administrative Expenses	9,288	9,315	100.3%
Operating Income	2,022	2,006	99.2%
Operating Income / Net Sales	5.8%	5.8%	0.0pt
Ordinary Income	2,393	1,879	78.5%
Net Income Attributable to EIZO Corporation's Stockholders	1,780	1,344	75.5%
Exchange Rate:USD	JPY110.27	JPY108.60	(JPY1.67)
Exchange Rate:EUR	JPY129.81	JPY121.40	(JPY8.41)



Main Factors for Changes in Net Sales

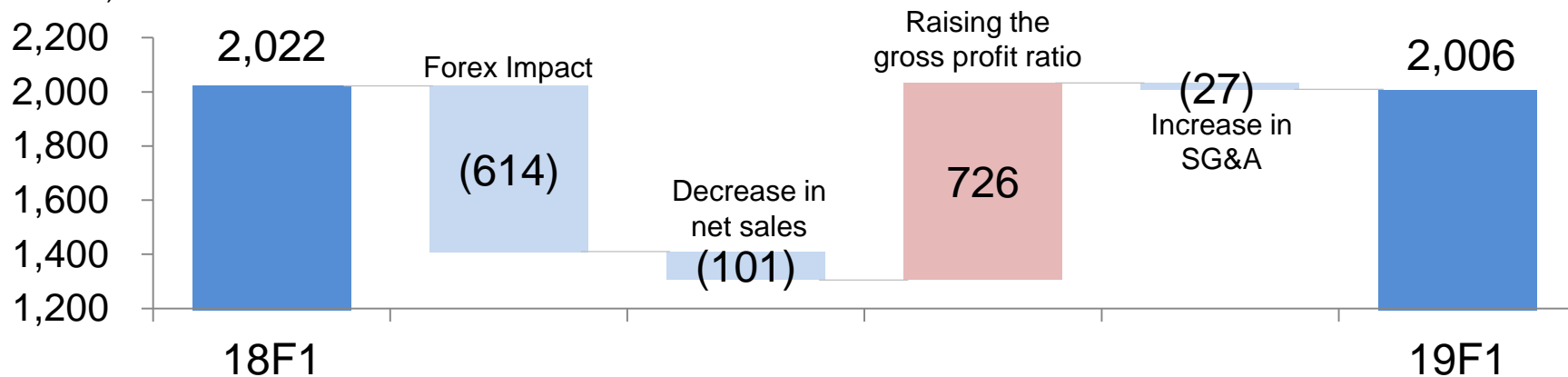
(JPY Million)



- B&P: Sales decreased mainly in Europe.
- HC: Sales in Japan increased due to replacement by repeat customers as well as increasing demands because of the end of support for Windows 7 and an increase in consumption tax. Sales was steady due to non-profitable distribution businesses suspended from 18Q3.
- CW: Sales of entry-level models decreased mainly in Europe.
- V&S: Sales increased in the ATC and industrial markets due to product customization.
- AMU: Sales decreased due to the effects of new regulations.

Main Factors for Changes in Operating Income

(JPY Million)

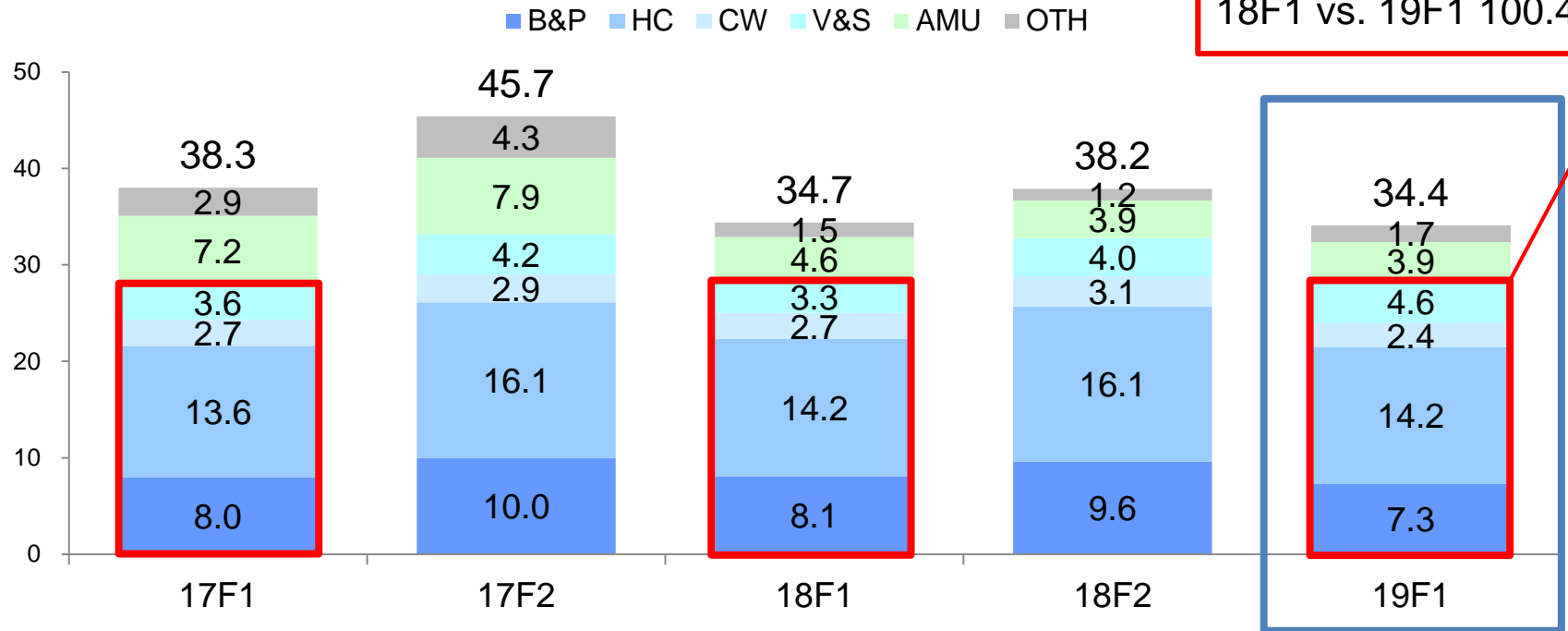


- The forex impact was caused by JPY appreciation against the EUR.
- Net sales decreased mainly because of decreasing sales in AMU and B&P.
- Gross profit ratio excluding forex impact raised due to sales in HC and V&S.
- SG&A was similar to 18F1, as a result of balancing a one-time German factory relocation expense with SG&A cost controlling.

Net Sales: Overall

▣ Sales in V&S increased.

(JPY Billion)



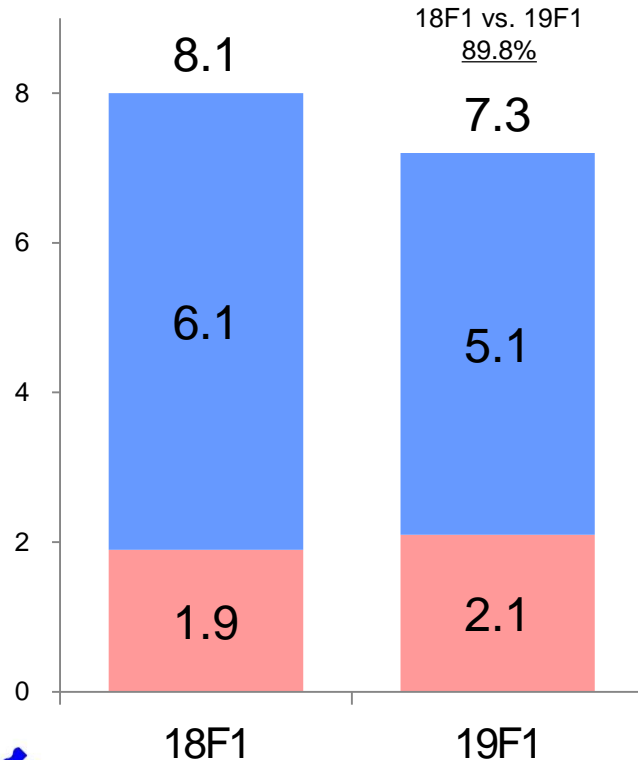
B&P/HC/CW/V&S
18F1 vs. 19F1 100.4%



Net Sales: B&P (Business & Plus)

(JPY Billion)

■ Japan ■ Overseas



Overseas

□ Sales in Europe decreased partly due to forex movements.

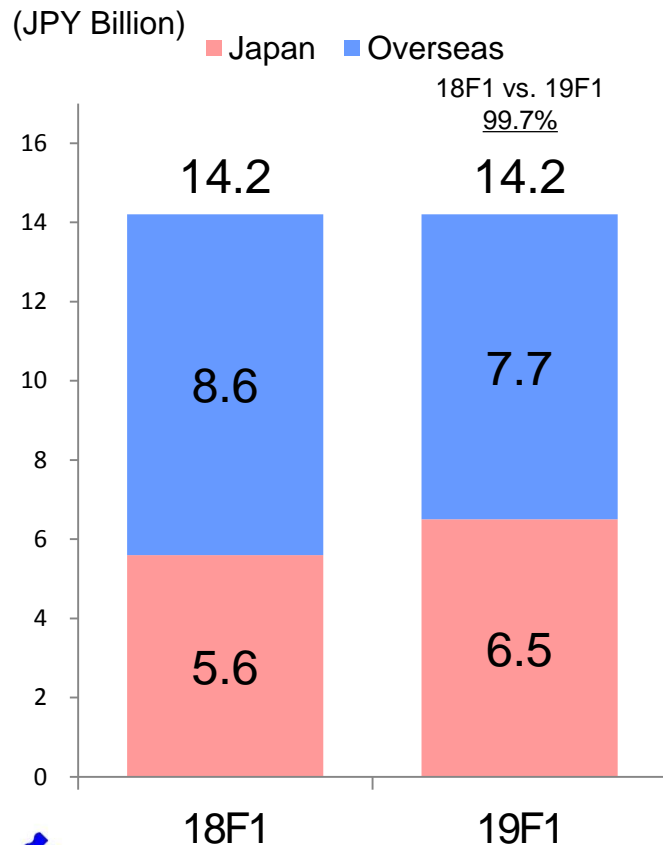
Japan

□ Sales of 24" monitors increased.

□ Sales increased because of demand before the end of support for Windows 7 and an increase in consumption tax.



Net Sales : Healthcare



Diagnostics

- Sales in North America and Middle-East increased.
- Sales in Japan increased due to replacement by repeat customers as well as increasing demands before the end of support for Windows 7 and an increase in consumption tax.

OR Integration

- Sales in Japan increased mainly because of increasing sales of Carina System Corp. products and system solutions for capturing & distributing.

Endoscopy

- Sales in Europe and North America decreased.

Others

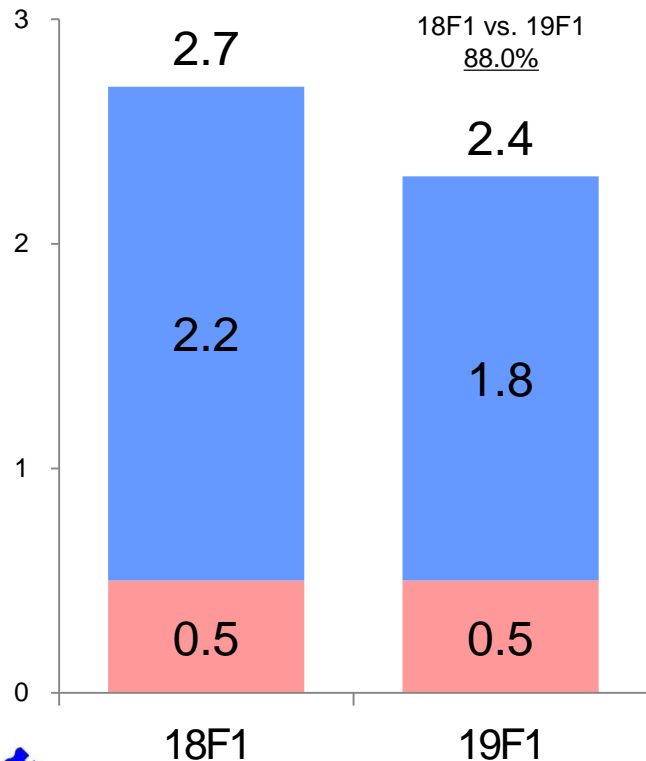
- Sales decreased in Japan compared with 18F1 because of a realignment of non-profitable distribution business in system integration since 18Q3.



Net Sales: Creative Work

(JPY Billion)

■ Japan ■ Overseas



Media & Entertainment

■ Sales of 4K models and monitors with HDR gamma support continuously increased.

Printing & Photo

■ Sales of entry-level models decreased overseas.

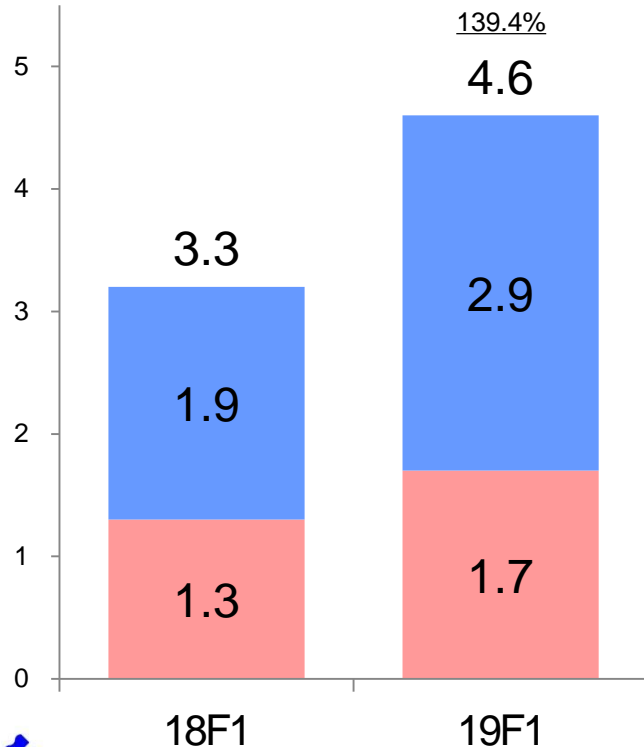


Net Sales: V&S (Vertical & Specific)

(JPY Billion)

■ Japan ■ Overseas

18F1 vs. 19F1
139.4%



ATC (Air Traffic Control)

- Sales increased due to business in North America.

Maritime

- Sales in Japan decreased compared with 18F1 in which sales increased due to sales of chart table monitors.

S&S (Security & Surveillance)

- Sales in Japan was steady with sales overseas decreasing.

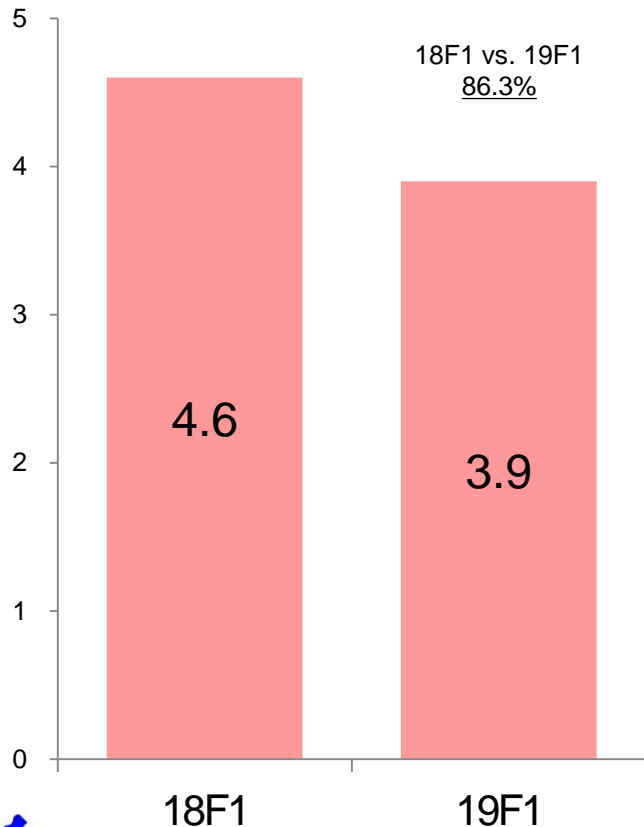
Others

- Sales in Japan increased due to increasing product customization.



Net Sales : Amusement

(JPY Billion)



- The industry slowed down due to the impact of new regulations. Sales of systems that comply with the new regulations commenced.
- We have released new models that comply with the new regulations.
- We expect sales to increase due to the demand for new systems required from the January 2021 compliance deadline.



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Consolidated Balance Sheets

(JPY Million)

	18F	19F1	Growth
Current Assets	64,167	60,859	(3,308)
Cash & Equivalents	16,399	13,726	(2,673)
Accounts Receivable	17,246	16,761	(484)
Inventories	28,377	28,901	524
Tangible Assets	14,321	16,294	1,973
Intangible Assets	3,219	2,924	(294)
Investments and Other Assets	39,715	38,417	(1,298)
Total	121,423	118,495	(2,927)
Current Liabilities	15,673	14,154	(1,518)
Long term Liabilities	10,826	10,609	(216)
Shareholders' Equity	94,924	93,731	(1,193)
Total	121,423	118,495	(2,927)

Inventories

- ▣ Increased due to product stocks despite a decrease in raw materials.

Tangible Assets

- ▣ Increased due to new facilities in Germany and UK, and a new production line in Japan.

Investments and Other Assets

- ▣ Decrease in market price of stocks held for investment.

Research & Development / CAPEX

(JPY Billion)

	18F1	19F1	18F1 vs. 19F1
Research & Development * Includes manufacturing costs	3.0	2.9	96.4%
R&D / Net Sales	8.7%	8.5%	(0.2pt)
CAPEX	2.5	2.9	115.2%
Depreciation	1.3	1.3	101.8%

Research & Development

- ▣ R&D decreased due to a decrease of a prior investment.

CAPEX

- ▣ EIZO Corporation (Japan)
New production line
- ▣ EIZO GmbH (Germany)
New facility for integrated administration, R&D and manufacturing in Rülzheim
- ▣ EIZO Limited (UK)
New building in Ascot

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19F Plan

(JPY Million)

	18F	19F Plan(*)		18F vs.19F Plan	
Net Sales	72,944	75,000		102.8%	
Gross Profit	23,755	24,500		103.1%	
Gross Profit / Net Sales	32.6%	32.7%		0.1pt	
Selling, General and Administrative Expenses	18,385	19,000		103.3%	
Operating Income	5,370	5,500		102.4%	
Operating Income / Net Sales	7.4%	7.3%		(0.1pt)	
Ordinary Income	5,710	5,600		98.1%	
Net Income Attributable to EIZO Corporation's Stockholders	4,308	4,000		92.8%	
	18F	19F1	19F2 Plan	19F Plan	18F vs.19F Plan
Exchange Rate:USD	JPY110.93	JPY108.60	JPY110.00	JPY109.30	(JPY1.63)
Exchange Rate:EUR	JPY128.45	JPY121.40	JPY120.00	JPY120.70	(JPY7.75)
ROA	4.7%			-	-
ROE	4.6%			-	-

(*) We have revised 19F projected results announced on Oct. 31st, 2019.

- 19F projected sales and profit will decrease due to a decrease sales in overseas and forex fluctuations.
 - We anticipate sales in Europe will decrease due to the weakness of Europe market specifically because of uncertainty in the external environment as represented by the China-United States trade war.
 - Projected exchange rate have been changed due to the weakness of the EUR against JPY.

19F Plan for Net Sales by Market

(JPY Million)

	18F	(%)	19F Plan	(%)	18F vs.19F Plan (%)
B&P (Business & Plus)	17,787	24.4	17,000	22.7	95.6
Healthcare	30,408	41.7	29,800	39.7	98.0
Creative Work	5,971	8.2	5,400	7.2	90.4
V&S (Vertical & Specific)	7,419	10.2	9,800	13.1	132.1
Amusement	8,583	11.8	8,500	11.3	99.0
Other	2,772	3.7	4,500	6.0	162.3
Total	72,944	100.0	75,000	100.0	102.8

Topic 1

EIZO Limited (UK) relocated to Ascot in September 2019.

- EIZO invested in a new sales office in Ascot, UK.
 - The purpose of the investment is to expand the HC and V&S businesses.
 - New office has a showroom, demonstration & seminar room and sales offices which enable us to enhance services offered to customers.

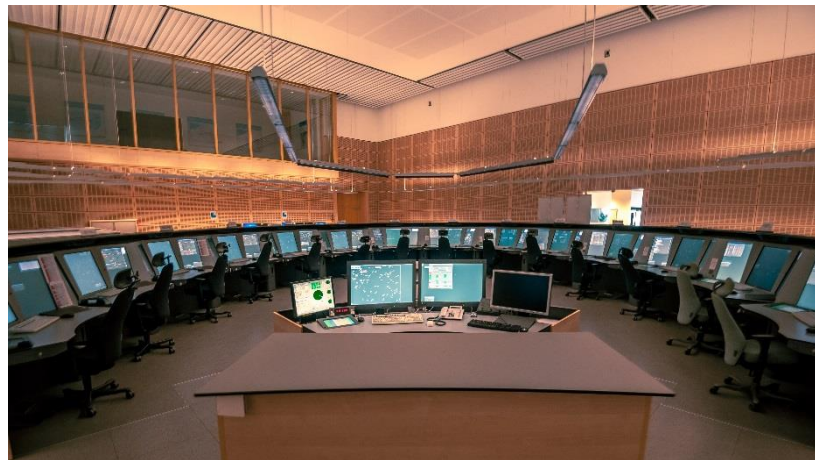


EIZO Limited (Ascot, UK)

Topic 2

Case Study: ATC market Belgocontrol installed over 400 monitors

- ❑ Belgocontrol installed over 400 monitors including 2K x 2K primary control monitors and auxiliary monitors.
- ❑ Unique features of EIZO monitors such as color calibration capability which enables referencing important information and wide size variation met demands from Belgocontrol.



Basic Policy on Profit Distribution to Shareholders

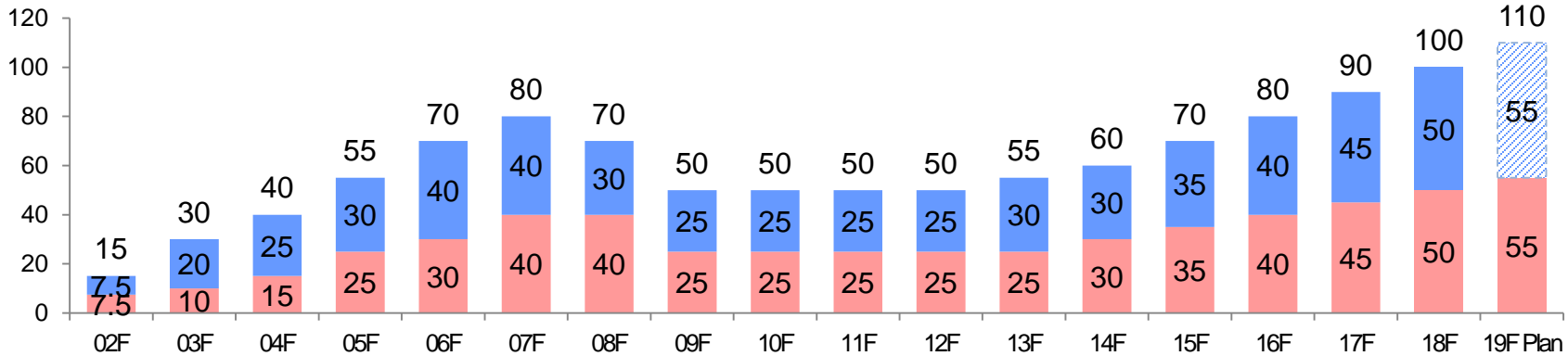
Basic policy on profit distribution to shareholders

- Returning profit to shareholders is a key management concern for EIZO Corporation, and we have followed a basic policy of stable dividend payment in line with corporate growth. We return profit to shareholders on the basis of an overall consideration of securing retained profit for capital investments and R&D expenditures required for business expansion, financial status and future performance.

(JPY / Share)

- Our target shareholder return ratio is 40% to 50% of net income.

■ Interim Dividend ■ Year-end Dividend



Dividend Payout Ratio	11.3%	9.5%	14.4%	17.5%	20.6%	41.0%	229.7%	22.6%	31.5%	67.5%	66.7%	21.6%	38.5%	35.5%	30.1%	26.9%	49.5%	58.6%
Shareholder Return Ratio	11.3%	9.5%	14.4%	17.5%	20.6%	41.0%	375.2%	22.6%	31.5%	168.0%	66.7%	21.6%	38.5%	35.5%	30.1%	26.9%	49.5%	58.6%



1. 19F1 Consolidated Financial Result

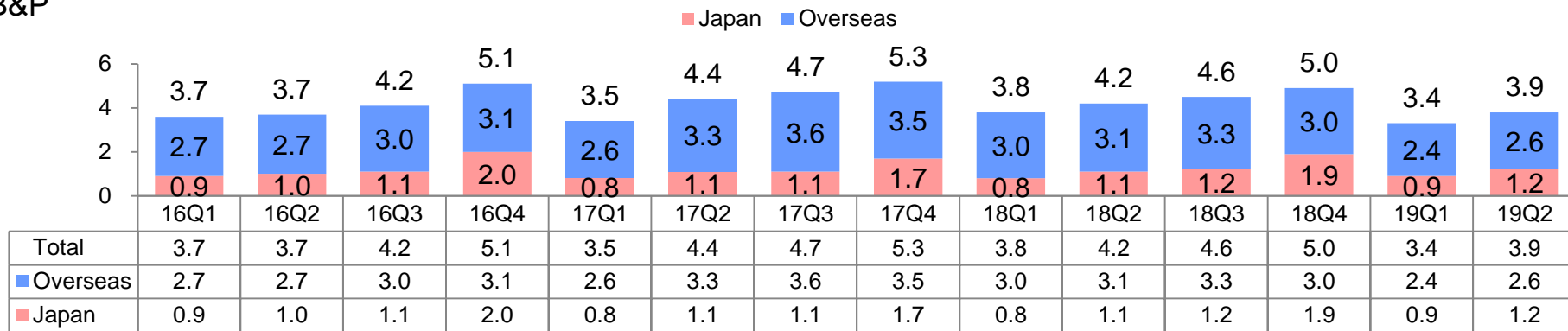
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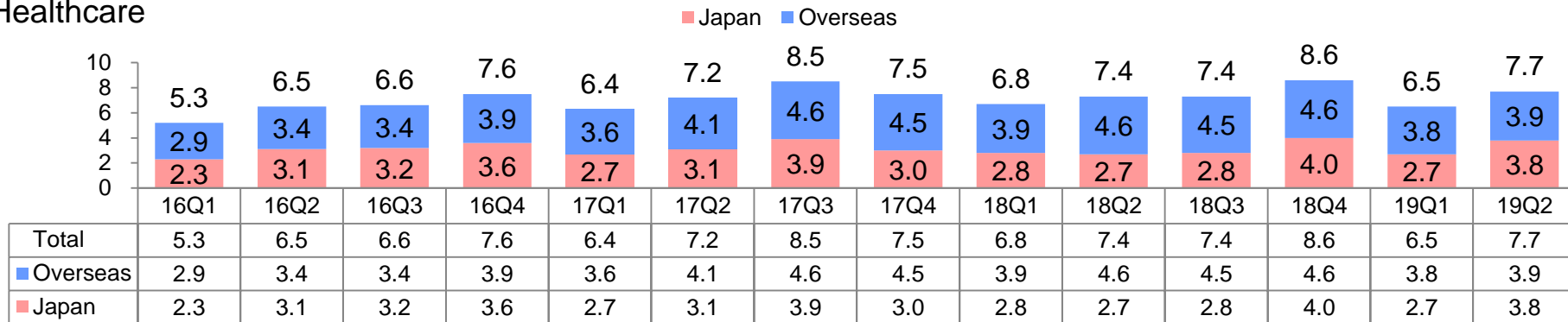
Net Sales: B&P / Healthcare

(JPY Billion)

B&P



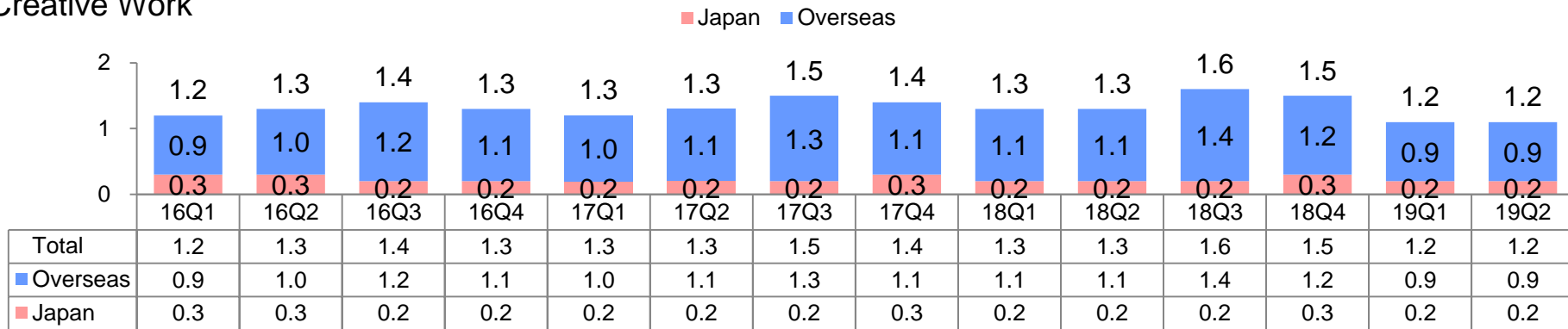
Healthcare



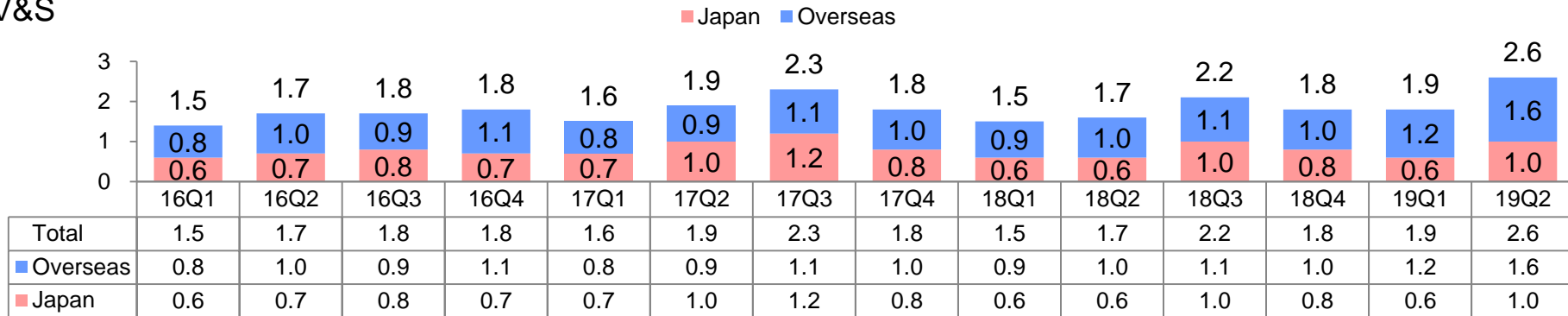
Net Sales: Creative Work / V&S

(JPY Billion)

Creative Work



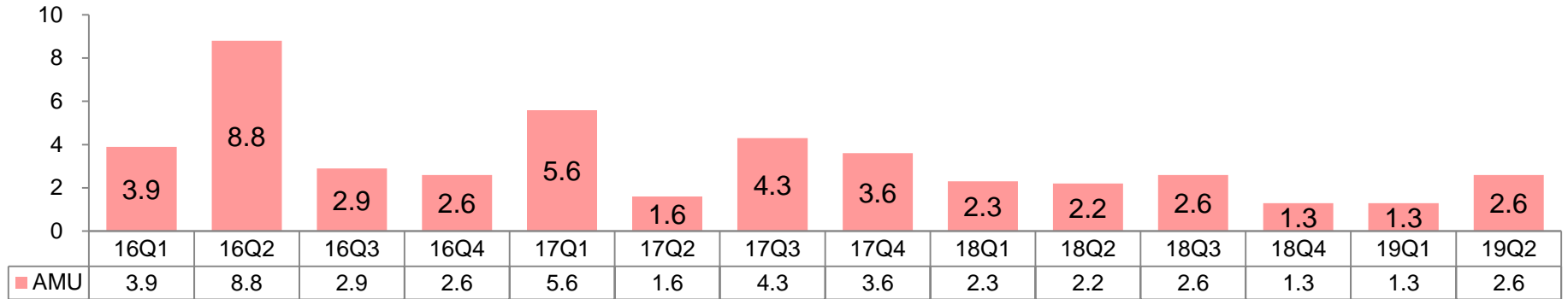
V&S



Net Sales: Amusement / Other

(JPY Billion)

Amusement

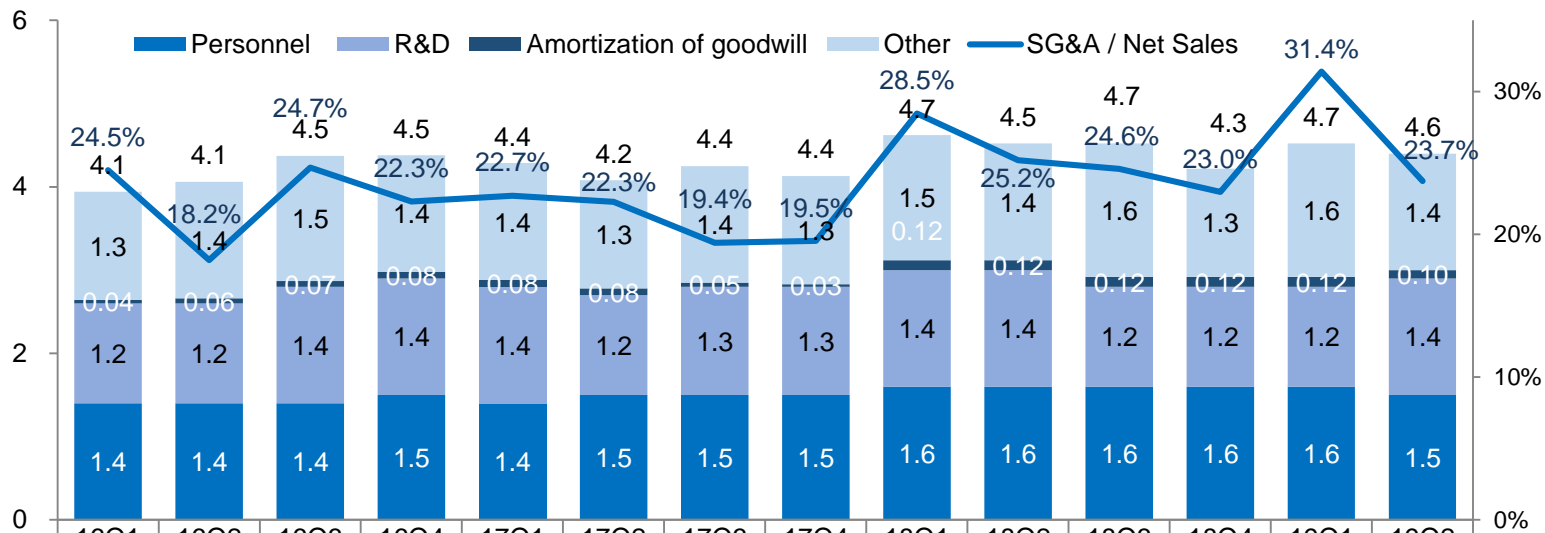


Other



Selling, General and Administrative Expenses

(JPY Billion)



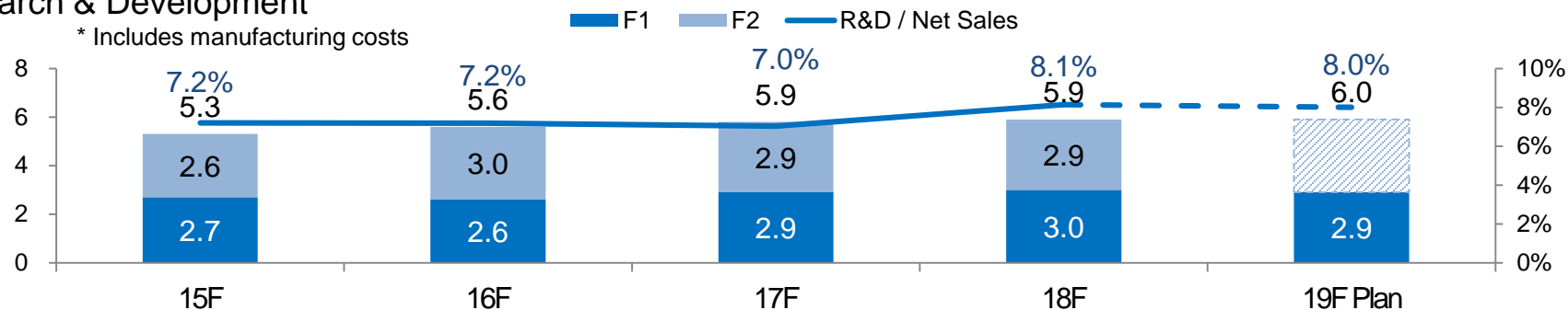
TOTAL	4.1	4.1	4.5	4.5	4.4	4.2	4.4	4.4	4.7	4.5	4.7	4.3	4.7	4.6
Other	1.3	1.4	1.5	1.4	1.4	1.3	1.4	1.3	1.5	1.4	1.6	1.3	1.6	1.4
Amortization of goodwill	0.04	0.06	0.07	0.08	0.08	0.08	0.05	0.03	0.12	0.12	0.12	0.12	0.12	0.10
R&D	1.2	1.2	1.4	1.4	1.4	1.2	1.3	1.3	1.4	1.4	1.2	1.2	1.2	1.4
Personnel	1.4	1.4	1.4	1.5	1.4	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6	1.5
SG&A / Net Sales	24.5%	18.2%	24.7%	22.3%	22.7%	22.3%	19.4%	19.5%	28.5%	25.2%	24.6%	23.0%	31.4%	23.7%

Research & Development / CAPEX

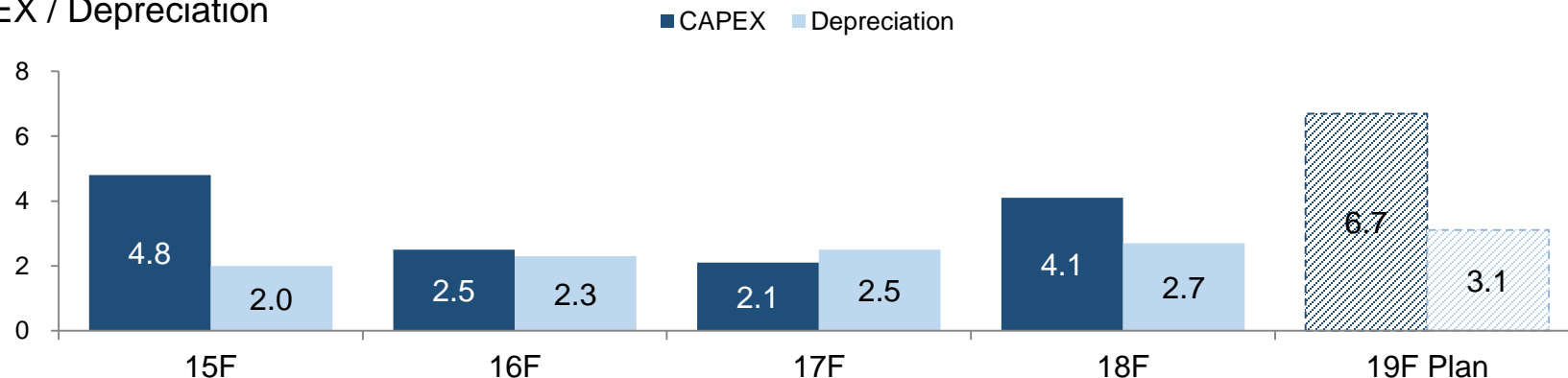
(JPY Billion)

Research & Development

* Includes manufacturing costs



CAPEX / Depreciation





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