



Consolidated Financial Highlights

19F

First Quarter

July 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: "19Q1" appearing in this presentation means "First Quarter 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. 19Q1 Consolidated Financial Results

2. 19F Plan / Topics

3. Reference Materials

19Q1 Consolidated Financial Highlights

Decreased Net Sales and Operating Income.
Steady sales in HC/V&S.

- Sales of amusement monitors decreased by 44.3% compared with 18Q1.
- Sales in B&P decreased especially in Europe partly as a result of fluctuations between JPY and EUR.
- Sales in key markets held steady.
 - V&S: Sales increased mainly due to ATC.
 - HC: Sales of OR integration increased. HC sales slightly decreased due to realignment away from non-profitable distribution businesses in 18Q3.

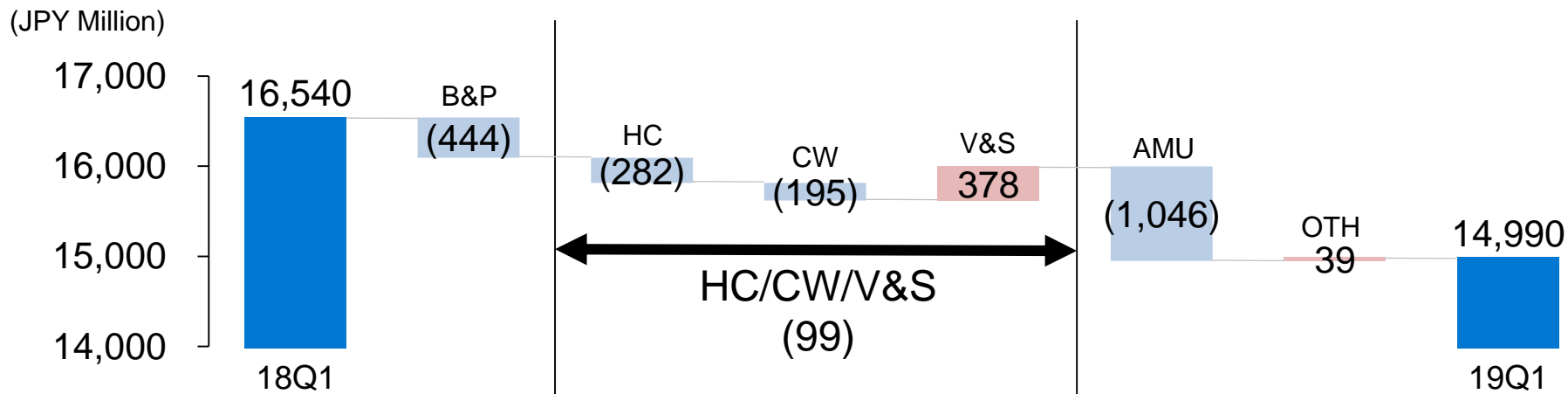
Consolidated Income Statement

(JPY Million)

	18Q1	19Q1	QoQ
Net Sales	16,540	14,990	90.6%
Gross Profit	5,464	4,618	84.5%
Gross Profit / Net Sales	33.0%	30.8%	(2.2pt)
Selling, General and Administrative Expenses	4,709	4,707	100.0%
Operating Income	754	(89)	-
Operating Income / Net Sales	4.6%	(0.6%)	(5.2pt)
Ordinary Income	1,046	74	7.1%
Net Income Attributable to EIZO Corporation's Stockholders	724	47	6.6%
Exchange Rate:USD	JPY109.10	JPY109.90	JPY0.80
Exchange Rate:EUR	JPY130.03	JPY123.50	(JPY6.53)



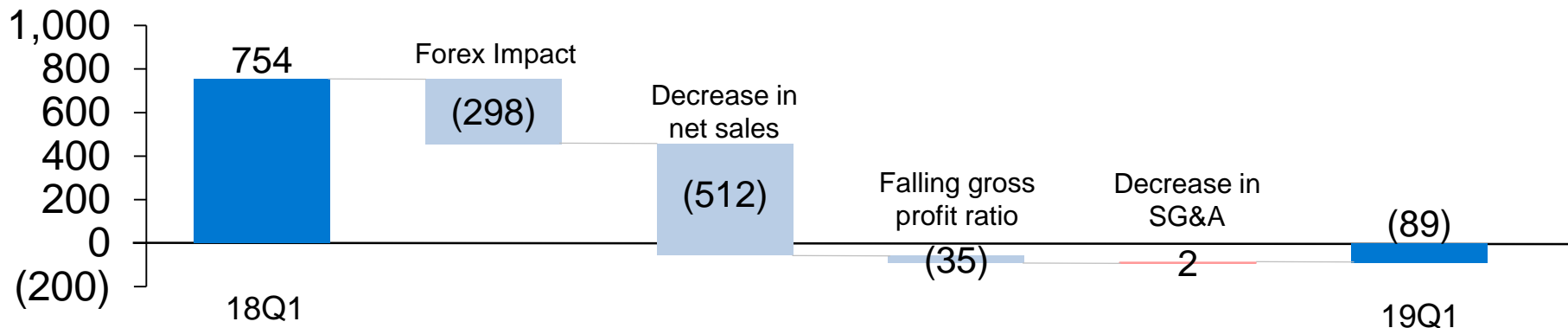
Main Factors for Changes in Net Sales



- B&P: Sales decreased in Europe.
- HC: Sales of OR integration increased in Japan. HC sales slightly decreased due to distribution business suspended from 18Q3.
- CW: Sales of entry-level models decreased.
- V&S: Sales in the ATC market increased due to North America.
- AMU: Sales decreased due to the effects of new regulations.

Main Factors for Changes in Operating Income

(JPY Million)



- Forex impact was caused by JPY appreciation against the EUR.
- Net sales decreased mainly because of decreasing sales in Amusement and B&P.
- Gross profit ratio excluding forex impact was on the same level as 18Q1.
- SG&A was on the same level as 18Q1, as a result of balancing investments in business expansion.

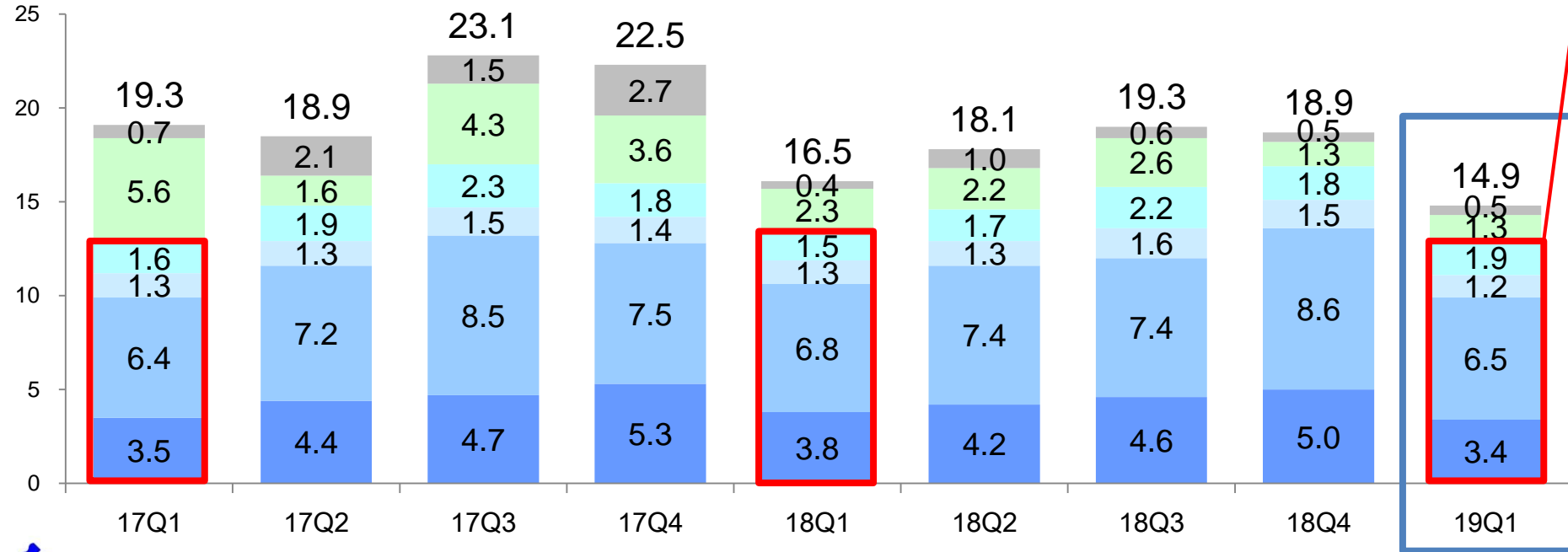
Net Sales: Overall

▣ Sales in V&S, one of our key markets, steadily grew.

B&P/HC/CW/V&S
Total
QoQ 96.0%

(JPY Billion)

■ B&P ■ HC ■ CW ■ V&S ■ AMU ■ OTH



Net Sales: B&P (Business & Plus)

(JPY Billion) ■ Japan ■ Overseas



Overseas

■ Sales in Europe decreased partly due to forex movements.

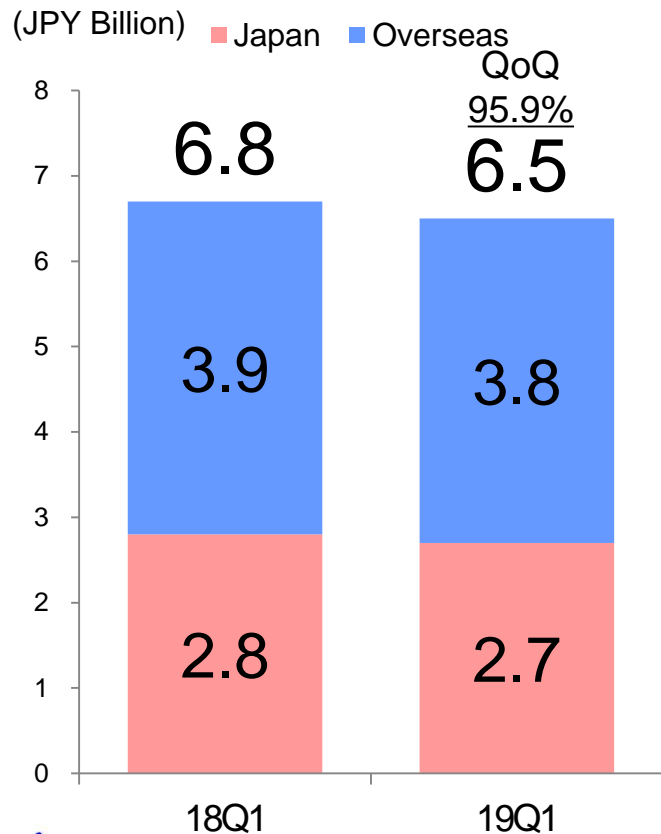
Japan

■ Sales of 24" monitors increased.

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



Net Sales : Healthcare



Diagnostics

- Sales increased steadily in Japan and Europe despite having a large market share.
- Sales in North America and Middle-East also increased.

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.

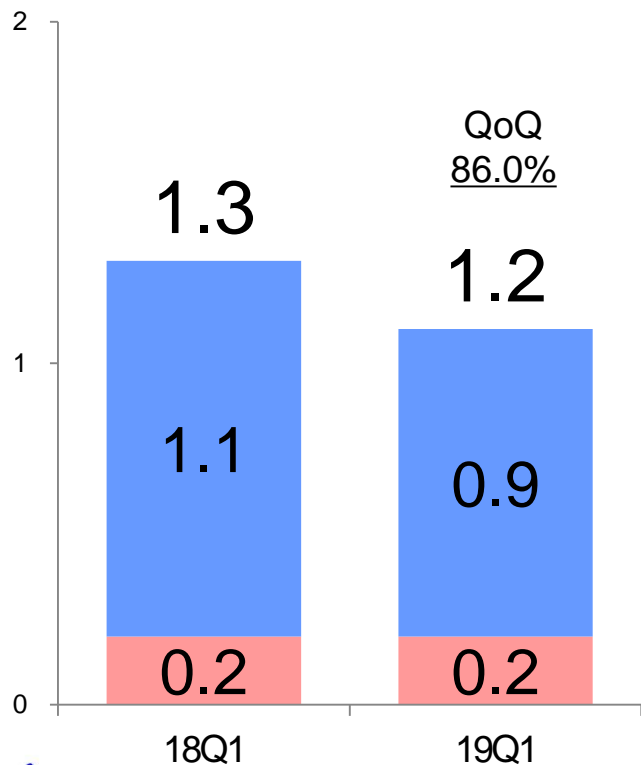
Others

- Sales decreased in Japan compared with 18Q1 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 for professional users increased steadily.

■ Sales of entry-level models decreased.



Net Sales: V&S (Vertical & Specific)



ATC (Air Traffic Control)

- Sales increased due to business in North America.
- We expect this trend will continue in 19F.

Maritime

- Sales in Japan decreased compared with 18Q1 in which sales increased due to sales of chart table monitors.

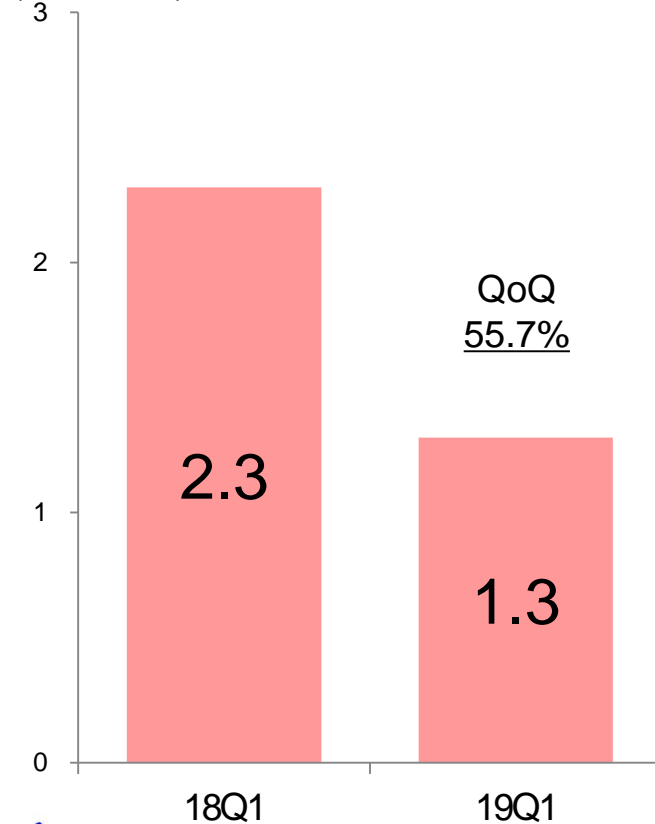
S&S (Security & Surveillance)

- Sales increased due to providing system solutions for multiple security & surveillance environments in Japan, despite decreasing sales overseas.
- Released IP decoding box for IP security systems.



Net Sales : Amusement

(JPY Billion)



- ▣ Sales decreased due to the effects of new regulations.
- ▣ We expect sales will increase due to demand for systems that comply with the new regulations as previous regulation systems will be removed by January 2021.



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Consolidated Balance Sheets

(JPY Million)

	18F	19Q1	Growth
Current Assets	64,167	61,082	(3,085)
Cash & Equivalents	16,399	15,162	(1,236)
Accounts Receivable	17,246	13,492	(3,753)
Inventories	28,377	30,440	2,063
Tangible Assets	14,321	15,769	1,448
Intangible Assets	3,219	3,059	(159)
Investments and Other Assets	39,715	36,535	(3,180)
Total	121,423	116,445	(4,977)
Current Liabilities	15,673	15,158	(514)
Long Term Liabilities	10,826	9,951	(875)
Shareholders' Equity	94,924	91,336	(3,588)
Total	121,423	116,445	(4,977)

Inventories

- ▣ Increased due to raw materials and overseas stocks.

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.

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19F Plan

(JPY Million)

	18F	19F Plan(*)	18F vs.19F Plan
Net Sales	72,944	79,000	108.3%
Gross Profit	23,755	26,500	111.6%
Gross Profit / Net Sales	32.6%	33.5%	0.9pt
Selling, General and Administrative Expenses	18,385	19,700	107.2%
Operating Income	5,370	6,800	126.6%
Operating Income / Net Sales	7.4%	8.6%	1.2pt
Ordinary Income	5,710	7,400	129.6%
Net Income Attributable to EIZO Corporation's Stockholders	4,308	5,300	123.0%
Exchange Rate: USD	JPY110.93	JPY112.00	JPY1.07
Exchange Rate: EUR	JPY128.45	JPY125.00	(JPY3.45)
ROA	4.7%	-	-
ROE	4.6%	-	-

(*) No revision of 19F projected results announced May 10th, 2019.

- ▣ Sales in B&P/HC/CW/V&S will peak in F2 due to seasonal factors.
- ▣ We expect sales will increase due to demand for systems that comply with new regulations by January 2021.
- ▣ We will continue investment to enhance business.



Topic 1

EIZO GmbH (*) started operation at the new site.

(*) EIZO GmbH is a leading manufacturer of visual display solution for applications in medical imaging.

- At the new site, all operational functions of EIZO GmbH, management, R&D, production & warehouse are consolidated under the same roof. This creates an efficient workflow and a positive working atmosphere of creativity.
- EIZO GmbH strives to further expand its leading position in the markets for medical imaging.



Topic 2

A new production line has started operation in Hakusan, Japan.

- ▣ Increased production capacity to meet demand of HC/CW/V&S.
- ▣ Improved productivity of High-Mix Low-Volume production for HC/CW/V&S.
- ▣ Enhanced productivity driven by IoT and AI.



1. 19Q1 Consolidated Financial Result

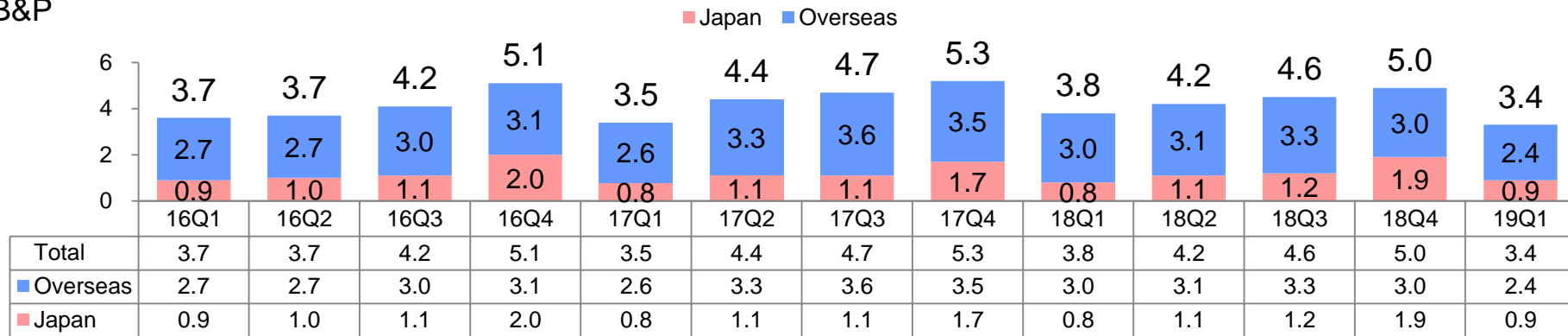
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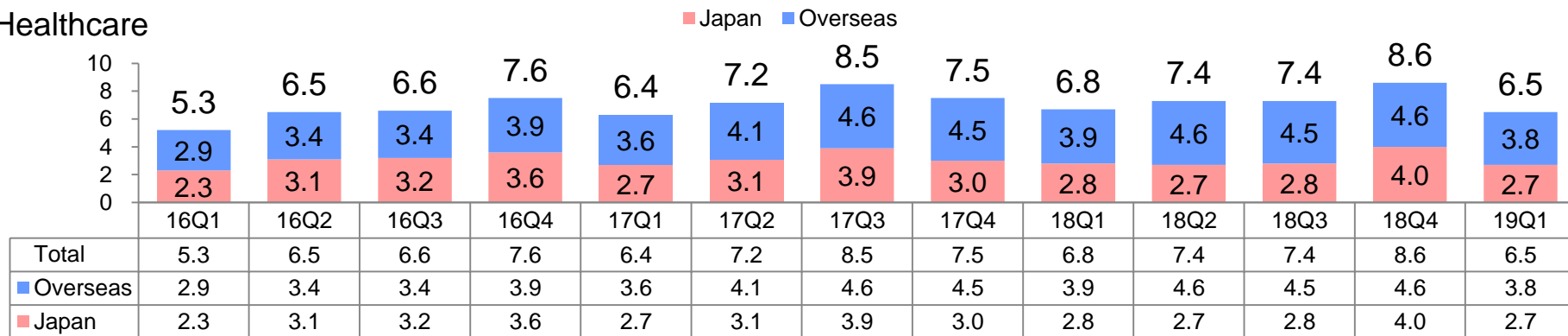
Net Sales: B&P / Healthcare

(JPY Billion)

B&P



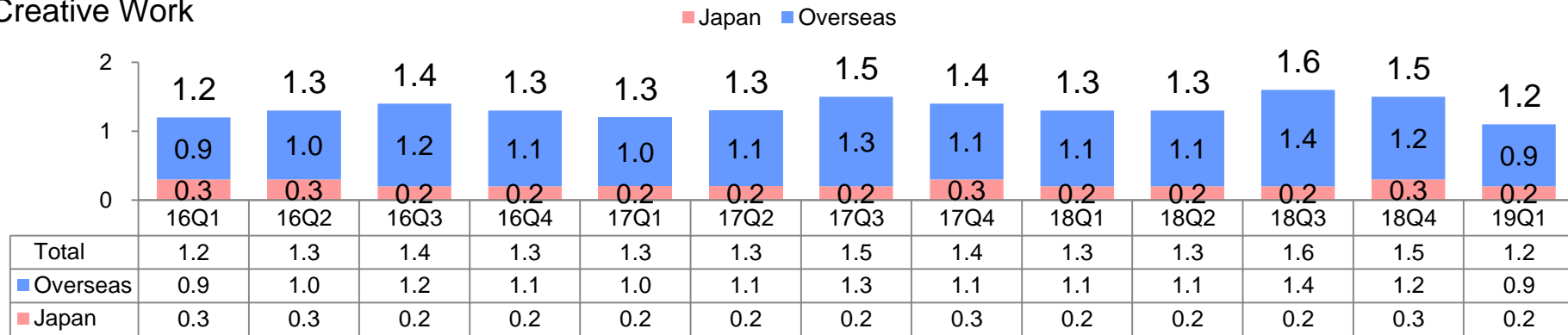
Healthcare



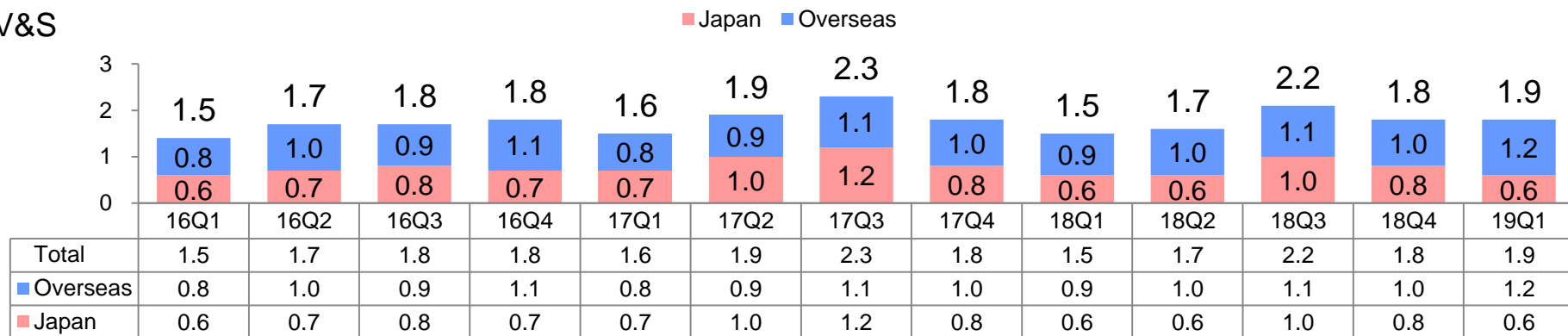
Net Sales: Creative Work / V&S

(JPY Billion)

Creative Work



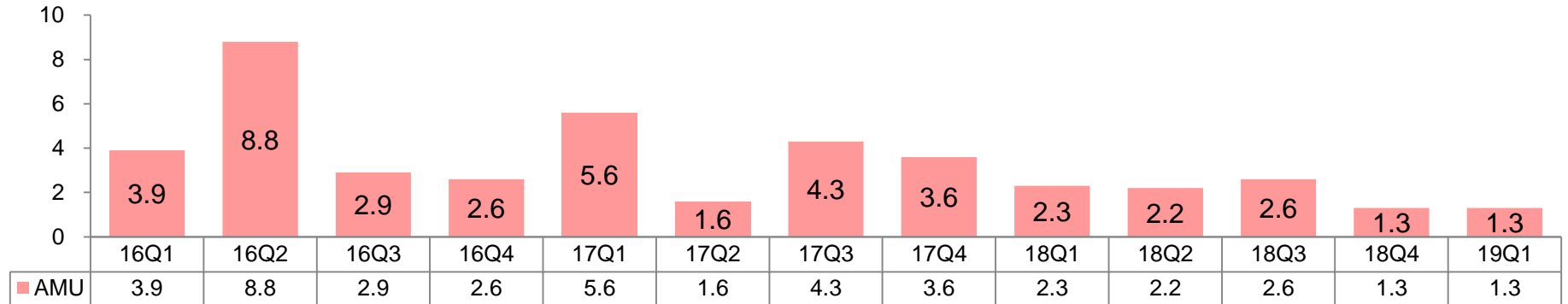
V&S



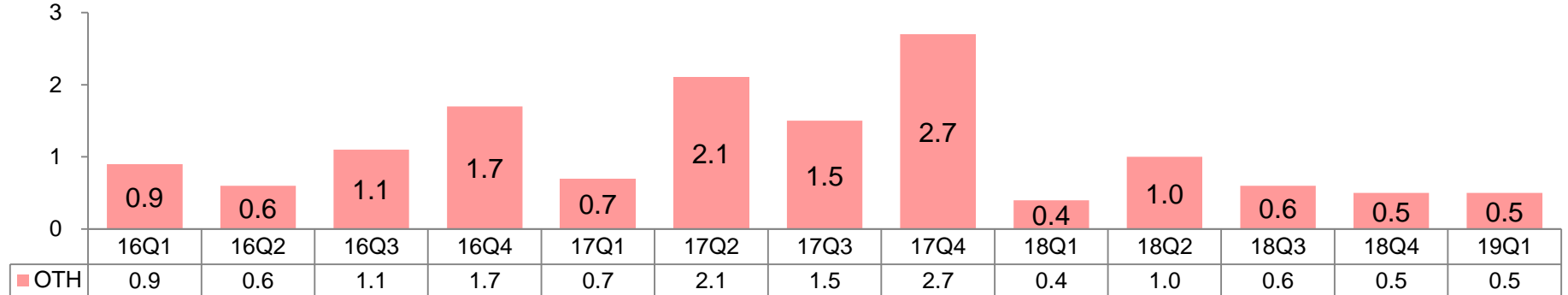
Net Sales: Amusement / Other

(JPY Billion)

Amusement

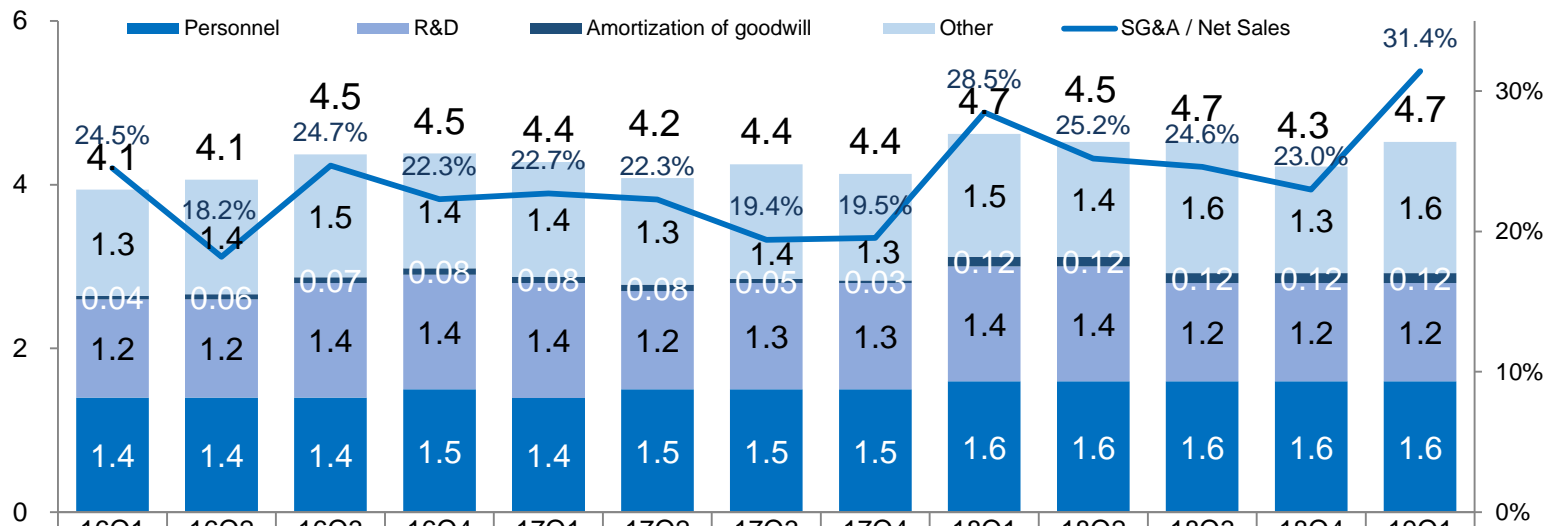


Other



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
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
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
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
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
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%



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