



Consolidated Financial Highlights

21F

First Half

October 29th, 2021

TSE Code: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: "21F1" appearing in this presentation means "First Half Fiscal year 2021".

"21F" appearing in this presentation means "Fiscal year 2021", that is Fiscal year ended March 31, 2022.

Details of the Market Group

Market Group	Market / Use
Business & Plus (B&P)	Financial institutions , Public authorities , Educational facilities , CAD , Commercial facilities , Business and home use
Healthcare (HC)	Diagnosis / Medical examination , Medical treatment / Operation , Healthcare-IT
Creative Work (CW)	Media & Entertainment , 3D computer graphics , Photo editing , Illustration , Design , Publication / Printing
Vertical & Specific (V&S)	For various mission critical environments, infrastructure and industrial equipment Air traffic control (ATC) , Maritime , Security & Surveillance (S&S) , MIL-STD compliance & Other industrial fields (including touch panel applications)
Amusement (AMU)	LCD-mounted pachinko and slot machines
Other (OTH)	Maintenance services and commissioned development of software

1. 21F1 Consolidated Financial Results

2. 21F Plan / Topics

3. Reference Materials

21F1 Consolidated Financial Highlights

Sales & Operating Income Increased

Strong Sales Supported by Our Stable Supply

- Under severe supply conditions caused by the shortage of semiconductors and rising material costs, our inventory strategy and our flexible production enabled by 100% in-house development and production ensured we could continue stable supply contributing to strong sales.
 - B&P: In a severe industry environment, sales increased both in Japan and overseas due to our competitiveness enhanced by our steady supply and sales pricing, which contributed to increase in Gross Profit Ratio as well.
 - HC: Sales increased both in Japan and overseas thanks to a slight recovery from COVID-19.
 - AMU: In a slow market, sales increased due to new compliance regulations.
- Operating Income increased significantly. Gross profit ratio increased by 4.0pt compared to 20F1. SG&A increased as expenses in 20F1 for sales & marketing were controlled strictly and increased R&D expenses.

Consolidated Income Statement

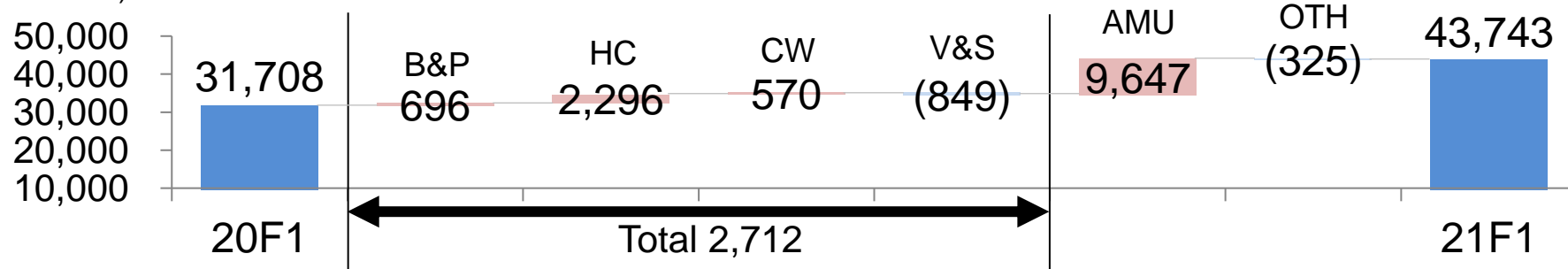
(JPY Million)

	20F1	21F1	20F1 vs.21F1
Net Sales	31,708	43,743	138.0%
Gross Profit	10,575	16,329	154.4%
Gross Profit / Net Sales	33.4%	37.3%	4.0pt
Selling, General and Administrative Expenses	9,103	9,719	106.8%
Operating Income	1,472	6,610	449.0%
Operating Income / Net Sales	4.6%	15.1%	10.5pt
Ordinary Income	1,998	7,034	352.0%
Net Income Attributable to EIZO Corporation's Stockholders	1,345	5,152	383.0%
Exchange Rate(Year-To-Date Ave.):USD	JPY106.93	JPY109.81	JPY2.88
Exchange Rate(Year-To-Date Ave.):EUR	JPY121.34	JPY130.88	JPY9.54



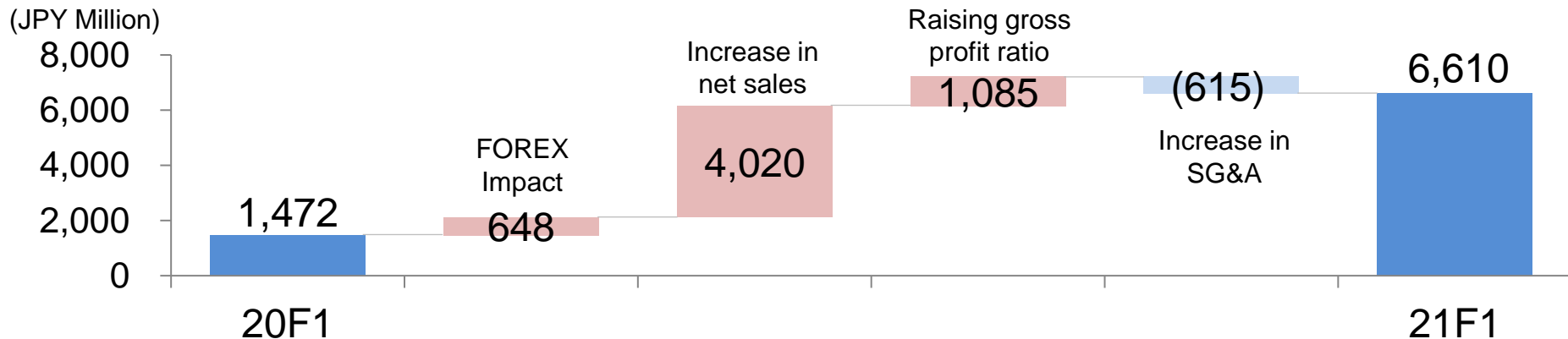
Main Factors for Changes in Net Sales

(JPY Million)



- B&P: Sales increased both in Japan and overseas thanks to our stable supply.
- HC: Overseas sales increased supported by a steady demand in diagnostics application as economic activity increased. Sales in Japan recovered gradually as hospitals eased entry restrictions.
- CW: Sales increased in Europe, North America and China.
- V&S: Sales decreased due to completion of some programs of advanced product customization in Japan.
- AMU: Sales increased due to new compliance regulations.
- OTH: Sales of commissioned development of software decreased.

Main Factors for Changes in Operating Income

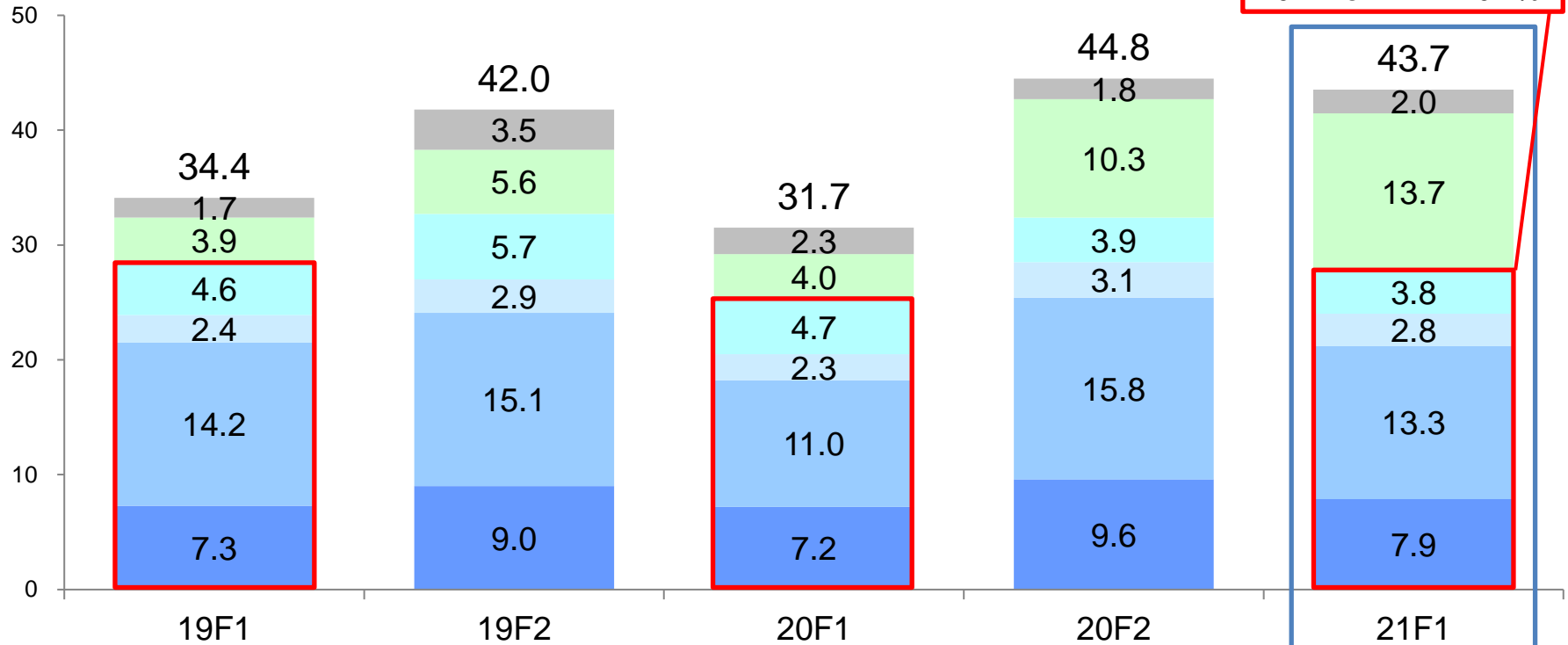


- The FOREX impact was caused by a strong EUR against the JPY.
- Net Sales increased as a result of steady sales in B&P, HC and CW and increasing sales in AMU.
- Gross Profit Ratio, excluding the FOREX impact, increased due to sales of highly profitable products.
- SG&A increased as expenses in 20F1 for sales & marketing were controlled strictly and increased R&D expenses.

Net Sales: Overall

(JPY Billion)

■ B&P ■ HC ■ CW ■ V&S ■ AMU ■ OTH

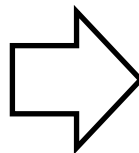
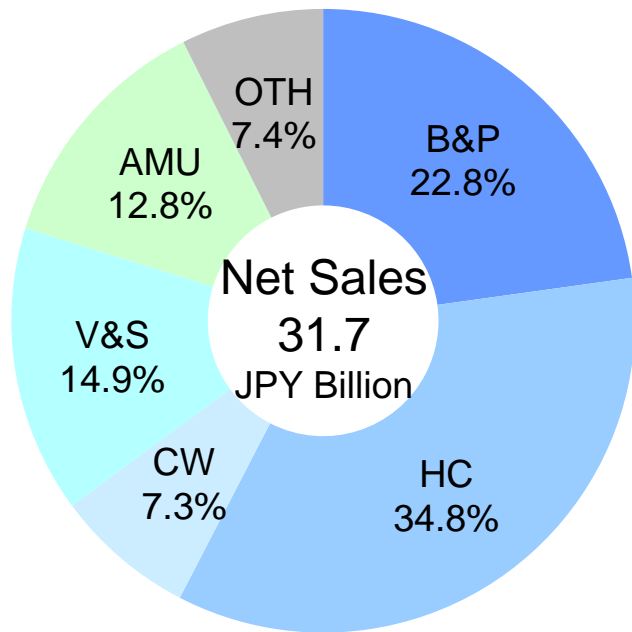


B&P/HC/CW/V&S
Total
20F1 vs. 21F1 110.7%

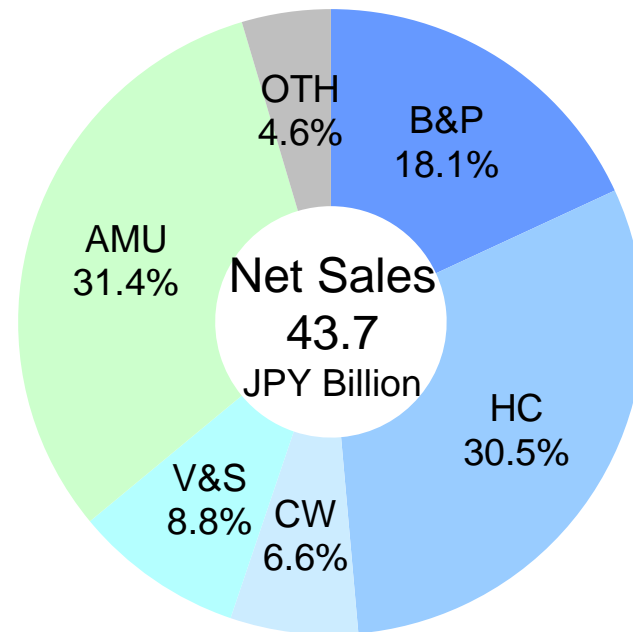


Net Sales: Composition Ratio

20F1

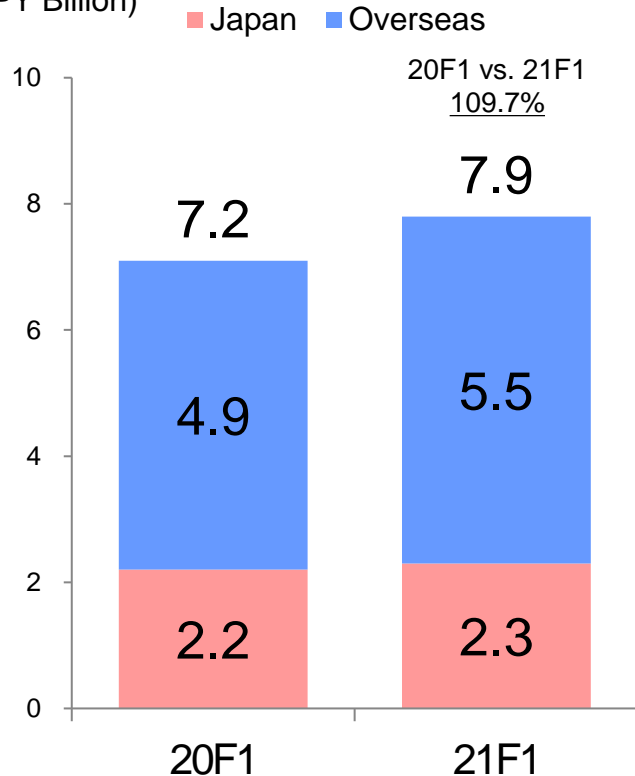


21F1



Net Sales: B&P (Business & Plus)

(JPY Billion)



- The market environments were affected by the shortage of semiconductors and rising material costs. Under such a severe condition, sales increased due to our competitiveness enhanced by our steady supply and sales pricing, which contributed to increase in Gross Profit Ratio as well.

- Sales of ultrawide, curved monitors contributed strongly.

Overseas

- Sales increased due to high investment in IT equipment in Europe.

Japan

- Sales increased as a result of a slight recovery in capital investment previously postponed.

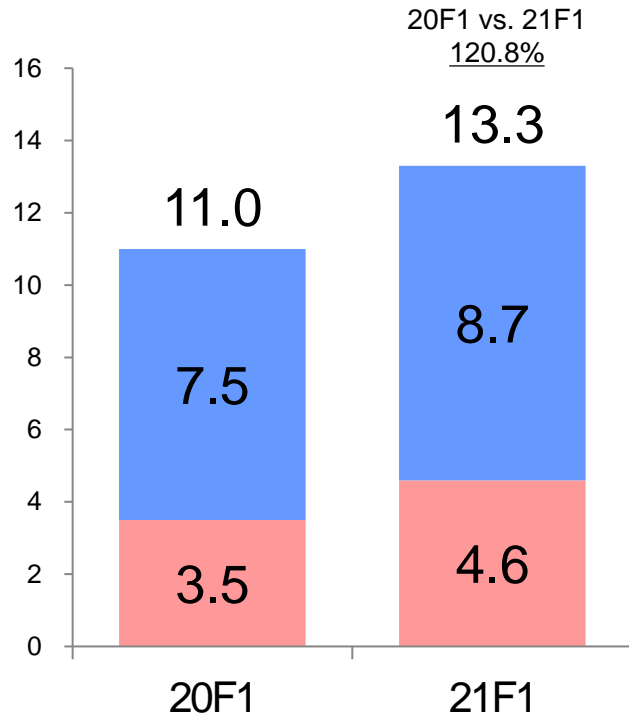


FlexScan EV3895

Net Sales : Healthcare

(JPY Billion)

■ Japan ■ Overseas



Diagnostics

- Overseas sales increased due to steady demand as economic activity returned to near normal in Europe and North America.
- Sales in Japan increased by a recovery in CAPEX by hospitals whose medical services returned to normal as a result of infection prevention measures and vaccination.

OR Integration

- Sales in Japan recovered slightly.

Endoscopy

- Sales both in Japan and overseas increased.

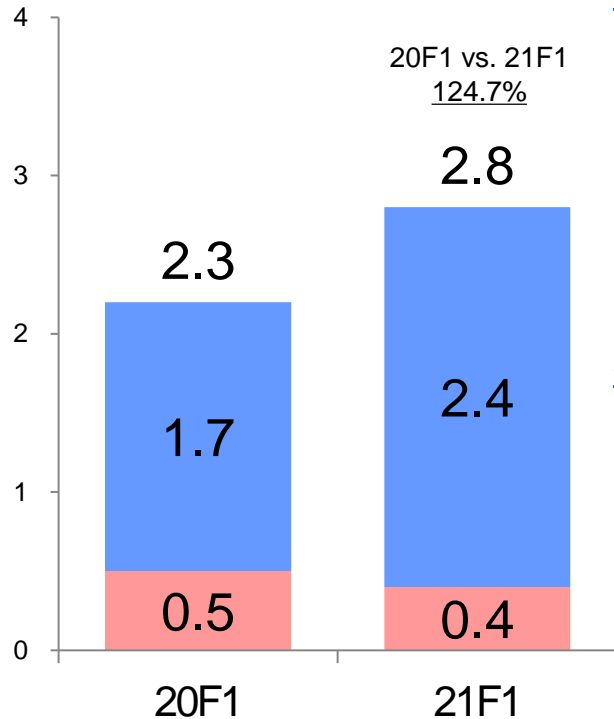


RadiForce RX370

Net Sales: Creative Work

(JPY Billion)

■ Japan ■ Overseas



Overseas

- Sales in Europe increased driven by sales of high-end monitors with HDR gamma support.
- Media & Entertainment sales in North America recovered slightly.
- The demand in China increased.

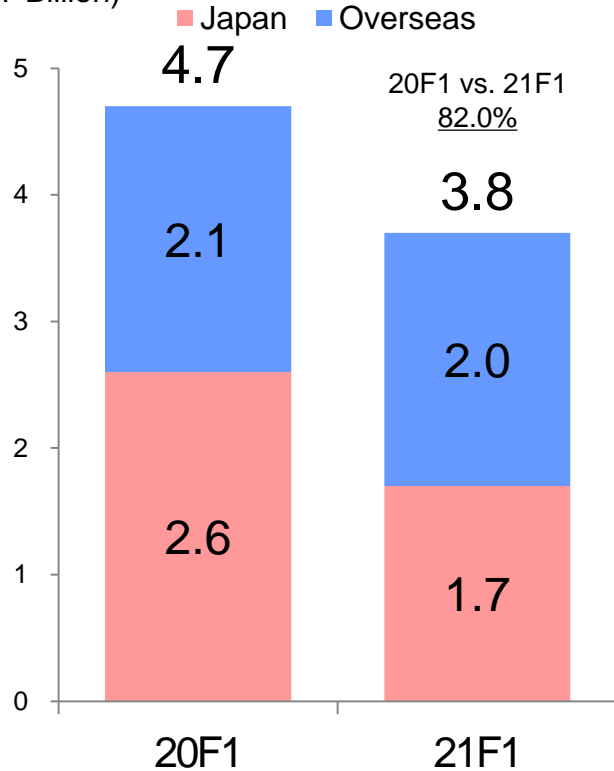
Japan

- Sales decreased. The demand for gaming content creators, which was high in 20F1, returned to normal.



Net Sales: V&S (Vertical & Specific)

(JPY Billion)



ATC (Air Traffic Control)

- ▣ Sales in North America decreased compared with 20F1.

Maritime

- ▣ Sales in Japan decreased.

S&S (Security & Surveillance)

- ▣ Sales remained low despite a slight recovery in sales of IP decoding solutions.

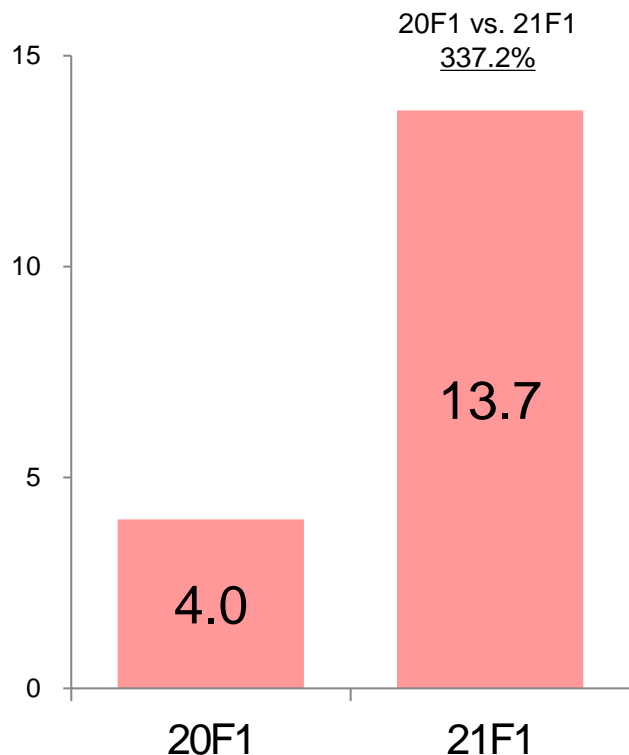
Others

- ▣ Sales in Japan decreased due to completion of some programs requiring advanced product customization despite slight sales recovery in some industrial markets.
- ▣ Sales overseas were affected by COVID-19, in particular the automotive and other industrial markets.



Net Sales : Amusement

(JPY Billion)



- The market size continues to decrease.
- The demand for replacement with new models will continue until the compliance deadline in January 2022.
- Sales increased due to the new compliance regulations.



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Consolidated Balance Sheets

(JPY Million)

	20F	21F1	Growth
Current Assets	71,506	77,867	6,360
Cash & Equivalents	18,882	25,315	6,432
Accounts Receivable etc.*	19,412	20,273	860
Inventories	31,247	30,026	(1,220)
Tangible Assets	18,858	18,365	(492)
Intangible Assets	2,430	2,291	(139)
Investments and Other Assets	57,266	63,336	6,070
Total	150,061	161,861	11,799
Current Liabilities	17,929	20,279	2,350
Long term Liabilities	17,679	19,059	1,379
Shareholders' Equity	114,453	122,521	8,068
Total	150,061	161,861	11,799

Apply “Accounting Standard for Revenue Recognition (ASBJ Statement No.29)” from 21F.

Costs of commissioned development of AMU software before inspection, which were included in Inventories in 20F, were included in Contract Assets (Accounts Receivable in the table) from the beginning of 21F.
(The amount in 20F : 3,291 Million Yen)

Investments and Other Assets

Increased market price of investment securities.

* Notes and accounts receivable, contract assets and trade notes receivable transferred by endorsement

Research & Development / CAPEX

(JPY Billion)

	20F1	21F1	20F1 vs. 21F1
Research & Development * Includes manufacturing costs	2.7	2.8	104.4%
R&D / Net Sales	8.7%	6.6%	(2.1pt.)
CAPEX	1.9	0.6	32.8%
Depreciation	1.4	1.2	90.0%

Research & Development

R&D of new models increased.

CAPEX

Invested continuously for future growth despite the COVID-19 situation.

- DX* investment
(* Digital transformation)
Installed new PLM and CRM systems when renewing the IT platform from R&D to production and sales.

1. 21F1 Consolidated Financial Result

2. 21F Plan / Topics

3. Reference Materials

21F Plan

(JPY Million)

	20F	21F Plan	20F vs.21F Plan
Net Sales	76,565	82,200	107.4%
Gross Profit	26,551	28,900	108.8%
Gross Profit / Net Sales	34.7%	35.2%	0.5pt
Selling, General and Administrative Expenses	18,616	19,800	106.4%
Operating Income	7,935	9,100	114.7%
Operating Income / Net Sales	10.4%	11.1%	0.7pt
Ordinary Income	8,814	9,800	111.2%
Net Income Attributable to EIZO Corporation's Stockholders	6,155	6,900	112.1%
Exchange Rate (Yearly Ave.) :USD	JPY106.10	JPY110.00	JPY3.90
Exchange Rate (Yearly Ave.) :EUR	JPY123.76	JPY128.00	JPY4.24
ROA	6.4%	-	
ROE	5.9%	-	

(*) No revision of 21F projected results announced on May 11th, 2021.

- The steady demand will continue in 21F2 mainly in B&P and HC.
 - We plan to temporarily reduce our production levels mainly for the B&P products in 21Q3 in response to the worldwide component shortage.
 - The semiconductor shortage will continue.
 - Some suppliers in Southeast Asia have already reduced production due to spread of COVID-19.
- ➔ Therefore, we will maintain our initial 21F plan.



Topic 1

Notice of Selection and Application for “Prime Market”* under the TSE New Market Segment

*the market segment for companies with market cap (liquidity) large enough for institutional investors, with high governance standards

- EIZO Corporation announced that it has filed an application for inclusion into the “Prime Market” segment under the new market segment of the Tokyo Stock Exchange, Inc. (“TSE”) effective on April 4, 2022.
- We confirmed that we met the listing criteria for “Prime Market”, were notified by the TSE on July 9, 2021 and made a resolution at the Board of Directors Meeting held on July 30, 2021.

Topic 2

Case Study

Recording / Distribution System

Covering “Capture, Recording, Distribution and Display”



- Tokyo Medical University installed the recording / distribution system organized by Carina System Co., Ltd in 20 operation rooms at their new hospital.

Recording / Distribution System

20 Operation Rooms

Capture, Recording

- Control display images captured during operations
- Record the images simultaneously

Server Room

Storage

- Store the images in servers for a long term

Medical Office etc.

Distribution, Display

- Display multiple images simultaneously both in streaming and decoding.

Simultaneous control of multiple images in one place contributes to **smooth operations reducing unnecessary actions.**

Replay of the images recorded during operations helps to **analyze what happened at a specific time during and after operations.**

Monitoring images of all operation rooms provides **efficient direction based on speedy situational awareness.**

Topic 3

Case Study

IP Decoding Solution for S&S

Enabling to Decode Signals from IP Cameras Through Simplified System

- EIZO's IP decoding box and FlexScan monitors were installed at a new network service operation center of KDDI (Japan).

- **EIZO's IP Decoding Box for Monitoring Sites Remotely**

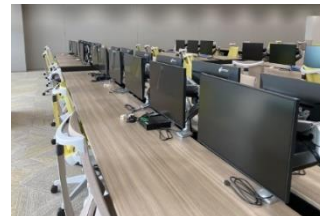
EIZO's DX0211-IP connected to multiple IP cameras at each location enabling continuous display of high-resolution images captured by multiple cameras over a long period in a simplified system without a PC.

- **FlexScan Large-Screen Monitors for Surveillance Room Operators**

EIZO's monitors clearly displayed small text and sharp images in a comfortable manner. The monitor allows multiple PCs to display simultaneously on a single screen. These strengths matched the customer's operations which requires a lot of constantly changing information.



DuraVision DX0211-IP



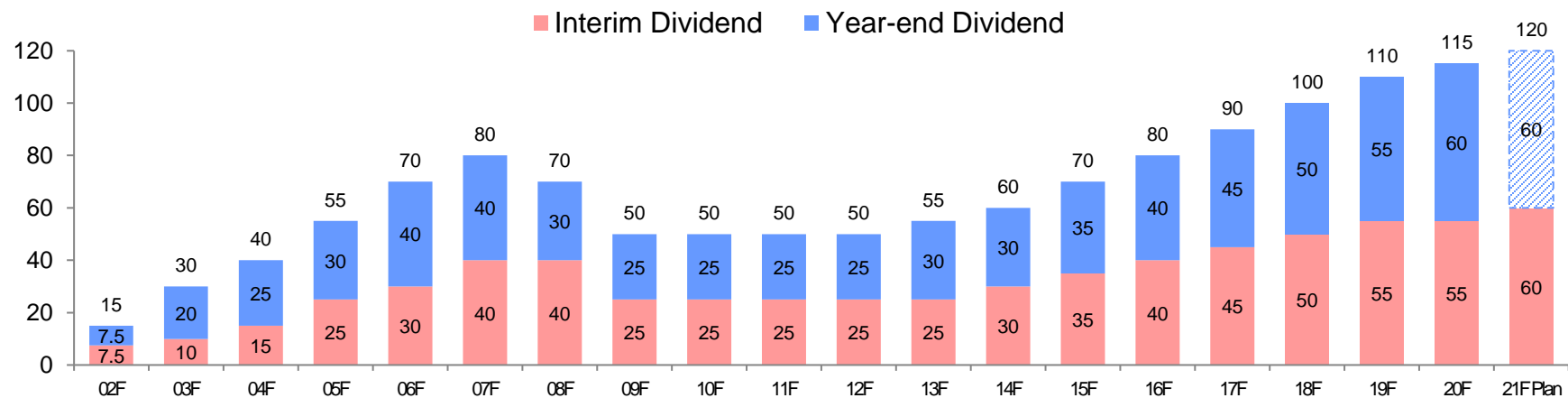
Profit Distribution to Shareholders

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.



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%	50.2%	39.8%	37.1%
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%	50.2%	39.8%	37.1%



1. 21F1 Consolidated Financial Result

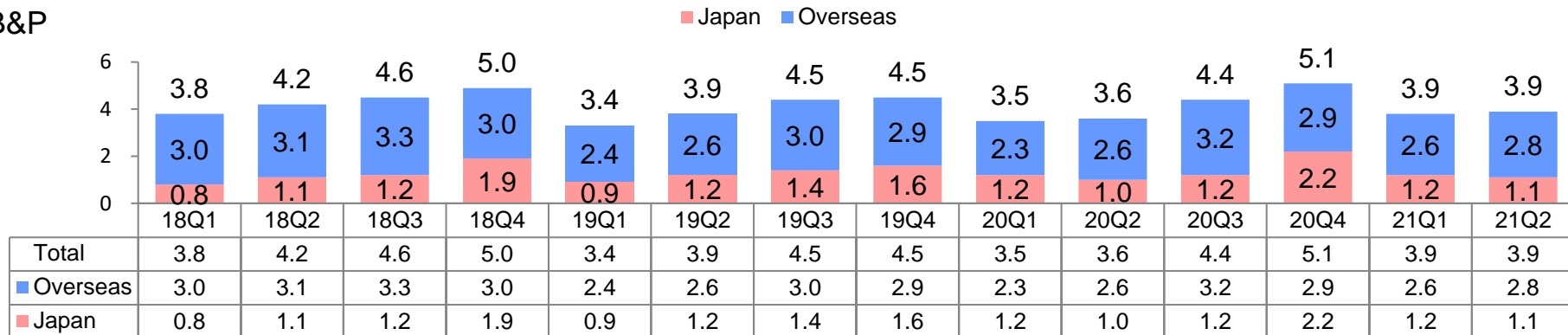
2. 21F Plan / Topics

3. Reference Materials

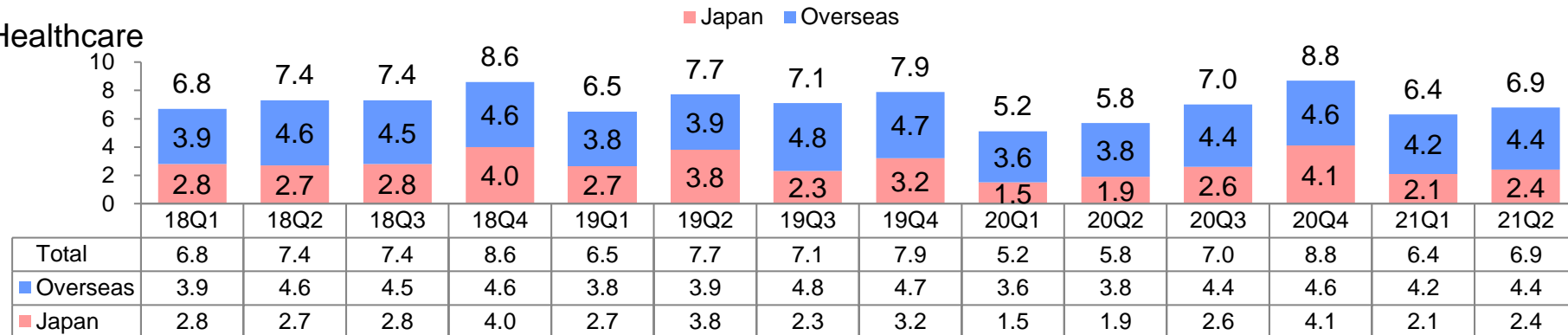
Net Sales: B&P / Healthcare

(JPY Billion)

B&P



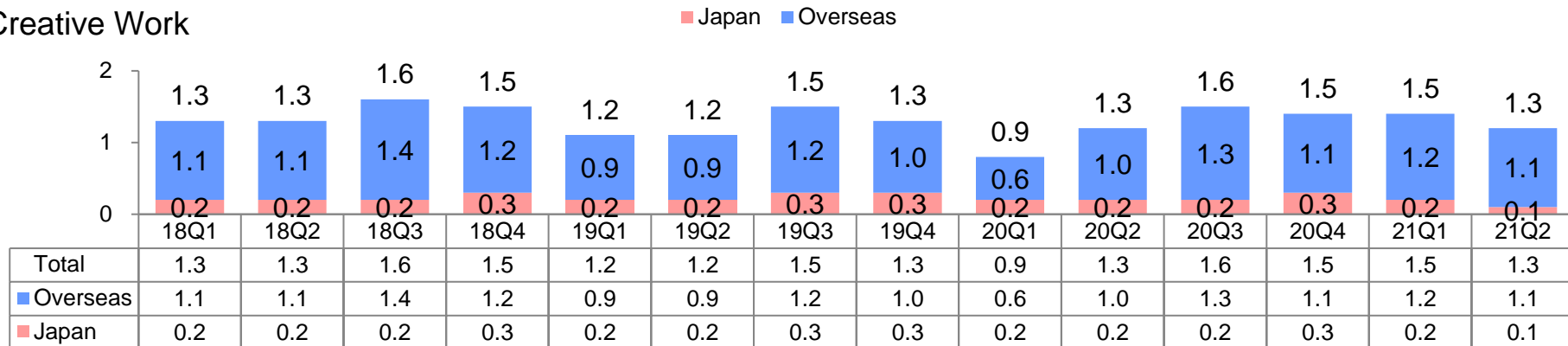
Healthcare



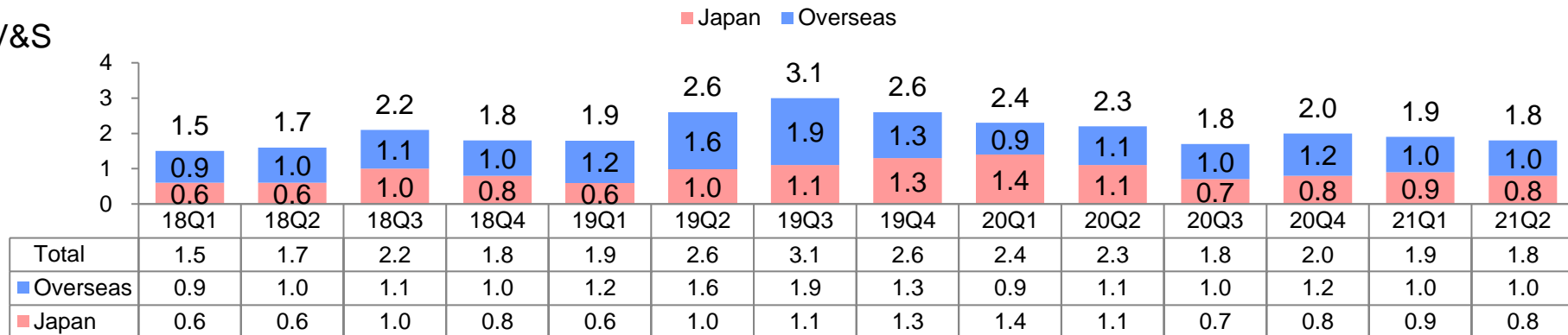
Net Sales: Creative Work / V&S

(JPY Billion)

Creative Work



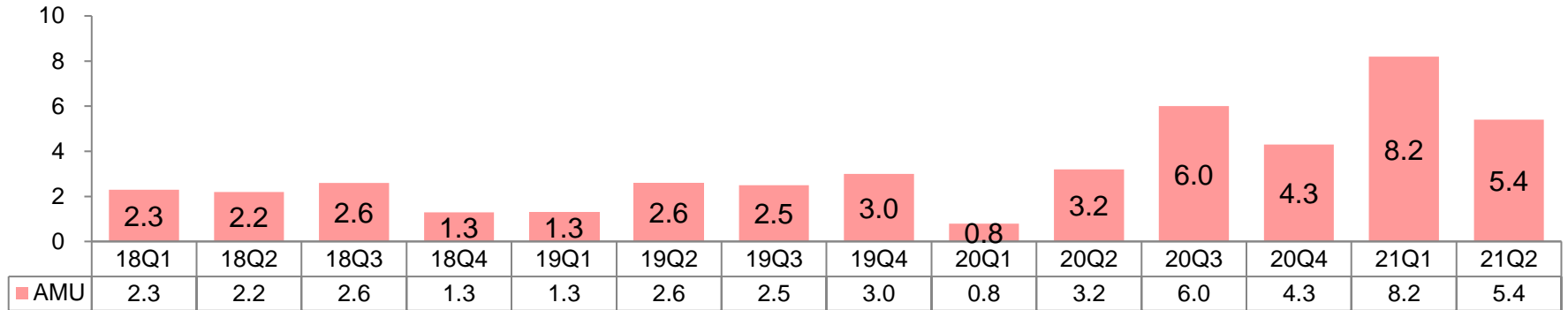
V&S



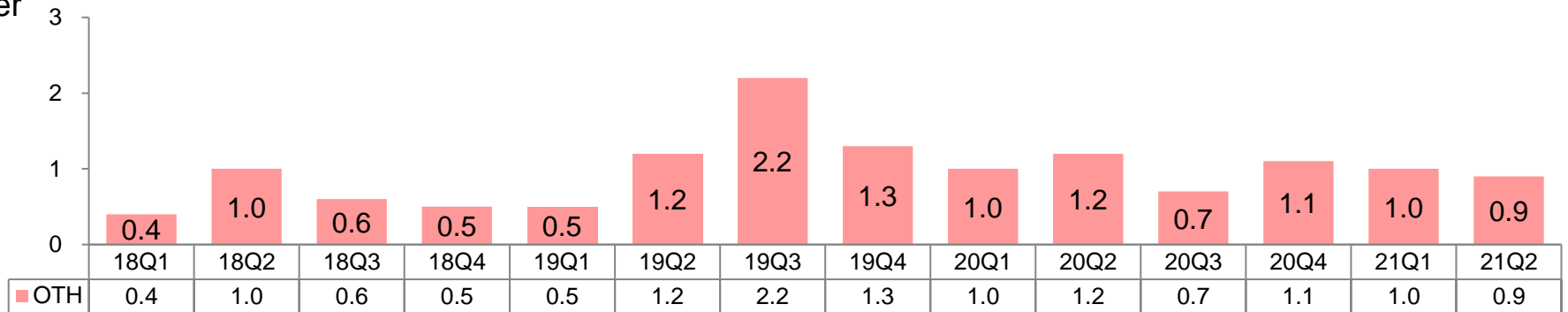
Net Sales: Amusement / Other

(JPY Billion)

Amusement

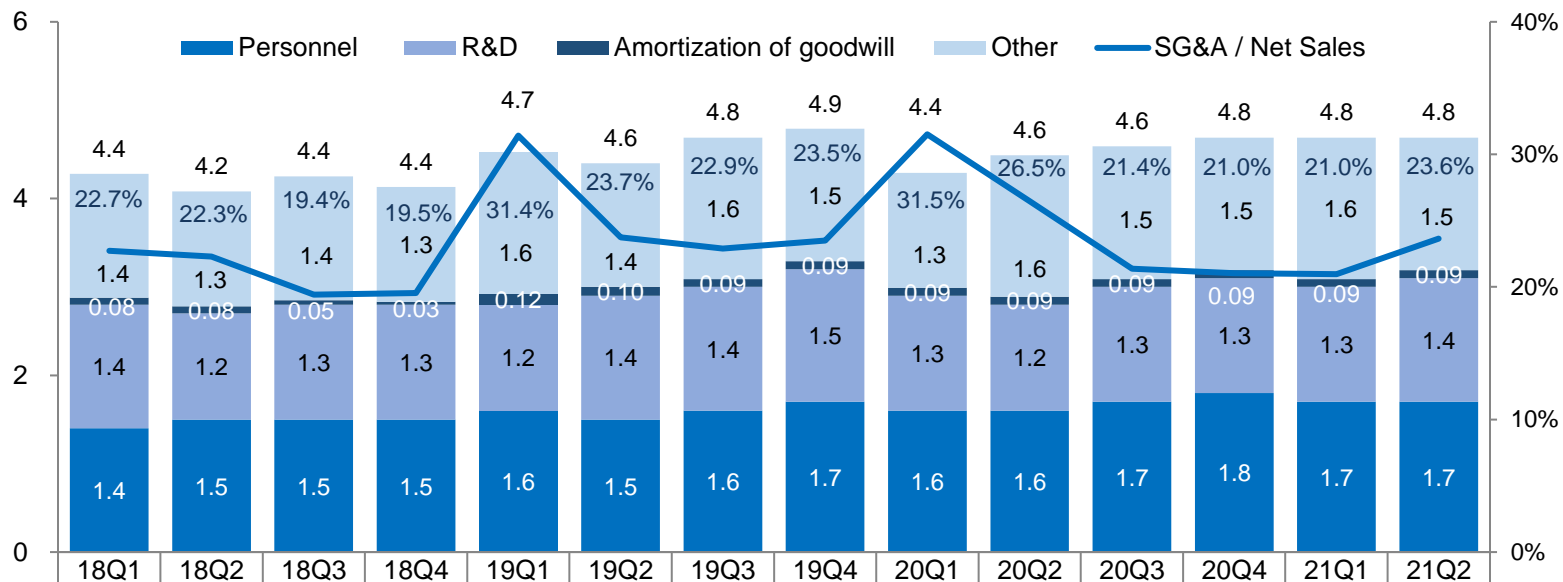


Other



Selling, General and Administrative Expenses

(JPY Billion)



	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2
TOTAL	4.4	4.2	4.4	4.4	4.7	4.6	4.8	4.9	4.4	4.6	4.6	4.8	4.8	4.8
Other	1.4	1.3	1.4	1.3	1.6	1.4	1.6	1.5	1.3	1.6	1.5	1.5	1.6	1.5
Amortization of goodwill	0.08	0.08	0.05	0.03	0.12	0.10	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
R&D	1.4	1.2	1.3	1.3	1.2	1.4	1.4	1.5	1.3	1.2	1.3	1.3	1.3	1.4
Personnel	1.4	1.5	1.5	1.5	1.6	1.5	1.6	1.7	1.6	1.6	1.7	1.8	1.7	1.7
SG&A / Net Sales	22.7%	22.3%	19.4%	19.5%	31.4%	23.7%	22.9%	23.5%	31.5%	26.5%	21.4%	21.0%	21.0%	23.6%



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