

# ***Consolidated Financial Highlights***

## ***First Half Financial Results of Fiscal 2014***

### **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 risks and uncertainties. Actual results may differ materially from these forecasts.

Note1: "14F1" appearing in this presentation means "First Half Fiscal Year 2014".



# Consolidated Statements of Income

(Millions of yen)

	13F1		14F1		13F1 to 14F1 change	
	Amount	(%)	Amount	(%)	Amount	(%)
Net Sales	<b>34,531</b>	<b>100.0</b>	<b>30,437</b>	<b>100.0</b>	<b>- 4,094</b>	- 11.9
Cost of Goods Sold	<b>23,631</b>	<b>68.4</b>	<b>21,027</b>	<b>69.1</b>	<b>- 2,603</b>	- 11.0
Gross Profit	<b>10,900</b>	<b>31.6</b>	<b>9,409</b>	<b>30.9</b>	<b>- 1,490</b>	- 13.7
Selling, general and administrative expenses	<b>7,739</b>	<b>22.4</b>	<b>8,359</b>	<b>27.5</b>	<b>+ 619</b>	+ 8.0
Operating Income	<b>3,161</b>	<b>9.2</b>	<b>1,050</b>	<b>3.5</b>	<b>- 2,110</b>	- 66.8
Non-operating Income/expenses	<b>565</b>	<b>1.6</b>	<b>82</b>	<b>0.2</b>	<b>- 482</b>	- 85.4
Ordinary Income	<b>3,726</b>	<b>10.8</b>	<b>1,132</b>	<b>3.7</b>	<b>- 2,593</b>	- 69.6
Income before income taxes	<b>3,726</b>	<b>10.8</b>	<b>1,132</b>	<b>3.7</b>	<b>- 2,593</b>	- 69.6
Net Income	<b>2,510</b>	<b>7.3</b>	<b>815</b>	<b>2.7</b>	<b>- 1,694</b>	- 67.5

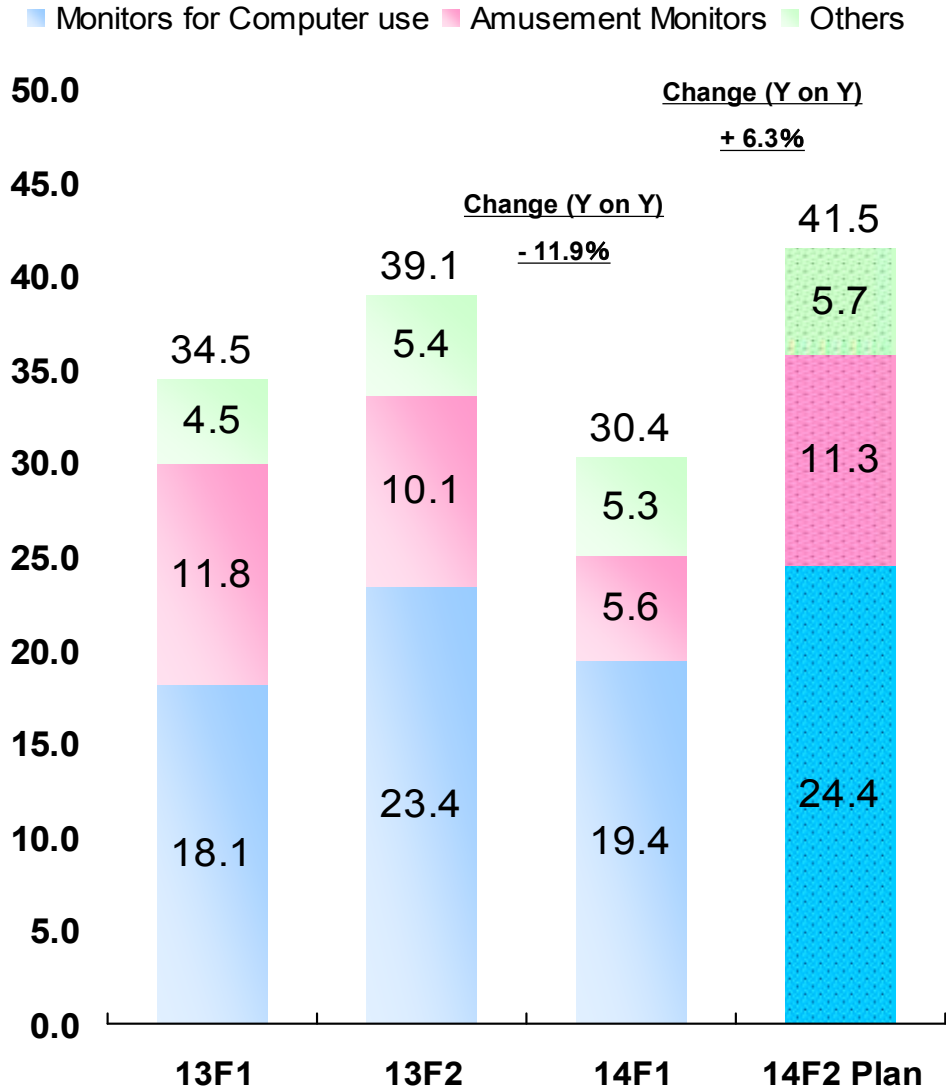
Note: Average exchange rate in 14F1, JPY103/USD, JPY138/EUR.



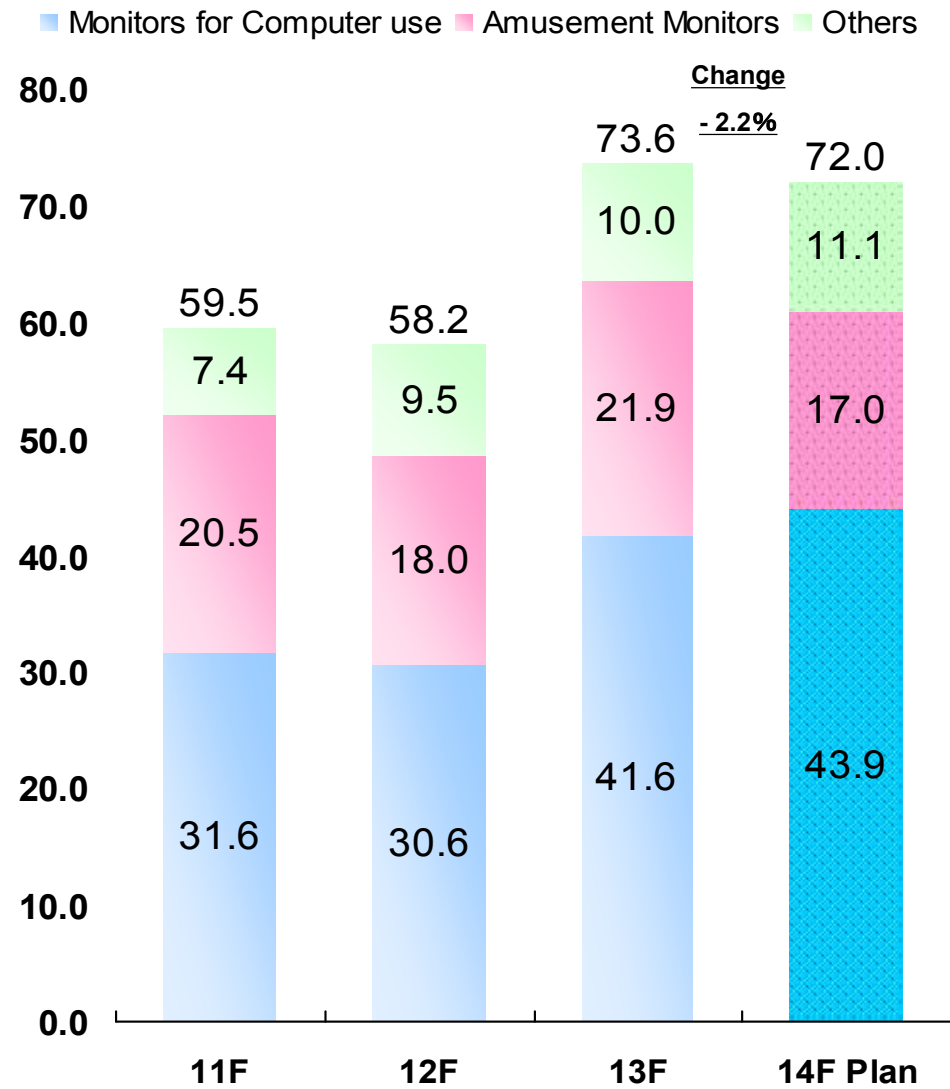
# Net Sales by Product

(Billions of yen)

## Results per half year



## Results by year





# Net Sales by Product (Computer use)

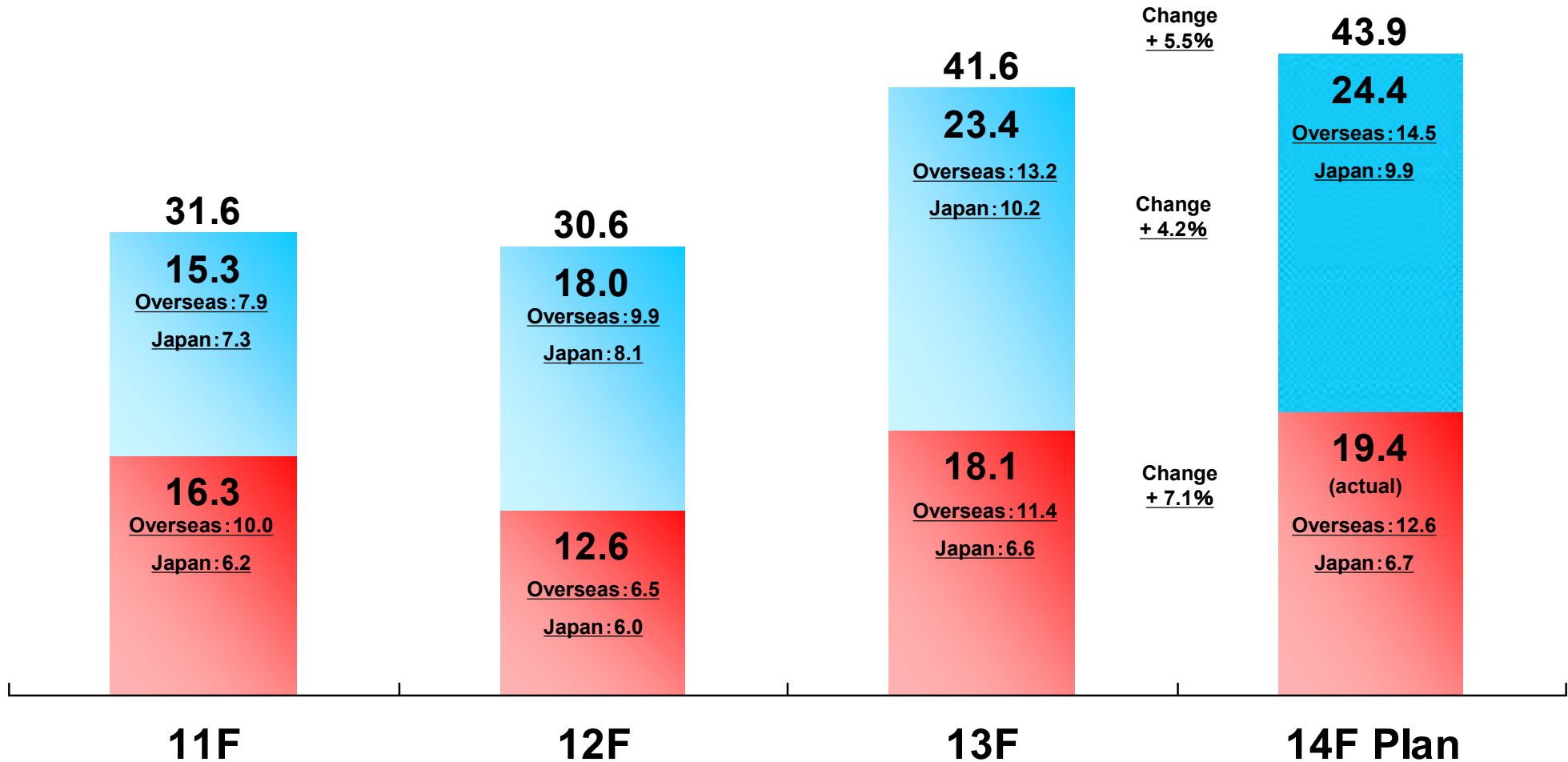
(Billions of yen)

-Overview in 14F1

-Sales of Computer use monitors in Oversea market increased compared with the same term last year. Both of general and specific use monitors went favorably.

-Sales of Computer use monitors in Japanese domestic market increased compared with the same term last year. Industrial monitor went favorably and a large of project sales contributed to increase General use monitors, while Medical monitors decreased owing to the negative effect after Sales Tax rate rose.

■ F1    ■ F2



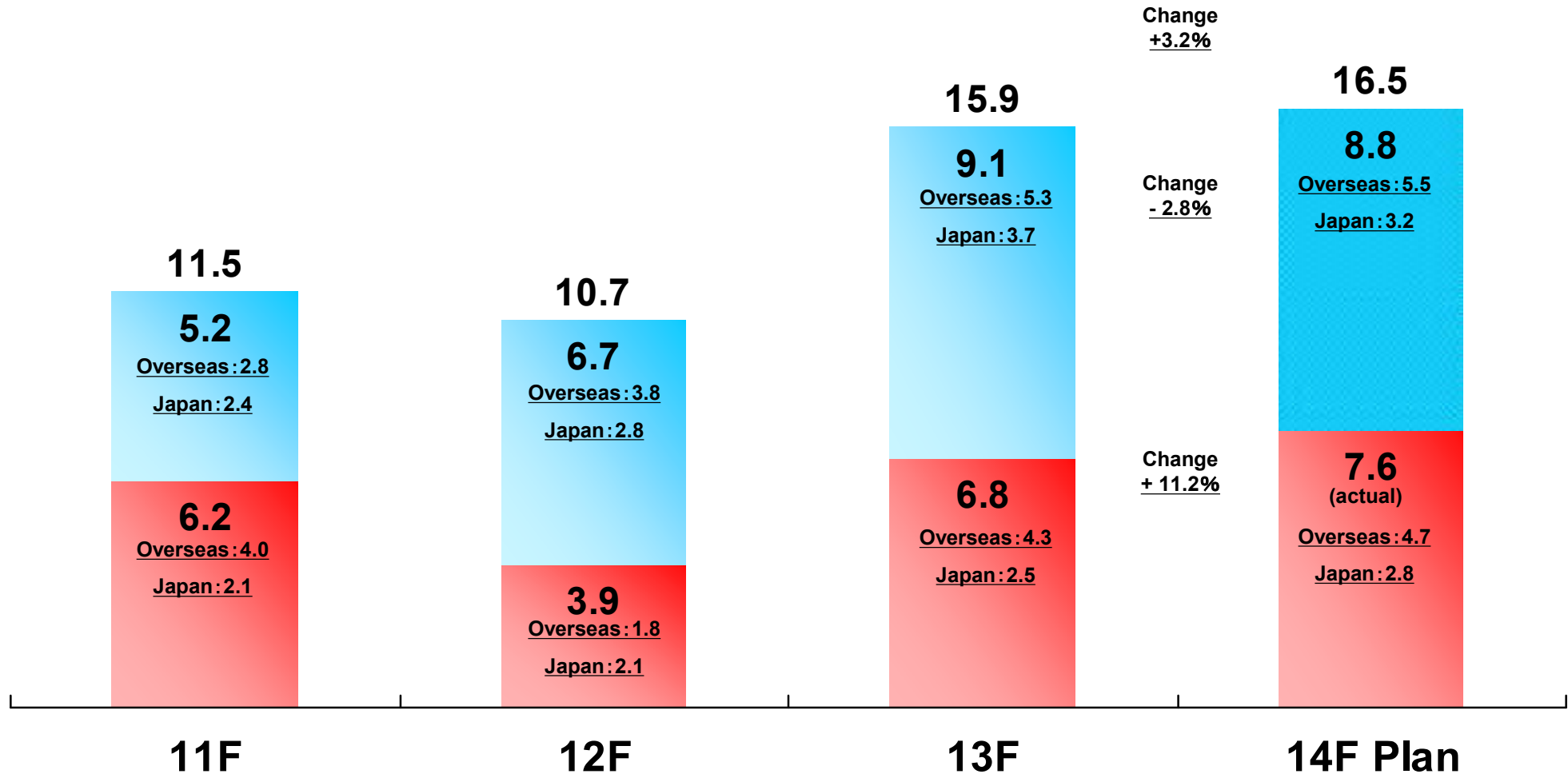


# Net Sales by Product (Computer use)

(Billions of yen)

## - General use -

■ F1    ■ F2



Note: General use - - - For general company, education channel, personal use

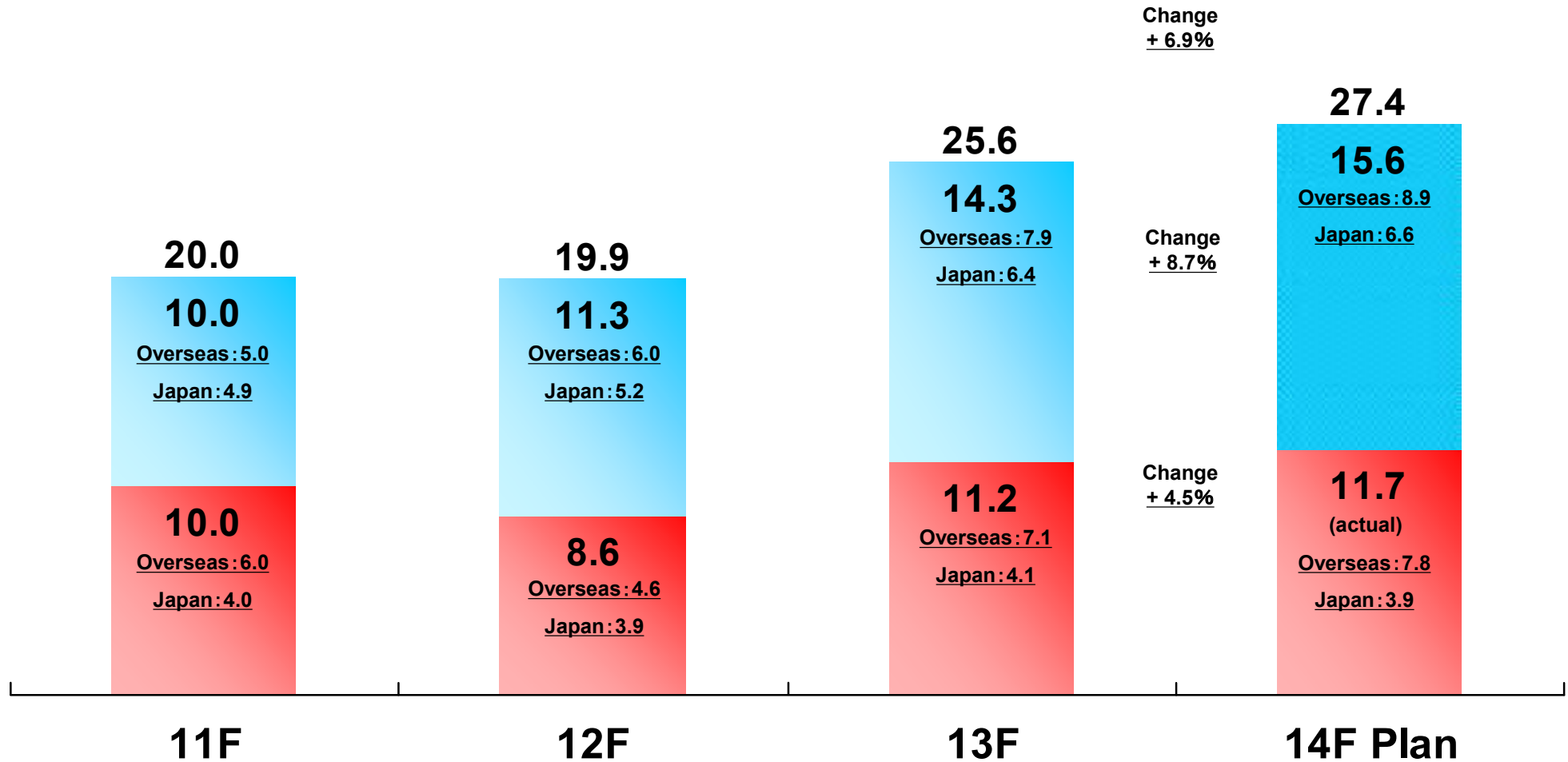


# Net Sales by Product (Computer use)

(Billions of yen)

## - Specific use -

■ F1    ■ F2



Note: Specific use --- For Medical, Graphic arts, Industrial, Air traffic control (ATC) use



# Net Sales by Product (Amusement Monitors)

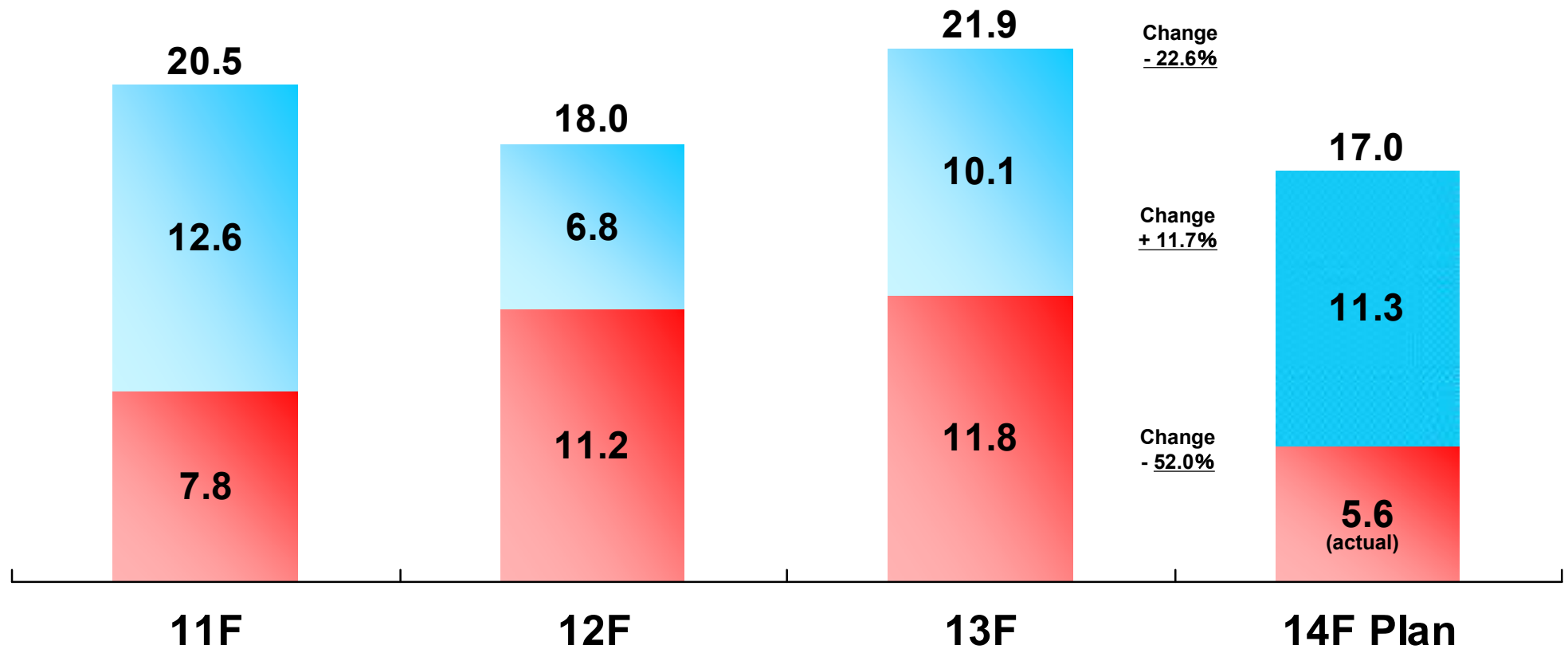
(Billions of yen)

-Overview in 14F1

•Sales of Amusement Monitors decreased by 52.0% compared with the same term last year.

This decrease was primarily due to adverse market conditions and a decrease in sales of new models.

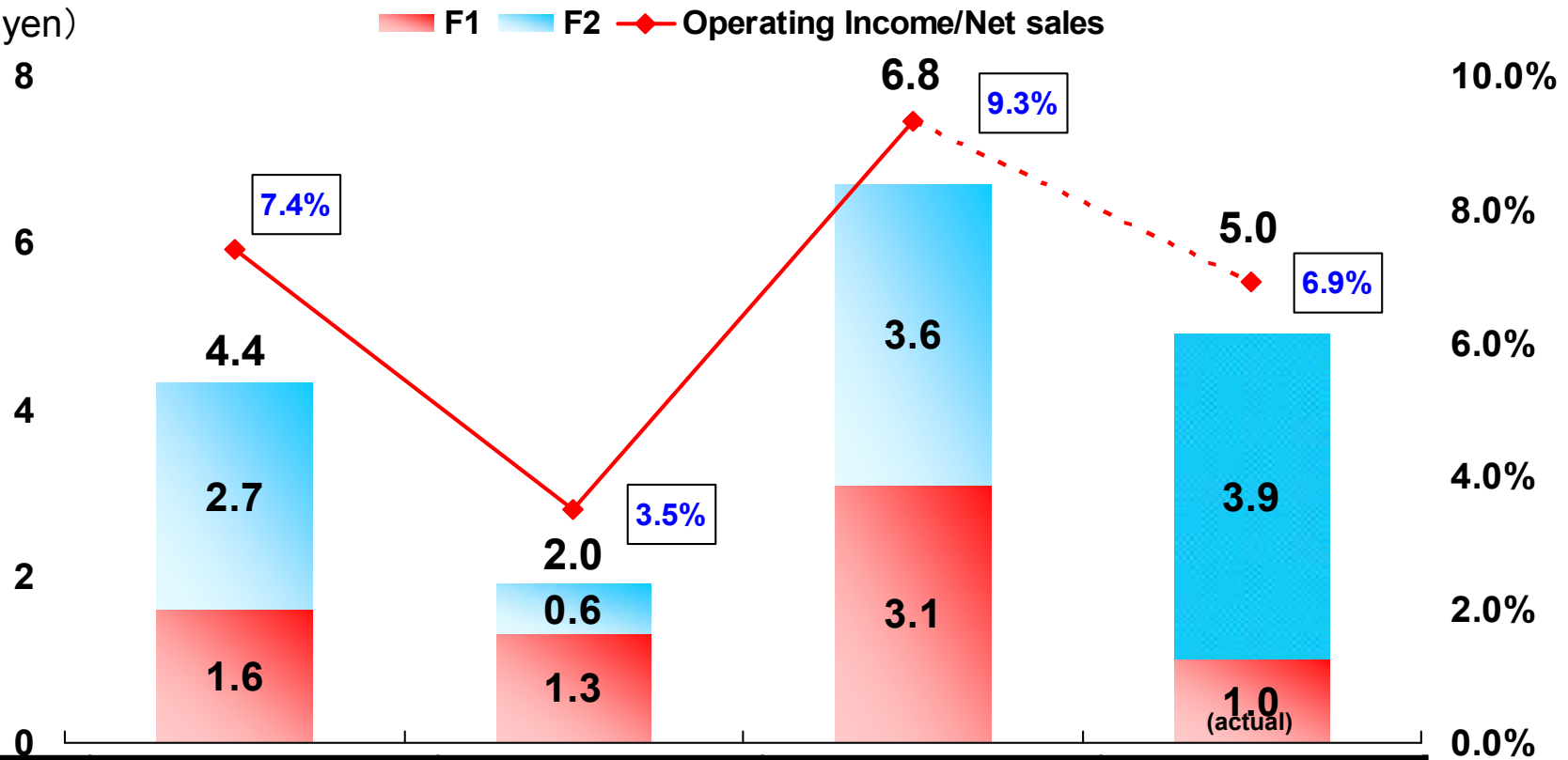
■ F1    ■ F2





# Operating Income

(Billions of yen)



	11F	12F	13F	14F Plan
ROA (%)	5.8	4.0	9.3	5.5
ROE (%)	2.8	2.7	8.3	5.1
DOE (%)	1.9	1.8	1.8	1.8
EBITDA (Billions of yen)	5.1	4.4	9.7	7.0

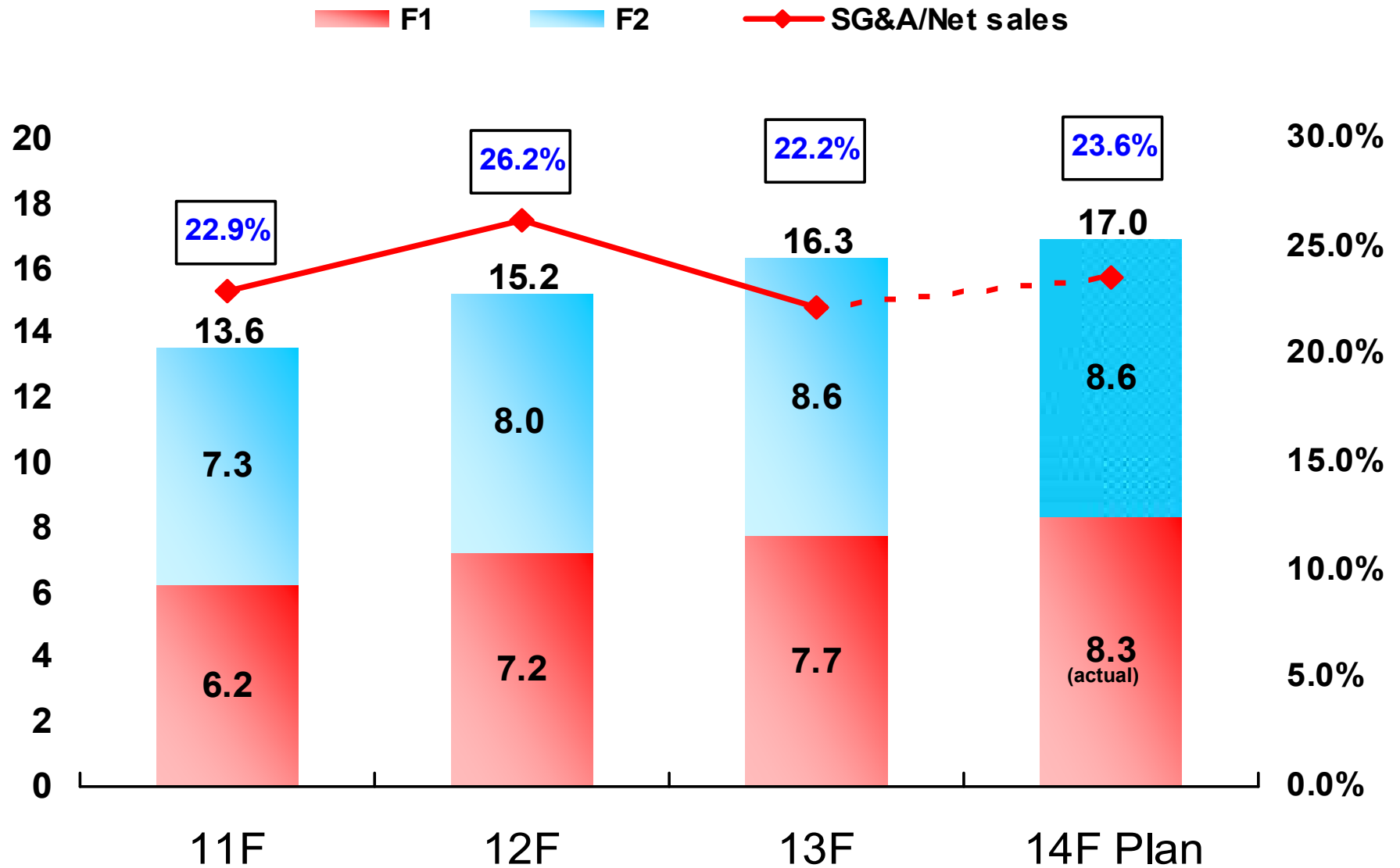
ROA (Return on Assets): Ordinary Income/Total Assets    ROE (Return on Equity): Net Income/ Equity  
 DOE (Dividends on Equity) : Dividends/ Equity    EBITDA: Earnings before interest, tax, depreciation and amortization





# Selling, General and Administrative Expenses

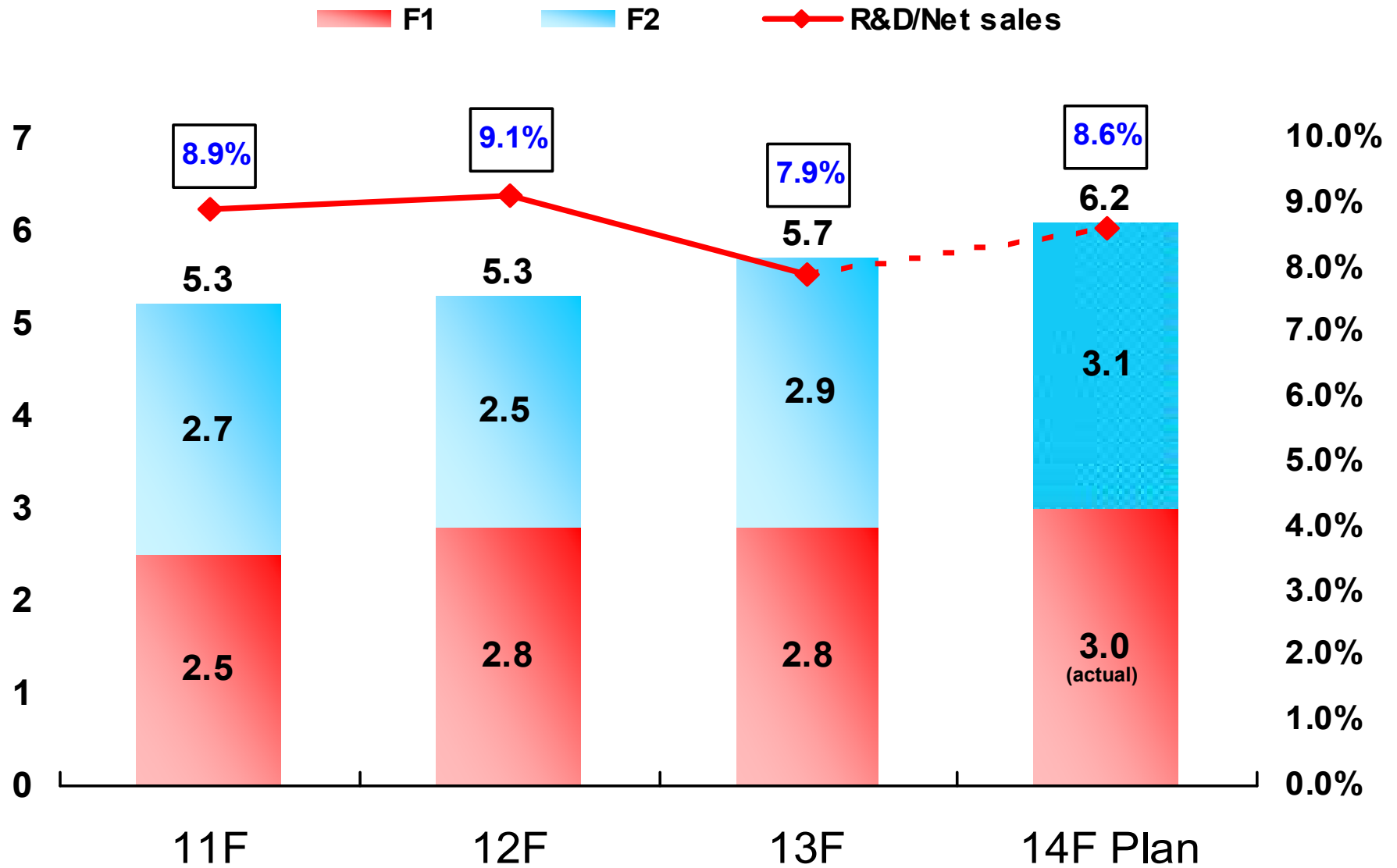
(Billions of yen)





# R&D Expenses

(Billions of yen)

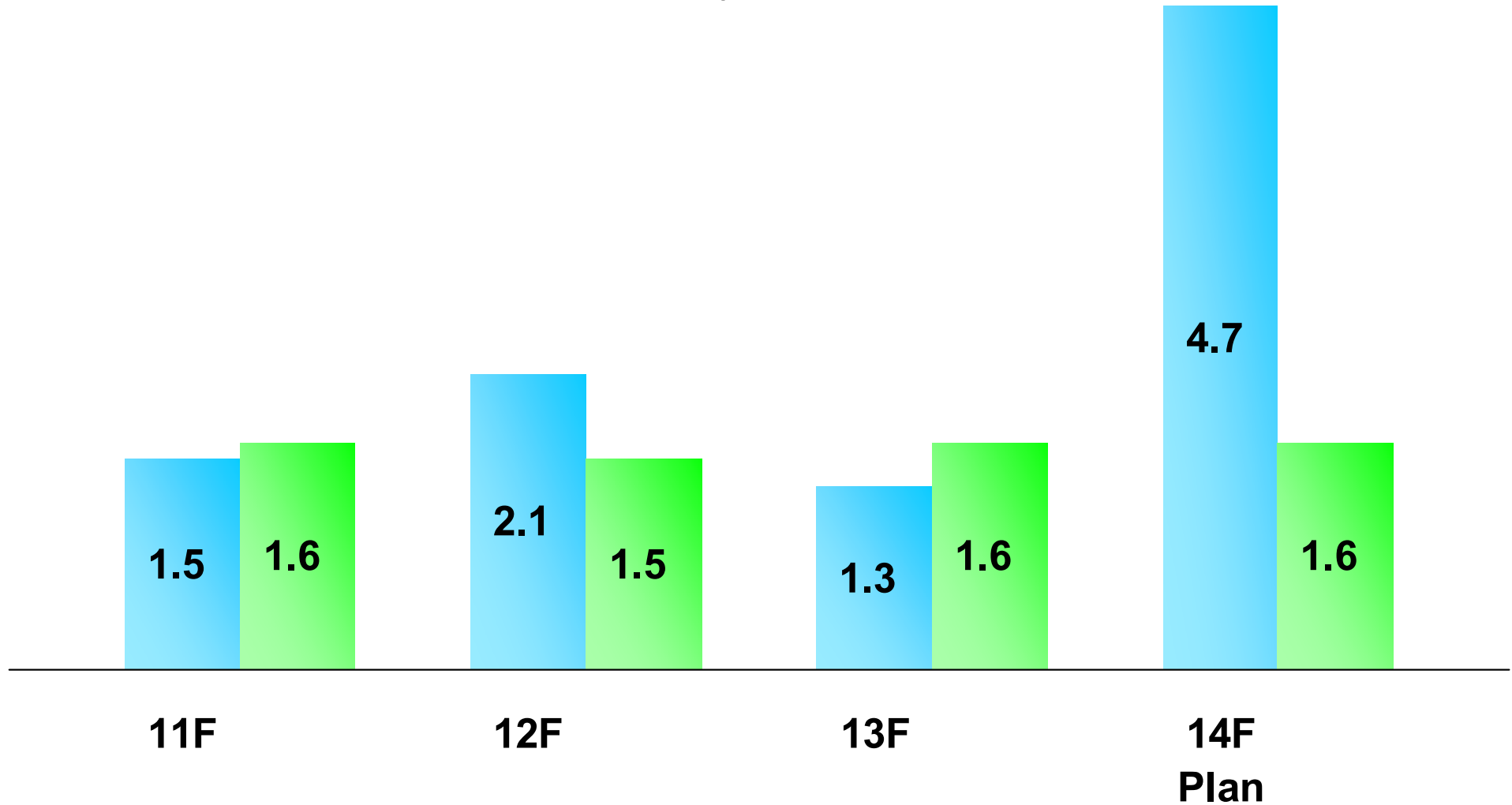




# CAPEX

(Billions of yen)

■ CAPEX ■ Depreciation ※ Including Molding



14F includes the plan to invest 2.8 billion yen in a new manufacturing factory to increase its capacity for business growth, in particular monitors for specific use.



# Consolidated Balance Sheets

(Millions of yen)

	13F		14F1		Increase / Decrease
	Amount	(%)	Amount	(%)	Amount
Cash and equivalents	7,280	7.9	7,317	7.6	+ 37
Notes and accounts receivable	14,883	16.0	11,294	11.7	- 3,588
Inventories	25,374	27.3	30,151	31.3	+ 4,777
Others	14,323	15.4	12,218	12.7	- 2,104
<b>Current Assets</b>	<b>61,861</b>	<b>66.6</b>	<b>60,982</b>	<b>63.2</b>	<b>- 879</b>
Tangible Assets	8,190	8.8	8,284	8.6	+ 93
Others	22,879	24.6	27,188	28.2	+ 4,309
<b>Fixed Assets</b>	<b>31,070</b>	<b>33.4</b>	<b>35,473</b>	<b>36.8</b>	<b>+ 4,403</b>
<b>Total</b>	<b>92,931</b>	<b>100.0</b>	<b>96,455</b>	<b>100.0</b>	<b>+ 3,523</b>
Accounts payable	7,198	7.7	7,980	8.3	+ 781
<b>Current liabilities</b>	<b>15,810</b>	<b>17.0</b>	<b>14,459</b>	<b>15.0</b>	<b>- 1,351</b>
<b>Long term liabilities</b>	<b>7,919</b>	<b>8.5</b>	<b>9,514</b>	<b>9.9</b>	<b>+ 1,594</b>
<b>Shareholders' Equity</b>	<b>69,201</b>	<b>74.5</b>	<b>72,481</b>	<b>75.1</b>	<b>+ 3,280</b>
<b>Total</b>	<b>92,931</b>	<b>100.0</b>	<b>96,455</b>	<b>100.0</b>	<b>+ 3,523</b>

	13F		14F Plan		13F to 14F Change	
	Amount	(%)	Amount	(%)	Amount	(%)
Net Sales	73,641	100.0	72,000	100.0	- 1,641	- 2.2
Operating Income	6,833	9.3	5,000	6.9	- 1,833	- 26.8
Ordinary Income	7,998	10.9	5,200	7.2	- 2,798	- 35.0
Net Income	5,437	7.4	3,600	5.0	- 1,837	- 33.8
<i>Net Sales by Products</i>	Amount	(%)	Amount	(%)	Amount	(%)
Monitors for Computer use	41,620	56.5	43,900	61.0	+ 2,279	+ 5.5
Amusement Monitors	21,966	29.8	17,000	23.6	- 4,966	- 22.6
Others	10,054	13.7	11,100	15.4	+ 1,045	+ 10.4
Total	73,641	100.0	72,000	100.0	- 1,641	- 2.2

# Basic policy on profit distribution to shareholders

## Basic policy on profit distribution to shareholders

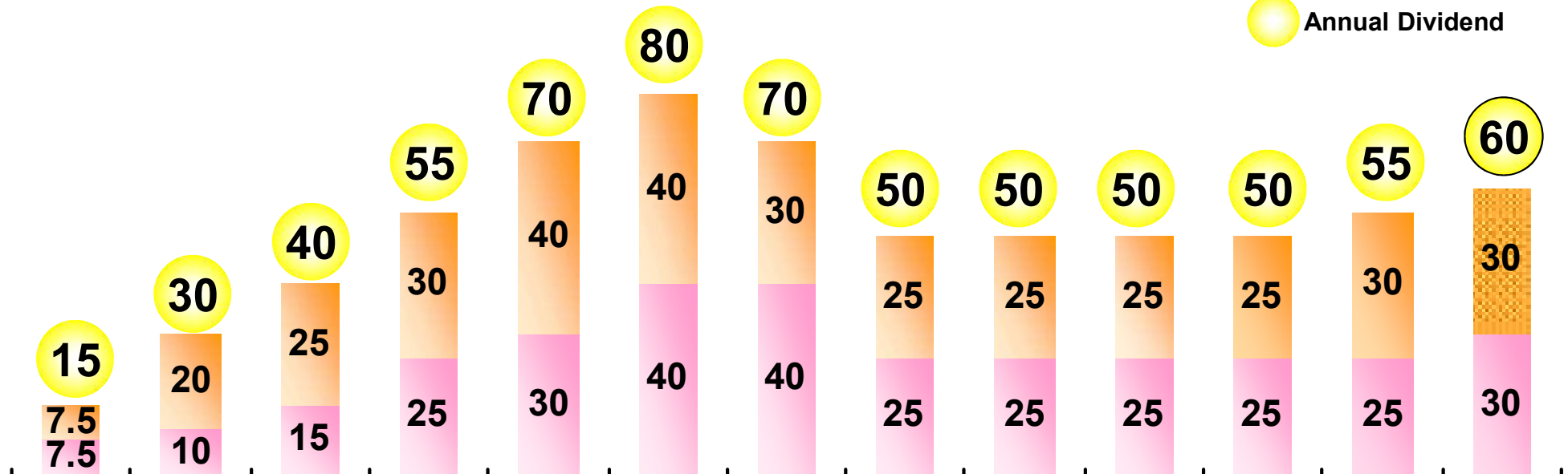
(JPY / Share)

- 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.
- Our target shareholder return ratio is 30% to 40% of net income, and we strive to strengthen our profit base to ensure we achieve this goal.

■ Year-end Dividend

■ Interim Dividend

● Annual Dividend



	02F	03F	04F	05F	06F	07F	08F	09F	10F	11F	12F	13F	14F Plan
Dividend Payout Ratio ※1	11.3%	9.5%	14.4%	17.5%	20.6%	41.0%	229.7%	22.6%	31.5%	67.5%	66.7%	21.6%	35.5%
Shareholder Return Ratio ※2	11.3%	9.5%	14.4%	17.5%	20.6%	41.0%	375.2%	22.6%	31.5%	168.0%	66.7%	21.6%	35.5%

※1 Consolidated base

※2 Share buybacks 0.9Billion in 08F and 1.6Billion in 11F