



# Consolidated Financial Highlights

**18F**  
**First Quarter**



Celebrating the Past  
Visualizing the Future

**EIZO Corporation**

6737

July 31st, 2018

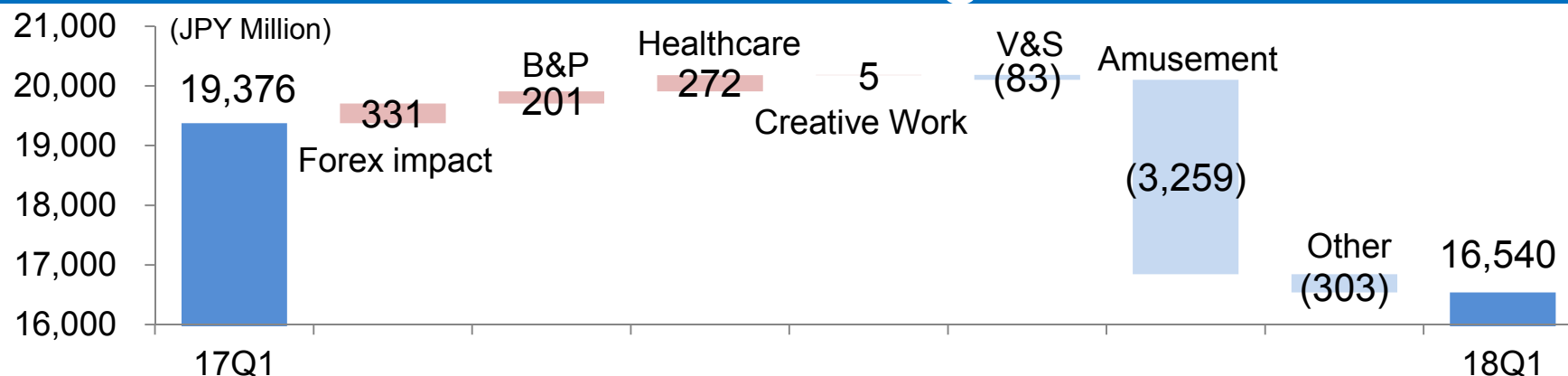
# Consolidated Income Statement

(JPY Million)

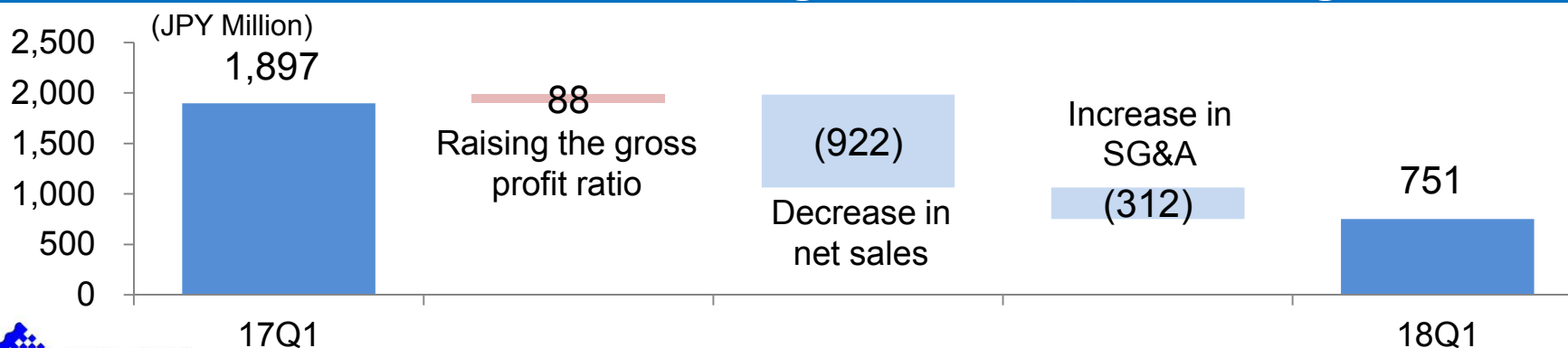
	17Q1		18Q1		QoQ
	Amount	(%)	Amount	(%)	(%)
Net Sales	19,376	100.0	16,540	100.0	85.4
Cost of Goods Sold	13,077	67.5	11,075	67.0	84.7
Gross Profit	6,298	32.5	5,464	33.0	86.8
Selling, general and administrative expenses	4,401	22.7	4,713	28.5	107.1
Operating Income	1,897	9.8	751	4.5	39.6
Non-operating income/expenses	642	3.3	291	1.8	45.4
Ordinary Income	2,540	13.1	1,042	6.3	41.1
Income before income taxes	2,540	13.1	1,042	6.3	41.1
Net income attributable to EIZO Corporation's stockholders	1,822	9.4	703	4.3	38.6
Exchange rate:USD	JPY111.09		JPY109.10		(JPY1.99)
Exchange rate:EUR	JPY122.26		JPY130.03		JPY7.77
Foreign exchange sensitivity (Impact on Operating Income due to a JPY1 appreciation)		USD	JPY110M Positive		
		EUR	JPY160M Negative		



# Main Factors for Changes in Net Sales

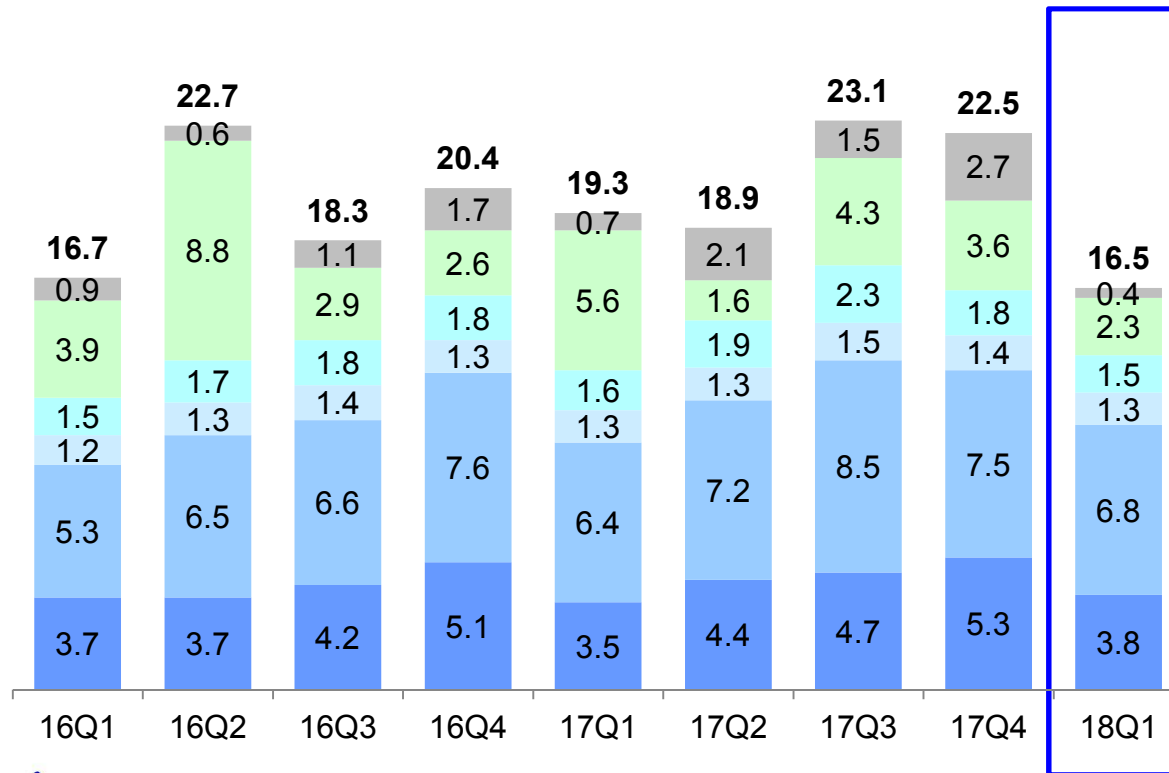


# Main Factors for Changes in Operating Income



# Net Sales: Overall

(JPY Billion)



QoQ

■ Total: 85.4%

Details:

■ Other: 61.0%

■ Amusement: 42.0%

■ V&S: 96.6%

■ Creative Work: 103.2%

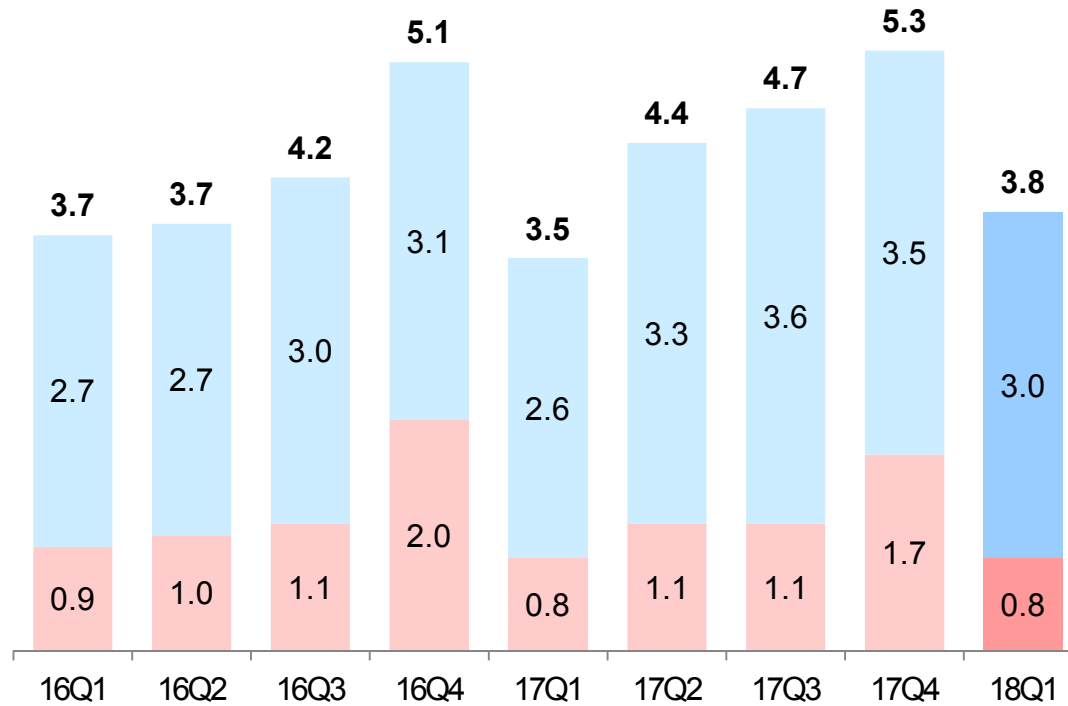
■ Healthcare: 106.2%

■ B&P: 109.5%



# Net Sales: Business & Plus

(JPY Billion) ■ Japan ■ Overseas



FlexScan EV2430

QoQ

■ Total: 109.5%

■ Overseas: 113.6%

Sales increased driven by the good momentum of frameless monitors in Europe.

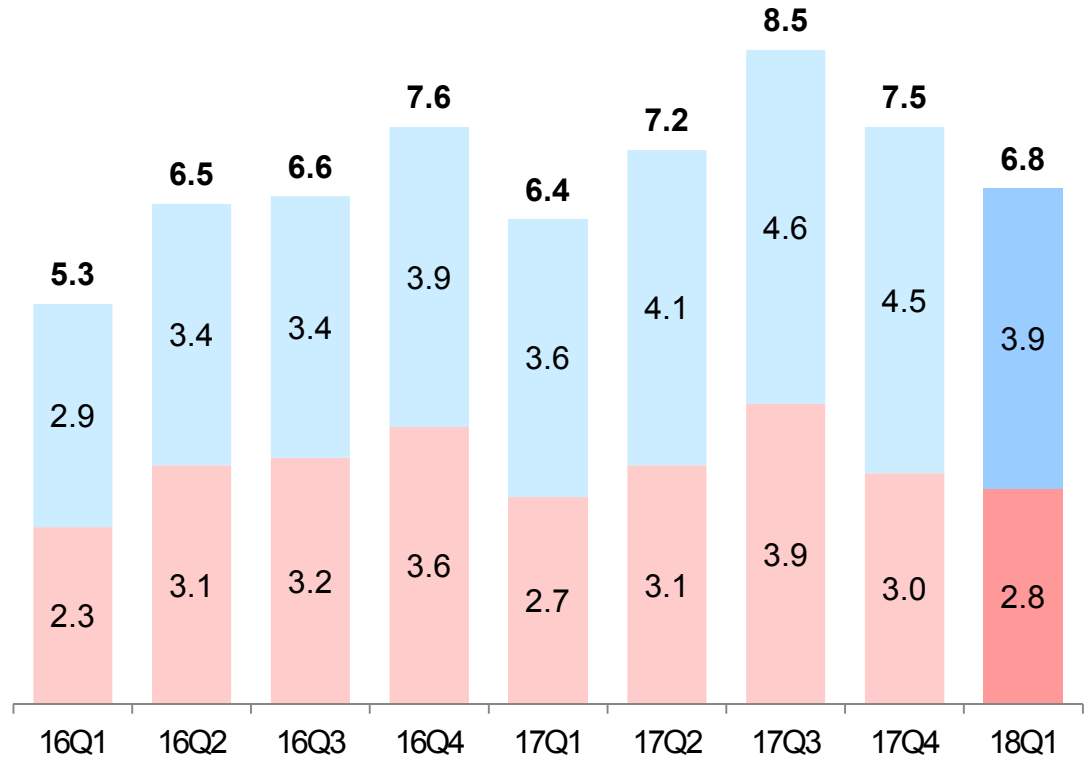
■ Japan: 97.4%

Sales remained stable due to increasing sales of larger sized monitors, despite sales volume was decreased.



# Net Sales: Healthcare

(JPY Billion)      ■ Japan   ■ Overseas



QoQ

■ Total: 106.2%

■ Overseas: 108.7%

Sales increased in Europe and North America. Sales also increased worldwide in multiple segments such as diagnostic, operating rooms and endoscopy.

■ Japan: 103.0%

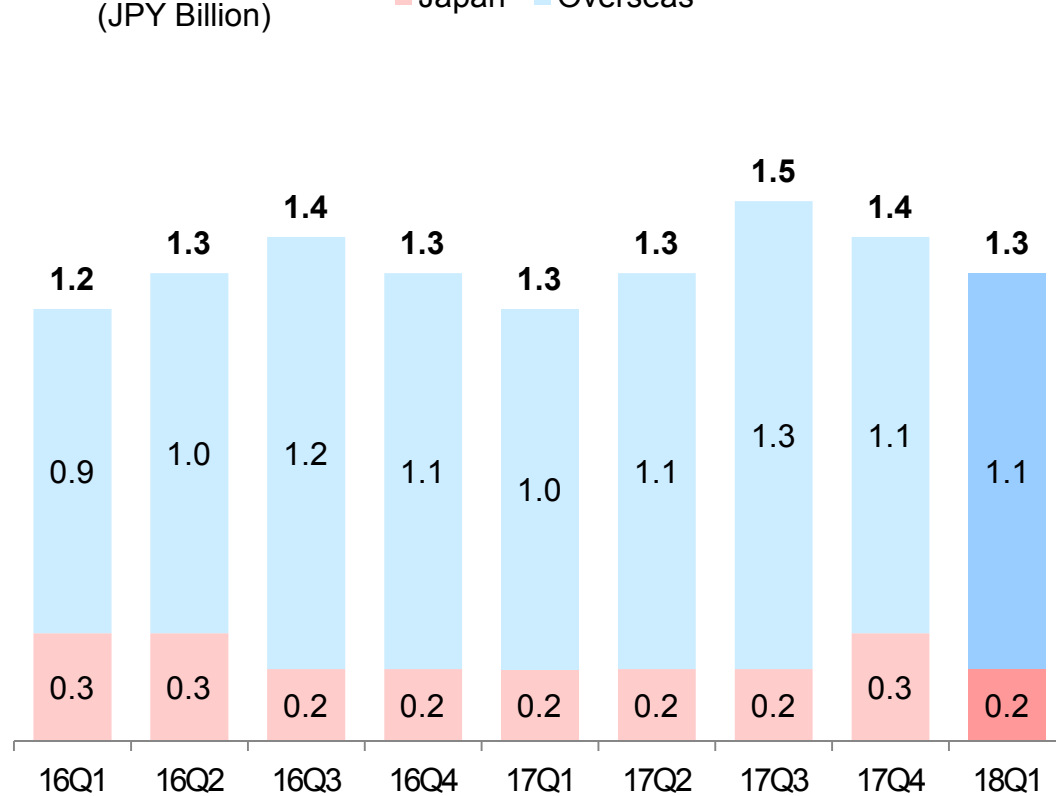
Sales increased due to the effect of Carina System Corp, acquisition in March, 2018.



# Net Sales: Creative Work

(JPY Billion)

■ Japan ■ Overseas



ColorEdge CG319X

QoQ

■ Total: 103.2%

■ Overseas: 106.1%

Sales for professional users increased, particularly with HDR reference monitors.

■ Japan: 91.2%

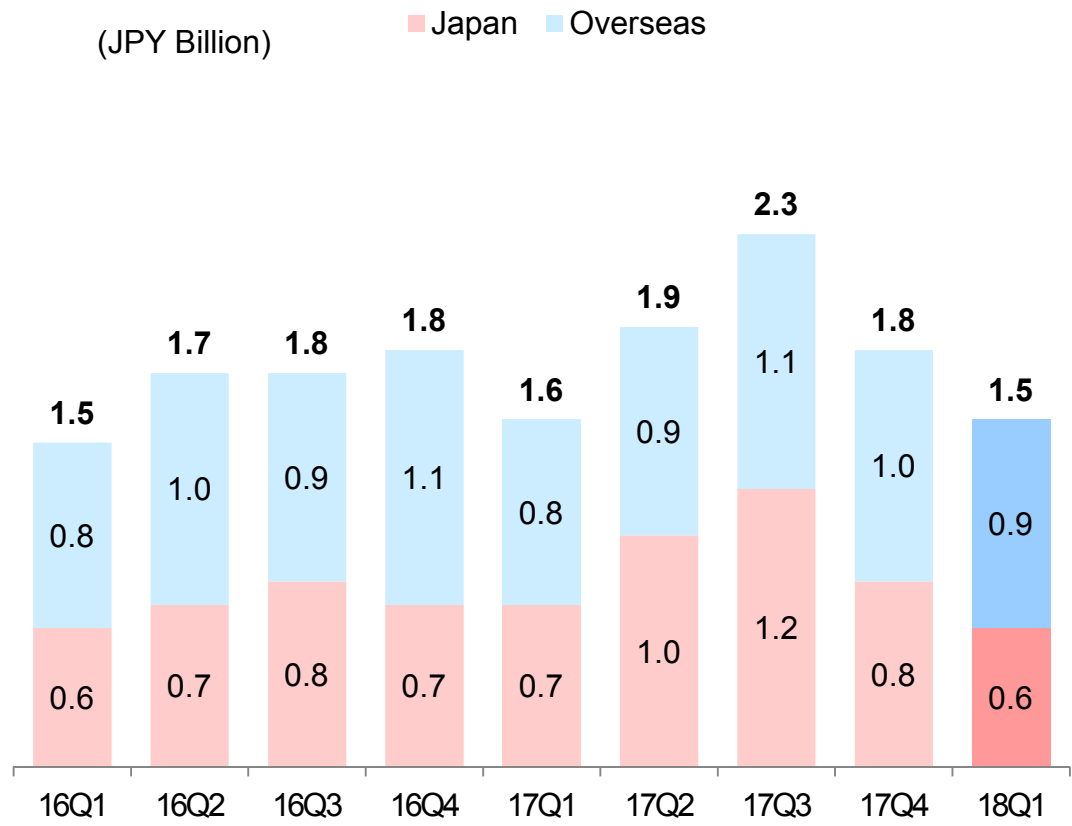
Sales in the Media & Entertainment market increased.

Will expand activities to encompass wide markets such as entry-level users.



# Net Sales: Vertical & Specific

(JPY Billion)      ■ Japan   ■ Overseas



QoQ

■ Total: 96.6%

■ Overseas: 104.5%

Sales increased due to the steady growth in Security & Surveillance.

■ Japan: 87.7%

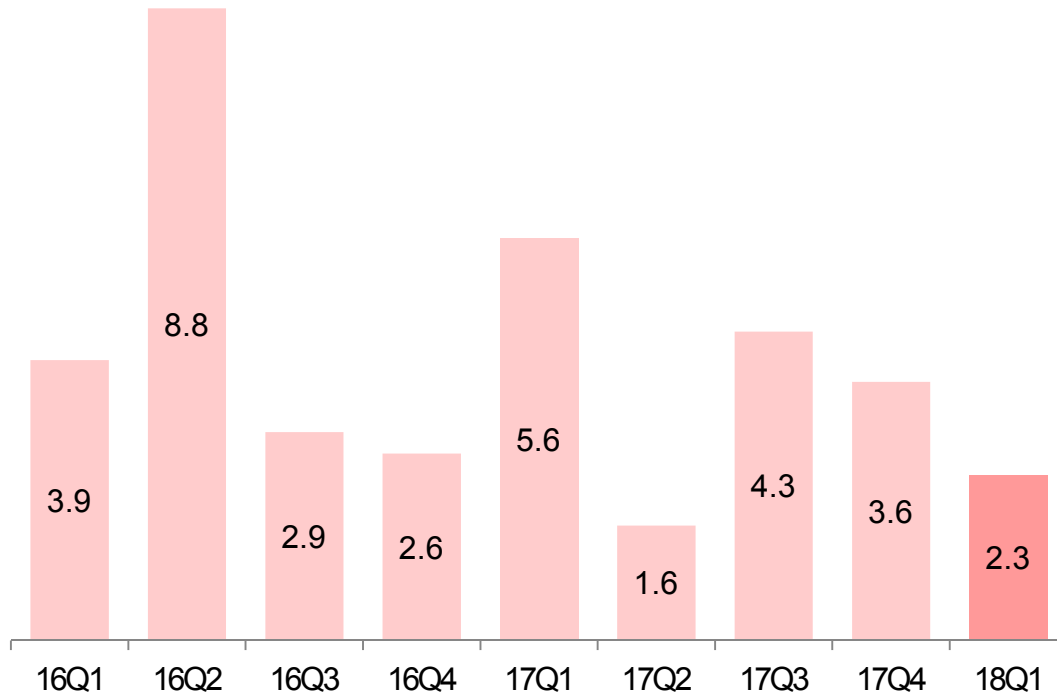
Sales decreased due to the effect of large project successes in 17Q1, despite sales increases in Security & Surveillance and Maritime.





# Net Sales: Amusement

(JPY Billion)



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QoQ

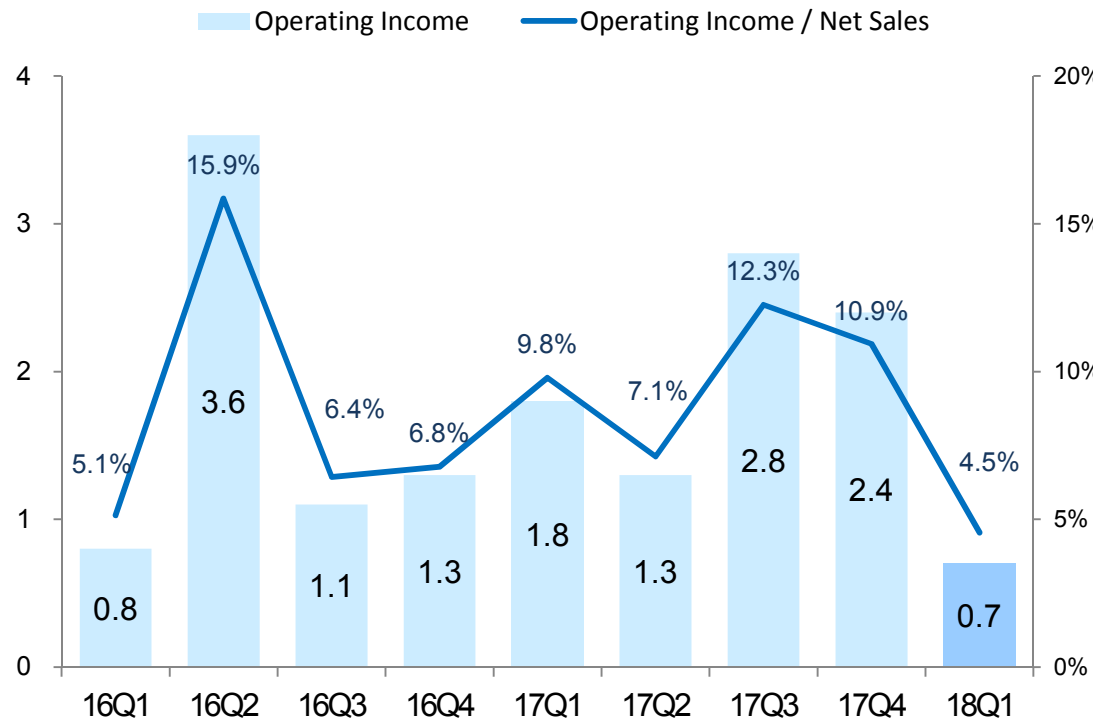
■ Total: 42.0%

Sales decreased due to an industry-wide slow down resulting from new regulation.



# Operating Income

(JPY Billion)



QoQ

■ Total: 39.6%

Operating income decreased due to the sales decrease in the Amusement market, in addition to higher SG&A, such as R&D investment and goodwill amortization.

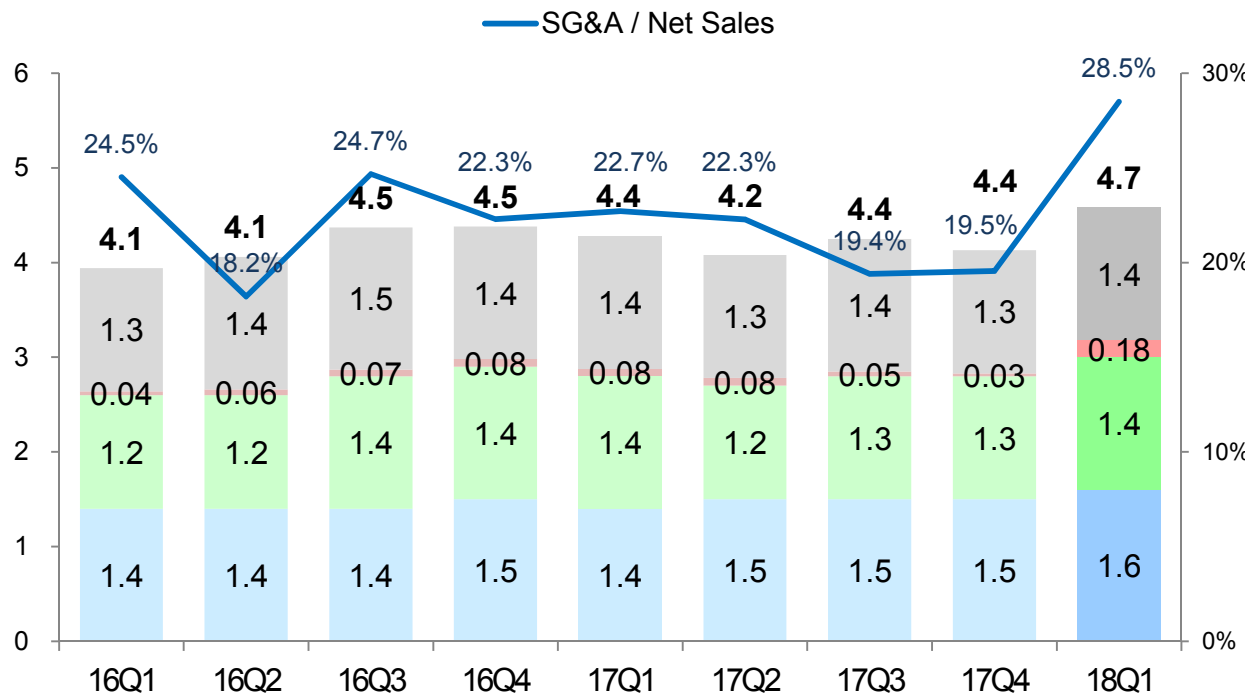


# Selling, General and Administrative Expenses

(JPY Billion)

QoQ

■ Total: 107.1%



Details:

■ Other: 104.1%

■ Amortization of goodwill: 226.6%

■ R&D: 97.9%

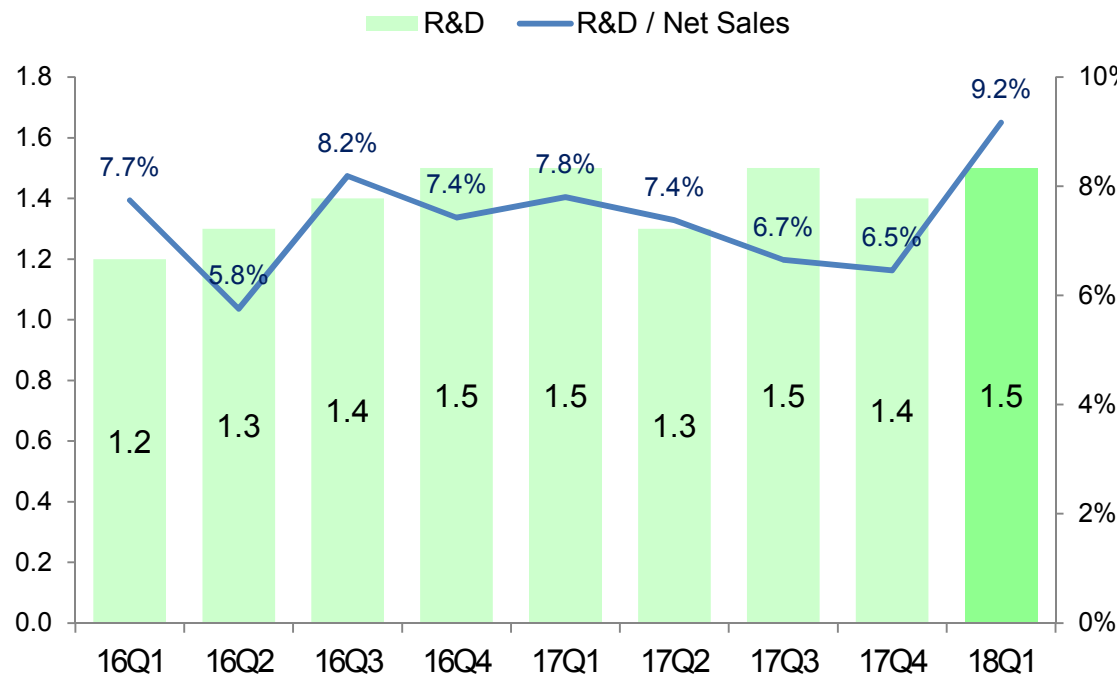
■ Personnel: 112.3%

SG&A increased due to heavily R&D invest in products complying to MIL Standards and acquired Carina System Corp.,



# Research & Development

(JPY Billion)



QoQ

■ Total: 100.3%

The comparison with 17Q1 remains stable. In 18Q1, we continued to heavily invest in products complying to MIL Standards and acquired Carina System Corp,. We did not have the heavy investment into endoscopy that we undertook in 17Q1 and therefore resulted in a stable investment.



\* Includes manufacturing costs for R&D

# Consolidated Balance Sheets

(JPY Million)

	17F		18Q1		Growth
	Amount	(%)	Amount	(%)	
Cash & Equivalents	20,394	17.1	22,687	18.6	2,292
Notes & Accounts Receivable	22,538	18.9	16,131	13.2	(6,406)
Inventories	24,777	20.8	25,451	20.9	674
Other	1,326	1.1	1,174	1.0	(152)
Current Assets	69,036	57.9	65,445	53.6	(3,590)
Tangible Assets	12,171	10.2	12,634	10.4	462
Invisible Assets	3,930	3.3	3,676	3.0	(254)
Other	34,189	28.7	40,248	33.0	6,059 *
Fixed Assets	50,291	42.1	56,559	46.4	6,267
<b>Total</b>	<b>119,328</b>	<b>100.0</b>	<b>122,005</b>	<b>100.0</b>	<b>2,676</b>
Accounts Payable	7,619	6.4	6,075	5.0	(1,544)
Other	11,039	9.3	9,381	7.7	(1,657)
Current liabilities	18,659	15.6	15,456	12.7	(3,202)
Long term liabilities	9,147	7.7	11,089	9.1	1,942
Shareholders' Equity	91,521	76.7	95,458	78.2	3,937
<b>Total</b>	<b>119,328</b>	<b>100.0</b>	<b>122,005</b>	<b>100.0</b>	<b>2,676</b>



\* Increase in the valuation of investment securities due to market value of shares held

# Details of the Market Group

Market Group	Market / Use
Business & Plus (B&P)	<ul style="list-style-type: none"> <li>● Financial institutions</li> <li>● Public authorities</li> <li>● Educational facilities</li> <li>● Office use</li> <li>● High-end home use</li> </ul>
Healthcare (HC)	<ul style="list-style-type: none"> <li>● Medical imaging</li> <li>● Diagnostic applications</li> <li>● Operating rooms</li> </ul>
Creative Work (CW)	<ul style="list-style-type: none"> <li>● Publication / Printing / Photo editing</li> <li>● Video production</li> </ul>
Vertical & Specific (V&S)	<ul style="list-style-type: none"> <li>● Air traffic control</li> <li>● Maritime</li> <li>● Security &amp; Surveillance</li> <li>● Other industrial fields</li> </ul>
Amusement (AMU)	LCD-mounted pachinko and slot machines
Other (OTH)	Maintenance services and commissioned development of software



### 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.

Note: "18Q1" appearing in this presentation means "First Quarter Fiscal Year 2018".

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