

Going Forward with Epson's Electronic Devices

- Combining Microsystems, Quartz and Semiconductor Technologies -
- TOKYO, Japan, January 31, 2012 -

Aiming to create products that are truly indispensable and that provide enhanced value to customers, Seiko Epson Corporation ("Epson") is reorganizing its microdevices business to become even more flexible and efficient. As part of this effort, effective April 1, 2012, Epson will absorb the sales function of its subsidiary company, Epson Toyocom Corporation.

This absorption of Epson Toyocom follows Epson's previous combination of its quartz and semiconductor businesses to form the Microdevices Operations Division in October 2010 and Epson's absorption of Epson Toyocom's development and administrative functions in July 2011.

"In our microdevices business, Epson concentrates on the compact, energy-saving and high precision technologies that have long been Epson's core strength." said Masayuki Morozumi, vice president of Epson. "We intend to further refine these technologies, and expand our product portfolio, by creating unique products that combine our core QMEMS quartz technology with our expertise in semiconductors and software."

Plans for each business are as follows:

Quartz device business

- Leverage Epson's proprietary QMEMS technology to create products that are more compact, more precise and more stable
- In timing devices, broaden the line-up and boost the volume of crystal units and oscillators, and further establish Epson's global market leadership
- In sensors, grow the line-up of gyro sensors that take advantage of the characteristics of quartz, and expand the market for high resolution pressure sensors

Semiconductor business

Strengthen Epson's renowned line-up of energy-saving semiconductors for

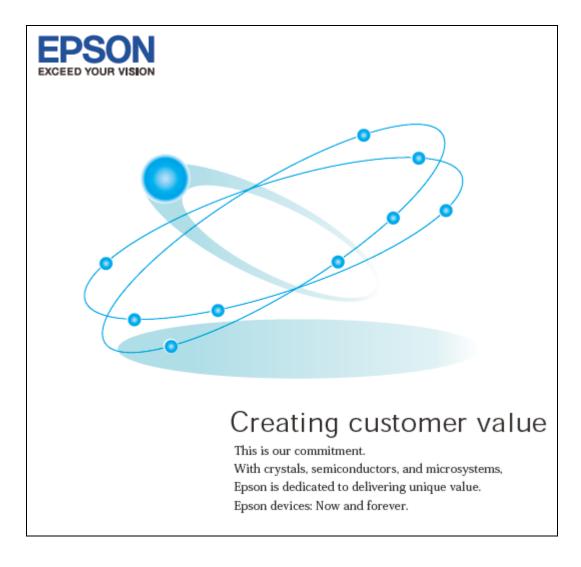


applications such as display controllers, electronic paper display controllers and sensing microcontrollers

 Become a strategic partner for customers by offering customized products and services together with comprehensive support from the planning stage

Sensing microsystems

- Leverage Epson's strengths as one of the few companies to own both quartz sensor and semiconductor technologies to create products that combine the benefits of Epson's quartz-based QMEMS, semiconductor and software technologies
- Meet customer demands for reliability, safety and customization by offering comprehensive device solutions through products such as IMUs (inertial measurement units)





About Epson

Epson is a global imaging and innovation leader that is dedicated to exceeding the vision of customers worldwide through its compact, energy-saving, high-precision technologies, with a product line-up ranging from printers and 3LCD projectors for enterprise and the home, to sensors and other microdevices.

Led by the Japan-based Seiko Epson Corporation, the Epson Group comprises more than 78,000 employees in 99 companies around the world, and is proud of its on-going contributions to the global environment and the communities in which it operates. http://global.epson.com/