

**EPSON AMERICA UNVEILS INDUSTRY'S FIRST 1080p RESOLUTION
FRONT PROJECTOR TO BREAK \$3,000 PRICE MARK**

*Epson Builds Upon Leadership Position as Number-One Selling Projector Brand Worldwide
with Groundbreaking Epson PowerLite Home Cinema 1080*

LONG BEACH, Calif. – March 26, 2007 – Imagine the excitement of having a ten-foot high-definition display in your home that lets you, your family, and friends experience sports, movies, and video games in larger-than-life sizes with cutting-edge true 1080p native resolution, the industry's most cutting-edge video signal to date. Epson America today announced a new 3LCD front projector – the Epson PowerLite Home Cinema 1080 – that not only delivers amazing video performance and visual impact, but is the industry's first to do so at the price point of \$2,999.

Epson is currently the number-one selling brand of front projectors worldwide¹ and this groundbreaking 3LCD projector builds on that leadership by giving home entertainment enthusiasts one of the industry's most advanced, high definition display products available. Designed to maximize the viewing experiences of virtually any high definition content, the Epson PowerLite Home Cinema 1080 can produce display sizes up to 120 inches, which is more than eight times the display area of a 40-inch big screen television. The primary objective for this projector is to produce an unforgettable high definition viewing experience with movie theater impact in virtually anyone's home.

Many single-chip projection products currently on the market claim to achieve 1080p resolution through the use of moving mirrors, sequential color, and virtual pixels that create the illusion of seeing 1,080 full time vertical lines of resolution. However, Epson projectors achieve true 1080p resolution by actually using 1,920 x 1,080 pixels on each of the projector's three LCD chips, resulting in full-time color and full-time resolution that give viewers higher levels of rich, vibrant image quality. This technology further maximizes the visual benefits associated with today's most advanced multimedia entertainment devices such as HD cable and satellite tuners, HD-DVD players, Xbox 360 and 1080p-based technologies that include Blu-Ray and the Sony PLAYSTATION™ 3.

“Without question, this projector is poised to make a profound impact on the home theater market and it won’t take long for movie lovers everywhere to recognize that this projector represents the next must-have display,” said Aaron Marinari, senior product manager, Epson America. “The Epson PowerLite Home Cinema 1080 is an amazing breakthrough projector that pushes the limits of technology by delivering cutting-edge blacks, rich colors, depth, detail, and all in true 1080p native resolution.”

The Epson PowerLite Home Cinema 1080 features new, and in some cases exclusive, video technologies that are designed to deliver an unparalleled home theater experience. These include:

- Sharper image detail made possible via the projector’s true 1080p resolution (1,920 x 1,080 pixels)
- Industry-leading connectivity - Epson is currently the only projector manufacturer to offer HDMI 1.3 connectivity with Deep Color support on 1080p native resolution projectors
- Brighter, more accurate colors are achieved through the use of 3-chip, 3LCD technology
- Wider range of black tones and up to 12,000:1 contrast ratio contribute to increased visual depth via Epson’s C²Fine technology
- Superior optics – Epson’s exclusive AccuCinema lens system takes advantage of 14 lenses, including two aspherical lenses, to maintain superior picture integrity across the entire image from corner to corner
- More installation options – the projector’s lens shift capability (96-degree vertical, and 47-degree horizontal) is currently the best on the market, which makes it more adaptable to a wide range of room sizes and install situations that may require unusual setup angles
- Stylish pearlescent finish and compact size allow the projector to visually blend in better with rooms that have white ceilings

The Epson PowerLite Home Cinema 1080 will be available in April 2007 through authorized Epson projector dealers and select retail outlets.

About 3LCD – “A Better Way to See”

3LCD technology uses three individual LCD chips to project images with smooth, rapid motion video that is free of artifacts. It works without a moving color wheel and offers accurate color registration, assuring detailed video and data images that are crisp and rainbow-free. Epson 3LCD produces the best possible viewing experience with more detail and accurate colors.

About Epson

Epson offers an extensive array of award-winning image capture and image output products for the consumer, business, photography, and graphic arts markets. The company is also a leading supplier of value-added point-of-sale (POS) printers and transaction terminals for the retail market. Founded in 1975, Epson America, Inc. is the U.S. affiliate of Japan-based Seiko Epson Corporation, a global manufacturer and supplier of high-quality technology products that meet customer demands for increased functionality, compactness, systems integration and energy efficiency. Epson America, Inc. is headquartered in Long Beach, Calif.

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¹ Based upon Q4 2006 worldwide front projection market share estimates from Pacific Media Resources.