

# Quarterly Report

1st Quarter : 3 months ended June 30, 2022

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

*Part .1*

**1st Quarter : from April 1 to June 30, 2022 <IFRS>**

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Notes:

1. HOYA's fiscal year (FY) : from April 1 to March 31 of the following year.
2. These financial statements are excerpt translation of Japanese "*Kessan Tanshin*" and have been prepared for the references only of foreign investors.

## HOYA CORPORATION

This report is provided solely for the information of professional analysts who are expected to make their own evaluation of the company. This report contains forward-looking statements that are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, currency exchange rates, etc.

We accept no liability whatsoever for any direct or consequential loss arising from any use of this report.



**Part.1**

August 4th, 2022

**1. Quarterly Consolidated Financial Highlights**

HOYA CORPORATION and Consolidated Subsidiaries

**1. Performance for the three months ended June 30, 2021 and 2022 (All operations \*Notes)**

( The yen amounts shown therein are rounded off to the nearest million.)

	Three months ended		Variance (%)
	Jun. 30, 2021	Jun. 30, 2022	
(1)Revenue and Profit before tax			
Revenue	158,000	180,179	14.0
Profit before tax	51,018	61,518	20.6
Ratio of profit before tax(%)	32.3%	34.1%	
Profit for the quarter	41,299	48,401	17.2
Ratio of profit for the quarter(%)	26.1%	26.9%	
Profit attributable to owners of the Company	41,258	48,358	17.2
Ratio of profit attributable to owners of the Company(%)	26.1%	26.8%	
Basic earnings per share (yen)	111.83	132.83	
Diluted earnings per share (yen)	111.69	132.73	

	As of	
	Mar. 31, 2022	Jun. 30, 2022
(2)Financial Position		
Total assets	992,839	1,023,816
Total equity	789,056	816,410
Equity attributable to owners of the Company	803,851	830,151
Ratio of assets attributable to owners of the Company	81.0%	81.1%
Assets attributable to owners of the Company per share (yen)	2,201.68	2,295.49

	Three months ended	
	Jun. 30, 2021	Jun. 30, 2022
(3) Conditions of Cash Flows		
Net cash generated from operating activities	43,783	47,364
Net cash used in investing activities	-9,362	-7,454
Free cash flow	34,421	39,910
Net cash provided by (used in ) financing activities	-24,455	-71,248
Cash and cash equivalents at end of period	345,777	420,166

**2. Projected Results for the First Half (Six months ending September 30, 2022) for All Operations**

	Six months ended/ending		Variance (%)
	Sep. 30,2021	Sep. 30,2022	
Revenue	320,601	360,000	12.3
Profit before tax	105,007	115,000	9.5
Profit for the term	84,274	90,500	7.4
Profit attributable to owners of the Company	84,224	90,500	7.5
Profit for the term per share (Yen)	228.29	249.50	—

**3. Other**

	Three months ended	
	Jun. 30, 2021	Jun. 30, 2022
Capital expenditure	8,287	7,937
R&D expenses	6,225	7,078

**Notes:**

"All operations" means here that the figures are including not only "Continuing operations" but also "Discontinued operations".

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, or currency exchange rates.

## 2. Results of Operations

### 1) General Overview

HOYA Group sales for the first quarter of the consolidated fiscal year under review (three months from April 1 to June 30, 2022) amounted to 180,179 million yen an increase of 14.0% over the same period of the previous year (three months from April 1 to June 30, 2021).

Quarterly profit before income taxes was 61,518 million yen and quarterly profit was 48,401 million yen, representing increases of 20.6% and 17.2%, respectively.

The quarterly profit margin before tax was 34.1%, up 1.9 percentage points from 32.3% a year earlier.

As there were no discontinued operations in both the first quarter and the same period of the consolidated fiscal year, all figures and percentage changes in presentation are from continuing operations.

In the Life Care segment, sales of eyeglass lenses and contact lenses for healthcare-related products increased significantly. Medical-related products sales of medical endoscopes increased, and intraocular lenses for cataracts increased significantly. Overall sales in the Life Care segment also increased significantly.

In the Information Technology segment, sales of mask blanks for semiconductors, photomasks for FPDs, and glass substrates for hard disks for electronics-related products increased significantly. Imaging-related products also recorded higher sales. As a result, the Information Technology segment as a whole saw a significant increase.

### 2) Segment Overview

Results by reportable segment are as follows. (Revenue in each segment is to external customers.)

#### Life Care Business

##### <Health care related products>

In eyeglass lenses, sales were strong both domestically and overseas by expanded sales of high-value-added products.

Contact lenses saw an increase in opportunities for wearing contact lenses, as restrictions related to Covid-19 were not issued in the quarter under review, and sales promotion measures resulted in a significant increase in sales.

##### <Medical related products>

Sales of medical endoscopes increased due to strong sales in Europe and the impact of foreign currency translation, despite sluggish sales activity due to lock-downs in China and the impact of a shortage in the supply of some components.

Sales of intraocular lenses for cataracts increased significantly due to a recovery in the number of cataract operations in Japan, despite the impact of lockdowns in China.

In the other of medical-related products, sales of new artificial bone products were strong, and sales of chromatographic media used in pharmaceuticals also increased significantly due to strong customer demand.

As a result, revenue in this segment (Life Care segment) amounted to 110,820 million yen, a significant increase of 14.4%. Segment profit increased significantly by 14.6% to 25,022 million yen.

## Information Technology

### <Electronics related products>

Sales of mask blanks for semiconductors increased significantly by brisk R&D in advanced products, including products for EUV (Extreme Ultraviolet), and capturing demand for the commencement of mass production.

Sales of photomasks for FPDs increased significantly due to the acquisition of orders for high-performance displays (for smartphones).

In hard disk glass substrates, sales of 2.5-inch products declined due to a decrease in demand for end products. While sales of 3.5-inch products, which are expected to grow significantly in the future, increased significantly thanks to continued firm demand for near-line applications at data centers, which are end customers. As a result, the combined total of 3.5 inch and 2.5 inch sales increased significantly due in part to the impact of foreign currency translation.

### <Imaging related products>

Sales of lenses for cameras increased, mainly driven by interchangeable lenses for mirrorless cameras and in-vehicle applications.

As a result, revenue in this segment (Information Technology segment) amounted to 68,260 million yen, a substantial increase of 14.1%. Segment profit increased significantly by 18.5% to 35,599 million yen.

## Other

The other businesses consist mainly of speech synthesis software business, and information system services business. Sales in this segment (Other) amounted to 1,099 million yen, a decrease of 17.8%, mainly due to the transfer of a part of the business. Segment profit amounted to 176 million yen, a decrease of 30.2%.

## 3) Subsequent events

### Resolution on cancellation of Treasury Stock

On August 4, 2022, a resolution was made by the Company's board of directors for cancellation of certain shares held as treasury stock pursuant to Article 178 of the Companies Act of Japan. The shares repurchased under its repurchase plan approved by resolution of the Board of Directors on May 6, 2022 will be cancelled on August 16, 2022 as outlined below.

#### <Reason for cancellation of Treasury Stock>

The Company decided cancellation of treasury stock with the aim of increasing capital efficiency as well as enhancing shareholders' benefit by decreasing the total number of outstanding shares.

#### <Outline>

- |                                      |   |
|--------------------------------------|---|
| (1) Class of shares to be cancelled  | Common stock  |
| (2) Number of shares to be cancelled | 4,703,700 shares  |
|                                      | (1.30% of total shares outstanding, excluding treasury stock) |
| (3) Date of cancellation             | August 16, 2022   |

(Reference)

Total number of issued and outstanding shares after the cancellation: 361,075,720 shares

### Resolution on Share Repurchase

On August 4, 2022, a resolution was made by the Company's board of directors for share repurchase based on Article 39 of Articles of Incorporation pursuant to Article 459.1 of the Companies Act of Japan as outlined below.

#### <Reason for Share Repurchase>

The Company decided to acquire its own shares with the aim of shareholders' benefit, improving capital efficiency and ensuring a flexible capital policy.

#### <Outline>

- |  |   |
|--|---|
| (1) Class of share to be repurchased         | Common stock issued by the Company                            |
| (2) Total number of shares to be repurchased | 5.2 million shares (maximum)                                  |
|  | (1.44% of total shares outstanding, excluding treasury stock) |
| (3) Total amount to be paid for repurchase   | 60 billion yen (maximum)                                      |
| (4) Period of share repurchase               | August 5, 2022 through October 20, 2022                       |
| (5) Method of repurchase                     |   |

Purchase on the Tokyo Stock Exchange based on discretionary investment contract

(6) Others

Purchased stocks are planned to be cancelled with the aim of shareholders' benefit.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Mar. 31, 2022		As of Jun. 30, 2022		Variance		As of Jun. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
NON-CURRENT ASSETS								
Property, plant and equipment-net	169,665		175,999		6,335		164,359	
Goodwill	39,648		44,823		5,176		35,717	
Intangible assets	35,768		37,462		1,694		36,241	
Investments in associates	930		991		61		666	
Long-term financial assets	54,078		52,994		-1,084		50,480	
Other non-current assets	688		675		-13		843	
Deferred tax assets	9,098		10,008		910		7,983	
Total non-current assets	309,874	31.2	322,952	31.5	13,079	4.2	296,289	34.2
CURRENT ASSETS								
Inventories	91,441		101,745		10,304		79,871	
Trade and other receivables	134,174		136,817		2,643		118,216	
Other short-term financial assets	7,223		8,727		1,505		5,181	
Income tax receivables	2,526		3,073		547		2,098	
Other current assets	28,197		29,668		1,471		19,903	
Cash and cash equivalents	419,404		420,166		762		345,777	
Sub total	682,965		700,196		17,231		571,046	
Assets held for sale	—		668		668		—	
Total current assets	682,965	68.8	700,864	68.5	17,899	2.6	571,046	65.8
Total assets	992,839	100.0	1,023,816	100.0	30,977	3.1	867,336	100.0

(Millions of Yen)

	As of Mar. 31, 2022		As of Jun. 30, 2022		Variance		As of Jun. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>EQUITY AND LIABILITIES</b>								
<b>EQUITY</b>								
Share capital	6,264		6,264		—		6,264	
Capital reserves	15,899		15,899		—		15,899	
Treasury shares	-68,310		-54,656		13,654		-10,138	
Other capital reserves	-11,570		-12,322		-752		-10,401	
Retained earnings	802,815		769,158		-33,657		695,849	
Accumulated other comprehensive income/(loss)	58,753		105,807		47,054		8,774	
Equity attributable to owners of the Company	803,851	81.0	830,151	81.1	26,300	3.3	706,246	81.4
Non-controlling interests	-14,795		-13,740		1,055		-15,479	
Total equity	789,056	79.5	816,410	79.7	27,355	3.5	690,767	79.6
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	13,763		14,465		702		13,618	
Other long-term financial liabilities	23,863		26,555		2,691		21,812	
Retirement benefits liabilities	3,766		4,131		365		3,296	
Provisions	2,671		2,783		112		2,601	
Other non-current liabilities	2,262		2,353		91		1,502	
Deferred tax liabilities	10,079		13,274		3,195		8,514	
Total non-current liabilities	56,404	5.7	63,561	6.2	7,157	12.7	51,343	5.9
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	7,837		7,565		-272		7,611	
Trade and other payables	61,984		63,063		1,079		55,052	
Other short-term financial liabilities	647		720		74		2,125	
Income tax payables	23,126		15,361		-7,765		11,871	
Provisions	1,474		1,648		174		1,280	
Other current liabilities	52,312		55,488		3,175		47,287	
Total current liabilities	147,380	14.8	143,845	14.0	-3,535	-2.4	125,226	14.4
Total liabilities	203,783	20.5	207,406	20.3	3,623	1.8	176,569	20.4
Total equity and liabilities	992,839	100.0	1,023,816	100.0	30,977	3.1	867,336	100.0
Total number of issued shares in thousand	365,108		361,644		-3,464		368,890	
Equity attributable to owner of the Company per share	2,201.68 Yen		2,295.49 Yen		93.81 Yen		1,914.52 Yen	

## (2) Quarterly Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended		Variance	Three months ended Mar. 31, 2022
	Jun. 30, 2021	Jun. 30, 2022		
<b>Cash flows from operating activities</b>				
Profit before tax	51,018	61,518	10,500	53,777
Depreciation and amortization	10,280	11,957	1,677	11,428
Impairment losses	—	—	—	904
Finance income	-398	-801	-404	-472
Finance costs	590	451	-139	442
Share of (profits)/loss of associates	33	-21	-54	-14
(Gain)/loss on sales of property, plant and equipment	-45	-13	32	-465
Loss on disposal of property, plant and equipment	2	17	15	76
Gain on business transfer	—	—	—	34
Foreign exchange (gain)/loss	-1,777	-4,447	-2,670	-1,854
Others	-24	-2,245	-2,221	-4,782
<b>Net cash generated from operating activities (Before adjustment of movements in working capital)</b>	<b>59,681</b>	<b>66,417</b>	<b>6,736</b>	<b>59,074</b>
<b>Movements in working capital</b>				
Decrease/(increase) in inventories	-2,285	-3,802	-1,517	-3,134
Decrease/(increase) in trade and other receivables	-1,417	3,265	4,682	1,186
Increase/(decrease) in trade and other payables	2,062	491	-1,571	663
Increase/(decrease) in retirement benefits liabilities and provisions	200	255	55	302
<b>Sub total</b>	<b>58,241</b>	<b>66,626</b>	<b>8,384</b>	<b>58,092</b>
Interests received	245	418	174	238
Dividends received	9	8	-1	31
Interests paid	-117	-99	18	-40
Income taxes paid	-14,690	-19,832	-5,142	-4,469
Income taxes refunded	95	243	149	192
<b>Net cash generated from operating activities</b>	<b>43,783</b>	<b>47,364</b>	<b>3,581</b>	<b>54,044</b>
<b>Cash flows from investing activities</b>				
Withdrawals of time deposit	—	6	6	—
Payments for time deposit	-211	-0	210	-6
Proceeds from sales of property, plant and equipment	1,239	1,328	89	82
Payments for acquisition of property, plant and equipment	-9,972	-7,431	2,541	-6,879
Proceeds from sales of investment	44	85	41	150
Proceeds from sales of subsidiary	—	—	—	-138
Payments for purchase of subsidiary	—	-676	-676	—
Proceeds from business transfer	—	—	—	43
Payments for business transfer	—	-590	-590	-559
Other proceeds	79	28	-51	94
Other payments	-543	-203	340	-1,724
<b>Net cash used in investing activities</b>	<b>-9,362</b>	<b>-7,454</b>	<b>1,908</b>	<b>-8,936</b>
<b>Cash flows from financing activities</b>				
Dividends paid to owners of the Company	-16,565	-23,657	-7,092	-16
Increase (decrease) in short-term debt	—	—	—	-100
Repayments of long-term borrowings	-5	-6	0	-5
Payments for lease liabilities	-2,150	-2,127	23	-2,090
Proceeds from disposal of treasury shares	—	1	1	—
Payments for purchase of treasury shares	-5,760	-45,954	-40,193	-59,999
Proceeds from exercise of stock options	26	495	469	185
<b>Net cash used in financing activities</b>	<b>-24,455</b>	<b>-71,248</b>	<b>-46,794</b>	<b>-62,027</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,966</b>	<b>-31,338</b>	<b>-41,304</b>	<b>-16,919</b>
<b>Cash and cash equivalents at the beginning of the term</b>	<b>334,897</b>	<b>419,404</b>	<b>84,508</b>	<b>416,047</b>
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	914	32,100	31,186	20,277
<b>Cash and cash equivalents at the end of the term</b>	<b>345,777</b>	<b>420,166</b>	<b>74,389</b>	<b>419,404</b>

### (3) Quarterly Consolidated Statement of Comprehensive Income

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended				Variance		For the three months ended	
	Jun. 30, 2021		Jun. 30, 2022		Amount	(%)	Mar. 31, 2022	
	Amount	(%)	Amount	(%)			Amount	(%)
<b>All operations</b>								
<b>Revenue:</b>								
Sales	158,000	100.0	180,179	100.0	22,179	14.0	169,594	100.0
Finance income	398	0.3	801	0.4	404	101.5	472	0.3
Share of profit of associates	—	—	21	0.0	21	—	—	—
Other income	549	0.3	353	0.2	-196	-35.7	3,778	2.2
<b>Total Revenue</b>	<b>158,947</b>	<b>100.6</b>	<b>181,354</b>	<b>100.7</b>	<b>22,407</b>	<b>14.1</b>	<b>173,844</b>	<b>102.5</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	-1,028	-0.7	-844	-0.5	184	—	-2,747	-1.6
Raw materials and consumables used	25,922	16.4	26,760	14.9	838	3.2	28,603	16.9
Employee benefits expense	34,833	22.0	39,521	21.9	4,688	13.5	36,646	21.6
Depreciation and amortization	10,280	6.5	11,957	6.6	1,677	16.3	11,428	6.7
Subcontracting cost	1,059	0.7	1,125	0.6	66	6.2	1,078	0.6
Advertising and promotion expense	3,410	2.2	4,087	2.3	677	19.9	3,137	1.8
Commission expense	8,420	5.3	10,251	5.7	1,832	21.8	10,291	6.1
Impairment losses	—	—	—	—	—	—	904	0.5
Finance costs	590	0.4	451	0.3	-139	-23.6	442	0.3
Share of loss of associates	33	0.0	—	—	-33	—	-14	0.0
Foreign exchange (gain)/loss	-1,573	-1.0	-6,808	-3.8	-5,236	332.9	-3,118	-1.8
Other expenses	25,982	16.4	33,336	18.5	7,353	28.3	33,418	19.7
<b>Total expense</b>	<b>107,929</b>	<b>68.3</b>	<b>119,836</b>	<b>66.5</b>	<b>11,907</b>	<b>11.0</b>	<b>120,067</b>	<b>70.8</b>
Profit before tax	51,018	32.3	61,518	34.1	10,500	20.6	53,777	31.7
Income tax expense	9,719	6.2	13,117	7.3	3,397	35.0	13,629	8.0
<b>Profit for the term from all operations</b>	<b>41,299</b>	<b>26.1</b>	<b>48,401</b>	<b>26.9</b>	<b>7,103</b>	<b>17.2</b>	<b>40,147</b>	<b>23.7</b>
<b>Other comprehensive income:</b>								
Items that will not be reclassified subsequently to profit or loss								
Assets measured at fair value through other comprehensive income	-179		18		197		3,691	
Remeasurements of the net defined benefit liability(asset)	—		56		56		290	
Income tax relating to components of other comprehensive income	54		-20		-74		-1,026	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>-125</b>		<b>55</b>		<b>180</b>		<b>2,955</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	-519		48,051		48,571		33,588	
Share of other comprehensive income of associates	37		36		-1		96	
Income tax relating to components of other comprehensive income	1		-30		-31		28	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>-481</b>		<b>48,058</b>		<b>48,539</b>		<b>33,713</b>	
<b>Total other comprehensive income</b>	<b>-606</b>		<b>48,113</b>		<b>48,719</b>		<b>36,668</b>	
<b>Total comprehensive income for the quarter</b>	<b>40,692</b>		<b>96,514</b>		<b>55,822</b>		<b>76,815</b>	
<b>Profit attributable to :</b>								
Owners of the Company	41,258	26.1	48,358	26.8	7,100	17.2	39,422	23.2
Non-controlling interests	41	0.0	44	0.0	3	—	726	0.4
<b>Total</b>	<b>41,299</b>	<b>26.1</b>	<b>48,401</b>	<b>26.9</b>	<b>7,103</b>	<b>17.2</b>	<b>40,147</b>	<b>23.7</b>
<b>Total comprehensive income attributable to :</b>								
Owners of the Company	40,583		95,459		54,876	135.2	76,374	
Non-controlling interests	109		1,055		946	865.2	441	
<b>Total</b>	<b>40,692</b>		<b>96,514</b>		<b>55,822</b>	<b>137.2</b>	<b>76,815</b>	
<b>Basic earnings per share (yen)</b>	<b>111.83</b>		<b>132.83</b>		<b>21.00</b>		<b>107.39</b>	
<b>Diluted earnings per share (yen)</b>	<b>111.69</b>		<b>132.73</b>		<b>21.04</b>		<b>107.29</b>	

Notes:

1. Effect of Exchange Rate Change on Net Sales and Incomes ("2022A" is the actual value of this period. "2022B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2022B	2022A	Influences	Real change	(%)
Sales	166,893	180,179	13,286	8,893	5.6%
Profit before tax	57,221	61,518	4,297	6,203	12.2%
Profit for the quarter	44,695	48,401	3,707	3,396	8.2%

2. Average rates of major foreign currencies

	For the three months ended		
	Jun. 30, 2021	Jun. 30, 2022	Variance(%)
US\$	Yen 109.76	131.25	-19.6%
Euro	Yen 132.44	138.75	-4.8%
Thai Baht	Yen 3.48	3.78	-8.6%



## (4) Segment Information

### <Overview of major products and services of reportable segments>

Reportable segments are components of the Group for which separate financial information is obtained and examined on a regular basis by the board of directors and the chief operating decision maker to determine the allocation of management resources and evaluate the business performance.

In accordance with its management philosophy, the Group has categorised “life and culture” and “information technology” as its business domains. To achieve sustainable growth in corporate value in these business domains, the Group has been making decisions on the allocation of management resources and monitoring the operating results.

As a result, the Group consists of three reportable business segments: Life Care business, Information Technology business and Other business, which are consistent with the above business domains.

In the Life Care business, the Group produces and sells health care related products that are used routinely in health maintenance fields, and medical related products including medical equipment and medical supplies used in medical treatment. Some unique features of this business segment are that approvals and permits are required from relevant authorities in each country and that advanced technological strength and reliable quality control systems are the key requirement.

In the Information Technology business, the Group produces and sells essential items for digital devices. Included are electronics related products that are indispensable for today's digital information and communication technology, and imaging related products that are necessary to capture images as digital data based on optical technologies.

Other business includes the business that provides mainly speech synthesis software and information system services.

The main products and services for each reportable segment described above are as follows:

Reportable Segment		Major Products and Services
Life Care	Health care related products	Eyeglass lenses, Contact lenses, etc.
	Medical related products	Medical endoscopes, Medical accessories, Automated endoscope reprocessors (AERs), Intraocular lenses, Ophthalmic medical equipment, Artificial bone, Metallic implants for orthopedics, Chromatography media, etc.
Information Technology	Electronics related products	Photomasks and Maskblanks for semiconductors, Photomasks for FPD, Glass disks for hard disk drives (HDDs)
	Imaging related products	Optical lenses, Optical glass material, Laser equipment, Light source, etc.
Other		Speech synthesis software, Design of information systems, etc.

## 1. Segment revenues and results

(Millions of Yen)

For the three months ended Jun. 30, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	96,849	59,815	1,336	158,000	—	158,000
Inter-segment	1	18	291	309	-309	—
<b>Total</b>	96,849	59,833	1,627	158,309	-309	158,000
Segment profit before tax	21,843	30,042	252	52,138	-1,120	51,018
Segment profit before tax ratio	22.6%	50.2%	15.5%	32.9%	—	32.3%
Ref: Profit from ordinary operating activities	20,621	29,682	194	50,497	-1,055	49,442
% of revenue	21.3%	49.6%	11.9%	31.9%	—	31.3%

For the three months ended Jun. 30, 2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	110,820	68,260	1,099	180,179	—	180,179
Inter-segment	1	10	4	15	-15	—
<b>Total</b>	110,821	68,270	1,103	180,194	-15	180,179
Segment profit before tax	25,022	35,599	176	60,797	721	61,518
Segment profit before tax ratio	22.6%	52.2%	16.0%	33.7%	—	34.1%
Ref: Profit from ordinary operating activities	21,627	33,541	163	55,331	-1,136	54,195
% of revenue	19.5%	49.1%	14.8%	30.7%	—	30.1%

Ref : Difference between the results of the quarter under review and the same period the previous year is as follows:

	Life Care	Information Technology	Other	Total	Adjustments	All operations
<b>Variance</b>						
Revenue from external customers	13,971	8,445	-237	22,179	—	22,179
Variance	14.4%	14.1%	-17.8%	14.0%	—	14.0%
Inter-segment	0	-8	-287	-294	294	—
<b>Total</b>	13,971	8,437	-524	21,885	294	22,179
Segment profit before tax	3,179	5,556	-76	8,659	1,841	10,500
Variance	14.6%	18.5%	-30.2%	16.6%	—	20.6%
Profit from ordinary operating activities	1,006	3,859	-30	4,834	-81	4,753
Variance	4.9%	13.0%	-15.5%	9.6%	7.7%	9.6%

Note:Effect of Exchange Rate Change on Net Sales and Incomes ("2022 A" is the actual value of this period. "2022 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period the previous year. unit : millions of Yen)

	2022B	2022A	Influences	Real change	(%)
<b>Life Care</b>					
Revenue from external customers	103,583	110,820	7,238	6,734	7.0%
Profit from ordinary operating activities	20,559	21,627	1,068	-62	-0.3%
Segment profit before tax	23,595	25,022	1,427	1,752	8.0%
<b>Information Technology</b>					
Revenue from external customers	62,270	68,260	5,991	2,454	4.1%
Profit from ordinary operating activities	30,804	33,541	2,737	1,121	3.8%
Segment profit before tax	32,740	35,599	2,859	2,697	9.0%

Ref : Results of the previous quarter are as follows:

For the three months ended Mar. 31, 2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	106,130	62,338	1,127	169,594	—	169,594
Inter-segment	1	7	5	13	-13	—
<b>Total</b>	106,130	62,345	1,132	169,607	-13	169,594
Segment profit before tax	19,534	30,547	2,325	52,406	1,370	53,777
Segment profit before tax ratio	18.4%	49.0%	205.4%	30.9%	—	31.7%
Ref: Profit from ordinary operating activities	19,792	29,608	205	49,604	-1,459	48,145
% of revenue	18.6%	47.5%	18.1%	29.2%	—	28.4%

Note:Profit from ordinary operating activities is operating profit before finance income/costs, share of profits(loss) of associates, foreign exchange gain/loss and other temporary gain/loss.

## 2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

	For the three months ended				Variance		For the three months ended	
	Jun. 30, 2021		Jun. 30, 2022				Mar. 31, 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>Revenue from all operations</b>								
Life Care	96,849	61.3	110,820	61.5	13,971	14.4	106,130	62.6
Health care related products	71,670	[ 74.0 ]	82,720	[ 74.6 ]	11,050	15.4	78,185	[ 73.7 ]
Medical related products	25,178	[ 26.0 ]	28,100	[ 25.4 ]	2,921	11.6	27,945	[ 26.3 ]
Information Technology	59,815	37.9	68,260	37.9	8,445	14.1	62,338	36.8
Electronics related products	50,597	[ 84.6 ]	58,300	[ 85.4 ]	7,703	15.2	53,919	[ 86.5 ]
Imaging related products	9,218	[ 15.4 ]	9,960	[ 14.6 ]	742	8.1	8,419	[ 13.5 ]
Other	1,336	0.8	1,099	0.6	-237	-17.8	1,127	0.7
Corporate (including R&D)	-	-	-	-	-	-	-	-
<b>Total revenue from all operations</b>	<b>158,000</b>	<b>100.0</b>	<b>180,179</b>	<b>100.0</b>	<b>22,179</b>	<b>14.0</b>	<b>169,594</b>	<b>100.0</b>

Notes 1. Figures in [ ] are percentages of each segment.

Notes 2. Effect of Exchange Rate Change on Net Sales and Incomes ("2022 A" is the actual value of this period. "2022 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2022B	2022A	Influences	Real change	(%)
Life Care	103,583	110,820	7,238	6,734	7.0%
Health care related products	77,513	82,720	5,207	5,843	8.2%
Medical related products	26,070	28,100	2,030	891	3.5%
Information Technology	62,270	68,260	5,991	2,454	4.1%
Electronics related products	53,134	58,300	5,165	2,537	5.0%
Imaging related products	9,135	9,960	825	-83	-0.9%

## 3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the three months ended				Variance		For the three months ended	
	Jun. 30, 2021		Jun. 30, 2022				Mar. 31, 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>Revenue from all operations</b>								
Total revenue from all operations	158,000	100.0	180,179	100.0	22,179	14.0	169,594	100.0
Japan	38,124	24.1	42,920	23.8	4,796	12.6	41,511	24.5
Americas	24,388	15.4	30,139	16.7	5,751	23.6	26,958	15.9
Europe	31,694	20.1	34,677	19.2	2,983	9.4	33,218	19.6
Asia/Oceania	62,162	39.3	70,019	38.9	7,857	12.6	66,009	38.9
Others	1,631	1.0	2,424	1.3	793	48.6	1,898	1.1

Note: Geographical areas are based on the location of customers.

## 4. Projected Results for the First Half (All Operations)

(Six months ending Sep. 30, 2022)

	Millions of Yen		variance (%)
	Six months ended/ending		
	Sep.30,2021	Sep.30,2022	
Revenue	320,601	360,000	12.3
Profit before tax	105,007	115,000	9.5
Profit for the term	84,274	90,500	7.4
Profit attributable to owners of the Company	84,224	90,500	7.5
Basic earnings per share (Yen)	228.29	249.50	21.21

Ref: for the 2nd quarter

### 1. Year-on-year comparison

	Millions of Yen		variance (%)
	Three months ended/ending		
	Sep.30,2021	Sep.30,2022	
Revenue	162,601	179,821	10.6
Profit before tax	53,989	53,482	-0.9
Profit for the term	42,975	42,099	-2.0
Profit attributable to owners of the Company	42,967	42,142	-1.9
Basic earnings per share (Yen)	116.47	116.67	0.20

### 2. Quarter-on-quarter comparison

	Millions of Yen		variance (%)
	Three months ended/ending		
	June 30,2022	Sep.30,2022	
Revenue	180,179	179,821	-0.2
Profit before tax	61,518	53,482	-13.1
Profit for the term	48,401	42,099	-13.0
Profit attributable to owners of the Company	48,358	42,142	-12.9
Basic earnings per share (Yen)	132.83	116.67	-16.16

Notes:

To calculate expected profit for the term per share, expected profit for the term is divided by expected average number of shares through the term.

*These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, or currency exchange rates which contain impact of Novel Coronavirus .*

<Reference>

**Supplementary data for 1st Quarter: from April 1 to June 30, 2022**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY21-1Q	FY22-1Q	Variance	Breakdown of Variance	
				Foreign exchange	Others
Revenue	158,000	180,179	22,179	13,286	8,893
Life Care	96,849	110,820	13,971	7,238	6,734
Health care related products	71,670	82,720	11,050	5,207	5,843
Medical related products	25,178	28,100	2,921	2,030	891
Information Technology	59,815	68,260	8,445	5,991	2,454
Electronics related products	50,597	58,300	7,703	5,165	2,537
Imaging related products	9,218	9,960	742	825	-83
Profit from ordinary operating activities	49,442	54,195	4,753	3,763	990
Life Care	20,621	21,627	1,006	1,068	-62
Information Technology	29,682	33,541	3,859	2,737	1,121
Other, adjustment (Corporate)	-862	-973	-111	-42	-69
Profit before tax	51,018	61,518	10,500	4,297	6,203
Life Care	21,843	25,022	3,179	1,427	1,752
Information Technology	30,042	35,599	5,556	2,859	2,697
Other, adjustment (Corporate)	-868	898	1,765	12	1,754

<All operations ~ Adjustments to "Profit from ordinary operating activities">

	All operations		
	FY21-1Q	FY22-1Q	Variance
Profit before tax	51,018	61,518	10,500
Adjustments	1,577	7,323	5,747
Finance income	398	801	404
Finance costs	-590	-451	139
Share of gain/loss of associates	-33	21	54
Foreign exchange (gain)/loss	1,573	6,808	5,236
Others	230	144	-86
Profit from ordinary operating activities	49,442	54,195	4,753

<Segment ~ Adjustments to "Profit from ordinary operating activities">

	Life Care			Information Technology			Other, adjustment (Corporate)		
	FY21-1Q	FY22-1Q	Variance	FY21-1Q	FY22-1Q	Variance	FY21-1Q	FY22-1Q	Variance
Profit before tax	21,843	25,022	3,179	30,042	35,599	5,556	-868	898	1,765
Adjustments	1,222	3,395	2,173	360	2,058	1,698	-6	1,870	1,876
Finance income	85	189	103	130	190	60	183	422	240
Finance costs	-256	-281	-25	-55	-111	-56	-279	-59	220
Share of gain/loss of associates	29	52	23	-0	1	2	-62	-32	29
Foreign exchange (gain)/loss	1,271	3,377	2,106	278	1,915	1,636	23	1,516	1,493
Others	93	58	-34	8	62	55	130	23	-107
Profit from ordinary operating activities	20,621	21,627	1,006	29,682	33,541	3,859	-862	-973	-111