

# HOYA Corporation

Q2 FY2022 Earnings Presentation  
October 27, 2022

# Forward Looking Statement

HOYA may make comments and disclose information which include forward-looking statements with respect to HOYA's plans and future performance. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements and are based on management's assumptions and beliefs in light of the information available when such statements were prepared, including exchange and interest rates, international situations, market trends and economic conditions, competition, production capacity, estimates of revenues, operating margins, capital expenditures, cash, other financial metrics, expected legal, arbitration, political, regulatory, clinical or research and development capabilities, results or practices, customer patterns or practices, reimbursement activities and outcomes, effects of pandemics or other widespread health problems such as COVID-19, and other such estimates and results. HOYA does not guarantee the accuracy or completeness of such information and HOYA does not undertake any obligation to update any forward-looking statements as a result of new information, future events or otherwise.

# Key Takeaways

1. Record quarterly sales and pretax profit amid a challenging global external environment
2. Life Care business maintained momentum: all major products achieved sales growth
3. In the Information Technology business, although the shrinkage of HDD substrates increased and imaging sales also declined, robust sales of the semiconductor blanks and the FX contributed to overall growth

# Financial Overview

(¥bn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY	QoQ
Revenue	162.6	180.2	184.1	+13%	+2%
Pretax Profit	54.0	61.5	61.8	+15%	+0%
Net Profit	43.0	48.4	47.3	+10%	-2%
Cf. Operating Profit	49.2	54.2	53.9	+9%	-1%
Cf. Operating Profit Margin	30.3%	30.1%	29.2%	-1.1ppt	-0.9ppt

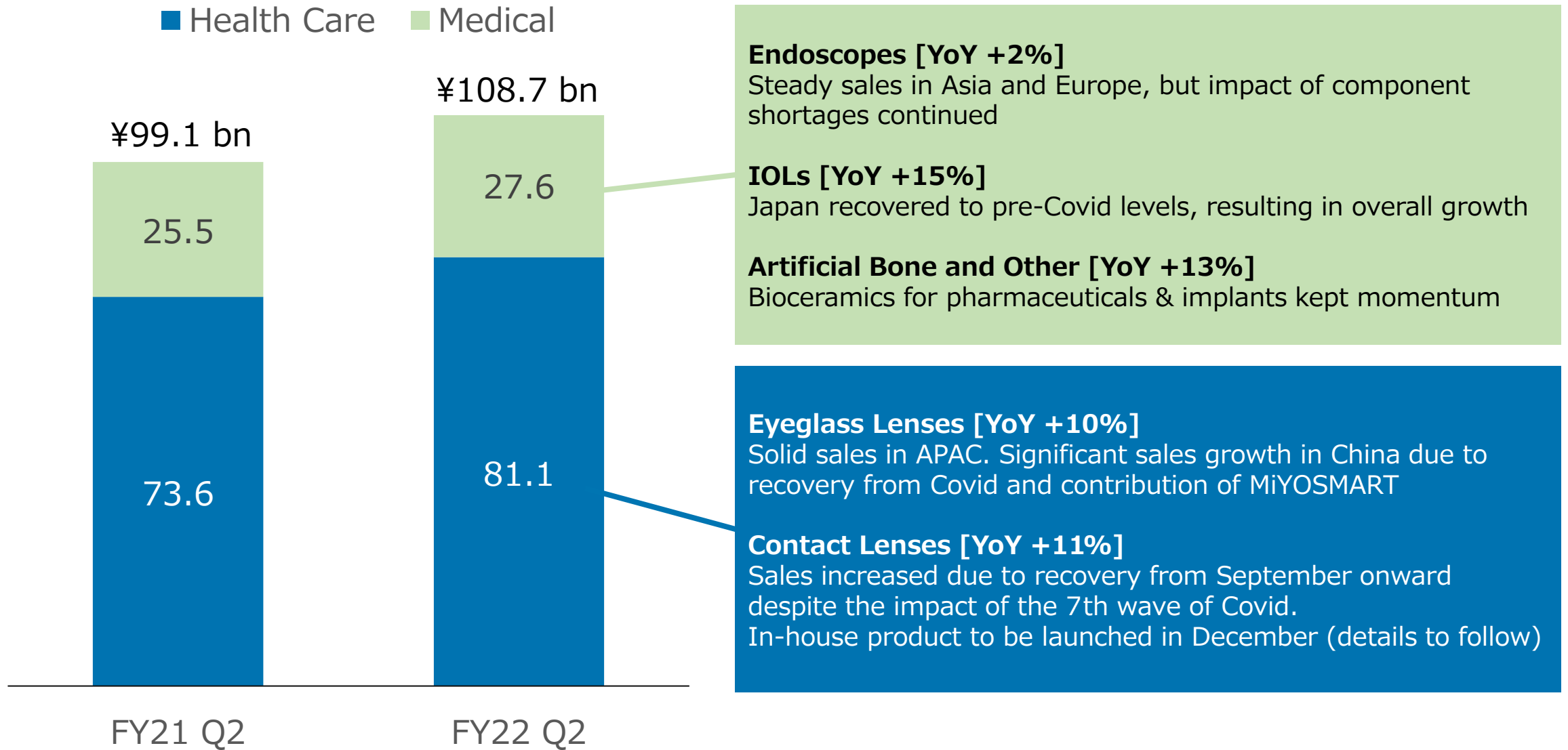
- Due to the depreciation of the yen, revenue increased ¥16.7 bn & PTP increased ¥5.4 bn  
FX rates: USD@¥139.35, EUR@¥139.53
- Excluding the FX translation impact, the real growth rate was revenue +3% and PTP +5% YoY
- The gap between PTP & OP is mainly due to FX gains (¥6.3 bn) and increase in interest income (¥1.6 bn)

# Life Care

(¥bn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY	QoQ
Revenue	99.1	110.8	118.8	+20%	+7%
Pretax Profit	23.4	25.0	27.4	+17%	+10%
Cf. Operating Profit	19.8	21.6	23.2	+17%	+7%
Cf. Operating Profit Margin	19.9%	19.5%	19.5%	-0.4ppt	+0.0%

- Constant currency basis: Revenue +10%; PTP +9%

# Life Care: Revenue by Product (Constant Currency Basis)

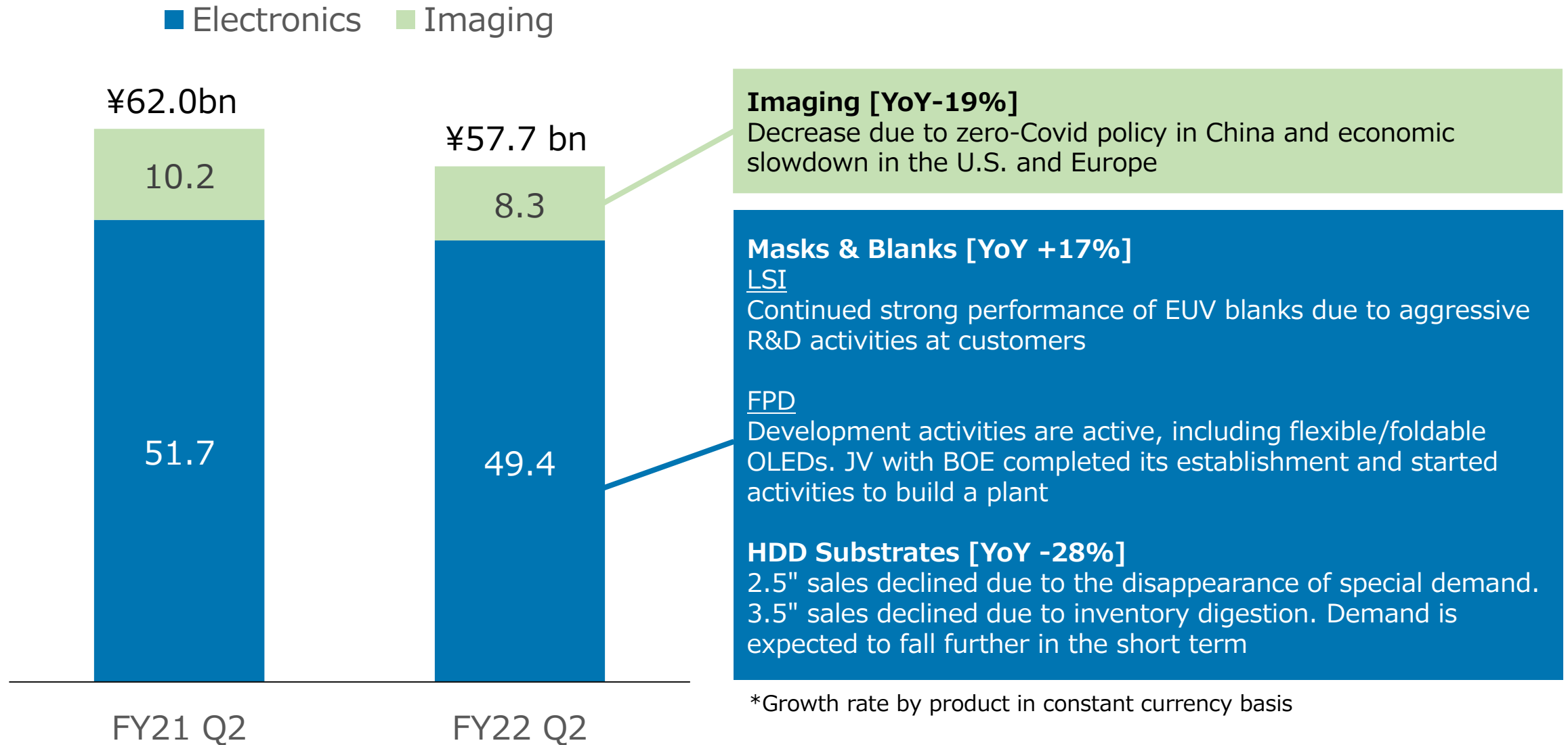


# Information Technology (IT)

(¥bn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY	QoQ
Revenue	62.0	68.3	64.2	+4%	-6%
Pretax Profit	31.0	35.6	34.4	+11%	-3%
Cf. Operating Profit	30.1	33.5	31.7	+5%	-6%
Cf. Operating Profit Margin	48.6%	49.1%	49.3%	+0.7ppt	+0.2ppt

- Constant currency basis: Revenue -7%; PTP +0%

# IT: Revenue by Product (Constant Currency Basis)





# Highlights from the Balance Sheet & Cash Flow

## Shareholder Return

- Completed 60 bn yen share buyback on October 20
- At today's BOD meeting, the Company resolved to cancel all shares repurchased (1.15% of shares outstanding)

## CAPEX \*

- Result in Q2: 6.3 bn yen (YoY ¥-0.3 bn)
- Annual FY22 is expected to be around ¥40 bn \*\*

## D&A

- Q2 results: ¥12.3 bn (YoY ¥+1.7 bn)

\* CF base. Acquisition of PPE

\*\* Cash outflow basis. Expect an increase from the initial assumption due to accelerated investments and FX impact

# Contact Lens Private Brand (PB)

- Previously, the Company's contact lens business was focused on retail sales, and sales of its own products were extremely small.
- In order to differentiate ourselves from competing retailers and increase customer retention, we launched two PB products in March of this year.
- The products have been well received by customers, and the repurchase rate is high.



## hoyaONE PREMIUM

- Made of silicone hydrogel
- Water retention of 54% moisture content
- Comes with UV cut function



## hoyaONE comfort

- Reliable quality made in Japan
- Contains alginic acid, a natural moisturizing ingredient
- Comes with UV cut function

# Launch of hoyaONE treasured

- hoyaONE treasured", a PB product manufactured at our own factory, is scheduled to be released in December of this year.
- It has high oxygen permeability and collects moisture on the lens surface, resulting in a soft and comfortable wearing feeling.
- Transitioning to a vertically integrated model that handles from lens manufacturing to retail sales.



hoyaONE treasured  
(Approval No. 30400BZX00234A01)

# Notes

- ✓ Accounting standard: IFRS
- ✓ The fiscal year ending March 2023 is referred to as “FY22” throughout this document.
- ✓ Figures less than 100 million yen are rounded down. Accordingly, some discrepancies may occur among totals. Ratios are calculated using actual numbers.
- ✓ Operating profit is calculated as reference information for investors; calculated by deducting finance income/costs, share of profits(loss) of associates, foreign exchange gain/loss and other temporary gain/loss from pretax profit.
- ✓ We have omitted a detailed breakdown of financial statements. Please refer to the tanshin or the quarterly report for detailed numbers.  
<https://www.hoya.com/en/investor/kessan/>

**Innovating For a Better Tomorrow**

**HOYA**