

Quarterly Report

2nd Quarter : 3 months ended September 30, 2022
Interim(1st Half) : 6 months ended September 30, 2022

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

Part .1

2nd Quarter : from July 1 to September 30, 2022 <IFRS>

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Part .2

Interim(1st Half) : from April 1 to September 30, 2022 <IFRS>

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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.

1. Quarterly Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

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

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

	Three months ended		Variance (%)
	Sep. 30, 2021	Sep. 30, 2022	
(1)Revenue and Profit before tax			
Revenue	162,601	184,112	13.2
Profit before tax	53,989	61,820	14.5
Ratio of profit before tax(%)	33.2%	33.6%	
Profit for the quarter	42,975	47,316	10.1
Ratio of profit for the quarter(%)	26.4%	25.7%	
Profit attributable to owners of the Company	42,967	47,101	9.6
Ratio of profit attributable to owners of the Company(%)	26.4%	25.6%	
Basic earnings per share (yen)	116.47	130.95	
Diluted earnings per share (yen)	116.32	130.86	

	As of	
	Jun. 30, 2022	Sep. 30, 2022
(2)Financial Position		
Total assets	1,023,816	1,056,093
Total equity	816,410	826,170
Equity attributable to owners of the Company	830,151	837,078
Ratio of assets attributable to owners of the Company	81.1%	79.3%
Assets attributable to owners of the Company per share (yen)	2,295.49	2,341.17

	Three months ended	
	Sep. 30, 2021	Sep. 30, 2022
(3) Conditions of Cash Flows		
Net cash generated from operating activities	45,910	58,883
Net cash used in investing activities	-5,513	-10,785
Free cash flow	40,397	48,098
Net cash provided by (used in) financing activities	-1,717	-59,728
Cash and cash equivalents at end of period	386,527	424,125

2.Dividends per Share

	Year ended/ending	
	Mar.31,2022	Mar.31,2023
Interim (Yen)	45.00	45.00
Year-end (Yen)	65.00	TBD
Annual (Yen)	110.00	TBD

3.Projected Results for the Full year (Year ending March 31, 2023) for All Operations

	Full Year ended/ending		Variance (%)
	Mar. 31,2022	Mar. 31,2023	
Revenue	661,466	730,000	10.4
Profit before tax	210,706	-	-
Profit for the term	165,322	-	-
Profit attributable to owners of the Company	164,507	-	-
Profit for the term per share (Yen)	446.45	-	-

4.Other

	Three months ended	
	Sep. 30, 2021	Sep. 30, 2022
Capital expenditure	7,073	11,503
R&D expenses	6,207	7,425

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 second quarter of the consolidated fiscal year under review (three months from July 1 to September 30, 2022) amounted to 184,112 million yen an increase of 13.2% over the same period of the previous year (three months from July 1 to September 30, 2021).

Quarterly profit before income taxes was 61,820 million yen and quarterly profit was 47,316 million yen, representing increases of 14.5% and 10.1%, respectively.

As there were no discontinued operations in both the second 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, and medical-related products of medical endoscopes and intraocular lenses for cataracts increased significantly. Overall sales in the Life Care segment also increased significantly.

In the Information Technology segment, electronics-related products sales of mask blanks for semiconductors and photomasks for FPDs increases significantly, and glass substrates for hard disks decreased. Imaging-related products recorded lower sales. As a result, sales of the Information Technology segment as a whole saw an 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>

Sales of eyeglass lenses rose sharply due to strong domestic and overseas sales thanks to 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 significantly due to strong sales in Europe and Asia, while other regions were affected negatively by a shortage of 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 chromatology carriers used in pharmaceuticals and other products also increased significantly due to strong customer demand.

As a result, revenue in this segment (Life Care segment) amounted to 118,798 million yen, a significant increase of 19.9%. Segment profit increased significantly by 17.0% to 27,410 million yen.

Information Technology

<Electronics related products>

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

Sales of photomasks for FPD increased significantly, mainly due to capturing demand for developing high-performance displays for smartphones.

Sales of hard disk glass substrates decreased due to a reaction to special demand in the same period of the previous fiscal year for 2.5-inch products. Sales of 3.5-inch products also declined due to an adjustment phase in the investment cycle for data centers, which are end customers, but overall sales increased due to the impact of foreign exchange rates. Going forward, we will closely monitor the impact of deteriorating market sentiment on demand.

<Imaging related products>

In lenses for cameras, sales for interchangeable lenses for mirrorless cameras and for automotive applications were strong, but sales declined due to the impact of lockdowns in China.

As a result, revenue in this segment (Information Technology segment) amounted to 64,182 million yen, an increase of 3.6%. Segment profit increased significantly by 10.9% to 34,427 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 1,131 million yen, a decrease of 27.0%, mainly due to the transfer of a part of the business. Segment profit amounted to 238 million yen, a decrease of 25.4%.

3) Subsequent events

Resolution on cash dividends

On October 27, 2022, a resolution was made by the HOYA CORPORATION ("The Company")'s board of directors for the payment of a cash dividend to shareholders of record on September 30, 2022 of 16,090 million yen (45 yen per common share).

Resolution on cancellation of Treasury Stock

On October 27, 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 August 4, 2022 will be cancelled on November 8, 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

<Outline>

- | | |
|--------------------------------------|---------------------------------------------------------------|
| (1) Class of shares to be cancelled | Common stock |
| (2) Number of shares to be cancelled | 4,115,200 shares |
| | (1.15% of total shares outstanding, excluding treasury stock) |
| (3) Date of cancellation | November 8, 2022 |
| (Reference) | |

Total number of issued and outstanding shares after the cancellation: 356,960,520 shares

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Jun. 30, 2022		As of Sep. 30, 2022		Variance		As of Sep. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment-net	175,999		181,878		5,879		161,534	
Goodwill	44,823		51,122		6,299		35,905	
Intangible assets	37,462		40,890		3,428		35,095	
Investments in associates	991		1,030		39		832	
Long-term financial assets	52,994		53,011		18		50,377	
Other non-current assets	675		655		-20		813	
Deferred tax assets	10,008		10,262		255		8,177	
Total non-current assets	322,952	31.5	338,850	32.1	15,898	4.9	292,733	32.1
CURRENT ASSETS								
Inventories	101,745		108,492		6,747		78,314	
Trade and other receivables	136,817		139,441		2,624		119,817	
Other short-term financial assets	8,727		10,344		1,617		5,034	
Income tax receivables	3,073		4,232		1,159		2,172	
Other current assets	29,668		30,608		940		28,562	
Cash and cash equivalents	420,166		424,125		3,959		386,527	
Sub total	700,196		717,242		17,046		620,426	
Assets held for sale	668		—		-668		—	
Total current assets	700,864	68.5	717,242	67.9	16,379	2.3	620,426	67.9
Total assets	1,023,816	100.0	1,056,093	100.0	32,276	3.2	913,159	100.0

(Millions of Yen)

	As of Jun. 30, 2022		As of Sep. 30, 2022		Variance		As of Sep. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
EQUITY AND LIABILITIES								
EQUITY								
Share capital	6,264		6,264		—		6,264	
Capital reserves	15,899		15,899		—		15,899	
Treasury shares	-54,656		-50,097		4,559		-9,706	
Other capital reserves	-12,322		-12,468		-146		-10,685	
Retained earnings	769,158		754,526		-14,632		738,831	
Accumulated other comprehensive income/(loss)	105,807		122,953		17,146		6,999	
Equity attributable to owners of the Company	830,151	81.1	837,078	79.3	6,927	0.8	747,602	81.9
Non-controlling interests	-13,740		-10,908		2,832		-15,352	
Total equity	816,410	79.7	826,170	78.2	9,760	1.2	732,250	80.2
LIABILITIES								
NON-CURRENT LIABILITIES								
Interest-bearing long-term debt	14,465		16,202		1,737		13,614	
Other long-term financial liabilities	26,555		28,200		1,645		22,009	
Retirement benefits liabilities	4,131		4,217		86		3,263	
Provisions	2,783		2,894		111		2,617	
Other non-current liabilities	2,353		2,494		141		1,644	
Deferred tax liabilities	13,274		13,868		593		8,704	
Total non-current liabilities	63,561	6.2	67,874	6.4	4,313	6.8	51,850	5.7
CURRENT LIABILITIES								
Interest-bearing short-term debt	7,565		7,450		-115		7,366	
Trade and other payables	63,063		68,980		5,917		52,819	
Other short-term financial liabilities	720		524		-196		1,606	
Income tax payables	15,361		23,369		8,008		18,114	
Provisions	1,648		1,628		-20		1,346	
Other current liabilities	55,488		60,096		4,608		47,808	
Total current liabilities	143,845	14.0	162,048	15.3	18,203	12.7	129,059	14.1
Total liabilities	207,406	20.3	229,923	21.8	22,517	10.9	180,909	19.8
Total equity and liabilities	1,023,816	100.0	1,056,093	100.0	32,276	3.2	913,159	100.0
Total number of issued shares in thousand	361,644		357,547		-4,097		368,925	
Equity attributable to owner of the Company per share	2,295.49 Yen		2,341.17 Yen		45.68 Yen		2,026.43 Yen	

(2)Quarterly Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended		Variance	For the three months ended Jun. 30,2022
	Sep. 30, 2021	Sep. 30, 2022		
Cash flows from operating activities				
Profit before tax	53,989	61,820	7,831	61,518
Depreciation and amortization	10,616	12,286	1,670	11,957
Finance income	-385	-1,578	-1,193	-801
Finance costs	275	424	149	451
Share of (profits)/loss of associates	12	-32	-43	-21
(Gain)/loss on sales of property, plant and equipment	-86	-287	-201	-13
Loss on disposal of property, plant and equipment	16	28	12	17
Gain on business transfer	-1,713	—	1,713	—
Foreign exchange (gain)/loss	-2,849	-4,766	-1,917	-4,447
Others	-620	2,125	2,745	-2,245
Net cash generated from operating activities (Before adjustment of movements in working capital)	59,255	70,021	10,766	66,417
Movements in working capital				
Decrease/(increase) in inventories	1,204	-2,526	-3,730	-3,802
Decrease/(increase) in trade and other receivables	-1,541	909	2,449	3,265
Increase/(decrease) in trade and other payables	-335	-2,005	-1,670	491
Increase/(decrease) in retirement benefits liabilities and provisions	112	0	-112	255
Sub total	58,695	66,398	7,703	66,626
Interests received	207	999	792	418
Dividends received	2	1	-1	8
Interests paid	-106	-106	-0	-99
Income taxes paid	-13,017	-8,468	4,549	-19,832
Income taxes refunded	129	59	-70	243
Net cash generated from operating activities	45,910	58,883	12,973	47,364
Cash flows from investing activities				
Withdrawals of time deposit	212	—	-212	6
Payments for time deposit	—	-669	-669	-0
Proceeds from sales of property, plant and equipment	109	962	852	1,328
Payments for acquisition of property, plant and equipment	-6,543	-6,272	272	-7,431
Proceeds from sales of investment	25	2	-24	85
Payments for acquisition of investment	-195	—	195	—
Payments for purchase of subsidiary	-120	-3,814	-3,693	-676
Proceeds from business transfer	1,545	—	-1,545	—
Payments for business transfer	—	-166	-166	-590
Other proceeds	36	53	17	28
Other payments	-582	-880	-298	-203
Net cash used in investing activities	-5,513	-10,785	-5,271	-7,454
Cash flows from financing activities				
Dividends paid to owners of the Company	-42	-56	-14	-23,657
Dividends paid to non-controlling interests	—	-50	-50	—
Increase (decrease) in short-term debt	-100	-100	—	—
Repayments of long-term borrowings	-5	-6	-1	-6
Payments for lease liabilities	-1,863	-2,137	-273	-2,127
Proceeds from disposal of treasury shares	0	—	-0	1
Payments for purchase of treasury shares	-3	-57,431	-57,429	-45,954
Proceeds from exercise of stock options	131	53	-78	495
Proceeds from share issuance to non-controlling shareholders	164	—	-164	—
Net cash used in financing activities	-1,717	-59,728	-58,011	-71,248
Net increase/(decrease) in cash and cash equivalents	38,680	-11,629	-50,309	-31,338
Cash and cash equivalents at the beginning of the term	345,777	420,166	74,389	419,404
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	2,070	15,589	13,519	32,100
Cash and cash equivalents at the end of the term	386,527	424,125	37,599	420,166

(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	
	Sep. 30, 2021		Sep. 30, 2022				Jun. 30, 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
All operations								
Revenue:								
Sales	162,601	100.0	184,112	100.0	21,510	13.2	180,179	100.0
Finance income	385	0.2	1,578	0.9	1,193	309.7	801	0.4
Share of profit of associates	—	—	32	0.0	32	—	21	0.0
Other income	2,064	1.3	630	0.3	-1,435	-69.5	353	0.2
Total Revenue	165,051	101.5	186,351	101.2	21,300	12.9	181,354	100.7
Expenses:								
Changes in inventories of goods, products and work in progress	1,842	1.1	-1,574	-0.9	-3,415	-185.4	-844	-0.5
Raw materials and consumables used	24,564	15.1	27,788	15.1	3,223	13.1	26,760	14.9
Employee benefits expense	35,483	21.8	40,373	21.9	4,890	13.8	39,521	21.9
Depreciation and amortization	10,616	6.5	12,286	6.7	1,670	15.7	11,957	6.6
Subcontracting cost	1,096	0.7	1,169	0.6	73	6.7	1,125	0.6
Advertising and promotion expense	3,006	1.8	4,056	2.2	1,050	34.9	4,087	2.3
Commission expense	9,280	5.7	11,015	6.0	1,735	18.7	10,251	5.7
Finance costs	275	0.2	424	0.2	149	54.4	—	—
Share of loss of associates	12	0.0	—	—	-12	—	451	0.3
Foreign exchange (gain)/loss	-3,004	-1.8	-6,336	-3.4	-3,332	110.9	—	—
Other expenses	27,892	17.2	35,329	19.2	7,437	26.7	33,336	18.5
Total expense	111,061	68.3	124,531	67.6	13,469	12.1	119,836	66.5
Profit before tax	53,989	33.2	61,820	33.6	7,831	14.5	61,518	34.1
Income tax expense	11,014	6.8	14,504	7.9	3,490	31.7	13,117	7.3
Profit for the term from all operations	42,975	26.4	47,316	25.7	4,341	10.1	48,401	26.9
Other comprehensive income:								
Items that will not be reclassified subsequently to profit or loss								
Assets measured at fair value through other comprehensive income	-239		-64		175	—	18	
Remeasurements of the net defined benefit liability(asset)	—		—		—	—	56	
Income tax relating to components of other comprehensive income	74		52		-22	—	-20	
Total Items that will not be reclassified subsequently to profit or loss	-165		-12		153	—	55	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	-1,622		17,332		18,954	—	48,051	
Share of other comprehensive income of associates	-16		8		25	—	36	
Income tax relating to components of other comprehensive income	-2		-21		-19	—	-30	
Total Items that may be reclassified subsequently to profit or loss	-1,640		17,320		18,960	—	48,058	
Total other comprehensive income/(loss)	-1,805		17,308		19,113	—	48,113	
Total comprehensive income for the quarter	41,170		64,625		23,454	57.0	96,514	
Profit attributable to :								
Owners of the Company	42,967	26.4	47,101	25.6	4,134	9.6	48,358	26.8
Non-controlling interests	8	0.0	215	0.1	206	—	44	0.0
Total	42,975	26.4	47,316	25.7	4,341	10.1	48,401	26.9
Total comprehensive income/(loss) attributable to :								
Owners of the Company	41,207		64,248		23,041	55.9	95,459	
Non-controlling interests	-37		376		413	-1,126.2	1,055	
Total	41,170		64,625		23,454	57.0	96,514	
Basic earnings per share (yen)	116.47		130.95		14.48		132.83	
Diluted earnings per share (yen)	116.32		130.86		14.54		132.73	

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	167,423	184,112	16,689	4,821	3.0%
Profit before tax	56,442	61,820	5,378	2,453	4.5%
Profit for the quarter	42,755	47,316	4,561	-220	-0.5%

		For the three months ended		
		Sep. 30, 2021	Sep. 30, 2022	Variance(%)
2. Average rates of major foreign currencies				
US\$	Yen	110.44	139.35	-26.2%
Euro	Yen	129.89	139.53	-7.4%
Thai Baht	Yen	3.34	3.77	-13.0%

(4) Segment Information

<Overview of major products and services of reportable segments>

The reportable segments are constituent units of the Group for which separate financial information is obtained and examined on a regular basis by the Board of Directors, the chief operation decision maker, to determine the allocation of management resources and evaluate the business performance.

In accordance with its management philosophy, the Group has categorized "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: the Life Care business, the 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 in the healthcare and medical sectors and medical related products, including medical equipment and medical materials that are used in medical treatments. In operating this business, it is typically required to obtain approvals and permissions of the relevant authorities in Japan and other countries, and sophisticated technologies and highly reliable quality control systems represent the critical elements for operating this business.

In the Information Technology business, the Group produces and sells parts and components indispensable for digital devices in the information and communication sector, including electronics related products that are essential for the modern digital information and communication technologies, and imaging related products that are necessary to import pictures and video images as digital information based on optical technologies.

Other business mainly includes the business that provides 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	Endoscopes, Medical accessories, Automated endoscope reprocessors, Intraocular lenses, Ophthalmic medical devices, Artificial bone, Metallic implants for orthopedics, Chromatography media, etc.
Information Technology	Electronics related products	Photomasks and Maskblanks for semiconductors, Photomasks for flat-panel displays (FPDs) Glass disks for hard disk drives (HDDs), etc.
	Imaging related products	Optical lenses, Optical glasses, 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 Sep. 30, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	99,082	61,969	1,550	162,601	—	162,601
Inter-segment	1	40	255	296	-296	—
Total	99,083	62,010	1,805	162,897	-296	162,601
Segment profit before tax	23,426	31,037	319	54,782	-793	53,989
Segment profit before tax ratio	23.6%	50.1%	17.7%	33.6%	—	33.2%
Ref: Profit from ordinary operating activities	19,762	30,114	296	50,172	-962	49,210
% of revenue	19.9%	48.6%	16.4%	30.8%	—	30.3%

For the three months ended Sep. 30, 2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	118,798	64,182	1,131	184,112	—	184,112
Inter-segment	1	24	5	30	-30	—
Total	118,799	64,207	1,137	184,142	-30	184,112
Segment profit before tax	27,410	34,427	238	62,075	-255	61,820
Segment profit before tax ratio	23.1%	53.6%	20.9%	33.7%	—	33.6%
Ref: Profit from ordinary operating activities	23,160	31,685	198	55,043	-1,191	53,852
% of revenue	19.5%	49.3%	17.4%	29.9%	—	29.2%

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
Variance						
Revenue from external customers	19,716	2,213	-419	21,510	—	21,510
Variance	19.9%	3.6%	-27.0%	13.2%	—	13.2%
Inter-segment	0	-16	-250	-266	266	—
Total	19,716	2,197	-668	21,245	266	21,510
Segment profit before tax	3,984	3,391	-81	7,293	537	7,831
Variance	17.0%	10.9%	-25.4%	13.3%	—	14.5%
Profit from ordinary operating activities	3,397	1,571	-98	4,871	-229	4,642
Variance	17.2%	5.2%	-33.1%	9.7%	23.8%	9.4%

Note: 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 the previous year. unit : millions of Yen)

	2022B	2022A	Influences	Real change	(%)
Life Care					
Revenue from external customers	108,679	118,798	10,119	9,597	9.7%
Profit from ordinary operating activities	21,813	23,160	1,346	2,051	10.4%
Segment profit before tax	25,445	27,410	1,966	2,018	8.6%
Information Technology					
Revenue from external customers	57,694	64,182	6,488	-4,275	-6.9%
Profit from ordinary operating activities	28,529	31,685	3,156	-1,585	-5.3%
Segment profit before tax	31,048	34,427	3,379	11	0.0%

Ref : Results of the previous quarter are as follows:

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	—
Total	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%

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	
	Sep. 30, 2021		Sep. 30, 2022				Jun. 30, 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

Revenue from all operations

Life Care	99,082	60.9	118,798	64.5	19,716	19.9	110,820	61.5
Health care related products	73,563	[74.2]	88,314	[74.3]	14,751	20.1	82,720	[74.6]
Medical related products	25,519	[25.8]	30,485	[25.7]	4,966	19.5	28,100	[25.4]
Information Technology	61,969	38.1	64,182	34.9	2,213	3.6	68,260	37.9
Electronics related products	51,743	[83.5]	55,124	[85.9]	3,381	6.5	58,300	[85.4]
Imaging related products	10,226	[16.5]	9,058	[14.1]	-1,168	-11.4	9,960	[14.6]
Other	1,550	1.0	1,131	0.6	-419	-27.0	1,099	0.6
Corporate (including R&D)	-	-	-	-	-	-	-	-
Total revenue from all operations	162,601	100.0	184,112	100.0	21,510	13.2	180,179	100.0

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

Notes 2. 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	(%)
Life Care	108,679	118,798	10,119	9,597	9.7%
Health care related products	81,085	88,314	7,229	7,522	10.2%
Medical related products	27,594	30,485	2,890	2,075	8.1%
Information Technology	57,694	64,182	6,488	-4,275	-6.9%
Electronics related products	49,423	55,124	5,701	-2,320	-4.5%
Imaging related products	8,271	9,058	787	-1,955	-19.1%

3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the three months ended				Variance		For the three months ended	
	Sep. 30, 2021		Sep. 30, 2022				Jun. 30, 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

Revenue from all operations

Total revenue from all operations	162,601	100.0	184,112	100.0	21,510	13.2	180,179	100.0
Japan	40,832	25.1	41,986	22.8	1,154	2.8	42,920	23.8
Americas	24,234	14.9	30,626	16.6	6,392	26.4	30,139	16.7
Europe	31,994	19.7	35,009	19.0	3,016	9.4	34,677	19.2
Asia/Oceania	63,875	39.3	73,875	40.1	10,000	15.7	70,019	38.9
Others	1,666	1.0	2,614	1.4	948	56.9	2,424	1.3

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

<Reference>

Supplementary data for 2nd Quarter: from July 1 to September 30, 2022

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY21-2Q	FY22-2Q	Variance	Variance	
				Foreign exchange	Others
Revenue	162,601	184,112	21,510	16,689	4,821
Life Care	99,082	118,798	19,716	10,119	9,597
Health care related products	73,563	88,314	14,751	7,229	7,522
Medical related products	25,519	30,485	4,966	2,890	2,075
Information Technology	61,969	64,182	2,213	6,488	-4,275
Electronics related products	51,743	55,124	3,381	5,701	-2,320
Imaging related products	10,226	9,058	-1,168	787	-1,955
Profit from ordinary operating activities	49,210	53,852	4,642	4,439	203
Life Care	19,762	23,160	3,397	1,346	2,051
Information Technology	30,114	31,685	1,571	3,156	-1,585
Other, adjustment (Corporate)	-666	-993	-326	-63	-263
Profit before tax	53,989	61,820	7,831	5,378	2,453
Life Care	23,426	27,410	3,984	1,966	2,018
Information Technology	31,037	34,427	3,391	3,379	11
Other, adjustment (Corporate)	-474	-17	456	33	424

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

	All operations		
	FY21-2Q	FY22-2Q	Variance
Profit before tax	53,989	61,820	7,831
Adjustments	4,779	7,968	3,189
Finance income	385	1,578	1,193
Finance costs	-275	-424	-149
Share of loss of associates	-12	32	43
Foreign exchange (gain)/loss	3,004	6,336	3,332
Others	1,676	447	-1,229
Profit from ordinary operating activities	49,210	53,852	4,642

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

	Life Care			Information Technology			Other, adjustment (Corporate)		
	FY21-2Q	FY22-2Q	Variance	FY21-2Q	FY22-2Q	Variance	FY21-2Q	FY22-2Q	Variance
Profit before tax	23,426	27,410	3,984	31,037	34,427	3,391	-474	-17	456
Adjustments	3,664	4,251	586	922	2,742	1,820	193	975	783
Finance income	54	410	356	128	262	134	202	906	703
Finance costs	-249	-333	-84	-67	-155	-87	41	63	22
Share of loss of associates	36	51	15	1	25	24	-48	-45	4
Foreign exchange (gain)/loss	2,114	3,982	1,868	887	2,571	1,684	3	-217	-220
Others	1,709	140	-1,569	-27	38	65	-6	268	274
Profit from ordinary operating activities	19,762	23,160	3,397	30,114	31,685	1,571	-666	-993	-326

1. Interim Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

1. Performance for the six months ended September 30, 2021 and 2022 (All operations *Notes)

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

	Six months ended		Variance (%)
	Sep. 30,2021	Sep. 30,2022	
(1)Revenue and Profit before tax			
Revenue	320,601	364,291	13.6
Profit before tax	105,007	123,338	17.5
Ratio of profit before tax(%)	32.8%	33.9%	
Profit for the term	84,274	95,718	13.6
Ratio of profit for the term(%)	26.3%	26.3%	
Profit attributable to owners of the Company	84,224	95,459	13.3
Ratio of profit attributable to owners of the Company(%)	26.3%	26.2%	
Basic earnings per share (yen)	228.29	263.80	
Diluted earnings per share (yen)	228.00	263.61	

	As of	
	Mar. 31, 2022	Sep. 30,2022
(2)Financial Position		
Total assets	992,839	1,056,093
Total equity	789,056	826,170
Equity attributable to owners of the Company	803,851	837,078
Ratio of assets attributable to owners of the Company	81.0%	79.3%
Assets attributable to owners of the Company per share (yen)	2,201.68	2,341.17

	Six months ended	
	Sep. 30,2021	Sep. 30,2022
(3) Conditions of Cash Flows		
Net cash generated from operating activities	89,693	106,247
Net cash used in investing activities	-14,875	-18,239
Free cash flow	74,818	88,008
Net cash provided by (used in) financing activities	-26,172	-130,976
Cash and cash equivalents at end of period	386,527	424,125

2.Dividends per Share

	Year ended/ending	
	Mar. 31, 2022	Mar.31, 2023
Interim (Yen)	45.00	45.00
Year-end (Yen)	65.00	TBD
Annual (Yen)	110.00	TBD

3.Other

	Six months ended	
	Sep. 30,2021	Sep. 30,2022
Capital expenditure	15,360	19,440
R&D expenses	12,432	14,503

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. Interim Consolidated Financial Statements

(1) Interim Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Mar. 31, 2022		As of Sep. 30, 2022		Variance		As of Sep. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment-net	169,665		181,878		12,214		161,534	
Goodwill	39,648		51,122		11,475		35,905	
Intangible assets	35,768		40,890		5,122		35,095	
Investments in associates	930		1,030		100		832	
Long-term financial assets	54,078		53,011		-1,066		50,377	
Other non-current assets	688		655		-33		813	
Deferred tax assets	9,098		10,262		1,165		8,177	
Total non-current assets	309,874	31.2	338,850	32.1	28,976	9.4	292,733	32.1
CURRENT ASSETS								
Inventories	91,441		108,492		17,051		78,314	
Trade and other receivables	134,174		139,441		5,267		119,817	
Other short-term financial assets	7,223		10,344		3,122		5,034	
Income tax receivables	2,526		4,232		1,706		2,172	
Other current assets	28,197		30,608		2,411		28,562	
Cash and cash equivalents	419,404		424,125		4,721		386,527	
Sub total	682,965		717,242		34,278		620,426	
Total current assets	682,965	68.8	717,242	67.9	34,278	5.0	620,426	67.9
Total assets	992,839	100.0	1,056,093	100.0	63,254	6.4	913,159	100.0

(Millions of Yen)

	As of Mar. 31, 2022		As of Sep. 30, 2022		Variance		As of Sep. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
EQUITY AND LIABILITIES								
EQUITY								
Share capital	6,264		6,264		—		6,264	
Capital reserves	15,899		15,899		—		15,899	
Treasury shares	-68,310		-50,097		18,214		-9,706	
Other capital reserves	-11,570		-12,468		-898		-10,685	
Retained earnings	802,815		754,526		-48,289		738,831	
Accumulated other comprehensive income/(loss)	58,753		122,953		64,200		6,999	
Equity attributable to owners of the Company	803,851	81.0	837,078	79.3	33,227	4.1	747,602	81.9
Non-controlling interests	-14,795		-10,908		3,887		-15,352	
Total equity	789,056	79.5	826,170	78.2	37,114	4.7	732,250	80.2
LIABILITIES								
NON-CURRENT LIABILITIES								
Interest-bearing long-term debt	13,763		16,202		2,439		13,614	
Other long-term financial liabilities	23,863		28,200		4,336		22,009	
Retirement benefits liabilities	3,766		4,217		452		3,263	
Provisions	2,671		2,894		223		2,617	
Other non-current liabilities	2,262		2,494		232		1,644	
Deferred tax liabilities	10,079		13,868		3,788		8,704	
Total non-current liabilities	56,404	5.7	67,874	6.4	11,471	20.3	51,850	5.7
CURRENT LIABILITIES								
Interest-bearing short-term debt	7,837		7,450		-386		7,366	
Trade and other payables	61,984		68,980		6,997		52,819	
Other short-term financial liabilities	647		524		-122		1,606	
Income tax payables	23,126		23,369		243		18,114	
Provisions	1,474		1,628		154		1,346	
Other current liabilities	52,312		60,096		7,784		47,808	
Total current liabilities	147,380	14.8	162,048	15.3	14,669	10.0	129,059	14.1
Total liabilities	203,783	20.5	229,923	21.8	26,139	12.8	180,909	19.8
Total equity and liabilities	992,839	100.0	1,056,093	100.0	63,254	6.4	913,159	100.0
Total number of issued shares in thousand	365,108		357,547		-7,561		368,925	
Equity attributable to owner of the Company per share	2,201.68 Yen		2,341.17 Yen		139.49 Yen		2,026.43 Yen	

(2) Interim Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the six months ended		Variance	For the year ended Mar.31 2022
	Sep.30, 2021	Sep.30, 2022		
Cash flows from operating activities				
Profit before tax	105,007	123,338	18,331	210,706
Depreciation and amortization	20,896	24,244	3,347	43,019
Impairment losses	—	—	—	1,078
Finance income	-783	-2,379	-1,596	-1,718
Finance costs	865	875	10	1,664
Share of (profits)/loss of associates	45	-53	-98	45
(Gain)/loss on sales of property, plant and equipment	-130	-300	-169	-704
Loss on disposal of property, plant and equipment	18	45	26	120
Gain on business transfer	-1,713	—	1,713	-1,656
Foreign exchange (gain)/loss	-4,626	-9,213	-4,587	-4,882
Others	-644	-120	524	-2,001
Net cash generated from operating activities (Before adjustment of movements in working capital)	118,936	136,437	17,501	245,671
Movements in working capital				
Decrease/(increase) in inventories	-1,081	-6,328	-5,247	-7,092
Decrease/(increase) in trade and other receivables	-2,957	4,174	7,131	-8,696
Increase/(decrease) in trade and other payables	1,727	-1,514	-3,241	5,700
Increase/(decrease) in retirement benefits liabilities and provisions	312	255	-57	702
Sub total	116,937	133,024	16,087	236,284
Interests received	451	1,417	966	955
Dividends received	11	9	-2	42
Interests paid	-222	-205	17	-366
Income taxes paid	-27,707	-28,300	-593	-47,291
Income taxes refunded	223	302	79	431
Net cash generated from operating activities	89,693	106,247	16,554	190,055
Cash flows from investing activities				
Withdrawals of time deposit	212	6	-205	212
Payments for time deposit	-211	-669	-459	-217
Proceeds from sales of property, plant and equipment	1,349	2,290	941	1,469
Payments for acquisition of property, plant and equipment	-16,515	-13,703	2,812	-28,872
Proceeds from sales of investment	70	86	17	219
Payments for acquisition of investment	-195	—	195	-195
Proceeds from sales of subsidiary	—	—	—	2,040
Payments for acquisition of subsidiaries	-120	-4,490	-4,370	-120
Proceeds from business transfer	1,545	—	-1,545	1,588
Payments for business transfer	—	-757	-757	-2,102
Other proceeds	115	81	-34	277
Other payments	-1,124	-1,083	41	-3,597
Net cash used in investing activities	-14,875	-18,239	-3,363	-29,298
Cash flows from financing activities				
Dividends paid to owners of the Company	-16,606	-23,713	-7,107	-33,201
Dividends paid to non-controlling interests	—	-50	-50	-89
Increase (decrease) in short-term debt	-100	-100	—	-200
Repayments of long-term borrowings	-10	-12	-2	-23
Payments for lease liabilities	-4,013	-4,264	-250	-8,217
Proceeds from disposal of treasury shares	0	1	1	0
Payments for purchase of treasury shares	-5,763	-103,385	-97,622	-65,764
Proceeds from exercise of stock options	157	548	391	607
Proceeds from share issuance to non-controlling shareholders	164	—	-164	164
Net cash used in financing activities	-26,172	-130,976	-104,804	-106,722
Net increase/(decrease) in cash and cash equivalents	48,646	-42,968	-91,613	54,034
Cash and cash equivalents at the beginning of the term	334,897	419,404	84,508	334,897
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	2,984	47,689	44,704	30,473
Cash and cash equivalents at the end of the term	386,527	424,125	37,599	419,404

(3) Interim Consolidated Statement of Comprehensive Income

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the six months ended				Variance		For the year ended	
	Sep.30, 2021		Sep.30, 2022					
	Amount	(%)	Amount	(%)	Amount	(%)	Mar.31 2022	
All operations								
Revenue:								
Sales	320,601	100.0	364,291	100.0	43,690	13.6	661,466	100.0
Finance income	783	0.2	2,379	0.7	1,596	203.9	1,718	0.3
Share of profit of associates	—	—	53	0.0	53	—	—	—
Other income	2,614	0.8	983	0.3	-1,631	-62.4	7,141	1.1
Total Revenue	323,998	101.1	367,705	100.9	43,707	13.5	670,325	101.3
Expenses:								
Changes in inventories of goods, products and work in progress	814	0.3	-2,418	-0.7	-3,232	-397.1	-3,422	-0.5
Raw materials and consumables used	50,486	15.7	54,548	15.0	4,062	8.0	106,464	16.1
Employee benefits expense	70,316	21.9	79,894	21.9	9,578	13.6	143,250	21.7
Depreciation and amortization	20,896	6.5	24,244	6.7	3,347	16.0	43,019	6.5
Subcontracting cost	2,155	0.7	2,294	0.6	139	6.5	4,356	0.7
Advertising and promotion expense	6,416	2.0	8,143	2.2	1,727	26.9	13,186	2.0
Commission expense	17,700	5.5	21,267	5.8	3,567	20.2	37,589	5.7
Impairment losses	—	—	—	—	—	—	1,078	0.2
Finance costs	865	0.3	875	0.2	10	1.1	1,664	0.3
Share of loss of associates	45	0.0	—	—	-45	—	45	0.0
Foreign exchange (gain)/loss	-4,577	-1.4	-13,144	-3.6	-8,567	187.2	-5,838	-0.9
Other expenses	53,875	16.8	68,664	18.8	14,790	27.5	118,228	17.9
Total Expenses	218,990	68.3	244,367	67.1	25,376	11.6	459,619	69.5
Profit before tax	105,007	32.8	123,338	33.9	18,331	17.5	210,706	31.9
Income tax expense	20,733	6.5	27,621	7.6	6,887	33.2	45,384	6.9
Profit for the term from all operations	84,274	26.3	95,718	26.3	11,444	13.6	165,322	25.0
Other comprehensive income:								
Items that will not be reclassified subsequently to profit or loss	-418		-45		373	—	3,060	
Remeasurements of the net defined benefit liability(asset)	—		56		56	—	290	
Income tax relating to components of other comprehensive income	128		32		-96	—	-832	
Total Items that will not be reclassified subsequently to profit or loss	-290		43		333	—	2,517	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	-2,141		65,384		67,524	—	46,850	
Share of other comprehensive income of associates	20		45		24	—	142	
Income tax relating to components of other comprehensive income	-1		-50		-49	—	-11	
Total Items that may be reclassified subsequently to profit or loss	-2,121		65,378		67,499	—	46,981	
Total other comprehensive income/(loss)	-2,411		65,421		67,833	—	49,498	
Total comprehensive income for the half year	81,863		161,139		79,276	96.8	214,821	
Profit attributable to :								
Owners of the Company	84,224	26.3	95,459	26.2	11,235	13.3	164,507	24.9
Non-controlling interests	49	0.0	259	0.1	209	—	815	0.1
Total	84,274	26.3	95,718	26.3	11,444	13.6	165,322	25.0
Total comprehensive income/(loss) attributable to :								
Owners of the Company	81,790		159,707		77,917	95.3	214,130	
Non-controlling interests	73		1,431		1,359	—	691	
Total	81,863		161,139		79,276	96.8	214,821	
Basic earnings per share (yen)	228.29		263.80		35.51		446.45	
Diluted earnings per share (yen)	228.00		263.61		35.61		445.93	

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	334,316	364,291	29,975	13,715	4.3%
Profit before tax	113,664	123,338	9,674	8,656	8.2%
Profit for the term	87,450	95,718	8,268	3,176	3.8%

		For the six months ended		
		Sep.30, 2021	Sep.30, 2022	Variance(%)
2. Average rates of major foreign currencies	Yen	110.10	135.30	-22.9%
	Euro	131.16	139.14	-6.1%
	Thai Baht	3.41	3.78	-10.8%

(4) Segment Information

<Overview of major products and services of reportable segments>

The reportable segments are constituent units of the Group for which separate financial information is obtained and examined on a regular basis by the Board of Directors, the chief operation decision maker, to determine the allocation of management resources and evaluate the business performance.

In accordance with its management philosophy, the Group has categorized "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: the Life Care business, the 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 in the healthcare and medical sectors and medical related products, including medical equipment and medical materials that are used in medical treatments. In operating this business, it is typically required to obtain approvals and permissions of the relevant authorities in Japan and other countries, and sophisticated technologies and highly reliable quality control systems represent the critical elements for operating this business.

In the Information Technology business, the Group produces and sells parts and components indispensable for digital devices in the information and communication sector, including electronics related products that are essential for the modern digital information and communication technologies, and imaging related products that are necessary to import pictures and video images as digital information 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	Endoscopes, Medical accessories, Automated endoscope reprocessors, Intraocular lenses, Ophthalmic medical devices, Artificial bone, Metallic implants for orthopedics, Chromatography media, etc.
Information Technology	Electronics related products	Photomasks and Maskblanks for semiconductors, Photomasks for flat-panel displays (FPDs) Glass disks for hard disk drives (HDDs), etc.
	Imaging related products	Optical lenses, Optical glasses, Laser equipment, Light source, etc.
Other		Speech synthesis software, Design of information systems, etc.

1. Segment revenues and results

(Millions of Yen)

For the six months ended Sep. 30, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	195,931	121,785	2,886	320,601	—	320,601
Inter-segment	1	58	546	605	-605	—
Total	195,932	121,843	3,432	321,207	-605	320,601
Segment profit before tax	45,270	61,079	571	106,920	-1,913	105,007
Segment profit before tax ratio	23.1%	50.1%	16.6%	33.3%	—	32.8%
Ref: Profit from ordinary operating activities	40,383	59,797	489	100,669	-2,017	98,652
% of revenue	20.6%	49.1%	14.3%	31.3%	—	30.8%

For the six months ended Sep. 30, 2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	229,618	132,443	2,230	364,291	—	364,291
Inter-segment	1	34	10	46	-46	—
Total	229,620	132,477	2,240	364,336	-46	364,291
Segment profit before tax	52,432	70,026	414	122,872	466	123,338
Segment profit before tax ratio	22.8%	52.9%	18.5%	33.7%	—	33.9%
Profit from ordinary operating activities	44,787	65,226	361	110,374	-2,327	108,047
% of revenue	19.5%	49.2%	16.1%	30.3%	—	29.7%

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

	Life Care	Information Technology	Other	Total	Adjustments	All operations
Variance						
Revenue from external customers	33,688	10,658	-656	43,690	—	43,690
Variance	17.2%	8.8%	-22.7%	13.6%	—	13.6%
Inter-segment	0	-24	-536	-560	560	—
Total	33,688	10,634	-1,192	43,130	560	43,690
Segment profit before tax	7,162	8,947	-157	15,952	2,379	18,331
Variance	15.8%	14.6%	-27.5%	14.9%	—	17.5%
Profit from ordinary operating activities	4,403	5,430	-128	9,705	-310	9,395
Variance	10.9%	9.1%	-26.1%	9.6%	15.3%	9.5%

Note: 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 the previous year. unit : millions of Yen)

	2022B	2022A	Influences	Real change	(%)
Life Care					
Revenue from external customers	212,262	229,618	17,357	16,331	8.3%
Profit from ordinary operating activities	42,372	44,787	2,415	1,989	4.9%
Segment profit before tax ratio	49,040	52,432	3,392	3,770	8.3%
Information Technology					
Revenue from external customers	119,964	132,443	12,479	-1,821	-1.5%
Profit from ordinary operating activities	59,332	65,226	5,894	-464	-0.8%
Segment profit before tax ratio	63,788	70,026	6,238	2,709	4.4%

2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

	For the six month ended				Variance		For the year ended	
	Sep.30, 2021		Sep.30, 2022				Mar.31 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

Revenue from all operations

Life Care	195,931	61.1	229,618	63.0	33,688	17.2	407,549	61.6
Health care related products	145,233	[74.1]	171,034	[74.5]	25,801	17.8	299,823	[73.6]
Medical related products	50,697	[25.9]	58,584	[25.5]	7,887	15.6	107,726	[26.4]
Information Technology	121,785	38.0	132,443	36.4	10,658	8.8	248,403	37.6
Electronics related products	102,341	[84.0]	113,424	[85.6]	11,083	10.8	209,726	[84.4]
Imaging related products	19,444	[16.0]	19,019	[14.4]	-425	-2.2	38,677	[15.6]
Other	2,886	0.9	2,230	0.6	-656	-22.7	5,514	0.8
Corporate (including R&D)	-	-	-	-	-	-	-	-
Total revenue from all operations	320,601	100.0	364,291	100.0	43,690	13.6	661,466	100.0

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

Notes 2. 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	(%)
Life Care	212,262	229,618	17,357	16,331	8.3%
Health care related products	158,598	171,034	12,436	13,365	9.2%
Medical related products	53,664	58,584	4,921	2,966	5.9%
Information Technology	119,964	132,443	12,479	-1,821	-1.5%
Electronics related products	102,558	113,424	10,866	217	0.2%
Imaging related products	17,406	19,019	1,613	-2,038	-10.5%

3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the six month ended				Variance		For the year ended	
	Sep.30, 2021		Sep.30, 2022				Mar.31 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

Revenue from all operations

Total revenue from all operations	320,601	100.0	364,291	100.0	43,690	13.6	661,466	100.0
Japan	78,957	24.6	84,907	23.3	5,950	7.5	164,663	24.9
Americas	48,622	15.2	60,766	16.7	12,143	25.0	99,907	15.1
Europe	63,687	19.9	69,686	19.1	5,999	9.4	130,794	19.8
Asia/Oceania	126,038	39.3	143,894	39.5	17,856	14.2	258,679	39.1
Others	3,297	1.0	5,038	1.4	1,741	52.8	7,424	1.1

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

<Reference>

Supplementary data for Interim Period: from April 1 to September 30, 2022

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY2021	FY2022	Variance	Variance	
				Foreign exchange	Others
Revenue	320,601	364,291	43,690	29,975	13,715
Life Care	195,931	229,618	33,688	17,357	16,331
Health care related products	145,233	171,034	25,801	12,436	13,365
Medical related products	50,697	58,584	7,887	4,921	2,966
Information Technology	121,785	132,443	10,658	12,479	-1,821
Electronics related products	102,341	113,424	11,083	10,866	217
Imaging related products	19,444	19,019	-425	1,613	-2,038
Profit from ordinary operating activities	98,652	108,047	9,395	8,203	1,193
Life Care	40,383	44,787	4,403	2,415	1,989
Information Technology	59,797	65,226	5,430	5,894	-464
Other, adjustment (Corporate)	-1,528	-1,966	-437	-106	-332
Profit before tax	105,007	123,338	18,331	9,674	8,656
Life Care	45,270	52,432	7,162	3,392	3,770
Information Technology	61,079	70,026	8,947	6,238	2,709
Other, adjustment (Corporate)	-1,341	880	2,221	44	2,177

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

	All operations		
	FY2021	FY2022	Variance
Profit before tax	105,007	123,338	18,331
Adjustments	6,356	15,291	8,935
Finance income	783	2,379	1,596
Finance costs	-865	-875	-10
Share of loss of associates	-45	53	98
Foreign exchange (gain)/loss	4,577	13,144	8,567
Others	1,906	590	-1,316
Profit from ordinary operating activities	98,652	108,047	9,395

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

	Life Care			Information Technology			Other, adjustment (Corporate)		
	FY2021	FY2022	Variance	FY2021	FY2022	Variance	FY2021	FY2022	Variance
Profit before tax	45,270	52,432	7,162	61,079	70,026	8,947	-1,341	880	2,221
Adjustments	4,886	7,645	2,758	1,283	4,800	3,517	187	2,847	2,660
Finance income	140	598	459	258	452	194	385	1,328	943
Finance costs	-505	-614	-109	-122	-266	-143	-238	5	242
Share of loss of associates	65	103	38	0	27	26	-110	-77	33
Foreign exchange (gain)/loss	3,385	7,359	3,974	1,165	4,485	3,320	27	1,299	1,273
Others	1,802	199	-1,603	-19	101	120	123	291	167
Profit from ordinary operating activities	40,383	44,787	4,404	59,797	65,226	5,430	-1,528	-1,967	-438

3. Projected Results for the Full Year (All Operations)

(Year ending Mar. 31, 2023)

	Millions of Yen		variance (%)
	Mar. 31, 2022	Mar. 31, 2023E	
Revenue	661,466	730,000	10.4
Profit before tax	210,706	-	-
Profit for the term	165,322	-	-
Profit attributable to owners of the Company	164,507	-	-
Basic earnings per share (Yen)	446.45	-	-

Forecast

The full-year revenue forecasts for the fiscal year ending March 2023 (April 1, 2022 to March 31, 2023) were announced on August 4, 2022, as they reached the disclosure standards.

Although there have been subsequent changes in the external environment and in individual product demand trends, the forecast has not been changed as the overall forecast is expected to be in line with the sales revenue announced on August 4, 2022.

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.