

# Quarterly Report

3rd Quarter : 3 months ended December 31, 2022  
3rd Quarter aggregated : 9 months ended December 31, 2022

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

**Part .1**

**3rd Quarter : from October 1 to December 31, 2022 <IFRS>**

1. Quarterly Consolidated Financial Highlights : p.1
2. Results of Operations : p.2
3. Quarterly Consolidated Financial Statements
  - (1) Quarterly Consolidated Statement of Financial Position : p.4
  - (2) Quarterly Consolidated Statement of Cash Flows : p.6
  - (3) Quarterly Consolidated Statement of Comprehensive Income : p.7
  - (4) Segment Information : p.8

<Reference> Supplementary data for 3rd Quarter : p.11

**Part .2**

**3rd Quarter aggregated: from April 1 to December 31, 2022 <IFRS>**

1. Consolidated Financial Highlights : p.12
2. Consolidated Financial Statements
  - (1) Consolidated Statement of Financial Position : p.13
  - (2) Consolidated Statement of Cash Flows : p.15
  - (3) Consolidated Statement of Comprehensive Income : p.16
  - (4) Segment Information : p.17

<Reference> Supplementary data for 3rd Quarter aggregated : p.20

3. Projected Results for the Full Year (All Operations): p.21

**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.

## 1. Quarterly Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

### 1. Performance for the three months ended December 31, 2021 and 2022 (All operations \*Notes)

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

	Three months ended		Variance (%)
	Dec. 31, 2021	Dec. 31, 2022	
(1)Revenue and Profit before tax			
Revenue	171,270	173,525	1.3
Profit before tax	51,922	38,497	-25.9
Ratio of profit before tax(%)	30.3%	22.2%	
Profit for the quarter	40,901	30,538	-25.3
Ratio of profit for the quarter(%)	23.9%	17.6%	
Profit attributable to owners of the Company	40,861	30,626	-25.0
Ratio of profit attributable to owners of the Company(%)	23.9%	17.6%	
Basic earnings per share (yen)	110.75	85.89	
Diluted earnings per share (yen)	110.62	85.84	

	As of	
	Sep.30,2022	Dec. 31, 2022
(2)Financial Position		
Total assets	1,056,093	1,004,465
Total equity	826,170	800,707
Equity attributable to owners of the Company	837,078	804,652
Ratio of assets attributable to owners of the Company	79.3%	80.1%
Assets attributable to owners of the Company per share (yen)	2,341.17	2,257.56

	Three months ended	
	Dec. 31, 2021	Dec. 31, 2022
(3) Conditions of Cash Flows		
Net cash generated from operating activities	46,318	47,685
Net cash used in investing activities	-5,487	-24,364
Free cash flow	40,831	23,321
Net cash provided by (used in ) financing activities	-18,523	-27,117
Cash and cash equivalents at end of period	416,047	394,313

### 2. 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	712,000	7.6
Profit before tax	210,706	210,000	-0.3
Profit for the term	165,322	163,000	-1.4
Profit attributable to owners of the Company	164,507	163,000	-0.9
Profit for the term per share (Yen)	446.45	455.86	—

### 3. Other

	Three months ended	
	Dec. 31, 2021	Dec. 31, 2022
Capital expenditure	9,024	11,324
R&D expenses	6,333	7,378

#### 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

Results of HOYA Group for the third quarter of the consolidated fiscal year under review (three months from October 1 to December 31, 2022) are as follows.

	Three months ended		Variance (%)
	Dec. 31, 2021	Dec. 31, 2022	
Revenue	171,270	173,525	1.3%
Profit before tax	51,922	38,497	-25.9%
Profit for the quarter	40,901	30,538	-25.3%
Ratio of profit before tax (%)	30.3%	22.2%	-8.1Pt

The robust Life Care Business offset the drop in sales of HDD glass substrate, and achieved an increase in revenue.

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

### 2) Segment Overview

The following discusses results by reportable segment. (Segment sales represent sales to external customers.)

#### Life Care Business

	Three months ended	Three months ended	Variance (%)
	Dec. 31, 2021	Dec. 31, 2022	
Revenue	105,489	120,044	13.8%
Segment profit before tax	21,466	17,421	-18.8%

#### <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 lens sales increased thanks to sales promotion and strong sales of private brand products(hoyaONE).

#### <Medical related products>

Sales of medical endoscopes increased thanks to robust sales in Europe and the impact of foreign currency translation. Component shortages have improved.

Sales of intraocular lenses for cataracts increased significantly due to a recovery in the number of cataract operations in Japan, despite the impact of China's zero-COVID policy.

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

#### Information Technology Business

	Three months ended	Three months ended	Variance (%)
	Dec. 31, 2021	Dec. 31, 2022	
Revenue	64,281	52,289	-18.7%
Segment profit before tax	31,260	20,856	-33.3%

#### <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, mainly due to capturing demand for developing high-performance displays for smartphones.

Sales of HDD 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, which are expected to grow significantly in the future, declined due to inventory adjustment at data centers and supply chains. As a result, total sales of 3.5 inches and 2.5 inches declined.

<Imaging related products>

In lenses for cameras, sales declined due to the impact of China's zero-COVID policy, while automotive applications were strong.

Other

(Millions of Yen)

	Three months ended	Three months ended	Variance (%)
	Dec. 31, 2021	Dec. 31, 2022	
Revenue	1,501	1,192	-20.6%
Segment profit before tax	89	304	240.4%

The other businesses consist mainly of speech synthesis software business, and information system services business. Sales in this segment (Other) decreased, mainly due to the transfer of a part of the business.

### 3) Subsequent events

Resolution on Share Repurchase

On January 31, 2023, 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 Repurchase of Treasury Stock>

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 Shares of Hoya Corporation  |
| (2) Total number of shares to be repurchased<br>(1.01% of total shares outstanding, excluding treasury stock) | 3.6 million shares (maximum)   |
| (3) Total amount to be paid for repurchase  | 40 billion yen (maximum)   |
| (4) Period of share repurchase  | From February 1st through April 20th, 2023   |
| (5) Method of repurchase  | Purchase at the Tokyo Stock Exchange Market based on Discretionary Investment Contract |
| (6) Others  | Purchased stocks are planned to be cancelled   |

### 3. Quarterly Consolidated Financial Statements

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

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Sep. 30, 2022		As of Dec. 31, 2022		Variance		As of Dec. 31, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
NON-CURRENT ASSETS								
Property, plant and equipment-net	181,878		175,870		-6,009		164,253	
Goodwill	51,122		47,535		-3,587		37,211	
Intangible assets	40,890		37,315		-3,575		35,843	
Investments in associates	1,030		962		-69		845	
Long-term financial assets	53,011		50,186		-2,825		49,331	
Other non-current assets	655		641		-14		841	
Deferred tax assets	10,262		9,119		-1,143		8,350	
Total non-current assets	338,850	32.1	321,629	32.0	-17,221	-5.1	296,673	30.8
CURRENT ASSETS								
Inventories	108,492		106,904		-1,588		83,285	
Trade and other receivables	139,441		124,308		-15,132		128,514	
Other short-term financial assets	10,344		23,669		13,325		6,478	
Income tax receivables	4,232		3,470		-762		2,536	
Other current assets	30,608		30,171		-437		28,605	
Cash and cash equivalents	424,125		394,313		-29,812		416,047	
Total current assets	717,242	67.9	682,835	68.0	-34,407	-4.8	665,466	69.2
Total assets	1,056,093	100.0	1,004,465	100.0	-51,628	-4.9	962,139	100.0

(Millions of Yen)

	As of Sep. 30, 2022		As of Dec. 31, 2022		Variance		As of Dec. 31, 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	-50,097		-7,629		42,468		-9,114	
Other capital reserves	-12,468		-12,679		-211		-10,983	
Retained earnings	754,526		710,370		-44,157		763,090	
Accumulated other comprehensive income/(loss)	122,953		92,427		-30,526		22,104	
Equity attributable to owners of the Company	837,078	79.3	804,652	80.1	-32,426	-3.9	787,261	81.8
Non-controlling interests	-10,908		-3,945		6,963		-15,264	
Total equity	826,170	78.2	800,707	79.7	-25,463	-3.1	771,997	80.2
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	16,202		15,098		-1,103		13,818	
Other long-term financial liabilities	28,200		25,897		-2,303		22,543	
Retirement benefits liabilities	4,217		4,175		-43		3,434	
Provisions	2,894		2,862		-32		2,660	
Other non-current liabilities	2,494		2,676		183		1,882	
Deferred tax liabilities	13,868		11,422		-2,445		9,803	
Total non-current liabilities	67,874	6.4	62,131	6.2	-5,744	-8.5	54,140	5.6
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	7,450		7,586		136		7,338	
Trade and other payables	68,980		59,589		-9,391		58,527	
Other short-term financial liabilities	524		408		-116		1,127	
Income tax payables	23,369		13,107		-10,262		13,455	
Provisions	1,628		1,602		-26		1,399	
Other current liabilities	60,096		59,335		-761		54,155	
Total current liabilities	162,048	15.3	141,627	14.1	-20,421	-12.6	136,002	14.1
Total liabilities	229,923	21.8	203,758	20.3	-26,165	-11.4	190,142	19.8
Total equity and liabilities	1,056,093	100.0	1,004,465	100.0	-51,628	-4.9	962,139	100.0
Total number of issued shares in thousand	357,547		356,426		-1,122		368,972	
Equity attributable to owner of the Company per share	2,341.17 Yen		2,257.56 Yen		-83.61 Yen		2,133.66 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 Sep. 30,2022
	Dec. 31, 2021	Dec. 31, 2022		
Cash flows from operating activities				
Profit before tax	51,922	38,497	-13,425	61,820
Depreciation and amortization	10,694	12,594	1,900	12,286
Impairment losses	174	558	384	—
Finance income	-464	-2,398	-1,934	-1,578
Finance costs	357	398	41	424
Share of (profits)/loss of associates	14	8	-6	-32
(Gain)/loss on sales of property, plant and equipment	-109	-82	27	-287
Loss on disposal of property, plant and equipment	26	15	-11	28
Gain on business transfer	23	—	-23	—
Foreign exchange (gain)/loss	1,599	8,569	6,970	-4,766
Others	3,424	6,529	3,104	2,125
Net cash generated from operating activities (Before adjustment of movements in working capital)	67,660	64,688	-2,972	70,021
Movements in working capital				
Decrease/(increase) in inventories	-2,878	-5,853	-2,975	-2,526
Decrease/(increase) in trade and other receivables	-6,925	10,665	17,590	909
Increase/(decrease) in trade and other payables	3,310	-5,305	-8,615	-2,005
Increase/(decrease) in retirement benefits liabilities and provisions	88	61	-27	0
Sub total	61,255	64,256	3,001	66,398
Interests received	266	2,013	1,747	999
Dividends received	0	0	0	1
Interests paid	-104	-44	60	-106
Income taxes paid	-15,116	-19,320	-4,204	-8,468
Income taxes refunded	16	779	763	59
Net cash generated from operating activities	46,318	47,685	1,367	58,883
Cash flows from investing activities				
Payments for time deposit	—	-11,632	-11,632	-669
Proceeds from sales of property, plant and equipment	39	54	16	962
Payments for acquisition of property, plant and equipment	-5,479	-12,506	-7,028	-6,272
Proceeds from sales of investment	—	—	—	2
Payments for acquisition of investment	—	-1	-1	—
Proceeds from sales of subsidiary	2,178	—	-2,178	—
Payments for purchase of subsidiary	—	-50	-50	-3,814
Payments for business transfer	-1,543	—	1,543	-166
Other proceeds	67	134	67	53
Other payments	-749	-363	387	-880
Net cash used in investing activities	-5,487	-24,364	-18,877	-10,785
Cash flows from financing activities				
Dividends paid to owners of the Company	-16,578	-16,066	512	-56
Dividends paid to non-controlling interests	-89	—	89	-50
Increase (decrease) in short-term debt	—	—	—	-100
Repayments of long-term borrowings	-7	-6	1	-6
Payments for lease liabilities	-2,113	-2,349	-236	-2,137
Payments for purchase of treasury shares	-2	-16,625	-16,623	-57,431
Proceeds from exercise of stock options	265	157	-109	53
Proceeds from share issuance to non-controlling shareholders	—	7,772	7,772	—
Net cash used in financing activities	-18,523	-27,117	-8,593	-59,728
Net increase/(decrease) in cash and cash equivalents	22,308	-3,795	-26,103	-11,629
Cash and cash equivalents at the beginning of the term	386,527	424,125	37,599	420,166
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	7,212	-26,017	-33,229	15,589
Cash and cash equivalents at the end of the term	416,047	394,313	-21,734	424,125

### (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	
	Dec. 31, 2021		Dec. 31, 2022				Sep. 30, 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>All operations</b>								
<b>Revenue:</b>								
Sales	171,270	100.0	173,525	100.0	2,254	1.3	184,112	100.0
Finance income	464	0.3	2,398	1.4	1,934	417.1	1,578	0.9
Share of profit of associates	—	—	—	—	—	—	32	0.0
Other income	749	0.4	433	0.2	-316	-42.2	630	0.3
<b>Total Revenue</b>	<b>172,483</b>	<b>100.7</b>	<b>176,347</b>	<b>101.6</b>	<b>3,864</b>	<b>2.2</b>	<b>186,351</b>	<b>101.2</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	-1,489	-0.9	-1,544	-0.9	-56	3.7	-1,574	-0.9
Raw materials and consumables used	27,375	16.0	23,470	13.5	-3,905	-14.3	27,788	15.1
Employee benefits expense	36,288	21.2	39,980	23.0	3,691	10.2	40,373	21.9
Depreciation and amortization	10,694	6.2	12,594	7.3	1,900	17.8	12,286	6.7
Subcontracting cost	1,124	0.7	1,241	0.7	117	10.4	1,169	0.6
Advertising and promotion expense	3,633	2.1	3,825	2.2	191	5.3	4,056	2.2
Commission expense	9,598	5.6	11,068	6.4	1,470	15.3	11,015	6.0
Impairment losses	174	0.1	558	0.3	384	220.7	—	—
Finance costs	357	0.2	398	0.2	41	11.5	424	0.2
Share of loss of associates	14	0.0	8	0.0	-6	-42.8	—	—
Foreign exchange (gain)/loss	1,857	1.1	12,250	7.1	10,393	559.6	-6,336	-3.4
Other expenses	30,935	18.1	34,012	19.6	3,077	9.9	35,329	19.2
<b>Total expense</b>	<b>120,561</b>	<b>70.4</b>	<b>137,850</b>	<b>79.4</b>	<b>17,289</b>	<b>14.3</b>	<b>124,531</b>	<b>67.6</b>
Profit before tax	51,922	30.3	38,497	22.2	-13,425	-25.9	61,820	33.6
Income tax expense	11,021	6.4	7,959	4.6	-3,062	-27.8	14,504	7.9
<b>Profit for the term from all operations</b>	<b>40,901</b>	<b>23.9</b>	<b>30,538</b>	<b>17.6</b>	<b>-10,363</b>	<b>-25.3</b>	<b>47,316</b>	<b>25.7</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	-213		-295		-82	-	-64	
Remeasurements of the net defined benefit liability(asset)	-0		-0		-0	-	-	
Income tax relating to components of other comprehensive income	65		59		-6	-	52	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>-148</b>		<b>-237</b>		<b>-89</b>	<b>-</b>	<b>-12</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	15,403		-30,897		-46,300	-	17,332	
Share of other comprehensive income of associates	26		-62		-87	-	8	
Income tax relating to components of other comprehensive income	-38		23		61	-	-21	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>15,390</b>		<b>-30,936</b>		<b>-46,326</b>	<b>-</b>	<b>17,320</b>	
<b>Total other comprehensive income</b>	<b>15,242</b>		<b>-31,173</b>		<b>-46,415</b>	<b>-</b>	<b>17,308</b>	
<b>Total comprehensive income for the quarter</b>	<b>56,143</b>		<b>-635</b>		<b>-56,778</b>	<b>-</b>	<b>64,625</b>	
<b>Profit attributable to :</b>								
Owners of the Company	40,861	23.9	30,626	17.6	-10,235	-25.0	47,101	25.6
Non-controlling interests	40	0.0	-88	-0.1	-128	-	215	0.1
<b>Total</b>	<b>40,901</b>	<b>23.9</b>	<b>30,538</b>	<b>17.6</b>	<b>-10,363</b>	<b>-25.3</b>	<b>47,316</b>	<b>25.7</b>
<b>Total comprehensive income attributable to :</b>								
Owners of the Company	55,966		99		-55,867	-99.8	64,248	
Non-controlling interests	177		-734		-911	-	376	
<b>Total</b>	<b>56,143</b>		<b>-635</b>		<b>-56,778</b>	<b>-</b>	<b>64,625</b>	
<b>Basic earnings per share (yen)</b>	<b>110.75</b>		<b>85.89</b>		<b>-24.86</b>		<b>130.95</b>	
<b>Diluted earnings per share (yen)</b>	<b>110.62</b>		<b>85.84</b>		<b>-24.78</b>		<b>130.86</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	160,145	173,525	13,380	-11,126	-6.5%
Profit before tax	36,801	38,497	1,697	-15,121	-29.1%
Profit for the quarter	29,117	30,538	1,421	-11,784	-28.8%

		For the three months ended		
		Dec. 31, 2021	Dec. 31, 2022	Variance(%)
2. Average rates of major foreign currencies	US\$	Yen 114.15	139.94	-22.6%
	Euro	Yen 130.56	144.21	-10.5%
	Thai Baht	Yen 3.41	3.86	-13.2%



## (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, etc. 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 Dec. 31, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	105,489	64,281	1,501	171,270	—	171,270
Inter-segment	1	16	271	288	-288	—
<b>Total</b>	<b>105,489</b>	<b>64,297</b>	<b>1,772</b>	<b>171,558</b>	<b>-288</b>	<b>171,270</b>
Segment profit before tax	21,466	31,260	89	52,814	-892	51,922
Segment profit before tax ratio	20.3%	48.6%	5.0%	30.8%	—	30.3%
Ref: Profit from ordinary operating activities	23,217	31,132	247	54,597	-1,059	53,537
% of revenue	22.0%	48.4%	13.9%	31.8%	—	31.3%

For the three months ended Dec. 31, 2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	120,044	52,289	1,192	173,525	—	173,525
Inter-segment	1	95	4	100	-100	—
<b>Total</b>	<b>120,044</b>	<b>52,384</b>	<b>1,196</b>	<b>173,625</b>	<b>-100</b>	<b>173,525</b>
Segment profit before tax	17,421	20,856	304	38,580	-83	38,497
Segment profit before tax ratio	14.5%	39.8%	25.4%	22.2%	—	22.2%
Ref: Profit from ordinary operating activities	25,461	24,851	329	50,640	-1,344	49,296
% of revenue	21.2%	47.4%	27.5%	29.2%	—	28.4%

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	14,555	-11,992	-309	2,254	—	2,254
Variance	13.8%	-18.7%	-20.6%	1.3%	—	1.3%
Inter-segment	0	79	-266	-187	187	—
<b>Total</b>	<b>14,555</b>	<b>-11,913</b>	<b>-575</b>	<b>2,067</b>	<b>187</b>	<b>2,254</b>
Segment profit before tax	-4,045	-10,404	214	-14,234	809	-13,425
Variance	-18.8%	-33.3%	240.4%	-27.0%	—	-25.9%
Profit from ordinary operating activities	2,244	-6,281	82	-3,956	-285	-4,242
Variance	9.7%	-20.2%	33.0%	-7.2%	26.9%	-7.9%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2022A" 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)

	2022 B	2022 A	Influences	Real change	(%)
<b>Life Care</b>					
Revenue from external customers	110,300	120,044	9,744	4,811	4.6%
Profit from ordinary operating activities	23,965	25,461	1,496	748	3.2%
Segment profit before tax	17,421	17,421	852	-4,897	-22.8%
<b>Information Technology</b>					
Revenue from external customers	48,734	52,289	3,555	-15,547	-24.2%
Profit from ordinary operating activities	23,971	24,851	881	-7,162	-23.0%
Segment profit before tax	20,291	20,856	565	-10,969	-35.1%

Ref : Results of the previous quarter are as follows:

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	—
<b>Total</b>	<b>118,799</b>	<b>64,207</b>	<b>1,137</b>	<b>184,142</b>	<b>-30</b>	<b>184,112</b>
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%

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. 30,2022	
	Dec. 31, 2021		Dec. 31, 2022					
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Life Care	105,489	61.6	120,044	69.2	14,555	13.8	118,798	64.5
Health care related products	76,405	[ 72.4 ]	88,028	[ 73.3 ]	11,624	15.2	88,314	[ 74.3 ]
Medical related products	29,084	[ 27.6 ]	32,015	[ 26.7 ]	2,931	10.1	30,485	[ 25.7 ]
Information Technology	64,281	37.5	52,289	30.1	-11,992	-18.7	64,182	34.9
Electronics related products	53,466	[ 83.2 ]	43,340	[ 82.9 ]	-10,127	-18.9	55,124	[ 85.9 ]
Imaging related products	10,814	[ 16.8 ]	8,949	[ 17.1 ]	-1,865	-17.2	9,058	[ 14.1 ]
Other	1,501	0.9	1,192	0.7	-309	-20.6	1,131	0.6
<b>Total revenue from all operations</b>	<b>171,270</b>	<b>100.0</b>	<b>173,525</b>	<b>100.0</b>	<b>2,254</b>	<b>1.3</b>	<b>184,112</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 ("2022A" 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)

	2022 B	2022 A	Influences	Real change	(%)
Life Care	110,300	120,044	9,744	4,811	4.6%
Health care related products	81,164	88,028	6,864	4,759	6.2%
Medical related products	29,136	32,015	2,879	52	0.2%
Information Technology	48,734	52,289	3,555	-15,547	-24.2%
Electronics related products	40,360	43,340	2,980	-13,106	-24.5%
Imaging related products	8,374	8,949	575	-2,440	-22.6%

## 3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the three months ended				Variance		For the three months ended Sep. 30,2022	
	Dec. 31, 2021		Dec. 31, 2022					
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Total revenue from all operations	171,270	100.0	173,525	100.0	2,254	1.3	184,112	100.0
Japan	44,195	25.8	42,767	24.6	-1,428	-3.2	41,986	22.8
Americas	24,326	14.2	31,168	18.0	6,842	28.1	30,626	16.6
Europe	33,889	19.8	37,256	21.5	3,367	9.9	35,009	19.0
Asia/Oceania	66,632	38.9	59,634	34.4	-6,999	-10.5	73,875	40.1
Others	2,228	1.3	2,700	1.6	472	21.2	2,614	1.4

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

<Reference>

**Supplementary data for 3rd Quarter: from October 1 to December 31, 2022**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY21-3Q	FY22-3Q	Variance	Variance	
				Foreign exchange	Others
Revenue	171,270	173,525	2,254	13,380	-11,126
Life Care	105,489	120,044	14,555	9,744	4,811
Health care related products	76,405	88,028	11,624	6,864	4,759
Medical related products	29,084	32,015	2,931	2,879	52
Information Technology	64,281	52,289	-11,992	3,555	-15,547
Electronics related products	53,466	43,340	-10,127	2,980	-13,106
Imaging related products	10,814	8,949	-1,865	575	-2,440
Profit from ordinary operating activities	53,537	49,296	-4,242	2,306	-6,548
Life Care	23,217	25,461	2,244	1,496	748
Information Technology	31,132	24,851	-6,281	881	-7,162
Other, adjustment (Corporate)	-812	-1,016	-204	-70	-134
Profit before tax	51,922	38,497	-13,425	1,697	-15,121
Life Care	21,466	17,421	-4,045	852	-4,897
Information Technology	31,260	20,856	-10,404	565	-10,969
Other, adjustment (Corporate)	-803	220	1,023	279	744

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

	All operations		
	FY21-3Q	FY22-3Q	Variance
Profit before tax	51,922	38,497	-13,425
Adjustments	-1,616	-10,799	-9,183
Finance income	464	2,398	1,934
Finance costs	-357	-398	-41
Share of loss of associates	-14	-8	6
Foreign exchange (gain)/loss	-1,857	-12,250	-10,393
Impairment losses	-174	-558	-384
Others	323	17	-305
Profit from ordinary operating activities	53,537	49,296	-4,242

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

	Life Care			Information Technology			Other, adjustment (Corporate)		
	FY21-3Q	FY22-3Q	Variance	FY21-3Q	FY22-3Q	Variance	FY21-3Q	FY22-3Q	Variance
Profit before tax	21,466	17,421	-4,045	31,260	20,856	-10,404	-803	220	1,023
Adjustments	-1,752	-8,040	-6,288	127	-3,995	-4,122	9	1,236	1,227
Finance income	95	745	650	149	525	375	220	1,128	909
Finance costs	-242	-780	-538	-61	-169	-108	-53	551	604
Share of loss of associates	22	18	-4	1	8	7	-37	-34	3
Foreign exchange (gain)/loss	-1,503	-8,112	-6,609	10	-3,702	-3,712	-364	-436	-72
Impairment losses	-174	-	174	-	-558	-558	-	-	-
Others	51	89	38	27	-99	-126	244	27	-217
Profit from ordinary operating activities	23,217	25,461	2,244	31,132	24,851	-6,281	-812	-1,016	-204

## 1. Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

### 1. Performance for the nine months ended December 31, 2021 and 2022 (All operations \*Notes)

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

	Nine months ended		Variance (%)
	Dec. 31, 2021	Dec. 31, 2022	
(1)Revenue and Profit before tax			
Revenue	491,872	537,816	9.3
Profit before tax	156,929	161,835	3.1
Ratio of profit before tax(%)	31.9%	30.1%	
Profit for the term	125,175	126,255	0.9
Ratio of profit for the term(%)	25.4%	23.5%	
Profit attributable to owners of the Company	125,085	126,085	0.8
Ratio of profit attributable to owners of the Company(%)	25.4%	23.4%	
Basic earnings per share (yen)	339.04	350.14	
Diluted earnings per share (yen)	338.63	349.92	
	As of		
(2)Financial Position	Mar.31,2022	Dec. 31, 2022	
Total assets	992,839	1,004,465	
Total equity	789,056	800,707	
Equity attributable to owners of the Company	803,851	804,652	
Ratio of assets attributable to owners of the Company	81.0%	80.1%	
Assets attributable to owners of the Company per share (yen)	2,201.68	2,257.56	
	Nine months ended		
(3) Conditions of Cash Flows	Dec. 31, 2021	Dec. 31, 2022	
Net cash generated from operating activities	136,011	153,932	
Net cash used in investing activities	-20,362	-42,602	
Free cash flow	115,649	111,330	
Net cash provided by (used in) financing activities	-44,695	-158,093	
Cash and cash equivalents at end of period	416,047	394,313	

### 3.Other

	Nine months ended	
	Dec. 31, 2021	Dec. 31, 2022
Capital expenditure	24,384	30,764
R&D expenses	18,764	21,880

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.Consolidated Financial Statements

### (1) Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Mar. 31, 2022		As of Dec. 31, 2022		Variance		As of Dec. 31, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
NON-CURRENT ASSETS								
Property, plant and equipment-net	169,665		175,870		6,205		164,253	
Goodwill	39,648		47,535		7,888		37,211	
Intangible assets	35,768		37,315		1,548		35,843	
Investments in associates	930		962		32		845	
Long-term financial assets	54,078		50,186		-3,892		49,331	
Other non-current assets	688		641		-47		841	
Deferred tax assets	9,098		9,119		22		8,350	
Total non-current assets	309,874	31.2	321,629	32.0	11,756	3.8	296,673	30.8
CURRENT ASSETS								
Inventories	91,441		106,904		15,463		83,285	
Trade and other receivables	134,174		124,308		-9,865		128,514	
Other short-term financial assets	7,223		23,669		16,447		6,478	
Income tax receivables	2,526		3,470		944		2,536	
Other current assets	28,197		30,171		1,974		28,605	
Cash and cash equivalents	419,404		394,313		-25,091		416,047	
Total current assets	682,965	68.8	682,835	68.0	-129	-0.0	665,466	69.2
Total assets	992,839	100.0	1,004,465	100.0	11,626	1.2	962,139	100.0

(Millions of Yen)

	As of Mar. 31, 2022		As of Dec. 31, 2022		Variance		As of Dec. 31, 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		-7,629		60,681		-9,114	
Other capital reserves	-11,570		-12,679		-1,109		-10,983	
Retained earnings	802,815		710,370		-92,445		763,090	
Accumulated other comprehensive income/(loss)	58,753		92,427		33,674		22,104	
Equity attributable to owners of the Company	803,851	81.0	804,652	80.1	801	0.1	787,261	81.8
Non-controlling interests	-14,795		-3,945		10,850		-15,264	
Total equity	789,056	79.5	800,707	79.7	11,651	1.5	771,997	80.2
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	13,763		15,098		1,336		13,818	
Other long-term financial liabilities	23,863		25,897		2,033		22,543	
Retirement benefits liabilities	3,766		4,175		409		3,434	
Provisions	2,671		2,862		191		2,660	
Other non-current liabilities	2,262		2,676		414		1,882	
Deferred tax liabilities	10,079		11,422		1,343		9,803	
Total non-current liabilities	56,404	5.7	62,131	6.2	5,727	10.2	54,140	5.6
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	7,837		7,586		-251		7,338	
Trade and other payables	61,984		59,589		-2,394		58,527	
Other short-term financial liabilities	647		408		-238		1,127	
Income tax payables	23,126		13,107		-10,019		13,455	
Provisions	1,474		1,602		128		1,399	
Other current liabilities	52,312		59,335		7,022		54,155	
Total current liabilities	147,380	14.8	141,627	14.1	-5,752	-3.9	136,002	14.1
Total liabilities	203,783	20.5	203,758	20.3	-25	-0.0	190,142	19.8
Total equity and liabilities	992,839	100.0	1,004,465	100.0	11,626	1.2	962,139	100.0
Total number of issued shares in thousand	365,108		356,426		-8,683		368,972	
Equity attributable to owner of the Company per share	2,201.68 Yen		2,257.56 Yen		55.88 Yen		2,133.66 Yen	

## (2) Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the nine months ended		Variance	For the year ended
	Dec. 31, 2021	Dec. 31, 2022		Mar.31 2022
<b>Cash flows from operating activities</b>				
Profit before tax	156,929	161,835	4,906	210,706
Depreciation and amortization	31,591	36,838	5,247	43,019
Impairment losses	174	558	384	1,078
Finance income	-1,246	-4,777	-3,530	-1,718
Finance costs	1,222	1,273	51	1,664
Share of (profits)/loss of associates	59	-45	-104	45
(Gain)/loss on sales of property, plant and equipment	-239	-382	-143	-704
Loss on disposal of property, plant and equipment	44	60	16	120
Gain on business transfer	-1,690	—	1,690	-1,656
Foreign exchange (gain)/loss	-3,027	-644	2,383	-4,882
Others	2,780	6,409	3,629	-2,001
<b>Net cash generated from operating activities</b>	<b>186,596</b>	<b>201,126</b>	<b>14,529</b>	<b>245,671</b>
(Before adjustment of movements in working capital)				
<b>Movements in working capital</b>				
Decrease/(increase) in inventories	-3,959	-12,181	-8,222	-7,092
Decrease/(increase) in trade and other receivables	-9,883	14,839	24,721	-8,696
Increase/(decrease) in trade and other payables	5,036	-6,819	-11,856	5,700
Increase/(decrease) in retirement benefits liabilities and provisions	400	316	-84	702
<b>Sub total</b>	<b>178,192</b>	<b>197,280</b>	<b>19,088</b>	<b>236,284</b>
Interests received	717	3,430	2,712	955
Dividends received	11	9	-2	42
Interests paid	-326	-249	77	-366
Income taxes paid	-42,822	-47,620	-4,798	-47,291
Income taxes refunded	239	1,082	843	431
<b>Net cash generated from operating activities</b>	<b>136,011</b>	<b>153,932</b>	<b>17,921</b>	<b>190,055</b>
<b>Cash flows from investing activities</b>				
Withdrawals of time deposit	212	6	-205	212
Payments for time deposit	-211	-12,301	-12,091	-217
Proceeds from sales of property, plant and equipment	1,387	2,344	957	1,469
Payments for acquisition of property, plant and equipment	-21,993	-26,209	-4,215	-28,872
Proceeds from sales of investment	70	86	17	219
Payments for acquisition of investment	-195	-1	194	-195
Proceeds from sales of subsidiary	2,178	—	-2,178	2,040
Payments for acquisition of subsidiaries	-120	-4,540	-4,420	-120
Proceeds from business transfer	1,545	—	-1,545	1,588
Payments for business transfer	-1,543	-757	786	-2,102
Other proceeds	182	215	32	277
Other payments	-1,874	-1,445	428	-3,597
<b>Net cash used in investing activities</b>	<b>-20,362</b>	<b>-42,602</b>	<b>-22,240</b>	<b>-29,298</b>
<b>Cash flows from financing activities</b>				
Dividends paid to owners of the Company	-33,185	-39,779	-6,594	-33,201
Dividends paid to non-controlling interests	-89	-50	38	-89
Increase (decrease) in short-term debt	-100	-100	0	-200
Repayments of long-term borrowings	-17	-18	0	-23
Payments for lease liabilities	-6,126	-6,613	-486	-8,217
Proceeds from disposal of treasury shares	0	1	1	0
Payments for purchase of treasury shares	-5,765	-120,010	-114,245	-65,764
Proceeds from exercise of stock options	422	704	282	607
Proceeds from share issuance to non-controlling shareholders	164	7,772	7,608	164
<b>Net cash used in financing activities</b>	<b>-44,695</b>	<b>-158,093</b>	<b>-113,398</b>	<b>-106,722</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>70,953</b>	<b>-46,763</b>	<b>-117,716</b>	<b>54,034</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>334,897</b>
<b>Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies</b>	<b>10,197</b>	<b>21,672</b>	<b>11,475</b>	<b>30,473</b>
<b>Cash and cash equivalents at the end of the term</b>	<b>416,047</b>	<b>394,313</b>	<b>-21,734</b>	<b>419,404</b>



### (3) Consolidated Statement of Comprehensive Income

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the nine months ended				Variance		For the year ended	
	Dec. 31, 2021		Dec. 31, 2022		Amount	(%)	Mar.31 2022	
	Amount	(%)	Amount	(%)				
<b>All operations</b>								
<b>Revenue:</b>								
Sales	491,872	100.0	537,816	100.0	45,944	9.3	661,466	100.0
Finance income	1,246	0.3	4,777	0.9	3,530	283.2	1,718	0.3
Share of profit of associates	—	—	45	0.0	45	—	—	—
Other income	3,363	0.7	1,415	0.3	-1,948	-57.9	7,141	1.1
<b>Total Revenue</b>	<b>496,481</b>	<b>100.9</b>	<b>544,052</b>	<b>101.2</b>	<b>47,571</b>	<b>9.6</b>	<b>670,325</b>	<b>101.3</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	-675	-0.1	-3,962	-0.7	-3,287	487.3	-3,422	-0.5
Raw materials and consumables used	77,861	15.8	78,018	14.5	156	0.2	106,464	16.1
Employee benefits expense	106,604	21.7	119,873	22.3	13,269	12.4	143,250	21.7
Depreciation and amortization	31,591	6.4	36,838	6.8	5,247	16.6	43,019	6.5
Subcontracting cost	3,278	0.7	3,535	0.7	257	7.8	4,356	0.7
Advertising and promotion expense	10,049	2.0	11,968	2.2	1,919	19.1	13,186	2.0
Commission expense	27,298	5.5	32,335	6.0	5,037	18.5	37,589	5.7
Impairment losses	174	0.0	558	0.1	384	220.7	1,078	0.2
Finance costs	1,222	0.2	1,273	0.2	51	4.2	1,664	0.3
Share of loss of associates	59	0.0	—	—	-59	—	45	0.0
Foreign exchange (gain)/loss	-2,720	-0.6	-894	-0.2	1,825	-67.1	-5,838	-0.9
Other expenses	84,810	17.2	102,677	19.1	17,867	21.1	118,228	17.9
<b>Total Expenses</b>	<b>339,552</b>	<b>69.0</b>	<b>382,217</b>	<b>71.1</b>	<b>42,665</b>	<b>12.6</b>	<b>459,619</b>	<b>69.5</b>
Profit before tax	156,929	31.9	161,835	30.1	4,906	3.1	210,706	31.9
Income tax expense	31,755	6.5	35,580	6.6	3,825	12.0	45,384	6.9
<b>Profit for the term from all operations</b>	<b>125,175</b>	<b>25.4</b>	<b>126,255</b>	<b>23.5</b>	<b>1,081</b>	<b>0.9</b>	<b>165,322</b>	<b>25.0</b>
<b>Other comprehensive income:</b>								
Items that will not be reclassified subsequently to profit or loss	-631		-341		290	—	3,060	
Remeasurements of the net defined benefit liability(asset)	-0		56		56	—	290	
Income tax relating to components of other comprehensive income	193		91		-102	—	-832	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>-438</b>		<b>-193</b>		<b>245</b>	<b>—</b>	<b>2,517</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	13,262		34,486		21,224	—	46,850	
Share of other comprehensive income of associates	46		-17		-63	—	142	
Income tax relating to components of other comprehensive income	-39		-28		12	—	-11	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>13,269</b>		<b>34,441</b>		<b>21,173</b>	<b>—</b>	<b>46,981</b>	
<b>Total other comprehensive income</b>	<b>12,831</b>		<b>34,248</b>		<b>21,417</b>	<b>—</b>	<b>49,498</b>	
<b>Total comprehensive income for the half year</b>	<b>138,005</b>		<b>160,504</b>		<b>22,498</b>	<b>16.3</b>	<b>214,821</b>	
<b>Profit attributable to :</b>								
Owners of the Company	125,085	25.4	126,085	23.4	999	0.8	164,507	24.9
Non-controlling interests	89	0.0	171	0.0	81	—	815	0.1
<b>Total</b>	<b>125,175</b>	<b>25.4</b>	<b>126,255</b>	<b>23.5</b>	<b>1,081</b>	<b>0.9</b>	<b>165,322</b>	<b>25.0</b>
<b>Total comprehensive income attributable to :</b>								
Owners of the Company	137,756		159,807		22,051	16.0	214,130	
Non-controlling interests	249		697		448	—	691	
<b>Total</b>	<b>138,005</b>		<b>160,504</b>		<b>22,498</b>	<b>16.3</b>	<b>214,821</b>	
<b>Basic earnings per share (yen)</b>	<b>339.04</b>		<b>350.14</b>		<b>11.10</b>		<b>446.45</b>	
<b>Diluted earnings per share (yen)</b>	<b>338.63</b>		<b>349.92</b>		<b>11.29</b>		<b>445.93</b>	

Notes:

1. Effect of exchange rate change on net sales and incomes ("2022A" 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	(%)
Sales	494,461	537,816	43,355	2,589	0.5%
Profit before tax	150,464	161,835	11,371	-6,465	-4.1%
Profit for the term	116,566	126,255	9,689	-8,609	-6.9%

2. Average rates of major foreign currencies	For the nine months ended		
	Dec. 31, 2021	Dec. 31, 2022	Variance(%)
US\$	Yen 111.45	136.85	-22.8%
Euro	Yen 130.96	140.83	-7.5%
Thai Baht	Yen 3.41	3.81	-11.7%

## (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, etc. 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 nine months ended Dec. 31, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
<b>Revenue</b>						
Revenue from external customers	301,419	186,065	4,387	491,872	—	491,872
Inter-segment	2	74	817	893	-893	—
<b>Total</b>	<b>301,421</b>	<b>186,140</b>	<b>5,204</b>	<b>492,765</b>	<b>-893</b>	<b>491,872</b>
Segment profit before tax	66,735	92,339	660	159,734	-2,805	156,929
Segment profit before tax ratio	22.1%	49.6%	12.7%	32.4%	—	31.9%
Ref: Profit from ordinary operating activities	63,601	90,929	736	155,266	-3,077	152,189
% of revenue	21.1%	48.8%	14.1%	31.5%	—	30.9%

For the nine months ended Dec. 31, 2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
<b>Revenue</b>						
Revenue from external customers	349,662	184,731	3,422	537,816	—	537,816
Inter-segment	2	129	14	146	-146	—
<b>Total</b>	<b>349,664</b>	<b>184,861</b>	<b>3,436</b>	<b>537,961</b>	<b>-146</b>	<b>537,816</b>
Segment profit before tax	69,853	90,882	718	161,452	383	161,835
Segment profit before tax ratio	20.0%	49.2%	20.9%	30.0%	—	30.1%
Profit from ordinary operating activities	70,247	90,077	690	161,014	-3,671	157,343
% of revenue	20.1%	48.7%	20.1%	29.9%	—	29.3%

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
<b>Variance</b>						
Revenue from external customers	48,243	-1,334	-965	45,944	—	45,944
Variance	16.0%	-0.7%	-22.0%	9.3%	—	9.3%
Inter-segment	0	55	-802	-747	747	—
<b>Total</b>	<b>48,243</b>	<b>-1,279</b>	<b>-1,767</b>	<b>45,197</b>	<b>747</b>	<b>45,944</b>
Segment profit before tax	3,118	-1,457	57	1,718	3,188	4,906
Variance	4.7%	-1.6%	8.7%	1.1%	—	3.1%
Profit from ordinary operating activities	6,647	-852	-46	5,749	-595	5,154
Variance	10.5%	-0.9%	-6.3%	3.7%	19.3%	3.4%

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)

	2022 B	2022 A	Influences	Real change	(%)
<b>Life Care</b>					
Revenue from external customers	322,562	349,662	27,100	21,142	7.0%
Profit from ordinary operating activities	66,337	70,247	3,910	2,736	4.3%
Segment profit before tax ratio	65,609	69,853	4,244	-1,126	-1.7%
<b>Information Technology</b>					
Revenue from external customers	168,698	184,731	16,034	-17,367	-9.3%
Profit from ordinary operating activities	83,303	90,077	6,774	-7,626	-8.4%
Segment profit before tax ratio	84,079	90,882	6,803	-8,260	-8.9%

## 2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

	For the nine month ended				Variance		For the year ended	
	Dec. 31, 2021		Dec. 31, 2022				Mar.31 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Life Care	301,419	61.3	349,662	65.0	48,243	16.0	407,549	61.6
Health care related products	221,638	[ 73.5 ]	259,062	[ 74.1 ]	37,424	16.9	299,823	[ 73.6 ]
Medical related products	79,781	[ 26.5 ]	90,600	[ 25.9 ]	10,818	13.6	107,726	[ 26.4 ]
Information Technology	186,065	37.8	184,731	34.3	-1,334	-0.7	248,403	37.6
Electronics related products	155,807	[ 83.7 ]	156,764	[ 84.9 ]	957	0.6	209,726	[ 84.4 ]
Imaging related products	30,258	[ 16.3 ]	27,968	[ 15.1 ]	-2,291	-7.6	38,677	[ 15.6 ]
Other	4,387	0.9	3,422	0.6	-965	-22.0	5,514	0.8
<b>Total revenue from all operations</b>	<b>491,872</b>	<b>100.0</b>	<b>537,816</b>	<b>100.0</b>	<b>45,944</b>	<b>9.3</b>	<b>661,466</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 ("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	322,562	349,662	27,100	21,142	7.0%
Health care related products	239,762	259,062	19,300	18,124	8.2%
Medical related products	82,800	90,600	7,800	3,018	3.8%
Information Technology	168,698	184,731	16,034	-17,367	-9.3%
Electronics related products	142,918	156,764	13,846	-12,889	-8.3%
Imaging related products	25,780	27,968	2,188	-4,478	-14.8%

## 3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the nine month ended				Variance		For the year ended	
	Dec. 31, 2021		Dec. 31, 2022				Mar.31 2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Total revenue from all operations	491,872	100.0	537,816	100.0	45,944	9.3	661,466	100.0
Japan	123,152	25.0	127,674	23.7	4,522	3.7	164,663	24.9
Americas	72,948	14.8	91,933	17.1	18,985	26.0	99,907	15.1
Europe	97,576	19.8	106,942	19.9	9,366	9.6	130,794	19.8
Asia/Oceania	192,670	39.2	203,528	37.8	10,858	5.6	258,679	39.1
Others	5,525	1.1	7,738	1.4	2,213	40.1	7,424	1.1

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

<Reference>

**Supplementary data for 3rd Quarter aggregated : from April 1 to December 31, 2022**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY2021	FY2022	Variance	Variance	
				Foreign exchange	Others
Revenue	491,872	537,816	45,944	43,355	2,589
Life Care	301,419	349,662	48,243	27,100	21,142
Health care related products	221,638	259,062	37,424	19,300	18,124
Medical related products	79,781	90,600	10,818	7,800	3,018
Information Technology	186,065	184,731	-1,334	16,034	-17,367
Electronics related products	155,807	156,764	957	13,846	-12,889
Imaging related products	30,258	27,968	-2,291	2,188	-4,478
Profit from ordinary operating activities	152,189	157,343	5,154	10,509	-5,355
Life Care	63,601	70,247	6,647	3,910	2,736
Information Technology	90,929	90,077	-852	6,774	-7,626
Other, adjustment (Corporate)	-2,340	-2,982	-641	-175	-466
Profit before tax	156,929	161,835	4,906	11,371	-6,465
Life Care	66,735	69,853	3,118	4,244	-1,126
Information Technology	92,339	90,882	-1,457	6,803	-8,260
Other, adjustment (Corporate)	-2,145	1,100	3,245	324	2,921

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

	All operations		
	FY2021	FY2022	Variance
Profit before tax	156,929	161,835	4,906
Adjustments	4,740	4,492	-248
Finance income	1,246	4,777	3,530
Finance costs	-1,222	-1,273	-51
Share of loss of associates	-59	45	104
Foreign exchange (gain)/loss	2,720	894	-1,825
Impairment losses	-174	-558	-384
Others	2,229	608	-1,621
Profit from ordinary operating activities	152,189	157,343	5,154

<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	66,735	69,853	3,118	92,339	90,882	-1,457	-2,145	1,100	3,245
Adjustments	3,135	-394	-3,529	1,410	805	-605	196	4,082	3,886
Finance income	234	1,343	1,109	408	977	569	604	2,456	1,852
Finance costs	-747	-1,394	-647	-183	-434	-251	-291	555	847
Share of loss of associates	87	120	34	2	35	33	-148	-111	37
Foreign exchange (gain)/loss	1,882	-753	-2,634	1,176	783	-392	-338	864	1,201
Impairment losses	-174	-	174	-	-558	-558	-	-	-
Others	1,853	288	-1,565	8	2	-6	368	318	-50
Profit from ordinary operating activities	63,601	70,247	6,647	90,929	90,077	-852	-2,340	-2,982	-641

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

(Year ending Mar. 31, 2023)

	<u>Millions of Yen</u>		variance (%)
	<u>Year ended/ending</u>		
	Mar. 31, 2022	<b>Mar. 31, 2023E</b>	
Revenue	661,466	712,000	7.6
Profit before tax	210,706	210,000	-0.3
Profit for the term	165,322	163,000	-1.4
Profit attributable to owners of the Company	164,507	163,000	-0.9
Basic earnings per share (Yen)	446.45	455.86	9.41

Ref: for the 4th quarter

#### 1. Year-on-year comparison

	<u>Millions of Yen</u>		variance (%)
	<u>Three months ended/ending</u>		
	Mar. 31, 2022	<b>Mar. 31, 2023E</b>	
Revenue	169,594	174,184	2.7
Profit before tax	53,777	48,165	-10.4
Profit for the term	40,147	36,745	-8.5
Profit attributable to owners of the Company	39,422	36,915	-6.4
Basic earnings per share (Yen)	107.39	105.72	-1.67

#### 2. Quarter-on-quarter comparison

	<u>Millions of Yen</u>		variance (%)
	<u>Three months ended/ending</u>		
	Dec. 31, 2022	<b>Mar. 31, 2023E</b>	
Revenue	173,525	174,184	0.4
Profit before tax	38,497	48,165	25.1
Profit for the term	30,538	36,745	20.3
Profit attributable to owners of the Company	30,626	36,915	20.5
Basic earnings per share (Yen)	85.89	105.72	19.83

#### 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.

Subsequently, we revised our forecast due to lower-than-expected demand expectations, mainly reflecting the rapid deterioration of the HDD and semiconductor-related markets caused by the global recession and the impact of China's zero-COVID policy.

#### 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.*