HOYA Corporation

Q2 FY23 Earnings Presentation
October 31, 2023

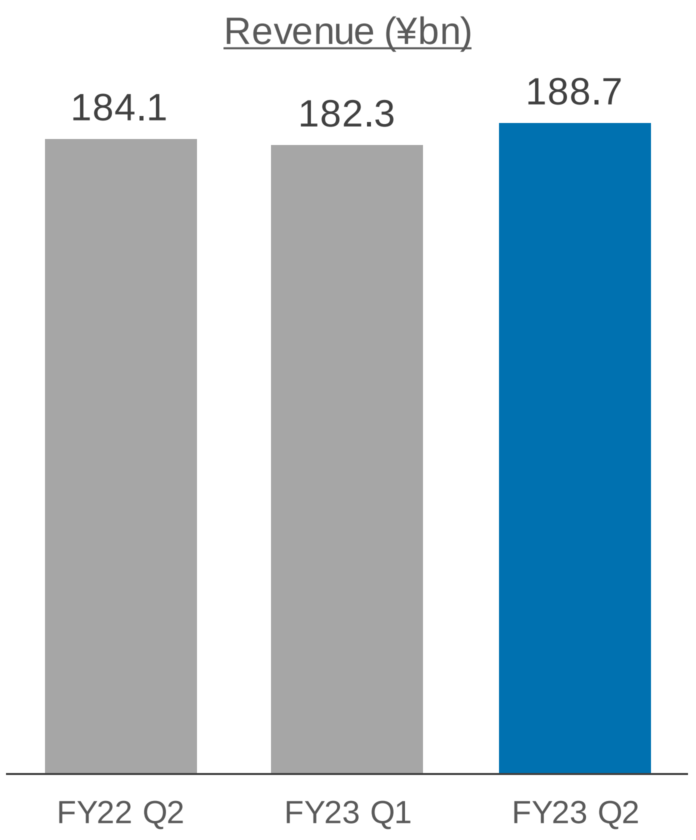
Forward-looking Statement

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

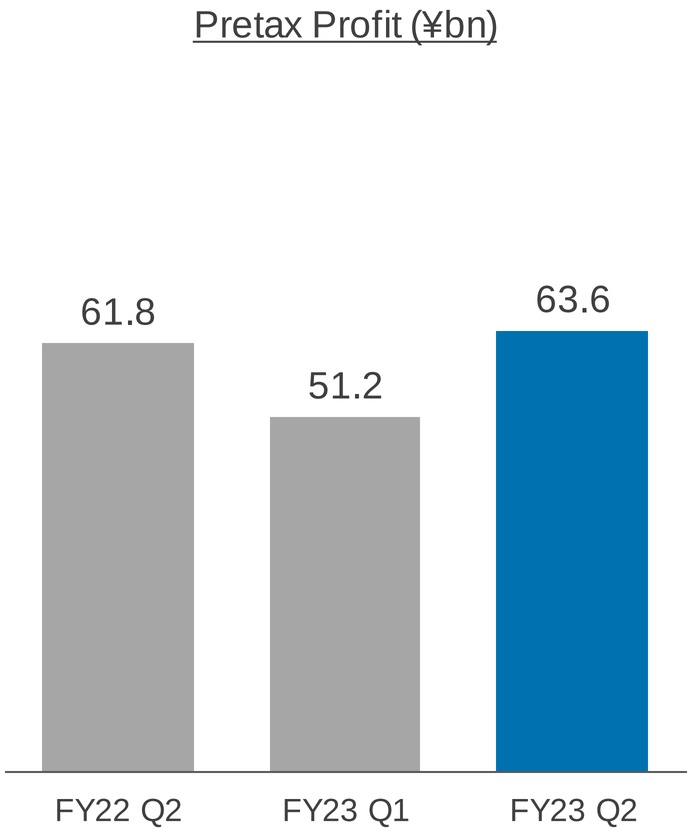
01. Q2 FY23 Financial Results

Finacial Overview

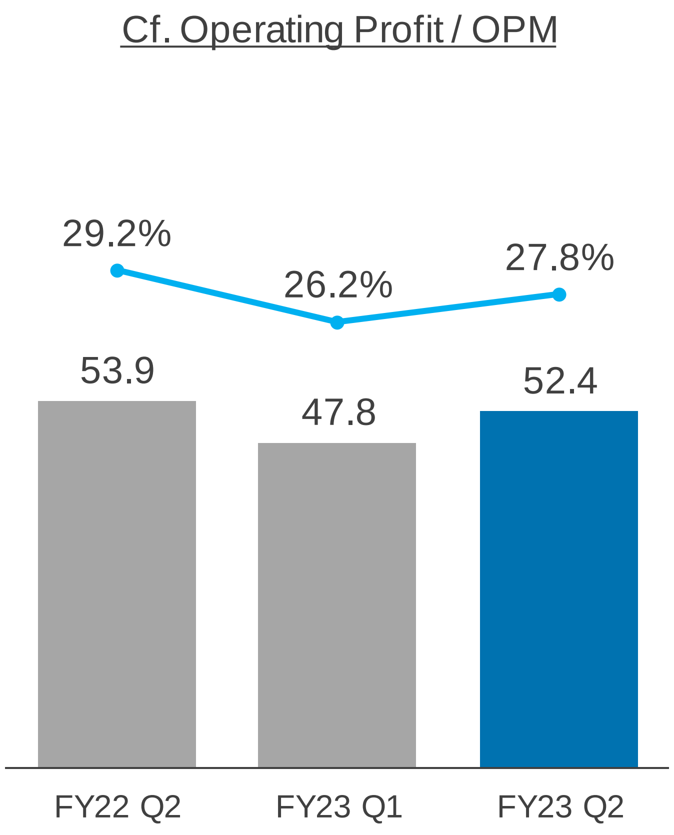
- Although sales of HDD glass substrates continued to decline, revenue increased due to the solid Life Care performance. On a constant currency basis, revenue was on par with the previous year.
- Pretax profit increased due to FX gains of 3.5 billion yen from the depreciation of the yen and an impact of a sale of business (3.4 billion yen).



YoY +3% (CC* -1%)



YoY +3% (CC -0%)



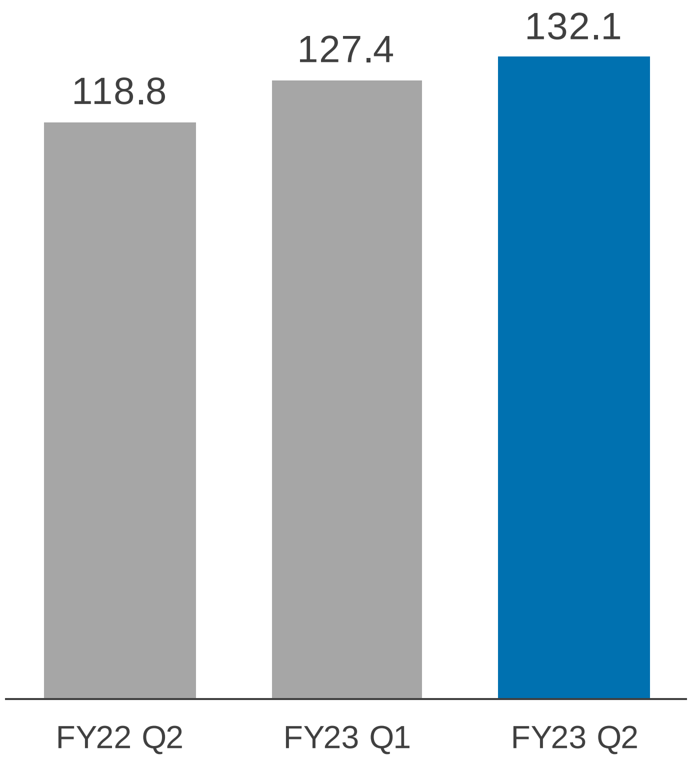
YoY -3% (CC -6%)

*CC: Constant Currency - likewise hereafter

Life Care Business Overview

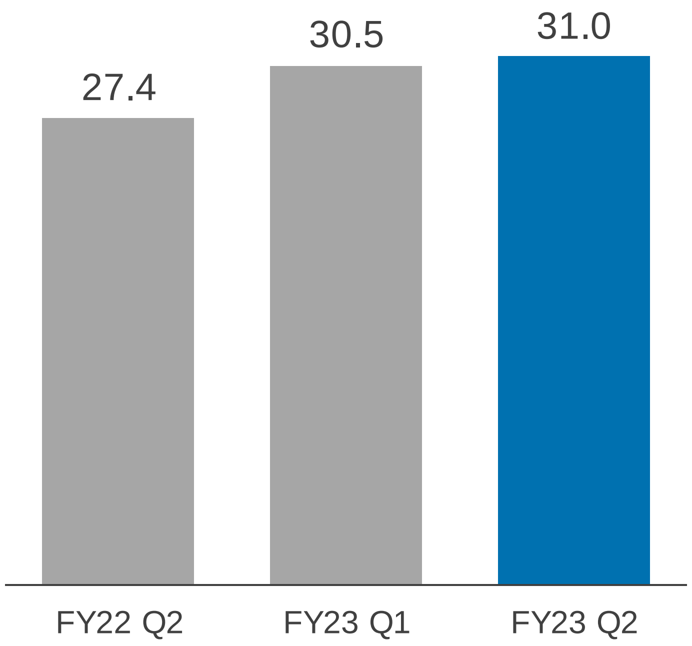
- Revenue of all products increased on a reported basis.
- Profitability was maintained at around the range of 20%, which is our benchmark, while we made investments for growth.

Revenue (¥bn)



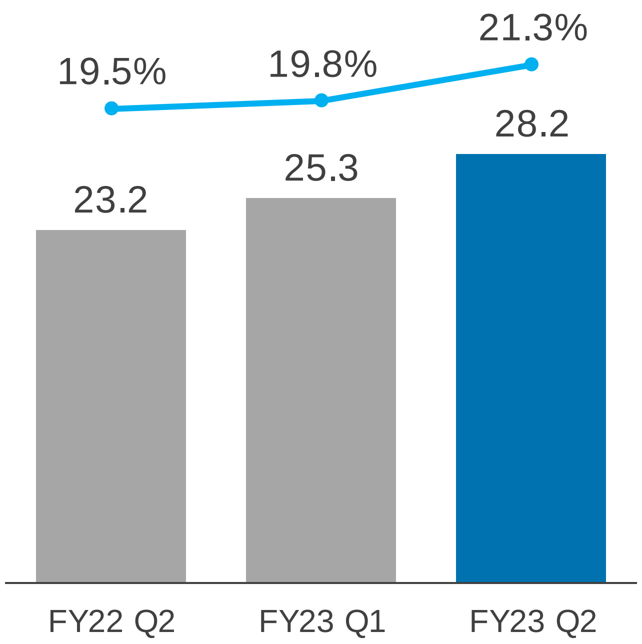
YoY +11% (CC +6%)

Pretax Profit (¥bn)



YoY +13% (CC +7%)

Cf. Operating Profit / OPM



YoY +22% (CC +16%)

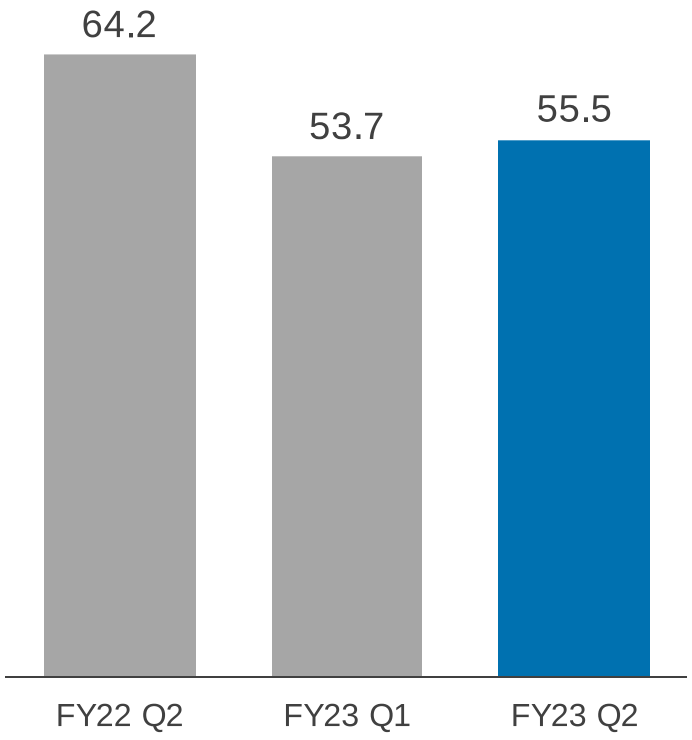
Life Care Business Overview by Product

Product	YoY	YoY(CC)	FY23 Q2 Status	Future Direction and Outlook
Eyeglass Lenses	+13%	+7%	U.S. chain stores, independent stores in Europe, and MiYOSMART in China performed well.	Establish product portfolio that meets the needs of all generations
Contact Lenses	+9%	+9%	Sales of PB products (hoyaONE) and online delivery services were solid	Continue to focus on PB products and online delivery services We plan to open around 10 stores in FY23
Endoscopes	+2%	-6%	Sales decreased compared with the same period of the previous year, when there was a significant reactionary increase in China.	Steady launch of new products such as Inspira Promote of localization in China
IOLs	+21%	+16%	Stable demand continued in all markets. Established subsidiary in China for local production.	Continue to focus on the launch of tri-focal IOLs. Drive innovation.
Artificial Bones, etc.	+15%	+9%	Momentum of pharmaceutical chromatography and metal Implants continued	Expand capacity of chromatography media

IT Business Overview

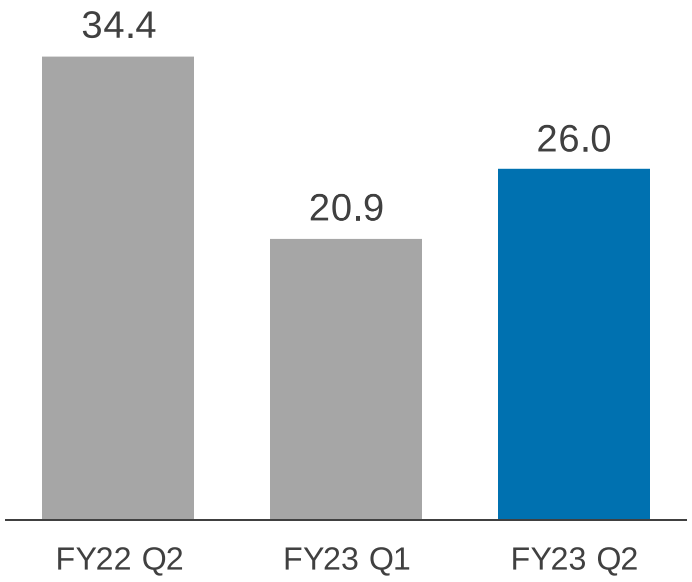
- Although demand for mask blanks recovered, sales of HDD substrates fell sharply, resulting in a decline in overall revenue of the IT Business.
- Profitability improved QoQ driven by cost management measures.

Revenue (¥bn)



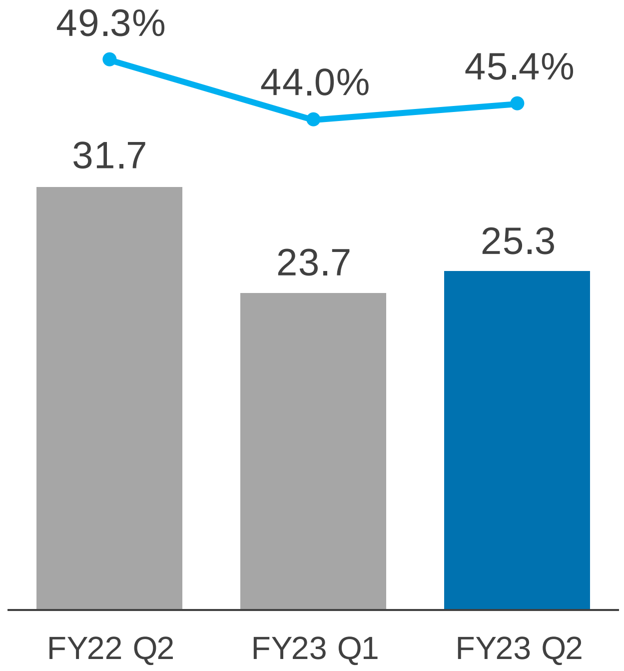
YoY –14% (CC -15%)

Pretax Profit(¥bn)



YoY –24% (CC -25%)

Cf. Operating Profit / OPM



YoY –20% (CC -21%)

IT Business Overview by Product

Product	YoY	YoY(CC)	FY23 Q2 Status	Future Direction and Outlook
LSI	-2%	-3%	Amidst an unstable business environment, EUV blanks sales have recovered to a level close to that of the previous year.	Accelerate development of leading-edge blanks and steadily capture development demand despite unstable end-use demand
FPD	+4%	+2%	Design development activities for smartphones were stable	Focus on high value-added products
HDD Substrates	-40%	-43%	Demand for 3.5" decreased due to global economic slowdown and end customers prioritizing GPU investment	Streamline and deepen manufacturing operations Materialize business opportunities around next gen products
Imaging	+8%	+7%	Steady sales of interchangeable lenses due new camera launches etc.	Continuously explore opportunities to expand business domain by leveraging optical technology

Balance Sheet / Cash Flow Related Matters

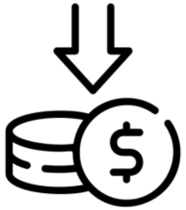
Shareholder Return

- Completed ¥50 billion share buyback (Period: 1 Aug - 20 Oct)
- Resolved to cancel all shares repurchased

CapEx*

- Q1 Results: ¥10.3 bn (YoY +¥4.0 bn)
- FY23 is expected to be around ¥45.0 bn**

*CF basis. Acquisition of tangible fixed assets
**Increase from the budget at the beginning of the fiscal year due to FX fluctuations (including D&A, actual results are expected to fluctuate depending on FX fluctuations)



D&A

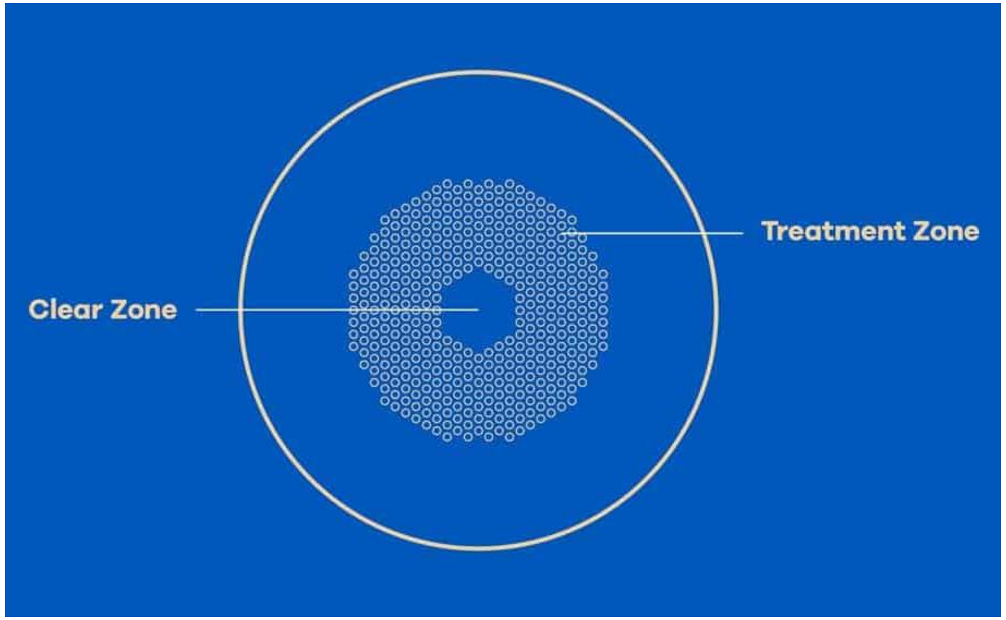
- Q1 Results: ¥11.7 bn (YoY -¥0.6bn)
- FY23 is expected to be flat year-on-year on a CC basis

Icons provided by https://www.flaticon.com/

02. MiYOSMART Update

Overview

In 2012, the company began development in collaboration with the Hong Kong Polytechnic University and launched in selected markets in 2018.* The patented Defocus Incorporated Multiple Segments (D.I.M.S.) Technology enables non-invasive myopia progression reduction, making the lens safe and easy to use for children. A 2-year clinical study conducted in Hong Kong** showed that MiYOSMART reduced the progression of myopia on average by 60% compared to standard single vision spectacle lenses, and similar results were found in a European cohort.† The 6-year follow-up study showed that myopia control effect was sustained over 6-years. ††



*Not available in Japan as of October 2023
** A two-year randomized clinical trial, Honk Kong – link to study here
† 2-year observational study in UK children – link to abstract here
†† Long-term myopia control effect and safety in children wearing DIMS spectacle lenses for 6 years – link to study here

Recognition in the Public

MiYOSMART is an award-winning product backed by extensive and robust research in myopia management spectacle lenses. Below are some of the awards and endorsements that we have received.

In addition, there are over 25 publications available on MiYOSMART spectacle lenses (click here to learn more).

Awards and Endorsements

Commercial Performance

Since starting sales in Hong Kong and China in 2018, the company has gradually expanded its sales regions and is now selling in more than 30 countries. Currently, sales in China are the largest, but recently the sales volume in regions other than China has been increasing due to the increase in the number of stores handling the product.

>30
Available in over 30 countries

Double-digit growth
Q2 saw continuous double-digit growth

>2 million parents
across the world already trusted MiYOSMART*

*Based on number of MiYOSMART lenses sold as per Hoya sales data on file as of August 2023

Recent Highlights

Increased outdoor time being beneficial for myopic children, MiYOSMART has been rolled out in two sunglasses versions, photochromic and sun polarized. In addition, the company will work to obtain approval in regions/countries where MiYOSMART has not yet been launched, thereby contributing to the mitigation of myopia, which is a serious global social issue.

Innovation	Launched photochromic (Chameleon) and sun polarized version (Sunbird)
New Evidence	2-Year multi-site observational study of MiYOSMART in European children. 12 months result showed great tolerance and acceptance of MiYOSMART spectacles lenses among European children and they also indicate a comparable slowing down of myopia progression to that observed in Asian children
PR	Highest number of mentions in on-line editorial articles and higher potential reach than competitors
Geographical Expansion	Launched in 5 new markets in Q2: Colombia, Philippines, Turkey, Slovakia and Slovenia
International Congresses	GOMCC (Singapore), ESCR & WSPOS (Vienna), WCO (Melbourne)

MiYOSMART Chameleon adopts a patented Molded Laminate Photochromic Film Technology to preserve the optical performance of D.I.M.S. Technology

* Patented in the United States (US9163108, US9981452, US11181666, US11427754, US11460716, US11560500)

*2-year observational study in UK children – link to abstract here

Notes

- ✓ Accounting standard: IFRS
- ✓ The fiscal year ending March 2024 is referred to as “FY23” throughout this document.
- ✓ Figures less than 100 million yen are rounded down. Accordingly, some discrepancies may occur among totals. Ratios are calculated using actual numbers.
- ✓ Operating profit is calculated as reference information for investors; calculated by deducting finance income/costs, share of profits(loss) of associates, foreign exchange gain/loss and other temporary gain/loss from pretax profit.
- ✓ We have omitted detailed breakdown of financial statements.
  Please refer to the tanshin or the quarterly report for detailed numbers.
  https://www.hoya.com/en/investor/kessan/

Innovating For a Better Tomorrow