

# Quarterly Report

3rd Quarter : 3 months ended December 31, 2023  
3rd Quarter aggregated : 9 months ended December 31, 2023

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

**Part .1**

**3rd Quarter : from October 1 to December 31, 2023 <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, 2023 <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.



**Part.1**

February 1,2024

**1. Quarterly Consolidated Financial Highlights**

HOYA CORPORATION and Consolidated Subsidiaries

**1. Performance for the three months ended December 31, 2022 and 2023 (All operations \*Notes)**

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

	Three months ended		Variance (%)
	Dec.31,2022	Dec.31,2023	
(1)Revenue and Profit before tax			
Revenue	173,525	194,798	12.3
Profit before tax	38,497	49,689	29.1
Ratio of profit before tax(%)	22.2%	25.5%	
Profit for the quarter	30,538	38,985	27.7
Ratio of profit for the quarter(%)	17.6%	20.0%	
Profit attributable to owners of the Company	30,626	38,653	26.2
Ratio of profit attributable to owners of the Company(%)	17.6%	19.8%	
Basic earnings per share (yen)	85.89	110.26	
Diluted earnings per share (yen)	85.84	110.22	

	As of	
	Sep.30,2023	Dec.31,2023
(2)Financial Position		
Total assets	1,115,754	1,101,049
Total equity	883,528	874,360
Equity attributable to owners of the Company	885,384	880,846
Ratio of assets attributable to owners of the Company	79.4%	80.0%
Assets attributable to owners of the Company per share (yen)	2,522.12	2,512.99

	Three months ended	
	Dec.31,2022	Dec.31,2023
(3) Conditions of Cash Flows		
Net cash generated from operating activities	47,685	42,548
Net cash used in investing activities	-24,364	-7,419
Free cash flow	23,321	35,129
Net cash provided by (used in ) financing activities	-27,117	-33,942
Cash and cash equivalents at end of period	394,313	450,548

**2. Projected Results for the Full year (Year ending March 31, 2024 ) for All Operations**

	Mar.31,2024		Variance (%)
	Mar.31,2023	Mar.31,2024	
Revenue	723,582	756,000	4.5
Profit before tax	215,832	217,000	0.5
Profit for the term	168,788	166,000	-1.7
Profit attributable to owners of the Company	168,638	166,000	-1.6
Profit for the term per share (Yen)	469.76	471.78	—

**3. Other**

	Three months ended	
	Dec.31,2022	Dec.31,2023
Capital expenditure	11,324	15,662
R&D expenses	7,378	8,343

**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

### Qualitative Information on Quarterly Financial Results

Our operating results for the third quarter of the consolidated fiscal year under review (three months from October 1 to December 31, 2023) are as follows. The Information Technology business recovered significantly especially in the Electronics related products. The Life Care business was performing well, and as a result, both revenue and profits increased from the previous year.

(Millions of yen)	Three months ended		Variance (%)
	Dec.31,2022	Dec.31,2023	
Revenue	173,525	194,798	12.3
Profit before tax	38,497	49,689	29.1
Profit for the quarter	30,538	38,985	27.7
Ratio of profit for the quarter	22.2%	25.5%	3.3pt

As there were no discontinued operations in both the third quarter and the same period of the consolidated fiscal year, all figures and rates of change display are solely from continuing operations.

Results by reportable segment are as follows. (Revenue for each segment is from external customers.)

#### ①Life Care Business

(Millions of yen)	Three months ended		Variance (%)
	Dec.31,2022	Dec.31,2023	
Revenue	120,044	133,513	11.2
Segment profit before tax	17,421	20,321	16.6

#### <Health care related products>

Sales of eyeglass lenses increased as a result of an increase in sales of high value-added products such as MiYOSMART (myopia management lenses for children), and an increase in sales to chain stores in the United States.

Sales of contact lenses increased due to strong sales of private brand products (hoyaONE) and online services. In addition, unit prices per customer increased steadily through offering high value-added products.

#### <Medical related products>

Sales of medical endoscopes increased mainly due to strong sales performance in Americas and foreign exchange tailwinds.

Sales of intraocular lenses for cataracts grew substantially, thanks to the strong momentum in all regions.

In other medical-related products, sales increased due to continued strong customer demand for chromatography media used in pharmaceuticals and other applications, as well as strong sales of metal implants.

②Information Technology Business

(Millions of yen)	Three months ended		Variance (%)
	Dec.31,2022	Dec.31,2023	
Revenue	52,289	60,305	15.3
Segment profit before tax	20,856	29,534	41.6

<Electronics related products>

Sales of mask blanks for semiconductors decreased. On the other hand, the inventory adjustment for EUV mask blanks is in a gradual recovery trend and the demand is progressing moderately as expected.

Sales of photomasks for FPD decreased due to a decline in our production capacity against a backdrop of equipment replacements and other factors.

Sales of HDD substrates increased significantly. Data usage by end customers increased and HDD inventory digestion has progressed. In addition, the large production cutback of substrates in the previous year also contributed to a significant increase in sales.

<Imaging related products>

Sales of imaging products increased due to the launch of new mirrorless camera models and firm sales of interchangeable lenses for these cameras on the back of increased demand for travels.

③Other

(Millions of yen)	Three months ended		Variance (%)
	Dec.31,2022	Dec.31,2023	
Revenue	1,192	981	-17.7
Segment profit before tax	304	25	-91.7

Both revenue and segment profit before tax of the others segment decreased due to the sale of business.

### 3. Quarterly Consolidated Financial Statements

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

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Sep.30,2023		As of Dec.31,2023		Variance		As of Dec.31,2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
NON-CURRENT ASSETS								
Property, plant and equipment-net	184,031		185,736		1,705		175,870	
Goodwill	52,002		49,790		-2,212		47,535	
Intangible assets	36,264		33,545		-2,719		37,315	
Investments in associates	1,404		1,340		-63		962	
Long-term financial assets	45,878		45,911		33		50,186	
Other non-current assets	682		555		-126		641	
Deferred tax assets	11,038		11,154		115		9,119	
Total non-current assets	331,299	29.7	328,031	29.8	-3,268	-1.0	321,629	32.0
CURRENT ASSETS								
Inventories	116,254		115,782		-472		106,904	
Trade and other receivables	140,155		146,701		6,546		124,308	
Other short-term financial assets	21,425		19,583		-1,841		23,669	
Income tax receivables	6,272		6,443		172		3,470	
Other current assets	33,534		33,646		112		30,171	
Cash and cash equivalents	465,601		450,548		-15,053		394,313	
Sub total	783,241		772,704		-10,537		682,835	
Assets held for sale	1,215		314		-900		—	
Total current assets	784,455	70.3	773,018	70.2	-11,437	-1.5	682,835	68.0
Total assets	1,115,754	100.0	1,101,049	100.0	-14,705	-1.3	1,004,465	100.0

(Millions of Yen)

	As of Sep.30,2023		As of Dec.31,2023		Variance		As of Dec.31,2022	
	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	-48,128		-6,954		41,174		-7,629	
Other capital reserves	-13,432		-16,973		-3,541		-12,679	
Retained earnings	775,278		748,934		-26,344		710,370	
Accumulated other comprehensive income/(loss)	149,503		133,676		-15,827		92,427	
Equity attributable to owners of the Company	885,384	79.4	880,846	80.0	-4,539	-0.5	804,652	80.1
Non-controlling interests	-1,856		-6,485		-4,630		-3,945	
Total equity	883,528	79.2	874,360	79.4	-9,168	-1.0	800,707	79.7
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	16,889		17,637		748		15,098	
Other long-term financial liabilities	24,149		22,987		-1,161		25,897	
Retirement benefits liabilities	4,538		4,461		-77		4,175	
Provisions	3,337		3,240		-98		2,862	
Other non-current liabilities	3,919		5,023		1,104		2,676	
Deferred tax liabilities	12,091		13,586		1,494		11,422	
Total non-current liabilities	64,924	5.8	66,933	6.1	2,009	3.1	62,131	6.2
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	8,708		8,315		-393		7,586	
Trade and other payables	65,222		66,915		1,693		59,589	
Other short-term financial liabilities	141		154		13		408	
Income tax payables	24,439		14,291		-10,148		13,107	
Provisions	1,716		1,613		-103		1,602	
Other current liabilities	66,952		68,361		1,410		59,335	
Sub total	167,178		159,650		-7,528		141,627	
Liabilities held for sale	124		106		-18		—	
Total current liabilities	167,302	15.0	159,756	14.5	-7,546	-4.5	141,627	14.1
Total liabilities	232,226	20.8	226,689	20.6	-5,537	-2.4	203,758	20.3
Total equity and liabilities	1,115,754	100.0	1,101,049	100.0	-14,705	-1.3	1,004,465	100.0
Total number of issued shares in thousand	351,048		350,516		-532		356,426	
Equity attributable to owner of the Company per share	2,522.12 Yen		2,512.99 Yen		-9.13 Yen		2,257.56 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.30,2023
	Dec.31,2022	Dec.31,2023		
<b>Cash flows from operating activities</b>				
Profit before tax	38,497	49,689	11,192	63,615
Depreciation and amortization	12,594	11,410	-1,184	11,729
Impairment losses	558	879	320	13
Finance income	-2,398	-4,410	-2,012	-3,833
Finance costs	398	448	50	495
Share of (profits)/loss of associates	8	-67	-75	-196
(Gain)/loss on sales of property, plant and equipment	-82	-884	-801	-68
Loss on disposal of property, plant and equipment	15	71	55	38
Foreign exchange (gain)/loss	8,569	9,055	486	-2,921
Others	6,529	3,584	-2,944	-1,400
<b>Net cash generated from operating activities (Before adjustment of movements in working capital)</b>	<b>64,688</b>	<b>69,775</b>	<b>5,087</b>	<b>67,471</b>
<b>Movements in working capital</b>				
Decrease/(increase) in inventories	-5,853	-2,601	3,252	12
Decrease/(increase) in trade and other receivables	10,665	-9,697	-20,362	553
Increase/(decrease) in trade and other payables	-5,305	1,532	6,836	-3,362
Increase/(decrease) in retirement benefits liabilities and provisions	61	-202	-263	70
<b>Sub total</b>	<b>64,256</b>	<b>58,807</b>	<b>-5,450</b>	<b>64,745</b>
Interests received	2,013	3,514	1,501	3,117
Dividends received	0	103	103	1
Interests paid	-44	-178	-134	-149
Income taxes paid	-19,320	-20,052	-732	-8,952
Income taxes refunded	779	354	-425	165
<b>Net cash generated from operating activities</b>	<b>47,685</b>	<b>42,548</b>	<b>-5,136</b>	<b>58,927</b>
<b>Cash flows from investing activities</b>				
Withdrawals of time deposit	—	3,859	3,859	91
Payments for time deposit	-11,632	-2,033	9,599	—
Proceeds from sales of property, plant and equipment	54	1,200	1,146	128
Payments for acquisition of property, plant and equipment	-12,506	-10,273	2,233	-10,305
Proceeds from sales of investment	—	—	—	65
Payments for acquisition of investment	-1	—	1	-90
Proceeds from sales of subsidiary	—	—	—	3,306
Advances received from sales of subsidiary	—	—	—	-3,353
Payments for purchase of subsidiary	-50	—	50	-3,241
Payments for business transfer	—	-60	-60	-214
Other proceeds	134	132	-2	29
Other payments	-363	-244	118	-400
<b>Net cash used in investing activities</b>	<b>-24,364</b>	<b>-7,419</b>	<b>16,945</b>	<b>-13,984</b>
<b>Cash flows from financing activities</b>				
Dividends paid to owners of the Company	-16,066	-15,774	292	-50
Increase (decrease) in short-term debt	—	—	—	-100
Repayments of long-term borrowings	-6	-152	-147	-151
Payments for lease liabilities	-2,349	-2,394	-45	-2,091
Payments for purchase of treasury shares	-16,625	-8,083	8,541	-41,925
Proceeds from exercise of stock options	157	16	-140	91
Proceeds from share issuance to non-controlling shareholders	7,772	—	-7,772	—
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	-7,555	-7,555	—
<b>Net cash used in financing activities</b>	<b>-27,117</b>	<b>-33,942</b>	<b>-6,825</b>	<b>-44,225</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-3,795</b>	<b>1,188</b>	<b>4,983</b>	<b>718</b>
<b>Cash and cash equivalents at the beginning of the term</b>	<b>424,125</b>	<b>465,601</b>	<b>41,476</b>	<b>455,470</b>
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	-26,017	-16,241	9,776	9,413
<b>Cash and cash equivalents at the end of the term</b>	<b>394,313</b>	<b>450,548</b>	<b>56,235</b>	<b>465,601</b>

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

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended				Variance		For the three months ended	
	Dec.31,2022		Dec.31,2023				Sep.30,2023	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>All operations</b>								
<b>Revenue:</b>								
Sales	173,525	100.0	194,798	100.0	21,274	12.3	188,701	100.0
Finance income	2,398	1.4	4,410	2.3	2,012	83.9	3,833	2.0
Share of profit of associates	—	—	67	0.0	67	—	196	0.1
Other income	433	0.2	1,351	0.7	918	212.2	3,398	1.8
<b>Total Revenue</b>	<b>176,355</b>	<b>101.6</b>	<b>200,626</b>	<b>103.0</b>	<b>24,271</b>	<b>13.8</b>	<b>196,128</b>	<b>103.9</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	-1,544	-0.9	-1,259	-0.6	285	-18.5	2,130	1.1
Raw materials and consumables used	23,470	13.5	27,130	13.9	3,660	15.6	25,310	13.4
Employee benefits expense	39,980	23.0	46,461	23.9	6,481	16.2	45,001	23.8
Depreciation and amortization	12,594	7.3	11,410	5.9	-1,184	-9.4	11,729	6.2
Subcontracting cost	1,241	0.7	1,096	0.6	-145	-11.7	1,150	0.6
Advertising and promotion expense	3,825	2.2	4,611	2.4	787	20.6	4,267	2.3
Commission expense	11,068	6.4	12,246	6.3	1,178	10.6	12,251	6.5
Impairment losses	558	0.3	879	0.5	320	57.3	13	0.0
Finance costs	398	0.2	448	0.2	50	12.5	495	0.3
Share of loss of associates	8	0.0	—	—	-8	-100.0	—	—
Foreign exchange (gain)/loss	12,250	7.1	11,380	5.8	-870	-7.1	-3,453	-1.8
Other expenses	34,012	19.6	36,536	18.8	2,524	7.4	33,621	17.8
<b>Total expense</b>	<b>137,858</b>	<b>79.4</b>	<b>150,937</b>	<b>77.5</b>	<b>13,079</b>	<b>9.5</b>	<b>132,513</b>	<b>70.2</b>
Profit before tax	38,497	22.2	49,689	25.5	11,192	29.1	63,615	33.7
Income tax expense	7,959	4.6	10,704	5.5	2,745	34.5	15,905	8.4
<b>Profit for the term from all operations</b>	<b>30,538</b>	<b>17.6</b>	<b>38,985</b>	<b>20.0</b>	<b>8,447</b>	<b>27.7</b>	<b>47,710</b>	<b>25.3</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	-295		16		311	—	16	
Remeasurements of the net defined benefit liability(asset)	0		—		0	—	2	
Income tax relating to components of other comprehensive income	59		-23		-82	—	8	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>-237</b>		<b>-7</b>		<b>230</b>		<b>26</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	-30,897		-16,696		14,201	—	11,970	
Share of other comprehensive income of associates	-62		-28		34	—	6	
Income tax relating to components of other comprehensive income	23		-30		-53	—	-7	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>-30,936</b>		<b>-16,754</b>		<b>14,182</b>		<b>11,969</b>	
<b>Total other comprehensive income</b>	<b>-31,173</b>		<b>-16,761</b>		<b>14,412</b>		<b>11,995</b>	
<b>Total comprehensive income for the quarter</b>	<b>-635</b>		<b>22,224</b>		<b>22,859</b>		<b>59,704</b>	

<b>Profit attributable to :</b>								
Owners of the Company	30,626	17.6	38,653	19.8	8,027	26.2	47,418	25.1
Non-controlling interests	-88	-0.1	332	0.2	420	—	292	0.2
<b>Total</b>	<b>30,538</b>	<b>17.6</b>	<b>38,985</b>	<b>20.0</b>	<b>8,447</b>	<b>27.7</b>	<b>47,710</b>	<b>25.3</b>
<b>Total comprehensive income attributable to :</b>								
Owners of the Company	99		22,170		22,071	22,234.0	59,047	
Non-controlling interests	-734		53		788	—	658	
<b>Total</b>	<b>-635</b>		<b>22,224</b>		<b>22,859</b>		<b>59,704</b>	
<b>Basic earnings per share (yen)</b>	<b>85.89</b>		<b>110.26</b>		<b>24.37</b>		<b>134.43</b>	
<b>Diluted earnings per share (yen)</b>	<b>85.84</b>		<b>110.22</b>		<b>24.38</b>		<b>134.37</b>	

Notes:

- Effect of Exchange Rate Change on Net Sales and Incomes ("2023A" is the actual value of this period. "2023B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2023B	2023A	Influence	Actual change	(%)
Sales	187,648	194,798	7,151	14,123	8.1%
Profit before tax	48,246	49,689	1,443	9,749	25.3%
Profit for the quarter	37,737	38,985	1,247	7,200	23.6%

		For the three months ended			
		Dec.31,2022	Dec.31,2023	Variance(%)	Sep.30,2023
2. Average rates of major foreign currencies					
US\$	Yen	139.94	146.14	-4.4%	145.58
Euro	Yen	144.21	159.10	-10.3%	157.73
Thai Baht	Yen	3.86	4.17	-8.0%	4.13



## (4) Segment Information

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

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

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

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

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

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

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

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

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

## 1. Segment revenues and results

(Millions of Yen)

For the three months ended 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%

For the three months ended Dec.31,2023	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	133,513	60,305	981	194,798	—	194,798
Inter-segment	2	157	—	159	-159	—
<b>Total</b>	<b>133,514</b>	<b>60,462</b>	<b>981</b>	<b>194,958</b>	<b>-159</b>	<b>194,798</b>
Segment profit before tax	20,321	29,534	25	49,880	-191	49,689
Segment profit before tax ratio	15.2%	48.8%	2.6%	25.6%	—	25.5%
Ref: Profit from ordinary operating activities	27,491	30,515	25	58,031	-1,358	56,673
% of revenue	20.6%	50.5%	2.5%	29.8%	—	29.1%

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

	Life Care	Information Technology	Other	Total	Adjustments	All operations
<b>Variance</b>						
Revenue from external customers	13,469	8,016	-211	21,274	—	21,274
Variance	11.2%	15.3%	-17.7%	12.3%	—	12.3%
Inter-segment	1	62	-4	59	-59	—
<b>Total</b>	<b>13,470</b>	<b>8,078</b>	<b>-216</b>	<b>21,333</b>	<b>-59</b>	<b>21,274</b>
Segment profit before tax	2,900	8,678	-278	11,300	-108	11,192
Variance	16.6%	41.6%	-91.7%	29.3%	—	29.1%
Percentage point variance	0.7%	9.0%	-22.8%	3.4%	—	3.3%
Profit from ordinary operating activities	2,030	5,664	-304	7,390	-13	7,377
Variance	8.0%	22.8%	-92.4%	14.6%	1.0%	15.0%

Note:Effect of Exchange Rate Change on Net Sales and Incomes ("2023 A" is the actual value of this period. "2023 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)

	2023B	2023A	Influences	Actual change	(%)
Life Care					
Revenue from external customers	127,704	133,513	5,809	7,660	6.4%
Profit from ordinary operating activities	26,413	27,491	1,078	952	3.7%
Segment profit before tax	19,450	20,321	871	2,029	11.6%
Information Technology					
Revenue from external customers	59,018	60,305	1,287	6,729	12.9%
Profit from ordinary operating activities	29,963	30,515	552	5,112	20.6%
Segment profit before tax	29,012	29,534	522	8,156	39.1%

Ref : Results of the previous quarter are as follows:

For the three months ended Sep.30,2023	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	132,059	55,548	1,094	188,701	—	188,701
Inter-segment	0	126	0	126	-126	—
<b>Total</b>	<b>132,059</b>	<b>55,674</b>	<b>1,094</b>	<b>188,827</b>	<b>-126</b>	<b>188,701</b>
Segment profit before tax	31,020	26,035	3,659	60,714	2,901	63,615
Segment profit before tax ratio	23.5%	46.8%	334.4%	32.2%	—	33.7%
Ref: Profit from ordinary operating activities	28,166	25,292	198	53,655	-1,245	52,410
% of revenue	21.3%	45.4%	18.1%	28.4%	—	27.8%

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.30,2023	
	Dec.31,2022		Dec.31,2023					
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>Revenue from all operations</b>								
Life Care	120,044	69.2	133,513	68.5	13,469	11.2	132,059	70.0
Health care related products	88,028	[ 73.3 ]	97,603	[ 73.1 ]	9,574	10.9	98,531	[ 74.6 ]
Medical related products	32,015	[ 26.7 ]	35,910	[ 26.9 ]	3,894	12.2	33,528	[ 25.4 ]
Information Technology	52,289	30.1	60,305	31.0	8,016	15.3	55,548	29.4
Electronics related products	43,340	[ 82.9 ]	49,687	[ 82.4 ]	6,347	14.6	45,737	[ 82.3 ]
Imaging related products	8,949	[ 17.1 ]	10,618	[ 17.6 ]	1,669	18.6	9,811	[ 17.7 ]
Other	1,192	0.7	981	0.5	-211	-17.7	1,094	0.6
<b>Total revenue from all operations</b>	<b>173,525</b>	<b>100.0</b>	<b>194,798</b>	<b>100.0</b>	<b>21,274</b>	<b>12.3</b>	<b>188,701</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 ("2023 A" is the actual value of this period. "2023 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)

	2023B	2023A	Influence	Actual change	(%)
Life Care	127,704	133,513	5,809	7,660	6.4%
Health care related products	93,710	97,603	3,893	5,681	6.5%
Medical related products	33,994	35,910	1,916	1,979	6.2%
Information Technology	59,018	60,305	1,287	6,729	12.9%
Electronics related products	48,658	49,687	1,029	5,319	12.3%
Imaging related products	10,360	10,618	258	1,411	15.8%

## 3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the three months ended				Variance		For the three months ended Sep.30,2023	
	Dec.31,2022		Dec.31,2023					
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>Revenue from all operations</b>								
Total revenue from all operations	173,525	100.0	194,798	100.0	21,274	12.3	188,701	100.0
Japan	42,767	24.6	44,762	23.0	1,994	4.7	44,752	23.7
Americas	31,168	18.0	35,445	18.2	4,277	13.7	35,991	19.1
Europe	37,256	21.5	41,859	21.5	4,603	12.4	39,352	20.9
Asia/Oceania	59,634	34.4	70,128	36.0	10,494	17.6	65,966	35.0
Other	2,700	1.6	2,605	1.3	-95	-3.5	2,639	1.4

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

<Reference>

**Supplementary data for 3rd Quarter : from October 1 to December 31, 2023**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY22-3Q	FY23-3Q	Variance	Variance	
				Foreign exchange	Other
Revenue	173,525	194,798	21,274	7,151	14,123
Life Care	120,044	133,513	13,469	5,809	7,660
Health care related products	88,028	97,603	9,574	3,893	5,681
Medical related products	32,015	35,910	3,894	1,916	1,979
Information Technology	52,289	60,305	8,016	1,287	6,729
Electronics related products	43,340	49,687	6,347	1,029	5,319
Imaging related products	8,949	10,618	1,669	258	1,411
Profit from ordinary operating activities	49,296	56,673	7,377	1,601	5,776
Life Care	25,461	27,491	2,030	1,078	952
Information Technology	24,851	30,515	5,664	552	5,112
Other adjustment (Corporate)	-1,016	-1,333	-317	-29	-288
Profit before tax	38,497	49,689	11,192	1,443	9,749
Life Care	17,421	20,321	2,900	871	2,029
Information Technology	20,856	29,534	8,678	522	8,156
Other adjustment (Corporate)	220	-166	-386	50	-436

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

	All operations		
	FY22-3Q	FY23-3Q	Variance
Profit before tax	38,497	49,689	11,192
Adjustments	-10,799	-6,984	3,815
Finance income	2,398	4,410	2,012
Finance costs	-398	-448	-50
Share of gain/loss of associates	-8	67	75
Foreign exchange (gain)/loss	-12,250	-11,380	870
Impairment losses	-558	-879	-320
Other	17	1,245	1,228
Profit from ordinary operating activities	49,296	56,673	7,377

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

	Life Care			Information Technology			Other adjustment (Corporate)		
	FY22-3Q	FY23-3Q	Variance	FY22-3Q	FY23-3Q	Variance	FY22-3Q	FY23-3Q	Variance
Profit before tax	17,421	20,321	2,900	20,856	29,534	8,678	220	-166	-386
Adjustments	-8,040	-7,170	870	-3,995	-981	3,014	1,236	1,167	-69
Finance income	745	1,620	875	525	1,103	578	1,128	1,687	558
Finance costs	-780	-838	-58	-169	-392	-223	551	783	232
Share of gain/loss of associates	18	62	44	8	17	9	-34	-12	22
Foreign exchange (gain)/loss	-8,112	-8,050	62	-3,702	-2,080	1,622	-436	-1,250	-815
Impairment losses	—	-879	-879	-558	—	558	—	—	—
Other	89	915	825	-99	371	470	27	-40	-67
Profit from ordinary operating activities	25,461	27,491	2,030	24,851	30,515	5,664	-1,016	-1,333	-317

## 1. Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

### 1. Performance for the nine months ended December 31, 2022 and 2023 (All operations \*Notes)

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

	Nine months ended		Variance (%)
	Dec.31,2022	Dec.31,2023	
(1)Revenue and Profit before tax			
Revenue	537,816	565,787	5.2
Profit before tax	161,835	164,471	1.6
Ratio of profit before tax(%)	30.1%	29.1%	
Profit for the term	126,255	125,089	-0.9
Ratio of profit for the term(%)	23.5%	22.1%	
Profit attributable to owners of the Company	126,085	124,286	-1.4
Ratio of profit attributable to owners of the Company(%)	23.4%	22.0%	
Basic earnings per share (yen)	350.14	352.79	
Diluted earnings per share (yen)	349.92	352.63	

	As of	
	Mar.31,2023	Dec.31,2023
(2)Financial Position		
Total assets	1,028,326	1,101,049
Total equity	814,604	874,360
Equity attributable to owners of the Company	818,321	880,846
Ratio of assets attributable to owners of the Company	79.6%	80.0%
Assets attributable to owners of the Company per share (yen)	2,311.72	2,512.99

	Nine months ended	
	Dec.31,2022	Dec.31,2023
(3) Conditions of Cash Flows		
Net cash generated from operating activities	153,932	156,871
Net cash used in investing activities	-42,602	-22,860
Free cash flow	111,330	134,011
Net cash provided by (used in ) financing activities	-158,093	-109,254
Cash and cash equivalents at end of period	394,313	450,548

### 3.Other

	Nine months ended	
	Dec.31,2022	Dec.31,2023
Capital expenditure	30,764	39,158
R&D expenses	21,880	24,259

#### 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.31,2023		As of Dec.31,2023		Variance		As of Dec.31,2022	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
<b>NON-CURRENT ASSETS</b>								
Property, plant and equipment-net	178,648		185,736		7,087		175,870	
Goodwill	46,818		49,790		2,972		47,535	
Intangible assets	35,732		33,545		-2,187		37,315	
Investments in associates	971		1,340		370		962	
Long-term financial assets	45,303		45,911		608		50,186	
Other non-current assets	747		555		-191		641	
Deferred tax assets	9,953		11,154		1,201		9,119	
Total non-current assets	318,171	30.9	328,031	29.8	9,860	3.1	321,629	32.0
<b>CURRENT ASSETS</b>								
Inventories	105,150		115,782		10,632		106,904	
Trade and other receivables	143,194		146,701		3,507		124,308	
Other short-term financial assets	20,379		19,583		-796		23,669	
Income tax receivables	3,798		6,443		2,645		3,470	
Other current assets	30,622		33,646		3,024		30,171	
Cash and cash equivalents	405,888		450,548		44,660		394,313	
Sub total	709,031		772,704		63,673		682,835	
Assets held for sale	1,124		314		-810		—	
Total current assets	710,155	69.1	773,018	70.2	62,863	8.9	682,835	68.0
Total assets	1,028,326	100.0	1,101,049	100.0	72,723	7.1	1,004,465	100.0

(Millions of Yen)

	As of Mar.31,2023		As of Dec.31,2023		Variance		As of Dec.31,2022	
	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	-41,374		-6,954		34,420		-7,629	
Other capital reserves	-12,800		-16,973		-4,172		-12,679	
Retained earnings	752,999		748,934		-4,065		710,370	
Accumulated other comprehensive income/(loss)	97,334		133,676		36,343		92,427	
Equity attributable to owners of the Company	818,321	79.6	880,846	80.0	62,525	7.6	804,652	80.1
Non-controlling interests	-3,717		-6,485		-2,769		-3,945	
Total equity	814,604	79.2	874,360	79.4	59,756	7.3	800,707	79.7
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	15,997		17,637		1,640		15,098	
Other long-term financial liabilities	21,523		22,987		1,464		25,897	
Retirement benefits liabilities	4,028		4,461		433		4,175	
Provisions	3,153		3,240		87		2,862	
Other non-current liabilities	2,820		5,023		2,203		2,676	
Deferred tax liabilities	10,102		13,586		3,483		11,422	
Total non-current liabilities	57,623	5.6	66,933	6.1	9,309	16.2	62,131	6.2
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	8,585		8,315		-270		7,586	
Trade and other payables	64,621		66,915		2,294		59,589	
Other short-term financial liabilities	264		154		-110		408	
Income tax payables	21,546		14,291		-7,255		13,107	
Provisions	1,558		1,613		55		1,602	
Other current liabilities	59,394		68,361		8,968		59,335	
Sub total	155,967		159,650		3,683		141,627	
Liabilities held for sale	132		106		-26		—	
Total current liabilities	156,099	15.2	159,756	14.5	3,657	2.3	141,627	14.1
Total liabilities	213,722	20.8	226,689	20.6	12,966	6.1	203,758	20.3
Total equity and liabilities	1,028,326	100.0	1,101,049	100.0	72,723	7.1	1,004,465	100.0
Total number of issued shares in thousand	353,988		350,516		-3,472		356,426	
Equity attributable to owner of the Company per share	2,311.72 Yen		2,512.99 Yen		201.27 Yen		2,257.56 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 Mar.31,2023
	Dec.31,2022	Dec.31,2023		
Cash flows from operating activities				
Profit before tax	161,835	164,471	2,636	215,832
Depreciation and amortization	36,838	35,620	-1,218	49,615
Impairment losses	558	8,831	8,273	1,082
Finance income	-4,777	-11,586	-6,810	-7,666
Finance costs	1,273	1,454	181	1,816
Share of (profits)/loss of associates	-45	-318	-273	-83
(Gain)/loss on sales of property, plant and equipment	-382	-991	-610	-468
Loss on disposal of property, plant and equipment	60	133	73	127
Foreign exchange (gain)/loss	-644	191	835	-157
Others	6,409	559	-5,851	5,122
Net cash generated from operating activities (Before adjustment of movements in working capital)	201,126	198,362	-2,763	265,221
Movements in working capital				
Decrease/(increase) in inventories	-12,181	-6,277	5,904	-9,216
Decrease/(increase) in trade and other receivables	14,839	1,903	-12,936	-2,967
Increase/(decrease) in trade and other payables	-6,819	1,522	8,342	-6,507
Increase/(decrease) in retirement benefits liabilities and provisions	316	1	-315	-88
Sub total	197,280	195,511	-1,769	246,443
Interests received	3,430	9,464	6,035	5,928
Dividends received	9	113	104	63
Interests paid	-249	-468	-219	-524
Income taxes paid	-47,620	-48,533	-913	-51,304
Income taxes refunded	1,082	782	-299	1,224
Net cash generated from operating activities	153,932	156,871	2,939	201,829
Cash flows from investing activities				
Withdrawals of time deposit	6	4,229	4,222	3,946
Payments for time deposit	-12,301	-2,624	9,678	-12,632
Proceeds from sales of property, plant and equipment	2,344	1,380	-964	2,639
Payments for acquisition of property, plant and equipment	-26,209	-27,794	-1,585	-33,473
Proceeds from government grant	—	2,843	2,843	—
Proceeds from sales of investment	86	65	-22	86
Payments for acquisition of investment	-1	-90	-89	-108
Proceeds from sales of subsidiary	—	3,306	3,306	-340
Payments for purchase of subsidiary	-4,540	-3,241	1,299	-4,747
Payments for business transfer	-757	-330	427	-757
Other proceeds	215	290	75	279
Other payments	-1,445	-893	553	-2,390
Net cash used in investing activities	-42,602	-22,860	19,742	-47,496
Cash flows from financing activities				
Dividends paid to owners of the Company	-39,779	-38,764	1,015	-39,794
Dividends paid to non-controlling interests	-50	—	50	-171
Increase (decrease) in short-term debt	-100	-100	—	-200
Repayments of long-term borrowings	-18	-451	-433	-169
Payments for lease liabilities	-6,613	-6,698	-86	-8,618
Proceeds from disposal of treasury shares	1	—	-1	1
Payments for purchase of treasury shares	-120,010	-56,050	63,960	-153,973
Proceeds from exercise of stock options	704	364	-340	769
Proceeds from share issuance to non-controlling shareholders	7,772	—	-7,772	7,772
Payments for purchase of non-controlling interests	—	-7,555	-7,555	—
Repayments to non-controlling interests	—	—	—	-208
Net cash used in financing activities	-158,093	-109,254	48,839	-194,593
Net increase/(decrease) in cash and cash equivalents	-46,763	24,757	71,520	-40,259
Cash and cash equivalents at the beginning of the term	419,404	405,888	-13,517	419,404
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	21,672	19,903	-1,769	26,743
Cash and cash equivalents at the end of the term	394,313	450,548	56,235	405,888



### (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.31,2022		Dec.31,2023				Mar.31,2023	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>All operations</b>								
<b>Revenue:</b>								
Sales	537,816	100.0	565,787	100.0	27,971	5.2	723,582	100.0
Finance income	4,777	0.9	11,586	2.0	6,810	142.6	7,666	1.1
Share of profit of associates	45	0.0	318	0.1	273	611.7	83	0.0
Other income	1,415	0.3	8,664	1.5	7,249	512.2	2,764	0.4
<b>Total Revenue</b>	<b>544,052</b>	<b>101.2</b>	<b>586,355</b>	<b>103.6</b>	<b>42,303</b>	<b>7.8</b>	<b>734,095</b>	<b>101.5</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	-3,962	-0.7	-553	-0.1	3,409	-86.0	-1,953	-0.3
Raw materials and consumables used	78,018	14.5	78,437	13.9	420	0.5	104,193	14.4
Employee benefits expense	119,873	22.3	135,757	24.0	15,884	13.3	160,698	22.2
Depreciation and amortization	36,838	6.8	35,620	6.3	-1,218	-3.3	49,615	6.9
Subcontracting cost	3,535	0.7	3,453	0.6	-82	-2.3	4,674	0.6
Advertising and promotion expense	11,968	2.2	13,276	2.3	1,309	10.9	16,004	2.2
Commission expense	32,335	6.0	36,293	6.4	3,958	12.2	43,974	6.1
Impairment losses	558	0.1	8,831	1.6	8,273	1,481.3	1,082	0.1
Finance costs	1,273	0.2	1,454	0.3	181	14.2	1,816	0.3
Foreign exchange (gain)/loss	-894	-0.2	1,222	0.2	2,117	-	-55	-0.0
Other expenses	102,677	19.1	108,094	19.1	5,418	5.3	138,213	19.1
<b>Total expense</b>	<b>382,217</b>	<b>71.1</b>	<b>421,885</b>	<b>74.6</b>	<b>39,668</b>	<b>10.4</b>	<b>518,263</b>	<b>71.6</b>
Profit before tax	161,835	30.1	164,471	29.1	2,636	1.6	215,832	29.8
Income tax expense	35,580	6.6	39,381	7.0	3,802	10.7	47,044	6.5
<b>Profit for the term from all operations</b>	<b>126,255</b>	<b>23.5</b>	<b>125,089</b>	<b>22.1</b>	<b>-1,166</b>	<b>-0.9</b>	<b>168,788</b>	<b>23.3</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	-341		212		552	-	-5,711	
Remeasurements of the net defined benefit liability(asset)	56		2		-54	-	152	
Income tax relating to components of other comprehensive income	91		-37		-128	-	1,708	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>-193</b>		<b>177</b>		<b>370</b>	<b>-</b>	<b>-3,852</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	34,486		36,380		1,894	-	43,481	
Share of other comprehensive income of associates	-17		64		81	-	2	
Income tax relating to components of other comprehensive income	-28		-21		7	-	-17	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>34,441</b>		<b>36,423</b>		<b>1,982</b>	<b>-</b>	<b>43,466</b>	
<b>Total other comprehensive income</b>	<b>34,248</b>		<b>36,600</b>		<b>2,352</b>	<b>-</b>	<b>39,615</b>	
<b>Total comprehensive income for the term</b>	<b>160,504</b>		<b>161,690</b>		<b>1,186</b>	<b>0.7</b>	<b>208,403</b>	
<b>Profit attributable to :</b>								
Owners of the Company	126,085	23.4	124,286	22.0	-1,799	-1.4	168,638	23.3
Non-controlling interests	171	0.0	803	0.1	632	370.6	150	0.0
<b>Total</b>	<b>126,255</b>	<b>23.5</b>	<b>125,089</b>	<b>22.1</b>	<b>-1,166</b>	<b>-0.9</b>	<b>168,788</b>	<b>23.3</b>
<b>Total comprehensive income attributable to :</b>								
Owners of the Company	159,807		159,775		-31	0.0	207,342	
Non-controlling interests	697		1,914		1,217	174.7	1,060	
<b>Total</b>	<b>160,504</b>		<b>161,690</b>		<b>1,186</b>	<b>0.7</b>	<b>208,403</b>	
<b>Basic earnings per share (yen)</b>	<b>350.14</b>		<b>352.79</b>		<b>2.65</b>		<b>469.76</b>	
<b>Diluted earnings per share (yen)</b>	<b>349.92</b>		<b>352.63</b>		<b>2.71</b>		<b>469.47</b>	

Notes:

1. Effect of Exchange Rate Change on Net Sales and Incomes ("2023A" is the actual value of this period. "2023B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2023B	2023A	Influences	Actual change	(%)
Sales	545,481	565,787	20,306	7,665	1.4%
Profit before tax	159,269	164,471	5,202	-2,567	-1.6%
Profit for the term	120,839	125,089	4,250	-5,416	-4.3%

2. Average rates of major foreign currencies

		For the nine months ended		Variance(%)
		Dec.31,2022	Dec.31,2023	
US\$	Yen	136.85	143.78	-5.1%
Euro	Yen	140.83	156.24	-10.9%
Thai Baht	Yen	3.81	4.10	-7.6%

## (4) Segment Information

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

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

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

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

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

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

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

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

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

## 1. Segment revenues and results

(Millions of Yen)

For the nine months ended Dec.31,2022	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
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%
Ref: 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%

For the nine months ended Dec.31,2023	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	392,997	169,591	3,199	565,787	—	565,787
Inter-segment	3	412	8	422	-422	—
<b>Total</b>	<b>392,999</b>	<b>170,003</b>	<b>3,207</b>	<b>566,209</b>	<b>-422</b>	<b>565,787</b>
Segment profit before tax	81,820	76,507	3,786	162,114	2,357	164,471
Segment profit before tax ratio	20.8%	45.0%	118.0%	28.6%	—	29.1%
Ref: Profit from ordinary operating activities	80,938	79,527	327	160,792	-3,935	156,857
% of revenue	20.6%	46.8%	10.2%	28.4%	—	27.7%

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
<b>Variance</b>						
Revenue from external customers	43,334	-15,141	-223	27,971	—	27,971
Variance	12.4%	-8.2%	-6.5%	5.2%	—	5.2%
Inter-segment	0	282	-6	277	-277	—
<b>Total</b>	<b>43,335</b>	<b>-14,858</b>	<b>-229</b>	<b>28,248</b>	<b>-277</b>	<b>27,971</b>
Segment profit before tax	11,968	-14,374	3,068	661	1,974	2,636
Variance	17.1%	-15.8%	427.6%	0.4%	—	1.6%
Percentage point variance	0.8%	-4.2%	97.1%	-1.4%	—	-1.0%
Profit from ordinary operating activities	10,691	-10,550	-363	-222	-264	-486
Variance	15.2%	-11.7%	-52.6%	-0.1%	7.2%	-0.3%

Note:Effect of Exchange Rate Change on Net Sales and Incomes ("2023 A" is the actual value of this period. "2023 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)

	2023B	2023A	Influences	Actual change	(%)
Life Care					
Revenue from external customers	376,525	392,997	16,471	26,863	7.7%
Profit from ordinary operating activities	77,735	80,938	3,203	7,488	10.7%
Segment profit before tax	77,795	81,820	4,025	7,942	11.4%
Information Technology					
Revenue from external customers	165,924	169,591	3,666	-18,807	-10.2%
Profit from ordinary operating activities	78,133	79,527	1,394	-11,944	-13.3%
Segment profit before tax	75,368	76,507	1,139	-15,514	-17.1%

## 2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

	For the nine months ended				Variance		For the year ended	
	Dec.31,2022		Dec.31,2023				Mar.31,2023	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>Revenue from all operations</b>								
Life Care	349,662	65.0	392,997	69.5	43,334	12.4	474,628	65.6
Health care related products	259,062 [ 74.1 ]		291,062 [ 74.1 ]		32,000	12.4	351,617 [ 74.1 ]	
Medical related products	90,600 [ 25.9 ]		101,934 [ 25.9 ]		11,335	12.5	123,011 [ 25.9 ]	
Information Technology	184,731	34.3	169,591	30.0	-15,141	-8.2	244,338	33.8
Electronics related products	156,764 [ 84.9 ]		140,374 [ 82.8 ]		-16,389	-10.5	208,199 [ 85.2 ]	
Imaging related products	27,968 [ 15.1 ]		29,216 [ 17.2 ]		1,249	4.5	36,140 [ 14.8 ]	
Other	3,422	0.6	3,199	0.6	-223	-6.5	4,615	0.6
<b>Total revenue from all operations</b>	<b>537,816</b>	<b>100.0</b>	<b>565,787</b>	<b>100.0</b>	<b>27,971</b>	<b>5.2</b>	<b>723,582</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 ("2023 A" is the actual value of this period. "2023 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)

	2023B	2023A	Influences	Actual change	(%)
Life Care	376,525	392,997	16,471	26,863	7.7%
Health care related products	279,959	291,062	11,103	20,897	8.1%
Medical related products	96,566	101,934	5,368	5,967	6.6%
Information Technology	165,924	169,591	3,666	-18,807	-10.2%
Electronics related products	137,245	140,374	3,129	-19,519	-12.5%
Imaging related products	28,679	29,216	537	712	2.5%

## 3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the nine months ended				Variance		For the year ended	
	Dec.31,2022		Dec.31,2023				Mar.31,2023	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>Revenue from all operations</b>								
Total revenue from all operations	537,816	100.0	565,787	100.0	27,971	5.2	723,582	100.0
Japan	127,674	23.7	132,354	23.4	4,680	3.7	170,056	23.5
Americas	91,933	17.1	105,339	18.6	13,406	14.6	127,245	17.6
Europe	106,942	19.9	119,774	21.2	12,832	12.0	144,417	20.0
Asia/Oceania	203,528	37.8	200,052	35.4	-3,475	-1.7	271,115	37.5
Other	7,738	1.4	8,267	1.5	529	6.8	10,749	1.5

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

<Reference>

**Supplementary data for 3rd Quarter aggregated : from April 1 to December 31, 2023**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY2022	FY2023	Variance	Variance	
				Foreign exchange	Other
Revenue	537,816	565,787	27,971	20,306	7,665
Life Care	349,662	392,997	43,334	16,471	26,863
Health care related products	259,062	291,062	32,000	11,103	20,897
Medical related products	90,600	101,934	11,335	5,368	5,967
Information Technology	184,731	169,591	-15,141	3,666	-18,807
Electronics related products	156,764	140,374	-16,389	3,129	-19,519
Imaging related products	27,968	29,216	1,249	537	712
Profit from ordinary operating activities	157,343	156,857	-486	4,505	-4,990
Life Care	70,247	80,938	10,691	3,203	7,488
Information Technology	90,077	79,527	-10,550	1,394	-11,944
Other adjustment (Corporate)	-2,982	-3,608	-626	-92	-534
Profit before tax	161,835	164,471	2,636	5,202	-2,567
Life Care	69,853	81,820	11,968	4,025	7,942
Information Technology	90,882	76,507	-14,374	1,139	-15,514
Other adjustment (Corporate)	1,100	6,143	5,042	38	5,005

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

	All operations		
	FY2022	FY2023	Variance
Profit before tax	161,835	164,471	2,636
Adjustments	4,492	7,613	3,121
Finance income	4,777	11,586	6,810
Finance costs	-1,273	-1,454	-181
Share of gain/loss of associates	45	318	273
Foreign exchange (gain)/loss	894	-1,222	-2,117
Impairment losses	-558	-8,831	-8,273
Other	608	7,217	6,609
Profit from ordinary operating activities	157,343	156,857	-486

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

	Life Care			Information Technology			Other adjustment (Corporate)		
	FY2022	FY2023	Variance	FY2022	FY2023	Variance	FY2022	FY2023	Variance
Profit before tax	69,853	81,820	11,968	90,882	76,507	-14,374	1,100	6,143	5,042
Adjustments	-394	882	1,277	805	-3,020	-3,824	4,082	9,751	5,669
Finance income	1,343	4,430	3,086	977	2,287	1,310	2,456	4,869	2,413
Finance costs	-1,394	-2,331	-938	-434	-1,138	-703	555	2,015	1,460
Share of gain/loss of associates	120	161	40	35	32	-3	-111	125	236
Foreign exchange (gain)/loss	-753	-1,249	-496	783	646	-137	864	-620	-1,484
Impairment losses	—	-879	-879	-558	-7,952	-7,394	—	—	—
Other	288	751	463	2	3,105	3,103	318	3,361	3,043
Profit from ordinary operating activities	70,247	80,938	10,691	90,077	79,527	-10,550	-2,982	-3,608	-626

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

(Year ending Mar. 31, 2024)

	<u>Millions of Yen</u>		variance (%)
	<u>Year ended/ending</u>		
	Mar. 31, 2023	<b>Mar. 31, 2024E</b>	
Revenue	723,582	756,000	4.5
Profit before tax	215,832	217,000	0.5
Profit for the term	168,788	166,000	-1.7
<u>Profit attributable to owners of the Company</u>	<u>168,638</u>	<u>166,000</u>	<u>-1.6</u>
Basic earnings per share (Yen)	469.76	471.78	2.02

Ref: for the 4th quarter

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

	<u>Millions of Yen</u>		variance (%)
	<u>Three months ended/ending</u>		
	Mar. 31, 2023	<b>Mar. 31, 2024E</b>	
Revenue	185,766	190,213	2.4
Profit before tax	53,997	52,529	-2.7
Profit for the term	42,532	41,714	-1.9
<u>Profit attributable to owners of the Company</u>	<u>42,553</u>	<u>41,714</u>	<u>-2.0</u>
Basic earnings per share (Yen)	119.66	118.99	-0.67

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

	<u>Millions of Yen</u>		variance (%)
	<u>Three months ended/ending</u>		
	Dec.31,2023	<b>Mar. 31, 2024E</b>	
Revenue	194,798	190,213	-2.4
Profit before tax	49,689	52,529	5.7
Profit for the term	38,985	41,714	7.0
<u>Profit attributable to owners of the Company</u>	<u>38,653</u>	<u>41,714</u>	<u>7.9</u>
Basic earnings per share (Yen)	110.26	118.99	8.73

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.