

Consolidated Financial Results for the First Quarter of FY2024 Ending March 2025

(Japanese GAAP)

TOPCON CORPORATION

Release Date: July 30, 2024

1. Summary of First Quarter Business Results for FY2024 ending March 2025 (April 1, 2024 - June 30, 2024)

"%" indicate year-to-year increase (decrease)

(1) Consolidated business results

(Rounded down to the nearest million yen)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
1st quarter of FY2024	51,405	3.4	678	(60.5)	(383)	—	(950)	—
1st quarter of FY2023	49,695	5.7	1,717	(55.2)	1,840	(53.9)	(199)	—

Note: Comprehensive income
 1st quarter of FY2024 5,031 million yen (31.6) %
 1st quarter of FY2023 7,358 million yen (10.0) %

	Basic earnings per share	Diluted earnings per share
	yen	yen
1st quarter of FY2024	(9.02)	—
1st quarter of FY2023	(1.90)	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	yen
1st quarter of FY2024	252,164	112,791	44.0	1,052.27
FY2023 ended March 2024	247,029	110,298	43.8	1,027.99

Note: Shareholders' equity
 1st quarter of FY2024 110,858 million yen
 FY2023 ended March 2024 108,300 million yen

2. Dividends

	Dividends per share				
	end of 1st qtr	end of 2nd qtr	end of 3rd qtr	year-end	Total
	yen	yen	yen	yen	yen
FY2023 ended March 2024	—	20.00	—	22.00	42.00
FY2024 ending March 2025	—				
FY2024 ending March 2025 (forecast)		20.00	—	22.00	42.00

*Revision to the most recently disclosed dividend forecasts : No

3. Business Forecasts for FY2024 ending March 2025 (April 1, 2024 - March 31, 2025)

"%" indicate year-to-year increase (decrease)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Annual	230,000	6.2	18,000	60.6	15,500	75.0	9,500	92.3	90.17

*Revision to the most recently disclosed business forecasts : No

Note: The forecasts above were prepared on the premise of future forecasts available at the time of the release of this document, such as trends of business, competition environment, and currency exchange rates. Due to unforeseen circumstances, however, the actual results may differ from these forecast data.

Consolidated quarterly financial statements

Consolidated quarterly balance sheets

(Unit: million yen)

	FY2023 ended March 2024	1st quarter of FY2024
Assets		
Current assets		
Cash and deposits	19,623	22,058
Notes and accounts receivable - trade	48,067	44,519
Merchandise and finished goods	26,758	28,804
Work in process	2,084	2,271
Raw materials and supplies	28,569	29,841
Other	11,171	10,588
Allowance for doubtful accounts	(1,723)	(1,851)
Total current assets	134,551	136,233
Non-current assets		
Property, plant and equipment	40,242	41,728
Intangible assets		
Goodwill	15,764	16,012
Other	25,530	26,344
Total intangible assets	41,295	42,356
Investments and other assets	30,940	31,845
Total non-current assets	112,478	115,930
Total assets	247,029	252,164
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,394	13,541
Short-term borrowings	27,154	32,507
Lease liabilities	3,306	3,486
Income taxes payable	3,131	960
Provision for product warranties	1,791	1,738
Current portion of bonds payable	-	10,000
Other	22,345	23,245
Total current liabilities	73,123	85,479
Non-current liabilities		
Bonds payable	40,000	30,000
Long-term borrowings	1,554	1,153
Lease liabilities	7,544	7,409
Provision for retirement benefits for directors (and other officers)	20	22
Retirement benefit liability	2,275	2,252
Other	12,211	13,054
Total non-current liabilities	63,606	53,892
Total liabilities	136,730	139,372
Net assets		
Shareholders' equity		
Share capital	16,837	16,837
Capital surplus	20,739	20,739
Retained earnings	53,151	49,883
Treasury shares	(3,172)	(3,172)
Total shareholders' equity	87,556	84,287
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,579	1,455
Foreign currency translation adjustment	17,810	23,806
Remeasurements of defined benefit plans	1,354	1,308
Total accumulated other comprehensive income	20,743	26,571
Share acquisition rights	63	63
Non-controlling interests	1,934	1,869
Total net assets	110,298	112,791
Total liabilities and net assets	247,029	252,164

Consolidated quarterly statements of income

(Unit: million yen)

	1st quarter of FY2023	1st quarter of FY2024
Net sales	49,695	51,405
Cost of sales	23,287	23,832
Gross profit	26,408	27,573
Selling, general and administrative expenses	24,690	26,894
Operating profit	1,717	678
Non-operating income		
Interest income	37	73
Dividend income	17	5
Foreign exchange gains	762	-
Other	120	124
Total non-operating income	937	203
Non-operating expenses		
Interest expenses	462	636
Share of loss of entities accounted for using equity method	17	80
Foreign exchange losses	-	96
Worker-on-loan expenses	130	-
Other	203	452
Total non-operating expenses	814	1,265
Ordinary profit (loss)	1,840	(383)
Extraordinary losses		
Impairment losses	1,285	-
Extra retirement payments	89	-
Total extraordinary losses	1,374	-
Profit (loss) before income taxes	465	(383)
Income taxes - current	989	644
Income taxes - deferred	(365)	(63)
Total income taxes	623	581
Profit (loss)	(157)	(964)
Profit (loss) attributable to non-controlling interests	42	(13)
Profit (loss) attributable to owners of parent	(199)	(950)

[Segment Information by business category]

1st quarter of FY2023 (April 1, 2023 - June 30, 2023)

(Unit: million yen)

	Reportable segment				Elimination & Common	Total
	Positioning Business	Eye Care Business	Other	Sub-Total		
Sales						
Sales to unaffiliated customers	32,858	16,514	322	49,695	—	49,695
Intercompany sales or transfer	—	58	0	58	(58)	—
Total	32,858	16,573	322	49,754	(58)	49,695
Segment Profit (Operating Income)	1,772	1,053	(51)	2,774	(1,057)	1,717

Note: Segment Profit (1,057) on "Elimination & Common" is mainly goodwill amortization expense and corporate expense (advanced research and development expense), both of which are not distributed to each reportable segment .

1st quarter of FY2024 (April 1, 2024 - June 30, 2024)

(Unit: million yen)

	Reportable segment				Elimination & Common	Total
	Positioning Business	Eye Care Business	Other	Sub-Total		
Sales						
Sales to unaffiliated customers	33,768	17,557	79	51,405	—	51,405
Intercompany sales or transfer	—	3	0	3	(3)	—
Total	33,768	17,561	79	51,409	(3)	51,405
Segment Profit (Operating Income)	1,876	10	(115)	1,770	(1,092)	678

Note: Segment Profit (1,092) on "Elimination & Common" is mainly goodwill amortization expense and corporate expense (advanced research and development expense), both of which are not distributed to each reportable segment .

[Overseas Sales]

1st quarter of FY2023 (April 1, 2023 - June 30, 2023)

(Unit: million yen)

	North America	Europe	Asia / Oceania	Other	Total
Overseas sales	17,289	12,911	8,031	2,830	41,063
Consolidated Sales					49,695
Ratio to Consolidated Sales (%)	34.8	26.0	16.1	5.7	82.6

1st quarter of FY2024 (April 1, 2024 - June 30, 2024)

(Unit: million yen)

	North America	Europe	Asia / Oceania	Other	Total
Overseas sales	19,168	14,577	7,317	2,691	43,755
Consolidated Sales					51,405
Ratio to Consolidated Sales (%)	37.3	28.4	14.2	5.2	85.1

Notes:1. Sales are classified by country or region based on the location of customers.

2. The main regions which belong to "other" category are Latin America, Middle East, Russia, and Africa.