

Consolidated Financial Results for the Second Quarter of FY2025 Ending March 2026
(Japanese GAAP)
TOPCON CORPORATION
Release Date: October 30, 2025

1. Summary of Second Quarter Business Results for FY2025 ending March 2026 (April 1, 2025 - September 30, 2025)

"%" 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	%
2nd quarter of FY2025	100,640	(4.6)	(369)	—	(1,233)	—	(9,997)	—
2nd quarter of FY2024	105,497	1.0	2,974	(22.4)	381	(88.8)	61	(89.9)

Note: Comprehensive income
2nd quarter of FY2025 (6,329) million yen (— %)
2nd quarter of FY2024 (3,743) million yen (— %)

	Basic earnings per share	Diluted earnings per share
	yen	yen
2nd quarter of FY2025	(94.82)	—
2nd quarter of FY2024	0.58	0.58

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	yen
2nd quarter of FY2025	259,930	98,535	37.4	920.73
FY2024 ended March 2025	249,144	104,840	41.5	980.39

Note: Shareholders' equity
2nd quarter of FY2025 97,108 million yen
FY2024 ended March 2025 103,345 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
FY2024 ended March 2025	—	20.00	—	0.00	20.00
FY2025 ending March 2026	—	0.00			
FY2025 ending March 2026 (forecast)			—	0.00	0.00

*Revision to the most recently disclosed dividend forecasts : No

3. Business Forecasts for FY2025 ending March 2026 (April 1, 2025 - March 31, 2026)

As announced in the press release dated September 11, 2025, titled "Notice Regarding Results of Tender Offer for Company Securities by TK Co., Ltd. and Changes in Parent Company and Largest (Major) Shareholder", the common shares of Topcon corporation (the "Company") are scheduled to be delisted on December 2, 2025 as a result of the Offeror's tender offer for ordinary shares of the Company and subsequent procedures. Therefore, the Company has not stated a consolidated business forecasts for the fiscal year ending March 31, 2026.

Consolidated quarterly financial statements

Consolidated quarterly balance sheets

(Unit: million yen)

	FY2024 ended March 2025	2nd quarter of FY2025
Assets		
Current assets		
Cash and deposits	20,235	18,810
Notes and accounts receivable - trade	53,438	49,123
Securities	-	385
Merchandise and finished goods	23,969	28,491
Work in process	2,189	2,008
Raw materials and supplies	25,608	24,371
Other	8,989	9,130
Allowance for doubtful accounts	(1,610)	(1,697)
Total current assets	132,821	130,625
Non-current assets		
Property, plant and equipment	40,994	44,122
Intangible assets		
Goodwill	13,286	21,076
Other	22,015	26,074
Total intangible assets	35,301	47,150
Investments and other assets	40,026	38,031
Total non-current assets	116,323	129,305
Total assets	249,144	259,930
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,311	12,171
Short-term borrowings	42,053	68,947
Lease liabilities	3,004	2,677
Income taxes payable	1,750	1,230
Provision for product warranties	1,896	1,985
Current portion of bonds payable	10,000	10,000
Other	23,276	23,422
Total current liabilities	95,293	120,434
Non-current liabilities		
Bonds payable	30,000	20,000
Long-term borrowings	972	2,156
Lease liabilities	4,994	4,956
Provision for retirement benefits for directors (and other officers)	24	27
Retirement benefit liability	1,316	1,240
Other	11,702	12,579
Total non-current liabilities	49,010	40,961
Total liabilities	144,304	161,395
Net assets		
Shareholders' equity		
Share capital	16,891	16,984
Capital surplus	20,792	20,886
Retained earnings	49,143	39,145
Treasury shares	(3,172)	(3,175)
Total shareholders' equity	83,654	73,841
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,220	1,360
Foreign currency translation adjustment	16,794	20,334
Remeasurements of defined benefit plans	1,675	1,571
Total accumulated other comprehensive income	19,690	23,267
Share acquisition rights	63	63
Non-controlling interests	1,431	1,363
Total net assets	104,840	98,535
Total liabilities and net assets	249,144	259,930

Consolidated quarterly statements of income

(Unit: million yen)

	2nd quarter of FY2024	2nd quarter of FY2025
Net sales	105,497	100,640
Cost of sales	49,471	47,136
Gross profit	56,026	53,504
Selling, general and administrative expenses	53,052	53,873
Operating profit (loss)	2,974	(369)
Non-operating income		
Interest income	143	122
Dividend income	5	5
Share of profit of entities accounted for using equity method	-	51
Foreign exchange gains	-	522
Other	220	423
Total non-operating income	369	1,127
Non-operating expenses		
Interest expenses	1,296	1,312
Share of loss of entities accounted for using equity method	62	-
Foreign exchange losses	674	-
Other	927	678
Total non-operating expenses	2,962	1,991
Ordinary profit (loss)	381	(1,233)
Extraordinary income		
Gain on sale of non-current assets	-	334
Gain on valuation of investment securities	-	1,563
Total extraordinary income	-	1,897
Extraordinary losses		
Extra retirement payments	-	615
TOB related expenses	-	1,593
Loss from money transfer scam at foreign subsidiary	-	1,199
Total extraordinary losses	-	3,409
Profit (loss) before income taxes	381	(2,745)
Income taxes - current	445	1,376
Income taxes - deferred	(140)	5,751
Total income taxes	304	7,127
Profit (loss)	76	(9,873)
Profit attributable to non-controlling interests	14	124
Profit (loss) attributable to owners of parent	61	(9,997)

Consolidated quarterly statements of cash flows

(Unit: Million Yen)

	2nd quarter of FY2024	2nd quarter of FY2025
Cash flows from operating activities		
Profit (loss) before income taxes	381	(2,745)
Depreciation	6,302	6,107
Amortization of goodwill	1,160	1,232
Increase (decrease) in allowance for doubtful accounts	99	109
Interest and dividend income	(149)	(128)
Interest expenses	1,296	1,312
Loss (gain) on sale of property, plant and equipment	-	(334)
Loss (gain) on valuation of investment securities	-	(1,253)
Extra retirement payments	-	615
TOB related expenses	-	1,593
Loss from money transfer scam at foreign subsidiary	-	1,199
Increase (decrease) in retirement benefit liability	(76)	(155)
Decrease (increase) in trade receivables	1,386	4,328
Decrease (increase) in inventories	1,404	(3,259)
Decrease (increase) in accounts receivable - other	68	411
Increase (decrease) in trade payables	(3,494)	(1,208)
Increase (decrease) in accounts payable - other	(277)	512
Increase (decrease) in accrued expenses	213	(460)
Other, net	(7)	3,005
Subtotal	8,309	10,883
Interest and dividends received	181	134
Interest paid	(1,318)	(1,285)
Income taxes paid	(1,935)	(1,851)
Extra retirement payments	-	(615)
TOB related expenses paid	-	(1,593)
Payments for money transfer scam at foreign subsidiary	-	(1,199)
Net cash provided by (used in) operating activities	5,236	4,471
Cash flows from investing activities		
Payments into time deposits	(244)	(11)
Proceeds from withdrawal of time deposits	177	-
Purchase of property, plant and equipment	(2,909)	(5,769)
Proceeds from sale of property, plant and equipment	31	557
Purchase of intangible assets	(2,218)	(4,539)
Purchase of investment securities	(446)	(1,933)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(9,191)
Long-term loan advances	(757)	(945)
Other, net	28	(41)
Net cash provided by (used in) investing activities	(6,339)	(21,875)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,757	27,485
Proceeds from long-term borrowings	-	1,006
Repayments of long-term borrowings	(41)	(700)
Redemption of bonds	-	(10,000)
Repayments of lease liabilities	(1,004)	(949)
Dividends paid	(2,317)	-
Purchase of treasury shares	(0)	(2)
Other, net	(16)	(4)
Net cash provided by (used in) financing activities	1,376	16,835
Effect of exchange rate change on cash and cash equivalents	(525)	(458)
Net increase (decrease) in cash and cash equivalents	(252)	(1,026)
Cash and cash equivalents at beginning of period	16,672	18,420
Cash and cash equivalents at end of period	16,419	17,394

[Segment Information by business category]

2nd quarter of FY2024 (April 1, 2024 - September 30, 2024)

(Unit: million yen)

	Reportable segment				Elimination & Common	Total
	Positioning Business	Eye Care Business	Other	Sub-Total		
Sales						
Sales to unaffiliated customers	68,179	37,070	248	105,497	—	105,497
Intercompany sales or transfer	0	35	0	35	(35)	—
Total	68,179	37,105	248	105,533	(35)	105,497
Segment Profit (Operating Income)	4,059	1,378	(271)	5,166	(2,192)	2,974

Note: Segment Profit (2,192) 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 .

2nd quarter of FY2025 (April 1, 2025 - September 30, 2025)

(Unit: million yen)

	Reportable segment				Elimination & Common	Total
	Positioning Business	Eye Care Business	Other	Sub-Total		
Sales						
Sales to unaffiliated customers	64,954	34,882	803	100,640	—	100,640
Intercompany sales or transfer	0	—	0	0	(0)	—
Total	64,954	34,882	803	100,641	(0)	100,640
Segment Profit (Operating Income)	5,377	(1,349)	(1,786)	2,241	(2,610)	(369)

Note: Segment Profit (2,610) 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]

2nd quarter of FY2024 (April 1, 2024 - September 30, 2024)

(Unit: million yen)

	North America	Europe	Asia / Oceania	Other	Total
Oversea sales	39,281	27,808	14,038	6,853	87,981
Consolidated Sales					105,497
Ratio to Consolidated Sales (%)	37.2	26.4	13.3	6.5	83.4

2nd quarter of FY2025 (April 1, 2025 - September 30, 2025)

(Unit: million yen)

	North America	Europe	Asia / Oceania	Other	Total
Oversea sales	35,162	25,985	13,470	6,716	81,334
Consolidated Sales					100,640
Ratio to Consolidated Sales (%)	34.9	25.8	13.4	6.7	80.8

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.