

# Quarterly Report

2nd Quarter : 3 months ended September 30, 2021  
Interim(1st Half) : 6 months ended September 30, 2021

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

**Part .1**

**2nd Quarter : from July 1 to September 30, 2021 <IFRS>**

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**Part .2**

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**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 September 30, 2020 and 2021 (All operations \*Notes)

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

	Three months ended		Variance (%)
	Sep. 30, 2020	Sep. 30, 2021	
(1)Revenue and Profit before tax			
Revenue	140,313	162,601	15.9
Profit before tax	40,193	53,989	34.3
Ratio of profit before tax(%)	28.6%	33.2%	
Profit for the quarter	31,841	42,975	35.0
Ratio of profit for the quarter(%)	22.7%	26.4%	
Profit attributable to owners of the Company	31,846	42,967	34.9
Ratio of profit attributable to owners of the Company(%)	22.7%	26.4%	
Basic earnings per share (yen)	84.97	116.47	
Diluted earnings per share (yen)	84.83	116.32	

	As of	
	Jun. 30, 2020	Sep. 30, 2021
(2)Financial Position		
Total assets	867,336	913,159
Total equity	690,767	732,250
Equity attributable to owners of the Company	706,246	747,602
Ratio of assets attributable to owners of the Company	81.4%	81.9%
Assets attributable to owners of the Company per share (yen)	1,914.52	2,026.43

	Three months ended	
	Sep. 30, 2020	Sep. 30, 2021
(3) Conditions of Cash Flows		
Net cash generated from operating activities	48,354	45,910
Net cash used in investing activities	-8,698	-5,513
Free cash flow	39,656	40,397
Net cash provided by (used in ) financing activities	-1,844	-1,717
Cash and cash equivalents at end of period	337,444	386,527

### 2.Dividends per Share

	Year ended/ending	
	Mar.31,2021	Mar.31,2022
Interim (Yen)	45.00	45.00
Year-end (Yen)	45.00	TBD
Annual (Yen)	90.00	TBD

### 3.Projected Results for the Full year (Year ending March 31, 2021) for All Operations

	Full Year ended/ending		Variance (%)
	Mar. 31,2021	Mar. 31,2022	
Revenue	547,921	640,000	16.8
Profit before tax	159,218	-	-
Profit for the term	125,221	-	-
Profit attributable to owners of the Company	125,446	-	-
Profit for the term per share (Yen)	335.77	-	-

### 4.Other

	Three months ended	
	Sep. 30, 2020	Sep. 30, 2021
Capital expenditure	11,251	7,073
R&D expenses	6,047	6,207

#### 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

HOYA Group sales for the second quarter of the consolidated fiscal year under review (three months from July 1 to September 30, 2021) amounted to 162,601 million yen, an increase of 15.9% from the same period of the previous fiscal year (three months from July 1 to September 30, 2020).

Quarterly profit before tax amounted to 53,989 million yen, and quarterly profit amounted to 42,975 million yen, up 34.3% and 35.0% respectively.

The quarterly profit margin before tax was 33.2%, representing a year-on-year increase of 4.6 points.

Disclosed figures and change ratios are for businesses with continuing operations. There were no discontinued businesses in the second quarter or the same quarter of the previous year.

In the Life Care segment, sales of healthcare-related products such as eyeglass lenses and contact lenses grew, and medical-related products such as medical endoscopes and intraocular lenses for cataracts also increased significantly. Overall, sales in the Life Care segment rose substantially.

In the Information Technology segment, sales of mask blanks for semiconductors, photomasks for FPDs, and glass substrates for hard disks for electronics-related products increased significantly. As a result, overall sales in the Information Technology segment rose substantially.

### 2) Segment Overview

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

#### Life Care

##### <Health care related products>

Sales of eyeglass lenses and contact lenses increased due to a recovery following the resumption of economic activities, compared to the same period of the previous fiscal year, when the impact of COVID-19 on business activities was high.

Sales of eyeglass lenses were strong, particularly overseas, and higher sales of high-value-added products also contributed to higher sales.

Contact lenses were affected by sales activities at Eyecity specialty retailers due to temporary closures at some stores and shortened sale hours in line with the declaration of an emergency situation in Japan. However, sales revenue increased by strengthening online sales, such as home delivery services to Eyecity members.

##### <Medical related products>

Sales of medical endoscopes and intraocular lenses for cataracts increased significantly by a recovery following the resumption of economic activities, compared to the same period of the previous fiscal year, when the impact of COVID-19 on business activities was high.

In the medical endoscopes business, there was a recovery in capital investment in hospitals, and our sales were on a recovery trend.

In intraocular lenses for cataracts, there was a gradual recovery in the number of cataract operations, particularly overseas, and our sales were on a recovery trend.

As a result, sales in the Life Care segment amounted to 99,082 million yen, an increase of 9.9%. Segment profit increased by 32.1% to 23,426 million yen.

## Information Technology

### <Electronics related products>

Sales of mask blanks for semiconductors increased significantly due to brisk research and development in cutting-edge products, including products for EUV (Extreme Ultraviolet), and our capturing demand for the launch of mass-production.

As for photomasks for FPDs, there was a substantial recovery in demand for photomasks for R&D, resulting in an increase in sales.

In hard disk glass substrates, sales of 3.5-inch products, expecting to grow significantly in the future, increased vastly thanks to continued strong demand for near-line applications at end customers, which are data centers.

In addition, sales of 2.5-inch products increased significantly due to the continued demand for external HDDs with the strong PC sales by the impact of COVID-19, although the replacement of HDDs (Hard Disk Drive) with SSDs (Solid State Drive) continues.

For the overall segment, sales increased significantly.

### <Imaging related products>

In lenses for cameras, the erosion by smartphones have continued for both digital compact cameras and interchangeable lenses. But sales increased significantly due to a recovery following the resumption of economic activities compared to the same period of the previous fiscal year, when the impact of COVID-19 on business activities was high.

As a result, sales in the Information Technology segment grew by 26.6% to 61,969 million yen. Segment profit increased by 38.7% to 31,037 million yen.

### Other

The Other businesses consist mainly of speech synthesis software business, information system services business, and new businesses. Sales in the Other business increased by 25.9% to 1,550 million yen. Segment profit increased by 151.3% to 319 million yen.

## 3) Subsequent events

### Resolution on cash dividends

On October 28, 2021, a resolution was made by the HOYA CORPORATION ("The Company")'s board of directors for the payment of a cash dividend to shareholders of record on September 30, 2021 of 16,602 million yen (45 yen per common share).

### 3. Quarterly Consolidated Financial Statements

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

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Jun. 30, 2021		As of Sep. 30, 2021		Variance		As of Sep. 30, 2020	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
NON-CURRENT ASSETS								
Property, plant and equipment-net	164,359		161,534		-2,825		155,248	
Goodwill	35,717		35,905		188		38,286	
Intangible assets	36,241		35,095		-1,146		36,913	
Investments in associates	666		832		166		632	
Long-term financial assets	50,480		50,377		-103		46,326	
Other non-current assets	843		813		-30		698	
Deferred tax assets	7,983		8,177		194		7,294	
Total non-current assets	296,289	34.2	292,733	32.1	-3,556	-1.2	285,397	34.6
CURRENT ASSETS								
Inventories	79,871		78,314		-1,557		76,737	
Trade and other receivables	118,216		119,817		1,600		104,101	
Other short-term financial assets	5,181		5,034		-147		1,558	
Income tax receivables	2,098		2,172		74		1,089	
Other current assets	19,903		28,562		8,659		19,037	
Cash and cash equivalents	345,777		386,527		40,750		337,444	
Sub total	571,046		620,426		49,379		539,966	
Assets held for sale	—		—		—		579	
Total current assets	571,046	65.8	620,426	67.9	49,379	8.6	540,545	65.4
Total assets	867,336	100.0	913,159	100.0	45,823	5.3	825,941	100.0

(Millions of Yen)

	As of Jun. 30, 2021		As of Sep. 30, 2021		Variance		As of Sep. 30, 2020	
	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	-10,138		-9,706		432		-9,075	
Other capital reserves	-10,401		-10,685		-284		-8,680	
Retained earnings	695,849		738,831		42,983		696,129	
Accumulated other comprehensive income/(loss)	8,774		6,999		-1,775		-21,310	
Equity attributable to owners of the Company	706,246	81.4	747,602	81.9	41,355	5.9	679,226	82.2
Non-controlling interests	-15,479		-15,352		128		-15,629	
Total equity	690,767	79.6	732,250	80.2	41,483	6.0	663,597	80.3
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	13,618		13,614		-5		13,795	
Other long-term financial liabilities	21,812		22,009		197		21,819	
Retirement benefits liabilities	3,296		3,263		-34		3,304	
Provisions	2,601		2,617		16		2,510	
Other non-current liabilities	1,502		1,644		142		1,451	
Deferred tax liabilities	8,514		8,704		190		3,380	
Total non-current liabilities	51,343	5.9	51,850	5.7	507	1.0	46,258	5.6
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	7,611		7,366		-245		7,445	
Trade and other payables	55,052		52,819		-2,234		50,576	
Other short-term financial liabilities	2,125		1,606		-519		2,738	
Income tax payables	11,871		18,114		6,243		13,320	
Provisions	1,280		1,346		66		1,175	
Other current liabilities	47,287		47,808		522		40,831	
Total current liabilities	125,226	14.4	129,059	14.1	3,833	3.1	116,086	14.1
Total liabilities	176,569	20.4	180,909	19.8	4,340	2.5	162,344	19.7
Total equity and liabilities	867,336	100.0	913,159	100.0	45,823	5.3	825,941	100.0
Total number of issued shares in thousand	368,890		368,925		35		374,803	
Equity attributable to owner of the Company per share	1,914.52 Yen		2,026.43 Yen		111.91 Yen		1,812.22 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 Jun. 30,2021
	Sep. 30, 2020	Sep. 30, 2021		
<b>Cash flows from operating activities</b>				
Profit before tax	40,193	53,989	13,796	51,018
Depreciation and amortization	8,896	10,616	1,720	10,280
Impairment losses	3,104	—	-3,104	—
Finance income	-983	-385	598	-398
Finance costs	557	275	-282	590
Share of (profits)/loss of associates	86	12	-74	33
(Gain)/loss on sales of property, plant and equipment	-32	-86	-54	-45
Loss on disposal of property, plant and equipment	75	16	-59	2
Gain on business transfer	—	-1,713	-1,713	—
Foreign exchange (gain)/loss	-1,195	-2,849	-1,654	-1,777
Others	5,055	-620	-5,676	-24
<b>Net cash generated from operating activities (Before adjustment of movements in working capital)</b>	<b>55,756</b>	<b>59,255</b>	<b>3,500</b>	<b>59,681</b>
<b>Movements in working capital</b>				
Decrease/(increase) in inventories	2,211	1,204	-1,007	-2,285
Decrease/(increase) in trade and other receivables	-7,762	-1,541	6,221	-1,417
Increase/(decrease) in trade and other payables	1,707	-335	-2,042	2,062
Increase/(decrease) in retirement benefits liabilities and provisions	72	112	40	200
<b>Sub total</b>	<b>51,984</b>	<b>58,695</b>	<b>6,712</b>	<b>58,241</b>
Interests received	246	207	-39	245
Dividends received	1	2	—	9
Interests paid	-236	-106	130	-117
Income taxes paid	-3,756	-13,017	-9,260	-14,690
Income taxes refunded	116	129	13	95
<b>Net cash generated from operating activities</b>	<b>48,354</b>	<b>45,910</b>	<b>-2,444</b>	<b>43,783</b>
<b>Cash flows from investing activities</b>				
Withdrawals of time deposit	543	212	-332	—
Payments for time deposit	-7	—	7	-211
Proceeds from sales of property, plant and equipment	67	109	42	1,239
Payments for acquisition of property, plant and equipment	-8,498	-6,543	1,954	-9,972
Proceeds from sales of investment	665	25	-640	44
Payments for acquisition of investment	—	-195	-195	—
Payments for purchase of subsidiary	-90	-120	-30	—
Proceeds from business transfer	—	1,545	1,545	—
Other proceeds	94	36	-58	79
Other payments	-1,474	-582	892	-543
<b>Net cash used in investing activities</b>	<b>-8,698</b>	<b>-5,513</b>	<b>3,185</b>	<b>-9,362</b>
<b>Cash flows from financing activities</b>				
Dividends paid to owners of the Company	-62	-42	20	-16,565
Increase (decrease) in short-term debt	—	-100	-100	—
Repayments of long-term borrowings	-5	-5	-0	-5
Payments for lease liabilities	-1,911	-1,863	48	-2,150
Proceeds from disposal of treasury shares	—	0	0	—
Payments for purchase of treasury shares	-2	-3	-0	-5,760
Proceeds from exercise of stock options	137	131	-5	26
Proceeds from share issuance to non-controlling shareholders	—	164	164	—
<b>Net cash used in financing activities</b>	<b>-1,844</b>	<b>-1,717</b>	<b>127</b>	<b>-24,455</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>37,812</b>	<b>38,680</b>	<b>868</b>	<b>9,966</b>
<b>Cash and cash equivalents at the beginning of the term</b>	<b>301,513</b>	<b>345,777</b>	<b>44,264</b>	<b>334,897</b>
<b>Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies</b>	<b>-1,881</b>	<b>2,070</b>	<b>3,951</b>	<b>914</b>
<b>Cash and cash equivalents at the end of the term</b>	<b>337,444</b>	<b>386,527</b>	<b>49,083</b>	<b>345,777</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	
	Sep. 30, 2020		Sep. 30, 2021				Jun. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>All operations</b>								
<b>Revenue:</b>								
Sales	140,313	100.0	162,601	100.0	22,288	15.9	158,000	100.0
Finance income	983	0.7	385	0.2	-598	-60.8	398	0.3
Other income	395	0.3	2,064	1.3	1,670	422.9	549	0.3
<b>Total Revenue</b>	<b>141,691</b>	<b>101.0</b>	<b>165,051</b>	<b>101.5</b>	<b>23,359</b>	<b>16.5</b>	<b>158,947</b>	<b>100.6</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	1,471	1.0	1,842	1.1	371	25.2	-1,028	-0.7
Raw materials and consumables used	20,713	14.8	24,564	15.1	3,851	18.6	25,922	16.4
Employee benefits expense	32,117	22.9	35,483	21.8	3,366	10.5	34,833	22.0
Depreciation and amortization	8,896	6.3	10,616	6.5	1,720	19.3	10,280	6.5
Subcontracting cost	1,096	0.8	1,096	0.7	-1	-0.1	1,059	0.7
Advertising and promotion expense	2,569	1.8	3,006	1.8	437	17.0	3,410	2.2
Commission expense	7,259	5.2	9,280	5.7	2,021	27.8	8,420	5.3
Impairment losses	3,104	2.2	—	—	-3,104	—	—	—
Finance costs	557	0.4	275	0.2	-282	-50.7	590	0.4
Share of loss of associates	86	0.1	12	0.0	-74	-86.2	33	0.0
Foreign exchange (gain)/loss	-874	-0.6	-3,004	-1.8	-2,131	243.8	-1,573	-1.0
Other expenses	24,504	17.5	27,892	17.2	3,388	13.8	25,982	16.4
<b>Total expense</b>	<b>101,498</b>	<b>72.3</b>	<b>111,061</b>	<b>68.3</b>	<b>9,563</b>	<b>9.4</b>	<b>107,929</b>	<b>68.3</b>
Profit before tax	40,193	28.6	53,989	33.2	13,796	34.3	51,018	32.3
Income tax expense	8,352	6.0	11,014	6.8	2,662	31.9	9,719	6.2
<b>Profit for the term from all operations</b>	<b>31,841</b>	<b>22.7</b>	<b>42,975</b>	<b>26.4</b>	<b>11,135</b>	<b>35.0</b>	<b>41,299</b>	<b>26.1</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	-266		-239		27	—	-179	
Remeasurements of the net defined benefit liability(asset)	—		—		—	—	—	
Income tax relating to components of other comprehensive income	79		74		-5	—	54	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>-187</b>		<b>-165</b>		<b>22</b>	<b>—</b>	<b>-125</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	-5,402		-1,622		3,780	—	-519	
Share of other comprehensive income of associates	-5		-16		-11	—	37	
Income tax relating to components of other comprehensive income	5		-2		-7	—	1	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>-5,402</b>		<b>-1,640</b>		<b>3,761</b>	<b>—</b>	<b>-481</b>	
<b>Total other comprehensive income/(loss)</b>	<b>-5,589</b>		<b>-1,805</b>		<b>3,784</b>	<b>—</b>	<b>-606</b>	
<b>Total comprehensive income for the quarter</b>	<b>26,252</b>		<b>41,170</b>		<b>14,918</b>	<b>56.8</b>	<b>40,692</b>	
<b>Profit attributable to :</b>								
Owners of the Company	31,846	22.7	42,967	26.4	11,121	34.9	41,258	26.1
Non-controlling interests	-6	-0.0	8	0.0	14	—	41	0.0
<b>Total</b>	<b>31,841</b>	<b>22.7</b>	<b>42,975</b>	<b>26.4</b>	<b>11,135</b>	<b>35.0</b>	<b>41,299</b>	<b>26.1</b>
<b>Total comprehensive income/(loss) attributable to :</b>								
Owners of the Company	25,986		41,207		15,221	58.6	40,583	
Non-controlling interests	266		-37		-303	-113.8	109	
<b>Total</b>	<b>26,252</b>		<b>41,170</b>		<b>14,918</b>	<b>56.8</b>	<b>40,692</b>	
<b>Basic earnings/(loss) per share (yen)</b>								
Continuing operations	84.97		116.47		31.50		111.83	
Discontinued operations	—		—		—		—	
<b>Basic earnings per share (yen)</b>	<b>84.97</b>		<b>116.47</b>		<b>31.50</b>		<b>111.83</b>	
<b>Diluted earnings/(loss) per share (yen)</b>								
Continuing operations	84.83		116.32		31.49		111.69	
Discontinued operations	—		—		—		—	
<b>Diluted earnings per share (yen)</b>	<b>84.83</b>		<b>116.32</b>		<b>31.49</b>		<b>111.69</b>	

Notes:

1. Effect of Exchange Rate Change on Net Sales and Incomes ("2021A" is the actual value of this period. "2021B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2021B	2021A	Influences	Real change	(%)
Sales	157,044	162,601	5,558	16,731	11.9%
Profit before tax	52,783	53,989	1,207	12,590	31.3%
Profit for the quarter	41,968	42,975	1,008	10,127	31.8%

		For the three months ended		
		Sep. 30, 2020	Sep. 30, 2021	Variance(%)
2. Average rates of major foreign currencies	US\$	Yen 105.25	110.44	-4.9%
	Euro	Yen 124.59	129.89	-4.3%
	Thai Baht	Yen 3.36	3.34	0.7%

## (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 as well as new businesses.

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.
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 Sep. 30, 2020	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	90,128	48,954	1,231	140,313	—	140,313
Inter-segment	88	3	291	382	-382	—
<b>Total</b>	<b>90,216</b>	<b>48,957</b>	<b>1,522</b>	<b>140,695</b>	<b>-382</b>	<b>140,313</b>
Segment profit before tax	17,735	22,369	127	40,231	-38	40,193
Segment profit before tax ratio	19.7%	45.7%	8.3%	28.6%	—	28.6%
Ref: Profit from ordinary operating activities	21,190	22,845	136	44,171	-864	43,307
% of revenue	23.5%	46.7%	8.9%	31.4%	—	30.9%

For the three months ended Sep. 30, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	99,082	61,969	1,550	162,601	—	162,601
Inter-segment	1	40	255	296	-296	—
<b>Total</b>	<b>99,083</b>	<b>62,010</b>	<b>1,805</b>	<b>162,897</b>	<b>-296</b>	<b>162,601</b>
Segment profit before tax	23,426	31,037	319	54,782	-793	53,989
Segment profit before tax ratio	23.6%	50.1%	17.7%	33.6%	—	33.2%
Ref: Profit from ordinary operating activities	19,762	30,114	296	50,172	-962	49,210
% of revenue	19.9%	48.6%	16.4%	30.8%	—	30.3%

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	8,954	13,015	319	22,288	—	22,288
Variance	9.9%	26.6%	25.9%	15.9%	—	15.9%
Inter-segment	-87	37	-36	-86	86	—
<b>Total</b>	<b>8,867</b>	<b>13,053</b>	<b>283</b>	<b>22,203</b>	<b>86</b>	<b>22,288</b>
Segment profit before tax	5,692	8,667	192	14,551	-755	13,796
Variance	32.1%	38.7%	151.3%	36.2%	—	34.3%
Profit from ordinary operating activities	-1,428	7,269	160	6,001	-98	5,903
Variance	-6.7%	31.8%	117.3%	13.6%	11.3%	13.6%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2021A" is the actual value of this period. "2021 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)

	2021B	2021A	Influences	Real change	(%)
<b>Life Care</b>					
Revenue from external customers	95,498	99,082	3,584	5,370	6.0%
Profit from ordinary operating activities	19,481	19,762	281	-1,709	-8.1%
Segment profit before tax	23,057	23,426	369	5,323	30.0%
<b>Information Technology</b>					
Revenue from external customers	60,030	61,969	1,939	11,076	22.6%
Profit from ordinary operating activities	29,297	30,114	818	6,452	28.2%
Segment profit before tax	30,200	31,037	836	7,831	35.0%

Ref : Results of the previous quarter are as follows:

For the three months ended Jun. 30, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	96,849	59,815	1,336	158,000	—	158,000
Inter-segment	1	18	291	309	-309	—
<b>Total</b>	<b>96,849</b>	<b>59,833</b>	<b>1,627</b>	<b>158,309</b>	<b>-309</b>	<b>158,000</b>
Segment profit before tax	21,843	30,042	252	52,138	-1,120	51,018
Segment profit before tax ratio	22.6%	50.2%	15.5%	32.9%	—	32.3%
Ref: Profit from ordinary operating activities	20,621	29,682	194	50,497	-1,055	49,442
% of revenue	21.3%	49.6%	11.9%	31.9%	—	31.3%

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, 2020		Sep. 30, 2021				Jun. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Life Care	90,128	64.2	99,082	60.9	8,954	9.9	96,849	61.3
Health care related products	68,190	[ 75.7 ]	73,563	[ 74.2 ]	5,373	7.9	71,670	[ 74.0 ]
Medical related products	21,938	[ 24.3 ]	25,519	[ 25.8 ]	3,581	16.3	25,178	[ 26.0 ]
Information Technology	48,954	34.9	61,969	38.1	13,015	26.6	59,815	37.9
Electronics related products	41,881	[ 85.6 ]	51,743	[ 83.5 ]	9,862	23.5	50,597	[ 84.6 ]
Imaging related products	7,073	[ 14.4 ]	10,226	[ 16.5 ]	3,153	44.6	9,218	[ 15.4 ]
Other	1,231	0.9	1,550	1.0	319	25.9	1,336	0.8
Corporate (including R&D)	-	-	-	-	-	-	-	-
<b>Total revenue from all operations</b>	<b>140,313</b>	<b>100.0</b>	<b>162,601</b>	<b>100.0</b>	<b>22,288</b>	<b>15.9</b>	<b>158,000</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 ("2021A" is the actual value of this period. "2021B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2021B	2021A	Influences	Real change	(%)
Life Care	95,498	99,082	3,584	5,370	6.0%
Health care related products	71,054	73,563	2,510	2,864	4.2%
Medical related products	24,444	25,519	1,075	2,506	11.4%
Information Technology	60,030	61,969	1,939	11,076	22.6%
Electronics related products	50,324	51,743	1,419	8,443	20.2%
Imaging related products	9,706	10,226	520	2,633	37.2%

## 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, 2020		Sep. 30, 2021				Jun. 30, 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Total revenue from all operations	140,313	100.0	162,601	100.0	22,288	15.9	158,000	100.0
Japan	37,881	27.0	40,832	25.1	2,951	7.8	38,124	24.1
Americas	21,470	15.3	24,234	14.9	2,764	12.9	24,388	15.4
Europe	29,017	20.7	31,994	19.7	2,976	10.3	31,694	20.1
Asia/Oceania	50,557	36.0	63,875	39.3	13,318	26.3	62,162	39.3
Others	1,387	1.0	1,666	1.0	279	20.1	1,631	1.0

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

<Reference>

**Supplementary data for 2nd Quarter: from July 1 to September 30, 2021**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY20-2Q	FY21-2Q	Variance	Breakdown of Variance	
				Foreign exchange	Others
Revenue	140,313	162,601	22,288	5,558	16,731
Life Care	90,128	99,082	8,954	3,584	5,370
Health care related products	68,190	73,563	5,373	2,510	2,864
Medical related products	21,938	25,519	3,581	1,075	2,506
Information Technology	48,954	61,969	13,015	1,939	11,076
Electronics related products	41,881	51,743	9,862	1,419	8,443
Imaging related products	7,073	10,226	3,153	520	2,633
Profit from ordinary operating activities	43,307	49,210	5,903	1,094	4,809
Life Care	21,190	19,762	-1,428	281	-1,709
Information Technology	22,845	30,114	7,269	818	6,452
Other, adjustment (Corporate)	-728	-666	62	-5	67
Profit before tax	40,193	53,989	13,796	1,207	12,590
Life Care	17,735	23,426	5,692	369	5,323
Information Technology	22,369	31,037	8,667	836	7,831
Other, adjustment (Corporate)	89	-474	-563	1	-564

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

	All operations		
	FY20-2Q	FY21-2Q	Variance
Profit before tax	40,193	53,989	13,796
Adjustments	-3,114	4,779	7,893
Finance income	983	385	-598
Finance costs	-557	-275	282
Share of loss of associates	-86	-12	74
Foreign exchange (gain)/loss	874	3,004	2,131
Impairment losses	-3,104	-	3,104
Others	-1,225	1,676	2,901
Profit from ordinary operating activities	43,307	49,210	5,903

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

	Life Care			Information Technology			Other, adjustment (Corporate)		
	FY20-2Q	FY21-2Q	Variance	FY20-2Q	FY21-2Q	Variance	FY20-2Q	FY21-2Q	Variance
Profit before tax	17,735	23,426	5,692	22,369	31,037	8,667	89	-474	-563
Adjustments	-3,456	3,664	7,120	-476	922	1,398	817	193	-625
Finance income	50	54	5	155	128	-27	778	202	-576
Finance costs	-347	-249	98	-118	-67	50	-92	41	134
Share of loss of associates	25	36	11	1	1	-0	-112	-48	63
Foreign exchange (gain)/loss	459	2,114	1,655	158	887	729	257	3	-254
Impairment losses	-3,083	-	3,083	-21	-	21	-	-	-
Others	-559	1,709	2,268	-651	-27	625	-14	-6	8
Profit from ordinary operating activities	21,190	19,762	-1,428	22,845	30,114	7,269	-728	-666	62

## 1. Interim Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

### 1. Performance for the six months ended September 30, 2020 and 2021 (All operations \*Notes)

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

	Six months ended		Variance (%)
	Sep. 30,2020	Sep. 30,2021	
(1)Revenue and Profit before tax			
Revenue	249,640	320,601	28.4
Profit before tax	72,135	105,007	45.6
Ratio of profit before tax(%)	28.9%	32.8%	
Profit for the term	57,470	84,274	46.6
Ratio of profit for the term(%)	23.0%	26.3%	
Profit attributable to owners of the Company	57,730	84,224	45.9
Ratio of profit attributable to owners of the Company(%)	23.1%	26.3%	
Basic earnings per share (yen)	154.04	228.29	
Diluted earnings per share (yen)	153.77	228.00	

	As of	
	Mar. 31, 2021	Sep. 30,2021
(2)Financial Position		
Total assets	853,290	913,159
Total equity	672,412	732,250
Equity attributable to owners of the Company	688,000	747,602
Ratio of assets attributable to owners of the Company	80.6%	81.9%
Assets attributable to owners of the Company per share (yen)	1,862.96	2,026.43

	Six months ended	
	Sep. 30,2020	Sep. 30,2021
(3) Conditions of Cash Flows		
Net cash generated from operating activities	59,134	89,693
Net cash used in investing activities	-15,191	-14,875
Free cash flow	43,943	74,818
Net cash provided by (used in) financing activities	-21,680	-26,172
Cash and cash equivalents at end of period	337,444	386,527

### 2.Dividends per Share

	Year ended/ending	
	Mar. 31, 2021	Mar.31, 2022
Interim (Yen)	45.00	45.00
Year-end (Yen)	45.00	TBD
Annual (Yen)	90.00	TBD

### 3.Other

	Six months ended	
	Sep. 30,2020	Sep. 30,2021
Capital expenditure	19,250	15,360
R&D expenses	10,886	12,432

#### 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. Interim Consolidated Financial Statements

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

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Mar. 31, 2020		As of Sep. 30, 2021		Variance		As of Sep. 30, 2020	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
<b>ASSETS</b>								
<b>NON-CURRENT ASSETS</b>								
Property, plant and equipment-net	164,957		161,534		-3,423		155,248	
Goodwill	35,688		35,905		216		38,286	
Intangible assets	37,110		35,095		-2,015		36,913	
Investments in associates	661		832		171		632	
Long-term financial assets	52,005		50,377		-1,628		46,326	
Other non-current assets	797		813		16		698	
Deferred tax assets	7,488		8,177		689		7,294	
Total non-current assets	298,705	35.0	292,733	32.1	-5,972	-2.0	285,397	34.6
<b>CURRENT ASSETS</b>								
Inventories	77,367		78,314		948		76,737	
Trade and other receivables	117,251		119,817		2,566		104,101	
Other short-term financial assets	3,897		5,034		1,138		1,558	
Income tax receivables	1,218		2,172		954		1,089	
Other current assets	19,956		28,562		8,606		19,037	
Cash and cash equivalents	334,897		386,527		51,630		337,444	
Sub total	554,584		620,426		65,842		539,966	
Assets held for sale	—		—		—		579	
Total current assets	554,584	65.0	620,426	67.9	65,842	11.9	540,545	65.4
Total assets	853,290	100.0	913,159	100.0	59,870	7.0	825,941	100.0

(Millions of Yen)

	As of Mar. 31, 2020		As of Sep. 30, 2021		Variance		As of Sep. 30, 2020	
	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	-43,560		-9,706		33,854		-9,075	
Other capital reserves	-10,354		-10,685		-331		-8,680	
Retained earnings	710,274		738,831		28,557		696,129	
Accumulated other comprehensive income/(loss)	9,477		6,999		-2,479		-21,310	
Equity attributable to owners of the Company	688,000	80.6	747,602	81.9	59,602	8.7	679,226	82.2
Non-controlling interests	-15,589		-15,352		237		-15,629	
Total equity	672,412	78.8	732,250	80.2	59,838	8.9	663,597	80.3
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Interest-bearing long-term debt	13,234		13,614		380		13,795	
Other long-term financial liabilities	21,874		22,009		135		21,819	
Retirement benefits liabilities	3,248		3,263		14		3,304	
Provisions	2,587		2,617		30		2,510	
Other non-current liabilities	1,455		1,644		189		1,451	
Deferred tax liabilities	6,870		8,704		1,835		3,380	
Total non-current liabilities	49,268	5.8	51,850	5.7	2,583	5.2	46,258	5.6
<b>CURRENT LIABILITIES</b>								
Interest-bearing short-term debt	7,515		7,366		-150		7,445	
Trade and other payables	57,354		52,819		-4,535		50,576	
Other short-term financial liabilities	2,598		1,606		-991		2,738	
Income tax payables	17,041		18,114		1,073		13,320	
Provisions	1,161		1,346		185		1,175	
Other current liabilities	45,942		47,808		1,866		40,831	
Total current liabilities	131,610	15.4	129,059	14.1	-2,551	-1.9	116,086	14.1
Total liabilities	180,878	21.2	180,909	19.8	31	0.0	162,344	19.7
Total equity and liabilities	853,290	100.0	913,159	100.0	59,870	7.0	825,941	100.0
Total number of issued shares in thousand	369,306		368,925		-381		374,803	
Equity attributable to owner of the Company per share	1,862.96 Yen		2,026.43 Yen		163.47 Yen		1,812.22 Yen	

## (2) Interim Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the six months ended		Variance	For the year ended Mar.31 2021
	Sep.30, 2020	Sep.30, 2021		
<b>Cash flows from operating activities</b>				
Profit before tax	72,135	105,007	32,873	159,218
Depreciation and amortization	17,327	20,896	3,569	36,336
Impairment losses	3,104	—	-3,104	8,166
Finance income	-1,529	-783	747	-2,204
Finance costs	814	865	51	2,010
Share of (profits)/loss of associates	222	45	-177	369
(Gain)/loss on sales of property, plant and equipment	-53	-130	-78	-1,266
Loss on disposal of property, plant and equipment	77	18	-59	147
Gain on business transfer	—	-1,713	-1,713	—
Foreign exchange (gain)/loss	327	-4,626	-4,953	-357
Others	-3,303	-644	2,658	-4,957
<b>Net cash generated from operating activities</b> (Before adjustment of movements in working capital)	89,121	118,936	29,815	197,463
<b>Movements in working capital</b>				
Decrease/(increase) in inventories	1,039	-1,081	-2,120	4,017
Decrease/(increase) in trade and other receivables	-1,788	-2,957	-1,169	-9,788
Increase/(decrease) in trade and other payables	-10,326	1,727	12,053	-6,352
Increase/(decrease) in retirement benefits liabilities and provisions	4	312	308	-69
<b>Sub total</b>	78,050	116,937	38,887	185,270
Interests received	834	451	-382	1,286
Dividends received	8	11	3	8
Interests paid	-364	-222	141	-580
Income taxes paid	-19,510	-27,707	-8,197	-34,875
Income taxes refunded	116	223	107	703
<b>Net cash generated from operating activities</b>	59,134	89,693	30,559	151,812
<b>Cash flows from investing activities</b>				
Withdrawals of time deposit	560	212	-348	560
Payments for time deposit	-12	-211	-199	-12
Proceeds from sales of property, plant and equipment	975	1,349	374	2,077
Payments for acquisition of property, plant and equipment	-15,629	-16,515	-886	-31,246
Proceeds from sales of investment	665	70	-596	665
Payments for acquisition of investment	—	-195	-195	-163
Payments for acquisition of subsidiaries	-220	-120	100	-335
Proceeds from business transfer	—	1,545	1,545	—
Payments for business transfer	—	—	—	-800
Other proceeds	192	115	-77	2,300
Other payments	-1,721	-1,124	597	-2,837
<b>Net cash used in investing activities</b>	-15,191	-14,875	316	-29,790
<b>Cash flows from financing activities</b>				
Dividends paid to owners of the Company	-16,866	-16,606	259	-33,720
Increase (decrease) in short-term debt	300	-100	-400	-27
Proceeds from long-term borrowings	738	—	-738	738
Repayments of long-term borrowings	-10	-10	-1	-20
Payments for lease liabilities	-3,639	-4,013	-374	-7,273
Proceeds from disposal of treasury shares	—	0	0	—
Payments for purchase of treasury shares	-2,428	-5,763	-3,335	-76,675
Proceeds from exercise of stock options	225	157	-68	1,304
Proceeds from share issuance to non-controlling shareholders	—	164	164	—
<b>Net cash used in financing activities</b>	-21,680	-26,172	-4,492	-115,673
<b>Net increase/(decrease) in cash and cash equivalents</b>	22,263	48,646	26,383	6,349
<b>Cash and cash equivalents at the beginning of the term</b>	317,982	334,897	16,915	317,982
<b>Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies</b>	-2,801	2,984	5,785	10,566
<b>Cash and cash equivalents at the end of the term</b>	337,444	386,527	49,083	334,897

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

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the six months ended				Variance		For the year ended	
	Sep.30, 2020		Sep.30, 2021				Mar.31 2021	
	Amount	(%)	Amount	(%)	Amount	(%)		
<b>All operations</b>								
<b>Revenue:</b>								
Sales	249,640	100.0	320,601	100.0	70,961	28.4	547,921	100.0
Finance income	1,529	0.6	783	0.2	-747	-48.8	2,204	0.4
Other income	4,245	1.7	2,614	0.8	-1,631	-38.4	8,139	1.5
<b>Total Revenue</b>	<b>255,415</b>	<b>102.3</b>	<b>323,998</b>	<b>101.1</b>	<b>68,583</b>	<b>26.9</b>	<b>558,264</b>	<b>101.9</b>
<b>Expenses:</b>								
Changes in inventories of goods, products and work in progress	1,851	0.7	814	0.3	-1,038	-56.0	3,898	0.7
Raw materials and consumables used	36,789	14.7	50,486	15.7	13,697	37.2	79,390	14.5
Employee benefits expense	55,205	22.1	70,316	21.9	15,111	27.4	120,004	21.9
Depreciation and amortization	17,327	6.9	20,896	6.5	3,569	20.6	36,336	6.6
Subcontracting cost	2,204	0.9	2,155	0.7	-49	-2.2	4,082	0.7
Advertising and promotion expense	4,046	1.6	6,416	2.0	2,369	58.6	9,999	1.8
Commission expense	14,002	5.6	17,700	5.5	3,698	26.4	30,475	5.6
Impairment losses	3,104	1.2	—	—	-3,104	—	8,166	1.5
Finance costs	814	0.3	865	0.3	51	6.3	2,010	0.4
Share of loss of associates	222	0.1	45	0.0	-177	-79.7	369	0.1
Foreign exchange (gain)/loss	1,083	0.4	-4,577	-1.4	-5,660	-522.7	-330	-0.1
Other expenses	46,633	18.7	53,875	16.8	7,242	15.5	104,646	19.1
<b>Total Expenses</b>	<b>183,280</b>	<b>73.4</b>	<b>218,990</b>	<b>68.3</b>	<b>35,710</b>	<b>19.5</b>	<b>399,046</b>	<b>72.8</b>
Profit before tax	72,135	28.9	105,007	32.8	32,873	45.6	159,218	29.1
Income tax expense	14,665	5.9	20,733	6.5	6,068	41.4	33,997	6.2
<b>Profit for the term from all operations</b>	<b>57,470</b>	<b>23.0</b>	<b>84,274</b>	<b>26.3</b>	<b>26,804</b>	<b>46.6</b>	<b>125,221</b>	<b>22.9</b>
<b>Other comprehensive income:</b>								
Items that will not be reclassified subsequently to profit or loss	380		-418		-798	—	8,363	
Remeasurements of the net defined benefit liability(asset)	2		—		-2	—	280	
Income tax relating to components of other comprehensive income	-118		128		246	—	-2,562	
<b>Total Items that will not be reclassified subsequently to profit or loss</b>	<b>263</b>		<b>-290</b>		<b>-553</b>	<b>—</b>	<b>6,081</b>	
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign operations	-4,229		-2,141		2,089	—	21,093	
Share of other comprehensive income of associates	-153		20		174	—	-144	
Income tax relating to components of other comprehensive income	8		-1		-9	—	-78	
<b>Total Items that may be reclassified subsequently to profit or loss</b>	<b>-4,375</b>		<b>-2,121</b>		<b>2,253</b>	<b>—</b>	<b>20,871</b>	
<b>Total other comprehensive income/(loss)</b>	<b>-4,112</b>		<b>-2,411</b>		<b>1,700</b>	<b>—</b>	<b>26,952</b>	
<b>Total comprehensive income for the half year</b>	<b>53,358</b>		<b>81,863</b>		<b>28,505</b>	<b>53.4</b>	<b>152,173</b>	
<b>Profit attributable to :</b>								
Owners of the Company	57,730	23.1	84,224	26.3	26,495	45.9	125,446	22.9
Non-controlling interests	-260	-0.1	49	0.0	310	—	-225	-0.0
<b>Total</b>	<b>57,470</b>	<b>23.0</b>	<b>84,274</b>	<b>26.3</b>	<b>26,804</b>	<b>46.6</b>	<b>125,221</b>	<b>22.9</b>
<b>Total comprehensive income/(loss) attributable to :</b>								
Owners of the Company	53,210		81,790		28,580	53.7	151,984	
Non-controlling interests	148		73		-75	—	188	
<b>Total</b>	<b>53,358</b>		<b>81,863</b>		<b>28,505</b>	<b>53.4</b>	<b>152,173</b>	
<b>Basic earnings/(loss) per share (yen)</b>								
Continuing operations	154.04		228.29		74.25		335.77	
Discontinued operations	—		—		—		—	
<b>Basic earnings per share (yen)</b>	<b>154.04</b>		<b>228.29</b>		<b>74.25</b>		<b>335.77</b>	
<b>Diluted earnings/(loss) per share (yen)</b>								
Continuing operations	153.77		228.00		74.23		335.25	
Discontinued operations	—		—		—		—	
<b>Diluted earnings per share (yen)</b>	<b>153.77</b>		<b>228.00</b>		<b>74.23</b>		<b>335.25</b>	

Notes:

1. Effect of exchange rate change on net sales and incomes ("2021A" is the actual value of this period. "2021B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2021B	2021A	Influences	Real change	(%)
Sales	308,557	320,601	12,044	58,917	23.6%
Profit before tax	102,617	105,007	2,390	30,482	42.3%
Profit for the term	82,312	84,274	1,962	24,843	43.2%

	For the six months ended		
	Sep.30, 2020	Sep.30, 2021	Variance(%)
2. Average rates of major foreign currencies			
US\$	Yen 106.32	110.10	-3.6%
Euro	Yen 121.66	131.16	-7.8%
Thai Baht	Yen 3.37	3.41	-1.1%

## (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 as well as new businesses.

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.
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 six months ended Sep. 30, 2020	Life Care	Information Technology	Other	Total	Adjustments	All operations
<b>Revenue</b>						
Revenue from external customers	152,036	95,187	2,417	249,640	—	249,640
Inter-segment	89	12	510	611	-611	—
<b>Total</b>	<b>152,125</b>	<b>95,199</b>	<b>2,926</b>	<b>250,251</b>	<b>-611</b>	<b>249,640</b>
Segment profit before tax	28,054	44,046	319	72,419	-284	72,135
Segment profit before tax ratio	18.4%	46.3%	10.9%	28.9%	—	28.9%
Ref: Profit from ordinary operating activities	30,445	45,297	337	76,078	-1,498	74,580
% of revenue	20.0%	47.6%	11.5%	30.4%	—	29.9%

For the six months ended Sep. 30, 2021	Life Care	Information Technology	Other	Total	Adjustments	All operations
<b>Revenue</b>						
Revenue from external customers	195,931	121,785	2,886	320,601	—	320,601
Inter-segment	1	58	546	605	-605	—
<b>Total</b>	<b>195,932</b>	<b>121,843</b>	<b>3,432</b>	<b>321,207</b>	<b>-605</b>	<b>320,601</b>
Segment profit before tax	45,270	61,079	571	106,920	-1,913	105,007
Segment profit before tax ratio	23.1%	50.1%	16.6%	33.3%	—	32.8%
Profit from ordinary operating activities	40,383	59,797	489	100,669	-2,017	98,652
% of revenue	20.6%	49.1%	14.3%	31.3%	—	30.8%

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	43,894	26,597	469	70,961	—	70,961
Variance	28.9%	27.9%	19.4%	28.4%	—	28.4%
Inter-segment	-87	46	36	-5	5	—
<b>Total</b>	<b>43,807</b>	<b>26,643</b>	<b>506</b>	<b>70,956</b>	<b>5</b>	<b>70,961</b>
Segment profit before tax	17,216	17,033	252	34,501	-1,628	32,873
Variance	61.4%	38.7%	79.1%	47.6%	—	45.6%
Profit from ordinary operating activities	9,938	14,500	153	24,591	-519	24,072
Variance	32.6%	32.0%	45.3%	32.3%	34.7%	32.3%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2021A" is the actual value of this period. "2021B" 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)

	2021B	2021A	Influences	Real change	(%)
<b>Life Care</b>					
Revenue from external customers	187,079	195,931	8,852	35,042	23.0%
Profit from ordinary operating activities	39,462	40,383	921	9,017	29.6%
Segment profit before tax ratio	44,232	45,270	1,038	16,178	57.7%
<b>Information Technology</b>					
Revenue from external customers	118,681	121,785	3,104	23,493	24.7%
Profit from ordinary operating activities	58,480	59,797	1,317	13,183	29.1%
Segment profit before tax ratio	59,716	61,079	1,363	15,670	35.6%

## 2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

	For the six month ended				Variance		For the year ended	
	Sep.30, 2020		Sep.30, 2021				Mar.31 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Life Care	152,036	60.9	195,931	61.1	43,894	28.9	341,801	62.4
Health care related products	112,092	[ 73.7 ]	145,233	[ 74.1 ]	33,141	29.6	251,626	[ 73.6 ]
Medical related products	39,944	[ 26.3 ]	50,697	[ 25.9 ]	10,753	26.9	90,175	[ 26.4 ]
Information Technology	95,187	38.1	121,785	38.0	26,597	27.9	200,965	36.7
Electronics related products	82,131	[ 86.3 ]	102,341	[ 84.0 ]	20,209	24.6	171,887	[ 85.5 ]
Imaging related products	13,056	[ 13.7 ]	19,444	[ 16.0 ]	6,388	48.9	29,078	[ 14.5 ]
Other	2,417	1.0	2,886	0.9	469	19.4	5,154	0.9
Corporate (including R&D)	-	-	-	-	-	-	-	-
<b>Total revenue from all operations</b>	<b>249,640</b>	<b>100.0</b>	<b>320,601</b>	<b>100.0</b>	<b>70,961</b>	<b>28.4</b>	<b>547,921</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 ("2021A" is the actual value of this period. "2021B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2021B	2021A	Influences	Real change	(%)
Life Care	187,079	195,931	8,852	35,042	23.0%
Health care related products	139,059	145,233	6,175	26,967	24.1%
Medical related products	48,020	50,697	2,677	8,076	20.2%
Information Technology	118,681	121,785	3,104	23,493	24.7%
Electronics related products	100,201	102,341	2,139	18,070	22.0%
Imaging related products	18,479	19,444	965	5,423	41.5%

## 3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

	For the six month ended				Variance		For the year ended	
	Sep.30, 2020		Sep.30, 2021				Mar.31 2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

### Revenue from all operations

Total revenue from all operations	249,640	100.0	320,601	100.0	70,961	28.4	547,921	100.0
Japan	68,646	27.5	78,957	24.6	10,310	15.0	144,680	26.4
Americas	34,299	13.7	48,622	15.2	14,323	41.8	80,150	14.6
Europe	47,952	19.2	63,687	19.9	15,735	32.8	107,909	19.7
Asia/Oceania	96,171	38.5	126,038	39.3	29,867	31.1	209,560	38.2
Others	2,572	1.0	3,297	1.0	725	28.2	5,623	1.0

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

<Reference>

**Supplementary data for Interim Period: from April 1 to September 30, 2021**

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY2020	FY2021	Variance	Variance	
				Foreign exchange	Others
Revenue	249,640	320,601	70,961	12,044	58,917
Life Care	152,036	195,931	43,894	8,852	35,042
Health care related products	112,092	145,233	33,141	6,175	26,967
Medical related products	39,944	50,697	10,753	2,677	8,076
Information Technology	95,187	121,785	26,597	3,104	23,493
Electronics related products	82,131	102,341	20,209	2,139	18,070
Imaging related products	13,056	19,444	6,388	965	5,423
Profit from ordinary operating activities	74,580	98,652	24,072	2,219	21,852
Life Care	30,445	40,383	9,938	921	9,017
Information Technology	45,297	59,797	14,500	1,317	13,183
Other, adjustment (Corporate)	-1,162	-1,528	-367	-18	-349
Profit before tax	72,135	105,007	32,873	2,390	30,482
Life Care	28,054	45,270	17,216	1,038	16,178
Information Technology	44,046	61,079	17,033	1,363	15,670
Other, adjustment (Corporate)	35	-1,341	-1,376	-11	-1,365

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

	All operations		
	FY2020	FY2021	Variance
Profit before tax	72,135	105,007	32,873
Adjustments	-2,445	6,356	8,801
Finance income	1,529	783	-747
Finance costs	-814	-865	-51
Share of loss of associates	-222	-45	177
Foreign exchange (gain)/loss	-1,083	4,577	5,660
Impairment losses	-3,104	-	3,104
Others	1,248	1,906	659
Profit from ordinary operating activities	74,580	98,652	24,072

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

	Life Care			Information Technology			Other, adjustment (Corporate)		
	FY2020	FY2021	Variance	FY2020	FY2021	Variance	FY2020	FY2021	Variance
Profit before tax	28,054	45,270	17,216	44,046	61,079	17,033	35	-1,341	-1,376
Adjustments	-2,391	4,886	7,277	-1,250	1,283	2,533	1,196	187	-1,009
Finance income	159	140	-19	337	258	-78	1,034	385	-649
Finance costs	-711	-505	206	-193	-122	71	90	-238	-328
Share of loss of associates	29	65	36	4	0	-4	-255	-110	145
Foreign exchange (gain)/loss	-748	3,385	4,133	-641	1,165	1,806	306	27	-280
Impairment losses	-3,083	-	3,083	-21	-	21	-	-	-
Others	1,963	1,802	-161	-736	-19	717	21	123	102
Profit from ordinary operating activities	30,445	40,383	9,938	45,297	59,797	14,500	-1,162	-1,528	-367

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

(Year ending Mar. 31, 2022)

	Millions of Yen		variance (%)
	Mar. 31, 2021	Mar. 31, 2022E	
Revenue	547,921	640,000	16.8
Profit before tax	159,218	-	-
Profit for the term	125,221	-	-
Profit attributable to owners of the Company	125,446	-	-
Basic earnings per share (Yen)	335.77	-	-

Reasons for differences from the previous fiscal year:

In the Life Care Business, sales are expected to increase from the previous fiscal year which was significantly affected by COVID-19 due to a recovery in demand following the resumption of economic activities. In addition, sales in the Information Technology business were also expected to increase from the previous fiscal year due to strong sales of mask blanks for semiconductors and glass disks for hard disk drives.

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.*