

FY2022 Financial Results



February 8, 2023
Tamron Co., Ltd. (Code: 7740)

Contents

I . Summary of FY2022 and Progress of medium-term management plan “Vision23”

- 1. FY2022 Summary**
- 2. Progress of Medium-term management plan “Vision 23”**
 - (1) Consolidated Results**
 - (2) Trends by Business**
 - (3) Investment strategy**

II . FY2022 Financial Results

- 1. FY2022 Financial Results**
- 2. FY2022 Performance Variation Factors**
- 3. FY2022 Results by Segment**
 - (1) Photographic Products**
 - (2) Surveillance & FA Lenses**
 - (3) Mobility & Healthcare Products, Others**

III. FY2023 Financial Forecast

- 1. FY2023 Financial Forecast**
- 2. FY2023 Forecast by Segment**
 - (1) Photographic Products**
 - (2) Surveillance & FA Lenses**
 - (3) Mobility & Healthcare Products, Others**

IV. Sustainability and ESG Initiatives

- 1. Value Creation Process**
- 2. Main initiatives and results**
- 3. Expanding the scope of business**

V . Reference Data

- 1. Financial Summary**
- 2. Capital Investment, Depreciation, and Research & Development Expenses**
- 3. Cash Flow Situation**
- 4. Cash Dividends Outlook and Key Performance Indicators**
- 5. Impact of Foreign Exchange Rate Fluctuations**

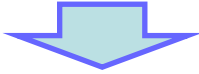
I . Summary of FY2022 and Progress of medium-term management plan “Vision23”

I - 1 . FY2022 Summary

Business Environment

- Despite deteriorating conditions surrounding COVID-19 from the beginning of the year, the impact gradually eased in the second half.
⇒However in China, lockdowns and the subsequent continuation of zero-COVID policies had an impact.
- There were prolonged effects from rising prices of resources, higher component and material costs, and the short supply of semiconductors since the previous year.
⇒In addition, the Russian invasion of Ukraine and accelerating inflation had an impact.
- The yen depreciated significantly further. The markets for interchangeable lens cameras and interchangeable lenses increase both in volume and monetary terms.

Company's Results

- **Net sales showed double-digit increase of 12% compared to the previous year.**
⇒Sales showed double-digit increase in all segments.
 - **Gross margin increased by approx. 3.2 percentage points compared to the previous year.**
⇒While the increased cost of components and materials had an impact, the higher gross margin is a result of controlling and reducing operating costs and achieving lower product costs.
- 
- **Operating income increased by 1.5 times** compared to the previous year
⇒Record high operating income was achieved for the first time in 15 periods, breaking through into the 10 billion yen range for the first time.
(Record highs for operating income and ordinary income were achieving for the first time since 2007, a span of 15 periods)
(Record high profit was achieved for the first time since 2019, a span of three periods)
⇒The Year-end dividend was **increased by 33 yen** from the 2021 level, with the annual dividend **increasing by 38 yen to a record high 120 yen.**

I - 2 . Progress of Medium-Term Management Plan "Vision 23" (1) Consolidated Results

Vision23 Medium-Term Management Plan (Announced February 2021)

	Actual FY20	Target FY23
Net Sales	¥ 48.4B.	¥ 61.0B.
Operating Income	¥ 3.6B.	¥ 7.0B.
(% Sales)	7.4%	11.5%
R O E	3.9%	More than 9%

※Exchange rate assumption
1USD = 105JPY
1EURO = 123JPY

First year progress Second year progress

*Announced in the beginning of FY22

	Actual FY21	Forecast FY22*	Actual FY22
Net Sales	¥ 57.5B.	¥ 61.0B.	¥ 63.4B.
Operating Income	¥ 7.4B.	¥ 7.6B.	¥ 11.0B.
(% Sales)	12.9%	12.5%	17.4%
R O E	10.5%	9.7%	14.8%

1USD = 109.91JPY
1EURO = 129.95JPY

1USD = 110JPY
1EURO = 128JPY

1USD = 131.63JPY
1EURO = 138.19JPY

Final year plan

Aiming for three consecutive years of sales and profits, which significantly exceed "Vision 23"

	New Target FY23
Net Sales	¥ 70.0B.
Operating Income	¥ 11.5B.
(% Sales)	16.4%
R O E	13.2%

1USD = 130JPY
1EURO = 138JPY

➤ Setting a new FY 23 target based on the favorable result of FY22

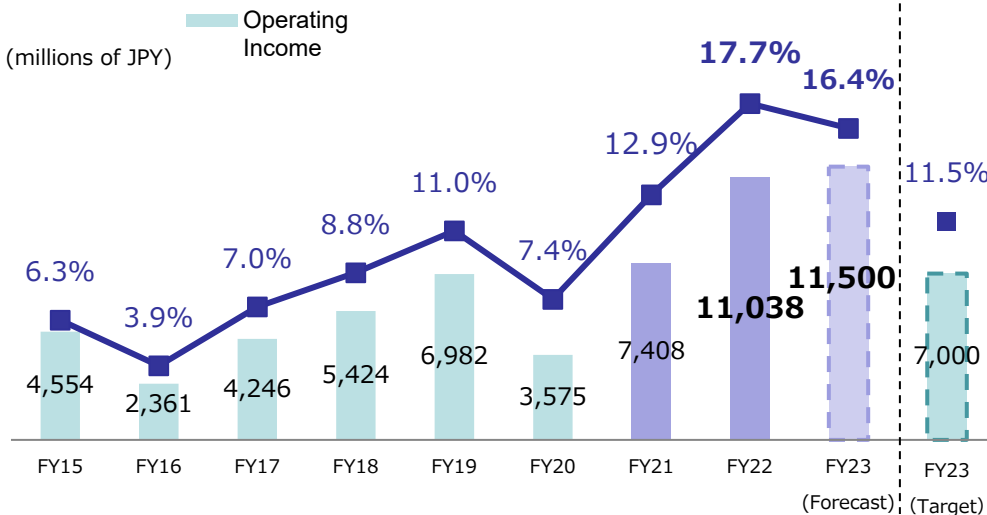
➤ In the first year, the target of operating income was achieved.

- Achieved a quick V-shaped recovery to the pre-COVID high profit structure
- Achieved a record gross margin of 40%
- Achieved increased net sales across all segments

➤ In the second year, the target FY23 was achieved one year ahead of the medium-term plan. (The target of net sales was achieved in the second year.)

➤ In the second year, operating income further increased and reached 1.6 times of the target FY23

- Stable growth and high profitability in mainstay photographic products
- Double-digit sales increase in growing and developing business (Surveillance & FA, Mobility & Healthcare)
- Profit growth in the second pillar, Surveillance & FA lenses



I - 2 . Progress of Medium-Term Management Plan "Vision 23" (2) Trends by Business

Vision23 Medium-Term Management Plan

- ◆ Expand a size of business of Surveillance & FA Lenses, Mobility & Healthcare, Others
- ◆ Build a business portfolio with operating income on net sales exceeding 10% in all segments

<Results>

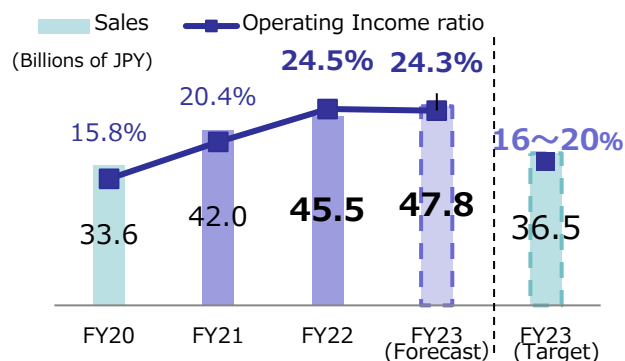
- ◆ Surveillance & FA Lenses sales achieved 10 billions of yen, and automotive lenses sales achieved 5 billions of yen.
- ◆ The plan "Operating income on net sales exceeding 10% in all segments" was achieved one year ahead.

Photographic Products

◆ Maintaining high profitability as a core business

- Doubling size of lineup by focusing on products for mirrorless cameras
- Swift response to new formats
- Increasing instore share with OEM products

	Actual FY20	Target FY23
Net Sales	¥ 33.6B.	¥ 36.5B.
Operating Income ratio	15.8%	16~20%



➤ **Net sales and operating income on net sales targets achieved significantly**

⇒ The number of Mirrorless model lineup: 8 (in 2020), 21 (as of Jan. 2022)

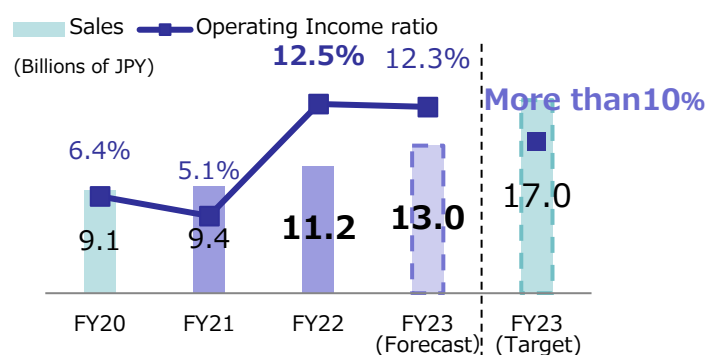
⇒ Newly launched 2 models.(for FUJIFILM X-mount and for Nikon Z-mount)

Surveillance & FA Lenses

◆ Growing sales and profits as a second key pillar

- Taking in the massive Chinese market and expanding business with new technologies including SWIR and module business
- Creating OEM products and expanding share in FA

	Actual FY20	Target FY23
Net Sales	¥ 9.1B.	¥ 17.0B.
Operating Income ratio	6.4%	More than 10%



➤ **Net sales broke the 10 billion yen mark, and operating income on net sales was achieved**

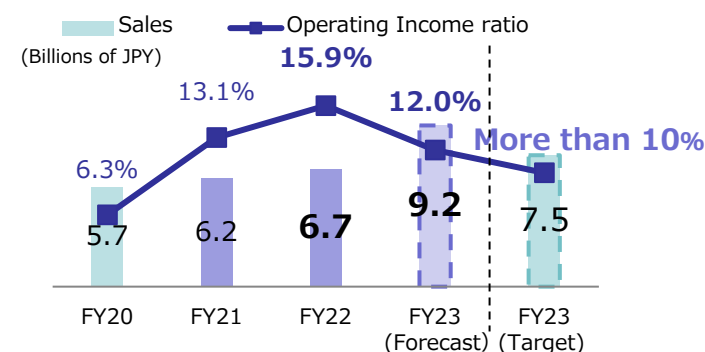
→ Achieved double-digit sales growth for two consecutive years in mainstay surveillance & FA lenses.
→ FA lens product lineup renewed, new business for OEM products acquired

Mobility & Healthcare Products, Others

◆ Launch as a next-generation key pillar ◆ Create new business domains

- Bolster automotive lenses (sensing) and develop customers
- Full-scale launch of health care business, expand into the health care domain

	Actual FY20	Target FY23
Net Sales	¥ 5.7B.	¥ 7.5B.
Operating Income ratio	6.3%	More than 10%



➤ **Net sales progressed as planned, and achieved operating income on net sales target**

→ Double-digit sales growth for two consecutive years in mainstay automotive products.
→ Create next-generation business in addition to medical business

I - 2 . Progress of Medium-Term Management Plan "Vision 23" (3) Investment strategy

Establishment of a new factory

In anticipation of sustainable growth, further strengthen the production system of the entire Group

- Respond to medium-to long-term business expansion
- Enhance steady supply system including supply chains and competitiveness of cost

Plan of the new factory

Name	Tamron Vietnam Thang Long Factory (tentative name)
Investment	Approximately 4 billion yen
Schedule	Start of Construction: October 2023 Start of Operation: January 2025
Land area	Approximately 25,000m ²

【Tamron group production system】

<New Factory>

- Products : Photographic lenses, Automotive lenses, Surveillance lenses
- Thang Long 3 Industrial Park

- Lens Processing, Metal Processing, Molding, Assembling
- Established in 2012, Operation Started in Jul. 2023
- **Employees: Approx. 1,400**
- **Products:** Photographic lenses, Surveillance lenses
- Noi Bai Industrial Park

- Lens processing, **GM lens processing**, Molding, Assembling
- **Employees: Approx. 290** (include temporary employee)
- **Products:** Photographic lenses, Surveillance lenses, **Medical application lenses, Test plates**



China · Foshan

Vietnam

Head Office

- Lens Processing, Metal Processing, Molding, Assembling
 - Development department established in 2016
 - **Employees: Approx. 1,900** (include temporary employee)
 - **Products:** Photographic lenses, **Automotive lenses**, Surveillance lenses, **DSC/VC* lenses, Drone lenses**
- *Digital Still Camera/ Video Camera

II . FY2022 Financial Results

Ⅱ - 1 . 2022 Full-Year Financial Results

- Despite favorable foreign exchange effects, sales and income increased by double digits as the effects of customer production adjustments due to the difficulty of procuring electronic components because of semiconductor shortages, and the effects of raising component and materials costs were absorbed.
- Achieved double-digit sales and profits growth in all segments

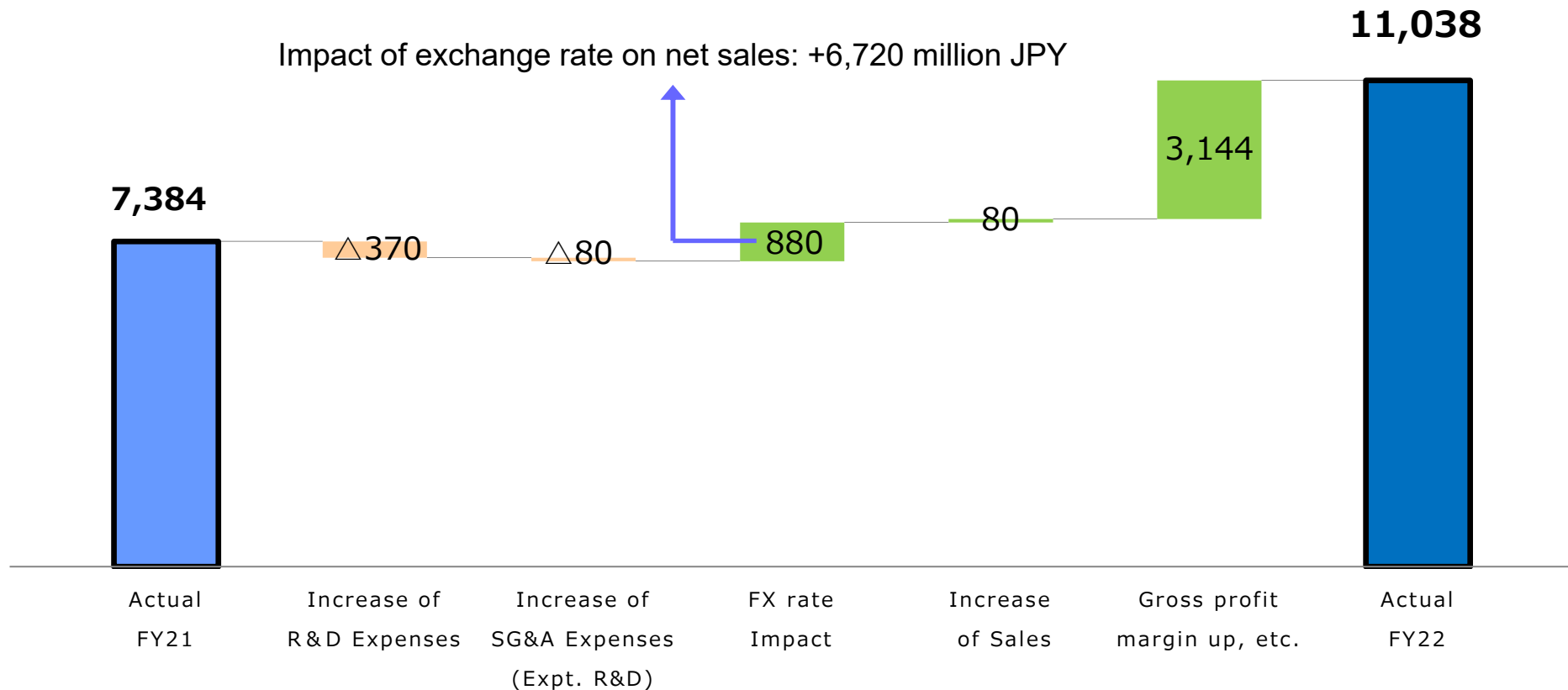
(millions of JPY)

	Actual FY21* (a)	Revised Forecast FY22 (22/11/2) (b)	Actual FY22 (c)	Inc/Dec		Inc/Dec	
				(c)-(a)	%	(C)-(b)	%
Net Sales	56,523	64,300	63,445	6,922	12.2%	(854)	(1.3)%
Gross profit	22,752	—	27,623	4,870	21.4%	—	—
(% Sales)	40.3%	—	43.5%	3.2%	—	—	—
Operating Income	7,384	10,000	11,038	3,653	49.5%	1,038	10.4%
(% Sales)	13.1%	15.6%	17.4%	4.3%	—	1.8%	—
Ordinary Income	7,507	10,500	11,496	3,989	53.1%	996	9.5%
(% Sales)	13.3%	16.3%	18.1%	4.8%	—	1.8%	—
Net Income	5,156	7,350	8,350	3,194	62.0%	1,000	13.6%
(% Sales)	9.1%	11.4%	13.2%	4.1%	—	1.8%	—
JPY –1 USD	109.91	131.23	131.63	21.72	—	0.40	—
JPY –1 Euro	129.95	137.08	138.19	8.24	—	1.11	—

※As the new accounting standards for revenue recognition will be applied from FY2022, results from FY2021 will also be shown as if the same standards had been applied.

Ⅱ - 2 . Factors Behind Variance in Operating Income

- Net sales and operating income increased even without favorable foreign exchange effects (Significant increase in operating income by about 40% YoY)



Ⅱ - 3 . 2022 Full-Year Financial Results by Segment

(1) Photographic Products

(millions of JPY)

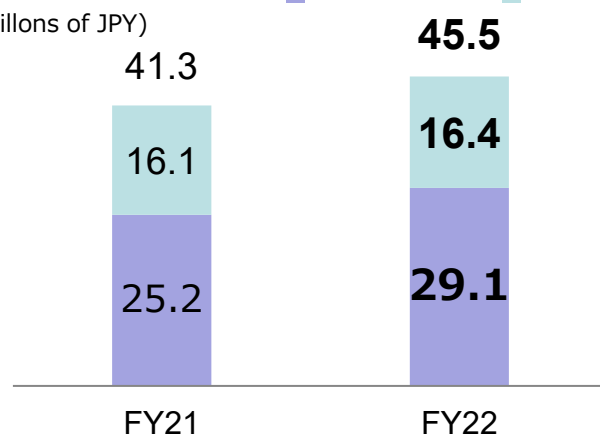
	Actual FY21* (a)	Revised Forecast FY22 (22/11/2) (b)	Actual FY22 (c)	Inc/Dec		FX Impact Vs.FY21	Inc/Dec	
				(c)-(a)	%		(c)-(b)	%
Net Sales	41,257	45,500	45,519	4,261	10.3%	4,520	19	0.0%
Operating Income	8,530	10,700	11,158	2,627	30.8%	620	458	4.3%
(% Sales)	20.7%	23.5%	24.5%	3.8%	—	—	1.0%	—

- For own-brand products, **sales increased even without favorable foreign exchange effects**, driven by new mirrorless product releases and strong performance in Japan and China.
- For OEM products, increased sales were maintained in part due to favorable foreign exchange effects despite production adjustments in the second half.
- Due to improved gross margins and a lower SG&A expense ratio, **a profit margin far exceeding the record high achieved in 2021 was reached, further improving profitability.**

Net Sales

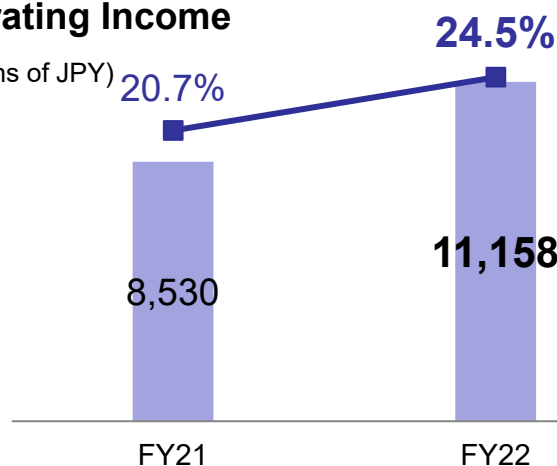
(Billions of JPY)

Own-brand OEM



Operating Income

(millions of JPY)



*Ref. Market environment in FY22 YoY

	quantity	Money
SLR cameras	(17)%	(5)%
Mirrorless cameras	+31%	+61%
Interchangeable lens cameras Total	+11%	+47%
Interchangeable lenses	+2%	+29%

※As the new accounting standards for revenue recognition will be applied from FY2022, results from FY2021 will also be shown as if the same standards had been applied.

Ⅱ - 3 . 2022 Full-Year Financial Results by Segment

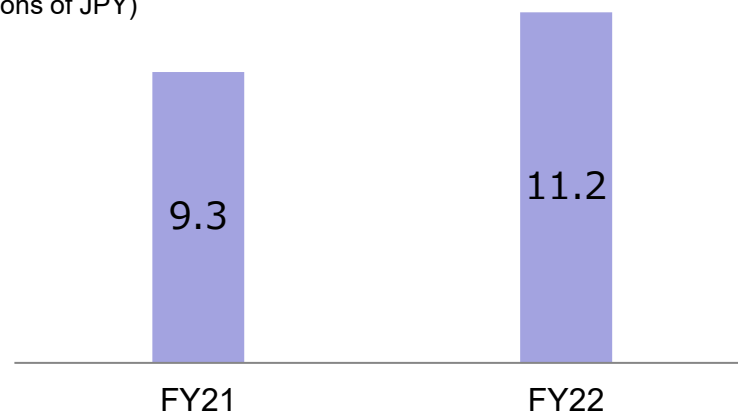
(2) Surveillance & FA Lenses

(millions of JPY)

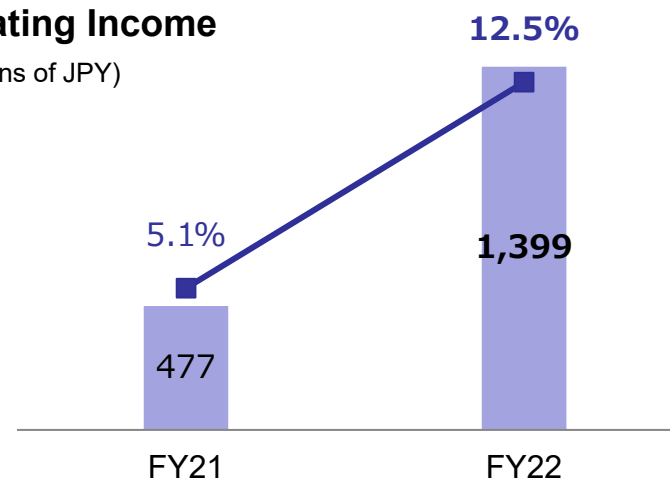
	Actual FY21* (a)	Revised Forecast FY22 (22/11/2) (b)	Actual FY22 (c)	Inc/Dec		FX Impact Vs.FY21	Inc/Dec	
				(c)-(a)	%		(c)-(b)	%
Net Sales	9,326	11,600	11,236	1,910	20.5%	2,070	(363)	(3.1)%
Operating Income	477	1,200	1,399	921	193.3%	160	199	16.6%
(% Sales)	5.1%	10.3%	12.5%	7.4%	—	—	2.2%	—

- For surveillance and FA/machine vision lenses, sales in the Chinese market declined due to zero-COVID policies, but this was covered by increased sales in other regions.
- Lenses for video conferencing recovered from a trend of declining demand that had persisted since 2020, achieving a turnaround to increased sales.
- In addition to the effects of increased sales, **profit margins rose by more than 10% and by three times in monetary terms**, in part due to the reduced burden of up-front development in the FA field.

Net sales
(billions of JPY)



Operating Income
(millions of JPY)



※As the new accounting standards for revenue recognition will be applied from FY2022, results from FY2021 will also be shown as if the same standards had been applied.

Ⅱ - 3 . 2022 Full-Year Financial Results by Segment

(3) Mobility & Healthcare, Others

(millions of JPY)

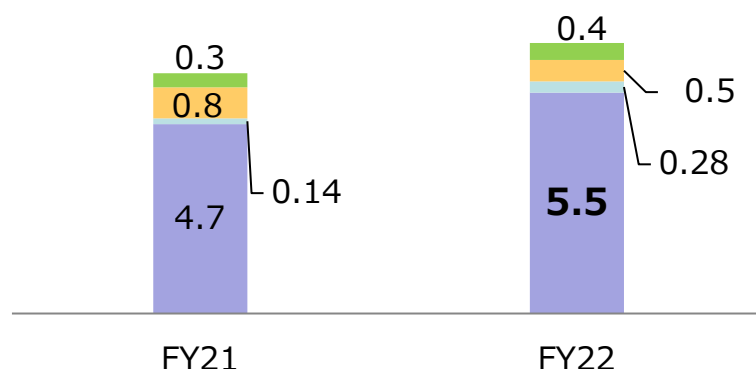
	Actual FY21* (a)	Revised Forecast FY22 (22/11/2) (b)	Actual FY22 (c)	Inc/Dec		FX Impact Vs.FY21	Inc/Dec	
				(c)-(a)	%		(c)-(b)	%
Net Sales	5,940	7,200	6,689	749	12.6%	130	(510)	(7.1)%
Operating Income	813	900	1,061	247	30.4%	10	161	18.0%
(% Sales)	13.7%	12.5%	15.9%	2.2%	—	—	3.4%	—

- Sales of automotive lenses **continued double-digit increases** given strong sales of products for sensing devices.
- Despite a downturn in lenses for DSC/Vibration Compensation and drone lenses, sales doubled thanks to an expanded lineup in the growing healthcare field.
- While we continue to cultivate new areas, **profit increased by double-digits and profit margins rose**, in part as a result of increased sales of mainstay automotive lenses.

Net sales

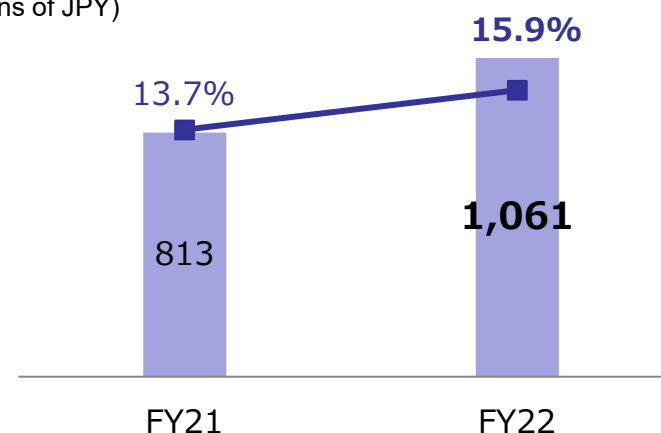
(billions of JPY)

■ Automotive Lenses
 ■ Health Care
 ■ DSC/VC
 ■ Drone Lenses/Others



Operating Income

(millions of JPY)



※As the new accounting standards for revenue recognition will be applied from FY2022, results from FY2021 will also be shown as if the same standards had been applied.

III. FY2023 Forecast

III - 1 . FY2023 Financial Forecast

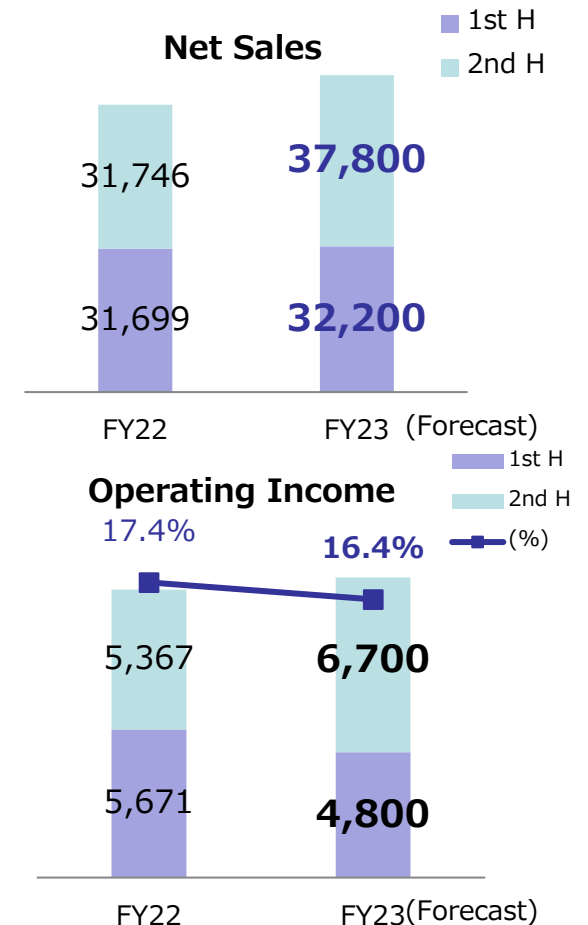
【Business Environment】

- Economic environment: In part due to China's abandoning of its zero-COVID policy and the gradual easing of semiconductor shortages, a gradual recovery is expected. However, uncertainties remain high, including the impact of high global inflation, concerns of an economic slowdown, and geopolitical risks.
- Market situation: -Markets for interchangeable lens cameras and interchangeable lenses are expected to remain flat in volume terms, but increase in monetary terms thanks to strength in high value-added products.
-High growth will continue in the surveillance and automotive markets.

【Company's Financial Results】

- **In the first half of the year we are expected to face high hurdles** due to cost increases from soaring raw material prices and increases from the cost-cutting phase of the COVID-19 pandemic, but **we will aim for increased sales and profit over the full year.**
- **Aim to sales and profits increase in all segments.**

(millions of JPY)	Actual FY22 (a)	Forecast FY23 (b)	Inc/Dec	
			(b)-(a)	%
Net Sales	63,445	70,000	6,554	10.3%
Operating Income	11,038	11,500	461	4.2%
(% Sales)	17.4%	16.4%	(1.0)%	—
Ordinary Income	11,476	11,500	3	0.0%
(% Sales)	18.1%	16.4%	(1.7)%	—
Net Income	8,350	8,370	19	0.2%
(% Sales)	13.2%	12.0%	(1.2)%	—
JPY –1 USD	131.63	130.00	(1.63)	—
JPY –1 Euro	138.19	138.00	(0.19)	—



Ⅲ- 2 . FY2023 Financial Forecast by Segment

(1) Photographic Products

(millions of JPY)

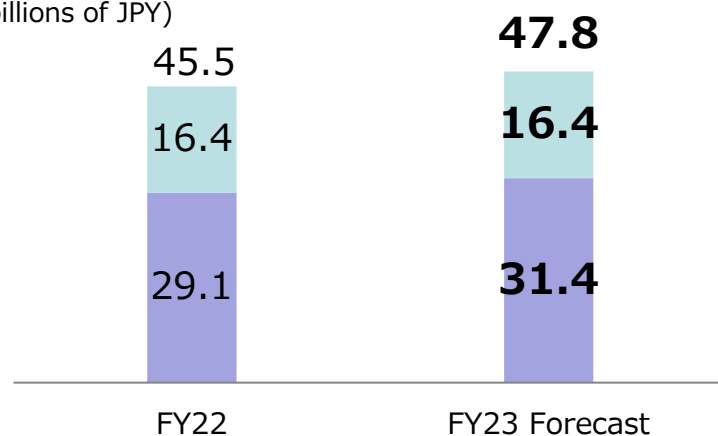
	Actual FY22 (a)	Forecast FY23 (b)	Inc/Dec	
			(b)-(a)	%
Net Sales	45,519	47,800	2,280	5.0%
Operating Income	11,158	11,600	441	4.0%
(% Sales)	24.5%	24.3%	(0.2)%	—

- While OEM products sales are expected to remain flat, **we will expand the lineup of own-brand products and strengthen activities overseas to increase sales.**
- Various expenses are expected to increase, such as costs of participating in trade shows due to the rise of living-with-COVID policies, but **we will maintain our high profitability structure and increase profits.**

Net sales

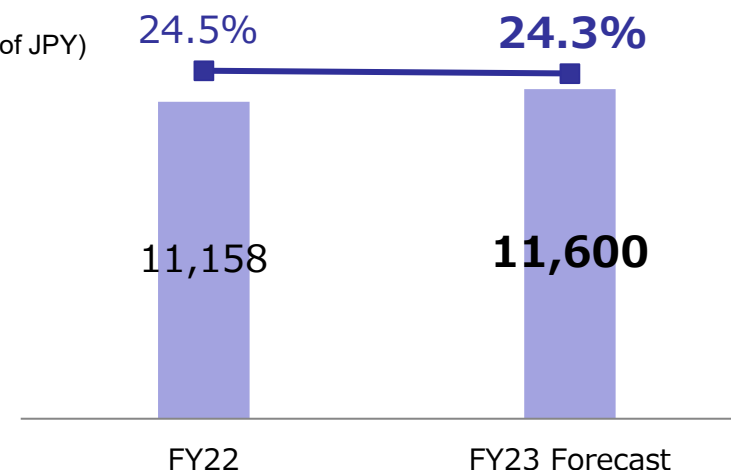
Own-brand OEM

(billions of JPY)





















Operating Income

(millions of JPY)



Photographic Products - New Models

Category		Launched in 2020	Launched in 2021	Launched in 2022	
Mirrorless	Fixed Focal	Launched in Jan.  20mm F/2.8 OSD M1:2 (F050)			
	Wide-angle Zoom		Launched in Jun.  11-20mm F/2.8 RXD (B060)		
	Standard Zoom		Launched in Jan.  Launched in Oct.  17-70mm F/2.8 VC RXD (B070) 28-75mm F/2.8 VXD G2 (A063)	Launched in Jul.  For FUJIFILM X-mount 17-70mm F/2.8 VC RXD (B070)	Launched in Oct.  20-40mm F/2.8 VC RXD (A062)
	Telephoto Zoom	Launched in May  Launched in Oct.  70-180mm F/2.8 VXD (A056) 70-300mm F/4.5-6.3 RXD (A047)	Launched in Jun.  Launched in Oct.  150-500mm VC VXD (A057) 35-150mm F/2-2.8 VXD (A058)	Launched in Sep.  Launched in Sep.  Launched in Oct.  50-400mm F/4.5-6.3 VC VXD (A067) 70-300mm F/4.5-6.3 RXD (A047) 150-500mm F/5-6.7 VC VXD (A057) For FUJIFILM X-mount	
	All-in-one Zoom	Launched in Jun.  28-200mm F/2.8-5.6 RXD (A071)	Launched in Sep.  Launched in Oct.  For Sony E-mount 18-300mm VC VXD (B061) For FUJIFILM X-mount 18-300mm VC VXD (B061)	 Tamron has launched its first model for Nikon Z-mount	
DSLR				 Tamron will continue to launch about 5 models a year in 2023.	

Ⅲ- 2 . FY2023 Financial Forecast by Segment

(2) Surveillance & FA Lenses

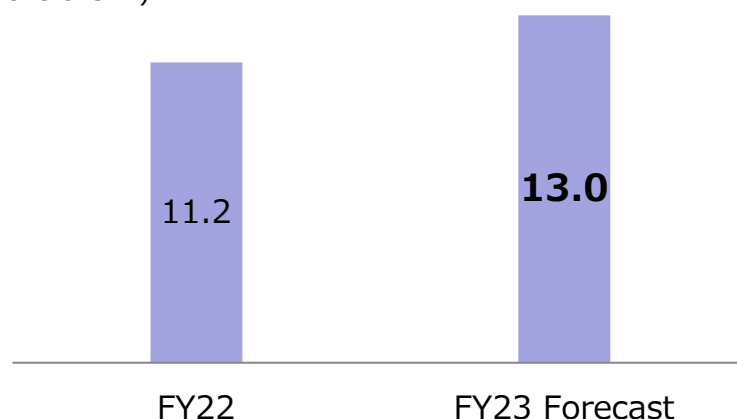
(millions of JPY)

	Actual FY22 (a)	Forecast FY23 (b)	Inc/Dec	
			(b)-(a)	%
Net Sales	11,236	13,000	1,763	15.7%
Operating Income	1,399	1,600	200	14.4%
(% Sales)	12.5%	12.3%	(0.2)%	—

- Sales of surveillance lenses to developed countries will continue to rise, and sales will increase due to the switch to living-with-COVID policies in the Chinese market.
- In addition, sales of FA lenses will increase due to improvements to OEM products, and **double-digit increases in sales and profits will be achieved** in part thanks to a recovery of the module business as semiconductor shortages ease.

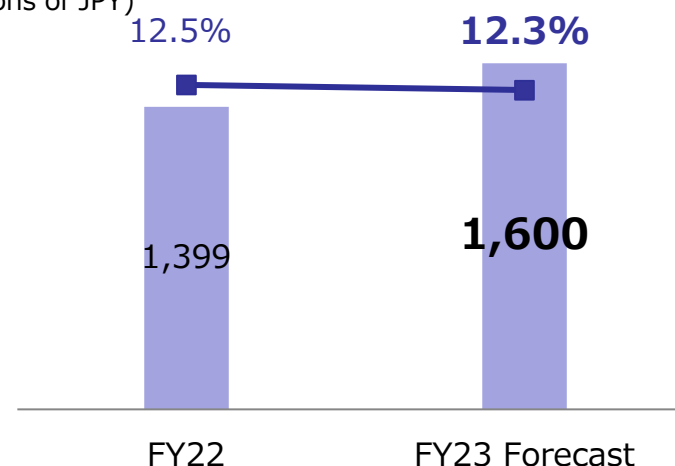
Net sales

(billions of JPY)



Operating Income

(millions of JPY)



Ⅲ- 2 . FY2023 Financial Forecast by Segment

(3) Mobility & Healthcare, Others

(millions of JPY)

	Actual FY22 (a)	Forecast FY23 (b)	Inc/Dec	
			(b)-(a)	%
Net Sales	6,689	9,200	2,510	37.5%
Operating Income	1,061	1,100	38	3.6%
(% Sales)	15.9%	12.0%	(3.9)%	—

- **Sales will increase by around 40%**, driven by an increase in the rate of sales growth for automotive lenses, which will continue to be strong, and a steady increase in medical application lenses sales.
- We will continue to develop the healthcare field and strengthen the development of elemental technologies in new fields, while maintaining operating income on net sales of at least 10% and achieving **increased profit**.

Net sales

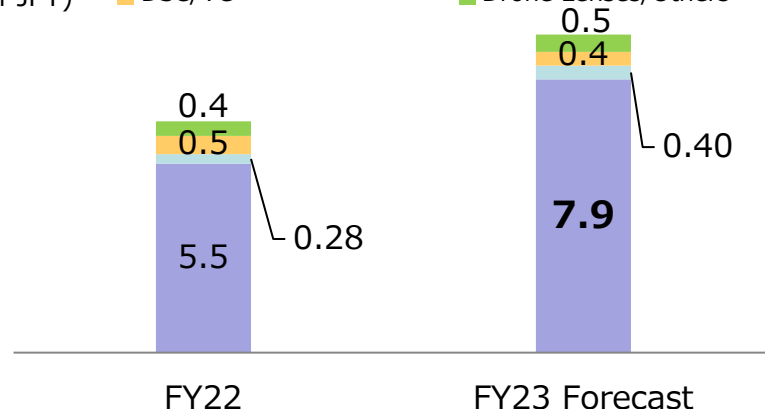
(billions of JPY)

Automotive Lenses

Health Care

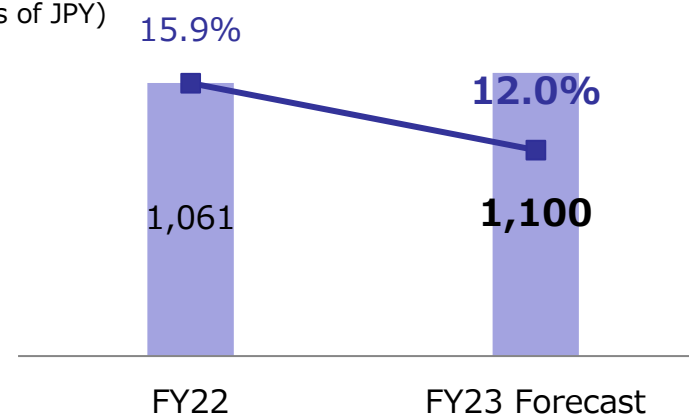
DSC/VC

Drone Lenses/Others



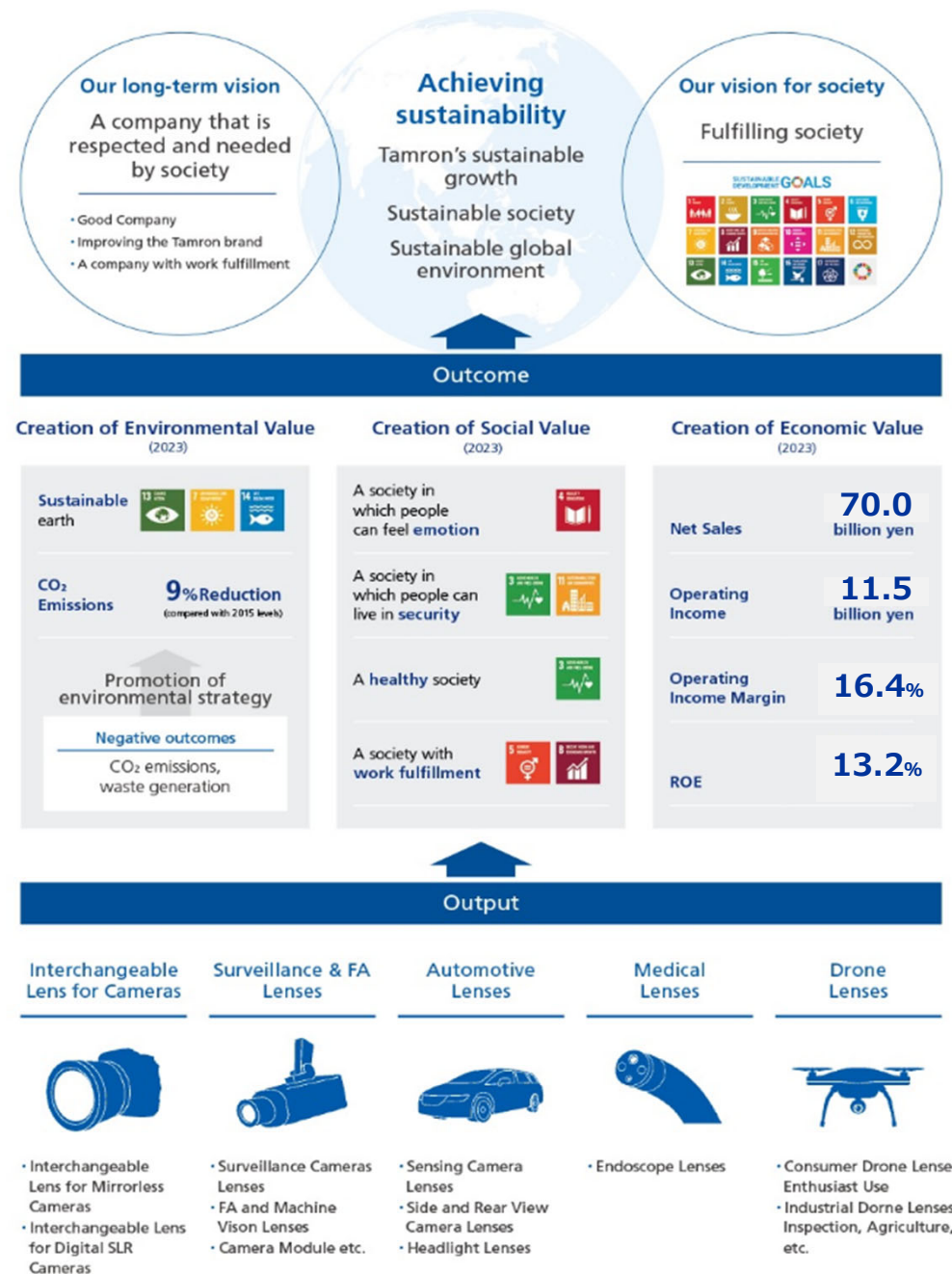
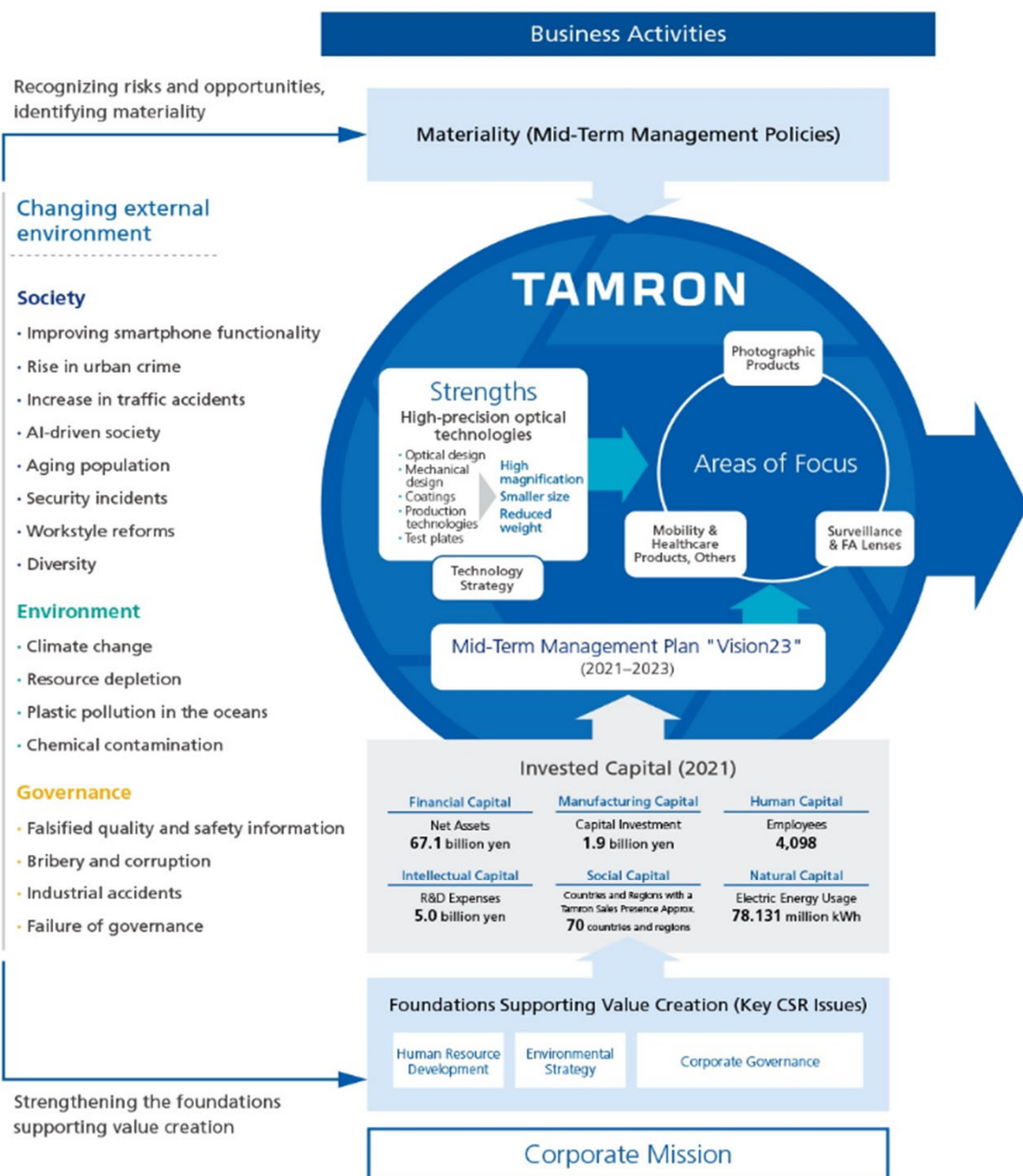
Operating Income

(millions of JPY)



IV. Sustainability and ESG Initiatives

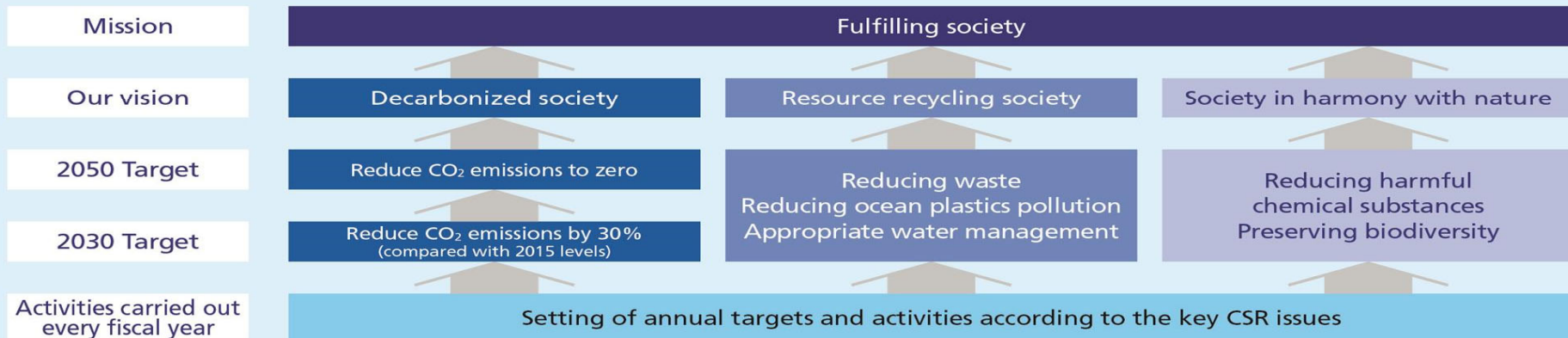
IV-1. Value Creation Process



IV-2. Main initiatives and results

Environmental Vision 2050

We recognize that global environmental issues affect all of humanity. We will strive to reduce environmental impact, conserve the environment, and contribute to the development of a sustainable society that exists in harmony with the environment.



	Main initiatives	Results
E	Reducing CO ₂ emissions	2022 Target: 6% reduction (compared with FY2015 levels) →2022 Result: 15% reduction
	Energy-Saving Initiatives	Start to purchase renewable energy
	TCFD Initiatives	Indicated support for the TCFD recommendations and made TCFD-compliant disclosures
S	Improved Percentage of female managerial staff	Percentage of female managerial staff:7% in 2021⇒ Improve to 10% in 2022
	Reduced overtime	Reduced by 24% compared with 2021
	Business and human rights initiatives	Develop systems to strengthen respect for human rights (human rights policy, human rights due diligence system, etc.)
G	Improved structure of the Board of Directors	Having independent outside directors account for at least a third of the board of directors (Appointment of an individual with corporate management experience at another company as an outside director)
	Shortening of Director terms, Review of director compensation indices	Shortening of Director terms of office to one year. Added total shareholder return (TSR) to medium-term performance indicators for stock-based compensation.
		⇒ Complied with all principles of revised Governance Code (including principles for the prime market)

Expanding the scope of business

Expanding the scope of business utilizing technological capabilities

Legend

Sectors Tamron is considering entering in the future

Sectors in which Tamron is currently active

Achieving a fulfilling society across a wide range of fields

Promoting a technology strategy
Shifting from taking images to measuring in each industry

Agricultural sector

Monitoring of livestock and crops, dispersal of pesticides

Logistics sector

Wearable devices, unattended deliveries

Infrastructure sector

Surveying, building inspections, equipment inspections

Robotics sector

Smart homes, service robots

Home electronics sector

Digital cameras

Security sector

Urban surveillance, ITS (traffic monitoring), facial authentication

Automotive sector

ADAS / autonomous driving technologies

Spatial light communications sector

6G, space-based communications

Nursing and healthcare sector

VR, wearable devices

Industrial sector

FA cameras, AI, image processing

Medical sector

Hard endoscopes, 3D endoscopes

Infrared technologies

High-precision sensing technologies

Modularization technologies

Technologies reducing size and weight

High sensitivity technologies

Coating technologies

High heat resistance technologies

High-precision evaluation technologies

High durability technologies

Visible light technologies

Optical technologies

Production technologies

Mechanical technologies

Ijjunzoz{fytstakj}xyslajhmstql~kriq

Jsyw-asytajwumjwfajhmstql~kriq

Hyper-wide-angle fundus camera allowing wide field fundus photography

— Joint development with Nara Institute of Science and Technology —

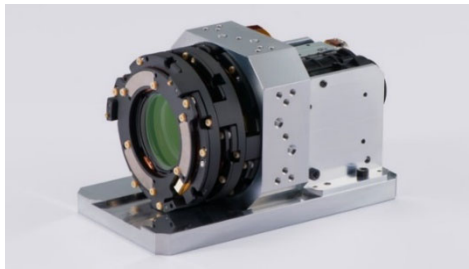


<Technical features>

- Tamron's prototype lens with compact and hyper-wide-angle optimized for fundus photography
- Various technologies illuminating stably near infrared through pupil to wide fundus, which are newly developed by Nara Institute of Science and Technology
- Hyper-wide-angle (180°) fundus photography was achieved by combining the two technologies
- Wide field of eye fundus image can be acquired without mydriatic (eye drop)

Optics for free space optical communication

— High-precision beam control technology —



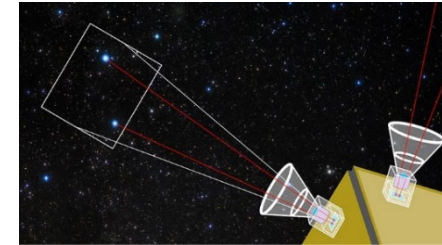
Prototype of "Optics for Beam-Divergence Control"

<Technical features>

- Variable optical axis technology allowing to move the optical axis and to compensate for vibration
- Beam divergence control technology with variable optics
- Evaluation and measurement technology to achieve laser beam quality

Optical technology for star trackers

— Design technology for straylight shield and radiation resistance —

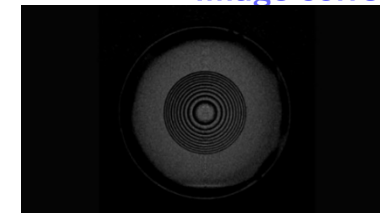


<Technical features>

- Coating technology maintaining high optical performance even under radiation environment
- Stray light simulation technology to achieve an effective baffle design
- Lens design technology for radiation resistance

Infrared camera technology with Fresnel lens

— Hybrid Fresnel lens (Design and Manufacturing) x Image correction technology —



Fresnel lens cross-sectional shape (CT scan image)
Note: This technology has been improved as Tamron's original technology under the technical guidance of Professor Yan Jiwang of Faculty of Science and Technology, Keio University.

<Technical features>

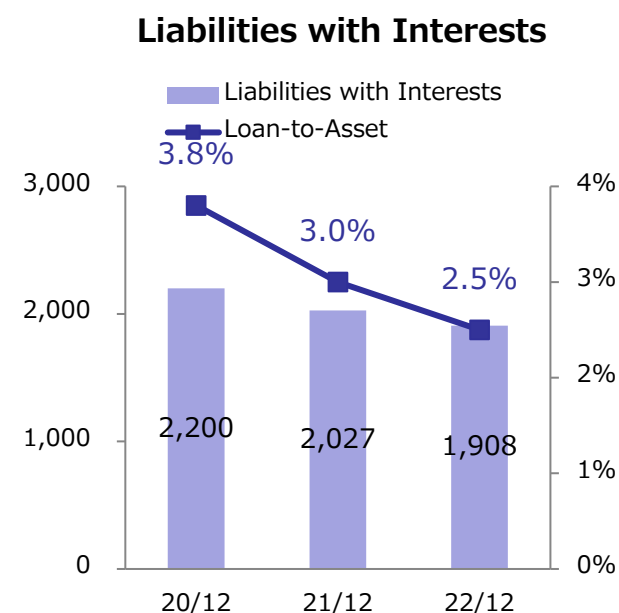
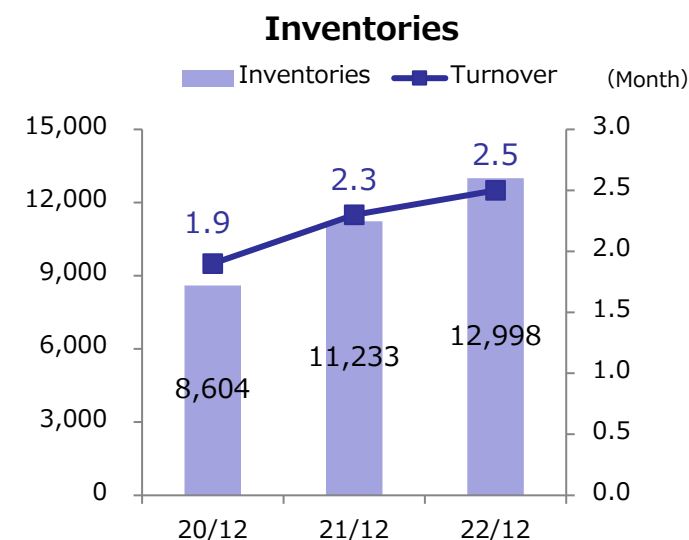
- Infrared camera technology fusing hybrid Fresnel lens with image correction technology
- Hybrid Fresnel lens (Molding technology for silicon material + high-density polyethylene)
- Realize various imaging field of views by optical design utilizing optical manufacturing method

V. Reference Data

V - 1 . Financial Summary

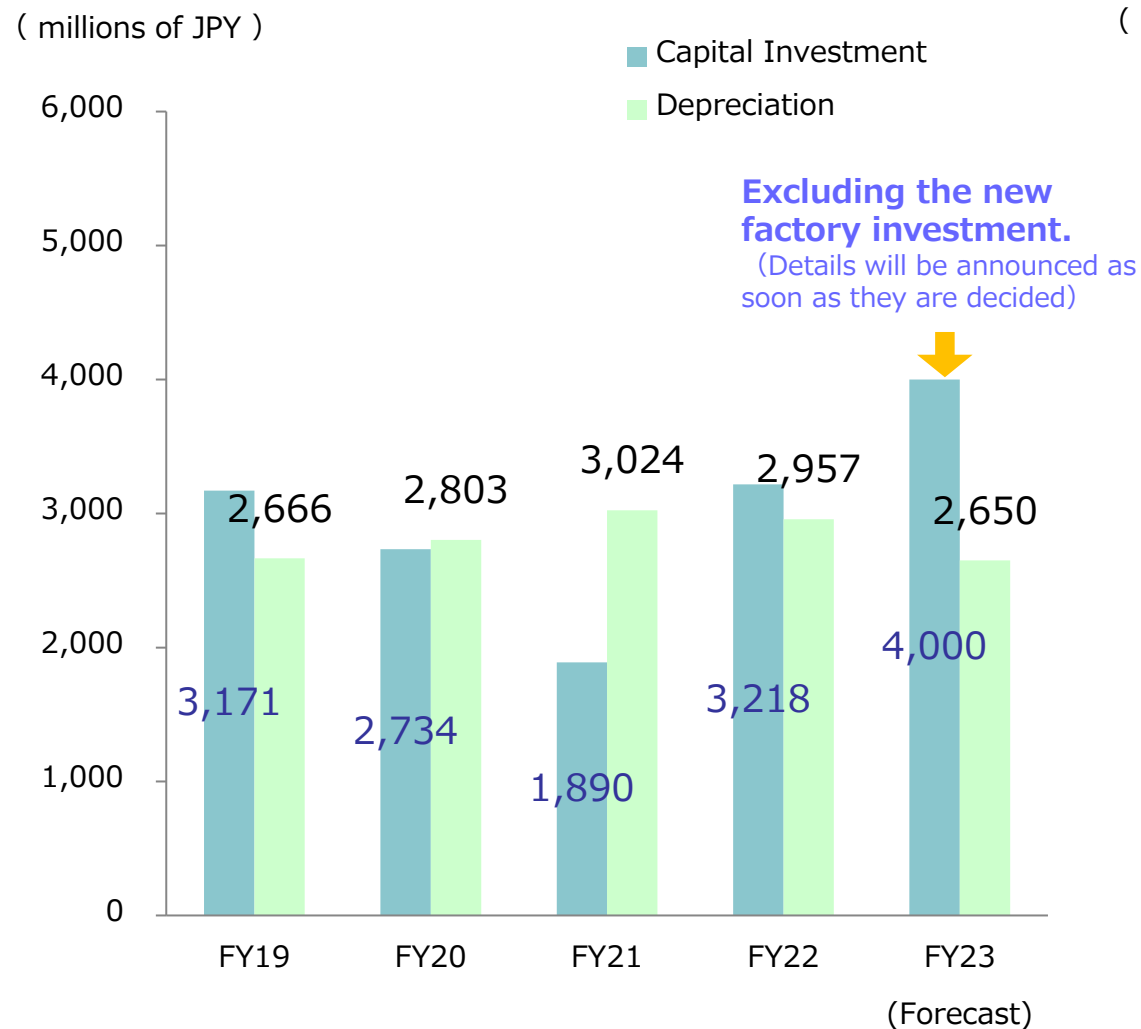
(millions of JPY)

	Dec 31, 2021 (a)	Dec 31, 2022 (b)	Change (b)-(a)
Cash & Deposits	25,797	29,948	4,150
Notes & Accounts Receivable	10,505	11,128	623
Inventories	11,233	12,998	1,764
Other Current Assets	1,060	1,230	170
Non-Current Assets	18,467	20,250	1,782
Total Assets	67,065	75,556	8,490
Total Current Liabilities	12,450	12,685	235
Total Non-Current Liabilities	2,078	2,295	217
Total Net Assets	52,536	60,574	8,037
Total Liabilities& Net Assets	67,065	75,556	8,490
Ratio of Net Assets	78.3%	80.2%	—

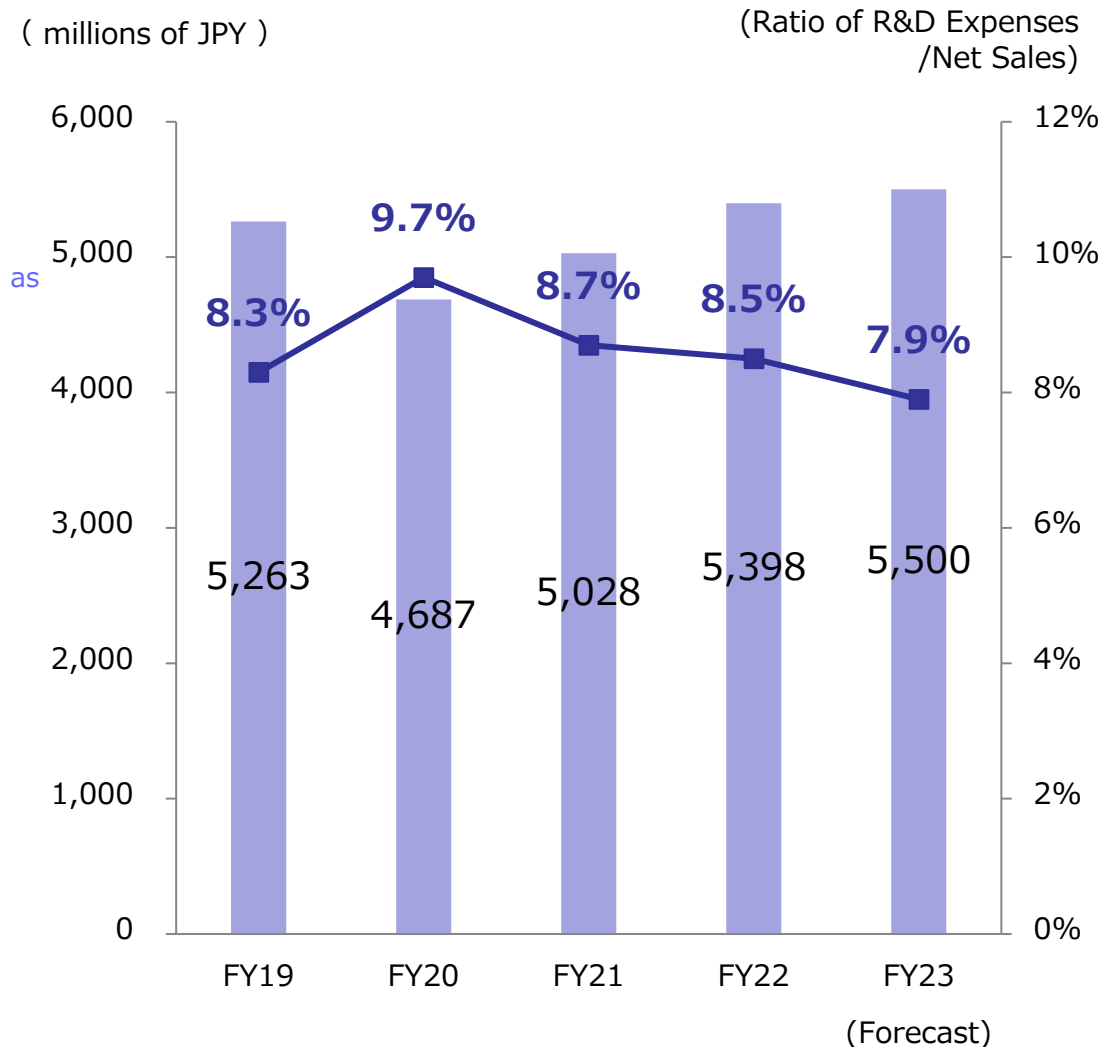


V - 2 . Capital Investment, Depreciation, & Research & Development Expenses

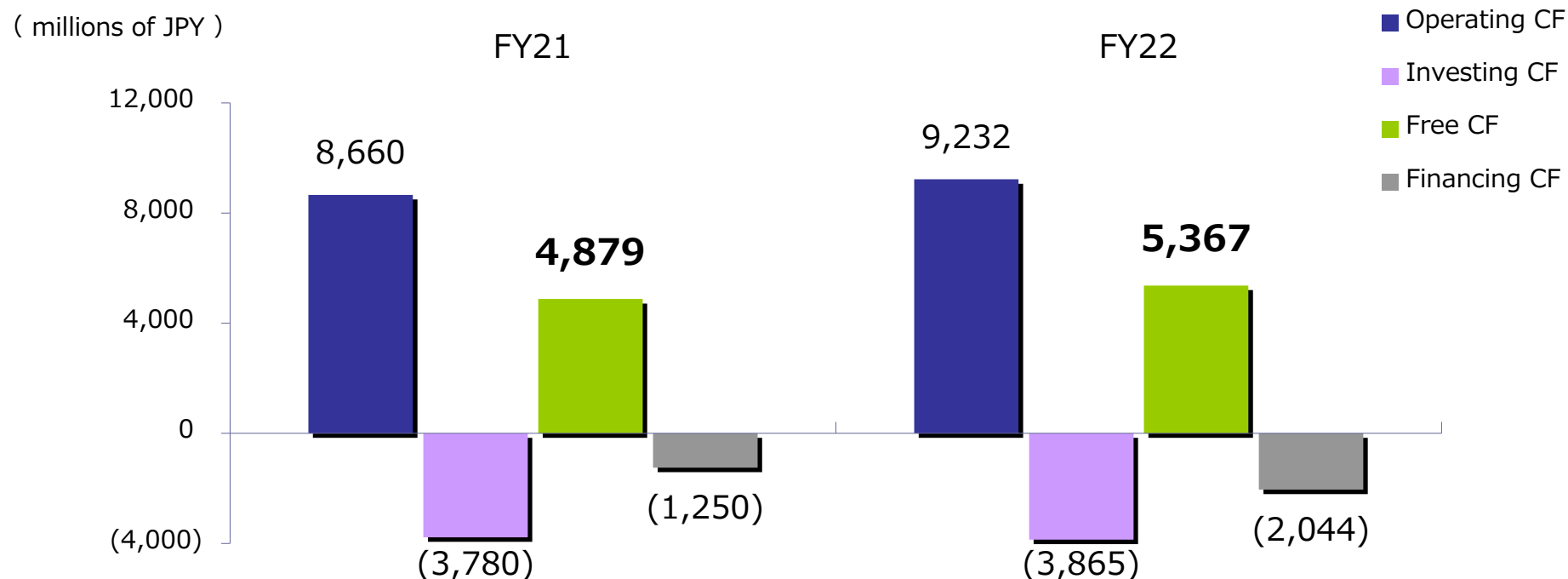
Capital Investment & Depreciation



Research & Development Expenses

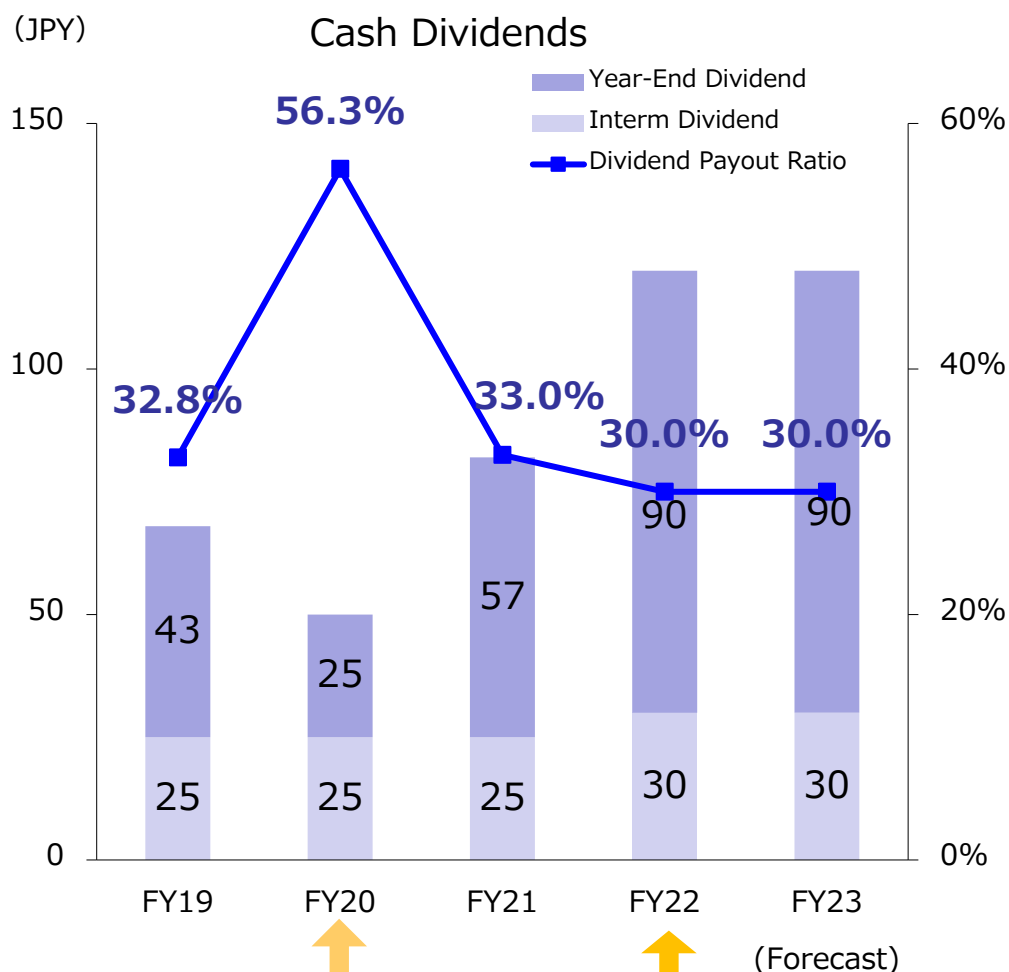


V - 3 . Cash Flow Situation

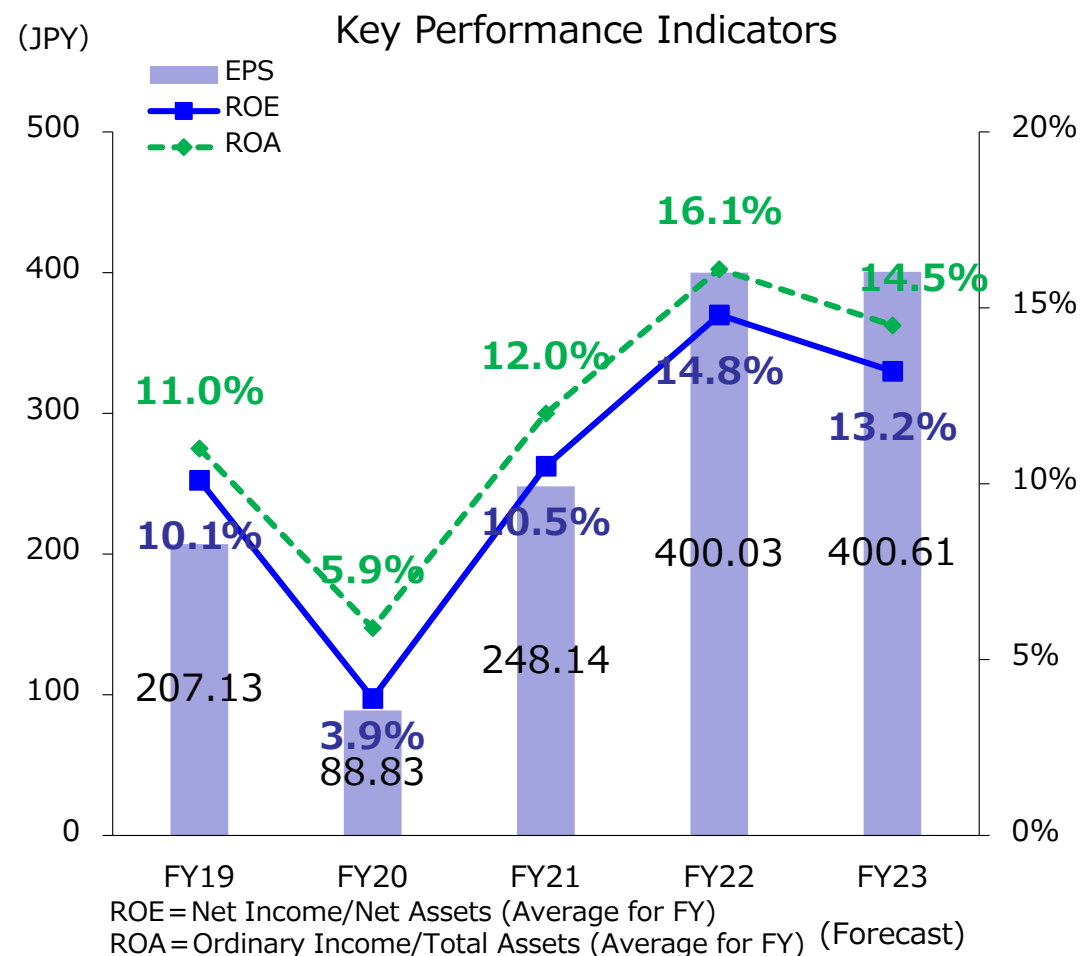


	FY21	FY22
Cash Flow from Operating Activities	8,660	9,232
Cash Flow from Investing Activities	(3,780)	(3,865)
Free Cash flow	4,879	5,367
Cash Flow from Financing Activities	(1,250)	(2,044)
Cash & Cash Equivalents at the End of Period	25,832	29,948

V - 4 . Cash Dividends Outlook & Key Performance Indicators



Acquired treasury stock (¥8.9Bil.) in Mar. 2020. **Record-high dividend for two consecutive years**
(Including ¥5 of commemorative dividend in year-end dividend)



Dividend Policy

Continue to allocate profits to shareholders in a stable manner by taking into account R&D and capital investment, and by endeavoring to allocate profits based on business performance.

V - 5 . Impact of Foreign Exchange Rate Fluctuations

FY2022

(JPY)

(million of JPY)

	Exchange Rate		Impact	
	Actual FY21	Actual FY22	Net Sales	Operating Income
USD	109.91	131.63	5,110	(270)
EUR	129.95	138.19	450	380
Others	-	-	1,160	770
Total	-	-	6,720	880

(Impact on FY2021 Actual performance)

Forecast FY2023

	Exchange Rate	Impact of ¥ 1 appreciation	
	Assumption 2023	Net Sales	Operating Income
USD	130.00	(350)	(30)
EUR	138.00	(70)	(60)

Disclaimer

1. The purpose of this material is to provide information on the actual results for FY2022 and future business strategies. It is not an offer or a solicitation of an offer to buy or sell securities.
2. This material and the information provided verbally in the company's presentation are based on the data that are obtainable at the time of the presentation in compliance with the management policies and certain premises that are deemed reasonable by the company.
3. Please note that the actual results may sometimes differ from the forecasts contained herein due to various factors.
4. The company is not liable in any ways for any damages or losses incurred in connection with the use of any information or data contained herein or provided verbally in the company's presentation.