

2nd Quarter FY2022 Consolidated Financial Results

August 8, 2022

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 2nd quarter FY2022 (January 1, 2022 through June 30, 2022)

(1) Consolidated financial results

(% of change from previous 2nd quarter)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q FY2022	31,699	-	5,671	-	5,954	-	4,565	-
2Q FY2021	27,888	33.5	3,658	341.5	3,750	222.0	2,685	218.3

(Note) Comprehensive income: 2Q FY2022: 7,276 million yen [-%] / 2Q FY2021: 4,082 million yen [-%]

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
2Q FY2022	218.89	-
2Q FY2021	128.80	-

(Note) Since the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29), etc., from the beginning of the 1st quarter of the current consolidated fiscal year, the amounts of the 2nd quarter FY2022 is based on the foregoing accounting standard. Therefore, the rate of change compared to the actual value for the 1st quarter FY2021 before the application of the standard are not stated.

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
2Q FY2022	73,431	58,615	79.8
FY2021	67,065	52,536	78.3

(Reference) Shareholders' equity: 2Q FY2022: 58,615 million yen / FY2021: 52,536 million yen

(Note) Since the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29), etc., from the beginning of the 1st quarter of the current consolidated fiscal year, the amounts of the 2nd quarter FY2022 is based on the foregoing accounting standard. Therefore, the rate of change compared to the actual value for the 1st quarter FY2021 before the application of the standard are not stated.

2. Cash dividends

	Cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2021	-	25.00	-	57.00	82.00
FY2022	-	30.00			
FY2022 (forecast)			-	57.00	87.00

(Note) Revision of cash dividend forecast for this period: No

3. Forecast of consolidated results for FY2022 (January 1, 2022 through December 31, 2022)

(% of change from FY2021)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2022	63,700	-	9,700	-	9,900	-	6,930	-	331.96

(Note)

1. Revision of forecast for this period: No
2. Since the Company has applied the "Accounting Standard for Revenue Recognition", etc., from the beginning of the FY2022, the above forecasts are based on the amounts after the application of the foregoing accounting standard, etc. Therefore, the rate of change compared to the actual value for the FY2021 before the application of the standard are not stated.

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: Million yen)

	FY2021 (As of December 31, 2021)	2nd quarter FY2022 (As of June 30, 2022)
Assets		
Current assets		
Cash and deposits	25,797	26,182
Notes and accounts receivable - trade	10,505	13,491
Finished goods	5,610	5,857
Work in process	3,757	4,598
Raw materials and supplies	1,865	2,378
Other	1,094	1,331
Allowance for doubtful accounts	(33)	(114)
Total current assets	48,597	53,724
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,847	14,965
Accumulated depreciation	(9,362)	(10,066)
Buildings and structures, net	4,484	4,898
Machinery, equipment and vehicles	21,128	22,855
Accumulated depreciation	(16,973)	(18,555)
Machinery, equipment and vehicles, net	4,155	4,299
Tools, furniture and fixtures	22,229	22,263
Accumulated depreciation	(20,055)	(19,922)
Tools, furniture and fixtures, net	2,174	2,340
Land	1,170	1,204
Other	737	627
Total property, plant and equipment	12,721	13,371
Intangible assets	494	531
Investments and other assets		
Investment securities	4,848	5,200
Deferred tax assets	270	404
Other	159	225
Allowance for doubtful accounts	(26)	(26)
Total investments and other assets	5,252	5,803
Total non-current assets	18,467	19,706
Total assets	67,065	73,431

(Amount: Million yen)

	FY2021 (As of December 31, 2021)	2nd quarter FY2022 (As of June 30, 2022)
Liabilities		
Current liabilities		
Accounts payable - trade	3,439	3,271
Short-term borrowings	1,933	2,052
Accrued expenses	2,812	3,117
Income taxes payable	1,805	1,586
Other	2,459	2,580
Total current liabilities	12,450	12,608
Non-current liabilities		
Long-term borrowings	94	-
Deferred tax liabilities	540	700
Provision for share benefits	372	311
Retirement benefit liability	821	899
Other	249	295
Total non-current liabilities	2,078	2,206
Total liabilities	14,528	14,815
Net assets		
Shareholders' equity		
Share capital	6,923	6,923
Capital surplus	7,537	7,537
Retained earnings	41,055	44,315
Treasury shares	(7,718)	(7,611)
Total shareholders' equity	47,797	51,165
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,124	908
Foreign currency translation adjustment	3,342	6,302
Deferred gains or losses on hedges	-	(2)
Remeasurements of defined benefit plans	272	241
Total accumulated other comprehensive income	4,739	7,450
Total net assets	52,536	58,615
Total liabilities and net assets	67,065	73,431

(2) Consolidated Statements of income

(Amount: Million yen)

	2nd quarter FY2021 (January 1, 2021 through June 30, 2021)	2nd quarter FY2022 (January 1, 2022 through June 30, 2022)
Net sales	27,888	31,699
Cost of sales	16,676	18,415
Gross profit	11,211	13,283
Selling, general and administrative expenses	7,553	7,612
Operating profit	3,658	5,671
Non-operating income		
Interest income	12	17
Dividend income	24	46
Foreign exchange gains	-	137
Subsidy income	34	57
Other	94	76
Total non-operating income	165	335
Non-operating expenses		
Interest expenses	8	9
Foreign exchange losses	32	-
Loss on retirement of non-current assets	12	27
Other	19	15
Total non-operating expenses	73	52
Ordinary profit	3,750	5,954
Profit before income taxes	3,750	5,954
Income taxes	1,064	1,388
Profit	2,685	4,565
Profit attributable to owners of parent	2,685	4,565

Consolidated Statements of Comprehensive Income

(Amount: Million yen)

	2nd quarter FY2021 (January 1, 2021 through June 30, 2021)	2nd quarter FY2022 (January 1, 2022 through June 30, 2022)
Profit	2,685	4,565
Other comprehensive income		
Valuation difference on available-for-sale securities	165	(215)
Deferred gains or losses on hedges	-	(2)
Foreign currency translation adjustment	1,251	2,960
Remeasurements of defined benefit plans, net of tax	(19)	(31)
Total other comprehensive income	1,397	2,711
Comprehensive income	4,082	7,276
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,082	7,276

(3) Consolidated statements of cash flows

(Amount: Million yen)

	2nd quarter FY2021 (January 1, 2021 through June 30, 2021)	2nd quarter FY2022 (January 1, 2022 through June 30, 2022)
Cash flows from operating activities		
Profit before income taxes	3,750	5,954
Depreciation	1,344	1,302
Increase (decrease) in provision for share awards	43	46
Increase (decrease) in retirement benefit liability	48	26
Interest and dividend income	(36)	(63)
Interest expenses	8	9
Loss on retirement of property, plant and equipment	12	27
Subsidy income	(34)	(57)
Decrease (increase) in trade receivables	(151)	(1,867)
Decrease (increase) in inventories	(132)	(261)
Increase (decrease) in trade payables	(262)	(1,549)
Other, net	162	(334)
Subtotal	4,753	3,233
Interest and dividends received	37	64
Interest paid	(9)	(10)
Subsidies received	34	57
Extra retirement payments	(844)	-
Income taxes paid	(421)	(1,402)
Income taxes refund	442	24
Net cash provided by (used in) operating activities	3,992	1,966
Cash flows from investing activities		
Purchase of property, plant and equipment	(912)	(1,023)
Purchase of intangible assets	(13)	(44)
Proceeds from sale of investment securities	261	-
Purchase of investment securities	-	(555)
Other, net	18	(51)
Net cash provided by (used in) investing activities	(646)	(1,673)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	49	108
Repayments of long-term borrowings	(145)	(116)
Purchase of treasury shares	(0)	(0)
Dividends paid	(525)	(1,202)
Other, net	(10)	(11)
Net cash provided by (used in) financing activities	(632)	(1,222)
Effect of exchange rate change on cash and cash equivalents	606	1,280
Net increase (decrease) in cash and cash equivalents	3,319	350
Cash and cash equivalents at beginning of period	21,417	25,832
Cash and cash equivalents at end of period	24,737	26,182

(Segment Information)

2nd quarter FY2021 (January 1, 2021 through June 30, 2021)

Information on net sales and income (loss) by reportable segment

(Amount: Million yen)

	Photographic Products	Surveillance & FA Lenses	Mobility & Healthcare Products, Others	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	19,847	4,678	3,362	27,888	-	27,888
(2) Intersegment sales	-	-	-	-	-	-
Total	19,847	4,678	3,362	27,888	-	27,888
Operating income	4,098	233	496	4,828	(1,169)	3,658

(Note)

1. Segment profit is adjusted to Operating income of consolidated quarterly statements of income.
2. Adjustment of segment profit totaled (1,169) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.

2nd quarter FY2022 (January 1, 2022 through June 30, 2022)

(Amount: Million yen)

	Reporting segment				Adjustment (Note 2)	Consolidated
	Photographic Products	Surveillance & FA Lenses	Mobility & Healthcare Products, Others	Total		
Net sales:						
Japan	3,255	524	2,460	6,240	-	6,240
North America	3,520	692	21	4,234	-	4,234
Europe	3,599	1,227	128	4,955	-	4,955
Asia	11,812	3,189	656	15,658	-	15,658
Other	550	60	-	610	-	610
Income from contracts with customers	22,737	5,694	3,267	31,699	-	31,699
Other income	-	-	-	-	-	-
Sales to external customers	22,737	5,694	3,267	31,699	-	31,699
Intersegment sales	-	-	-	-	-	-
Total	22,737	5,694	3,267	31,699	-	31,699
Segment profit	5,766	682	422	6,891	(1,200)	5,671

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,200) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.