

# Consolidated Financial Results

(Japanese GAAP)  
**FY2020 ending March 2021**  
**TOPCON CORPORATION**  
**Release Date: July 31, 2020**

## 1. Summary of First Quarter Business Results for FY2020 ending March 2021 (April 1, 2020 - June 30, 2020)

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

(1) Consolidated business results

(Rounded down to the nearest million yen)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
1st quarter of FY2020	24,493	(25.2)	(2,322)	—	(3,043)	—	(2,482)	—
1st quarter of FY2019	32,747	(2.0)	1,009	(47.0)	567	(64.6)	(375)	—

Note: Comprehensive income  
 1st quarter of FY2020 (1,888) million yen ( — % )  
 1st quarter of FY2019 (1,665) million yen ( — % )

	Basic earnings per share	Diluted earnings per share
1st quarter of FY2020	yen (23.60)	yen —
1st quarter of FY2019	yen (3.54)	yen —

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	yen
1st quarter of FY2020	167,774	61,575	35.8	571.27
FY2019 ended March 2020	161,721	64,659	39.0	600.03

Note: Shareholders' equity  
 1st quarter of FY2020 60,076 million yen  
 FY2019 ended March 2020 63,100 million yen

## 2. Dividends

	Dividends per share				
	end of 1st qtr	end of 2nd qtr	end of 3rd qtr	year-end	Total
FY2019 ended March 2020	yen —	yen 14.00	yen —	yen 10.00	yen 24.00
FY2020 ending March 2021	—	—	—	—	—
FY2020 ending March 2021 (forecast)	—	0.00	—	5.00	5.00

\*Revisions to the projected dividends : Yes

## 3. Business Forecasts for FY2020 ending March 2021 (April 1, 2020 - March 31, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First half	56,000	(19.5)	(1,900)	—	(3,100)	—	(2,600)	—	(24.72)
Annual	128,000	(7.9)	3,000	(44.3)	1,000	(65.5)	0	(100.0)	0.00

\*Revisions to the business forecasts : Yes

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

# Consolidated financial statements

## Consolidated balance sheets

(Unit: million yen)

	FY2019 ended March 2020	1st quarter of FY2020
<b>Assets</b>		
Current assets		
Cash and deposits	16,134	29,471
Notes and accounts receivable - trade	40,631	32,121
Merchandise and finished goods	21,063	21,619
Work in process	1,510	1,596
Raw materials and supplies	13,188	14,793
Other	8,555	7,374
Allowance for doubtful accounts	(2,555)	(2,542)
Total current assets	98,528	104,433
Non-current assets		
Property, plant and equipment	20,738	21,218
Intangible assets		
Goodwill	10,856	10,326
Other	17,826	17,333
Total intangible assets	28,683	27,660
Investments and other assets	13,770	14,462
Total non-current assets	63,192	63,340
Total assets	161,721	167,774
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,981	9,415
Current portion of bonds payable	10,000	10,000
Short-term borrowings	26,831	19,833
Lease obligations	1,260	1,605
Income taxes payable	1,159	274
Provision for product warranties	1,124	981
Other	15,009	15,954
Total current liabilities	68,366	58,064
Non-current liabilities		
Bonds payable	10,000	30,000
Long-term borrowings	4,397	4,797
Lease obligations	4,883	4,303
Provision for retirement benefits for directors (and other officers)	44	46
Retirement benefit liability	5,263	5,216
Other	4,107	3,769
Total non-current liabilities	28,695	48,133
Total liabilities	97,062	106,198
<b>Net assets</b>		
Shareholders' equity		
Share capital	16,680	16,680
Capital surplus	20,630	20,558
Retained earnings	35,749	32,215
Treasury shares	(3,170)	(3,170)
Total shareholders' equity	69,889	66,284
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	434	577
Deferred gains or losses on hedges	(47)	(11)
Foreign currency translation adjustment	(6,278)	(5,927)
Remeasurements of defined benefit plans	(897)	(847)
Total accumulated other comprehensive income	(6,788)	(6,208)
Share acquisition rights	58	72
Non-controlling interests	1,499	1,427
Total net assets	64,659	61,575
Total liabilities and net assets	161,721	167,774

Consolidated statements of income

(Unit: million yen)

	1st quarter of FY2019	1st quarter of FY2020
Net sales	32,747	24,493
Cost of sales	15,055	12,812
Gross profit	17,692	11,680
Selling, general and administrative expenses	16,682	14,003
Operating profit (loss)	1,009	(2,322)
Non-operating income		
Interest income	70	35
Dividend income	31	47
Share of profit of entities accounted for using equity method	18	—
Other	50	78
Total non-operating income	170	160
Non-operating expenses		
Interest expenses	248	201
Share of loss of entities accounted for using equity method	—	63
Foreign exchange losses	284	169
Other	79	446
Total non-operating expenses	613	881
Ordinary profit (loss)	567	(3,043)
Extraordinary losses		
Extra retirement payments	—	31
Loss on sales of shares of subsidiaries	562	—
Total extraordinary losses	562	31
Profit (loss) before income taxes	4	(3,074)
Income taxes - current	94	(13)
Income taxes - deferred	316	(600)
Total income taxes	411	(614)
Loss	(406)	(2,460)
Profit (loss) attributable to non-controlling interests	(31)	21
Loss attributable to owners of parent	(375)	(2,482)

[Segment Information by business category]

1st quarter of FY2019 (April 1, 2019 - June 30, 2019)

(Unit: million yen)

	Reportable segment					Elimination & Common	Total
	Smart Infrastructure Business	Positioning Company	Eye Care Business	Other	Sub-Total		
Sales							
Sales to unaffiliated customers	4,902	17,270	10,257	316	32,747	—	32,747
Intercompany sales or transfer	2,140	917	64	0	3,121	△3,121	—
Total	7,043	18,188	10,321	316	35,869	△3,121	32,747
Segment Profit (Operating Income)	797	1,203	114	△47	2,066	△1,057	1,009

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

1st quarter of FY2020 (April 1, 2020 - June 30, 2020)

(Unit: million yen)

	Reportable segment					Elimination & Common	Total
	Smart Infrastructure Business	Positioning Company	Eye Care Business	Other	Sub-Total		
Sales							
Sales to unaffiliated customers	4,312	13,677	6,272	229	24,493	—	24,493
Intercompany sales or transfer	2,018	738	70	0	2,827	△2,827	—
Total	6,331	14,416	6,343	229	27,320	△2,827	24,493
Segment Profit (Operating Income)	235	553	△1,904	△138	△1,253	△1,069	△2,322

Note: Segment Profit (1,069) on "Elimination & Common" is mainly goodwill amortization expense and corporate expense (advanced research and development expense), both of which are not distributed to each reportable segment .

[Overseas Sales]

1st quarter of FY2019 (April 1, 2019 - June 30, 2019)

(Unit: million yen)

	North America	Europe	China	Asia / Oceania	Other	Total
Oversea sales	9,720	8,789	2,200	3,392	2,325	26,429
Consolidated Sales						32,747
Ratio to Consolidated Sales (%)	29.7	26.8	6.7	10.4	7.1	80.7

1st quarter of FY2020 (April 1, 2020 - June 30, 2020)

(Unit: million yen)

	North America	Europe	China	Asia / Oceania	Other	Total
Oversea sales	7,763	5,847	1,781	1,948	1,614	18,955
Consolidated Sales						24,493
Ratio to Consolidated Sales (%)	31.7	23.9	7.3	8.0	6.6	77.4

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

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