



FY2021 Q1 Financial Results



July 30, 2021

TOPCON CORPORATION

Director and Managing Executive Officer, CFO
General Manger of Accounting & Finance Div.

Haruhiko Akiyama



Company
Profile
Movie

Topcon for Human Life

TOPCON CORPORATION

FY2021 Q1 Financial Results

July 30, 2021

Event Overview

[Company]	TOPCON CORPORATION	
[Event Type]	Presentation of Financial Results	
[Event Name]	FY2021 Q1 Financial Results	
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[Number of Speakers]	2	
	Haruhiko Akiyama	Director, Managing Executive Officer, General Manager of Accounting & Finance Div.
	Takaaki Hirayama	Executive Officer, General Manager of Corporate Communication Div.

FY2021 Q1 Financial Results

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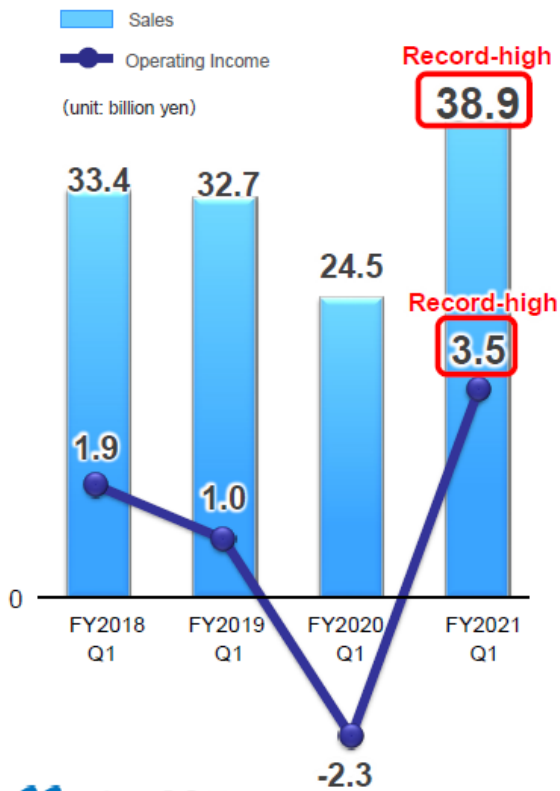
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Thank you very much for taking time to attend today's briefing. I would like to begin my presentation for the first quarter of FY2021.

Today, I will report our financial results for Q1 followed by full year plan for FY2021, topics, and the summary.

FY2021 Q1 Overview



V-shaped recovery!

Record-high sales and operating income for Q1

Exceed pre-COVID-19 levels

	YoY	vs FY2019
Sales	+59%	+19%
Operating Income	—	+242%



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First of all, this is an overview of our results for the first quarter. The bar graphs and the line graph show the sales and operating income, respectively. We marked record-high sales and operating income for Q1.

In previous year, we posted operating loss of 2.3 billion yen at its peak due to the COVID-19 impact. This year, sales and operating income strongly recovered and largely exceeded pre-COVID-19 level of FY2019 and FY2018.

Specifically, sales and operating income increased by 19% and 242%, respectively over the FY2019.

FY2021 Q1 Financial Results

Record-high sales, operating income, and ordinary income for Q1

(unit : million yen)

	FY2020	FY2021		
	Q1 Actual	Q1 Actual	YoY	%
Net Sales	24,493	38,898	14,404	+59%
Gross Profit (Gross Profit Ratio)	11,680 (47.7%)	20,331 (52.3%)	8,650	+74%
SGA	14,003	16,872	2,869	
Operating Income (Operating Income Ratio)	-2,322 (-9.5%)	3,458 (8.9%)	5,781	
Non-Operating Income (Expenses)	-721	-250	470	
Ordinary Income	-3,043	3,208	6,252	
Extraordinary Income (Loss)	-31	0	31	
Income Before Income Taxes and Minority Interests	-3,074	3,208	6,283	
Net Income	-2,482	1,823	4,305	
Exchange Rate	USD	¥107.74	¥110.00	¥2.26
(Average)	EUR	¥118.94	¥131.78	¥12.84



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We posted net sales of 38.9 billion yen, up 14.4 billion yen and +59% YoY.

The gross profit ratio was low at 47.7% last year being unable to absorb the fixed costs. This was attributable to significantly low production ratio due to COVID-19. However, it recovered to 52.3% this year.

SG&A expenses increased by 2.9 billion yen YoY. This was mainly due to an increase of selling activity expenses associated with sales growth.

The operating income increased by 5.8 billion yen to 3.5 billion yen from operating loss of 2.3 billion yen in last fiscal year. The OP margin has recovered to 8.9%.

The ordinary income and the net income were 3.2 billion yen and 1.8 billion yen, respectively. We marked record-high sales, operating income, and ordinary income for Q1.

FY2021 Q1 Financial Results by Business

■ Significant increase in sales and operating income for all business segments

(unit : million yen)

		FY2020	FY2021		
			Q1 Actual	Q1 Actual	YoY
Net Sales	Positioning	14,416	22,645	8,228	+57%
	Smart Infrastructure	6,331	8,700	2,369	+37%
	Eye Care	6,343	11,398	5,055	+80%
	Others	229	275	45	+20%
	Elimination	-2,827	-4,122	-1,295	
	Total	24,493	38,898	14,404	+59%
Operating Income (Operating Income Ratio)	Positioning	553 (3.8%)	3,061 (13.5%)	2,508	+453%
	Smart Infrastructure	235 (3.7%)	1,287 (14.8%)	1,051	+446%
	Eye Care	-1,904 (-30.0%)	233 (2.1%)	2,138	Turns profitable
	Others	-138 (-60.2%)	-89 (-32.5%)	48	-
	Elimination	-1,069	-1,034	35	
	Total	-2,322 (-9.5%)	3,458 (8.9%)	5,781	-



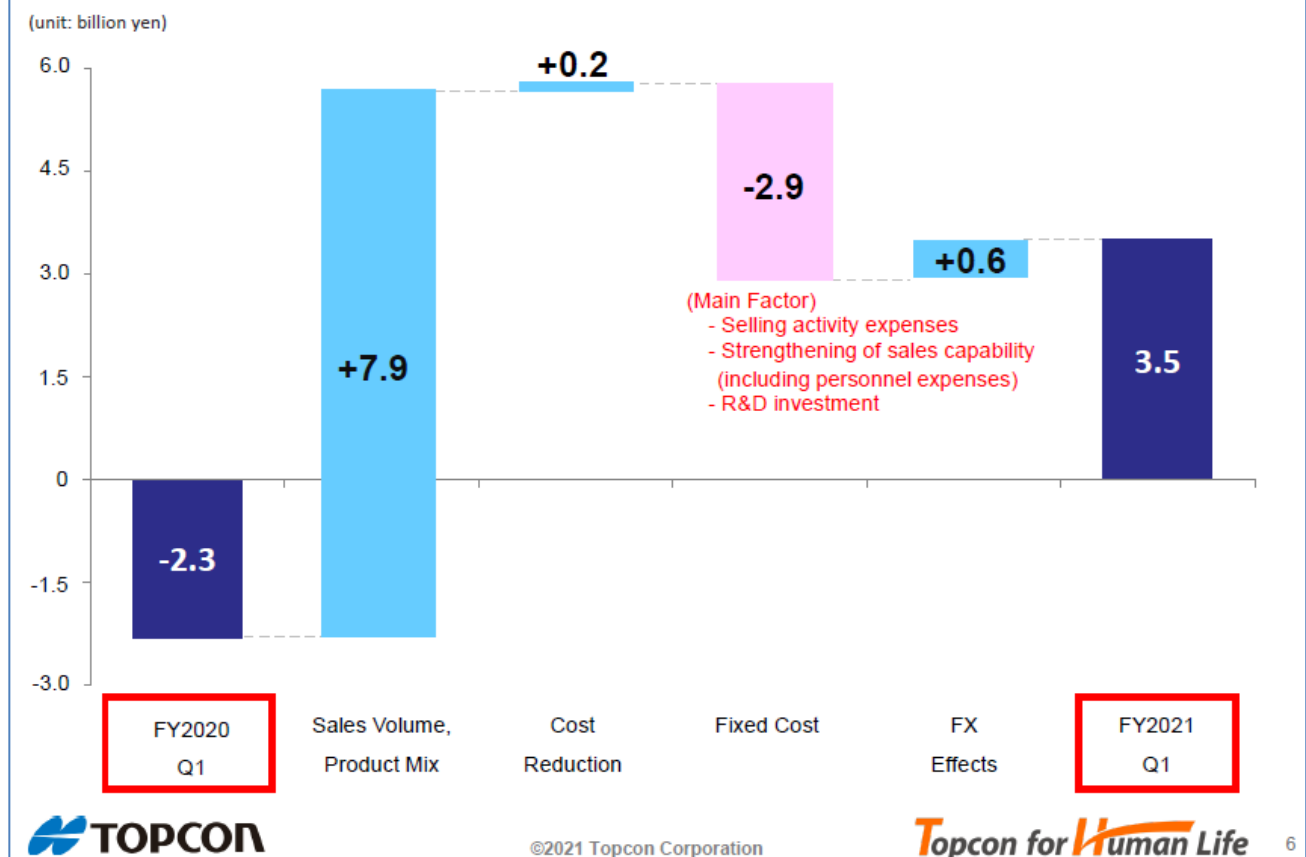
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Sales and operating income showed significant growth in all business segments. I will explain in detail later.

FY2021 Q1 Operating Income YoY Breakdown



Next is an analysis of changes in operating income YoY.

Compared to an operating loss of 2.3 billion yen in Q1 of the previous year, operating income increased 5.8 billion yen to 3.5 billion yen.

Sales volume and product mix, and cost reduction contributed for positive 7.9 billion yen and 0.2 billion yen, respectively.

On the other hand, fixed cost accounted for negative 2.9 billion yen, mainly due to selling activity expenses and strengthening of sales capability including personnel expenses, as well as increase in R&D investment.

FX effects were positive 0.6 billion yen, bringing the total to positive 5.8 billion yen.

I . FY2021 Q1 Financial Results

I - 1 . FY2021 Q1 Financial Results

I - 2 . Overview of Each Business



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I will now discuss our results by business segment.

Record high sales and operating income for Q1

(unit: million yen)

	FY2020	FY2021		
	Q1 Actual	Q1 Actual	YoY	%
Net Sales	14,416	22,645	8,228	+57%
Operating Income (Operating Income Ratio)	553 (3.8%)	3,061 (13.5%)	2,508	+453%
Exchange Rate				
USD	¥107.74	¥110.00	¥2.26	
EUR	¥118.94	¥131.78	¥12.84	

Review of FY2021 Q1 Financial Results

Overall

- Significant increase in sales and operating income on strong demands mainly in the U.S. and Europe

IT Construction

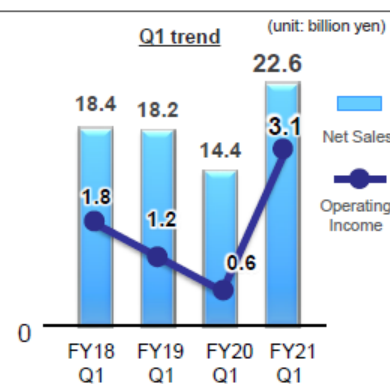
- Continuing strong sales for the aftermarket, substantially surpassed the pre-COVID-19 level
- Significant sales growth for OEM, recover to pre-COVID-19 level

IT Agriculture

- Continuing strong sales for the aftermarket, substantially surpassed the pre-COVID-19 level
- Significant sales growth for OEM, recover to pre-COVID-19 level

Surveying and laser products

- Buoyant housing construction market in the U.S. and Europe continues due to increase of relocation demands to suburbs amid COVID-19



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These are the results of Positioning Company. Sales and operating income marked record-highs for Q1.

Sales increased by 8.2 billion yen to 22.6 billion yen with +57% YoY. Operating income increased by 2.5 billion to 3.1 billion yen with +453% YoY. OP margin has recovered to 13.5%.

Overall, sales and operating income significantly increased on strong demands mainly in the U.S. and Europe.

The aftermarket sales for IT Construction grew strongly, and has substantially surpassed the pre-COVID-19 level. OEM sales also increased significantly and has recovered to pre-COVID-19 level.

The trends for IT Agriculture are very similar to that of IT Construction. The aftermarket sales expanded strongly, and were significantly better than the pre-COVID-19 level. Similarly, huge sales growth of OEM to the level of pre-COVID-19.

Surveying and laser sales increased steadily thanks to the continued buoyant housing construction market in the U.S. and Europe.

Both sales and operating income increased significantly compared with previous fiscal years as shown in the bottom right chart.

Record high sales and operating income for Q1

(unit: million yen)

	FY2020		FY2021	
	Q1 Actual		Q1 Actual	YoY %
Net Sales	6,331		8,700	+37%
Operating Income (Operating Income Ratio)	235 (3.7%)		1,287 (14.8%)	+446%
Exchange Rate	USD	¥107.74	¥110.00	¥2.26
(Average)	EUR	¥118.94	¥131.78	¥12.84

Review of FY2021 Q1 Financial Results

Overall

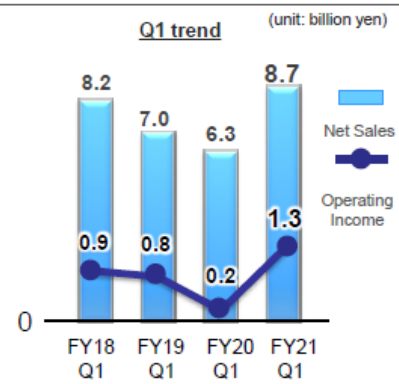
- Growing sales driven by solid domestic sales
- Stagnation in Southeast Asia continues

Japan

- Construction: Strong sales for surveying instruments and machine guidance system for small-sized excavators
- IT Agriculture: Despite temporary backlash of increased demand due to subsidies of last year, we see solid progress in sales thanks to persistent demand for labor saving technology

The U.S. and Europe

- Strong sales continues for surveying instruments and laser products



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Turning now to the Smart Infrastructure Business which also marked record-high sales and operating income for Q1. Net sales increased by 2.4 billion yen to 8.7 billion yen, +37% YoY. Operating income was 1.3 billion yen, +446% YoY. OP margin has recovered to 14.8%, the highest among all business segments.

Overall, solid domestic sales led the growth, while the stagnation continues in Southeast Asia due to prolonged COVID-19 impact.

In Japan, sales for surveying instruments and newly launched machine guidance system for small-sized excavators were strong. There are temporary backlash of demands for IT agriculture, which grew significantly in the previous fiscal year due to the government subsidies. However, we expect solid progress in sales thanks to persistent demands for labor saving technology.

Surveying and laser sales continue to be strong helped by buoyant housing markets in the U.S. and Europe.

Significant sales increase, turning profitable

(unit: million yen)

	FY2020	FY2021		
	Q1 Actual	Q1 Actual	YoY	%
Net Sales	6,343	11,398	5,055	+80%
Operating Income (Operating Income Ratio)	-1,904 (-30.0%)	233 (2.1%)	2,138	Turns profitable
Exchange Rate				
USD	¥107.74	¥110.00	¥2.26	
(Average) EUR	¥118.94	¥131.78	¥12.84	

Review of FY2021 Q1 Financial Results

Overall

- Continuing strong sales driven by the U.S., Europe, and China

Screening business

- Demands from major optical chain stores have recovered

Sales of 3D OCT continue to grow

Tele-optometry

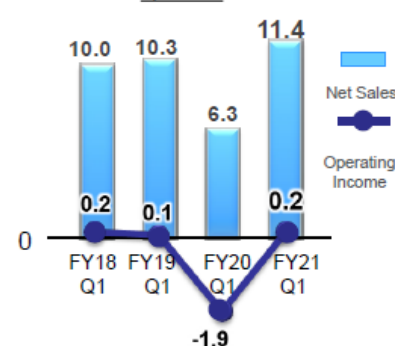
- Solid demands continue for remote eye-exam

China

- Continuing strong sales by capturing strong appetite for capital investment and growing demands for AI Screening

Q1 trend

(unit: billion yen)



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Eye Care Business has turned to be profitable attributed to significant sales increase. Net sales increased by 5.1 billion yen to 11.4 billion yen, +80% YoY. After the Business had suffered big damage from COVID-19 in the previous fiscal year, we were able to increase operating income by 2.1 billion yen from a loss of 1.9 billion yen to a surplus.

In general, sales continued to be strong mainly in the major markets, the U.S., Europe, and China.

With regard to our most focused Screening Business, demands from major optical chain stores have recovered and the sales of 3D OCT are steadily growing.

Demands for tele-optometry systems that meet the social distance needs under COVID-19 environment continue to be robust.

The sales for China continue to be strong by capturing strong appetite for capital investment and growing demands for AI Screening.

Both sales and operating income have recovered significantly as shown in the bottom right chart.

II . FY2021 Full Year Plan



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Next, I will provide the full year plan.

FY2021 Full Year Plan

Outlook

■ Outlook for the macro environment

- Thanks to vigorous demands for housing and civil infrastructure investment and high level of grain prices, demands will continue to expand in construction and agricultural sectors mainly in the U.S. and Europe
- On the other hand, the outlook remains uncertain due to rising material prices and logistics costs, the impact of semiconductor shortages on production and subsequent longer lead-time of shipping/sales, and rising concerns over the spread of new variants of COVID-19 mainly in Southeast Asia

■ Outlook for each Business

Positioning

- Strong trend will continue in the U.S. and Europe construction markets while automation needs are increasing due to the shortage of construction labor force
- Farmers' strong appetite for capital investment will continue thanks to high level of grain prices

Smart Infrastructure

- Favorable trend will continue due to National resilience program and numbers of i-Construction works are expected to grow
- In terms of IT agriculture, the demands reactionary decline due to termination of the subsidies, however, uptrend of adoption of automation technologies will continue thanks to persistent labor-saving needs
- Southeast Asia will continue to suffer from prolonged COVID-19 pandemic and the timing of recovery remains uncertain

Eye Care

- Demands for screening business in the U.S. and Europe is expected to expand steadily
- There is certain growth prospects in China while the economic outlook is somewhat uncertain
- Southeast Asia will continue to suffer from prolonged COVID-19 pandemic and the timing of recovery remains uncertain



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First, let me touch upon the macro outlook that is the basis of our full year plan.

It is positive that demands continue to expand in construction and agricultural sectors mainly in the U.S. and Europe thanks to vigorous housing market and civil infrastructure investment, and also the high level of grain prices.

On the other hand, the outlook remains uncertain due to rising material prices and logistics costs. In addition, the impact from semiconductor shortages and subsequent longer lead-time of shipping and sales is negative.

On top of that, there are rising concerns over the spread of new variants of COVID-19 mainly in Southeast Asia.

In terms of Positioning, strong trend is expected to continue in the U.S. and Europe while automation needs are increasing due to the shortage of construction labor force. Furthermore, we assume farmers' strong appetite for capital investment will continue thanks to high level of grain prices.

Regarding Smart Infrastructure Business, there is tailwind from Japan's National Resilience Program and we expect growing numbers of i-Construction works. For IT Agriculture, there are reactionary decline in demands for Auto Steering System due to termination of the government subsidies in Japan. However, we expect adoption of automation technologies to continue thanks to persistent labor-saving needs. And yet, we have to take into account the prolonged COVID-19 pandemic in Southeast Asia, and there is still uncertainty for the timing of recovery.

Concerning Eye Care Business, we expect steady increase of demand for screening business in the U.S. and Europe. Although certain growth trend is expected to continue in China, the economic outlook is somewhat uncertain. Similar to the Smart Infrastructure Business, there is uncertainty for the timing of recovery in Southeast Asia due to persistent COVID-19 pandemic.

FY2021 Full Year Plan

■ No change from the initial plan

(unit: million yen)

	FY2020	FY2021	
	Full Year Actual	Full Year Plan	YoY (%)
Net Sales	137,247	149,000	+9%
Operating Income (Operating Income Ratio)	6,593 (4.8%)	10,000 (6.7%)	+52%
Ordinary Income	5,587	8,000	+43%
Net Income	2,376	5,000	+110%
ROE	3.6%	7%	
Dividends	¥10	¥20	
Payout Ratio	44%	42%	
Exchange Rate	USD	¥106.17	* ¥108.00
(Average)	EUR	¥123.73	¥128.00

* Q2 onward



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Here are the detailed figures for the full year plan.

Considering some negative factors I mentioned, and the fact that we still have 9 months to go, we do not change the initial plan of 149 billion yen in net sales, 10 billion yen in operating income and 5 billion yen in net income although it has proceeded well in Q1.

FY2021 Full Year Plan

(unit: million yen)

		FY2020	FY2021	
		Full Year Actual	Full Year Plan	YoY (%)
Net Sales	Positioning	71,416	78,000	+9%
	Smart Infrastructure	33,982	36,000	+6%
	Eye Care	44,251	50,000	+13%
	Others	1,165	1,000	-14%
	Elimination	-13,568	-16,000	
	Total	137,247	149,000	+9%
Operating Income (Operating Income Ratio)	Positioning	6,064 (8.5%)	7,000 (9.0%)	+15%
	Smart Infrastructure	4,972 (14.6%)	5,000 (13.9%)	+1%
	Eye Care	122 (0.3%)	2,500 (5.0%)	+1,949%
	Others	-536 (-46.0%)	-300 (-30.0%)	-
	Elimination	-4,028	-4,200	
	Total	6,593 (4.8%)	10,000 (6.7%)	+52%



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We don't change the plan by business segment, either.

III. Topics



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Next, I will show three topics.

Strengthening collaboration with Omron Healthcare to grow Screening Business in China

(News released on June 8, 2021) <https://www.topcon.co.jp/news/20210608-29503.html>
*only available in Japanese

Areas of collaboration:

Promotion of **Screening Business**
 for lifestyle-related diseases

TOPCON
 provides screening equipment

OMRON
 develops screening facilities



Fundus Camera TRC-NW400
 One-touch operation with a full automatic functionality



Metabolic Management Centers (MMCs)

A facility in which related data of diabetic patients from medical experts, pharmaceutical manufacturers and medical ICT companies is gathered and managed. Appropriate medical examinations including complications are available. (760 sites as of March 2021)

Social background

Expanding demands for medical screening tests in China, due to an increase in patients with lifestyle-related diseases (hypertension, diabetes, etc.)

Our initiatives

- Provides NW400 to facilities operated by Omron (for diabetic screening tests)
- Strengthen sales activities to other health screening centers as well



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Here is a topic from the Eye Care Business.

In order to expand our Screening Business further in China, we are strengthening collaboration with Omron Healthcare.

This collaboration aims to promote Screening Business especially for lifestyle-related diseases in China. Omron Healthcare has been expanding its Metabolic Management Centers (MMCs) throughout China and deploys as many as 760 sites. Appropriate medical examinations are available at MMCs as various data of diabetic patients are gathered and managed.

One of the Topcon's initiatives is to provide the fundus cameras, TRC-NW400, to such facilities. We will expand the sales of our fundus cameras with Omron Healthcare who are increasing the number of MMCs.

In addition to MMCs, we will closely collaborate with Omron Healthcare for the sales to other health screening centers that are widely spreading in the whole of China. The product line-up includes not only fundus cameras but also tonometers.

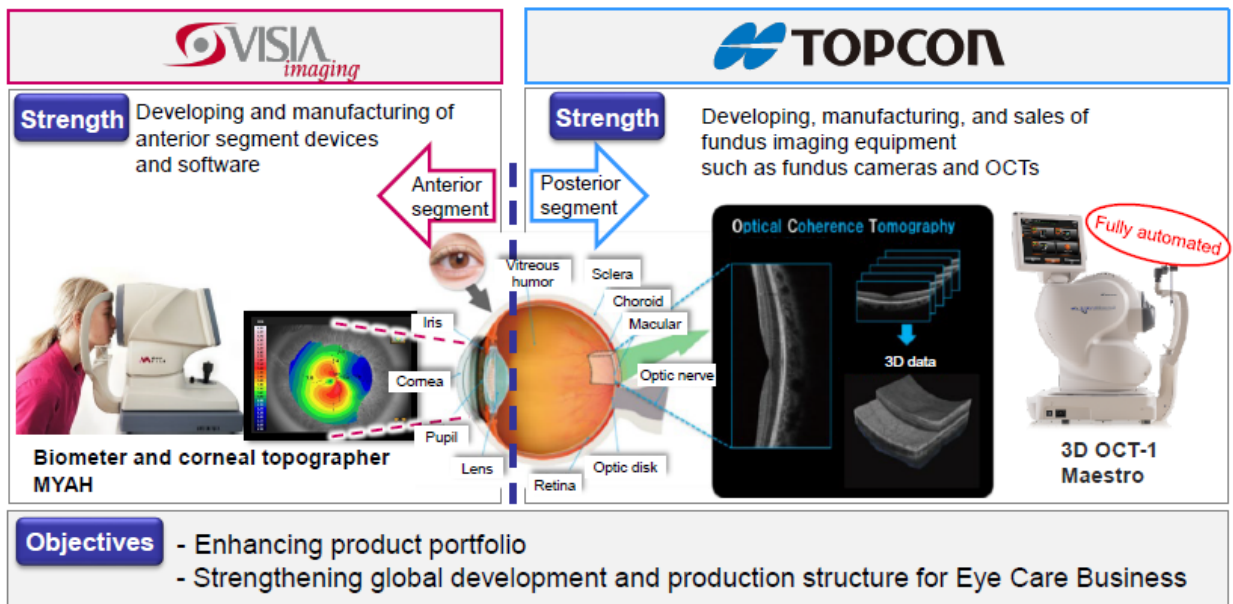
(News released on June 8, 2021)*only available in Japanese <https://www.topcon.co.jp/news/20210608-29503.html>

Topcon acquires VISIA Imaging S.r.l, ophthalmic medical device manufacturer in Italy

(News released on July 7, 2021) <https://www.topcon.co.jp/en/news/20210707-29645.html>

The Italian company specializes in the design, development, and manufacturing of anterior segment (cornea, crystalline lens, etc.) examination hardware and software

Reinforcing Topcon's comprehensive strength as an ophthalmic diagnostic device manufacturer



Next is another topic from the Eye Care Business.

We have acquired VISIA Imaging S.r.l, an Italian ophthalmic medical device manufacturer, for enhancing our product portfolio. In early July, Topcon acquired 100% of its outstanding shares.

Let me explain briefly about VISIA. Topcon has strength in posterior segment. We have certain advantage in developing, manufacturing, and sales for fundus imaging equipment such as fundus cameras and 3D OCTs that can take detailed images of the retina. On the other hand, VISIA has strength in anterior segment. They have powerful capability of developing and manufacturing for devices and software for cornea and lens such as biometers and corneal topographers.

One of the causes of myopia is the extraordinary distance between corneas and retinas (axial length) in eyeballs. VISIA has devices that can measure axial length. Our objectives for this acquisition can be defined as the enhancement of product portfolio by leveraging both companies' strengths as well as the global development and production structure for the Eye Care Business.

(News released on July 7, 2021) <https://www.topcon.co.jp/en/news/20210707-29645.html>



Topcon selected by METI as “DX Stocks 2021” for two consecutive years

Solving the societal challenges within healthcare, agriculture, and infrastructure through DX solutions is highly acclaimed!

(News released on June 7, 2021) <https://www.topcon.co.jp/en/news/20210607-29745.html>

株式会社トプコン
(精密機器 / 7732)

「医・食・住」に関する社会的課題を解決し、豊かな社会づくりに貢献します。

DX銘柄2021
Digital Transformation

経営ビジョンにおけるDXの位置づけ

トプコンの事業領域である「医・食・住」の分野は、それぞれ高齢化や人口増加等に伴う社会的課題に直面しており、また大きな産業に占められており、IT化や自動化が進んでいます。この社会的課題に対し、トプコンは先端DXソリューション、先端技術及び独自の技術力を、さらに、グローバルな組織体制で、IoTネットワーク技術も駆使したDXソリューションで解決することを中期経営計画に掲げて取り組んでいます。

トプコンのDXソリューション

① **建築工事の生産性・品質向上への取り組み**

建築工事では設計段階でBIMの導入、普及が進んでいますが、実際の現場では、BIMで作成された3次元デジタルモデル（バーチャル）と施工現場リアルを繋ぐためのソリューションがなく、2次元の紙面画に印刷は効いて、施工現場で行われているのが現状です。

トプコンは、3次元デジタル測量機レーザースキャナなどのセンシング機器とBIMデータに連携するソフトウェアを開発し、新築しているビルとバーチャル空間を連携するBIM連携ソリューションにより、「建築工事の工事化」を実現し、従人化、施工品質、生産性の向上を図るDXソリューションを構築します。

② **クラウド型農業マネジメントIoTソリューション**

トラクターの自動操縦システムや品種生育・収穫センサ、施肥設計・施肥用ソフトウェアを採用し「農業-収穫の工事化」を推進しています。TAP (Topcon Agriculture Platform) はクラウドで農業サイクルに関わる

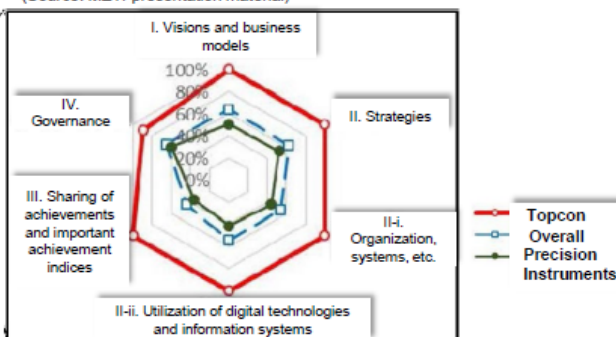
機械の稼働から、データの収集、分析の上、更なる作業効率化を提案するIoTソリューションです。センサーで計測する機械やシステムと連携可能であり、世界的な人口増加に伴う食糧不足への懸念を解決するDXソリューションとなります。

DX銘柄2021-達成状況

Out of approx. 3,700 listed companies in Japan, **28 with the highest overall rating were selected as DX stocks**

Our overall rating

(Source: METI presentation material)



METI presentation material (only in Japanese)



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Topcon has been selected as “Digital Transformation Stocks (DX Stocks) 2021” for two consecutive years by Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. Out of approximately 3,700 listed companies in Japan, only 28 were selected as DX Stocks. Our rating was high amongst all six categories as shown at the bottom right.

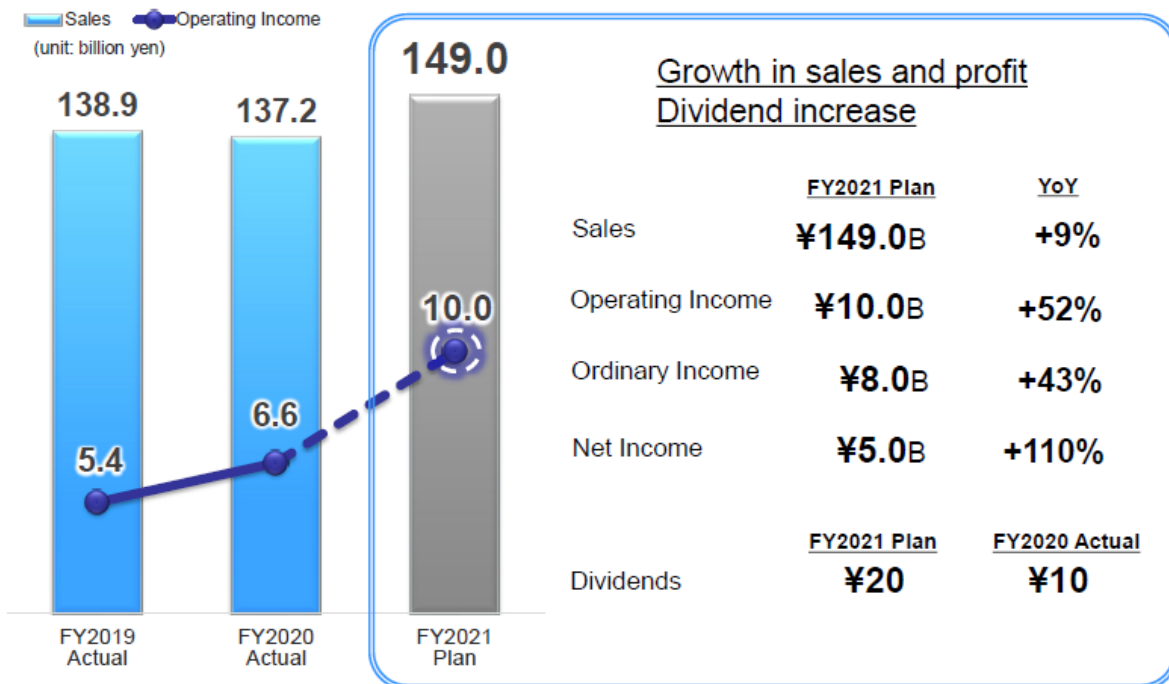
(News released on June 7, 2021) <https://www.topcon.co.jp/en/news/20210607-29745.html>

IV. Summary

Finally, let me summarize.

Summary

No change from the initial plan



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As explained above, the forecast for the fiscal year remains unchanged from the initial plan. Net sales were 149 billion yen, up 9% from the previous year, and operating income was up 52%. We plan to nearly double net income to 5 billion yen.

At the beginning of the fiscal year, we plan to double dividends from 10 yen in the previous fiscal year to 20 yen.

These are the results for the first quarter of the fiscal year ending March 2022 and the full year forecast for the fiscal year ending March 2022.

Thank you for your attention.

Questions and Answers

<Common subject matters>

Q. Results and forecast of expense: SG&A expenses in Q1 were almost the same as the same period in FY2019 while the sales increased by 6 billion. Is it the results of cost control efforts, or simply due to limitation effect by from COVID-19? Can we expect this expense level to continue?

A. Personnel expenses increased. However, selling activity expenses including business trips, advertising, and exhibitions did not in Q1. We expect the SG&A expenses to increase along with the sales increase in the following quarters. However, we believe the expense ratio to sales will be lower than the level in pre-COVID-19, at somewhere in the middle of pre-COVID-19 and this Q1.

Q. Strength of demand: I hear from other companies that they are receiving many orders including imaginary demand. How about your company?

A. In our case, the brisk sales are supported by real demand thanks to strong market conditions. The portion of imaginary demand would be quite limited, if any.

Q. Full year forecast: Given the strong Q1 performance, why you leave full year plan unchanged? Should we assume that the outlook is deteriorating due to growing uncertainties?

A. Although there are some uncertain factors, we may revise it, if necessary when we announce our 1H financial results at the end of October.

Q. Concerns: Could you explain the impacts of the semiconductor shortages and the rising logistics costs in Q1?

A. We could manage well to minimize the negative impact through taking various measures in Q1. However, we think it will be inevitable to incur some impacts in Q2 onward.

Q. Analysis of changes in OP YoY breakdown: Do you expect any changes in positive/negative factors for the full year?

A. We assume there will be certain negative impacts from rising material and logistics costs. However, OP YoY breakdown remains unchanged this time as we do not change the full year plan.

Q. Risk factors: Among various risk factors such as semiconductor shortages and rising material costs, do you recognize anything particular to Topcon?

A. We don't recognize any special factors only for Topcon.

Q. Changes in seasonality of sales and profits: I understand that quarterly sales and profits fluctuate every year. Does this strong figure in Q1 indicate any change in the seasonality?

A. Q1 results were definitely strong. However, we don't think that the seasonality has changed.

<Positioning Company/Smart Infrastructure Business>

Q. [Strength of demand](#): The statistical data and/or market sentiment for construction and agriculture market are not included in the presentation material this time. Has the demand outlook changed from the last presentation in May?

A. We reckon the market trend has not changed at all and expect favorable conditions to continue.

<Eyecare Business>

Q. [Sales trend](#): Sales growth appears to be small compared to Positioning/Smart Infrastructure. How do you see it?

A. The sales increased more than 10% even compared to two years ago, and we think the business is growing steadily.

Q. [Business in China](#): Are there any concerns in 2H?

A. We expect uptrend will continue, basically. However, there are some uncertainties.

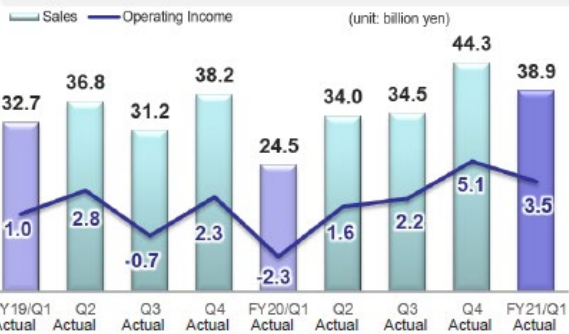
Q. [Acquisition of VISIA](#): Could you explain the impact of VISIA acquisition on the bottom line?

A. We do not disclose the specific figures related to this acquisition. Although the company is profitable, the impact on overall earnings would be minimal due to the amortization.

V. Appendix

Financial Results (Quarterly)

Consolidated



Positioning



Smart Infrastructure

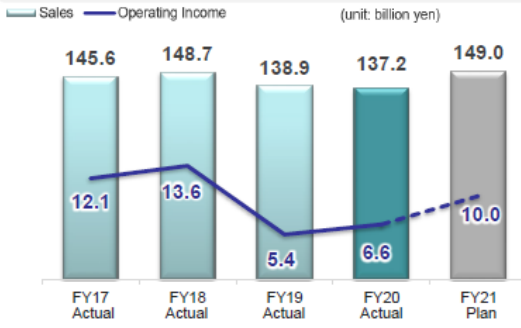


Eye Care

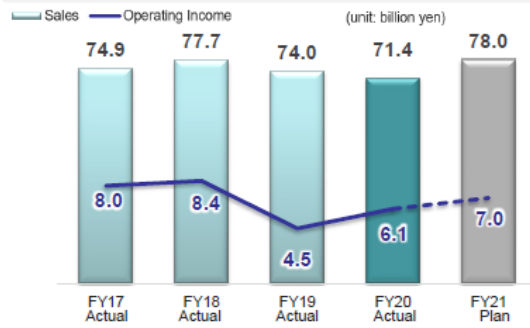


Financial Results and Plan (Annually)

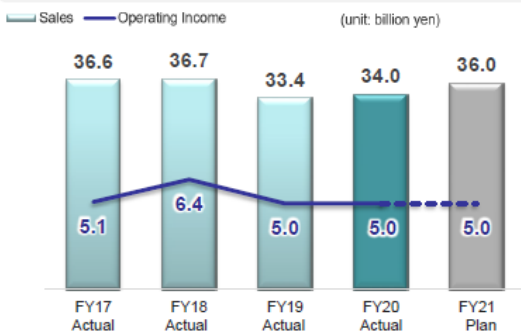
Consolidated



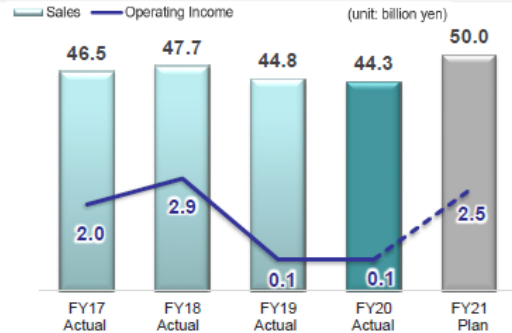
Positioning



Smart Infrastructure



Eye Care



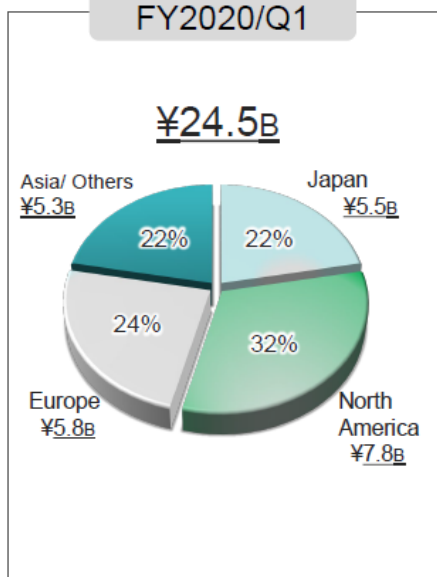
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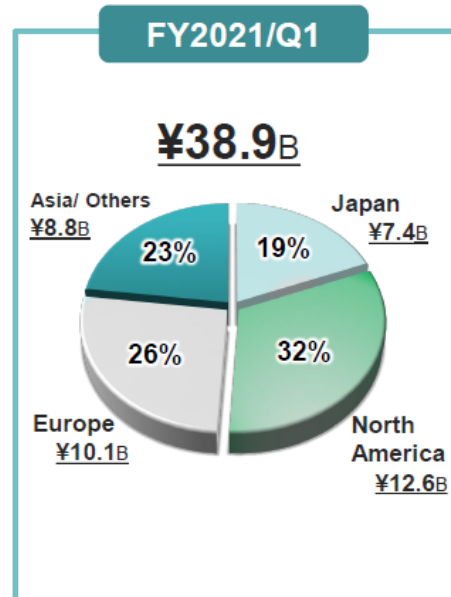
Sales by region

FY2020/Q1



YoY
+59%

FY2021/Q1



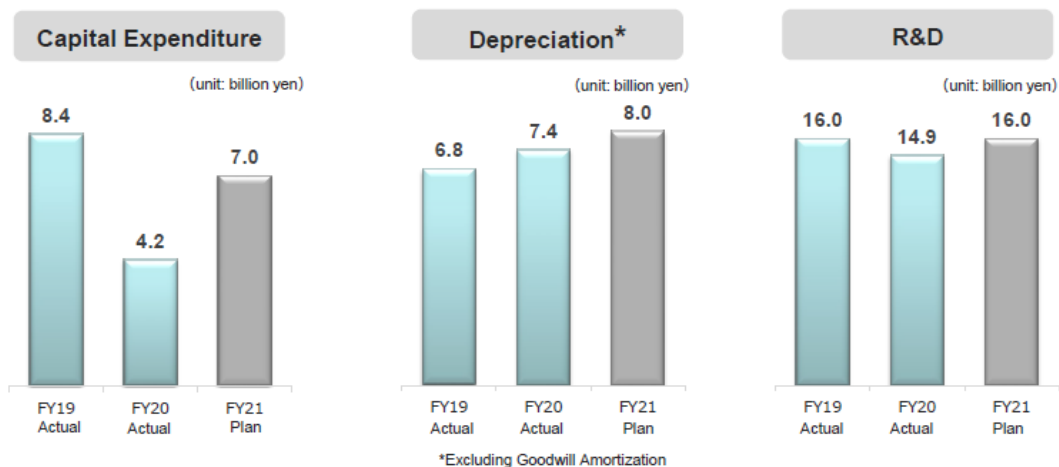
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Capital Expenditure and R&D / Forex Sensitivity

■ Projections



■ Forex Sensitivity (impact by ¥1 change)

USD : Operating Income ¥0.15B - ¥0.2B

EUR : Operating Income ¥0.07B - ¥0.1B