



FY2021 Q3 Financial Results

January 28, 2022

TOPCON CORPORATION

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

Haruhiko Akiyama



Company
Profile
Movie

Topcon for Human Life

TOPCON CORPORATION

FY2021 Q3 Financial Results

January 28, 2022

Event Overview

Company	TOPCON CORPORATION
Event Type	Presentation of Financial Results
Event Name	FY2021 Q3 Financial Results
Report Period	FY2021 Q3
Date	January 28, 2022
Time	3:30 – 4:20 PM (Total time: 50 minutes; Presentation: 20 minutes; Q&A: 30 minutes)
Event Format	Online (streamed)
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 Q3 Financial Results

I . FY2021 Q3 Financial Results

II . FY2021 Full Year Plan

III . Summary

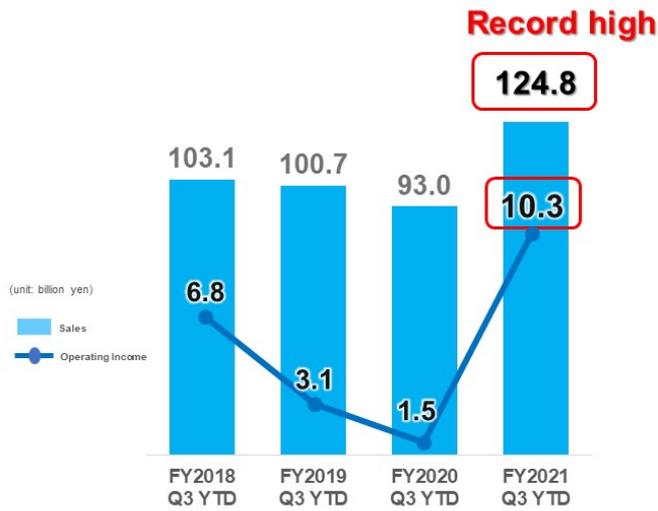
IV . Appendix



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

Today, I will report our financial results for Q3 followed by our full year plan for FY2021 and a summary.

FY2021 Q3 Overview



Significant increase in sales and profit

Record high in both sales and profit

	vs. FY2020	vs. FY2019
Sales	134%	124%
Operating Income	711%	338%



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First, this is an overview of our results for the third quarter of FY2021. We achieved record sales of 124.8 billion yen and operating income of 10.3 billion yen. Both were significant increases compared to the same period in FY2020 and FY2019.

Sales and operating income substantially exceeded FY2020 which had been hugely impacted by COVID-19. Moreover, sales and operating income were 124% and 338%, respectively, compared with the results even of the pre-COVID-19 FY2019.

FY2021 Q3 Financial Results

Record high sales and profit

(unit : million yen)

	Q3 YTD			
	FY2020	FY2021	YoY	YoY%
Net Sales	92,991	124,834	31,842	+34%
Gross Profit	45,676	63,959	18,282	+40%
(Gross Profit Ratio)	(49.1%)	(51.2%)		
SGA	44,221	53,611	9,390	
Operating Income	1,455	10,347	8,891	+611%
(Operating Income Ratio)	(1.6%)	(8.3%)		
Non-Operating Income (Expense)	-1,394	-1,101	293	
Ordinary Income	60	9,246	9,185	
Extraordinary Income (Loss)	-221	292	513	
Income Before Income Taxes and Minority Interests	-160	9,538	9,699	
Net Income	-1,322	5,752	7,075	
Exchange Rate	USD	¥105.87	¥111.38	¥5.51
(Average)	EUR	¥122.30	¥130.85	¥8.55



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We posted sales of +34% YoY, an increase of 31.8 billion yen from the same period of the previous year. The gross profit margin improved to 51.2% despite the negative impact of the surge of component and logistics costs, which I will explain later.

The gross profit margin for the previous year was 49.1% on lower production utilization rate associated with COVID-19. This fiscal year, the gross profit margin improved approximately 2 points, although there was certain negative impact from surging component and logistics costs.

SG&A expenses increased 9.4 billion yen from the same period of the previous fiscal year, mainly due to sales growth. The OP margin was 8.3%, a significant improvement from 1.6% last year. Net income substantially increased by 7.1 billion yen to 5.8 billion yen, compared to a net loss of 1.3 billion yen in the previous fiscal year.

FY2021 Q3 Financial Results by Business

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

(unit : million yen)

		Q3 YTD			
		FY2020	FY2021	YoY	YoY%
Net Sales	Positioning	49,061	67,812	18,751	+38%
	Smart Infrastructure	23,804	28,027	4,223	+18%
	Eye Care	28,976	41,360	12,383	+43%
	Others	838	867	28	
	Elimination	-9,688	-13,233	-3,545	
	Total	92,991	124,834	31,842	+34%
Operating Income (Operating Income Ratio)	Positioning	3,087 (6.3%)	7,248 (10.7%)	4,161	+135%
	Smart Infrastructure	2,944 (12.4%)	4,405 (15.7%)	1,461	+50%
	Eye Care	-1,211 (-4.2%)	1,983 (4.8%)	3,194	Turns profitable
	Others	-340	-264	76	
	Elimination	-3,024	-3,025	-1	
		Total	1,455 (1.6%)	10,347 (8.3%)	8,891



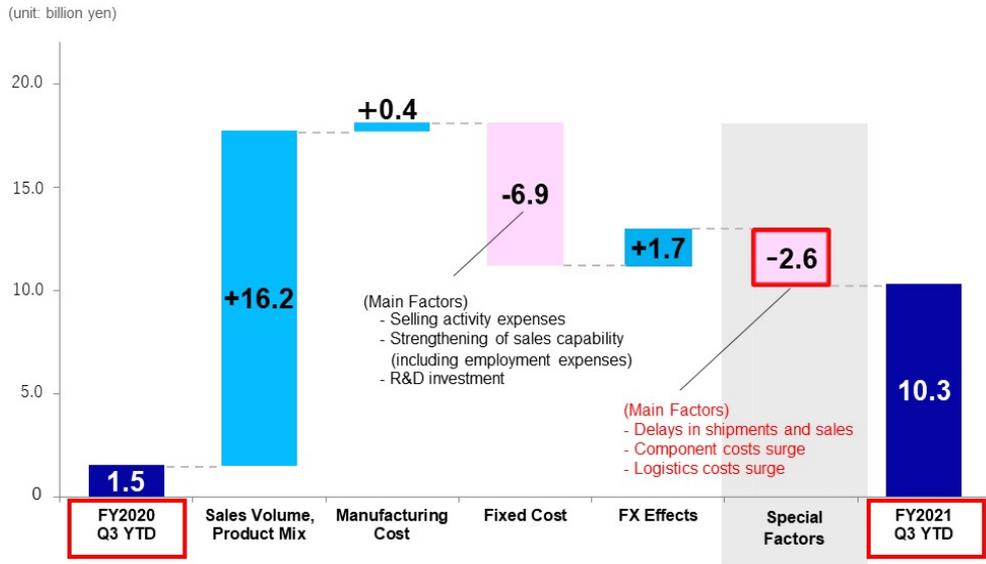
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Sales and operating income showed significant growth in all business segments. I will explain in detail later.

FY2021 Q3 Operating Income YoY Breakdown



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Next is a YoY analysis of changes in operating income for the third quarter. Compared to Q3 YTD of the previous fiscal year, which was 1.5 billion yen, operating income was up 8.8 billion yen this year, to 10.3 billion yen. Sales volume/product mix contributed a positive 16.2 billion yen. Manufacturing costs and fixed costs accounted for positive 0.4 billion yen and negative 6.9 billion yen, respectively. The main factors for fixed cost include selling activity expenses, strengthening of sales capabilities including employment expenses, and R&D investment. FX effects were positive 1.7 billion yen thanks to the yen's depreciation. In addition, special factors account for negative 2.6 billion yen. This includes delays in shipments and sales due to component shortages and surging component and logistics costs.

I . FY2021 Q3 Financial Results

I - 1 . FY2021 Q3 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

(unit: million yen)

	Q3 YTD		YoY	%
	FY2020	FY2021		
Net Sales	49,061	67,812	18,751	+38%
Operating Income (Operating Income Ratio)	3,087 (6.3%)	7,248 (10.7%)	4,161	+135%
Exchange Rate USD	¥105.87	¥111.38	¥5.51	
(Average) EUR	¥122.30	¥130.85	¥8.55	

Review of Financial Results

Overall

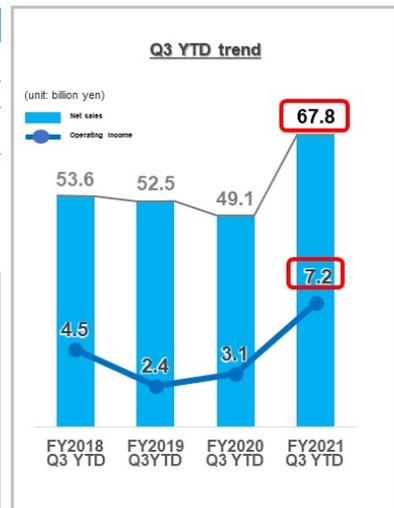
- Significant increase in sales and profit driven by active housing and infrastructure investment demands in the U.S. and Europe
- Increasing impact of component and logistics surge and material shortages

IT Construction and IT Agriculture

- Continuing strong sales for both aftermarket and OEM

Surveying and laser products

- Robust sales thanks to continued booming housing construction market mainly in the U.S. and Europe



These are the results of Positioning Company. Both sales and operating income marked record highs for Q3 YTD. Sales were up 38% YoY from 49.1 billion yen to 67.8 billion yen, significantly higher than the pre-COVID-19 figures in FY2019 and FY2018. Operating income more than doubled to 7.2 billion yen, up from 3.1 billion yen in the previous fiscal year.

Overall, both sales and operating income increased significantly, driven by active housing and infrastructure investment in the U.S. and Europe. However, the impact of surging component and logistics costs and a shortage of materials is apparent in the third quarter.

By market, sales of IT Construction and IT Agriculture are very strong in both in the aftermarket and OEM markets. Surveying and laser sales continued to increase steadily, mainly due to the Housing construction market in the U.S and Europe, which continues to boom.

Record high sales and operating income

(unit: million yen)

	Q3 YTD		YoY	%
	FY2020	FY2021		
Net Sales	23,804	28,027	4,223	+18%
Operating Income (Operating Income Ratio)	2,944 (12.4%)	4,405 (15.7%)	1,461	+50%
Exchange Rate USD	¥105.87	¥111.38	¥5.51	
(Average) EUR	¥122.30	¥130.85	¥8.55	

Review of Financial Results

General

- Solid sales in Japan, substantially sales surpassed in the U.S. and Europe
- Increased the impact for surges of component costs and material shortages

Surveying instruments

- Sales were strong, but due to a component shortage, the backlog of orders have not reached to the proper level

IT Construction · IT Agriculture

- Realizing the impact of the delay in purchasing and expanding impacts on sales



Turning now to Smart Infrastructure Business, as in Positioning Company, both sales and operating income reached record highs. Thanks to its stable characteristic as a segment, sales increased 18%, from 23.8 billion yen to 28.0 billion yen. Operating income also grew by 1.5 billion yen, from 2.9 billion yen to 4.4 billion yen. This was due to strong sales in our main market in Japan, and strong growth in sales to the U.S and Europe.

As we mentioned regarding Positioning Company, we have also started to see the negative impact of the increasing component and material shortages in this segment. Backorders of surveying instruments continue to be higher than the proper level due to component shortages while sales are strong. In addition, sales of IT Construction and IT Agriculture were negatively affected by delays in procurement.

Overview of Each Business

Eye Care

Record high sales, turning profitable

(unit: million yen)

	Q3 YTD			
	FY2020	FY2021	YoY	%
Net Sales	28,976	41,360	12,383	+43%
Operating Income (Operating Income Ratio)	-1,211 (-4.2%)	1,983 (4.8%)	3,194	Turns profitable
Exchange Rate USD	¥105.87	¥111.38	¥5.51	
(Average) EUR	¥122.30	¥130.85	¥8.55	

Review of Financial Results

Overall

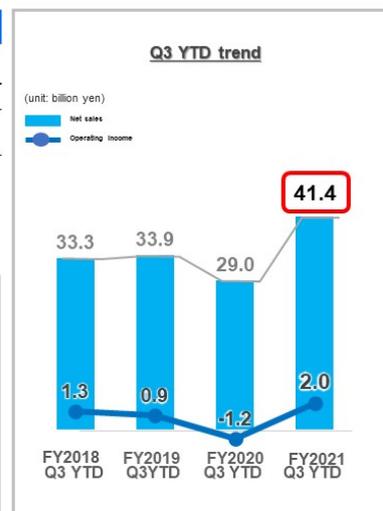
- Despite COVID-19, demands remain strong, especially in major markets
- Increased the impact for surges of component and logistics costs

Screening Business

- Strong sales in Europe, the U.S., and China
- Maestro : Large orders from multiple optical chain stores in the U.K.
- TRC-NW 400 : Strong demands continue for hospitals and screening centers in China

Tele-optometry

- Sales to major chains in Europe and the U.S. continue to be strong at a record high pace



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Eye Care Business also posted record sales and turned profitable. Sales increased by 43% to 41.4 billion yen, up from 29 billion yen last year, the largest increase among the three segments. Operating income became positive at 2.0 billion yen, compared with an operating loss of 1.2 billion yen in the previous year.

The reason for the strong sales is that demand has been quite strong even during the COVID-19 pandemic in our main markets, the U.S. and Europe. However, the impact of the surging component and logistics costs is starting to be felt.

In the Screening Business, one of Topcon's core businesses, sales were strong in Europe, the U.S., China. We are receiving large orders of Maestro, our main OCT product, from multiple U.K. optical chain stores. Sales of the TRC-NW 400 fundus camera continue to perform well in China.

Sales of tele-optometry systems to major optical chain stores in the U.S. and Europe also continue to be strong, maintaining a record pace.

Ⅱ . FY2021 Full Year Plan

Ⅱ -1. FY2021 Full Year Plan

Ⅱ -2. Topics of Each Business

Next, I will explain the full year plan.

FY2021 Full Year Plan

Upward revision

Outlook for business environment in Q4

<Positive factors >

- Continuing growing demands for surveying equipment and IT construction thanks to solid demands for housing and civil infrastructure investment mainly in the U.S. and Europe
- The demands for IT agriculture is also on the rise due to high crop prices and labor shortages
- Continued steady capital investment of ophthalmic and optical chain markets in the U.S. and Europe

<Negative factors >

- Expanding impacts of delays in shipments and sales due to component shortages
- Increasing effects from component and logistics costs surge

Based on Q3 results and above environment outlook in Q4, we revised full year plan as below

Revised Plan

Q4 Exchange rate assumptions:
\$= 108 yen/€= 128 yen remain unchanged

	Previous Plan (As of October 29, 2021)	Revised Plan (As of January 28, 2022)	Actual (FY2020)	Change
Sales	¥160.0B	¥165.0B	¥137.2B	+20%
Operating Income	¥12.5B	¥13.5B	¥6.6B	+105%
Ordinary Income	¥10.5B	¥11.5B	¥5.6B	+106%
Net Income	¥6.5B	¥7.0B	¥2.4B	+195%
Dividends	¥20	¥20	¥10	



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With regard to the business environment in the fourth quarter, we expect that demand for surveying equipment and IT Construction will continue to expand thanks to solid demand for housing and civil infrastructure investment, particularly in the U.S. and Europe.

The demand for IT Agriculture is also on the rise due to high crop prices and labor shortages. Eye Care Business is expected to continue to enjoy favorable market conditions mainly due to strong capital investment in the ophthalmic and optical chain markets in the U.S. and Europe.

On the other hand, our view is that the negative factors such as the impact of delays in shipments and sales due to component shortages, and the surge of component and logistics costs will expand in Q4.

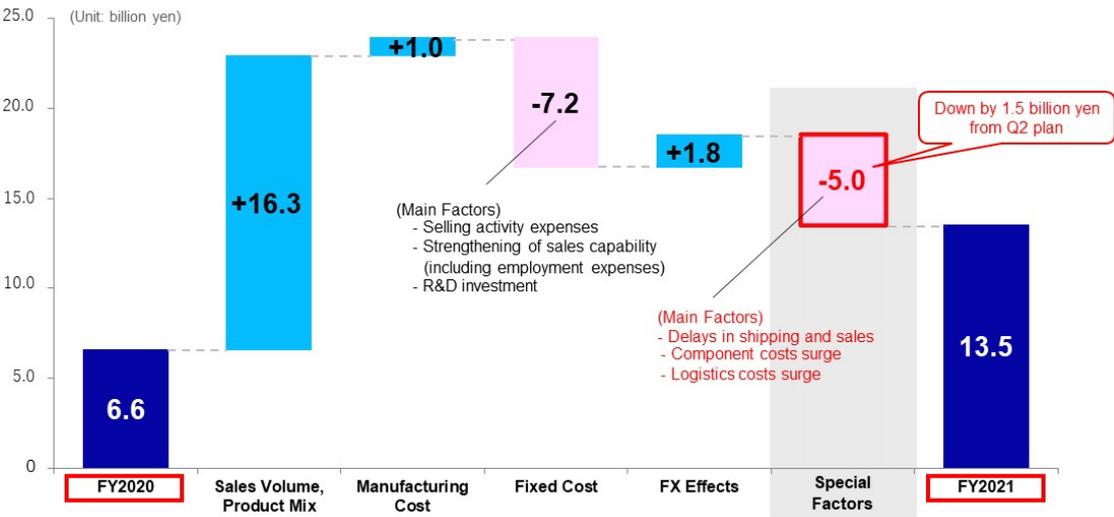
Given the above business environment in Q4 and the Q3 results, we have revised our full year plan upward.

Sales have again been revised upward 5.0 billion yen to 165.0 billion yen from the 160.0 billion yen which it was revised to in Q2. Operating income is also revised upward 10.0 billion yen to 135.0 billion yen, from the 12.5 billion yen it was revised to in Q2.

We made upward revision to ordinary income and net income, from 10.5 billion yen to 11.5 billion yen and from 6.5 billion yen to 7.0 billion yen, respectively.

FY2021 Operating Income YoY Breakdown

■ Upward revision despite expanding impacts of component shortages and tightening supply chains



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Next is a YoY analysis of changes in operating income for the full year. We're projecting operating income of 13.5 billion yen, an increase of 6.9 billion yen from FY2020. Sales volume/product mix contribute a positive 16.3 billion yen. Manufacturing cost and fixed cost account for a positive 1.0 billion yen and a negative 7.2 billion yen, respectively. Main factors for fixed cost stay the same, including selling activity expenses, employment expenses, and R&D investment. FX effects are a positive 1.8 billion yen.

As for special factors, we have explained the negative 2.6 billion yen that accounts for Q3 YTD. We expect it to amount to negative 5.0 billion yen for the full year, which means the negative impact from component shortages and the surge of component and logistics costs will be 2.4 billion in Q4.

We announced special factors of negative 3.5 billion yen for the full year at the time of the announcement of the Q2 financial results. This has deteriorated an additional 1.5 billion yen at this time.

FY2021 Full Year Plan

- Sales **1.2 times**, Operating Income **2 times**, Net Income **3 times** YoY

(unit: million yen)

	FY2020	FY2021		
		Full Year Actual	Full Year Plan	YoY %
Net Sales	137,247	165,000	+20%	160,000
Operating Income	6,593	13,500	+105%	12,500
(Operating Income Ratio)	(4.8%)	(8.2%)		(7.8%)
Ordinary Income	5,587	11,500	+106%	10,500
Net Income	2,376	7,000	+195%	6,500
ROE	3.6%	10%		9%
Dividends	¥10	¥20		¥20
Exchange Rate	USD	¥106.17	(Q4 Assumption) ¥108	(2H Assumption) ¥108
(Average)	EUR	¥123.73	¥128	¥128



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Here are the detailed figures for the full year plan compared to FY2020. We're projecting sales of 165.0 billion yen, which is 1.2 times the previous fiscal year, and an operating income of 135.0 billion yen, which is two times the previous fiscal year.

Ordinary income will also double, and net income will triple to 7.0 billion yen from 2.4 billion yen last fiscal year. Consequently, we're projecting an ROE of 10%.

FY2021 Full Year Plan

(unit: million yen)

		FY2020	FY2021		
		Full Year Actual	Full Year Plan	YoY %	Full Year Plan *
					* Announced on Oct. 29
Net Sales	Positioning	71,416	91,000	+27%	88,000
	Smart Infrastructure	33,982	37,000	+9%	37,000
	Eye Care	44,251	54,000	+22%	52,000
	Others	1,165	1,000		1,000
	Elimination	-13,568	-18,000		-18,000
	Total	137,247	165,000	+20%	160,000
Operating Income (Operating Income Ratio)	Positioning	6,064 (8.5%)	10,500 (11.5%)	+73%	9,500 (10.8%)
	Smart Infrastructure	4,972 (14.6%)	5,000 (13.5%)	+1%	5,000 (13.5%)
	Eye Care	122 (0.3%)	2,500 (4.6%)	+1,949%	2,500 (4.8%)
	Others	-536	-300		-300
	Elimination	-4,028	-4,200		-4,200
		Total	6,593 (4.8%)	13,500 (8.2%)	+105%



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Here are the detailed figures of each business after the upward revision. The sales for Positioning Company have been revised upward 3.0 billion yen from the previously announced 88.0 billion yen to 91.0 billion yen. Smart Infrastructure Business is unchanged. Sales for Eye Care Business are revised upward 2.0 billion yen from 52.0 billion to 54.0 billion yen. With regard to operating income, Positioning Company is revised upward 1.0 billion yen to 10.5 billion yen from previously announced 9.5 billion yen.

Ⅱ . FY2021 Full Year Plan

Ⅱ -1. FY2021 Full Year Plan

Ⅱ -2. Topics of Each Business

Let me introduce topics of each business.

I
Positioning

Business Topics

- Exhibited at a U.S. Large Construction Exhibition for the first time in 2 years
Convincing the strong momentum of the U.S. construction market

**World of Concrete
(U.S. Construction Exhibition)**

Venue : Las Vegas, NV, USA
 Date : Jan 18th – 20th , 2022
 Attendees : 60,000 visitors every years



Reference: video
<https://www.topcon.co.jp/invest/popup/WOC2022.html>

Received inquiries exceeding pre-COVID-19 levels

↓

Reconfirmed the strong momentum of the U.S. construction market



Venue Appearance



Topcon Booth

New products launch

Guidance system for small to medium-sized construction machinery

- ✓ Expanding the base range of applicable machine in the market
- ✓ Utilizing success stories in the Japanese market



Total station with scanner

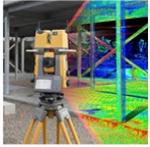
- ✓ Realizing efficiencies for survey & 3D measurement with two-in-one function
- ✓ Dramatically reducing work processes



Compact Track Loader



Small Sized Excavator





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As for Positioning Company, we participated in a major construction exhibition in the U.S. for the first time in two years. Held every January in Las Vegas, World of Concrete is a construction exhibition that attracts approximately 60,000 visitors every year.

The exhibition was held from January 18 to 20 and was thriving. We received a lot of inquiries, exceeding the pre-COVID-19 level, and were able to reconfirm the strong momentum of the U.S. construction market.

We introduced newly launched products including a guidance system for small to medium-sized construction machinery which has been successful in the Japanese market, and a total station with a scanner.

Full-scale start of building construction DX and introduction of new products to accelerate promotion

New product launch for building construction

High precision positioning navigator dedicated to building construction

✓ Doubling productivity!
Manpower saving in essential process, marking work



Raku-ichi

Expanding lineup of products for building construction

Existing products	New products
Hardware Software	A lot of products are under development!

Conventional work



Two people working in analog

Our Solutions

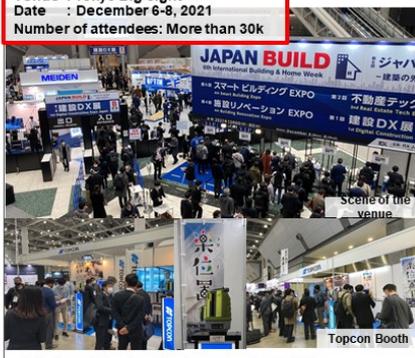


Raku-zumi

✓ One person with digital surveying equipment
 ✓ Time saving
 ✓ Improvement of accuracy

The 6th "Japan Build 2021"

Venue : Tokyo Big Sight
 Date : December 6-8, 2021
 Number of attendees: More than 30k



Scene of the venue

Topcon Booth

- ✓ First participation in a large-scale building construction exhibition
- ✓ Approaching new targets including housing companies and building construction companies
- ✓ Strong inquiries for new products



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Next is a topic from Smart Infrastructure Business. A building construction exhibition called Japan Build was held at Tokyo Big Sight last December when the number of people infected with COVID-19 was low in Japan. It was lively with more than 30,000 visitors.

This is the very first time that Topcon has participated in a building construction exhibition. As shown on the left side of the slide, we announced a new product dedicated to building construction. With this new product, you can work alone instead of the conventional analog two-person method and get better accuracy. It can improve the productivity of the users and the quality of work. Since the exhibition, we have been receiving a lot of requests regarding product demonstration and inquiries about the product.

World's largest ophthalmological society held physically in two years

American Academy of Ophthalmology (AAO)



Venue: New Orleans, USA
Date: November 12-15, 2021



✓ Number of attendees: more than 12,000
Physical : 80%
Online : 20%

✓ Increasing inquiries and orders



Confirmed strong ophthalmological markets in the U.S.



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Here is a topic about Eye Care Business. In mid-November last year, we participated in the annual meeting of American Academy of Ophthalmology (AAO), the world's largest ophthalmological society.

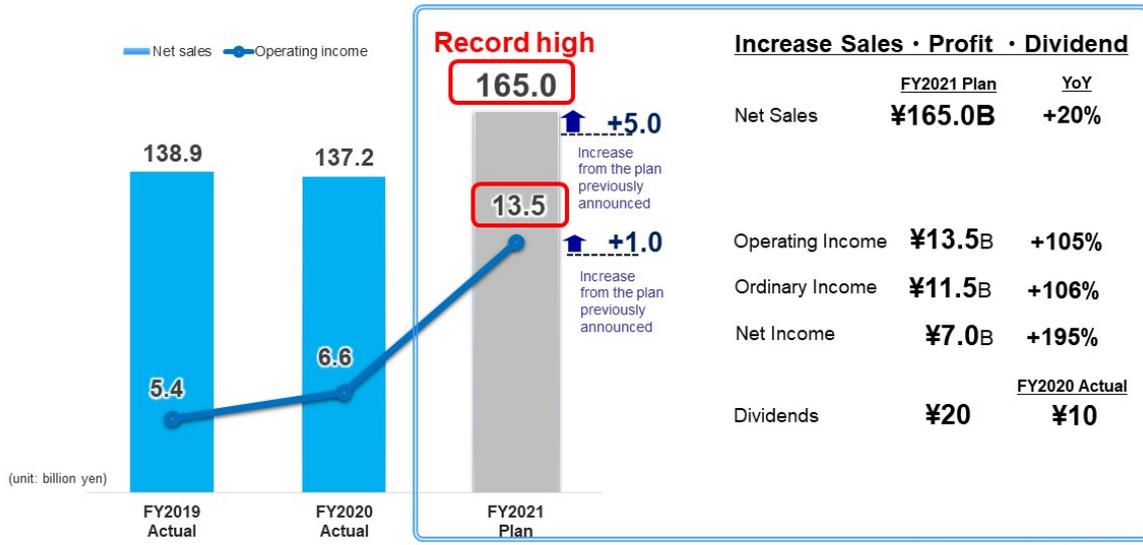
Although the event had been held only online the previous year, it was held as a hybrid event combining physical and online participation as the COVID-19 infection rate was low at the time. 80% of the people attended in-person and there were substantial inquiries and orders. We were able to confirm the strong ophthalmological markets in the U.S.

III. Summary

In closing, I will summarize today's presentation.

Summary

■ Upward revision: Sales **1.2 times**, Operating Income **2 times**, Net Income **3 times** YoY from FY2020



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In summary, we revised sales upward to a record high of 165.0 billion yen and operating income to 13.5 billion yen, which is 1.0 billion yen more than the previous forecast.

We're projecting sales will be 1.2 times the previous fiscal year, operating income will be 2 times the previous fiscal year, and net income will be 3 times the previous fiscal year.

This concludes my presentation of our results for FY2021 Q3 and our plans for the full year. Thank you very much for your time.

Questions and Answers

<Common subjects>

Q. [Impact of rising interest rates in the U.S.](#): Interest rates have been rising in the U.S. How much impact do they have on your business based on past experience?

A. We think that they will inevitably have some impact on housing investment. However, we assume the solid demand for housing and civil infrastructure investment will continue for some time.

[Special factors \(component shortages and tightening logistics\)](#):

Q. [Breakdown for FY2021 and outlook for FY2022](#): What is the breakdown of special factors for the current fiscal year and your outlook for the next fiscal year?

A. The cost increase accounts for approximately 60% and the component shortages account for the rest of the special factors. The trend is expected to continue until at least 1H of the next fiscal year, while there is uncertainty going forward. If the situation resolves itself in 1H, special factors for the next quarter could be smaller than the negative 5.0 billion yen.

Q. [Factors driving sales growth](#): What are the reasons for stronger-than-expected sales growth for Q3 despite the negative special factors? Is there a significant positive impact from the sales price increase?

A. Although we acknowledge the impact of the price shifts, the strong market conditions and demand have had a major role in offsetting the negative factors to achieve sales growth.

[Q4 forecast](#)

Q. Could you explain the reasons for the decrease of sales and profit in the Q4 forecast? It appears conservative.

A. With regard to Eye Care Business, we would like you to look at the entire 2H because there are some shipment changes from Q4 to Q3. Overall, we expect the impact of the component shortages and the surge of component costs to be greater in Q4 in both Smart Infrastructure and Eye Care Business.

FY2022 outlook

Q. While sales continue to grow at a high rate, is it correct to understand that the momentum will persist in FY 2022?

A. Although we cannot give you a clear answer, we expect the current favorable demand environment to continue for some time thanks to increases in infrastructure investment in each country despite concerns about rising interest rates and lasting supply chain issues. As for Eye Care Business, demand for eye disease screening will expand regardless of the economy due to an increase in eye diseases resulting from the aging of the global population. The current situation is expected to continue, particularly for the strong Screening Business.

Q. I think the substantial operating income for current fiscal year would be 18.5 billion yen if you disregard the special factors. Assuming that the strong momentum of Positioning Company and Eye Care Business continue, can we expect a considerable increase in profit in FY2022?

A. We do not deny that 18.5 billion yen would be our potential figure. However, the point is how much the special factors should be factored into FY2022. They will not be zero in the next fiscal year.

<Positioning Company>

Q. Imaginary demand, and reactionary decrease in FY2022: To what extent are you receiving orders of imaginary demand from OEM customers and the aftermarket that are contrary to the actual demand? I have concerns about a reactionary decrease in the next fiscal year.

A. Aftermarket sales are based on actual demand with no imaginary demand. On the other hand, there may be some imaginary demand on the OEM side as the growth rate of OEMs is certainly higher than the aftermarket.

<Eye Care Business>

Q. Large orders: You have been successfully winning large orders. What prospects do you have for the future?

A. We have won multiple large orders in the Screening Business and of tele-optometry systems. We believe we can continue to receive orders from large optical chain stores thanks to growing eye disease screening demand in familiar places other than ophthalmologic clinics where it is always crowded.

Q. Large Orders in the UK: What is the scale of large orders in the UK?

A. The nuance of large varies depending on to whom we sell, and the size of the optical chain stores. However, just to give you an idea, larger orders tend to be some tens to some hundreds.

Q. Could you explain the impact of the Omicron variant?

A. There has been almost no impact in Q3 YTD, and we are not worried about it in Q4, either.

IV. Appendix

Financial Results (Quarterly)

Consolidated



Positioning



Smart Infrastructure



Eye Care

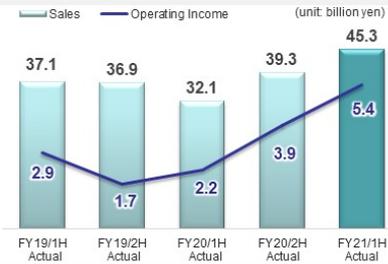


Financial Results (Semiannually)

Consolidated



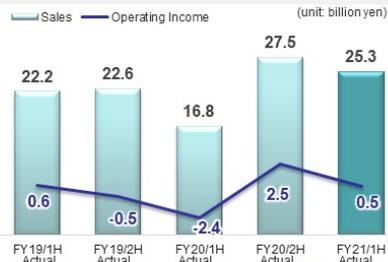
Positioning



Smart Infrastructure



Eye Care



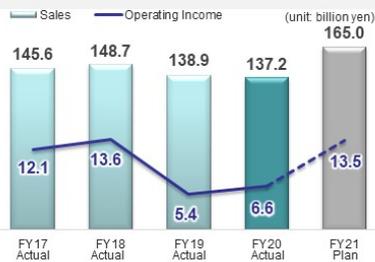
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Financial Results and Plan (Annually)

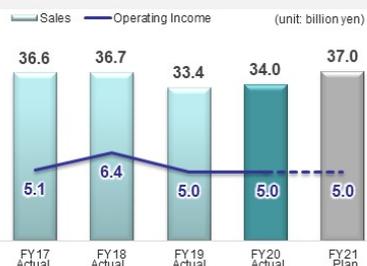
Consolidated



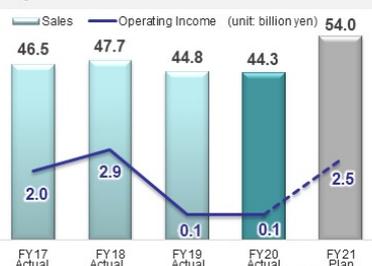
Positioning



Smart Infrastructure



Eye Care

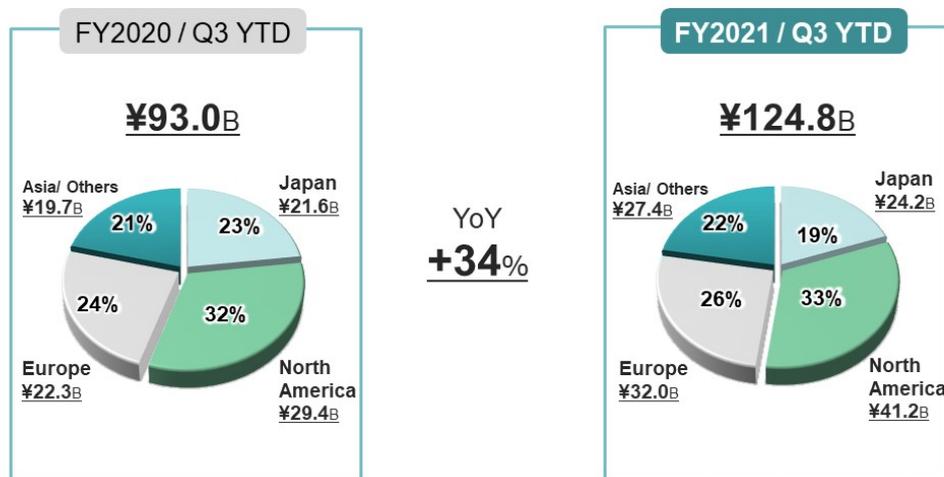


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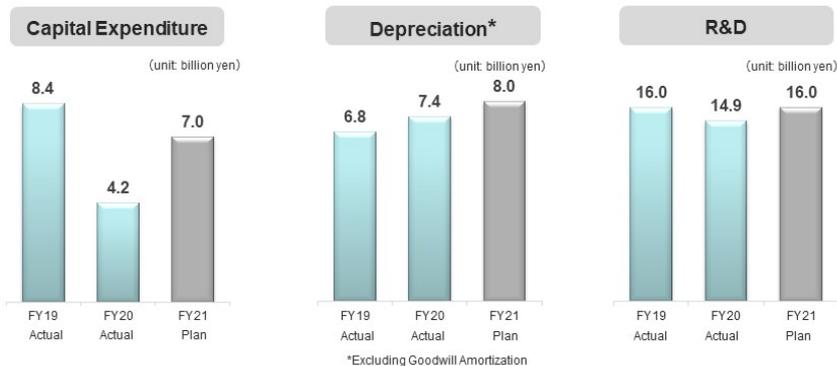
27

Sales by region



Capital Expenditure and R&D / Forex Sensitivity

Projections



Forex Sensitivity (impact by ¥1 change)

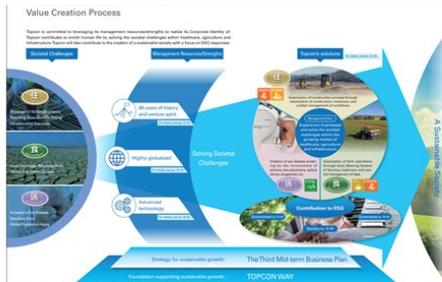
USD : Operating Income ¥0.15B - ¥0.2B
 EUR : Operating Income ¥0.07B - ¥0.1B

Non-Financial Information

Please refer to Topcon Report 2021 (Integrated Report)

Content

- Topcon Way
- Message from the CEO
- Value Creation Story
- Business Overview
- Selected as “DX Stocks” for two consecutive years
- ESG at Topcon
- Financial Highlights



A Venture Company with 89 Years of Tradition

—The History and Future of Creating New Markets—

Representative Director,
President and CEO
Satoshi Hirano

- Growth Trajectory
- The Present and Future
- Carrying on Isms and SDGs



The Future of Topcon through the Eyes of
a Legend of the Manufacturing Industry

Outside Director
Yoshiharu Inaba
(Fanuc Corporation, Chairman
and Representative Director)

- Topcon's Governance
- Similarity with Fanuc



Website: <https://global.topcon.com/invest/library/integration/>

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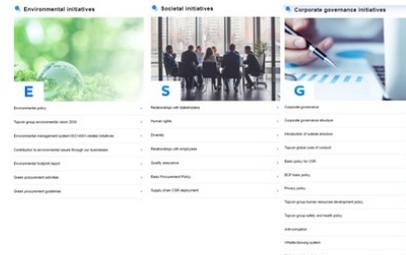
Non-Financial Information

- Sustainability page on our website explaining the social issues we addressed and SDGs, etc.

Sustainability

Topcon for Human Life

Topcon Contributes to enrich human life
by solving the societal challenges
within healthcare, agriculture and infrastructure.



Website: <https://global.topcon.com/sustainability/s.dgs/>

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