

# Consolidated Financial Results for the Second Quarter of FY2024 Ending March 2025

(Japanese GAAP)

TOPCON CORPORATION

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## 1. Summary of Second Quarter Business Results for FY2024 ending March 2025 (April 1, 2024 - September 30, 2024)

"%" 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	%
2nd quarter of FY2024	105,497	1.0	2,974	(22.4)	381	(88.8)	61	(89.9)
2nd quarter of FY2023	104,497	1.7	3,830	(59.0)	3,395	(64.0)	609	(89.9)

Note: Comprehensive income  
 2nd quarter of FY2024 (3,743) million yen ( — % )  
 2nd quarter of FY2023 10,433 million yen ( 21.4 % )

	Basic earnings per share	Diluted earnings per share
	yen	yen
2nd quarter of FY2024	0.58	0.58
2nd quarter of FY2023	5.78	5.78

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	yen
2nd quarter of FY2024	238,586	104,231	42.9	971.19
FY2023 ended March 2024	247,029	110,298	43.8	1,027.99

Note: Shareholders' equity  
 2nd quarter of FY2024 102,375 million yen  
 FY2023 ended March 2024 108,300 million yen

## 2. Dividends

	Dividends per share				
	end of 1st qtr	end of 2nd qtr	end of 3rd qtr	year-end	Total
	yen	yen	yen	yen	yen
FY2023 ended March 2024	—	20.00	—	22.00	42.00
FY2024 ending March 2025	—	20.00			
FY2024 ending March 2025 (forecast)			—	22.00	42.00

\*Revision to the most recently disclosed dividend forecasts : No

## 3. Business Forecasts for FY2024 ending March 2025 (April 1, 2024 - March 31, 2025)

"%" 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
Annual	220,000	1.6	12,000	7.1	8,000	(9.7)	4,500	(8.9)	42.71

\*Revision to the most recently disclosed 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 quarterly financial statements

## Consolidated quarterly balance sheets

(Unit: million yen)

	FY2023 ended March 2024	2nd quarter of FY2024
<b>Assets</b>		
Current assets		
Cash and deposits	19,623	19,331
Notes and accounts receivable - trade	48,067	45,183
Merchandise and finished goods	26,758	25,358
Work in process	2,084	1,839
Raw materials and supplies	28,569	27,167
Other	11,171	11,325
Allowance for doubtful accounts	(1,723)	(1,742)
Total current assets	134,551	128,463
Non-current assets		
Property, plant and equipment	40,242	41,222
Intangible assets		
Goodwill	15,764	14,015
Other	25,530	23,767
Total intangible assets	41,295	37,783
Investments and other assets	30,940	31,117
Total non-current assets	112,478	110,123
Total assets	247,029	238,586
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	15,394	11,695
Short-term borrowings	27,154	31,835
Lease liabilities	3,306	3,143
Income taxes payable	3,131	1,683
Provision for product warranties	1,791	1,737
Current portion of bonds payable	-	10,000
Other	22,345	23,427
Total current liabilities	73,123	83,523
Non-current liabilities		
Bonds payable	40,000	30,000
Long-term borrowings	1,554	389
Lease liabilities	7,544	6,380
Provision for retirement benefits for directors (and other officers)	20	23
Retirement benefit liability	2,275	2,158
Other	12,211	11,880
Total non-current liabilities	63,606	50,831
Total liabilities	136,730	134,354
<b>Net assets</b>		
Shareholders' equity		
Share capital	16,837	16,891
Capital surplus	20,739	20,792
Retained earnings	53,151	50,895
Treasury shares	(3,172)	(3,172)
Total shareholders' equity	87,556	85,406
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,579	1,314
Foreign currency translation adjustment	17,810	14,341
Remeasurements of defined benefit plans	1,354	1,311
Total accumulated other comprehensive income	20,743	16,968
Share acquisition rights	63	63
Non-controlling interests	1,934	1,792
Total net assets	110,298	104,231
Total liabilities and net assets	247,029	238,586

Consolidated quarterly statements of income

(Unit: million yen)

	2nd quarter of FY2023	2nd quarter of FY2024
Net sales	104,497	105,497
Cost of sales	49,512	49,471
Gross profit	54,985	56,026
Selling, general and administrative expenses	51,154	53,052
Operating profit	3,830	2,974
Non-operating income		
Interest income	119	143
Dividend income	18	5
Foreign exchange gains	588	-
Other	351	220
Total non-operating income	1,078	369
Non-operating expenses		
Interest expenses	983	1,296
Share of loss of entities accounted for using equity method	70	62
Loss on valuation of investment securities	-	674
Foreign exchange losses	459	927
Other	1,513	2,962
Total non-operating expenses	3,395	381
Ordinary profit		
Extraordinary losses	1,314	-
Impairment losses	91	-
Extra retirement payments	1,406	-
Total extraordinary losses	1,988	381
Profit before income taxes	2,101	445
Income taxes - current	(869)	(140)
Income taxes - deferred	1,232	304
Total income taxes	756	76
Profit	147	14
Profit attributable to non-controlling interests	609	61

## Consolidated quarterly statements of cash flows

(Unit: Million Yen)

	2nd quarter of FY2023	2nd quarter of FY2024
Cash flows from operating activities		
Profit before income taxes	1,988	381
Depreciation	4,694	6,302
Amortization of goodwill	1,029	1,160
Increase (decrease) in allowance for doubtful accounts	(498)	99
Interest and dividend income	(138)	(149)
Interest expenses	983	1,296
Impairment losses	1,314	-
Extra retirement payments	91	-
Increase (decrease) in retirement benefit liability	(1,434)	(76)
Decrease (increase) in trade receivables	7,288	1,386
Decrease (increase) in inventories	(4,390)	1,404
Decrease (increase) in accounts receivable - other	(344)	68
Increase (decrease) in trade payables	(677)	(3,494)
Increase (decrease) in accounts payable - other	(422)	(277)
Increase (decrease) in accrued expenses	(442)	213
Other, net	(3,916)	(7)
Subtotal	5,126	8,309
Interest and dividends received	138	181
Interest paid	(963)	(1,318)
Extra retirement payments	(91)	-
Income taxes paid	(901)	(1,935)
Net cash provided by (used in) operating activities	3,307	5,236
Cash flows from investing activities		
Payments into time deposits	(28)	(244)
Proceeds from withdrawal of time deposits	501	177
Purchase of property, plant and equipment	(3,668)	(2,909)
Proceeds from sale of property, plant and equipment	67	31
Purchase of intangible assets	(1,460)	(2,218)
Purchase of investment securities	(574)	(446)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(11,680)	-
Long-term loan advances	(302)	(757)
Other, net	79	28
Net cash provided by (used in) investing activities	(17,065)	(6,339)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,517)	4,757
Repayments of long-term borrowings	(129)	(41)
Proceeds from issuance of bonds	20,000	-
Repayments of lease liabilities	(961)	(1,004)
Dividends paid	(2,316)	(2,317)
Purchase of treasury shares	(0)	(0)
Other, net	(119)	(16)
Net cash provided by (used in) financing activities	14,956	1,376
Effect of exchange rate change on cash and cash equivalents	1,203	(525)
Net increase (decrease) in cash and cash equivalents	2,400	(252)
Cash and cash equivalents at beginning of period	14,950	16,672
Cash and cash equivalents at end of period	17,351	16,419

[Segment Information by business category]

2nd quarter of FY2023 (April 1, 2023 - September 30, 2023)

(Unit: million yen)

	Reportable segment				Elimination & Common	Total
	Positioning Business	Eye Care Business	Other	Sub-Total		
Sales						
Sales to unaffiliated customers	69,557	34,316	623	104,497	—	104,497
Intercompany sales or transfer	5	134	2	143	(143)	—
Total	69,563	34,451	625	104,640	(143)	104,497
Segment Profit (Operating Income)	4,862	1,269	(91)	6,040	(2,209)	3,830

Note: Segment Profit (2,209) 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 .

2nd quarter of FY2024 (April 1, 2024 - September 30, 2024)

(Unit: million yen)

	Reportable segment				Elimination & Common	Total
	Positioning Business	Eye Care Business	Other	Sub-Total		
Sales						
Sales to unaffiliated customers	68,179	37,070	248	105,497	—	105,497
Intercompany sales or transfer	0	35	0	35	(35)	—
Total	68,179	37,105	248	105,533	(35)	105,497
Segment Profit (Operating Income)	4,059	1,378	(271)	5,166	(2,192)	2,974

Note: Segment Profit (2,192) 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]

2nd quarter of FY2023 (April 1, 2023 - September 30, 2023)

(Unit: million yen)

	North America	Europe	Asia / Oceania	Other	Total
Overseas sales	36,594	26,307	15,838	7,069	85,809
Consolidated Sales					104,497
Ratio to Consolidated Sales (%)	35.0	25.2	15.1	6.8	82.1

2nd quarter of FY2024 (April 1, 2024 - September 30, 2024)

(Unit: million yen)

	North America	Europe	Asia / Oceania	Other	Total
Overseas sales	39,281	27,808	14,038	6,853	87,981
Consolidated Sales					105,497
Ratio to Consolidated Sales (%)	37.2	26.4	13.3	6.5	83.4

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.