

2nd Quarter FY2024 Consolidated Financial Results

August 8, 2024

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 2nd quarter FY2024 (January 1, 2024 through June 30, 2024)

(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 FY2024	44,853	36.9	10,839	67.3	10,954	59.0	8,038	50.8
2Q FY2023	32,752	3.3	6,477	14.2	6,891	15.7	5,329	16.7

(Note) Comprehensive income: 2Q FY2024: 11,926 million yen [63.6%] / 2Q FY2023: 7,292 million yen [0.2%]

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
2Q FY2024	194.12	-
2Q FY2023	127.50	-

(Note) The Company conducted a 2-for-1 stock split of shares of common stock, with an effective date of July 1, 2024. Net income per share is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ending December 31, 2023.

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
2Q FY2024	97,434	77,805	79.9
FY2023	87,062	70,732	81.2

(Reference) Shareholders' equity: 2Q FY2024: 77,805 million yen / FY2023: 70,732 million yen

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
FY2023	-	35.00	-	135.00	170.00
FY2024	-	70.00	-	-	-
FY2024 (forecast)	-	-	-	90.00	-

(Note)

- The Company conducted a 2-for-1 stock split of shares of common stock, with an effective date of July 1, 2024. The interim dividend is the amount before the stock split and the year-end dividend(forecast) is the amount after the stock split. If the stock split is not taken into account, the year-end dividend will be 180 yen, and the annual dividend will be 250 yen.
- Revision of cash dividend forecast for this period: Yes

3. Forecast of consolidated results for FY2024 (January 1, 2024 through December 31, 2024)

(% of change from FY2023)

	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
FY2023	87,500	22.5	19,100	40.4	19,100	36.7	14,130	30.7	342.02

(Note)

- The Company conducted a 2-for-1 stock split of shares of common stock, with an effective date of July 1, 2024. Net income per share is the amount after the stock split.
- Revision of forecast for this period: Yes

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: Million yen)

	FY2023 (As of December 31, 2023)	2nd quarter FY2024 (As of June 30, 2024)
Assets		
Current assets		
Cash and deposits	32,640	36,078
Notes and accounts receivable - trade	13,021	17,119
Electronically recorded monetary claims - operating	1,823	2,285
Finished goods	7,993	5,895
Work in process	4,684	5,229
Raw materials and supplies	1,961	2,561
Other	1,730	1,788
Allowance for doubtful accounts	(58)	(59)
Total current assets	63,797	70,898
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,376	16,393
Accumulated depreciation	(10,695)	(11,454)
Buildings and structures, net	4,680	4,938
Machinery, equipment and vehicles	23,120	25,422
Accumulated depreciation	(18,753)	(20,644)
Machinery, equipment and vehicles, net	4,367	4,777
Tools, furniture and fixtures	21,357	22,466
Accumulated depreciation	(18,918)	(19,631)
Tools, furniture and fixtures, net	2,439	2,835
Land	1,204	1,236
Other	3,006	3,807
Total property, plant and equipment	15,698	17,596
Intangible assets	1,003	1,141
Investments and other assets		
Investment securities	5,121	6,354
Deferred tax assets	386	463
Other	1,057	982
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	6,562	7,797
Total non-current assets	23,264	26,535
Total assets	87,062	97,434

(Amount: Million yen)

	FY2023 (As of December 31, 2023)	2nd quarter FY2024 (As of June 30, 2024)
Liabilities		
Current liabilities		
Accounts payable - trade	3,735	4,997
Short-term borrowings	1,779	1,884
Accrued expenses	3,175	3,776
Income taxes payable	1,850	2,706
Other	3,684	3,434
Total current liabilities	14,226	16,800
Non-current liabilities		
Long-term borrowings	70	47
Deferred tax liabilities	757	1,351
Provision for share benefits	222	263
Retirement benefit liability	695	732
Other	357	433
Total non-current liabilities	2,102	2,828
Total liabilities	16,329	19,628
Net assets		
Shareholders' equity		
Share capital	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	52,845	57,092
Treasury shares	(4,653)	(5,698)
Total shareholders' equity	62,547	65,749
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,457	2,086
Foreign currency translation adjustment	6,464	9,747
Deferred gains or losses on hedges	-	(0)
Remeasurements of defined benefit plans	262	222
Total accumulated other comprehensive income	8,185	12,055
Total net assets	70,732	77,805
Total liabilities and net assets	87,062	97,434

(2) Consolidated Statements of income

(Amount: Million yen)

	2nd quarter FY2023 (January 1, 2023 through June 30, 2023)	2nd quarter FY2024 (January 1, 2024 through June 30, 2024)
Net sales	32,752	44,853
Cost of sales	17,906	24,647
Gross profit	14,845	20,205
Selling, general and administrative expenses	8,368	9,365
Operating profit	6,477	10,839
Non-operating income		
Interest income	33	36
Dividend income	51	63
Rental income	7	5
Foreign exchange gains	200	-
Subsidy income	66	27
Other	157	122
Total non-operating income	516	255
Non-operating expenses		
Interest expenses	26	31
Foreign exchange losses	-	70
Loss on retirement of non-current assets	15	22
Other	60	16
Total non-operating expenses	102	141
Ordinary profit	6,891	10,954
Profit before income taxes	6,891	10,954
Income taxes	1,562	2,916
Profit	5,329	8,038
Profit attributable to owners of parent	5,329	8,038

Consolidated Statements of Comprehensive Income

(Amount: Million yen)

	2nd quarter FY2023 (January 1, 2023 through June 30, 2023)	2nd quarter FY2024 (January 1, 2024 through June 30, 2024)
Profit	5,329	8,038
Other comprehensive income		
Valuation difference on available-for-sale securities	231	645
Deferred gains or losses on hedges	-	(0)
Foreign currency translation adjustment	1,739	3,283
Remeasurements of defined benefit plans, net of tax	(7)	(40)
Total other comprehensive income	1,963	3,887
Comprehensive income	7,292	11,926
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,292	11,926

(3) Consolidated statements of cash flows

(Amount: Million yen)

	2nd quarter FY2023 (January 1, 2023 through June 30, 2023)	2nd quarter FY2024 (January 1, 2024 through June 30, 2024)
Cash flows from operating activities		
Profit before income taxes	6,891	10,954
Depreciation	1,320	1,372
Increase (decrease) in provision for share awards	34	40
Increase (decrease) in retirement benefit liability	67	(28)
Interest and dividend income	(85)	(100)
Interest expenses	26	31
Loss on retirement of property, plant and equipment	15	22
Subsidy income	(66)	(27)
Decrease (increase) in trade receivables	(1,357)	(3,346)
Decrease (increase) in inventories	361	2,091
Increase (decrease) in trade payables	800	88
Other, net	(260)	317
Subtotal	7,747	11,416
Interest and dividends received	86	101
Interest paid	(27)	(33)
Subsidies received	66	27
Income taxes paid	(1,946)	(1,902)
Income taxes refund	13	47
Net cash provided by (used in) operating activities	5,939	9,657
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,965)	(2,346)
Purchase of intangible assets	(448)	(116)
Purchase of investment securities	(0)	(90)
Other, net	89	1
Net cash provided by (used in) investing activities	(2,324)	(2,553)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	61	96
Proceeds from long-term borrowings	136	-
Repayments of long-term borrowings	(106)	(29)
Purchase of treasury shares	(0)	(2,000)
Dividends paid	(1,900)	(2,850)
Other, net	(35)	(38)
Net cash provided by (used in) financing activities	(1,845)	(4,822)
Effect of exchange rate change on cash and cash equivalents	676	1,156
Net increase (decrease) in cash and cash equivalents	2,446	3,437
Cash and cash equivalents at beginning of period	29,948	32,640
Cash and cash equivalents at end of period	32,394	36,078

(Segment Information)

2nd quarter FY2023 (January 1, 2023 through June 30, 2023)

(Amount: Million yen)

	Reporting segment				Adjustment (Note 2)	Consolidated
	Photographic Products	Surveillance & FA Lenses	Mobility & Healthcare Products, Others	Total		
Net sales:						
Japan	3,684	425	2,111	6,221	-	6,221
North America	3,357	548	241	4,147	-	4,147
Europe	3,899	1,540	237	5,678	-	5,678
Asia	11,735	2,861	1,303	15,900	-	15,900
Other	749	54	-	804	-	804
Income from contracts with customers	23,425	5,432	3,894	32,752	-	32,752
Other income	-	-	-	-	-	-
Sales to external customers	23,425	5,432	3,894	32,752	-	32,752
Intersegment sales	-	-	-	-	-	-
Total	23,425	5,432	3,894	32,752	-	32,752
Segment profit	6,506	575	669	7,751	(1,273)	6,477

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,273) 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 FY2024 (January 1, 2024 through June 30, 2024)

(Amount: Million yen)

	Reporting segment				Adjustment (Note 2)	Consolidated
	Photographic Products	Surveillance & FA Lenses	Mobility & Healthcare Products, Others	Total		
Net sales:						
Japan	4,803	928	2,772	8,504	-	8,504
North America	3,018	277	806	4,102	-	4,102
Europe	3,881	1,124	320	5,326	-	5,326
Asia	20,599	3,661	1,844	26,106	-	26,106
Other	794	18	-	813	-	813
Income from contracts with customers	33,097	6,011	5,744	44,853	-	44,853
Other income	-	-	-	-	-	-
Sales to external customers	33,097	6,011	5,744	44,853	-	44,853
Intersegment sales	-	-	-	-	-	-
Total	33,097	6,011	5,744	44,853	-	44,853
Segment profit	9,979	866	1,359	12,205	(1,365)	10,839

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,365) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.