

2nd Quarter FY2021 Consolidated Financial Results

August 6, 2021

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 2nd quarter FY2021 (January 1, 2021 through June 30, 2021)

(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 FY2021	27,888	33.5	3,658	341.5	3,750	222.0	2,685	218.3
2Q FY2020	20,896	(28.0)	828	(63.2)	1,164	(54.3)	843	(56.3)

(Note) Comprehensive income: 2Q FY2021: 4,082 million yen [-%] / 2Q FY2020: 118 million yen [(91.7)%]

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
2Q FY2021	128.80	-
2Q FY2020	36.26	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
2Q FY2021	62,758	49,334	78.6
FY2020	58,190	45,777	78.7

(Reference) Shareholders' equity: 2Q FY2021: 49,334 million yen / FY2020: 45,777 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
FY2020	-	25.00	-	25.00	50.00
FY2021	-	25.00			
FY2021 (forecast)			-	35.00	60.00

(Note) Revision of cash dividend forecast for this period: Yes

3. Forecast of consolidated results for FY2021 (January 1, 2021 through December 31, 2021)

(% of change from FY2020)

	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
FY2021	57,000	17.8	5,900	65.0	5,900	57.3	3,890	98.6	186.58

(Note) Revision of forecast for this period: Yes

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: Million yen)

	FY2020 (As of December 31, 2020)	2nd quarter FY2021 (As of June 30, 2021)
Assets		
Current assets		
Cash and deposits	21,417	24,737
Notes and accounts receivable - trade	10,318	11,316
Finished goods	5,088	3,987
Work in process	2,234	3,518
Raw materials and supplies	1,280	1,534
Other	1,154	1,098
Allowance for doubtful accounts	(23)	(94)
Total current assets	41,470	46,098
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,360	13,702
Accumulated depreciation	(8,633)	(9,046)
Buildings and structures, net	4,727	4,656
Machinery, equipment and vehicles	19,244	20,186
Accumulated depreciation	(15,234)	(16,239)
Machinery, equipment and vehicles, net	4,009	3,947
Tools, furniture and fixtures	21,543	22,284
Accumulated depreciation	(19,162)	(19,884)
Tools, furniture and fixtures, net	2,380	2,400
Land	1,153	1,164
Other	874	1,002
Total property, plant and equipment	13,145	13,171
Intangible assets	644	613
Investments and other assets		
Investment securities	2,442	2,429
Deferred tax assets	312	294
Other	237	178
Allowance for doubtful accounts	(62)	(26)
Total investments and other assets	2,929	2,875
Total non-current assets	16,719	16,660
Total assets	58,190	62,758

(Amount: Million yen)

	FY2020 (As of December 31, 2020)	2nd quarter FY2021 (As of June 30, 2021)
Liabilities		
Current liabilities		
Accounts payable - trade	2,894	3,572
Short-term borrowings	1,908	1,926
Accrued expenses	2,435	3,071
Income taxes payable	237	992
Other	2,721	1,652
Total current liabilities	10,198	11,215
Non-current liabilities		
Long-term borrowings	291	197
Provision for share benefits	259	302
Retirement benefit liability	1,078	1,157
Other	585	551
Total non-current liabilities	2,214	2,208
Total liabilities	12,412	13,423
Net assets		
Shareholders' equity		
Share capital	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	38,655	39,092
Treasury shares	(9,334)	(7,612)
Total shareholders' equity	43,675	45,835
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	627	793
Foreign currency translation adjustment	1,350	2,602
Remeasurements of defined benefit plans	123	103
Total accumulated other comprehensive income	2,102	3,499
Total net assets	45,777	49,334
Total liabilities and net assets	58,190	62,758

(2) Consolidated Statements of income

(Amount: Million yen)

	2nd quarter FY2020 (January 1, 2020 through June 30, 2020)	2nd quarter FY2021 (January 1, 2021 through June 30, 2021)
Net sales	20,896	27,888
Cost of sales	12,923	16,676
Gross profit	7,972	11,211
Selling, general and administrative expenses	7,143	7,553
Operating income	828	3,658
Non-operating income		
Interest income	24	12
Dividend income	24	24
Foreign exchange gains	36	—
Subsidy income	63	34
Subsidies for employment adjustment	120	—
Other	119	94
Total non-operating income	389	165
Non-operating expenses		
Interest expenses	19	8
Foreign exchange losses	—	32
Loss on retirement of non-current assets	12	12
Other	20	19
Total non-operating expenses	53	73
Ordinary income	1,164	3,750
Profit before income taxes	1,164	3,750
Income taxes	321	1,064
Profit	843	2,685
Profit attributable to owners of parent	843	2,685

Consolidated Statements of Comprehensive Income

(Amount: Million yen)

	2nd quarter FY2020 (January 1, 2020 through June 30, 2020)	2nd quarter FY2021 (January 1, 2021 through June 30, 2021)
Profit	843	2,685
Other comprehensive income		
Valuation difference on available-for-sale securities	(226)	165
Deferred gains or losses on hedges	1	—
Foreign currency translation adjustment	(500)	1,251
Remeasurements of defined benefit plans, net of tax	(0)	(19)
Total other comprehensive income	(725)	1,397
Comprehensive income	118	4,082
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	118	4,082

(3) Consolidated statements of cash flows

(Amount: Million yen)

	2nd quarter FY2020 (January 1, 2020 through June 30, 2020)	2nd quarter FY2021 (January 1, 2021 through June 30, 2021)
Cash flows from operating activities		
Profit before income taxes	1,164	3,750
Depreciation	1,295	1,344
Amortization of goodwill	220	—
Increase (decrease) in provision for share-based remuneration	16	43
Increase (decrease) in retirement benefit liability	79	48
Interest and dividend income	(49)	(36)
Interest expenses	19	8
Loss on retirement of property, plant and equipment	12	12
Subsidy income	(63)	(34)
Decrease (increase) in trade receivables	4,034	(151)
Decrease (increase) in inventories	(486)	(132)
Increase (decrease) in trade payables	(1,825)	(262)
Other, net	(303)	162
Subtotal	4,114	4,753
Interest and dividends income received	50	37
Interest expenses paid	(19)	(9)
Settlement package received	63	34
Extra retirement payments	—	(844)
Income taxes paid	(1,002)	(421)
Income taxes refund	—	442
Net cash provided by (used in) operating activities	3,206	3,992
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,717)	(912)
Purchase of intangible assets	(67)	(13)
Proceeds from sales of investment securities	—	261
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(9,383)	—
Other, net	71	18
Net cash provided by (used in) investing activities	(11,096)	(646)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	103	49
Proceeds from long-term borrowings	326	—
Repayments of long-term borrowings	(136)	(145)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,113)	(525)
Other, net	(11)	(10)
Net cash provided by (used in) financing activities	(831)	(632)
Effect of exchange rate change on cash and cash equivalents	(185)	606
Net increase (decrease) in cash and cash equivalents	(8,907)	3,319
Cash and cash equivalents at beginning of period	28,384	21,417
Cash and cash equivalents at end of period	19,476	24,737

(Segment Information)

2nd quarter FY2020 (January 1, 2020 through June 30, 2020)

Information on net sales and income (loss) by reportable segment

(Amount: Million yen)

	Photographic Products	Surveillance & FA Lenses	Mobility & Healthcare Products, Others	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	13,549	4,667	2,679	20,896	-	20,896
(2) Intersegment sales	-	-	-	-	-	-
Total	13,549	4,667	2,679	20,896	-	20,896
Operating income	1,686	349	199	2,235	(1,406)	828

(Note)

1. Segment profit is adjusted to Operating income of consolidated quarterly statements of income.
2. Adjustment of segment profit totaled (1,406) million yen is due to unallocated Amortization of goodwill (220) million yen and operating expenses (1,186) million yen consisted principally of expenses related to general affairs, accounting and other departments of the Company.

2nd quarter FY2021 (January 1, 2021 through June 30, 2021)

Information on net sales and income (loss) by reportable segment

(Amount: Million yen)

	Photographic Products	Surveillance & FA Lenses	Mobility & Healthcare Products, Others	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	19,847	4,678	3,362	27,888	-	27,888
(2) Intersegment sales	-	-	-	-	-	-
Total	19,847	4,678	3,362	27,888	-	27,888
Operating income	4,098	233	496	4,828	(1,169)	3,658

(Note)

1. Segment profit is adjusted to Operating income of consolidated quarterly statements of income.
2. Adjustment of segment profit totaled (1,169) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.