

Quarterly Report

3rd Quarter : 3 months ended December 31, 2014
3rd Quarter aggregated : 9 months ended December 31, 2014

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

Part .1

3rd Quarter : from October 1 to December 31, 2014 <IFRS>

1. Quarterly Consolidated Financial Highlights : p.1
2. Results of Operations : p.2
3. Quarterly Consolidated Financial Statements
 - (1) Quarterly Consolidated Statement of Financial Position : p.4
 - (2) Quarterly Consolidated Statement of Cash Flows : p.6
 - (3) Quarterly Consolidated Statement of Comprehensive Income : p.7
 - (4) Segment Information : p.8

Part .2

3rd Quarter aggregated : from April 1, 2014 to December 31, 2014 <IFRS>

1. Consolidated Financial Highlights : p.11
2. Consolidated Financial Statements
 - (1) Consolidated Statement of Financial Position : p.12
 - (2) Consolidated Statement of Cash Flows : p.14
 - (3) Consolidated Statement of Comprehensive Income : p.15
 - (4) Segment Information : p.16
3. Projected Results for the Full Year : p.19

Notes:

1. HOYA's fiscal year (FY) : from April 1 to March 31 of the following year.
2. These financial statements are excerpt translation of Japanese "Kessan Tanshin" and have been prepared for the references only of foreign investors.
3. HOYA CORPORATION started to disclose its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) from fiscal year ended March 31, 2011, instead of generally accepted accounting principles in Japan (Japanese GAAP).

HOYA CORPORATION

This report is provided solely for the information of professional analysts who are expected to make their own evaluation of the company. This report contains forward-looking statements that are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, currency exchange rates, etc.

We accept no liability whatsoever for any direct or consequential loss arising from any use of this report.

1. Quarterly Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

1. Performance for the three months ended December 31, 2013 and 2014 (All operations *Notes)

(The yen amounts shown therein are rounded off to the nearest million.)

	Three months ended		Variance (%)
	Dec. 31,2013	Dec. 31,2014	
(1)Revenue and Profit before tax			
Revenue	109,690	128,206	16.9
Profit before tax	29,499	36,240	22.9
Ratio of profit before tax(%)	26.9%	28.3%	
Profit for the quarter	22,274	29,142	30.8
Ratio of profit for the quarter(%)	20.3%	22.7%	
Profit attributable to owners of the Company	20,633	28,902	40.1
Ratio of profit attributable to owners of the Company(%)	18.8%	22.5%	
Basic earnings per share (yen)	47.79	68.25	
Diluted earnings per share (yen)	47.70	68.06	
	As of		
	Sep.30,2014	Dec. 31,2014	
(2)Financial Position			
Total assets	680,680	730,737	
Total equity	547,982	595,588	
Equity attributable to owners of the Company	541,508	588,440	
Ratio of assets attributable to owners of the Company	79.6%	80.5%	
Assets attributable to owners of the Company per share (yen)	1,279.12	1,389.20	
	Three months ended		
	Dec. 31,2013	Dec. 31,2014	
(3) Conditions of Cash Flows			
Net cash generated from operating activities	23,997	27,368	
Net cash used in investing activities	-8,734	-7,010	
Net cash provided by (used in) financing activities	-12,735	-12,387	
Cash and cash equivalents at end of period	305,278	327,232	

2.Projected Results for the Full Year (Year ending March 31, 2015) for All Operations

	Year ended/ending		Variance (%)
	Mar.31,2014	Mar.31,2015E	
Revenue	427,575	482,500	54,925
Profit before tax	85,486	119,000	33,514
Profit for the term	60,140	94,000	33,860
Profit attributable to owners of the Company	58,390	93,200	34,810
Profit for the term per share (Yen)	135.26	220.93	85.67

Notes:

"All operations" means here that the figures are including not only "Continuing operations" but also "Discontinued operations".

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, or currency exchange rates.

2. Results of Operations

1) General Overview

The Company started to disclose its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), instead of generally accepted accounting principles in Japan (Japanese GAAP), from the fiscal year ended March 31, 2011.

During the third quarter of the consolidated fiscal year under review (for the three months from October 1, 2014 through December 31, 2014), the global economy continued to recover, principally in the United States, but causes of uncertainty remain such as stagnant economy in Europe, softening growth rates of developing country economies and manifesting geopolitical risks.

In Japan, although there are visible improvements concerning matters such as corporate performance and the employment situation and the economy is somewhat on course for a recovery due to factors including the national government's economic and fiscal policies, there were large, short-term economic fluctuations accompanying the April 1 hike in the consumption tax rate: last-minute demand was up until March 2014, and the downward reversal beginning in April. Furthermore, the circumstances surrounding personal consumption and the general consumption mood mean we still cannot be optimistic; the situation has become one in which the future is uncertain.

In the Information Technology segment of the HOYA Group, sales of products for smartphones and tablet PCs as well as sales of glass disks (substrates) for hard disk drives performed well, but sales of our lineup of digital camera related products continued to perform weakly. Meanwhile in the Life Care segment, we significantly increased sales in the eyeglass lens business through, for example, stronger sales in overseas markets and inclusion of Seiko Optical Products, a sales company of SEIKO eye wear, as a consolidated subsidiary. The endoscope business also performed well in Asia. And the retail contact lens business, operating mainly in the Japanese market, experienced last-minute demand up until March and a downward reversal beginning in April due to the April 1 hike in the consumption tax rate. However sales recovered since the second quarter, experiencing a year-on-year increase in earnings.

As a result, the Group sales for the third quarter under review totaled 128,206 million yen, increasing by 16.9% from the same period the previous year.

Adding in translation gains from foreign currency exchanges due to the dollar's high value compared to the yen and euro during the three months ended December, pre-tax profit for the quarter was 36,240 million yen, while profit for this quarter was 29,142 million yen, both of which marked gains of 22.9% and 30.8%, respectively, compared to the same quarter the previous year.

The profit before tax ratio stood at 28.3%, up 1.4 points from 26.9% the same period the previous year.

All numbers and the rates of increase and decline are based on all continuing operations. There were no discontinued operations during the third quarter under review as well as for the same period the previous year.

2) Segment Overview

Performance per reportable segment is as follows. (Sales for each segment are for external customers.)

Information Technology

<Electronics related products>

Among semiconductor related products, earnings from both advanced products and middle- and low-end products for smartphones and tablets performed robustly, rising year-on-year. Among liquid crystal-related products, there was continued demand for large masks for 4K and large-screen televisions, in addition to demand for small and medium-sized high-precision/high-resolution masks for smartphones, tablet PCs and other devices, thus leading to higher year-on-year earnings along with a visibly improved product mix.

As for glass disks (substrates) for hard disk drives, replacements of PCs driven by the end of support for Windows XP spurred demand and there was robust demand for applications for gaming devices, external hard disk drives and the like. This led to higher earnings for the third quarter under review.

<Imaging related products>

Units sold continued to fall in the digital camera market, including compact digital cameras and interchangeable lens cameras, due to the encroachment of smartphones upon the market and by sluggish sales from a slowdown in the economy of China. Under these circumstances, the company group increased year-on-year earnings for imaging related products as a whole as a result of a maximum effort to sell new optical glass materials and lens products.

Sales for the Information Technology segment consequently increased by 16.0% from the same period the previous year to 47,718 million yen. Segment-based profits (profit before tax for the quarter) stood at 17,279 million yen, an increase of 35.4% compared with the same period the previous year.

Life Care

<Healthcare related products>

Concerning eyeglass lenses, year-on-year earnings increased as a result of more robust sales caused by factors including higher unit sales prices and greater sales volume in overseas markets, in addition to the result of higher earnings from inclusion of Seiko Optical Products, a sales company of SEIKO eye wear, into a consolidated subsidiary.

Concerning contact lenses, specialty retailer Eyecity experienced a sales drop in the first quarter due to weak demand after the tax hike beginning in April, however, sales recovered to the previous year level and resulted in higher earnings for the third quarter under review.

<Medical related products>

Concerning medical endoscopes, sales in Europe slightly decreased year-on-year due to tight budget and political unrest in emerging countries including Russia and the Middle East. Meanwhile, sales in Asia and Oceania performed well especially in China. In the North American market, earnings edged up slightly as a result of weaker yen, despite a decreased sales volume due to cutbacks in medical expenditure, intensified competition, and delays of new product launches. As a result, sales increased year-on-year under the impact of the weaker yen while experiencing competitive situations in the United States and the European markets.

As for the intraocular lenses for cataract surgery(IOL), during the first quarter of the previous fiscal year we restarted production of some intraocular lens (IOL) products for which we had halted production and issued a voluntary recall in February 2013, and during the following second quarter we resumed sales for overseas markets. In the Japanese market, which is a major market for us, we conducted an epidemiological study restricted to certain medical institutes beginning in January 2014, and in August we resumed normal sales. During the third quarter under review, sales gradually recovered and posted higher sales compared to the same quarter the previous year.

Sales for the Life Care segment increased 17.4% from the same period the previous year to total 79,671 million yen. Segment profits (profit before tax for the quarter) stood at 14,787 million yen, posting an increase of 6.0% from the same period the previous year.

Other

The Other businesses segment mainly consists of information system services offered to the HOYA Group and outside customers as well as new business development. Revenues from this segment stood at 812 million yen, which is equal to an increase in revenue of 17.3% from the same period the previous year. The segment profit totaled 159 million yen, an decrease of 24.3% compared with the same period the previous year.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Sep. 30, 2014		As of Dec. 31, 2014		Variance		As of Dec. 31, 2013	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment-net	126,870		131,881		5,011		136,565	
Goodwill	10,950		11,180		230		10,638	
Intangible assets	21,650		21,250		-400		22,756	
Investments in associates	185		195		10		1,790	
Long-term financial assets	16,935		8,748		-8,187		9,061	
Other non-current assets	2,782		3,377		595		2,738	
Deferred tax assets	12,684		11,982		-703		12,662	
Total non-current assets	192,056	28.2	188,613	25.8	-3,443	-1.8	196,211	28.7
CURRENT ASSETS								
Inventories	66,922		71,711		4,789		64,181	
Trade and other receivables	97,928		105,855		7,927		92,426	
Other short-term financial assets	9,624		20,247		10,624		10,770	
Income tax receivables	536		1,574		1,038		1,290	
Other current assets	14,688		15,504		816		14,580	
Cash and cash equivalents	298,925		327,232		28,307		305,278	
Total current assets	488,624	71.8	542,124	74.2	53,501	10.9	488,526	71.3
Total assets	680,680	100.0	730,737	100.0	50,057	7.4	684,737	100.0

(Millions of Yen)

	As of Sep. 30, 2014		As of Dec. 31, 2014		Variance		As of Dec. 31, 2013	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
EQUITY AND LIABILITIES								
EQUITY								
Share capital	6,264		6,264		—		6,264	
Capital reserves	15,899		15,899		—		15,899	
Treasury shares	-7,808		-7,049		758		-9,893	
Other capital reserves	-3,234		-3,495		-261		-2,548	
Retained earnings	512,174		528,376		16,202		503,450	
Accumulated other comprehensive income/(loss)	18,212		48,445		30,232		18,515	
Equity attributable to owners of the Company	541,508		588,440		46,932		531,687	
Non-controlling interests	6,474		7,148		674		4,484	
Total equity	547,982	80.5	595,588	81.5	47,606	8.7	536,171	78.3
LIABILITIES								
NON-CURRENT LIABILITIES								
Interest-bearing long-term debt	35,696		35,671		-26		36,049	
Other long-term financial liabilities	235		371		136		—	
Retirement benefits liabilities	1,684		1,885		201		1,602	
Provisions	2,122		2,213		91		2,117	
Other non-current liabilities	2,092		2,117		25		2,160	
Deferred tax liabilities	3,045		2,924		-121		3,086	
Total non-current liabilities	44,874	6.6	45,180	6.2	306	0.7	45,016	6.6
CURRENT LIABILITIES								
Interest-bearing short-term debt	2,106		2,083		-23		25,366	
Trade and other payables	39,546		41,812		2,266		35,860	
Other short-term financial liabilities	1,337		1,545		208		133	
Income tax payables	8,204		6,268		-1,936		9,035	
Provisions	999		1,068		70		890	
Other current liabilities	35,632		37,192		1,560		32,266	
Total current liabilities	87,824	12.9	89,968	12.3	2,145	2.4	103,550	15.1
Total liabilities	132,698	19.5	135,149	18.5	2,451	1.8	148,565	21.7
Total equity and liabilities	680,680	100.0	730,737	100.0	50,057	7.4	684,737	100.0

(2)Quarterly Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended		Variance	Three months ended Sep.30,2014
	Dec. 31,2013	Dec. 31,2014		
Cash flows from operating activities				
Profit before tax	29,499	36,240	6,741	34,256
Depreciation and amortization	8,589	8,918	329	8,719
Impairment losses	-4	—	4	—
Finance income	-313	-381	-68	-352
Finance costs	354	215	-139	363
Share of (profits)/loss of associates	-52	-11	41	6
(Gain)/loss on sales of property, plant and equipment	-27	-334	-307	-43
Loss on disposal of property, plant and equipment	21	93	72	58
Foreign exchange (gain)/loss	-4,292	-5,098	-806	-7,022
Others	-2,086	-994	1,092	1,796
Net cash generated from operating activities (Before adjustment of movements in working capital)	31,689	38,647	6,958	37,782
Movements in working capital				
Decrease/(increase) in inventories	2,757	-426	-3,183	-323
Decrease/(increase) in trade and other receivables	-6,766	-2,608	4,158	-3,284
Increase/(decrease) in trade and other payables	702	810	108	24
Increase/(decrease) in retirement benefits liabilities and provisions	77	62	-15	59
Sub total	28,460	36,485	8,025	34,258
Interests received	292	428	136	329
Dividends received	12	15	3	1
Interests paid	-64	-25	39	-618
Income taxes paid	-4,704	-9,579	-4,875	-2,720
Income taxes refunded	—	44	44	112
Net cash generated from operating activities	23,997	27,368	3,371	31,362
Cash flows from investing activities				
Withdrawals of time deposit	2,550	4,405	1,855	4,179
Deposits for time deposit	-2,931	-5,869	-2,938	-4,932
Proceeds from sales of property, plant and equipment	255	16	-239	343
Payments for acquisition of property, plant and equipment	-4,484	-4,766	-282	-3,094
Proceeds from disposal of investment	27	—	-27	—
Payments for purchase of investment	-119	—	119	—
Payments for purchase of subsidiary	-2,829	—	2,829	—
Payments to non-controlling interests on merger	—	-0	-0	-1
Payments for loan to related companies	-109	—	109	—
Other proceeds	40	41	1	52
Other payments	-1,135	-837	298	-334
Net cash used in investing activities	-8,734	-7,010	1,724	-3,787
Cash flows from financing activities				
Dividends paid to owners of the Company	-12,993	-12,706	287	35
Dividends paid to non-controlling interests	—	—	—	-9
Increase (decrease) in short-term debt	0	-1	-1	-214
Repayments of long-term borrowings	-20	-92	-72	-325
Payments for redemption of bonds	-43	-31	13	-25,033
Proceeds from disposal of treasury shares	—	—	—	0
Payments for purchase of treasury shares	-2	-1	1	-5,290
Proceeds from exercise of stock options	323	444	121	348
Net cash used in financing activities	-12,735	-12,387	348	-30,488
Net increase/(decrease) in cash and cash equivalents	2,528	7,972	5,444	-2,913
Cash and cash equivalents at the beginning of the term	284,525	298,925	14,400	289,393
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	18,226	20,335	2,109	12,445
Cash and cash equivalents at the end of the term	305,278	327,232	21,954	298,925

(3) Quarterly Consolidated Statement of Comprehensive Income

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended				Variance		For the three months ended Sep.30,2014	
	Dec. 31,2013		Dec. 31,2014					
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
All operations								
Revenue:								
Sales	109,690	100.0	128,206	100.0	18,516	16.9	121,242	100.0
Finance income	313	0.3	381	0.3	68	21.8	352	0.3
Share of profit of associates	52	0.0	11	0.0	-41	-78.7	—	—
Other income	2,625	2.4	811	0.6	-1,814	-69.1	633	0.5
Total Revenue	112,680	102.7	129,410	100.9	16,730	14.8	122,227	100.8
Expenses:								
Changes in inventories of goods, products and work in progress	2,003	1.8	522	0.4	-1,481	-73.9	157	0.1
Raw materials and consumables used	21,421	19.5	23,587	18.4	2,166	10.1	22,235	18.3
Employee benefits expense	25,424	23.2	29,041	22.7	3,617	14.2	28,357	23.4
Depreciation and amortization	8,589	7.8	8,918	7.0	329	3.8	8,719	7.2
Subcontracting cost	1,296	1.2	1,449	1.1	153	11.8	1,485	1.2
Advertising and promotion expense	2,987	2.7	3,026	2.4	39	1.3	3,361	2.8
Commission expense	5,163	4.7	6,102	4.8	939	18.2	5,554	4.6
Impairment losses	-4	-0.0	—	—	4	—	—	—
Finance costs	354	0.3	215	0.2	-139	-39.2	363	0.3
Share of loss of associates	—	—	—	—	—	—	6	0.0
Foreign exchange (gain)/loss	-5,384	-4.9	-6,082	-4.7	-698	13.0	-6,823	-5.6
Other expenses	21,331	19.4	26,390	20.6	5,059	23.7	24,559	20.3
Total expense	83,181	75.8	93,170	72.7	9,989	12.0	87,971	72.6
Profit before tax	29,499	26.9	36,240	28.3	6,741	22.9	34,256	28.3
Income tax expense	7,224	6.6	7,098	5.5	-126	-1.7	6,933	5.7
Profit for the quarter from all operations	22,274	20.3	29,142	22.7	6,868	30.8	27,323	22.5
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss								
Net gain on revaluation of available-for-sale financial assets	191		67		-124	-64.9	-136	
Exchange differences on translation of foreign operations	28,216		30,582		2,366	8.4	14,836	
Income tax relating to components of other comprehensive income	-156		17		173	-111.1	156	
Total items that may be reclassified subsequently to profit or loss	28,251		30,667		2,416	8.6	14,856	
Total other comprehensive income/(loss)	28,251		30,667		2,416	8.6	14,856	
Total comprehensive income for the quarter	50,526		59,809		9,283	18.4	42,179	
Profit attributable to :								
Owners of the Company	20,633	18.8	28,902	22.5	8,269	40.1	27,150	22.4
Non-controlling interests	1,642	1.5	239	0.2	-1,403	-85.4	173	0.1
Total	22,274	20.3	29,142	22.7	6,868	30.8	27,323	22.5
Total comprehensive income/(loss) attributable to :								
Owners of the Company	48,684		59,135		10,451	21.5	41,874	
Non-controlling interests	1,842		674		-1,168	-63.4	306	
Total	50,526		59,809		9,283	18.4	42,179	
Basic earnings/(loss) per share (yen)								
Continuing operations	47.79		68.25		20.46		64.12	
Discontinued operations	—		—		—		—	
Basic earnings per share (yen)	47.79		68.25		20.46		64.12	
Diluted earnings/(loss) per share (yen)								
Continuing operations	47.70		68.06		20.36		63.96	
Discontinued operations	—		—		—		—	
Diluted earnings per share (yen)	47.70		68.06		20.36		63.96	

Notes:

- Effect of Exchange Rate Change on Net Sales and Incomes ("2014 A" is the actual value of this period. "2014 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2014 B	2014 A	influences	real change	(%)
Sales	121,518	128,206	6,688	11,828	10.8%
Profit before tax	34,087	36,240	2,154	4,588	15.6%
Profit for the quarter	27,216	29,142	1,926	4,942	22.2%

For the three months ended				
	Dec. 31,2013	Dec. 31,2014	Variance(%)	Sep.30,2014
2. Average rates of major foreign currencies				
US\$	Yen 102.11	116.04	-13.6%	105.35
Euro	Yen 139.93	143.85	-2.8%	137.81
Thai Baht	Yen 3.19	3.55	-11.3%	3.28

(4) Segment Information

<Overview of major products and services of reportable segments>

The reportable segments are constituent units of the Group for which separate financial information is obtained and examined on a regular basis by the Board of Directors, the chief operation decision maker, to determine the allocation of management resources and evaluate the business performance.

In accordance with its management philosophy, the Group has categorized "information technology" and "life and culture" as its business domains. To achieve sustainable growth in corporate value in these business domains, the Group has been making decisions on the allocation of management resources and monitoring the operating results.

As a result, the Group consists of three reportable business segments: the Information Technology business, the Life Care business and the Others business, which are consistent with the above business domains.

In the Information Technology business, the Group has developed an extensive range of products following the digitalization of information and the emergence of the internet. The Group produces and sells a broad array of I/O (Input/Output Device) related products in the information and communication sector, including electronics related products that are essential for the modern digital information and communication technologies, and imaging related products that are necessary to import pictures and video images as digital information based on optical technologies.

In the Life Care business, the Group produces and sells health care related products that are used in the healthcare and medical sectors and medical related products, including medical equipment and medical materials that are used in medical treatments. In operating this business, it is typically required to obtain approvals and permissions in accordance with the Pharmaceutical Affairs Act in Japan and other regulations, and sophisticated technologies and highly reliable quality control systems represent the critical elements for operating this business.

The Others business mainly includes the business that provides information system services and new businesses.

The main products and services for each "reportable segment" described above are as follows:

Reportable Segment		Major Products and Services
Information Technology	Electronics related products	Photomasks and Maskblanks for semiconductors, Masks and Devices for liquid-crystal displays (LCDs) Glass disks for hard disk drives (HDDs), etc.
	Imaging related products	Optical lenses, Optical glasses, Digital camera modules, Optical Devices, Laser equipments, etc.
Life Care	Health Care related products	Eyeglass lenses, Contact lenses, etc.
	Medical related products	Endoscopes, Intraocular lenses, Artificial bone, Metallic implant for orthopedics, etc.
Other		Design of information systems, etc.

1. Segment revenues and results

(Millions of Yen)

For the three months ended December 31, 2013	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	41,135	67,854	692	109,681	8	109,690
Inter-segment	38	0	539	577	-577	—
Total	41,172	67,855	1,231	110,258	-568	109,690
Segment profit before tax	12,762	13,953	210	26,925	2,574	29,499
Segment profit before tax ratio	31.0%	20.6%	17.1%	24.4%	—	26.9%
Ref: Profit from ordinary operating activities	10,009	13,242	207	23,459	-1,346	22,113
% of revenue	24.3%	19.5%	16.8%	21.3%	—	20.2%

For the three months ended December 31, 2014	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	47,718	79,671	812	128,201	6	128,206
Inter-segment	53	0	446	499	-499	—
Total	47,771	79,671	1,258	128,700	-494	128,206
Segment profit before tax	17,279	14,787	159	32,225	4,015	36,240
Segment profit before tax ratio	36.2%	18.6%	12.6%	25.0%	—	28.3%
Ref: Profit from ordinary operating activities	15,972	15,045	157	31,174	-1,078	30,096
% of revenue	33.4%	18.9%	12.5%	24.2%	—	23.5%

Ref : Difference between the results of the quarter under review and the same period the previous year is as follows:

	Information Technology	Life Care	Other	Total	Adjustments	All operations
Variance						
Revenue from external customers	6,583	11,817	120	18,520	-2	18,516
Variance	16.0%	17.4%	17.3%	16.9%	—	16.9%
Inter-segment	15	0	-93	-78	78	—
Total	6,599	11,816	27	18,442	74	18,516
Segment profit before tax	4,517	834	-51	5,300	1,441	6,741
Variance	35.4%	6.0%	-24.3%	19.7%	—	22.9%
Profit from ordinary operating activities	5,963	1,803	-50	7,715	268	7,983
Variance	59.6%	13.6%	-24.2%	32.9%	-19.9%	36.1%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2014 A" is the actual value of this period. "2014 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period the previous year. unit : millions of Yen)

	2014B	2014A	influences	real change	(%)
Information Technology					
Revenue from external customers	44,076	47,718	3,642	2,941	7.1%
Segment profit before tax	16,001	17,279	1,278	3,239	25.4%
Life Care					
Revenue from external customers	76,644	79,671	3,027	8,790	13.0%
Segment profit before tax	13,997	14,787	790	44	0.3%

Ref : Results of the previous quarter are as follows:

For the three months ended Sep.30, 2014	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	45,042	75,493	701	121,236	7	121,242
Inter-segment	43	—	415	458	-458	—
Total	45,085	75,493	1,116	121,694	-451	121,242
Segment profit before tax	14,819	13,188	192	28,198	6,058	34,256
Segment profit before tax ratio	32.9%	17.5%	17.2%	23.2%	—	28.3%
Ref: Profit from ordinary operating activities	14,546	14,792	189	29,527	-1,098	28,429
% of revenue	32.3%	19.6%	16.9%	24.3%	—	23.4%

Note: Profit from ordinary operating activities is operating profit before finance income/costs, share of profit(loss) of associates, foreign exchange gain/loss and other temporary gain/loss.

2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

		For the three months ended				Variance		For the three months ended	
		Dec. 31,2013		Dec. 31,2014				Sep.30,2014	
		Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Revenue from all operations									
Information Technology									
Electronics related products	30,052	[73.1]	36,040	[75.5]	5,988	19.9	33,442	[74.2]	
Imaging related products	11,083	[26.9]	11,678	[24.5]	595	5.4	11,600	[25.8]	
Information Technology Total	41,135	37.5	47,718	37.2	6,583	16.0	45,042	37.2	
Life Care									
Health Care related products	48,116	[70.9]	58,305	[73.2]	10,189	21.2	56,910	[75.4]	
Medical related products	19,738	[29.1]	21,366	[26.8]	1,628	8.2	18,583	[24.6]	
Life Care Total	67,854	61.9	79,671	62.1	11,817	17.4	75,493	62.3	
Other	692	0.6	812	0.6	120	17.3	701	0.6	
Corporate (including R&D)	8	0.0	6	0.0	-2	-30.3	7	0.0	
Total revenue from all operations	109,690	100.0	128,206	100.0	18,516	16.9	121,242	100.0	

Notes 1. Figures in [] are percentages of each segment.

Notes 2. Effect of Exchange Rate Change on Net Sales and Incomes ("2014 A" is the actual value of this period. "2014 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2014B	2014A	influences	real change	(%)
Electronics related products	33,066	36,040	2,974	3,014	10.0%
Imaging related products	11,010	11,678	668	-73	-0.7%
Information Technology Total	44,076	47,718	3,642	2,941	7.1%
Health Care related products	56,556	58,305	1,750	8,440	17.5%
Medical related products	20,089	21,366	1,277	351	1.8%
Life Care Total	76,644	79,671	3,027	8,790	13.0%

3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

Revenue from external customers									
	For the three months ended				Variance		For the three months ended Sep.30,2014		
	Dec. 31,2013		Dec. 31,2014						
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)	
Revenue from all operations									
Japan	37,421	34.1	36,558	28.5	-863	-2.3	37,758	31.1	
Americas	15,031	13.7	18,034	14.1	3,003	20.0	16,842	13.9	
Europe	22,031	20.1	28,419	22.2	6,388	29.0	25,213	20.8	
Asia/Oceania	33,615	30.6	43,907	34.2	10,292	30.6	40,188	33.1	
Others	1,591	1.5	1,288	1.0	-303	-19.1	1,241	1.0	
Total revenue from all operations	109,690	100.0	128,206	100.0	18,516	16.9	121,242	100.0	

Note: Geographical areas are based on the location of customers.

1. Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

1. Performance for the nine months ended December 31, 2013 and 2014 (All operations *Notes)

(The yen amounts shown therein are rounded off to the nearest million.)

	Nine months ended		Variance
	Dec. 31,2013	Dec. 31,2014	(%)
(1)Revenue and Profit before tax			
Revenue	312,351	362,520	16.1
Profit before tax	65,594	92,940	41.7
Ratio of profit before tax(%)	21.0%	25.6%	
Profit for the term	47,382	74,427	57.1
Ratio of profit for the term(%)	15.2%	20.5%	
Profit attributable to owners of the Company	45,663	73,851	61.7
Ratio of profit attributable to owners of the Company(%)	14.6%	20.4%	
Basic earnings per share (yen)	105.80	173.47	
Diluted earnings per share (yen)	105.68	173.02	
(2)Financial Position	As of		
	Mar.31,2014	Dec. 31,2014	
Total assets	704,283	730,737	
Total equity	542,648	595,588	
Equity attributable to owners of the Company	536,526	588,440	
Ratio of assets attributable to owners of the Company	76.2%	80.5%	
Assets attributable to owners of the Company per share (yen)	1,241.69	1,389.20	
(3) Conditions of Cash Flows	Nine months ended		
	Dec. 31,2013	Dec. 31,2014	
Net cash generated from operating activities	65,352	76,528	
Net cash used in investing activities	-14,527	-22,252	
Net cash provided by (used in) financing activities	-28,314	-86,605	
Cash and cash equivalents at end of period	305,278	327,232	

2.Dividends per Share

	Year ended	
	Mar.31,2014	Mar.31,2015
Interim (Yen)	30.00	30.00
Year-end (Yen)	45.00	N/A
Annual (Yen)	75.00	N/A

Notes:

"All operations" means here that the figures are including not only "Continuing operations" but also "Discontinued operations".

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, or currency exchange rates.

2.Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Mar. 31, 2014		As of Dec. 31, 2014		Variance		As of Dec. 31, 2013	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment-net	129,513		131,881		2,368		136,565	
Goodwill	10,961		11,180		218		10,638	
Intangible assets	23,947		21,250		-2,698		22,756	
Investments in associates	140		195		55		1,790	
Long-term financial assets	9,062		8,748		-314		9,061	
Other non-current assets	2,527		3,377		850		2,738	
Deferred tax assets	13,421		11,982		-1,439		12,662	
Total non-current assets	189,571	26.9	188,613	25.8	-958	-0.5	196,211	28.7
CURRENT ASSETS								
Inventories	62,647		71,711		9,064		64,181	
Trade and other receivables	95,529		105,855		10,326		92,426	
Other short-term financial assets	10,492		20,247		9,756		10,770	
Income tax receivables	982		1,574		593		1,290	
Other current assets	13,970		15,504		1,534		14,580	
Cash and cash equivalents	331,094		327,232		-3,862		305,278	
Total current assets	514,712	73.1	542,124	74.2	27,412	5.3	488,526	71.3
Total assets	704,283	100.0	730,737	100.0	26,454	3.8	684,737	100.0

(Millions of Yen)

	As of Mar. 31, 2014		As of Dec. 31, 2014		Variance		As of Dec. 31, 2013	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
EQUITY AND LIABILITIES								
EQUITY								
Share capital	6,264		6,264		—		6,264	
Capital reserves	15,899		15,899		—		15,899	
Treasury shares	-8,890		-7,049		1,841		-9,893	
Other capital reserves	-2,839		-3,495		-655		-2,548	
Retained earnings	516,243		528,376		12,133		503,450	
Accumulated other comprehensive income/(loss)	9,850		48,445		38,595		18,515	
Equity attributable to owners of the Company	536,526		588,440		51,913		531,687	
Non-controlling interests	6,121		7,148		1,027		4,484	
Total equity	542,648	77.0	595,588	81.5	52,940	9.8	536,171	78.3
LIABILITIES								
NON-CURRENT LIABILITIES								
Interest-bearing long-term debt	35,829		35,671		-159		36,049	
Other long-term financial liabilities	—		371		371		—	
Retirement benefits liabilities	1,675		1,885		210		1,602	
Provisions	2,155		2,213		58		2,117	
Other non-current liabilities	2,188		2,117		-71		2,160	
Deferred tax liabilities	2,911		2,924		13		3,086	
Total non-current liabilities	44,758	6.4	45,180	6.2	422	0.9	45,016	6.6
CURRENT LIABILITIES								
Interest-bearing short-term debt	27,450		2,083		-25,367		25,366	
Trade and other payables	40,291		41,812		1,521		35,860	
Other short-term financial liabilities	152		1,545		1,394		133	
Income tax payables	13,369		6,268		-7,101		9,035	
Provisions	955		1,068		113		890	
Other current liabilities	34,660		37,192		2,533		32,266	
Total current liabilities	116,877	16.6	89,968	12.3	-26,909	-23.0	103,550	15.1
Total liabilities	161,635	23.0	135,149	18.5	-26,487	-16.4	148,565	21.7
Total equity and liabilities	704,283	100.0	730,737	100.0	26,454	3.8	684,737	100.0

(2) Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the nine months ended		Variance	The year ended
	Dec. 31,2013	Dec. 31,2014		Mar.31,2014
Cash flows from operating activities				
Profit before tax	65,594	92,940	27,346	85,486
Depreciation and amortization	25,353	25,941	588	33,891
Impairment losses	2,056	—	-2,056	4,770
Finance income	-1,500	-1,093	407	-1,849
Finance costs	980	891	-89	1,309
Share of (profits)/loss of associates	274	6	-268	268
(Gain)/loss on sales of property, plant and equipment	-526	-522	4	-658
Loss on disposal of property, plant and equipment	354	154	-200	450
Foreign exchange (gain)/loss	-8,014	-11,549	-3,535	-6,822
Others	1,337	54	-1,283	3,921
Net cash generated from operating activities (Before adjustment of movements in working capital)	85,907	106,822	20,915	120,767
Movements in working capital				
Decrease/(increase) in inventories	8,222	-2,305	-10,527	11,785
Decrease/(increase) in trade and other receivables	-2,893	-3,172	-279	-4,548
Increase/(decrease) in trade and other payables	-6,081	-578	5,503	-2,171
Increase/(decrease) in retirement benefits liabilities and provisions	105	-94	-199	215
Sub total	85,259	100,672	15,413	126,048
Interests received	791	1,097	306	1,065
Dividends received	56	53	-3	56
Interests paid	-643	-673	-30	-1,238
Income taxes paid	-21,342	-24,777	-3,435	-24,492
Income taxes refunded	1,231	157	-1,074	1,231
Net cash generated from operating activities	65,352	76,528	11,176	102,670
Cash flows from investing activities				
Withdrawals of time deposit	5,711	12,087	6,376	6,098
Deposits for time deposit	-7,492	-12,938	-5,446	-9,087
Proceeds from sales of property, plant and equipment	809	389	-420	950
Payments for acquisition of property, plant and equipment	-12,373	-11,908	465	-16,546
Proceeds from disposal of investment	1,007	—	-1,007	1,007
Payments for purchase of investment	-1,439	-58	1,381	—
Payments for purchase of subsidiary	-4,422	—	4,422	-6,390
Payments to non-controlling interests on merger	-4	-2	2	-4
Payments for loan to related companies	-1,048	-8,500	-7,452	-1,996
Other proceeds	7,231	246	-6,985	7,339
Other payments	-2,507	-1,568	939	-2,254
Net cash used in investing activities	-14,527	-22,252	-7,725	-20,882
Cash flows from financing activities				
Dividends paid to owners of the Company	-28,118	-32,121	-4,003	-28,101
Dividends paid to non-controlling interests	-6	-9	-3	-6
Increase (decrease) in short-term debt	-2	-215	-213	-2
Repayments of long-term borrowings	-447	-500	-53	-505
Payments for redemption of bonds	-182	-25,106	-24,924	-234
Proceeds from disposal of treasury shares	—	0	0	—
Payments for purchase of treasury shares	-3	-30,033	-30,030	-5
Proceeds from exercise of stock options	444	1,378	934	1,058
Net cash used in financing activities	-28,314	-86,605	-58,291	-27,794
Net increase/(decrease) in cash and cash equivalents	22,511	-32,329	-54,840	53,994
Cash and cash equivalents at the beginning of the term	248,896	331,094	82,198	248,896
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	33,872	28,467	-5,405	28,204
Cash and cash equivalents at the end of the term	305,278	327,232	21,954	331,094

(3) Consolidated Statement of Comprehensive Income

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the nine months ended				Variance		For the year ended	
	Dec. 31,2013		Dec. 31,2014				Mar.31,2014	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
All operations								
Revenue:								
Sales	312,351	100.0	362,520	100.0	50,170	16.1	427,575	100.0
Finance income	1,500	0.5	1,093	0.3	-406	-27.1	1,849	0.4
Other income	4,121	1.3	2,288	0.6	-1,833	-44.5	5,453	1.3
Total Revenue	317,971	101.8	365,902	100.9	47,931	15.1	434,877	101.7
Expenses:								
Changes in inventories of goods, products and work in progress	3,473	1.1	-2,115	-0.6	-5,589	-160.9	7,038	1.6
Raw materials and consumables used	63,180	20.2	68,504	18.9	5,324	8.4	84,135	19.7
Employee benefits expense	75,569	24.2	85,293	23.5	9,725	12.9	102,759	24.0
Depreciation and amortization	25,353	8.1	25,941	7.2	588	2.3	33,891	7.9
Subcontracting cost	3,515	1.1	4,717	1.3	1,202	34.2	4,737	1.1
Advertising and promotion expense	8,678	2.8	9,465	2.6	787	9.1	11,769	2.8
Commission expense	14,724	4.7	17,158	4.7	2,434	16.5	20,460	4.8
Impairment losses	2,056	0.7	—	—	-2,056	—	4,770	1.1
Finance costs	980	0.3	891	0.2	-89	-9.1	1,309	0.3
Share of loss of associates	274	0.1	6	0.0	-268	-97.7	268	0.1
Foreign exchange (gain)/loss	-10,162	-3.3	-12,435	-3.4	-2,274	22.4	-8,496	-2.0
Other expenses	64,739	20.7	75,538	20.8	10,799	16.7	86,749	20.3
Total expense	252,378	80.8	272,962	75.3	20,584	8.2	349,391	81.7
Profit before tax	65,594	21.0	92,940	25.6	27,346	41.7	85,486	20.0
Income tax expense	18,212	5.8	18,513	5.1	301	1.7	25,347	5.9
Profit for the term from all operations	47,382	15.2	74,427	20.5	27,046	57.1	60,140	14.1
Other comprehensive income:								
Items that will not be reclassified subsequently to profit or loss								
Remeasurements of the net defined benefit liability(asset)	—		—		—	—	81	
Income tax relating to components of other comprehensive income	—		—		—	—	-15	
Total Items that will not be reclassified subsequently to profit or loss	—		—		—	—	66	
Items that may be reclassified subsequently to profit or loss								
Net gain on revaluation of available-for-sale financial assets	-68		-96		-28	41.2	-185	
Exchange differences on translation of foreign operations	43,106		38,992		-4,114	-9.5	34,488	
Income tax relating to components of other comprehensive income	-50		157		208	-413.3	-89	
Total Items that may be reclassified subsequently to profit or loss	42,988		39,054		-3,934	-9.2	34,214	
Total other comprehensive income/(loss)	42,988		39,054		-3,934	-9.2	34,281	
Total comprehensive income for the term	90,370		113,481		23,112	25.6	94,420	
Profit attributable to :								
Owners of the Company	45,663	14.6	73,851	20.4	28,188	61.7	58,390	13.7
Non-controlling interests	1,719	0.6	577	0.2	-1,142	-66.5	1,750	0.4
Total	47,382	15.2	74,427	20.5	27,046	57.1	60,140	14.1
Total comprehensive income/(loss) attributable to :								
Owners of the Company	88,420		112,445		24,026	27.2	92,548	
Non-controlling interests	1,950		1,036		-914	-46.9	1,873	
Total	90,370		113,481		23,112	25.6	94,420	
Basic earnings/(loss) per share (yen)								
Continuing operations	105.80		173.47		67.67		135.26	
Discontinued operations	—		—		—		—	
Basic earnings per share (yen)	105.80		173.47		67.67		135.26	
Diluted earnings/(loss) per share (yen)								
Continuing operations	105.68		173.02		67.34		135.04	
Discontinued operations	—		—		—		—	
Diluted earnings per share (yen)	105.68		173.02		67.34		135.04	

Notes:

- Effect of Exchange Rate Change on Net Sales and Incomes ("2014 A" is the actual value of this period. "2014 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2014 B	2014 A	influences	real change	(%)
Sales	348,626	362,520	13,894	36,275	11.6%
Profit before tax	89,036	92,940	3,904	23,442	35.7%
Profit for the term	71,051	74,427	3,376	23,669	50.0%

		For the nine months ended			
		Dec. 31,2013	Dec. 31,2014	Variance(%)	Mar.31,2014
2. Average rates of major foreign currencies					
US\$	Yen	99.80	107.75	-8.0%	100.49
Euro	Yen	133.40	140.37	-5.2%	135.12
Thai Baht	Yen	3.19	3.32	-4.1%	3.18

(4) Segment Information

<Overview of major products and services of reportable segments>

The reportable segments are constituent units of the Group for which separate financial information is obtained and examined on a regular basis by the Board of Directors, the chief operation decision maker, to determine the allocation of management resources and evaluate the business performance.

In accordance with its management philosophy, the Group has categorized "information technology" and "life and culture" as its business domains. To achieve sustainable growth in corporate value in these business domains, the Group has been making decisions on the allocation of management resources and monitoring the operating results.

As a result, the Group consists of three reportable business segments: the Information Technology business, the Life Care business and the Others business, which are consistent with the above business domains.

In the Information Technology business, the Group has developed an extensive range of products following the digitalization of information and the emergence of the internet. The Group produces and sells a broad array of I/O (Input/Output Device) related products in the information and communication sector, including electronics related products that are essential for the modern digital information and communication technologies, and imaging related products that are necessary to import pictures and video images as digital information based on optical technologies.

In the Life Care business, the Group produces and sells health care related products that are used in the healthcare and medical sectors and medical related products, including medical equipment and medical materials that are used in medical treatments. In operating this business, it is typically required to obtain approvals and permissions in accordance with the Pharmaceutical Affairs Act in Japan and other regulations, and sophisticated technologies and highly reliable quality control systems represent the critical elements for operating this business.

The Others business mainly includes the business that provides information system services and new businesses.

The main products and services for each "reportable segment" described above are as follows:

Reportable Segment		Major Products and Services
Information Technology	Electronics related products	Photomasks and Maskblanks for semiconductors, Masks and Devices for liquid-crystal displays (LCDs) Glass disks for hard disk drives (HDDs), etc.
	Imaging related products	Optical lenses, Optical glasses, Digital camera modules, Optical Devices, Laser equipments, etc.
Life Care	Health Care related products	Eyeglass lenses, Contact lenses, etc.
	Medical related products	Endoscopes, Intraocular lenses, Artificial bone, Metallic implant for orthopedics, etc.
Other		Design of information systems, etc.

1. Segment revenues and results

(Millions of Yen)

For the nine months ended Dec. 31, 2013	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	119,087	191,277	1,959	312,323	28	312,351
Inter-segment	146	0	1,581	1,727	-1,727	—
Total	119,234	191,277	3,539	314,050	-1,700	312,351
Segment profit before tax	29,029	33,950	420	63,399	2,195	65,594
Segment profit before tax ratio	24.3%	17.7%	11.9%	20.2%	—	21.0%
Ref: Profit from ordinary operating activities	26,842	34,544	458	61,844	-4,694	57,150
% of revenue	22.5%	18.1%	12.9%	19.7%	—	18.3%

For the nine months ended Dec. 31, 2014	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	134,785	225,596	2,120	362,501	19	362,520
Inter-segment	152	—	1,293	1,445	-1,445	—
Total	134,937	225,596	3,413	363,946	-1,426	362,520
Segment profit before tax	44,970	39,634	480	85,084	7,856	92,940
Segment profit before tax ratio	33.3%	17.6%	14.1%	23.4%	—	25.6%
Ref: Profit from ordinary operating activities	43,930	41,402	470	85,802	-3,764	82,038
% of revenue	32.6%	18.4%	13.8%	23.6%	—	22.6%

Ref : Difference between the results of the term under review and the same period the previous year is as follows:

	Information Technology	Life Care	Other	Total	Adjustments	All operations
Variance						
Revenue from external customers	15,698	34,319	161	50,178	-9	50,169
Variance	13.2%	17.9%	8.2%	16.1%	—	16.1%
Inter-segment	6	0	-288	-282	282	—
Total	15,703	34,319	-126	49,896	274	50,169
Segment profit before tax	15,941	5,684	60	21,685	5,661	27,346
Variance	54.9%	16.7%	14.3%	34.2%	—	41.7%
Profit from ordinary operating activities	17,088	6,858	12	23,958	930	24,888
Variance	63.7%	19.9%	2.6%	38.7%	-19.8%	43.5%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2014 A" is the actual value of this period. "2014 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period the previous year. unit : millions of Yen)

	2014B	2014A	influences	real change	(%)
Information Technology					
Revenue from external customers	128,304	134,785	6,481	9,217	7.7%
Segment profit before tax	42,889	44,970	2,081	13,860	47.7%
Life Care					
Revenue from external customers	218,232	225,596	7,364	26,955	14.1%
Segment profit before tax	38,179	39,634	1,455	4,229	12.5%

2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

		For the nine months ended				Variance		For the year ended	
		Dec. 31,2013		Dec. 31,2014				Mar.31,2014	
		Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Revenue from all operations									
Information Technology									
Electronics related products		85,924	[72.2]	100,302	[74.4]	14,378	16.7	115,973	[72.8]
Imaging related products		33,164	[27.8]	34,484	[25.6]	1,320	4.0	43,360	[27.2]
Information Technology Total		119,087	38.1	134,785	37.2	15,698	13.2	159,333	37.3
Life Care									
Health Care related products		140,084	[73.2]	167,095	[74.1]	27,011	19.3	194,618	[73.3]
Medical related products		51,193	[26.8]	58,501	[25.9]	7,308	14.3	70,852	[26.7]
Life Care Total		191,277	61.2	225,596	62.2	34,319	17.9	265,470	62.1
Other		1,959	0.6	2,120	0.6	161	8.2	2,739	0.6
Corporate (including R&D)		28	0.0	19	0.0	-9	-32.4	33	0.0
Total revenue from all operations		312,351	100.0	362,520	100.0	50,169	16.1	427,575	100.0

Notes 1. Figures in [] are percentages of each segment.

Notes 2. Effect of Exchange Rate Change on Net Sales and Incomes ("2014 A" is the actual value of this period. "2014 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2014B	2014A	influences	real change	(%)
Electronics related products	94,970	100,302	5,332	9,046	10.5%
Imaging related products	33,334	34,484	1,150	170	0.5%
Information Technology Total	128,304	134,785	6,481	9,217	7.7%
Health Care related products	162,495	167,095	4,601	22,411	16.0%
Medical related products	55,738	58,501	2,763	4,545	8.9%
Life Care Total	218,232	225,596	7,364	26,955	14.1%

3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

Revenue from external customers							(millions of Yen)	
	For the nine months ended				Variance		For the year ended	
	Dec. 31,2013		Dec. 31,2014				Mar.31,2014	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Revenue from all operations								
Japan	104,627	33.5	107,700	29.7	3,073	2.9	143,560	33.6
Americas	43,167	13.8	51,013	14.1	7,846	18.2	59,338	13.9
Europe	55,601	17.8	78,801	21.7	23,200	41.7	78,349	18.3
Asia/Oceania	104,975	33.6	121,287	33.5	16,312	15.5	140,760	32.9
Others	3,980	1.3	3,718	1.0	-262	-6.6	5,568	1.3
Total revenue from all operations	312,351	100.0	362,520	100.0	50,169	16.1	427,575	100.0

Note: Geographical areas are based on the location of customers.

3. Projected Results for the Full Year

(Year ending Mar. 31, 2015)

	<u>Millions of Yen</u>		
	<u>Year ended/ending</u>		variance
	Mar.31,2014	Mar.31,2015E	(%)
Revenue	427,575	482,500	12.8
Profit before tax	85,486	119,000	39.2
Profit for the term	60,140	94,000	56.3
Profit attributable to owners of the Company	58,390	93,200	59.6
Basic earnings per share (Yen)	135.26	220.93	85.67

Ref: for the 4th quarter

1. Year-on-year comparison

	<u>Millions of Yen</u>		
	<u>Three months ended/ending</u>		variance
	Mar.31,2014	Mar.31,2015E	(%)
Revenue	115,224	119,980	4.1
Profit before tax	19,892	26,060	31.0
Profit for the term	12,758	19,573	53.4
Profit attributable to owners of the Company	12,727	19,349	52.0
Basic earnings per share (Yen)	29.46	47.46	18.00

2. Quarter-on-quarter comparison

	<u>Millions of Yen</u>		
	<u>Three months ended/ending</u>		variance
	Dec 31,2014	Mar.31,2015E	(%)
Revenue	128,206	119,980	-6.4
Profit before tax	36,240	26,060	-28.1
Profit for the term	29,142	19,573	-32.8
Profit attributable to owners of the Company	28,902	19,349	-33.1
Basic earnings per share (Yen)	68.25	47.46	-20.79

Notes:

To calculate expected profit for the term per share, expected profit for the term is divided by expected average number of shares through the term.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, or currency exchange rates.