

Quarterly Report

4th Quarter : 3 months ended March 31, 2017
Annual : Fiscal year ended March 31, 2017

Consolidated (HOYA CORPORATION and Consolidated Subsidiaries)

Part .1

4th Quarter : from January 1 to March 31, 2017 <IFRS>

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Part .2

Annual : from April 1, 2016 to March 31, 2017 <IFRS>

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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.

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 March 31, 2016 and 2017 (All operations *Notes)

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

	Three months ended		Variance
	Mar. 31, 2016	Mar. 31, 2017	(%)
(1)Revenue and Profit before tax			
Revenue	121,666	126,304	3.8
Profit before tax	23,161	24,409	5.4
Ratio of profit before tax(%)	19.0%	19.3%	
Profit for the quarter	18,493	18,975	2.6
Ratio of profit for the quarter(%)	15.2%	15.0%	
Profit attributable to owners of the Company	18,734	18,923	1.0
Ratio of profit attributable to owners of the Company(%)	15.4%	15.0%	
Basic earnings per share (yen)	46.56	48.77	
Diluted earnings per share (yen)	46.46	48.65	

	As of	
	Dec. 31, 2016	Mar. 31, 2017
(2)Financial Position		
Total assets	649,339	659,583
Total equity	505,662	515,405
Equity attributable to owners of the Company	501,042	510,887
Ratio of assets attributable to owners of the Company	77.2%	77.5%
Assets attributable to owners of the Company per share (yen)	1,291.52	1,316.40

	Three months ended	
	Mar. 31, 2016	Mar. 31, 2017
(3) Conditions of Cash Flows		
Net cash generated from operating activities	37,253	36,900
Net cash used in investing activities	-6,125	-6,281
Free cash flow	31,128	30,619
Net cash provided by (used in) financing activities	-60,691	299
Cash and cash equivalents at end of period	286,292	296,851

2.Dividends per Share

	Year ended	
	Mar.31,2016	Mar.31,2017
Interim (Yen)	30.00	30.00
Year-end (Yen)	45.00	45.00
Annual (Yen)	75.00	75.00

3.Other

	Three months ended	
	Mar. 31, 2016	Mar. 31, 2017
Capital expenditure	5,591	5,605
R&D expenses	5,077	5,700

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

During the fourth quarter of the consolidated fiscal year under review (January 1 through March 31, 2017), growth in Japanese exports resulted in improved expectations for a continued economic recovery. Meanwhile, as economic conditions remain strong, expectations are on the rise as related to financial policies of the new administration in the United States. The overall economy in Europe continues to grow at a moderate pace. However, uncertainties remain about the future due to the exit of United Kingdom from the European Union. In Asia, China has maintained a high pace of growth, but other geopolitical risks have emerged.

In this operating environment, the HOYA Group Information Technology segment reported higher revenues year on year. Sales for semiconductor mask blanks rose in response to strong demand for cutting-edge products. At the same time, sales of photomasks for semiconductors and photomasks for LCDs were lower, mainly due to the decrease in production capacity stemming from the decision to close the Kumamoto Plant in the wake of the Kumamoto earthquakes. Sales of glass substrates for hard disk drives rose, mainly due to improved general demand and the Group's capture of greater market share. Imaging-related product sales were level year on year on a local currency basis, but were lower when including the impact of foreign currency exchange.

The Life Care segment reported higher sales year on year. Sales of eyeglass lenses rose, mainly in the Americas and Asia. Sales of contact lenses were also higher, driven in the main by ongoing new store openings. Endoscopes for medical use experienced significantly higher sales, pushed by performance in the Americas. Sales of intraocular lenses were also strong, mainly due to growth in new products.

More specifically, sales for the consolidated fourth quarter increased 3.8% year on year, reaching 126,304 million yen.

Quarterly profit before tax amounted to 24,409 million yen with 18,975 million yen in profit, representing increases of 5.4% and 2.6%, respectively. Profit before tax ratio was 19.3%, representing a year-on-year improvement of 0.3 points.

Disclosed figures and change ratios are for businesses with continuing operations. The Group did not discontinue any operations during the consolidated fourth quarter.

2) Segment Overview

The following discusses results by reportable segment. Segment sales are sales to external customers.

Information Technology

<Electronics related products>

The smartphone market continues to grow, even as the market for end products using HOYA components, such as PCs and tablets, continues to contract. Sales of mask blanks for semiconductors grew year on year by a significant margin. This growth was mainly due to our capturing active research and development demand for cutting-edge products, allowing us to absorb the negative impact of the strong yen. Meanwhile, sales of photomasks for semiconductors fell year on year, mainly due to the decrease in production capacity stemming from the decision to close the Kumamoto Plant in the wake of the Kumamoto earthquakes in April of 2016.

Sales of photomasks for LCDs also fell year on year. Research and development demand for high-precision and high-resolution smartphone panel reached a lull. Similarly, Research and development demand for 4K and large-screen for TV panels also experienced a pause. Further, production capacity fell due to the decision to close the Kumamoto Plant. These factors combined to drive photomask sales down.

Glass substrates for hard disk drives experienced significant year-on-year growth. The general downward trend in demand leveled off, while the HOYA Group captured a greater share of the market. These positive factors allowed us to absorb the negative impact of the strong yen.

<Imaging related products>

The market for digital cameras, the main application for our products in this field, continues to contract. In the face of this market contraction, we have focused our efforts on expanding sales of products for new applications, including surveillance cameras and car-mounted cameras. While sales were level year on year on a local currency basis, sales were lower when including the impact of foreign currency exchange.

As a result of these various factors, sales for the Information Technology segment rose 5.5% year on year, reaching 41,572 million yen. Segment profit amounted to 13,579 million yen, an increase of 8.5% year on year.

Life Care

<Health care related products>

The contraction in the Japanese eyeglass lens market resulted in sluggish growth of eyeglass lens sales. At the same time, our acquisition of the 3M prescription protective eyewear business in the Americas contributed to higher sales. Sales grew year on year in Europe and Asia on a local currency basis, but were lower after including the impact of the strong yen and foreign currency exchange. Overall, eyeglass lens sales rose year on year.

New store openings of our Eyecity contact lens specialty stores, as well as continued branding and promotions, resulted in higher year-on-year sales for contact lenses.

<Medical related products>

Medical-related endoscopes swung to year-on-year growth as sales improved considerably in the Americas. In Europe, as well, sales continued to grow on a local currency basis in response to the contribution of new products and stronger sales capacity in the region. As a whole, endoscope sales grew year on year.

Sales of intraocular lenses for cataracts continued to perform well in the Japanese market, after being introduced last fiscal year. Overseas, as well, direct sales and sales through agents grew, outpacing performance for the same period in the prior fiscal year by a significant margin.

As a result, sales for the Life Care segment grew 3.5% year on year, reaching 83,752 million yen. Segment profit fell 9.7% to 12,348 million yen, mainly due to increased amortization of intangible fixed assets associated with a business acquisition, as well as expenses made in advance to secure higher growth.

Other

The HOYA Group Other business segment consists of new businesses and businesses offering information systems services. The Other Businesses segment reported sales of 980 million yen, a decrease of 24.7% year on year. Segment profit fell 27.2% to 254 million yen.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Statement of Financial Position

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	As of Dec. 31, 2016		As of Mar. 31, 2017		Variance		As of Mar. 31, 2016	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment-net	106,382		103,729		-2,653		108,751	
Goodwill	13,781		14,590		810		9,502	
Intangible assets	23,805		26,412		2,608		16,317	
Investments in associates	195		196		2		182	
Long-term financial assets	8,419		7,357		-1,061		15,820	
Other non-current assets	2,908		2,578		-330		3,283	
Deferred tax assets	8,249		9,399		1,150		11,231	
Total non-current assets	163,738	25.2	164,263	24.9	525	0.3	165,086	25.8
CURRENT ASSETS								
Inventories	70,194		65,501		-4,693		66,408	
Trade and other receivables	99,736		98,315		-1,422		92,887	
Other short-term financial assets	17,597		17,788		191		10,984	
Income tax receivables	527		389		-137		587	
Other current assets	24,371		16,477		-7,894		16,764	
Cash and cash equivalents	273,176		296,851		23,675		286,292	
Sub total	485,601		495,321		9,720		473,922	
Total current assets	485,601	74.8	495,321	75.1	9,720	2.0	473,922	74.2
Total assets	649,339	100.0	659,583	100.0	10,245	1.6	639,007	100.0

(Millions of Yen)

	As of Dec. 31, 2016		As of Mar. 31, 2017		Variance		As of Mar. 31, 2016	
	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	-7,406		-6,816		590		-34,633	
Other capital reserves	-5,211		-5,345		-134		-4,956	
Retained earnings	487,669		506,367		18,698		510,787	
Accumulated other comprehensive income/(loss)	3,826		-5,482		-9,309		-96	
Equity attributable to owners of the Company	501,042	77.2	510,887	77.5	9,845	2.0	493,265	77.2
Non-controlling interests	4,620		4,518		-102		4,909	
Total equity	505,662	77.9	515,405	78.1	9,743	1.9	498,174	78.0
LIABILITIES								
NON-CURRENT LIABILITIES								
Interest-bearing long-term debt	505		504		-1		35,404	
Other long-term financial liabilities	5,645		4,843		-802		3,110	
Retirement benefits liabilities	2,013		2,001		-12		1,859	
Provisions	2,423		2,419		-4		2,335	
Other non-current liabilities	808		813		5		808	
Deferred tax liabilities	3,026		2,857		-169		1,902	
Total non-current liabilities	14,421	2.2	13,438	2.0	-982	-6.8	45,419	7.1
CURRENT LIABILITIES								
Interest-bearing short-term debt	36,895		36,913		19		1,924	
Trade and other payables	42,691		41,371		-1,321		41,407	
Other short-term financial liabilities	373		652		278		311	
Income tax payables	7,684		11,649		3,966		13,243	
Provisions	1,346		1,333		-13		1,284	
Other current liabilities	40,267		38,822		-1,445		37,247	
Total current liabilities	129,256	19.9	130,740	19.8	1,484	1.1	95,415	14.9
Total liabilities	143,677	22.1	144,178	21.9	502	0.3	140,834	22.0
Total equity and liabilities	649,339	100.0	659,583	100.0	10,245	1.6	639,007	100.0
Total number of issued shares in thousand	387,948		388,094		146		396,615	
Equity attributable to owner of the Company per share	1,291.52 Yen		1,316.40 Yen		24.88 Yen		1,243.69 Yen	

(2)Quarterly Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the three months ended		Variance	Three months ended Dec. 31,2016
	Mar. 31,2016	Mar. 31,2017		
Cash flows from operating activities				
Profit before tax	23,161	24,409	1,247	32,475
Depreciation and amortization	7,741	7,846	105	7,243
Impairment losses	348	244	-103	—
Finance income	-470	-480	-9	-483
Finance costs	240	344	104	264
Share of (profits)/loss of associates	-3	-6	-2	-3
(Gain)/loss on sales of property, plant and equipment	-287	-280	7	-339
Loss on disposal of property, plant and equipment	50	108	58	19
Foreign exchange (gain)/loss	2,610	544	-2,067	-3,182
Others	-432	1,964	2,396	1,912
Net cash generated from operating activities (Before adjustment of movements in working capital)	32,958	34,693	1,735	37,906
Movements in working capital				
Decrease/(increase) in inventories	397	3,873	3,477	308
Decrease/(increase) in trade and other receivables	5,008	904	-4,103	-6,419
Increase/(decrease) in trade and other payables	683	-1	-684	-244
Increase/(decrease) in retirement benefits liabilities and provisions	151	-150	-301	-9
Sub total	39,196	39,320	124	31,542
Interests received	384	563	179	391
Dividends received	-0	0	0	42
Interests paid	-379	-368	11	-33
Income taxes paid	-2,076	-2,982	-907	-8,834
Income taxes refunded	128	367	239	80
Net cash generated from operating activities	37,253	36,900	-353	23,187
Cash flows from investing activities				
Withdrawals of time deposit	1,724	998	-725	3,290
Payments for time deposit	-1,770	-996	773	-4,016
Proceeds from sales of property, plant and equipment	1,218	352	-866	461
Payments for acquisition of property, plant and equipment	-5,698	-6,193	-495	-5,560
Proceeds from sales of investment	12	13	2	—
Payments for purchase of subsidiary	-1,206	—	1,206	-6,360
Payments to non-controlling interests upon merger	-1	—	1	-17
Payments for business transfer	-61	-4	57	-6,189
Other proceeds	108	147	39	128
Other payments	-452	-599	-147	-682
Net cash used in investing activities	-6,125	-6,281	-156	-18,945
Cash flows from financing activities				
Dividends paid to owners of the Company	15	17	2	-11,655
Increase (decrease) in short-term debt	-87	-1	86	-1
Repayments of long-term borrowings	-77	-69	9	-65
Payments for redemption of bonds	—	—	—	-11
Proceeds from disposal of treasury shares	—	0	0	—
Payments for purchase of treasury shares	-59,864	-1	59,863	-1
Proceeds from exercise of stock options	155	353	198	272
Net cash used in financing activities	-60,691	299	60,991	-11,460
Net increase/(decrease) in cash and cash equivalents	-29,563	30,919	60,481	-7,218
Cash and cash equivalents at the beginning of the term	331,180	273,176	-58,004	249,985
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	-15,325	-7,244	8,081	30,409
Cash and cash equivalents at the end of the term	286,292	296,851	10,559	273,176

(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	
	Mar. 31, 2016		Mar. 31, 2017				Dec. 31, 2016	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
All operations								
Revenue:								
Sales	121,666	100.0	126,304	100.0	4,638	3.8	122,594	100.0
Finance income	470	0.4	480	0.4	9	2.0	483	0.4
Share of profit of associates	3	0.0	6	0.0	2	73.8	3	0.0
Other income	1,930	1.6	746	0.6	-1,183	-61.3	1,024	0.8
Total Revenue	124,070	102.0	127,536	101.0	3,466	2.8	124,103	101.2
Expenses:								
Changes in inventories of goods, products and work in progress	-327	-0.3	3,398	2.7	3,725	—	852	0.7
Raw materials and consumables used	21,994	18.1	19,060	15.1	-2,934	-13.3	19,161	15.6
Employee benefits expense	30,178	24.8	30,545	24.2	367	1.2	28,313	23.1
Depreciation and amortization	7,741	6.4	7,846	6.2	105	1.4	7,243	5.9
Subcontracting cost	572	0.5	1,021	0.8	449	78.4	1,236	1.0
Advertising and promotion expense	3,002	2.5	3,300	2.6	298	9.9	3,246	2.6
Commission expense	6,609	5.4	7,774	6.2	1,165	17.6	7,042	5.7
Impairment losses	348	0.3	244	0.2	-103	-29.7	—	—
Finance costs	240	0.2	344	0.3	104	43.2	264	0.2
Foreign exchange (gain)/loss	3,107	2.6	1,266	1.0	-1,841	-59.2	-3,777	-3.1
Other expenses	27,445	22.6	28,329	22.4	884	3.2	28,047	22.9
Total expense	100,908	82.9	103,127	81.6	2,219	2.2	91,628	74.7
Profit before tax	23,161	19.0	24,409	19.3	1,247	5.4	32,475	26.5
Income tax expense	4,668	3.8	5,434	4.3	765	16.4	7,395	6.0
Profit for the term from all operations	18,493	15.2	18,975	15.0	482	2.6	25,080	20.5
Other comprehensive income:								
Items that will not be reclassified subsequently to profit or loss								
Remeasurements of the net defined benefit liability(asset)	136		-259		-395	—	—	
Income tax relating to components of other comprehensive income	11		34		23	202.6	—	
Total items that will not be reclassified subsequently to profit or loss	147		-225		-372		—	
Items that may be reclassified subsequently to profit or loss								
Net gain on revaluation of available-for-sale financial assets	-6		272		278	—	-79	
Exchange differences on translation of foreign operations	-21,713		-9,648		12,065	-55.6	46,173	
Share of other comprehensive income of associates	-7		-4		3	-42.1	20	
Income tax relating to components of other comprehensive income	0		-82		-83	—	24	
Total items that may be reclassified subsequently to profit or loss	-21,725		-9,463		12,263		46,138	
Total other comprehensive income/(loss)	-21,578		-9,687		11,891		46,138	
Total comprehensive income for the quarter	-3,085		9,288		12,372		71,218	
Profit attributable to :								
Owners of the Company	18,734	15.4	18,923	15.0	189	1.0	25,055	20.4
Non-controlling interests	-241	-0.2	52	0.0	293	—	25	0.0
Total	18,493	15.2	18,975	15.0	482	2.6	25,080	20.5
Total comprehensive income/(loss) attributable to :								
Owners of the Company	-2,584		9,389		11,973	—	70,678	
Non-controlling interests	-501		-102		399	-79.7	540	
Total	-3,085		9,288		12,372		71,218	
Basic earnings/(loss) per share (yen)								
Continuing operations	46.56		48.77		2.21		64.59	
Discontinued operations	—		—		—		—	
Basic earnings per share (yen)	46.56		48.77		2.21		64.59	
Diluted earnings/(loss) per share (yen)								
Continuing operations	46.46		48.65		2.19		64.46	
Discontinued operations	—		—		—		—	
Diluted earnings per share (yen)	46.46		48.65		2.19		64.46	

Notes:

1. Effect of Exchange Rate Change on Net Sales and Incomes ("2016 A" is the actual value of this period. "2016 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)

	2016 B	2016 A	Influences	Real change	(%)
Sales	129,156	126,304	-2,852	7,490	6.2%
Profit before tax	24,556	24,409	-147	1,395	6.0%
Profit for the quarter	19,056	18,975	-81	563	3.0%

For the three months ended				
	Mar. 31, 2016	Mar. 31, 2017	Variance(%)	
2. Average rates of major foreign currencies				
US\$	Yen 115.72	112.85	2.5%	
Euro	Yen 127.99	120.17	6.1%	
Thai Baht	Yen 3.25	3.24	0.3%	

(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 Other 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.

Other 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, Laser equipment, etc.
Life Care	Health care related products	Eyeglass lenses, Contact lenses, etc.
	Medical related products	Endoscopes, Medical accessories, Intraocular lenses, Artificial bone, Metallic implants for orthopedics, etc.
Other		Design of information systems, etc.

1. Segment revenues and results

(Millions of Yen)

For the three months ended Mar. 31, 2016	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	39,422	80,942	1,302	121,666	1	121,666
Inter-segment	210	0	569	779	-779	—
Total	39,631	80,942	1,871	122,445	-779	121,666
Segment profit before tax	12,516	13,668	349	26,532	-3,371	23,161
Segment profit before tax ratio	31.6%	16.9%	18.6%	21.7%	—	19.0%
Ref: Profit from ordinary operating activities	13,472	14,073	338	27,883	-1,323	26,560
% of revenue	34.0%	17.4%	18.0%	22.8%	—	21.8%

For the three months ended Mar. 31, 2017	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	41,572	83,752	980	126,304	0	126,304
Inter-segment	80	0	482	562	-562	—
Total	41,652	83,752	1,462	126,867	-562	126,304
Segment profit before tax	13,579	12,348	254	26,181	-1,772	24,409
Segment profit before tax ratio	32.6%	14.7%	17.4%	20.6%	—	19.3%
Ref: Profit from ordinary operating activities	14,944	13,184	254	28,382	-1,472	26,910
% of revenue	35.9%	15.7%	17.4%	22.4%	—	21.3%

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	2,150	2,810	-322	4,638	-0	4,638
Variance	5.5%	3.5%	-24.7%	3.8%	—	3.8%
Inter-segment	-130	0	-87	-217	217	—
Total	2,021	2,810	-409	4,422	216	4,638
Segment profit before tax	1,063	-1,319	-95	-351	1,598	1,247
Variance	8.5%	-9.7%	-27.2%	-1.3%	—	5.4%
Profit from ordinary operating activities	1,472	-889	-84	499	-149	349
Variance	10.9%	-6.3%	-24.8%	1.8%	11.3%	1.3%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2016 A" is the actual value of this period. "2016 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)

	2016B	2016A	Influences	Real change	(%)
Information Technology					
Revenue from external customers	42,278	41,572	-707	2,857	7.2%
Segment profit before tax	13,797	13,579	-218	1,281	10.2%
Life Care					
Revenue from external customers	85,896	83,752	-2,144	4,954	6.1%
Segment profit before tax	12,573	12,348	-224	-1,095	-8.0%

Ref : Results of the previous quarter are as follows:

For the three months ended Dec. 31, 2016	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	42,950	78,708	934	122,592	1	122,594
Inter-segment	109	—	473	582	-582	—
Total	43,059	78,708	1,408	123,175	-581	122,594
Segment profit before tax	16,845	13,886	230	30,960	1,514	32,475
Segment profit before tax ratio	39.1%	17.6%	16.3%	25.1%	—	26.5%
Ref: Profit from ordinary operating activities	15,528	14,071	242	29,841	-1,632	28,209
% of revenue	36.1%	17.9%	17.2%	24.2%	—	23.0%

Note: Profit from ordinary operating activities is operating profit before finance income/costs, share of profits(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)

Revenue from external customers							(millions of yen)	
	For the three months ended				Variance		For the three months ended	
	Mar. 31,2016		Mar. 31,2017				Dec. 31,2016	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)

Revenue from all operations

Information Technology	39,422	32.4	41,572	32.9	2,150	5.5	42,950	35.0
Electronics related products	30,103	[76.4]	32,477	[78.1]	2,374	7.9	33,029	[76.9]
Imaging related products	9,319	[23.6]	9,095	[21.9]	-224	-2.4	9,921	[23.1]
Life Care	80,942	66.5	83,752	66.3	2,810	3.5	78,708	64.2
Health care related products	60,658	[74.9]	62,387	[74.5]	1,729	2.9	58,063	[73.8]
Medical related products	20,285	[25.1]	21,365	[25.5]	1,081	5.3	20,645	[26.2]
Other	1,302	1.1	980	0.8	-322	-24.7	934	0.8
Corporate (including R&D)	1	0.0	0	0.0	-0	-68.0	1	0.0
Total revenue from all operations	121,666	100.0	126,304	100.0	4,638	3.8	122,594	100.0

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

Notes 2. Effect of Exchange Rate Change on Net Sales and Incomes ("2016 A" is the actual value of this period. "2016 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)

	2016B	2016A	Influences	Real change	(%)
Information Technology	42,278	41,572	-707	2,857	7.2%
Electronics related products	33,012	32,477	-536	2,910	9.7%
Imaging related products	9,266	9,095	-171	-53	-0.6%
Life Care	85,896	83,752	-2,144	4,954	6.1%
Health care related products	63,681	62,387	-1,294	3,023	5.0%
Medical related products	22,215	21,365	-850	1,931	9.5%

3. Information about geographical areas

Revenue from external customers

(Millions of Yen)

Revenue from external customers								(millions of yen)	
	For the three months ended				Variance		For the three months ended		
	Mar. 31,2016		Mar. 31,2017				Dec. 31,2016		
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)	

Revenue from all operations

Total revenue from all operations	121,666	100.0	126,304	100.0	4,638	3.8	122,594	100.0
Japan	38,032	31.3	38,313	30.3	280	0.7	38,148	31.1
Americas	18,720	15.4	21,606	17.1	2,886	15.4	17,877	14.6
Europe	26,888	22.1	25,484	20.2	-1,405	-5.2	24,627	20.1
Asia/Oceania	36,248	29.8	39,050	30.9	2,802	7.7	40,351	32.9
Others	1,777	1.5	1,851	1.5	74	4.2	1,591	1.3

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

<Reference>

Supplementary data for 4th Quarter: from January 1 to March 31, 2017

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY15-4Q	FY16-4Q	Variance	Foreign exchange	Adjustment	Others
Revenue	121,666	126,304	4,638	-2,852		7,490
Information Technology	39,422	41,572	2,150	-707		2,857
Electronics related products	30,103	32,477	2,374	-536		2,910
Imaging related products	9,319	9,095	-224	-171		-53
Life Care	80,942	83,752	2,810	-2,144		4,954
Health care related products	60,658	62,387	1,729	-1,294		3,023
Medical related products	20,285	21,365	1,081	-850		1,931
Profit before tax	23,161	24,409	1,247	-147	① 898	497
Information Technology	12,516	13,579	1,063	-218	② -409	1,690
Life Care	13,668	12,348	-1,319	-224	③ -430	-665
Other, adjustment (Corporate)	-3,022	-1,519	1,503	296	④ 1,736	-529

<All operations ~ Adjustments to "Profit from ordinary operating activities">

	All operations		
	FY15-4Q	FY16-4Q	Variance
Profit before tax	23,161	24,409	1,247
Adjustments	-3,399	-2,501	① 898
Finance income	470	480	9
Finance costs	-240	-344	-104
Share of loss of associates	3	6	2
Foreign exchange (gain)/loss	-3,107	-1,266	1,841
Impairment losses	-348	-244	103
Gain on sale of assets	306	283	-23
Others	-485	-1,415	-931
Profit from ordinary operating activities	26,560	26,910	349

<Segment ~ Adjustments to "Profit from ordinary operating activities">

	Information Technology			Life Care			Other, adjustment (Corporate)		
	FY15-4Q	FY16-4Q	Variance	FY15-4Q	FY16-4Q	Variance	FY15-4Q	FY16-4Q	Variance
Profit before tax	12,516	13,579	1,063	13,668	12,348	-1,319	-3,022	-1,519	1,503
Adjustments	-956	-1,365	② -409	-406	-836	③ -430	-2,037	-301	④ 1,736
Finance income	83	81	-2	104	87	-17	283	312	29
Finance costs	-80	-53	27	-90	-216	-126	-70	-75	-5
Share of loss of associates	-1	-0	1	4	6	2	-	-	-
Foreign exchange (gain)/loss	-618	-519	99	4	-168	-172	-2,493	-579	1,914
Impairment losses	-348	-244	103	-	-	-	-	-	-
Gain on sale of assets	25	260	235	7	13	6	275	11	-264
Others	-18	-889	-871	-435	-557	-122	-32	31	63
Profit from ordinary operating activities	13,472	14,944	1,472	14,073	13,184	-889	-985	-1,218	-233

1. Consolidated Financial Highlights

HOYA CORPORATION and Consolidated Subsidiaries

1. Performance for the year ended March 31, 2016 and 2017 (All operations *Notes)

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

	Year ended		Variance (%)
	Mar. 31,2016	Mar. 31,2017	
(1)Revenue and Profit before tax			
Revenue	505,714	478,927	-5.3
Profit before tax	119,099	110,795	-7.0
Ratio of profit before tax(%)	23.6%	23.1%	
Profit for the term	93,317	86,852	-6.9
Ratio of profit for the term(%)	18.5%	18.1%	
Profit attributable to owners of the Company	93,175	86,740	-6.9
Ratio of profit attributable to owners of the Company(%)	18.4%	18.1%	
Basic earnings per share (yen)	225.45	221.93	
Diluted earnings per share (yen)	224.85	221.49	

	As of	
	Mar.31,2016	Mar. 31,2017
(2)Financial Position		
Total assets	639,007	659,583
Total equity	498,174	515,405
Equity attributable to owners of the Company	493,265	510,887
Ratio of assets attributable to owners of the Company	77.2%	77.5%
Assets attributable to owners of the Company per share (yen)	1,243.69	1,316.40

	Year ended	
	Mar. 31,2016	Mar. 31,2017
(3) Conditions of Cash Flows		
Net cash generated from operating activities	131,889	107,662
Net cash used in investing activities	-15,161	-27,507
Free cash flow	116,728	80,155
Net cash provided by (used in) financing activities	-161,519	-64,289
Cash and cash equivalents at end of period	286,292	296,851

2.Dividends per Share

	Year ended	
	Mar.31,2016	Mar.31,2017
Interim (Yen)	30.00	30.00
Year-end (Yen)	45.00	45.00
Annual (Yen)	75.00	75.00

3.Other

	Year ended	
	Mar. 31,2016	Mar. 31,2017
Capital expenditure	20,328	22,863
R&D expenses	20,287	21,826

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, 2016		As of Mar. 31, 2017		Variance	
	Amount	(%)	Amount	(%)	Amount	(%)
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment-net	108,751		103,729		-5,022	
Goodwill	9,502		14,590		5,088	
Intangible assets	16,317		26,412		10,095	
Investments in associates	182		196		14	
Long-term financial assets	15,820		7,357		-8,463	
Other non-current assets	3,283		2,578		-705	
Deferred tax assets	11,231		9,399		-1,831	
Total non-current assets	165,086	25.8	164,263	24.9	-823	-0.5
CURRENT ASSETS						
Inventories	66,408		65,501		-907	
Trade and other receivables	92,887		98,315		5,428	
Other short-term financial assets	10,984		17,788		6,804	
Income tax receivables	587		389		-197	
Other current assets	16,764		16,477		-287	
Cash and cash equivalents	286,292		296,851		10,559	
Sub total	473,922		495,321		21,399	
Total current assets	473,922	74.2	495,321	75.1	21,399	4.5
Total assets	639,007	100.0	659,583	100.0	20,576	3.2

(Millions of Yen)

	As of Mar. 31, 2016		As of Mar. 31, 2017		Variance	
	Amount	(%)	Amount	(%)	Amount	(%)
EQUITY AND LIABILITIES						
EQUITY						
Share capital	6,264		6,264		—	
Capital reserves	15,899		15,899		—	
Treasury shares	-34,633		-6,816		27,817	
Other capital reserves	-4,956		-5,345		-389	
Retained earnings	510,787		506,367		-4,420	
Accumulated other comprehensive income/(loss)	-96		-5,482		-5,386	
Equity attributable to owners of the Company	493,265	77.2	510,887	77.5	17,622	3.6
Non-controlling interests	4,909		4,518		-391	
Total equity	498,174	78.0	515,405	78.1	17,231	3.5
LIABILITIES						
NON-CURRENT LIABILITIES						
Interest-bearing long-term debt	35,404		504		-34,900	
Other long-term financial liabilities	3,110		4,843		1,733	
Retirement benefits liabilities	1,859		2,001		142	
Provisions	2,335		2,419		83	
Other non-current liabilities	808		813		5	
Deferred tax liabilities	1,902		2,857		955	
Total non-current liabilities	45,419	7.1	13,438	2.0	-31,981	-70.4
CURRENT LIABILITIES						
Interest-bearing short-term debt	1,924		36,913		34,990	
Trade and other payables	41,407		41,371		-37	
Other short-term financial liabilities	311		652		341	
Income tax payables	13,243		11,649		-1,593	
Provisions	1,284		1,333		49	
Other current liabilities	37,247		38,822		1,575	
Total current liabilities	95,415	14.9	130,740	19.8	35,325	37.0
Total liabilities	140,834	22.0	144,178	21.9	3,345	2.4
Total equity and liabilities	639,007	100.0	659,583	100.0	20,576	3.2
Total number of issued shares in thousand	396,615		388,094		-8,521	
Equity attributable to owner of the Company per share	1,243.69 Yen		1,316.40 Yen		72.71 Yen	

(2) Consolidated Statement of Cash Flows

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the year ended		Variance
	Mar. 31, 2016	Mar. 31, 2017	
Cash flows from operating activities			
Profit before tax	119,099	110,795	-8,304
Depreciation and amortization	33,524	29,777	-3,747
Impairment losses	981	334	-646
Finance income	-1,721	-8,022	-6,301
Finance costs	976	1,130	154
Share of (profits)/loss of associates	-3	-16	-12
(Gain)/loss on sales of property, plant and equipment	-842	-720	121
Loss on disposal of property, plant and equipment	400	226	-174
Foreign exchange (gain)/loss	2,946	1,269	-1,677
Others	-2,040	3,589	5,628
Net cash generated from operating activities (Before adjustment of movements in working capital)	153,319	138,360	-14,959
Movements in working capital			
Decrease/(increase) in inventories	-2,758	729	3,488
Decrease/(increase) in trade and other receivables	2,741	-5,528	-8,269
Increase/(decrease) in trade and other payables	355	-859	-1,215
Increase/(decrease) in retirement benefits liabilities and provisions	267	16	-251
Sub total	153,924	132,718	-21,206
Interests received	1,699	1,813	114
Dividends received	8	50	41
Interests paid	-878	-858	20
Income taxes paid	-23,206	-26,614	-3,408
Income taxes refunded	342	553	211
Net cash generated from operating activities	131,889	107,662	-24,227
Cash flows from investing activities			
Withdrawals of time deposit	11,909	10,149	-1,760
Payments for time deposit	-12,115	-8,898	3,216
Proceeds from sales of property, plant and equipment	2,746	1,060	-1,686
Payments for acquisition of property, plant and equipment	-18,184	-21,528	-3,344
Proceeds from sales of investment	128	5,818	5,689
Payments for acquisition of investment	-391	—	391
Proceeds from sales of subsidiary	0	—	0
Payments for acquisition of subsidiaries	-1,792	-6,360	-4,568
Payments to non-controlling interests upon merger	-2	-19	-17
Payments for business transfer	-111	-6,193	-6,082
Other proceeds	4,903	597	-4,306
Other payments	-2,254	-2,134	120
Net cash used in investing activities	-15,161	-27,507	-12,346
Cash flows from financing activities			
Dividends paid to owners of the Company	-31,496	-29,447	2,048
Dividends paid to non-controlling interests	-625	—	625
Increase (decrease) in short-term debt	-94	-4	90
Repayments of long-term borrowings	-279	-258	21
Payments for redemption of bonds	-21	-21	0
Proceeds from disposal of treasury shares	0	0	0
Payments for purchase of treasury shares	-130,151	-35,007	95,145
Proceeds from exercise of stock options	1,980	749	-1,232
Payments for purchase of non-controlling interests	-832	-301	531
Net cash used in financing activities	-161,519	-64,289	97,230
Net increase/(decrease) in cash and cash equivalents	-44,791	15,866	60,657
Cash and cash equivalents at the beginning of the term	348,819	286,292	-62,527
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	-17,737	-5,307	12,429
Cash and cash equivalents at the end of the term	286,292	296,851	10,559

(3) Consolidated Statement of Comprehensive Income

(HOYA Corporation and its subsidiaries)

(Millions of Yen)

	For the year ended				Variance	
	Mar. 31,2016		Mar. 31,2017			
	Amount	(%)	Amount	(%)	Amount	(%)
All operations						
Revenue:						
Sales	505,714	100.0	478,927	100.0	-26,787	-5.3
Finance income	1,721	0.3	8,022	1.7	6,301	366.1
Share of profit of associates	3	0.0	16	0.0	12	362.6
Other income	7,747	1.5	2,764	0.6	-4,983	-64.3
Total Revenue	515,186	101.9	489,729	102.3	-25,456	-4.9
Expenses:						
Changes in inventories of goods, products and work in progress	-4,108	-0.8	3,132	0.7	7,240	—
Raw materials and consumables used	94,136	18.6	74,304	15.5	-19,832	-21.1
Employee benefits expense	118,222	23.4	114,504	23.9	-3,718	-3.1
Depreciation and amortization	33,524	6.6	29,777	6.2	-3,747	-11.2
Subcontracting cost	5,808	1.1	4,783	1.0	-1,025	-17.7
Advertising and promotion expense	13,077	2.6	12,912	2.7	-165	-1.3
Commission expense	27,132	5.4	28,523	6.0	1,391	5.1
Impairment losses	981	0.2	334	0.1	-646	-65.9
Finance costs	976	0.2	1,130	0.2	154	15.8
Foreign exchange (gain)/loss	2,567	0.5	2,389	0.5	-178	-6.9
Other expenses	103,773	20.5	107,147	22.4	3,374	3.3
Total Expenses	396,086	78.3	378,935	79.1	-17,152	-4.3
Profit before tax	119,099	23.6	110,795	23.1	-8,304	-7.0
Income tax expense	25,782	5.1	23,943	5.0	-1,839	-7.1
Profit for the term from all operations	93,317	18.5	86,852	18.1	-6,465	-6.9
Other comprehensive income:						
Items that will not be reclassified subsequently to profit or loss						
Remeasurements of the net defined benefit liability(asset)	152		-281		-433	—
Income tax relating to components of other comprehensive income	11		-4		-16	—
Total Items that will not be reclassified subsequently to profit or loss	163		-285		-448	—
Items that may be reclassified subsequently to profit or loss						
Net gain on revaluation of available-for-sale financial assets	-20		180		200	—
Exchange differences on translation of foreign operations	-30,558		-5,808		24,750	-81.0
Share of other comprehensive income of associates	-24		-1		23	-94.8
Income tax relating to components of other comprehensive income	-68		-58		10	-15.1
Total Items that may be reclassified subsequently to profit or loss	-30,670		-5,687		24,983	-81.5
Total other comprehensive income/(loss)	-30,507		-5,972		24,535	-80.4
Total comprehensive income for the quarter	62,810		80,879		18,070	28.9
Profit attributable to :						
Owners of the Company	93,175	18.4	86,740	18.1	-6,435	-6.9
Non-controlling interests	142	0.0	112	0.0	-31	-21.5
Total	93,317	18.5	86,852	18.1	-6,465	-6.9
Total comprehensive income/(loss) attributable to :						
Owners of the Company	62,885		81,069		18,184	28.9
Non-controlling interests	-75		-189		-114	152.4
Total	62,810		80,879		18,070	28.9
Basic earnings/(loss) per share (yen)						
Continuing operations	225.45		221.93		-3.52	
Discontinued operations	—		—		—	
Basic earnings per share (yen)	225.45		221.93		-3.52	
Diluted earnings/(loss) per share (yen)						
Continuing operations	224.85		221.49		-3.36	
Discontinued operations	—		—		—	
Diluted earnings per share (yen)	224.85		221.49		-3.36	

Notes:

- Effect of exchange rate change on net sales and incomes ("2016 A" is the actual value of this period. "2016 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)

	2016 B	2016A	Influences	Real change	(%)
Sales	513,367	478,927	-34,440	7,653	1.5%
Profit before tax	117,567	110,795	-6,772	-1,533	-1.3%
Profit for the term	92,614	86,852	-5,763	-703	-0.8%

		For the year ended		
		Mar. 31,2016	Mar. 31,2017	Variance(%)
2. Average rates of major foreign currencies				
US\$	Yen	120.16	108.72	9.5%
Euro	Yen	132.53	118.68	10.5%
Thai Baht	Yen	3.42	3.10	9.4%

(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 Other 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.

Other 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, Laser equipment, etc.
Life Care	Health care related products	Eyeglass lenses, Contact lenses, etc.
	Medical related products	Endoscopes, Medical accessories, Intraocular lenses, Artificial bone, Metallic implants for orthopedics, etc.
Other		Design of information systems, etc.

1. Segment revenues and results

(Millions of Yen)

For the year ended Mar. 31, 2016	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	178,749	322,673	4,289	505,711	4	505,714
Inter-segment	916	0	1,863	2,779	-2,779	—
Total	179,665	322,674	6,152	508,490	-2,776	505,714
Segment profit before tax	65,491	57,747	965	124,203	-5,104	119,099
Segment profit before tax ratio	36.5%	17.9%	15.7%	24.4%	—	23.6%
Ref: Profit from ordinary operating activities	63,930	58,930	934	123,794	-4,882	118,912
% of revenue	35.6%	18.3%	15.2%	24.3%	—	23.5%

For the year ended Mar. 31, 2017	Information Technology	Life Care	Other	Total	Adjustments	All operations
Revenue						
Revenue from external customers	160,617	314,442	3,866	478,925	3	478,927
Inter-segment	609	0	1,860	2,469	-2,469	—
Total	161,226	314,442	5,726	481,394	-2,466	478,927
Segment profit before tax	54,507	54,718	902	110,128	667	110,795
Segment profit before tax ratio	33.8%	17.4%	15.8%	22.9%	—	23.1%
Profit from ordinary operating activities	57,460	56,755	892	115,107	-5,363	109,744
% of revenue	35.6%	18.0%	15.6%	23.9%	—	22.9%

Ref : Difference between the results of the year 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	-18,132	-8,232	-423	-26,786	-1	-26,787
Variance	-10.1%	-2.6%	-9.9%	-5.3%	—	-5.3%
Inter-segment	-307	0	-3	-310	310	—
Total	-18,439	-8,232	-426	-27,096	309	-26,787
Segment profit before tax	-10,984	-3,029	-63	-14,075	5,771	-8,304
Variance	-16.8%	-5.2%	-6.5%	-11.3%	—	-7.0%
Profit from ordinary operating activities	-6,470	-2,175	-42	-8,687	-481	-9,168
Variance	-10.1%	-3.7%	-4.5%	-7.0%	9.9%	-7.7%

Note: Effect of Exchange Rate Change on Net Sales and Incomes ("2016 A" is the actual value of this period. "2016 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)

	2016B	2016A	Influences	Real change	(%)
Information Technology					
Revenue from external customers	171,972	160,617	-11,355	-6,776	-3.8%
Segment profit before tax ratio	58,074	54,507	-3,567	-7,417	-11.3%
Life Care					
Revenue from external customers	337,446	314,442	-23,004	14,772	4.6%
Segment profit before tax ratio	58,282	54,718	-3,563	534	0.9%

2. Revenue from major products and services

Revenue from external customers

(Millions of Yen)

Revenue from external customers				(millions of Yen)			
	For the year ended				Variance		
	Mar. 31,2016		Mar. 31,2017				
	Amount	(%)	Amount	(%)	Amount	(%)	

Revenue from all operations

Information Technology	178,749	35.3	160,617	33.5	-18,132	-10.1
Electronics related products	132,861	[74.3]	124,247	[77.4]	-8,615	-6.5
Imaging related products	45,887	[25.7]	36,370	[22.6]	-9,517	-20.7
Life Care	322,673	63.8	314,442	65.7	-8,232	-2.6
Health care related products	241,296	[74.8]	234,622	[74.6]	-6,674	-2.8
Medical related products	81,378	[25.2]	79,819	[25.4]	-1,558	-1.9
Other	4,289	0.8	3,866	0.8	-423	-9.9
Corporate (including R&D)	4	0.0	3	0.0	-1	-25.9
Total revenue from all operations	505,714	100.0	478,927	100.0	-26,787	-5.3

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

Notes 2. Effect of Exchange Rate Change on Net Sales and Incomes ("2016 A" is the actual value of this period. "2016 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)

	2016B	2016A	Influences	Real change	(%)
Information Technology	171,972	160,617	-11,355	-6,776	-3.8%
Electronics related products	133,027	124,247	-8,780	166	0.1%
Imaging related products	38,945	36,370	-2,575	-6,942	-15.1%
Life Care	337,446	314,442	-23,004	14,772	4.6%
Health care related products	250,238	234,622	-15,616	8,943	3.7%
Medical related products	87,207	79,819	-7,388	5,830	7.2%

3. Information about geographical areas

Revenue from external customers

Revenue from external customers						
	For the year ended				Variance	
	Mar. 31,2016		Mar. 31,2017			
	Amount	(%)	Amount	(%)	Amount	(%)

Revenue from all operations

Total revenue from all operations	505,714	100.0	478,927	100.0	-26,787	-5.3
Japan	154,334	30.5	151,316	31.6	-3,018	-2.0
Americas	74,629	14.8	74,015	15.5	-614	-0.8
Europe	104,691	20.7	95,993	20.0	-8,698	-8.3
Asia/Oceania	165,733	32.8	151,466	31.6	-14,267	-8.6
Others	6,328	1.3	6,137	1.3	-190	-3.0

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

<Reference>

Supplementary data for the Full Year : from April 1, 2016 to March 31, 2017

The breakdown of changes in revenue and profit before tax

(Millions of Yen)

	FY2015	FY2016	Variance	Foreign exchange	Adjustment	Others
Revenue	505,714	478,927	-26,787	-34,440		7,653
Information Technology	178,749	160,617	-18,132	-11,355		-6,776
Electronics related products	132,861	124,247	-8,615	-8,780		166
Imaging related products	45,887	36,370	-9,517	-2,575		-6,942
Life Care	322,673	314,442	-8,232	-23,004		14,772
Health care related products	241,296	234,622	-6,674	-15,616		8,943
Medical related products	81,378	79,819	-1,558	-7,388		5,830
Profit before tax	119,099	110,795	-8,304	-6,772	① 863	-2,396
Information Technology	65,491	54,507	-10,984	-3,567	② -4,513	-2,903
Life Care	57,747	54,718	-3,029	-3,563	③ -854	1,388
Other, adjustment (Corporate)	-4,139	1,569	5,708	358	④ 6,230	-880

<All operations ~ Adjustments to "Profit from ordinary operating activities">

	All operations		
	FY2015	FY2016	Variance
Profit before tax	119,099	110,795	-8,304
Adjustments	187	1,051	① 863
Finance income	1,721	8,022	6,301
Finance costs	-976	-1,130	-154
Share of loss of associates	3	16	12
Foreign exchange (gain)/loss	-2,567	-2,389	178
Impairment losses	-981	-334	646
Gain on sales of assets	4,270	733	-3,536
Others	-1,284	-3,868	-2,584
Profit from ordinary operating activities	118,912	109,744	-9,168

<Segment ~ Adjustments to "Profit from ordinary operating activities">

	Information Technology			Life Care			Other, adjustment (Corporate)		
	FY2015	FY2016	Variance	FY2015	FY2016	Variance	FY2015	FY2016	Variance
Profit before tax	65,491	54,507	-10,984	57,747	54,718	-3,029	-4,139	1,569	5,708
Adjustments	1,561	-2,952	② -4,513	-1,183	-2,036	③ -854	-191	6,039	④ 6,230
Finance income	383	336	-48	331	374	43	1,007	7,313	6,306
Finance costs	-321	-221	100	-371	-589	-218	-283	-319	-36
Share of loss of associates	0	2	2	3	13	10	-	-	-
Foreign exchange (gain)/loss	-684	-861	-177	320	-424	-744	-2,203	-1,104	1,099
Impairment losses	-348	-244	103	-633	-90	543	-	-	-
Gain on sales of assets	3,273	617	-2,656	479	61	-419	517	56	-461
Others	-743	-2,581	-1,838	-1,312	-1,381	-68	771	93	-678
Profit from ordinary operating activities	63,930	57,460	-6,470	58,930	56,755	-2,175	-3,948	-4,470	-522