



## Hoya Reports Third Quarter Financial Results

**Tokyo, Japan**—February 1, 2019--HOYA Corporation (TOKYO: 7741 / ADR: HOCPY US) today announced its financial results for the third quarter ended December 31, 2018. During the quarter, revenue increased 4.9% year on year, reaching 143,425 million yen. Profit before tax amounted to 39,676 million yen with 33,143 million yen in net profit, representing year-on-year increases of 14.4% and 19.5%, respectively. Profit before tax ratio was 27.7%, representing a year-on-year increase of 2.3 points.

In the Life Care segment, Eyeglass lens sales were strong in Japan. At the same time, steady sales growth in the Americas and other factors drove overseas sales increases on a local currency basis. However, the overall impact of currency exchange rates resulted in sales level with the same period in the prior fiscal year. New store openings of our Eyecity contact lens specialty stores, as well as new customer expansion efforts at existing stores, resulted in higher year-on-year sales for contact lenses. Medical-use endoscope sales were higher year on year, supported by strong performance in the U.S. and Europe in response to measures to strengthen our sales systems, as well as to our introduction of new products. Sales of intraocular lenses for cataracts in Japan were solid. Although performance was strong overseas as well, our capture of a major project in the prior year led to results that underperformed year on year. As a result, sales for the Life Care segment grew 4.2% year on year, reaching 93,902 million yen. Segment profit rose 12.9% year on year to 19,144 million yen.

In the Information Technology segment, sales of mask blanks for semiconductors rose, owing mainly to active development demand for a next-generation semiconductor production technology called extreme ultraviolet lithography (EUVL). Sales revenues of photomasks for LCDs rose as we captured research and development demand, mainly for LCDs used in smartphones and other products. Sales of 2.5-inch glass substrates for hard disk drives were lower year on year. While our 2.5-inch products make up the majority of sales in this area, falling prices for NAND flash memory led to the greater erosion of 2.5-inch sales by solid state drives. Sales revenues of 3.5-inch products grew significantly, adopted for use in data centers, which are the end users of these products. As a result of these and other factors, we were able to maintain glass substrate sales level with the same period in the prior fiscal year. Smartphones and other developments continue to erode the digital camera market, driving our sales lower. The impact of market adjustments in China led to lower sales of our products for use in surveillance cameras and overall lower sales of imaging-related products. As a result, Information Technology segment sales revenues rose 6.2% year on year, reaching 48,275 million yen. Segment profit rose 18.3% to 21,510 million yen.

"We are less impacted by the cyclicity of the semiconductor and datacenter market, enabling us secure growth on relevant products. Also, our Life Care Business is showing great stability," said Hiroshi Suzuki, chief executive officer of HOYA. "This quarter is again a good example of our business portfolio system which allows us stable growth."

### Summary of Consolidated Financial Statement

(Millions of Yen)	Three months ended		Variance (%)
	Dec.31, 2017	Dec.31, 2018	
Revenue	136,759	143,425	+4.9%
Profit before tax	34,683	39,676	+14.4%
Net profit	27,727	33,143	+19.5%
Basic earnings per share (yen)	72.44	87.31	

\*Results are preliminary and unaudited.

The full reports are available at <http://www.hoya.co.jp/english/investor/library.html>