

# Consolidated Results for the 6 months from April 1 to September 30, 2022

November 9, 2022

# Points : Actual results for 1H FY2022

➤ Net sales and profit increased year on year in 1H FY2022.

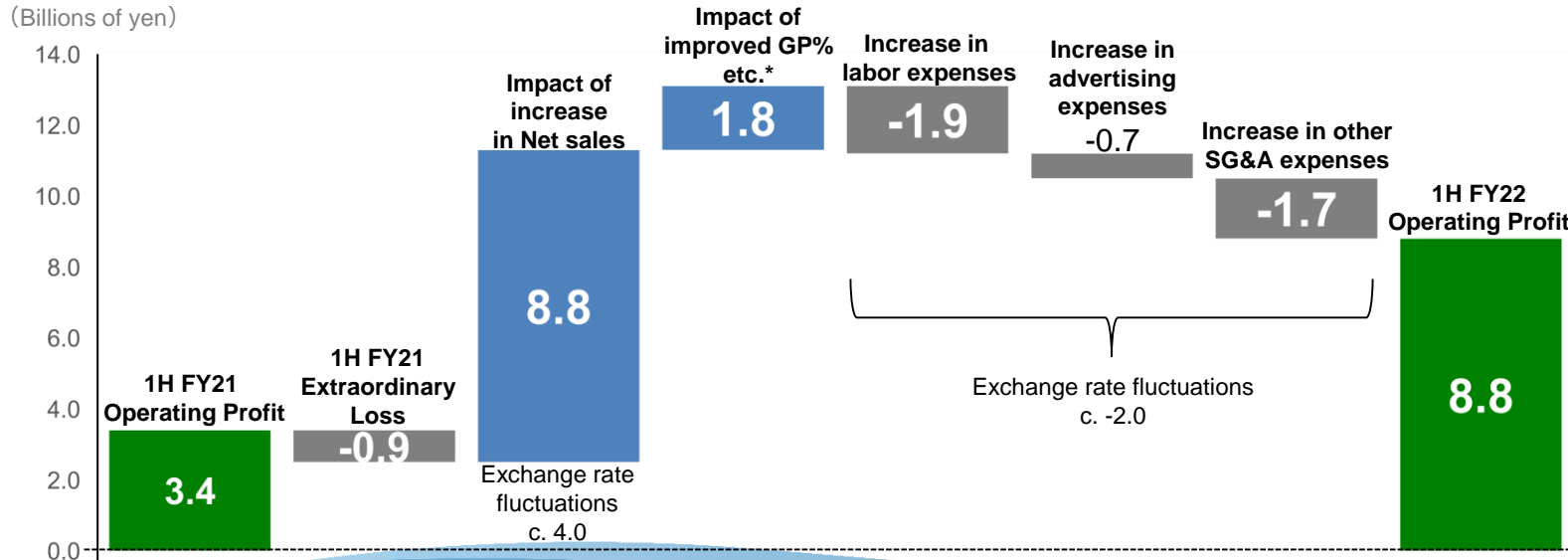
✓ Net Sales : 129.9 billion yen

(year-on-year +17.7%)

In the Emotional Value Solutions Business, the Watches Business and WAKO Business for the Japanese market recovered significantly on the back of improved personal consumption. In the Watches Business, net sales for overseas markets also grew in many countries and regions. The Devices Solutions Business continued to increase net sales by steadily capturing favorable demand. In the Systems Solutions Business, net sales exceeded those of the previous fiscal year, thanks to successful efforts to diversify business and expand the stock business.

✓ Operating Profit : 8.8 billion yen (year-on-year +156.2%)

## Factors of changes in operating profit



GP%		FY21	FY22	FY22	
		1H	Total	1H	Target
		41.2%	41.8%	42.8%	42.8%

Increase of 1.6pt

\*The impact of improved GP% is an aggregation of the impact of improved GP% for each business segment, and does not factor in the impact of GP% changes due to changes in the business structure.

# Points : Financial Forecast for FY2022

- **We have revised the financial forecast upward.** (Net sales : 257.0 billion yen, Operating profit : 12.0 billion yen)
- «Positive factors»
- During the six-month period ended September 30, 2022, both revenue and profits increased year on year in three business segments, exceeding the forecasts.
  - For the time being, exchange rates are expected to remain close to their current levels, which are expected to have a positive impact on the Group.
- «Risk factors»
- In the second half of FY2022, in addition to the effects of factors including soaring energy costs, there are concerns about the risk of economic recession in Europe, the U.S., China, and other countries.

(Billions of yen)

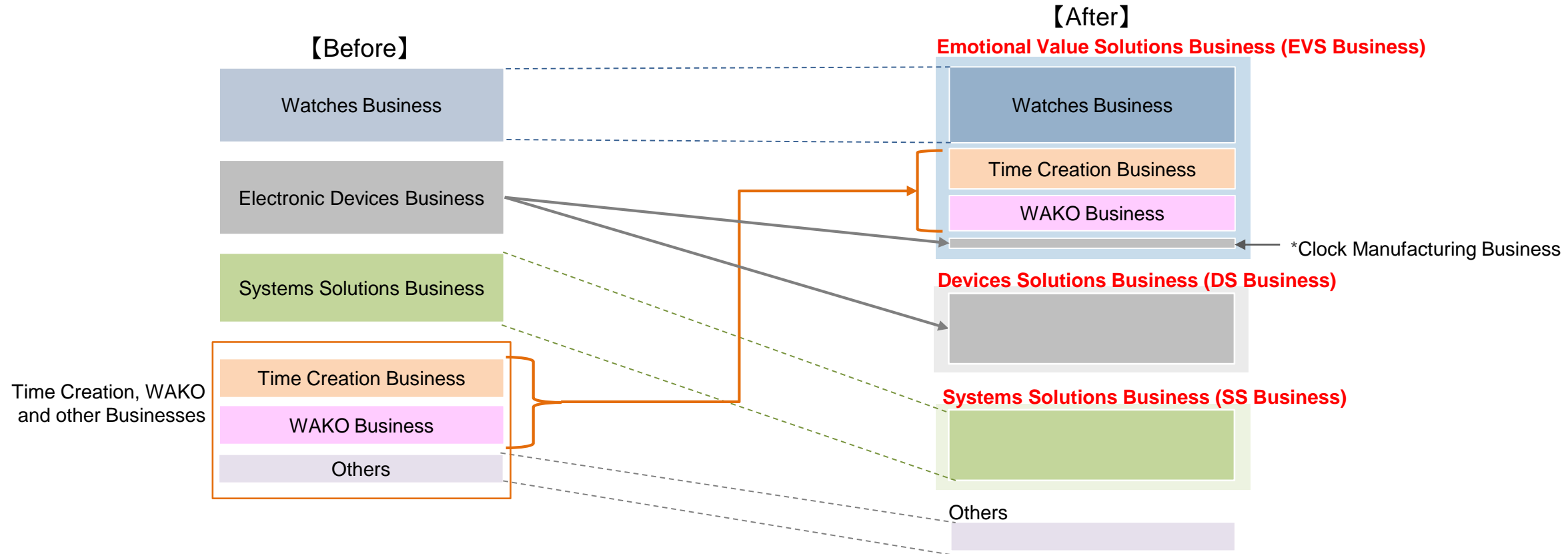
	Net sales			Operating Profit		
	Previous	Current	Variance	Previous	Current	Variance
Emotional Value Solutions Business	155.0	166.0	+11.0	9.7	11.0	+1.3
Devices Solutions Business	65.0	67.0	+2.0	5.8	6.4	+0.6
Systems Solutions Business	36.0	36.0	±0.0	4.5	4.5	±0.0
Total for reported segments	256.0	269.0	+13.0	20.0	21.9	+1.9
Others	2.5	1.0	-1.5	0.1	0.1	±0.0
Consolidated total	245.0	257.0	+12.0	10.0	12.0	+2.0

\*Consolidated total represents figures after consolidation adjustment such as the elimination of inter-segment sales.

# 1. Consolidated Results

# Changes in Segments

- ◆ To realize the Group 10-year vision, we have established three strategic domains based on the solutions we provide, and formulated and implemented strategies for each domain under the 8th Mid-Term Management Plan, “SMILE145.” Accordingly, reported segments have been changed from the fiscal year ending March 31, 2023.



- ◆ The actual results from FY2019 through FY2021 have been reclassified to reflect the new disclosure segments. The figures in this presentation are unaudited and provided for reference, except for 1Q of FY2021.

## Consolidated P/L for 1H FY2022 (Apr. - Sep. 2022)

		FY21 1H	FY22 1H	Variance		
				Amt.	%	
Net Sales		110.3	129.9	+19.5	+17.7%	<b>Net Sales : y/y +19.5</b> Exchange rate fluctuations c. +9.0
Gross Profit		45.5	55.6	+10.1	+22.3%	
%		41.2%	42.8%	+1.6pt		<b>Operating Profit : y/y +5.3</b> (Exchange rate fluctuations c. +2.0) Impact of increase in Net sales +8.3 Impact of improved GP% +1.7 Increase in SG&A expenses -4.7
Operating Profit		3.4	8.8	+5.3	+156.2%	
%		3.1%	6.8%	+3.7pt		
Ordinary Profit		3.5	9.5	+6.0	+168.7%	<b>Ordinary Profit : y/y +6.0</b> (Exchange rate fluctuations c. +2.5) Increase in Operating profit +5.3 Improve in Equity-method income +0.4 Others +0.1
%		3.2%	7.4%	+4.2pt		
Income before income taxes		2.7	9.4	+6.7	+249.0%	
Profit attributable to owners of parent		1.1	5.2	+4.0	+343.5%	<b>Extraordinary Income/Losses: -0.1</b> <u>Extraordinary Losses</u> 0.1 Loss on the spread of infectious disease 0.0 Business restructuring expenses 0.0
%		1.1%	4.1%	+3.0pt		
<b>Exchange Rates (JPY)</b>	USD	109.8	134.0	+24.2	+22.0%	
	EUR	130.9	138.8	+7.9	+6.0%	

(Billions of yen)

<b>Net Sales :</b>	<b>y/y</b>	<b>+19.5</b>
Exchange rate fluctuations		c. +9.0

<b>Operating Profit :</b>	<b>y/y</b>	<b>+5.3</b>
(Exchange rate fluctuations		c. +2.0)
Impact of increase in Net sales		+8.3
Impact of improved GP%		+1.7
Increase in SG&A expenses		-4.7

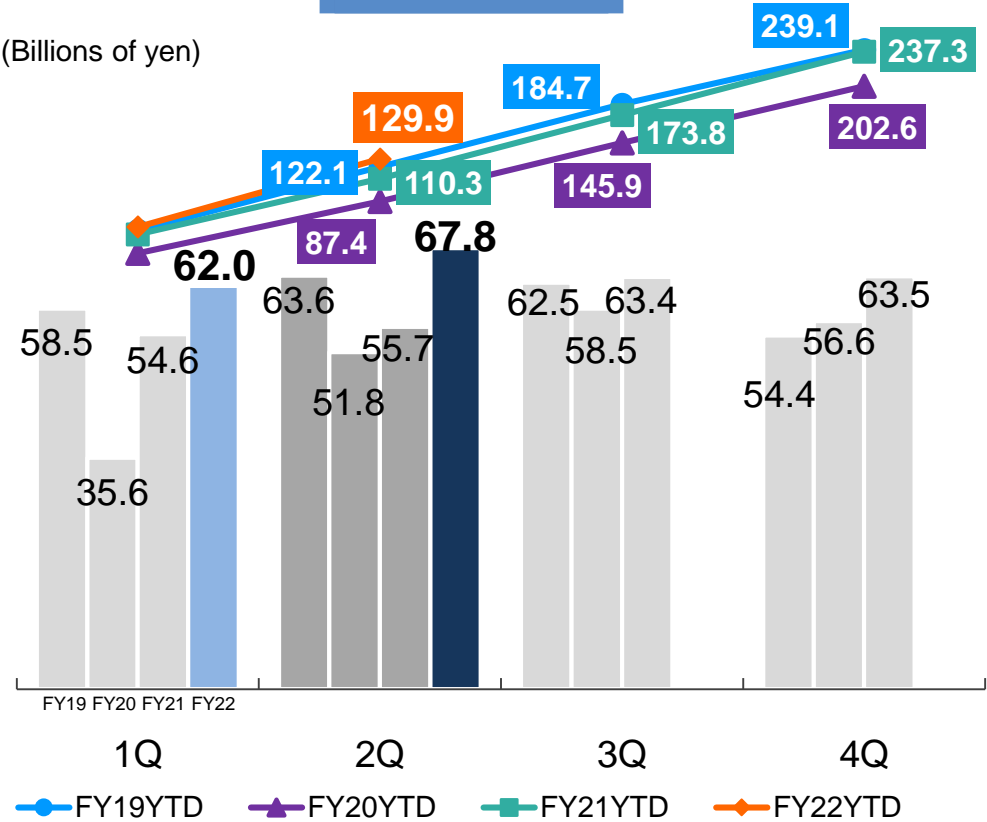
<b>Ordinary Profit :</b>	<b>y/y</b>	<b>+6.0</b>
(Exchange rate fluctuations		c. +2.5)
Increase in Operating profit		+5.3
Improve in Equity-method income		+0.4
Others		+0.1

<b>Extraordinary Income/Losses:</b>	<b>-0.1</b>
<u>Extraordinary Losses</u>	0.1
Loss on the spread of infectious disease	0.0
Business restructuring expenses	0.0

# Consolidated Quarterly Performance

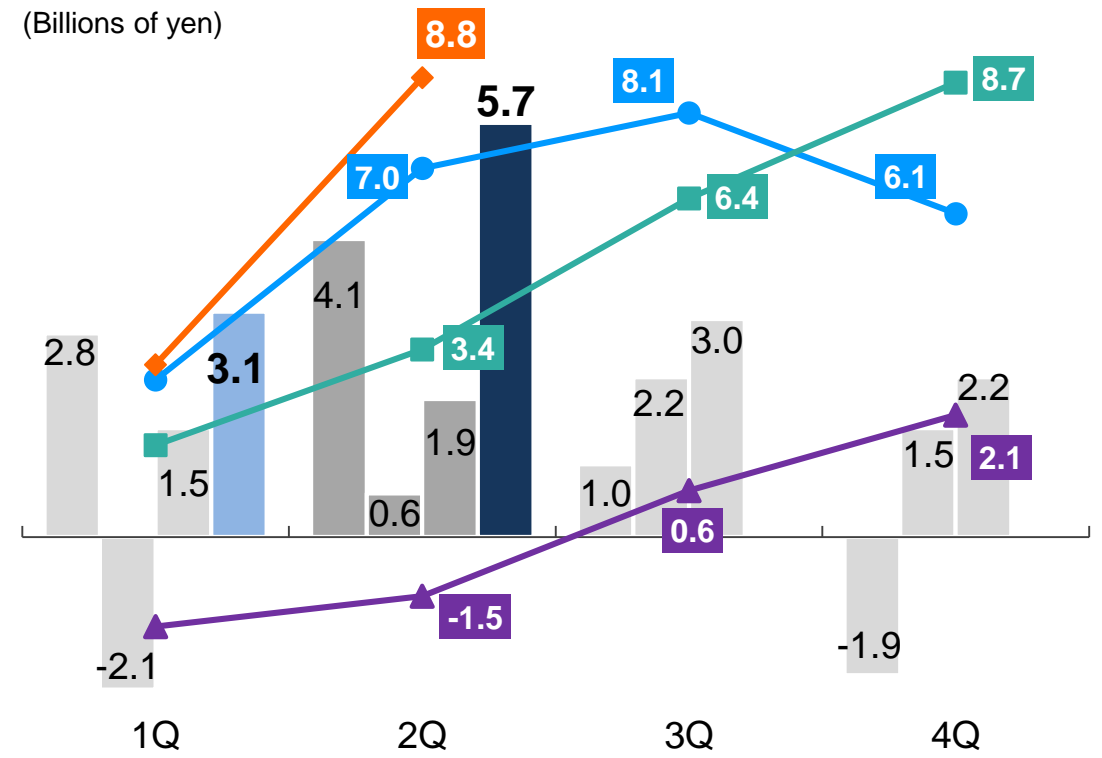
## Net Sales

(Billions of yen)



## Operating Profit

(Billions of yen)



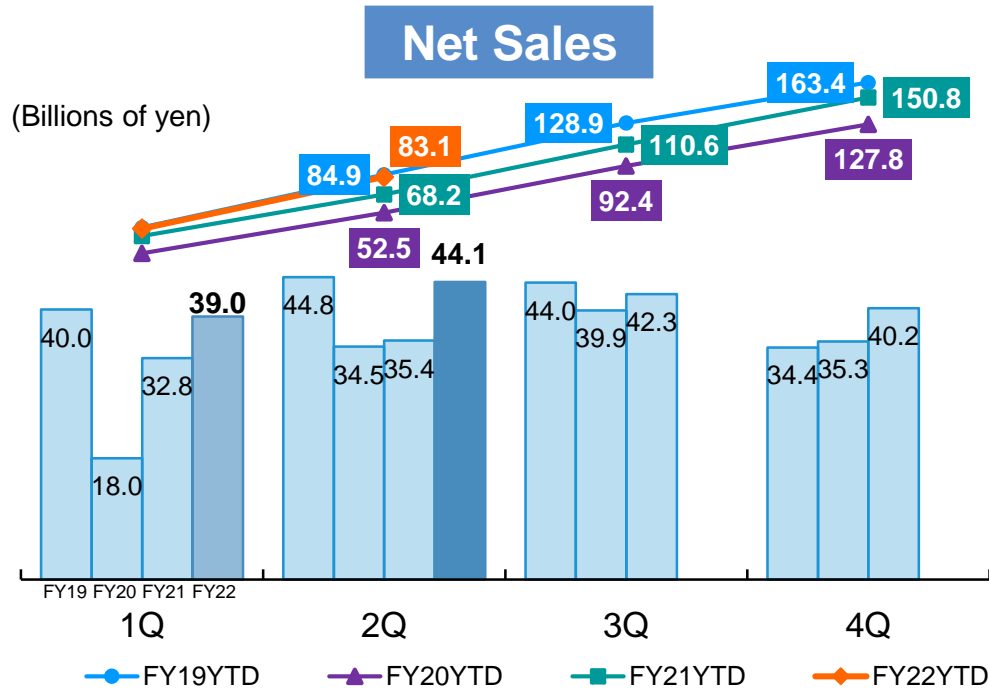
<Net sales growth % vs. previous fiscal year>

	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>+13.7%</b>	<b>+21.6%</b>				<b>+17.7%</b>
FY21	+53.3%	+7.5%	+8.5%	+12.1%	+17.1%	+26.2%
FY20	-39.2%	-18.4%	-6.5%	+4.1%	-15.3%	-28.4%

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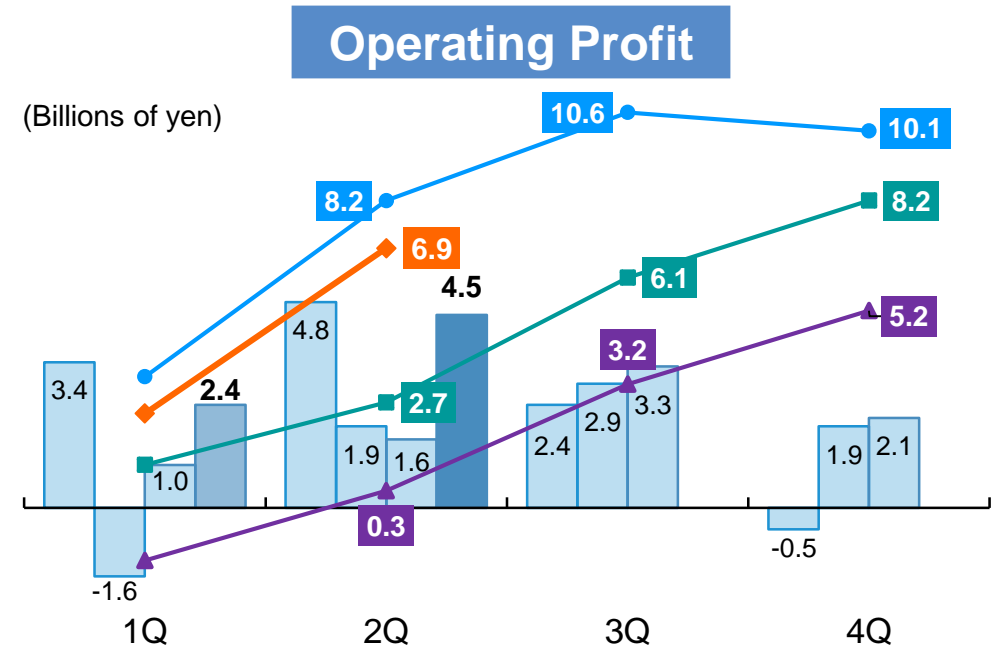
	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>5.0%</b>	<b>8.5%</b>				<b>6.8%</b>
FY21	2.8%	3.5%	4.8%	3.6%	3.7%	3.1%
FY20	-6.1%	1.3%	3.8%	2.6%	1.1%	-1.7%
FY19	4.8%	6.6%	1.8%	-3.6%	2.6%	5.7%

# Emotional Value Solutions Business (EVS)



<Net sales growth % vs. previous fiscal year>

	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>+18.8%</b>	<b>+24.4%</b>				<b>+21.7%</b>
FY21	+82.3%	+2.7%	+6.0%	+13.9%	+18.0%	+30.0%
FY20	-55.0%	-23.0%	-9.3%	+2.6%	-21.8%	-38.1%



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	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>6.2%</b>	<b>10.3%</b>				<b>8.4%</b>
FY21	3.3%	4.7%	7.9%	5.4%	5.5%	4.0%
FY20	-9.2%	5.8%	7.3%	5.5%	4.1%	0.6%
FY19	8.7%	10.7%	5.5%	-1.6%	6.2%	9.7%

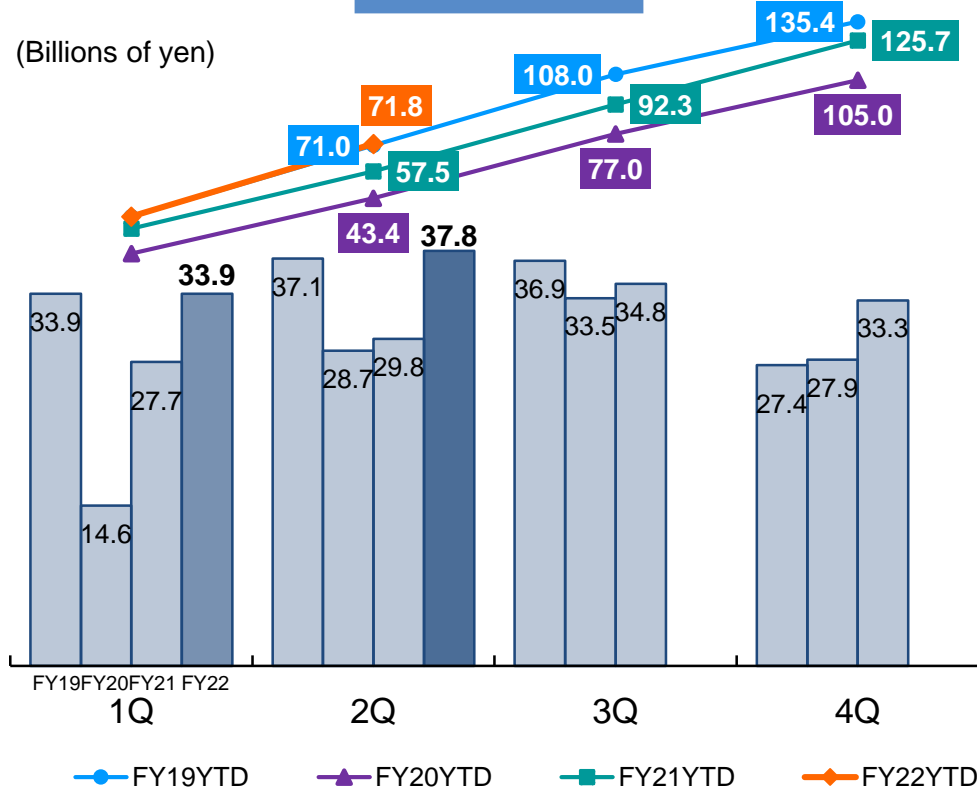
- ✓ **Watches** : The Business for the Japanese market recovered significantly on the back of improved personal consumption. Net sales for overseas markets also grew in many countries and regions.
- ✓ **Time Creation**: Net sales of clocks and system clocks were sluggish.
- ✓ **WAKO** : Net sales grew significantly year on year with the recovery of consumption in Japan.

\* The following belong to the EVS.  
 • The previous Watches Business  
 • Some of the businesses included in the previous Electronic Devices Business  
 • The Time Creation Business and WAKO Business in the previous Time Creation, WAKO and other Businesses  
 • Adjustment in the EVS

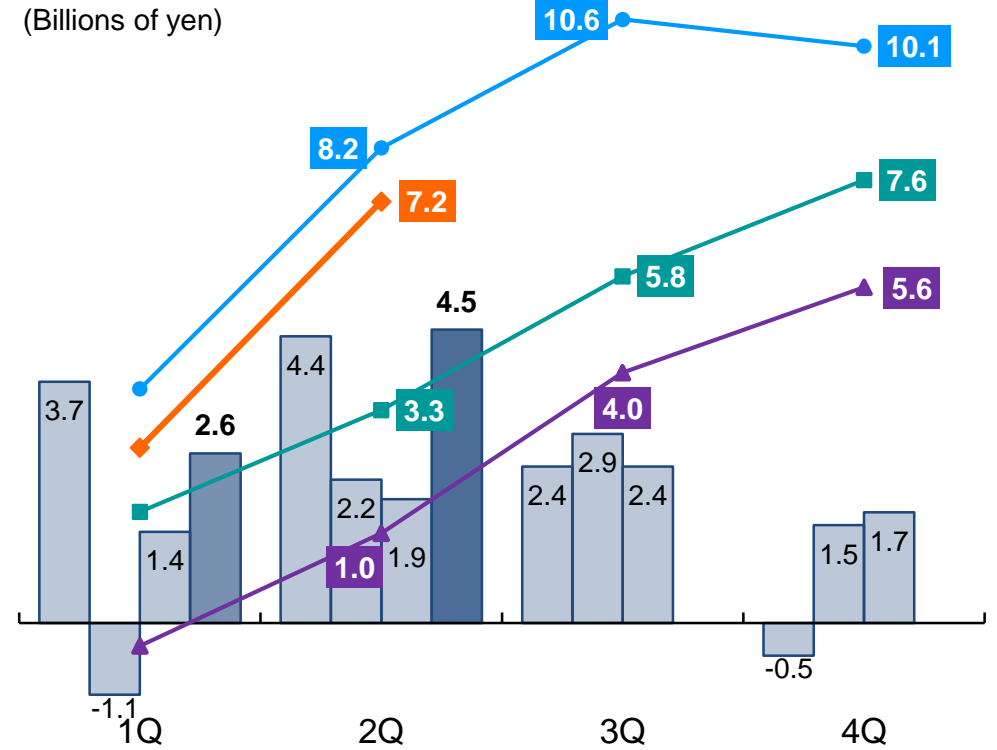


# Watches Business in EVS \*Reference

## Net Sales



## Operating Profit



<Net sales growth % vs. previous fiscal year>

	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>+22.3%</b>	<b>+27.0%</b>				<b>+24.7%</b>
FY21	+88.9%	+3.6%	+3.6%	+19.3%	+19.7%	+32.4%
FY20	-56.7%	-22.5%	-9.0%	+1.9%	-22.5%	-38.8%

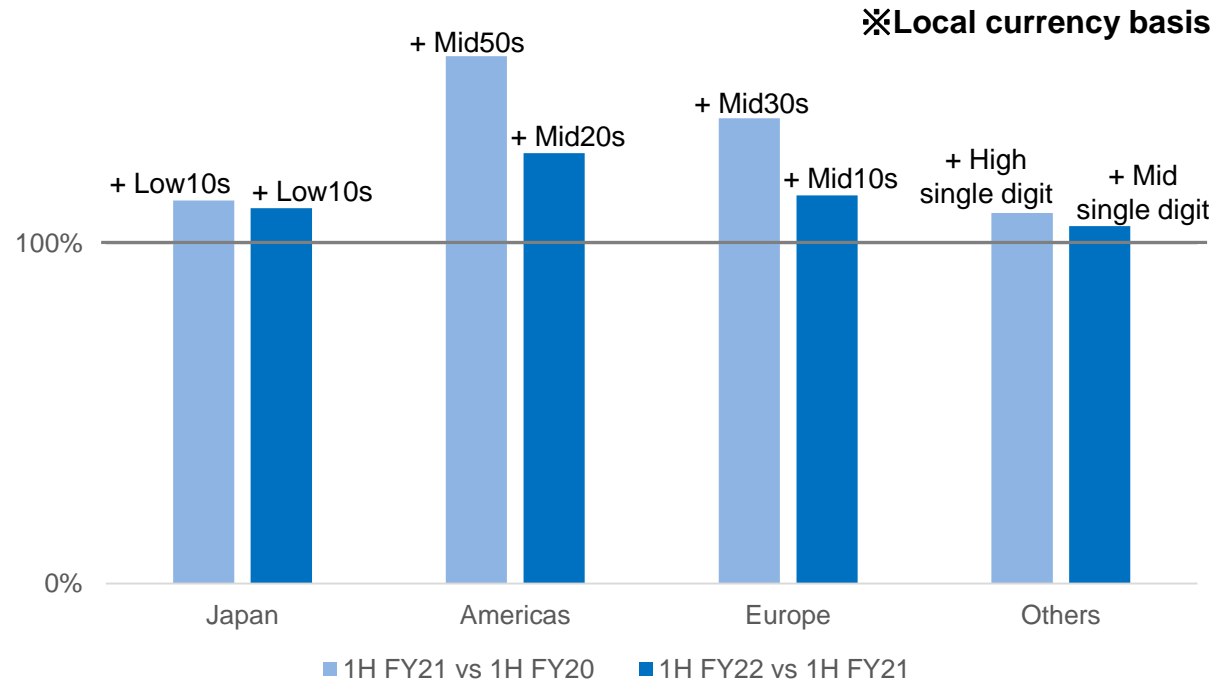
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	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>7.9%</b>	<b>12.1%</b>				<b>10.1%</b>
FY21	5.1%	6.6%	7.2%	5.3%	6.1%	5.9%
FY20	-7.9%	7.7%	8.8%	5.7%	5.3%	2.4%
FY19	11.1%	12.0%	6.7%	-1.9%	7.5%	11.5%

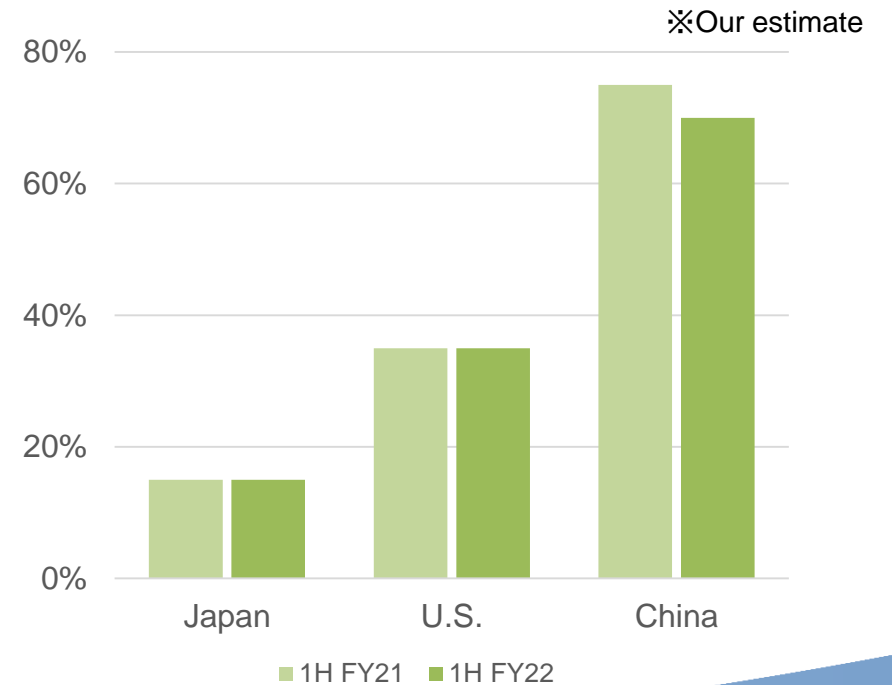
# Watches Business in EVS

- ✓ **Watches (In Japan)** : Net sales of completed watches in Japan grew significantly year on year, especially for Grand Seiko (GS) and Seiko Prospex, due to a recovery in personal consumption.
- ✓ **Watches (In Overseas)** : Net sales in the U.S. also rose significantly, driven by Global Brands (GB) such as GS. In Europe, net sales in the U.K., France, Germany, and other countries increased significantly due to favorable performance of GS in general. Meanwhile, in China, net sales decreased due to the impact of the lockdown and sluggish personal consumption that followed.
- ✓ **Movements** : Net sales increased especially for value-added movements.

**Completed Watches Net Sales Growth by Region (year-on-year)**



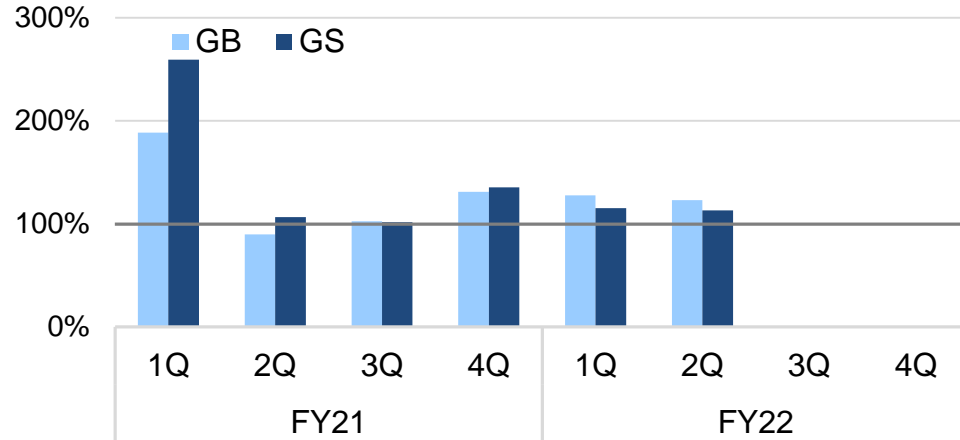
**EC Ratio in Completed Watches Net Sales**



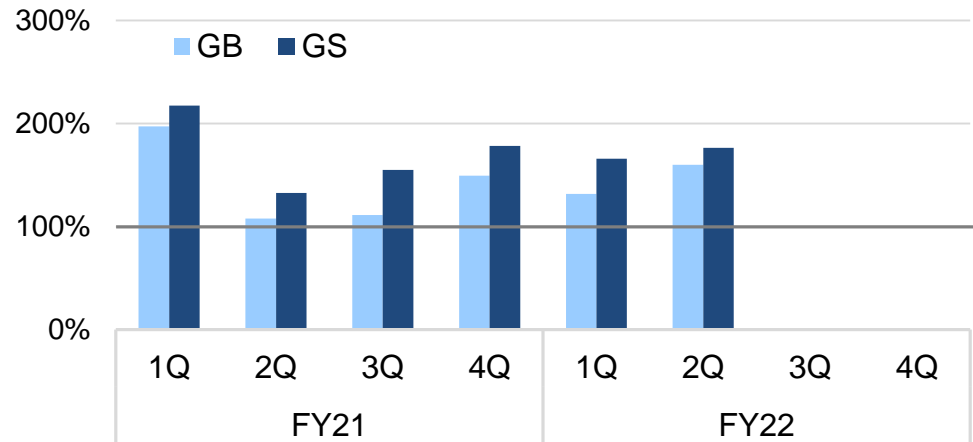
# Watches Business in EVS

## GB & GS Net Sales Growth (year-on-year)

### Japan



### Overseas

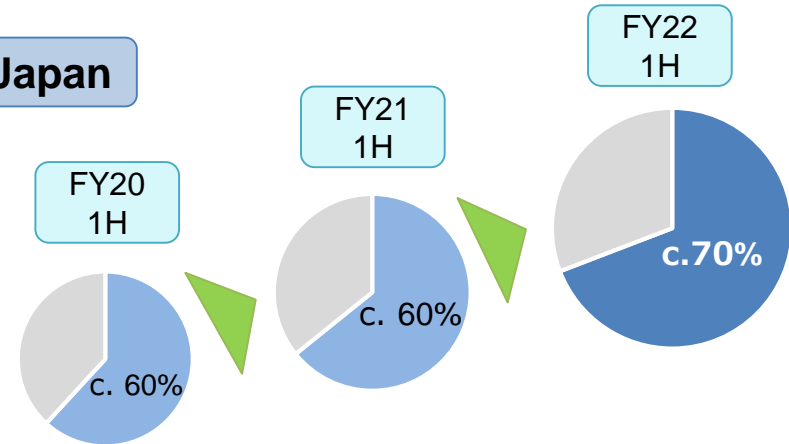


### GB (Global Brands)

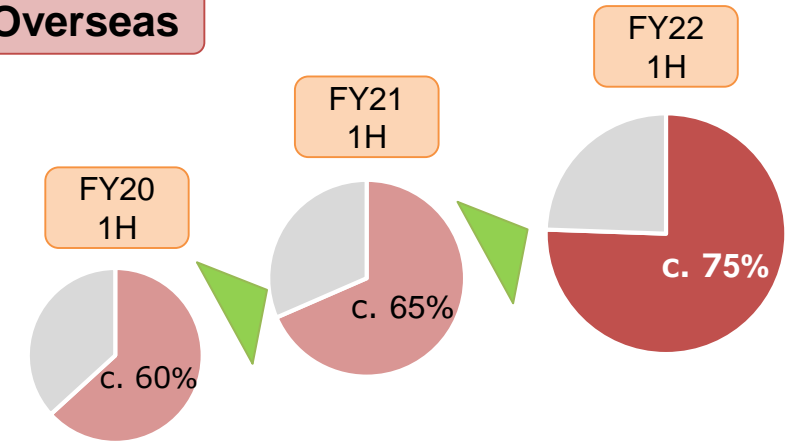
Grand Seiko (GS), Seiko Prospex, Seiko Astron, Seiko Presage, King Seiko, Seiko 5 Sports

## Ratio of GB to Net Sales

### Japan



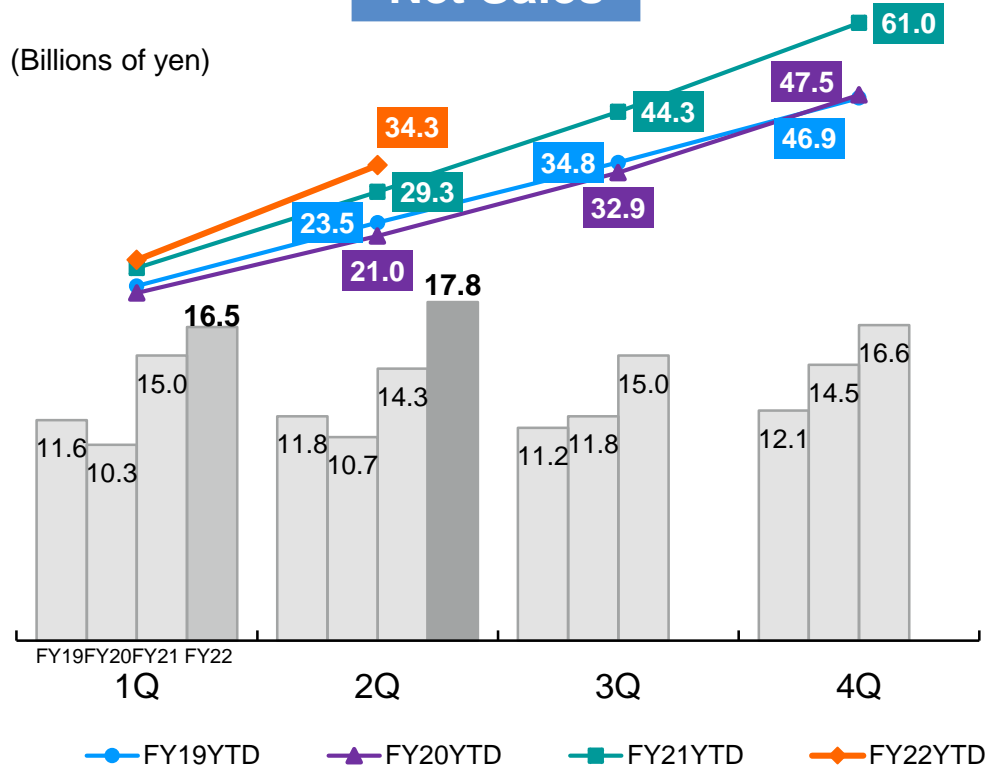
### Overseas



# Devices Solutions Business (DS)

## Net Sales

(Billions of yen)



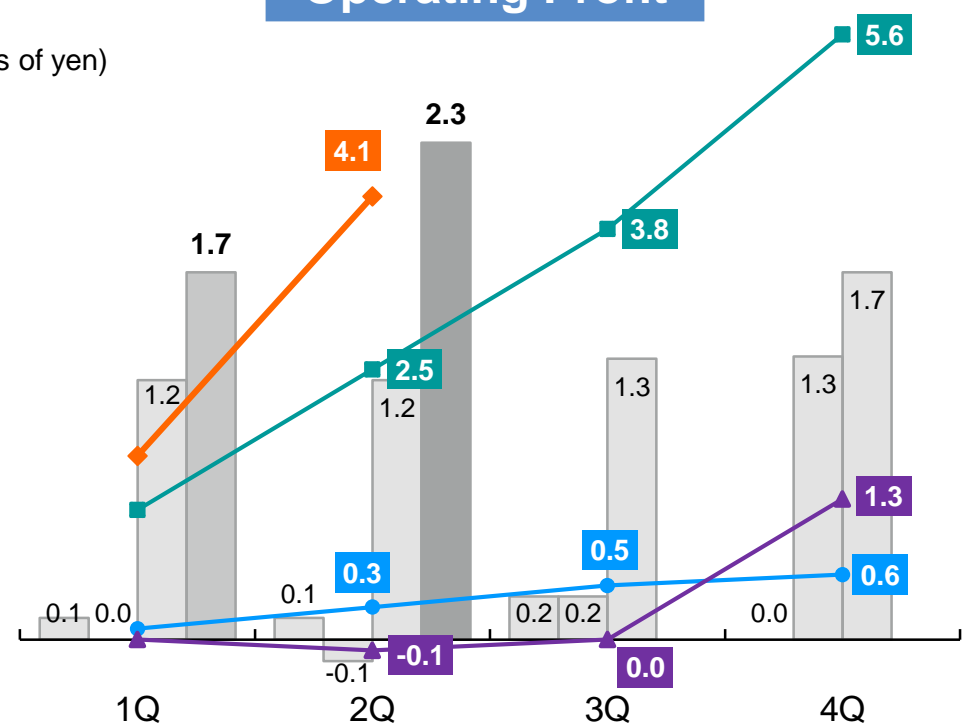
<Net sales growth % vs. previous fiscal year>

	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>+10.2%</b>	<b>+24.1%</b>				<b>+16.9%</b>
FY21	+45.2%	+33.6%	+26.6%	+14.3%	+28.5%	+39.3%
FY20	-11.7%	-9.1%	+5.2%	+20.0%	+1.2%	-10.4%

\*The DS includes the businesses previously in the Electronic Devices Business, other than those that have been changed to the EVS.

## Operating Profit

(Billions of yen)



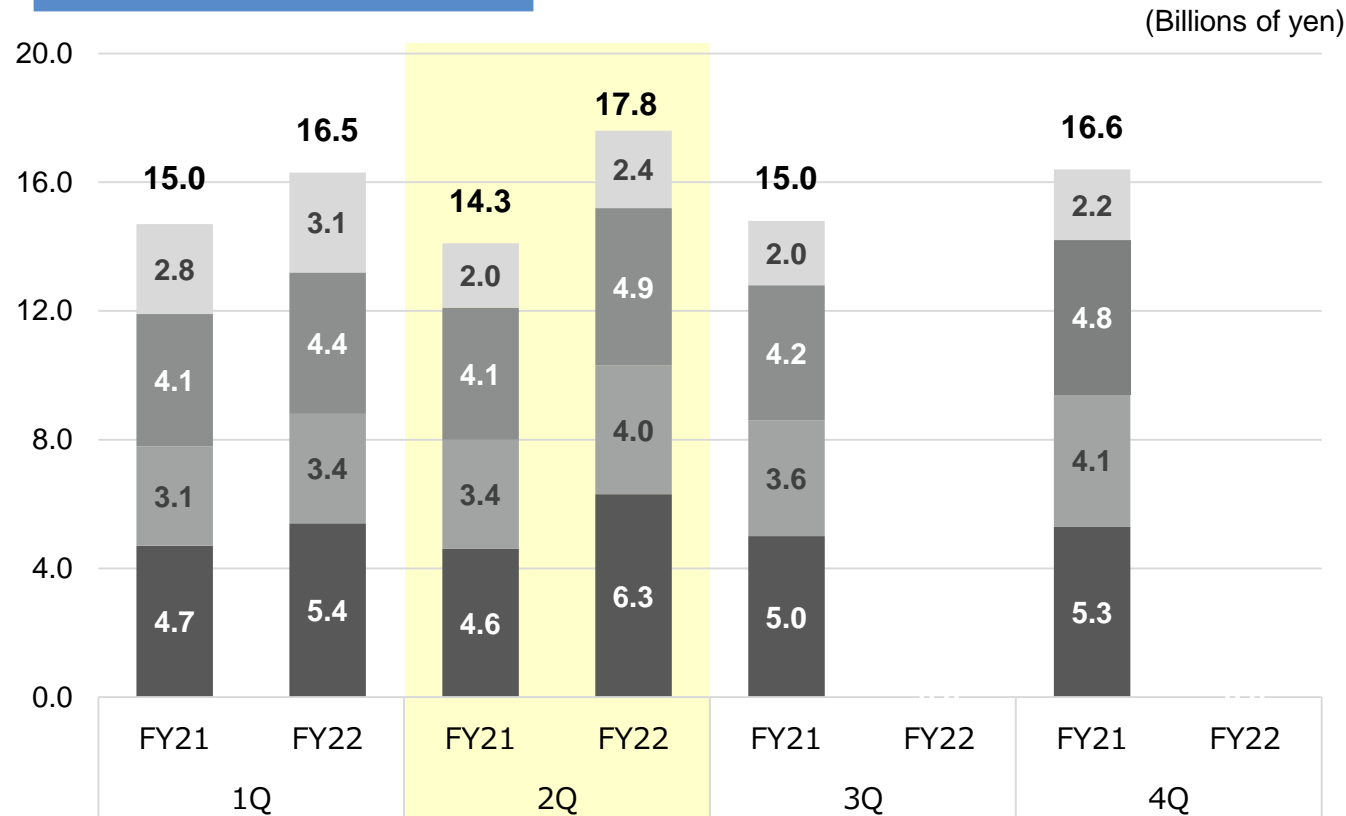
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	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>10.8%</b>	<b>13.2%</b>				<b>12.0%</b>
FY21	8.4%	8.7%	9.1%	10.6%	9.2%	8.5%
FY20	0.1%	-1.7%	1.9%	9.0%	2.9%	-0.8%
FY19	1.6%	1.6%	2.0%	0.6%	1.4%	1.6%

# Devices Solutions Business (DS)

- ✓ Business results of some products were affected by the lockdown in China and other factors. However, favorable performance continued for thermal printers, micro batteries for medical equipment, quartz crystals, high-performance metals for semiconductor production equipment, oscillators, and other products. As a result, both revenue and profits grew significantly year on year.

## Net Sales by Category



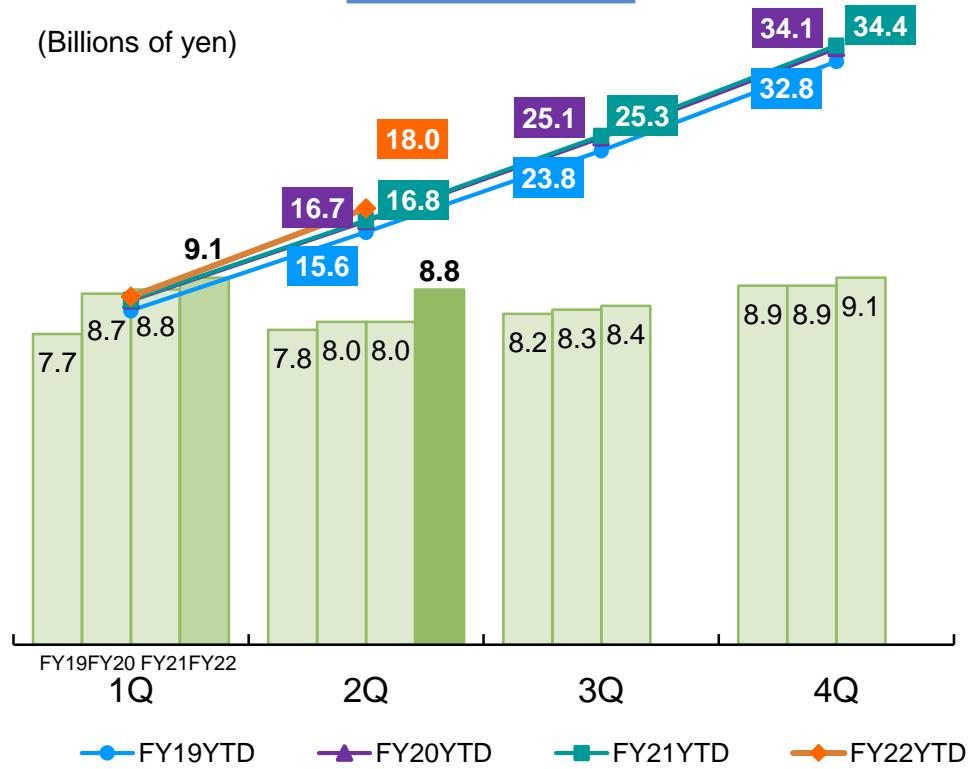
### Main Products and Services

- Others**  
 Integrated circuits for crystal oscillators,  
 Integrated circuits for sensors
- Printing Devices**  
 Inkjet printheads, Thermal printers
- Precision Devices**  
 Hard disk drive components,  
 Automobile parts,  
 Other precision turned parts
- Electronic Devices**  
 Micro batteries, Chip capacitors,  
 Crystal oscillators,  
 High-performance metal products,  
 Rare earth magnets

# Systems Solutions Business (SS)

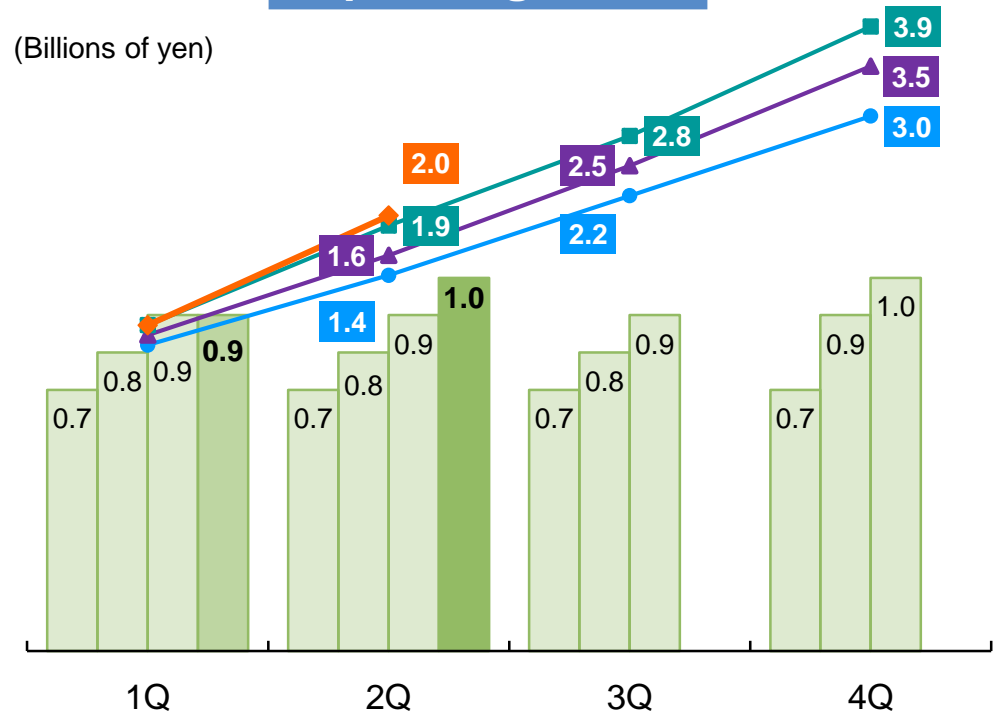
## Net Sales

(Billions of yen)



## Operating Profit

(Billions of yen)



<Net sales growth % vs. previous fiscal year>

	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>+3.6%</b>	<b>+10.3%</b>				<b>+6.8%</b>
FY21	+0.5%	+0.7%	+1.0%	+1.3%	+0.9%	+0.6%
FY20	+13.3%	+1.4%	+1.0%	+0.6%	+3.9%	+7.3%

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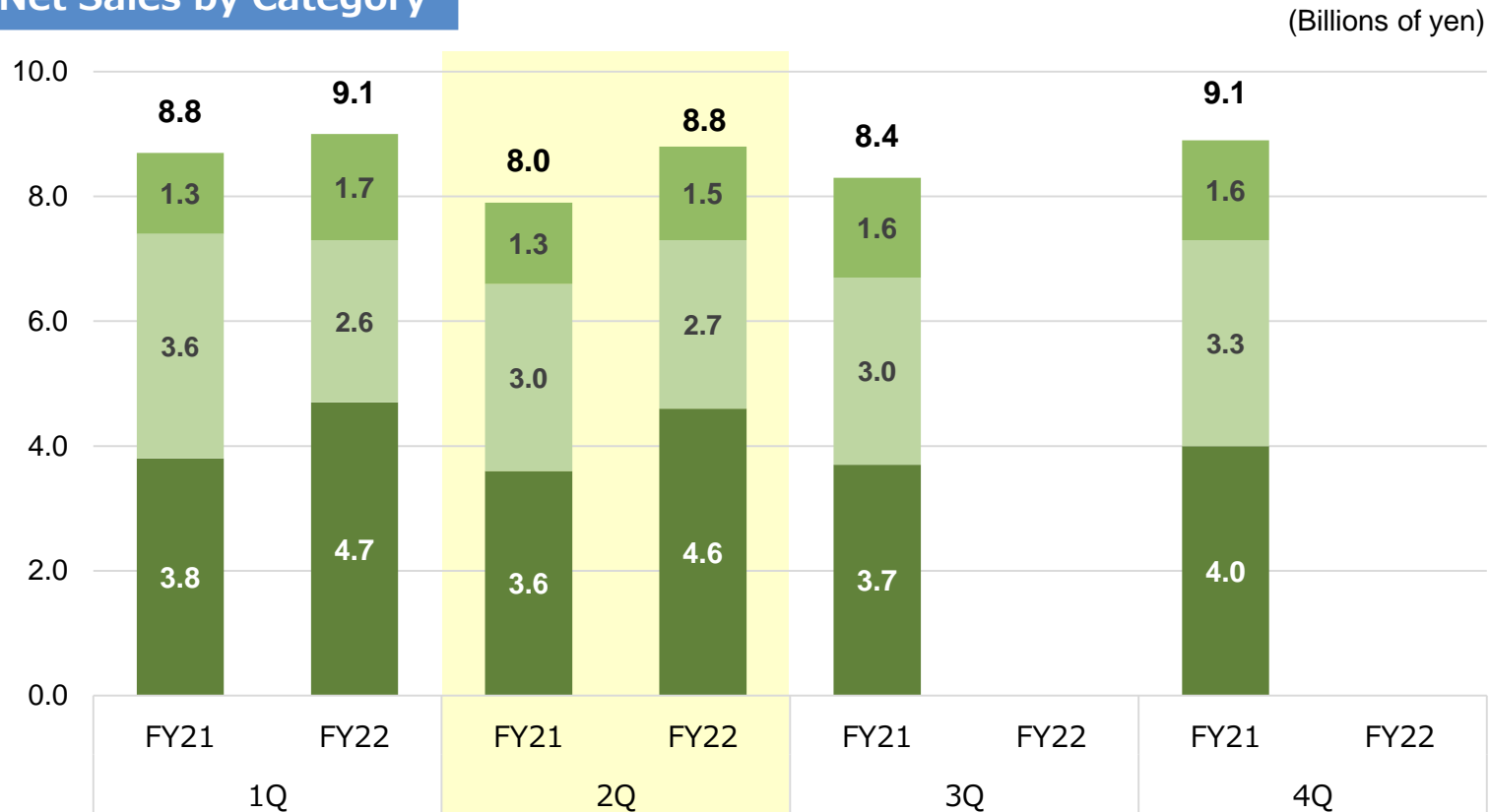
	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>10.7%</b>	<b>11.7%</b>				<b>11.2%</b>
FY21	10.7%	11.9%	11.3%	12.0%	11.5%	11.3%
FY20	9.5%	10.7%	10.5%	10.8%	10.4%	10.1%
FY19	9.8%	9.1%	9.0%	8.9%	9.2%	9.4%

\*The SS is the same as the previous Systems Solutions Business.

# Systems Solutions Business (SS)

- ✓ In some industries, such as food service, a trend toward recovery from the coronavirus pandemic was observed. In addition, performance management and security-related business and other businesses performed steadily, and system-related and payment-related businesses grew, resulting in continued year-on-year growth in both revenue and profits for 26 consecutive quarters.

## Net Sales by Category



### Main Products and Services

- Payment-Related Business**  
Payment products / services,  
Systems for restaurants
- IoT-Related Business**  
IoT embedded devices,  
IT products / services for consumers  
(Mobile communication devices etc.)
- System-Related Business**  
Network equipment / services,  
Financial / distribution products / services,  
IT system performance management

## Balance Sheets as of September 30, 2022

(Billions of yen)

	Sep. 30, 2020	Sep. 30, 2021	Mar. 31, 2022(a)	Sep. 30, 2022(b)	Variance (b)-(a)
Inventories	72.4	73.4	73.0	85.5	+12.4
Interest Bearing Debt	135.2	125.8	121.7	133.7	+12.0

Net Assets	104.5	116.4	121.6	133.7	+12.1
Total Assets	311.0	322.3	327.5	355.1	+27.5

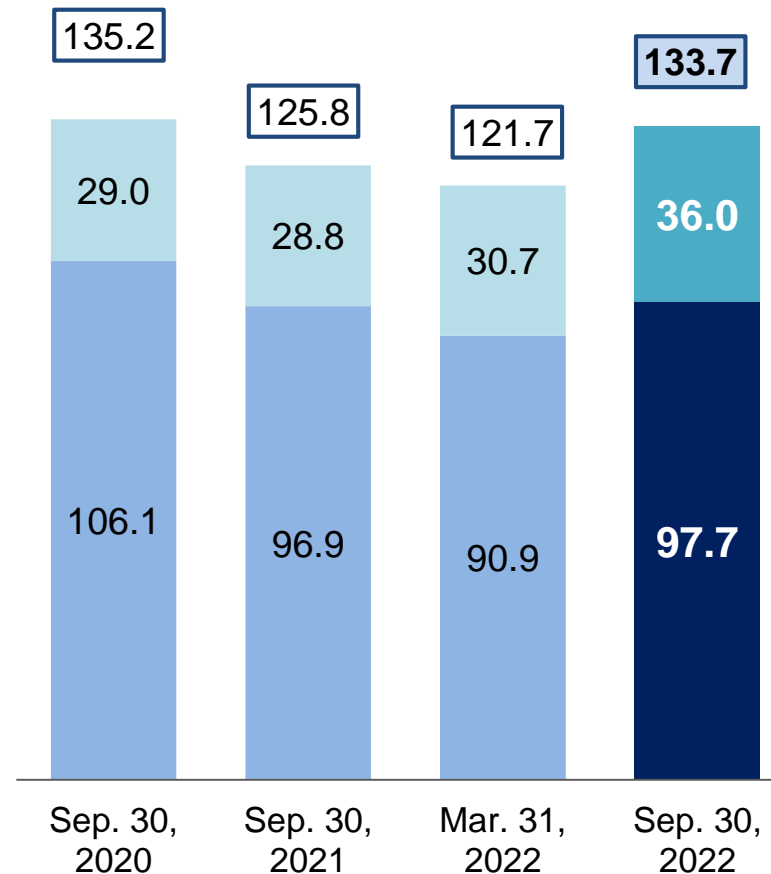
Equity Capital Ratio	33.2%	35.7%	36.7%	37.2%	+0.5pt
Net Debt Equity Ratio	1.0	0.8	0.7	0.7	-0.0
Number of Employees	12,193	12,013	11,984	12,146	+162

## Interest Bearing Debt

(Billions of yen)

■ Cash & Deposits    ■ Interest Bearing Debt

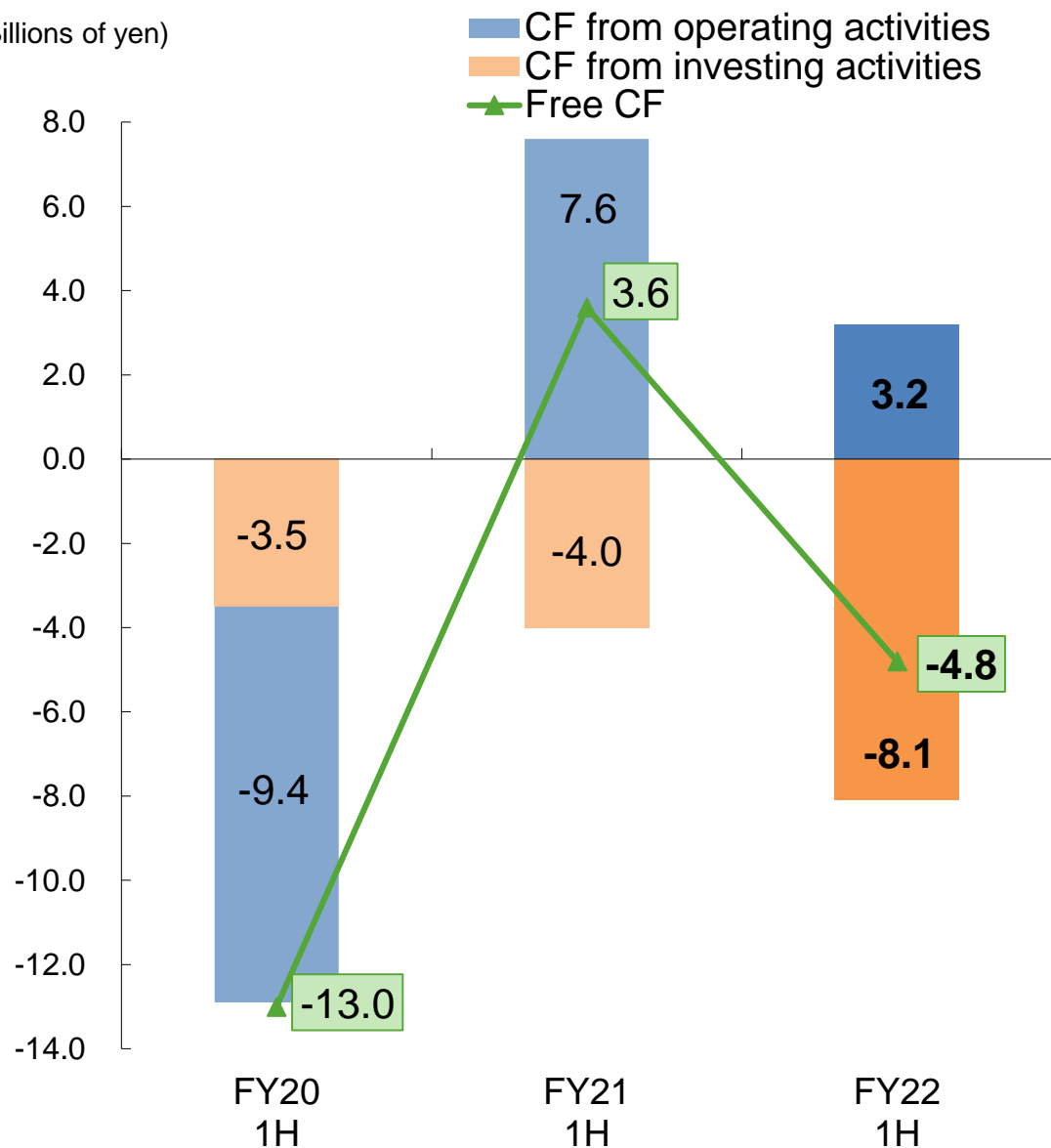
■ Net Interest Bearing Debt  
(Interest Bearing Debt - Cash & Deposits)





## Statement of Cash Flows

(Billions of yen)



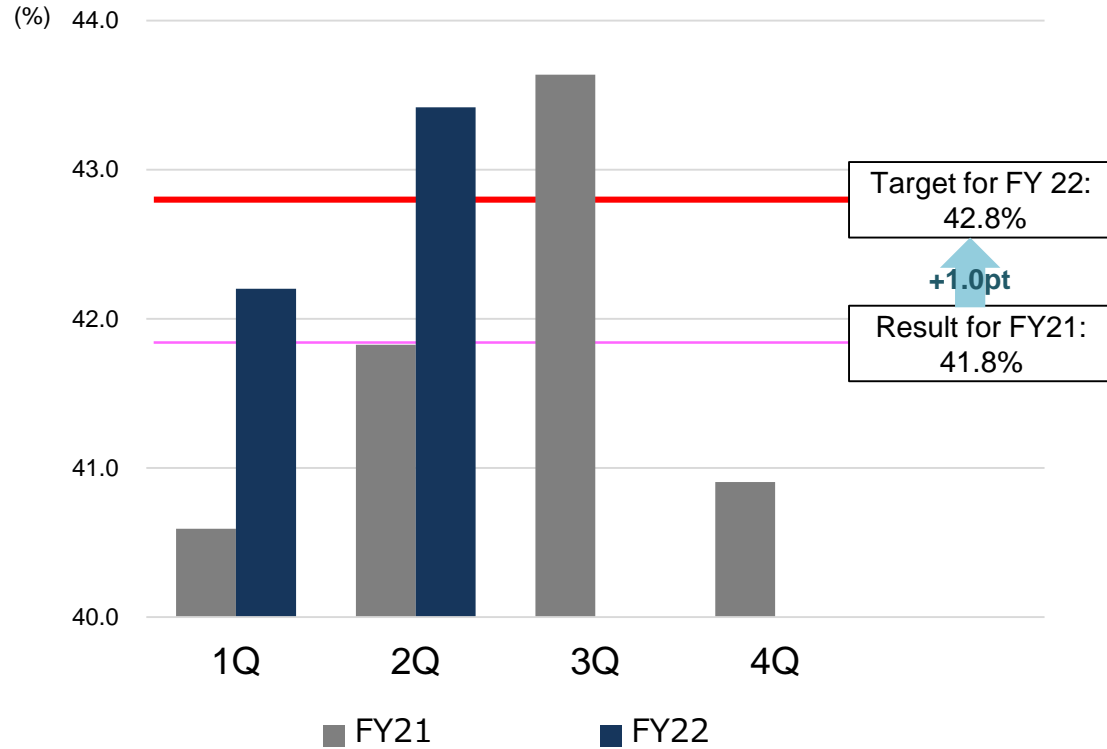
(Billions of yen)

	FY20 1H	FY21 1H	FY22 1H
Profit before income taxes	3.4	2.7	9.4
Depreciation	5.1	5.2	6.1
Others	-18.1	-0.3	-12.3
<b>Net cash provided by (used in) operating activities</b>	-9.4	7.6	3.2
Purchase of property, plant and equipment	-12.6	-3.2	-6.4
Others	9.1	-0.8	-1.6
<b>Net cash provided by (used in) investing activities</b>	-3.5	-4.0	-8.1
Net increase (decrease) in short- and long-term borrowings	18.4	-4.9	9.1
Others	-2.6	-2.1	-1.9
<b>Net cash provided by (used in) financing activities</b>	15.8	-7.1	7.1
Effect of exchange rate change on cash and cash equivalents etc.	-0.1	-0.0	2.8
<b>Cash and cash equivalents</b>	28.8	28.8	35.8
<b>Free cash flow</b>	-13.0	3.6	-4.8

# KPI of SMILE145 (8<sup>th</sup> Mid-Term Management Plan)

## Gross Profit Margin (GP%)

Cons. Total



	1Q	2Q	3Q	4Q	Total	1H
<b>FY22</b>	<b>42.2%</b>	<b>43.4%</b>				<b>42.8%</b>
FY21	40.6%	41.8%	43.6%	40.9%	41.8%	41.2%

	FY21		FY22	FY22
	1H	Total	1H	Target
Cons. Total	41.2%	41.8%	42.8%	42.8%

## GP% by Segment (y/y)

	1H
Emotional Value Solutions Business (EVS)	+1.6pt
Devices Solutions Business (DS)	+1.8pt
Systems Solutions Business (SS)	+1.2pt



Sustainability & Backcasting

## 2. Financial Forecast for FY2022

## Summary of Financial Forecast for FY2022

(Billions of yen)

	Full Year					2H (6 months)		
	FY2021 Actual	FY2022 Forecast		Variance vs. FY2021	Variance vs. Previous	FY2021 Actual	FY2022 Forecast (Nov. 8)	Variance vs. FY2021
		Previous (Aug. 9)	Current (Nov. 8)					
Net sales	237.3	245.0	257.0	+19.6	+12.0	126.9	127.0	+0.0
Gross profit margin (GP%)	41.8%	42.8%	42.8%	+1.0pt	±0.0pt	42.3%	42.7%	+0.4pt
Operating profit	8.7	10.0	12.0	+3.2	+2.0	5.3	3.1	-2.1
%	3.7%	4.1%	4.7%	+1.0pt	+0.6pt	4.2%	2.5%	-1.7pt
Ordinary profit	9.9	10.5	13.0	+3.0	+2.5	6.3	3.4	-2.9
%	4.2%	4.3%	5.1%	+0.9pt	+0.8pt	5.0%	2.7%	-2.3pt
Profit attributable to owners of parent	6.4	7.5	8.5	+2.0	+1.0	5.2	3.2	-2.0
%	2.7%	3.1%	3.3%	+0.6pt	+0.2pt	4.1%	2.5%	-1.6pt

\*Exchange rates for the forecast 2H: JPY 140 / USD 1.00, JPY 135 / EUR 1.00

## Financial Forecast for FY2022 by Segment

		Net sales					Operating profit				
		FY2021 Actual	FY2022 Forecast		Variance vs. FY2021	Variance vs. Previous	FY2021 Actual	FY2022 Forecast		Variance vs. FY2021	Variance vs. Previous
			Previous (Aug. 9)	Current (Nov. 8)				Previous (Aug. 9)	Current (Nov. 8)		
Emotional Value Solutions	Watches	125.7	129.0	140.0	+14.2	+11.0	7.6	9.2	10.9	+3.2	+1.7
	Others · adj.	25.1	26.0	26.0	+0.8	±0.0	0.6	0.5	0.1	-0.5	-0.4
	Sub Total	150.8	155.0	166.0	+15.1	+11.0	8.2	9.7	11.0	+2.7	+1.3
Devices Solutions		61.0	65.0	67.0	+5.9	+2.0	5.6	5.8	6.4	+0.7	+0.6
Systems Solutions		34.4	36.0	36.0	+1.5	±0.0	3.9	4.5	4.5	+0.5	±0.0
Sub Total		246.3	256.0	269.0	+22.6	+13.0	17.8	20.0	21.9	+4.0	+1.9
Others		1.0	2.5	1.0	-0.0	-1.5	0.2	0.1	0.1	-0.1	±0.0
Cons. adj.		-10.0	-13.5	-13.0	-2.9	+0.5	-9.3	-10.1	-10.0	-0.6	+0.1
Cons. Total		237.3	245.0	257.0	+19.6	+12.0	8.7	10.0	12.0	+3.2	+2.0

(Billions of yen)

\*Exchange rates for the forecast 2H: JPY 140 / USD 1.00, JPY 135 / EUR 1.00

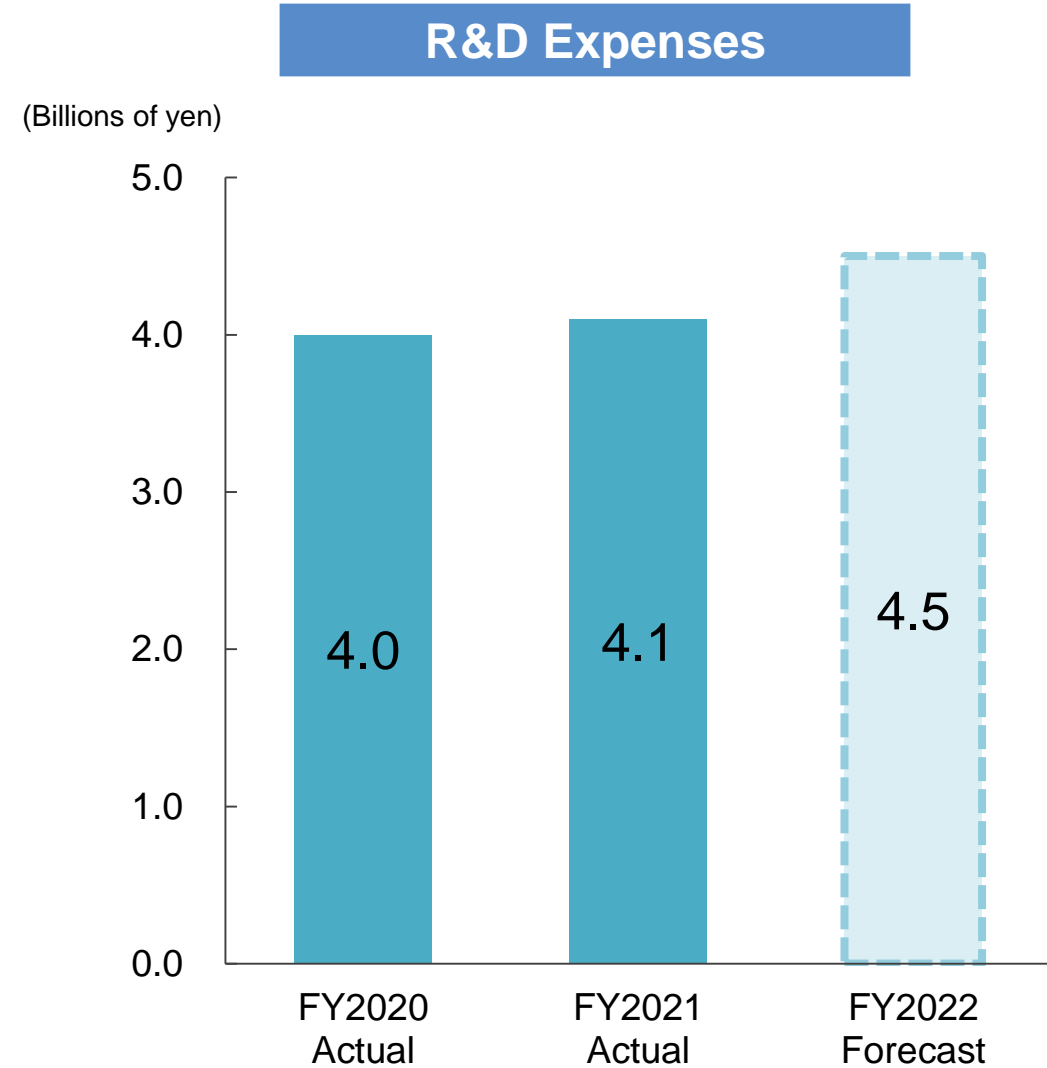
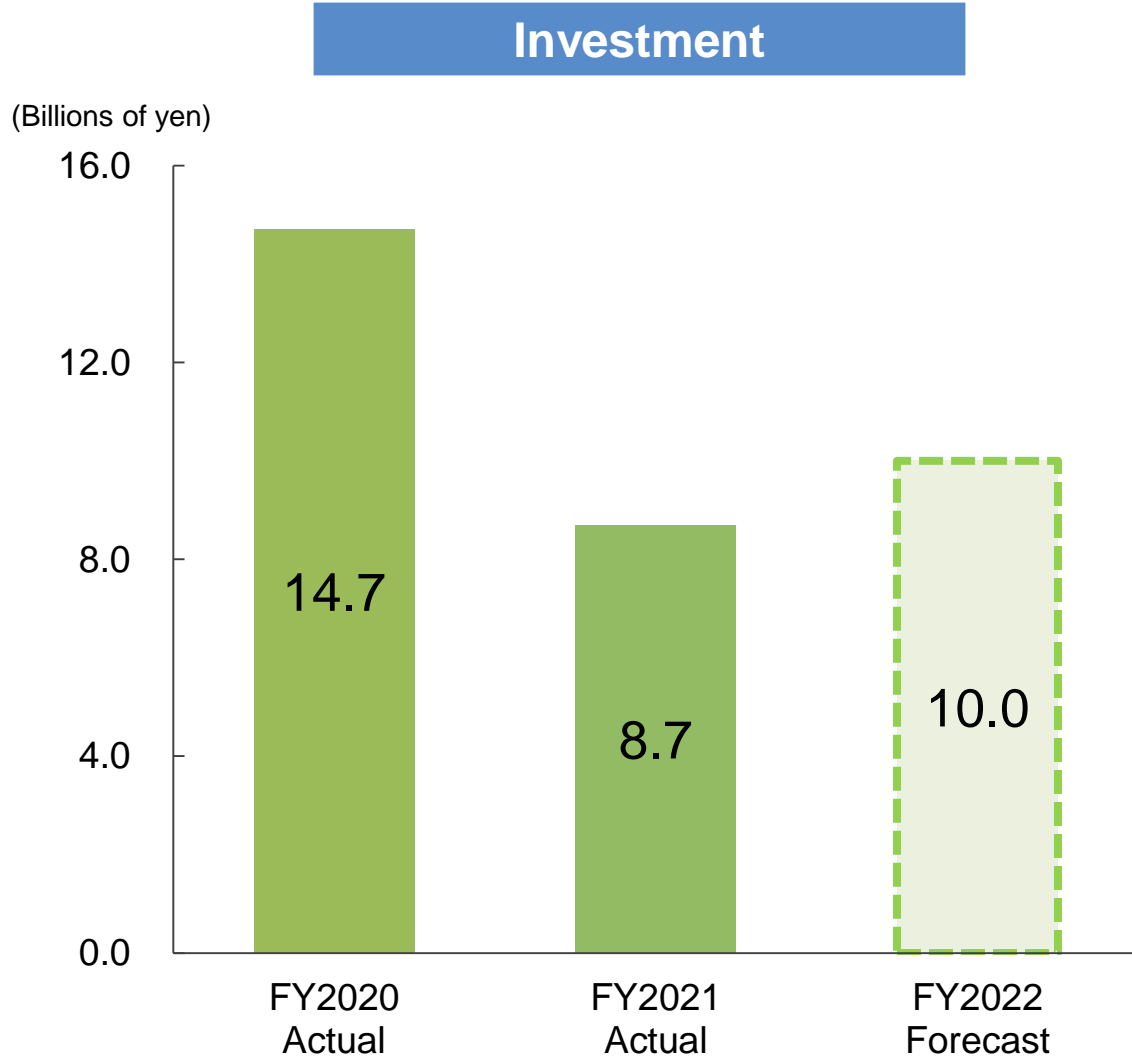
## Financial Forecast for FY2022 by Segment

		Net sales 2H (6 months)			Operating profit 2H (6 months)		
		FY2021 Actual	FY2022 Forecast (Nov. 8)	Variance vs. FY21	FY2021 Actual	FY2022 Forecast (Nov. 8)	Variance vs. FY21
Emotional Value Solutions	Watches	68.1	68.1	+0.0	4.2	3.6	-0.6
	Others · adj.	14.4	14.6	+0.2	1.2	0.4	-0.8
	Sub Total	82.5	82.8	+0.2	5.5	4.0	-1.5
Devices Solutions		31.6	32.6	+0.9	3.1	2.2	-0.8
Systems Solutions		17.5	17.9	+0.4	2.0	2.4	+0.4
Sub Total		131.8	133.4	+1.6	10.7	8.7	-1.9
Others		0.5	0.4	-0.0	0.1	0.0	-0.1
Cons. adj.		-5.3	-6.8	-1.5	-5.5	-5.6	-0.1
Cons. Total		126.9	127.0	+0.0	5.3	3.1	-2.1

(Billions of yen)

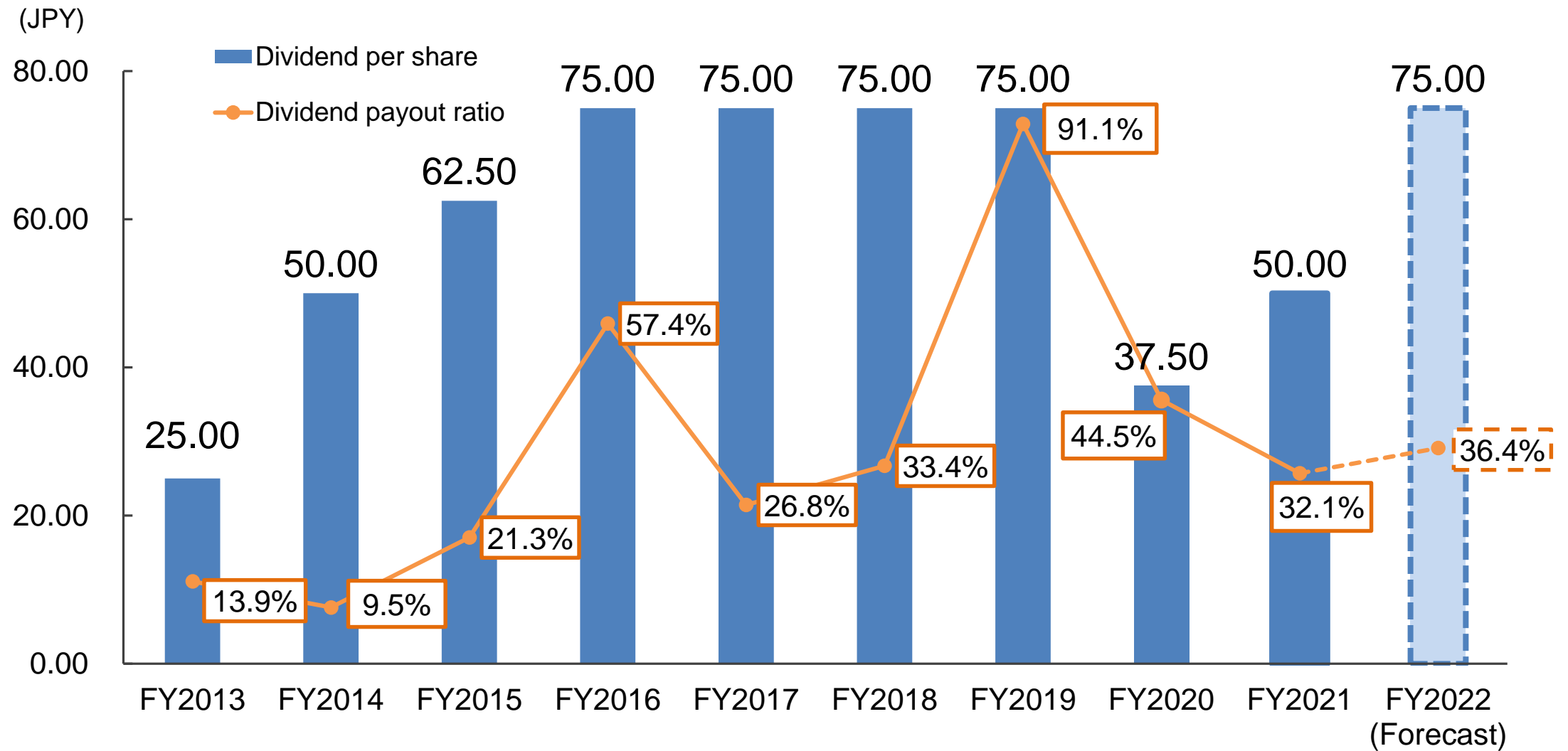
\*Exchange rates for the forecast 2H: JPY 140 / USD 1.00, JPY 135 / EUR 1.00

## Investment / R&amp;D Expenses



\*No changes in the forecast for FY2022 from that released on August 9, 2022.

## Shareholder Returns



\*The Company conducted a share consolidation of every five shares of its common stock into one share as of October 1, 2017. The annual dividends above reflect the share consolidation.



# Exchange Rates

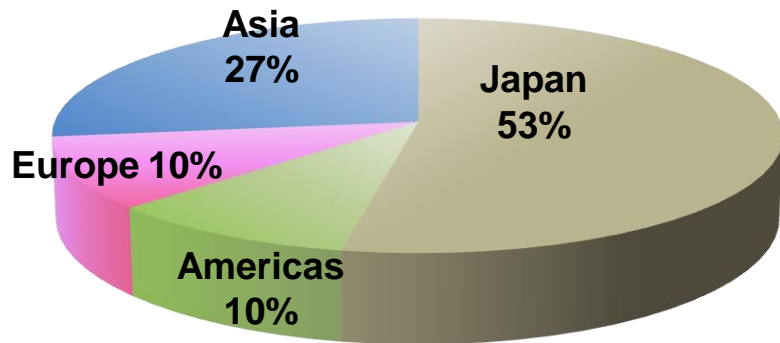
## Exchange Rate Sensitivity (Oct. 2022 - Mar. 2023)

(Millions of yen)	USD	EUR
Exchange rate forecast	JPY 140.0	JPY 135.0
For Net sales	c. 400	c. 60
For Operating profit	c. 50	c. 10

## FY2022

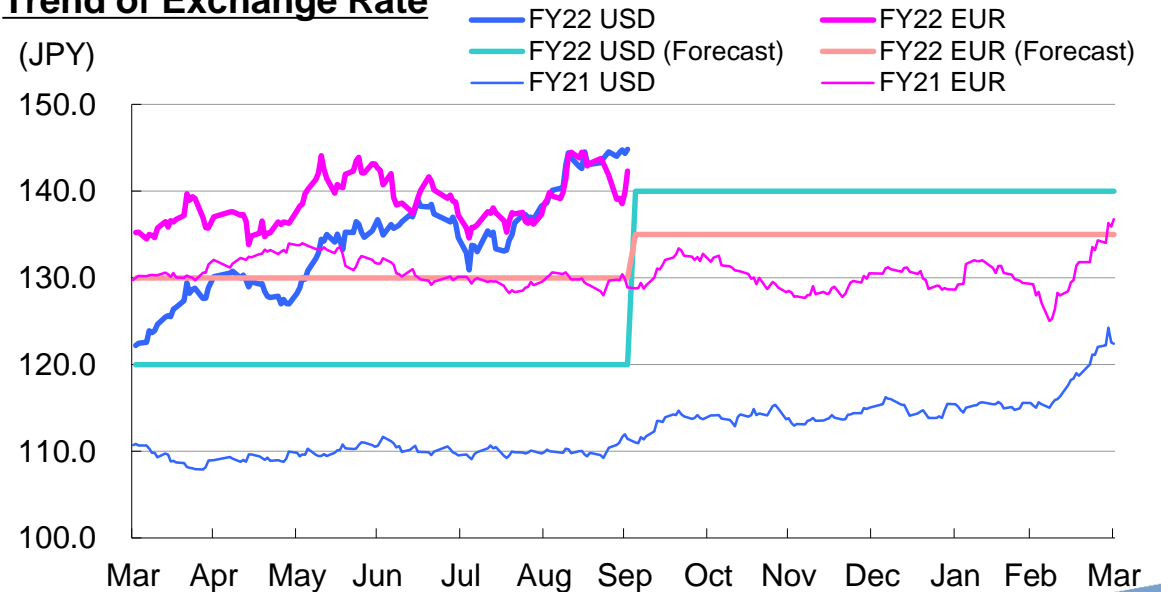
(JPY)		1Q	2Q	1H	Forecasted rate
Average	USD	129.7	138.3	134.0	140.0
	EUR	138.3	139.3	138.8	135.0
Closing Date	USD	136.7	144.8	-	140.0
	EUR	142.7	142.3	-	135.0

## Sales by Area



\* FY21 Actual data

## Trend of Exchange Rate



# Reference

## Net Sales &amp; Operating Profit by Segment for 1H FY2022 (Apr. - Sep. 2022)

		Net Sales (Composition ratio)			Operating Profit		
		FY2021 1H	FY2022 1H	Variance	FY2021 1H	FY2022 1H	Variance
Emotional Value Solutions	Watches	57.5 (52%)	71.8 (55%)	+14.2	3.3	7.2	+3.8
	Others • Adj.	10.7 (10%)	11.3 (9%)	+0.6	-0.6	-0.3	+0.3
	Sub Total	68.2	83.1	+14.8	2.7	6.9	+4.2
Devices Solutions		29.3 (27%)	34.3 (26%)	+4.9	2.5	4.1	+1.6
Systems Solutions		16.8 (15%)	18.0 (14%)	+1.1	1.9	2.0	+0.1
Sub Total		114.5	135.5	+20.9	7.1	13.1	+5.9
Others		0.5 (0%)	0.5 (0%)	+0.0	0.1	0.0	-0.0
Cons. Adj.		-4.6 (-4%)	-6.1 (-5%)	-1.4	-3.8	-4.3	-0.5
Cons. Total		110.3	129.9	+19.5	3.4	8.8	+5.3

(Billions of yen)

## Consolidated P/L for 2Q of FY2022 (Jul. - Sep. 2022)

		FY21 2Q	FY22 2Q	Variance	
				Amt.	%
Net Sales		55.7	67.8	+12.0	+21.6%
Gross Profit		23.3	29.4	+6.1	+26.2%
%		41.8%	43.4%	+1.6pt	
Operating Profit		1.9	5.7	+3.8	+195.8%
%		3.5%	8.5%	+5.0pt	
Ordinary Profit		1.7	5.5	+3.7	+211.5%
%		3.2%	8.1%	+5.0pt	
Income before income taxes		1.3	5.5	+4.1	+306.2%
Profit attributable to owners of parent		1.1	3.5	+2.4	+214.5%
%		2.0%	5.3%	+3.2pt	
Exchange Rates (JPY)	USD	110.1	138.3	+28.2	+25.6%
	EUR	129.8	139.3	+9.5	+7.3%

(Billions of yen)

<b>Net Sales :</b>	<b>y/y</b>	<b>+12.0</b>
Exchange rate fluctuations		c. +5.0

<b>Operating Profit :</b>	<b>y/y</b>	<b>+3.8</b>
Impact of increase in Net sales		+5.2
Impact of improved GP%		+0.8
Increase in SG&A expenses		-2.3

<b>Ordinary Profit :</b>	<b>y/y</b>	<b>+3.7</b>
Increase in Operating profit		+3.8
Improve in Equity-method income		+0.1
Others		-0.1

<b>Extraordinary Income/Losses:</b>	<b>-0.0</b>
<u>Extraordinary Losses</u>	<u>0.0</u>
Business restructuring expenses	0.0
Loss on the spread of infectious disease	-0.0

## Net Sales &amp; Operating Profit by Segment for 2Q of FY2022 (Jul. - Sep. 2022)

		Net Sales (Composition ratio)			Operating Profit		
		FY21 2Q	FY22 2Q	Variance	FY21 2Q	FY22 2Q	Variance
Emotional Value Solutions	Watches	29.8 (53%)	37.8 (56%)	+8.0	1.9	4.5	+2.6
	Others · Adj.	5.6 (10%)	6.2 (9%)	+0.6	-0.3	-0.0	+0.2
	Sub Total	35.4	44.1	+8.6	1.6	4.5	+2.9
Devices Solutions		14.3 (26%)	17.8 (26%)	+3.4	1.2	2.3	+1.0
Systems Solutions		8.0 (14%)	8.8 (13%)	+0.8	0.9	1.0	+0.0
Sub Total		57.8	70.8	+12.9	3.8	7.9	+4.0
Others		0.2 (0%)	0.2 (0%)	+0.0	0.0	0.0	+0.0
Cons. Adj.		-2.3 (-4%)	-3.2 (-5%)	-0.9	-1.9	-2.2	-0.2
Cons. Total		55.7	67.8	+12.0	1.9	5.7	+3.8

(Billions of yen)

# End

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*\*The forecasted results which appear in this presentation are based on the information which we have obtained as of now, and on certain assumptions deemed reasonable. As a result, actual results, etc. may differ significantly from the forecasted figures due to a wide range of factors.*

*\*Numbers are cut off to the unit indicated, unless otherwise specified.*