Please note that the following is an unofficial English translation of the Japanese original text of the 75th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. This translation is provided for reference and convenience purposes only and without any assurance as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Securities Code: 6965)
November 24, 2022

To Our Shareholders

Akira Hiruma, President and CEO
Hamamatsu Photonics K.K.
1126-1, Ichino-cho, Higashi-ku
Hamamatsu City, Shizuoka Prefecture

NOTICE OF CONVOCATION OF THE 75th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 75th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. (the "Company"), to be held as follows.
In order to prevent the spread of the novel coronavirus disease (COVID-19), you are encouraged to exercise your voting rights prior to the meeting in Writing or by Electronic Means (via the Internet, etc.) and urged to refrain from attending on the date of the meeting.
For exercising your voting rights in Writing or by Electronic Means (via the Internet, etc.), please read the attached REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, and exercise your voting rights by 5:00 p.m., Thursday, December 15, 2022, Japan Time.

1. Time and Date: 10:00 a.m., Friday, December 16, 2022

2. Place: ACT CITY HAMAMATSU Concert Hall
111-1, Itaya-machi, Naka-ku, Hamamatsu City,
Shizuoka Prefecture

3. Agenda of the Meeting:

Matters to be reported:

1. Reports on the Business Report and the Consolidated Financial Statements for the 75th Fiscal Year (From October 1, 2021 through September 30, 2022), as well as Results of the Audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board
2. Report on the Non-consolidated Financial Statements for the 75th Fiscal Year (From October 1, 2021 through September 30, 2022)

Matters to be resolved:

Proposal No. 1:Appropriation of Surplus
Proposal No. 2:Partial Amendments to the Articles of Incorporation

Proposal No.3:Election of Ten(10) Directors

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1. Please note that "Consolidated Statements of Changes in Net Assets and Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements and "Non-consolidated Statements of Changes in Net Assets and Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements, which are generally provided with this Notice of Convocation of the Ordinary General Meeting of Shareholders, are not attached herein. Instead, these are published on our website (https://www.hamamatsu.com/jp/ja/investor-relations/shareholder-information.html) in accordance with the applicable laws and regulations and Article 15 of the Articles of Incorporation (Japanese only).
2. If any amendment is made to the REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS or any attachments, the amended information will be posted on our website (https://www.hamamatsu.com/jp/ja/investor-relations/shareholder-information.html).

1. Requests to Shareholders

・Regardless of your own state of health, you are urged to refrain from attending on the date of the meeting.
・To exercise your voting rights for this General Meeting of Shareholders, please consider exercising your voting rights in writing or via the Internet, etc. beforehand instead of attending the meeting in person.

2. Requests to Shareholders Attending the Meeting

・We ask for your cooperation in wearing a face mask, disinfecting your hands using alcohol disinfectant and other measures.
・The Company will check the body temperature of attendees using a thermograph before they approach the reception table. Persons who are found to have a fever of 37.5°C or higher may be refused entry. In addition, please note that persons who show signs of not being well may be refused entry or be asked to leave the venue. Thank you for your understanding in advance.
・The Company intends to make the meeting's proceedings, as it did last year. Questions from shareholders will be limited to one question per shareholder. Thank you for your understanding in advance.

Note:The provision of gifts, serving of beverages and exhibits of the Company's products have been canceled.

■ Guide to the Exercise of Voting Rights



For those attending the meeting in person

Please present the enclosed Voting Rights Exercise Form at the reception desk upon arrival at the meeting. (Reception starts at 9:00 a.m.)
For the purpose of resource-saving, please bring this notice with you.



For those exercising voting rights in writing

Please indicate your approval or disapproval on the enclosed Voting Rights Exercise Form, and return it.
If there is no indication of approval or disapproval of the proposal, the Company shall deem that you have indicated your approval of the proposal.
[Voting Rights Exercise Form must reach us by 5:00 p.m., Thursday, December 15, 2022, Japan Time]



For those exercising voting rights via the Internet, etc.

Please access the Website for the Exercise of Voting Rights (https://www.web54.net) and exercise voting rights.
You will need the Voting Rights Exercise Code and Password, both of which are indicated on the Voting Rights Exercise Form, to indicate your approval or disapproval by following the instructions displayed on the screen.
[Exercise your voting rights by 5:00 p.m., Thursday, December 15, 2022, Japan Time]

1. If you wish to exercise your voting rights by proxy on the day of the general meeting of shareholders, you may entrust its exercise to a single shareholder other than you who is also a shareholder of the Company with voting rights. In this case, a document certifying the relevant power of representation shall be presented together with your Voting Rights Exercise Form.
2. If you have exercised your voting rights more than once via the Internet, etc., only the final exercise of the voting rights shall be deemed effective.
3. If you have exercised your voting rights both in writing and via the Internet, etc., only the exercise of the voting rights via the Internet, etc. shall be deemed effective.

[redacted]

- You may use a personal computer or smartphone.
  Please be aware that, depending on your Internet connection environment, you may not be able to use the voting website (e.g. if you connect to the Internet via a firewall, etc., have anti-virus software installed or use a proxy server, etc.).
- The website is inaccessible from mobile phones.
- You will need the Voting Rights Exercise Code and Password, both of which are indicated on the right-hand side of the enclosed Voting Rights Exercise Form, to exercise your voting rights via the Internet, etc. The code and password are applicable only for this General Meeting of Shareholders. Your password will be locked and rendered invalid after certain incorrect password attempts. If you wish to create a new one, please follow the guidance on the screen appearing on the Website for the Exercise of Voting Rights.
- Please be noted that any fees incurred by Internet access (access fees to Internet service providers, telecommunications fees, etc.) are the responsibility of shareholders.

If you have any questions, please feel free to contact the Stock Transfer Agency Web Support.
Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support
Telephone: 0120-652-031 Business hours: 9:00 – 21:00 (toll free within Japan)

■ To Institutional Investors:

You can use the platform for electronic exercise of voting rights for institutional investors managed by Investor Communications Japan, Inc.

REFERENCE DOCUMENTS
FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal No. 1: Appropriation of Surplus

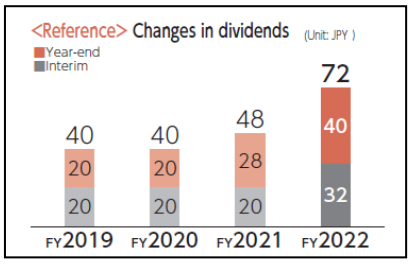
The Company hereby proposes to appropriate the surplus as described below.

1. Matters Regarding Fiscal Year-end Dividend

The Company places the highest priority on distribution of results through dividends as a measure of returning profits to shareholders. Our basic dividend strategy outlines steadily increasing dividends through continuous growth in earnings per share by enhancing and strengthening its corporate earning capacity based on a long-term perspective. Furthermore, its policy is to achieve the stable increase of dividends, with dividend payout ratio of around 30% of profit attributable to owners of parent.

On the other hand, to maintain its competitiveness based on advanced technical capabilities as the leading company in photonics, the Company believes long-term investment will be essential for the research and development necessary to achieve long-term growth of our corporate value and creation of the photon-based industries. To accomplish this, the Company also recognizes the importance of ensuring a certain level of funds on hand to provide for research and development investment and for capital investment. In addition, while the Company also regards funds on hand as a bulwark against earthquakes and other natural disasters and maintains a high level of retained earnings, it recognizes such funds contribute to the further enhancement of corporate value through business investment for the development of highly competitive future products.

Based on the above policy and a comprehensive review of various factors including its financial results, the Company proposes a year-end dividend of 40 yen per share. The amount of annual dividend will be 72 yen per share including an interim dividend of 32 yen we have already paid ,which is 24 yen more than that for the previous fiscal year.



(1) Type of property for dividends:
Cash

(2) Allotment of property for dividends and total amount thereof:
40 yen per share of common stock of the Company for a total of 6,204,277,800 yen

(3) Effective date for distribution of dividends from surplus:
December 19 , 2022

2. Other Matters Regarding Appropriation of Surplus

To reinforce its management base to prepare for business developments in the future while preparing for providing stable dividends to shareholders, the Company proposes to make an account transfer as follows.

(1) Item of surplus to be increased and amount thereof:
General reserve: 13,000,000,000 yen
Reserve for dividends: 4,000,000,000 yen

(2) Item of surplus to be decreased and amount thereof:
Retained earnings brought forward: 17,000,000,000 yen

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendments

Accompanying the enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) on September 1, 2022, as well as the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format, the Company proposes to make the following changes to its Articles of Incorporation.

(1) Article 15 (Measures for Providing Reference Documents for the General Meeting of Shareholders, etc. in Electronic Format), paragraph 1 in "Proposed change" below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.

(2) Article 15 (Measures for Providing Reference Documents for the General Meeting of Shareholders, etc. in Electronic Format), paragraph 2 in "Proposed change" below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.

(3) Once the system for providing informational materials for the general meeting of shareholders in electronic format is introduced, the provisions of Article 15 of the current Articles of Incorporation (Internet-based Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders) will no longer be required. Therefore, they will be deleted.

(4) Supplementary Provisions regarding effect of the above newly established and deleted provisions will be established. These Supplementary Provisions will be deleted after relevant date has elapsed.

2. Details of the Amendments

The details of the amendments are as follows:

(The underlined parts indicate the amendments.)

Current Articles of Incorporation	Proposed change
Article 15 Internet-based Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders The Company, when convening a General Meeting of Shareholders, may be deemed to have provided its shareholders with information on matters that should be stated or indicated in the reference documents for the General Meeting of Shareholders, business report, financial statements, and consolidated financial statements, by disclosing the said information through the Internet pursuant to the provisions stipulated in the applicable Ordinance of the Ministry of Justice.	(deleted)

(Newly established)	Article 15 Measures for Providing Reference Documents for the General Meeting of Shareholders, etc. in Electronic Format 1 When the Company convenes a General Meeting of Shareholders, it shall take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format. 2 Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.
(Newly established)	(Supplementary Provisions) Article 1 1 Article 15 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from September 1, 2022. 2 These Supplementary Provisions shall be deleted on the date when six months have elapsed from September 1, 2022, or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.

Proposal No. 3: Election of Ten (10) Directors

The terms of office of all 10 current Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is proposed that ten (10) Directors be elected.

The nominations of the candidates for Director have passed through the deliberation process of the Nomination and Compensation Committee, a majority of whose members are Outside Directors.

The candidates for Director are as follows.

No.	Name		Positions and Responsibilities in the Company	Attendance at Board of Directors meetings
1	Reelection	Akira Hiruma	Representative Director and President Chief Executive Officer	17 /17 (100%)
2	Reelection	Kenji Suzuki	Representative Director and Vice President Chief Operating Officer	17/17 (100%)
3	Reelection	Tadashi Maruno	Representative Director Senior Managing Executive Officer Division Director, Systems Division	17/17 (100%)
4	Reelection	Hisaki Kato	Director Managing Executive Officer Division Director, Electron Tube Division	17/17 (100%)
5	Reelection	Takayuki Suzuki	Director Managing Executive Officer Division Director, Solid State Division	17/17 (100%)
6	New election	Kazuhiko Mori	Senior Executive Officer General Manager, Accounting Division	–
7	Reelection	Kashiko Kodate [Outside] [Independent]	Director	17/17 (100%)
8	Reelection	Ken Koibuchi [Outside] [Independent]	Director	15/17 (88%)
9	Reelection	Kazue Kurihara [Outside] [Independent]	Director	17/17 (100%)
10	Reelection	Takuo Hirose [Outside] [Independent]	Director	14/14 (100%)

Note: The attendance record for Takuo Hirose is his attendance after he assumed office as Director on December 17, 2021.



Number of shares of the Company held
159,557

Attendance at Board of Directors meetings
17/17
(100%)

Attendance at the Nomination and Compensation Committee
3/3
(100%)

No. 1	Akira Hiruma (November 10, 1956) [Reelection]

Brief History, and Positions and Responsibilities in the Company

Oct. 1984	Joined the Company
Oct. 2005	President, Hamamatsu Corporation
Dec. 2009	Representative Director and President of the Company (present)
Dec. 2020	Chief Executive Officer (present)

Chairman of the Nomination and Compensation Committee

Significant Positions Concurrently Held

Director and President, Photonics Management Corp.

Director, Hamamatsu Corporation

Director, Photonics Management Europe S.R.L.

Director and President, Research Foundation for Opto-Science and Technology

President, Hamamatsu Medical Photonics Foundation

President, The Graduate School for the Creation of New Photonics Industries

Reason for nomination as a candidate for Director

The Company proposes the reelection of Akira Hiruma as a Director. He has accumulated extensive business experience cultivated through operations in overseas subsidiaries over many years. In addition, he has appropriately made decisions on important matters in management, supervised business execution and performed other roles as Representative Director and President since December 2009, and he has been contributing to the stable and sustainable development of the Group.
The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.

Special interest relationship between the Company and the candidate for Director

Akira Hiruma concurrently serves as

1) Director and President, Research Foundation for Opto-Science and Technology, which has transactional relationships with the Company such as monetary contributions.
2) President, Hamamatsu Medical Photonics Foundation, which has transactional relationships with the Company such as monetary contributions and building rental.
3) President, The Graduate School for the Creation of New Photonics Industries, which has transactional relationships with the Company such as monetary contributions and sales of electronic components.



Number of shares of the Company held
86,279

Attendance at Board of Directors meetings
17/17
(100%)

Attendance at the Nomination and Compensation Committee
3/3
(100%)

No. 2

Kenji Suzuki (March 22, 1948)
[Reelection]

Brief History, and Positions and Responsibilities in the Company

Mar. 1966	Joined the Company
Dec. 2009	Director
Dec. 2012	Managing Director
Dec. 2017	Division Director, Electron Tube Division
Jun. 2019	Representative Director and Vice President (present)
Dec. 2020	Chief Operating Officer (present)

Member of the Nomination and Compensation Committee

Reason for nomination as a candidate for Director

The Company proposes the reelection of Kenji Suzuki as a Director. He has accumulated a wealth of business experience and expertise mainly in the Electron Tube business. Currently, he is responsible for management of the Group as Representative Director and Vice President, and Chief Operating Officer.
The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



Number of shares of the Company held
9,919

Attendance at Board of Directors meetings
17/17
(100%)

No. 3

Tadashi Maruno (October 6, 1960)
[Reelection]

Brief History, and Positions and Responsibilities in the Company

Apr. 1983	Joined the Company
Oct. 2014	General Manager, Systems Designing Division
Dec. 2017	Director Division Director, Systems Division (present)
Dec. 2019	Managing Director
Dec. 2020	Director Managing Executive Officer
Dec. 2021	Representative Director (present) Senior Managing Executive Officer (present)

Significant Positions Concurrently Held

Director, Hamamatsu Corporation

Chairman, Hamamatsu Photonics (China) Co., Ltd.

Reason for nomination as a candidate for Director

The Company proposes the reelection of Tadashi Maruno as a Director. He has accumulated a wealth of business experience and expertise mainly in the Imaging and Measurement Instruments business. Currently, he is responsible for management of the Group and oversees the Imaging and Measurement Instruments business as Representative Director, Senior Managing Executive Officer, and Division Director, Systems Division. He also promotes expansion of corporate business from a global perspective in striving to enhance coordination and functions company-wide.
The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



Number of shares of the Company held
8,745

Attendance at Board of Directors meetings
17/17
(100%)

No. 4	Hisaki Kato (May 7, 1957) [Reelection]

Brief History, and Positions and Responsibilities in the Company

Mar. 1981	Joined the Company
Oct. 2012	General Manager, The 1st Mfg., Electron Tube Division
Jan. 2018	Deputy Division Director, Electron Tube Division
Dec. 2018	Director (present)
Dec. 2020	Managing Executive Officer (present) Division Director, Electron Tube Division (present)

Significant Positions Concurrently Held

Chairman, Beijing Hamamatsu Photon Techniques, Inc.

Reason for nomination as a candidate for Director

The Company proposes the reelection of Hisaki Kato as a Director. He has accumulated a wealth of business experience and expertise mainly in the Electron Tube business. Currently, he is responsible for management of the Group and oversees the Electron Tube business as Director, Managing Executive Officer, and Division Director, Electron Tube Division.
The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.

Special interest relationship between the Company and the candidate for Director

Hisaki Kato concurrently serves as Chairman, Beijing Hamamatsu Photon Techniques, Inc., which has transactional relationships with the Company such as sales and purchase of electronic components.



Number of shares of the Company held
5,448

Attendance at Board of Directors meetings
17/17
(100%)

No. 5	Takayuki Suzuki (October 8, 1961) [Reelection]

Brief History, and Positions and Responsibilities in the Company

Jul. 1989	Joined the Company
Oct. 2016	General Manager, The 3rd Mfg., Solid State Division
Oct. 2017	Deputy Division Director, Solid State Division
Dec. 2017	Director
Dec. 2019	Managing Director
Dec. 2020	Director (present) Managing Executive Officer (present) Division Director, Solid State Division (present)

Significant Positions Concurrently Held

Director, Hamamatsu Corporation

Reason for nomination as a candidate for Director

The Company proposes the reelection of Takayuki Suzuki as a Director. He has accumulated a wealth of business experience and expertise mainly in the Opto-semiconductor business. Currently, he is responsible for management of the Group and oversees the Opto-semiconductor business as Director, Managing Executive Officer, and Division Director, Solid State Division.
The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



Number of shares of the Company held
5,052

No. 6	Kazuhiko Mori (December 11, 1956) [New election]

Brief History, and Positions and Responsibilities in the Company

Apr. 1979	Joined The Kyowa Bank, Ltd.(currently Resona Bank, Limited)
Jul. 2009	General Manager, Shibuya Branch, Resona Bank, Limited
Jul. 2011	Transferred to the Company General Manager, Finance Division
Dec. 2012	Audit & Supervisory Board Member (Standing)
Dec. 2017	Director General Manager, Accounting Division (present)
Dec. 2020	Senior Executive Officer (present)

Significant Positions Concurrently Held

Outside Director (Audit & Supervisory Committee Member), ENSHU Limited

Reason for nomination as a candidate for Director

The Company proposes the election of Kazuhiko Mori as a Director.
He has accumulated a wealth of business experience mainly in financial institutions and expertise in finance and accounting. Currently, he is responsible for management of the Group and oversees finance and accounting divisions as Senior Executive Officer, and General Manager, Accounting Division.
The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



Number of shares of the Company held
900

Attendance at Board of Directors meetings
17/17
(100%)

Attendance at the Nomination and Compensation Committee
3/3
(100%)

No. 7	Kashiko Kodate (January 18, 1941) [Reelection] [Outside] [Independent]

Brief History, and Positions and Responsibilities in the Company

Apr. 1992	Professor, Japan Women's University Faculty of Science
Jan. 2008	President and CEO, Photonic System Solutions Inc.
Apr. 2009	Professor Emeritus, Japan Women's University (present)
Sep. 2009	Director, Gender Equality Programs, Independent Administrative Agency (currently the National Research and Development Agency) Japan Science and Technology Agency
Apr. 2012	Specially Appointed Professor, The University of Electro-Communications
Dec. 2015	Outside Director of the Company (present)
Apr. 2017	Director and Chairman, Photonic System Solutions Inc. (present)

Member of the Nomination and Compensation Committee

Significant Positions Concurrently Held

Professor Emeritus, Japan Women's University

Reason for nomination as a candidate for Outside Director and overview of expected roles

In addition to her experience over many years as a university professor and her extensive expertise in sectors such as information photonics, Kashiko Kodate also possesses experience as a business manager.
In light of the above, the Company expects that she will utilize her broad experience and various discernments for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes her reelection as an Outside Director.

Service period as an Outside Director of the Company

Kashiko Kodate's service period as an Outside Director will be seven (7) years at the conclusion of this General Meeting of Shareholders.

Matters concerning independence

The Company had filed Kashiko Kodate as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If she is reappointed as proposed, the Company intends to continuously appoint her as an independent officer.
The Company has transactional relationships with Japan Women's University including sales of electronic devices. The scale of such transactions with Japan Women's University is no more than 0.1% of the Company's consolidated net sales. Therefore, the Company is sufficiently convinced of her independent

status.

Summary of contents of agreements to limit liability

Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Kashiko Kodate regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit her obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Kashiko Kodate if the reappointment of Kashiko Kodate is approved.



Number of shares of the Company held
400

Attendance at Board of Directors meetings
15/17
(88%)

Attendance at the Nomination and Compensation Committee
3/3
(100%)

No. 8

Ken Koibuchi (November 26, 1966)

[Reelection] [Outside] [Independent]

Brief History, and Positions and Responsibilities in the Company

Apr. 1993	Joined Toyota Motor Corporation
Jan. 2016	General Manager/Advanced Safety System Research and Development Div,Toyota Motor Corporation
Apr. 2017	Executive General Manager/Advanced R&D and Engineering Company,Toyota Motor Corporation
Dec. 2017	Outside Director of the Company (present)
Jan. 2019	Field General Manager, Advanced Safety System Field, Advanced R&D and Engineering Company, Toyota Motor Corporation
Jan. 2020	Senior General Manager, Advanced Safety System Field, Advanced R&D and Engineering Company,Toyota Motor Corporation
Jun. 2021	Fellow, Advanced R&D and Engineering Company, Toyota Motor Corporation Fellow, Vehicle Development Center,Toyota Motor Corporation (present) Fellow, Mid-size Vehicle Company, Toyota Motor Corporation
Feb.2022	Chief Project Leader (Autono-MaaS, Automated Driving) Connected company,Toyota Motor Corporation (present)

Member of the Nomination and Compensation Committee

Significant Positions Concurrently Held

Chief Project Leader (Autono-MaaS, Automated Driving) Connected Campany, Toyota Motor Corporation

Fellow, Vehicle Development Center, Toyota Motor Corporation

Reason for nomination as a candidate for Outside Director and overview of expected roles

Ken Koibuchi currently serves as a Chief Project Leader (Autono-MaaS, Automated Driving) of Toyota Motor Corporation's Connected Campany and Fellow of Toyota Motor Corporation's Vehicle Development Center, and he has extensive expertise and experience.
In light of the above, the Company expects that he will utilize his wealth of experience and outstanding insight for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes his reelection as an Outside Director.

Service period as an Outside Director of the Company

Ken Koibuchi's service period as an Outside Director will be five (5) years at the

conclusion of this General Meeting of Shareholders.

Matters concerning independence

The Company had filed Ken Koibuchi as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If he is reappointed as proposed, the Company intends to continuously appoint him as an independent officer. The Company has transactional relationships with Toyota Motor Corporation including sales of electronic devices. The scale of such transactions with Toyota Motor Corporation is no more than 0.1% of the Company's consolidated net sales. Therefore, the Company is sufficiently convinced of his independent status.

Summary of contents of agreements to limit liability

Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Ken Koibuchi regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit his obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Ken Koibuchi if the reappointment of Ken Koibuchi is approved.



Number of shares of the Company held
300

Attendance at Board of Directors meetings
17/17
(100%)

Attendance at the Nomination and Compensation Committee
3/3
(100%)

No. 9	Kazue Kurihara (January 24, 1951) [Reelection] [Outside] [Independent]

Brief History, and Positions and Responsibilities in the Company

Apr. 1997	Professor, Institute for Chemical Reaction Science, Tohoku University (currently Institute of Multidisciplinary Research for Advanced Materials, Tohoku University)
Apr. 2010	Professor, Advanced Institute for Materials Research, Tohoku University
Apr. 2016	Professor Emeritus, Tohoku University (present)
Apr. 2017	Professor, New Industry Creation Hatchery Center, Tohoku University (present)
Dec. 2020	Outside Director of the Company (present)
Jan.2022	Director , SMILEco Instruments Corporation (present)

Member of the Nomination and Compensation Committee

Significant Positions Concurrently Held

Professor Emeritus, Tohoku University

Professor, New Industry Creation Hatchery Center, Tohoku University

Reason for nomination as a candidate for Outside Director and overview of expected roles

In addition to her experience over many years as a university professor and extensive expertise in the science and technology field, Kazue Kurihara has many achievements in collaboration with private companies through industry-academia partnerships and also possesses experience as a business manager.
In light of the above, the Company expects that she will utilize her wealth of experience and outstanding insight for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes her reelection as an Outside Director.

Service period as an Outside Director of the Company

Kazue Kurihara's service period as an Outside Director will be two (2) years at the conclusion of this General Meeting of Shareholders.

Matters concerning independence

The Company had filed Kazue Kurihara as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If she is reappointed as proposed, the Company intends to continuously appoint her as an independent officer. The Company has transactional relationships with Tohoku University including sales of electronic devices. The scale of such transactions with Tohoku University is no more than 0.1% of the Company's consolidated net sales. Therefore, the Company is sufficiently convinced of her

independent status.

Summary of contents of agreements to limit liability

Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Kazue Kurihara regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit her obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Kazue Kurihara if the reappointment of Kazue Kurihara is approved.



Number of shares of the Company held
0

Attendance at Board of Directors meetings
14/14
(100%)

Attendance at the Nomination and Compensation Committee
2/2
(100%)

Note: The attendance records are for his attendance at Board of Directors meetings and attendance at the Nomination and Compensation Committee meetings after he assumed office as Outside Director on December 17, 2021.

No. 10

Takuo Hirose (June 28, 1971)

[Reelection] [Outside] [Independent]

Brief History and Positions

Apr. 1997	Registered as an attorney at law Joined Tomotsune, Kimura & Mitomi Law Firm (currently Anderson Mori & Tomotsune LPC)
May 2004	Registered as an attorney at law in the state of New York
Jan. 2005	Partner, Anderson Mori & Tomotsune LPC (present)
Jun. 2018	Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K. (present)
Mar. 2021	Outside Director (Audit & Supervisory Committee Member), Core Concept Technologies Inc. (present)
Dec. 2021	Outside Director of the Company (present)

Significant Positions Concurrently Held

Partner, Anderson Mori & Tomotsune LPC

Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K.

Outside Director (Audit & Supervisory Committee Member), Core Concept Technologies Inc.

Reason for nomination as a candidate for Outside Director and overview of expected roles

Takuo Hirose has experience over many years as an international attorney, and has a wealth of experience and outstanding insight in the field of corporate legal affairs.
In light of the above, the Company expects that he will utilize his wealth of experience and outstanding insight for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes his reelection as an Outside Director. Although he has not been involved in the management of a company in the past except as an Outside Director or other officer, the Company judges that he will appropriately fulfill his duties as an Outside Director based on the above reasons.

Service period as an Outside Director of the Company

Takuo Hirose's service period as an Outside Director will be one (1) year at the conclusion of this General Meeting of Shareholders.

Matters concerning independence

The Company had filed Takuo Hirose as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If he is reappointed as proposed, the Company intends to continuously appoint him as an independent officer. The Company has transactional relationships with Anderson Mori & Tomotsune LPC including the provision of legal advisory

services. The scale of such transactions with Anderson Mori & Tomotsune LPC is no more than 0.1% of the Company's consolidated net sales and the Company enlists such services. from attorneys of Anderson Mori & Tomotsune LPC other than Hirose. Therefore, the Company is sufficiently convinced of his independent status.

Summary of contents of agreements to limit liability

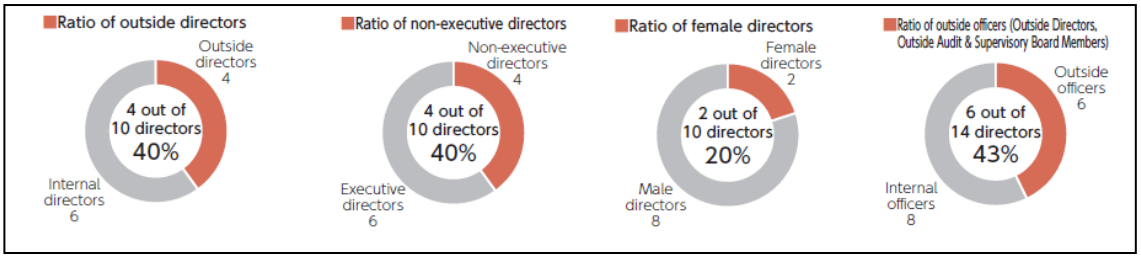
Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Takuo Hirose regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit his obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Takuo Hirose if the reappointment of Takuo Hirose is approved.

Notes: 1. There are no special interest relationships between the Company and the candidates for Directors other than Akira Hiruma and Hisaki Kato.
2. Kashiko Kodate, Ken Koibuchi, Kazue Kurihara and Takuo Hirose, candidates for Director, are the candidates for Outside Director.
3. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company that includes all Directors as insureds. The insurance policy covers any losses that may arise from an insured's assumption of liability incurred in the course of the performance of duties as a Director, or receipt of claims pertaining to the pursuit of such liability. If each candidate assumes office as a Director, they will be included as an insured in this policy. In addition, the Company plans to renew the insurance policy with the same terms at the next renewal.

(Reference) Management structure when Proposal No. 3 is approved and adopted

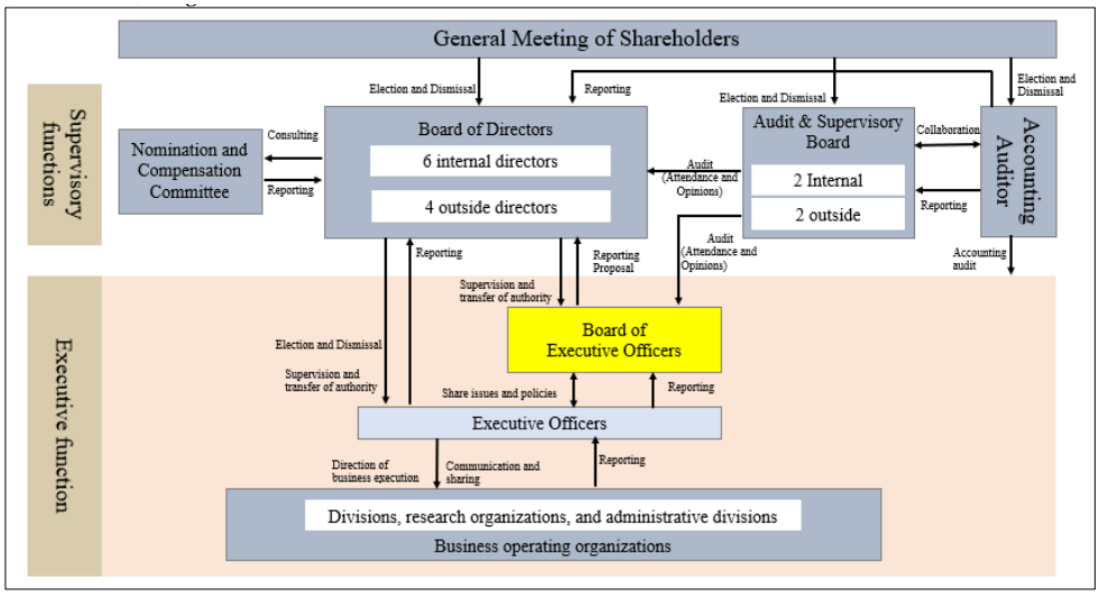
If Proposal No. 3 is approved and adopted as originally proposed, the management structure of the Company will consist of the following members.Note that the table below does not necessarily show all of the expertise and experience of each officer.

Name	Positions after the Ordinary General Meeting of Shareholders (planned)	Expertise & Experience						Gender
		Corporate Management Management Strategy	Technology Research & Development	Finance & Accounting	Legal Compliance	Global	Sales & Marketing	
Akira Hiruma	Representative Director and Chairman	●	●			●	●	Male
Kenji Suzuki	Director and Vice Chairman	●	●			●	●	Male
Tadashi Maruno	Representative Director and President	●	●			●	●	Male
Hisaki Kato	Representative Director and Vice President	●	●			●	●	Male
Takayuki Suzuki	Director	●	●			●	●	Male
Kazuhiko Mori	Director	●		●		●		Male
Kashiko Kodate	Outside Director	●	●			●	●	Female
Ken Koibuchi	Outside Director	●	●			●	●	Male
Kazue Kurihara	Outside Director	●	●			●		Female
Takuo Hirose	Outside Director	●			●	●		Male
Akira Utsuyama	Audit & Supervisory Board Member (Standing)		●		●			Male
Michihito Suzuki	Audit & Supervisory Board Member (Standing)						●	Male
Yuji Maki	Outside Audit & Supervisory Board Member	●		●	●	●		Male
Muneo Kurauchi	Outside Audit & Supervisory Board Member	●		●	●	●		Male



Structure of corporate governance

The Company has adopted a company structure with an Audit & Supervisory Board, and has 10 Directors (of which, 4 are Outside Directors) and 4 Audit & Supervisory Board Members (of which, 2 are Outside Audit & Supervisory Board Members) as of September 30, 2022. Additionally, the Company is continuously working to enhance corporate governance, such as by introducing an Executive Officer system aiming to revitalize the Board of Directors, strengthen the supervisory function, speed up management decision-making, etc., as well as by establishing a Nomination and Compensation Committee in order to ensure the fairness, transparency and objectivity with regard to decisions on candidates for Director and compensation of Directors.



(Attachments)

Business Report

(From October 1, 2021 through September 30, 2022)

1. Matters Concerning the Corporate Group

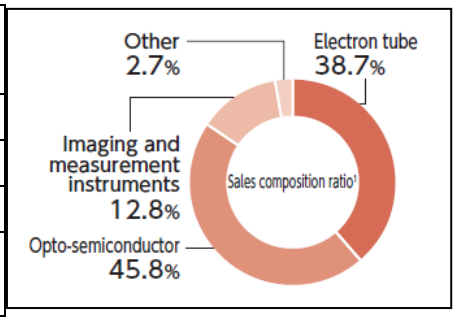
(1) Business Operations and Results

During the fiscal year ended September 30, 2022 (from October 1, 2021 through September 30, 2022), Japan's economy showed signs of a recovery in corporate earnings and capital investment in some sectors. However, the economy was marked by mounting uncertainties regarding factors such as surging resource prices largely due to prolonged difficulties in procuring raw materials and effects of the situation in Ukraine, in addition to resurgence of the COVID-19 pandemic. Meanwhile, the environment surrounding the Group remained severe and subject to uncertainties ahead, particularly given concerns of an economic downturn due to tightening of monetary policy worldwide.

Given these circumstances, the Group persisted in making capital investments aimed at strengthening production capacity, in addition to continuously taking COVID-19 prevention measures for the sake of guarding against spread of the virus to its employees and avoiding effects on production activities. The Group has also been striving to increase net sales and earnings by engaging in R&D and product development that takes advantage of the Company's proprietary photonics technologies.

As a result, we closed the fiscal year 2022 with net sales of JPY 208,803 million, up by JPY 39,776 million (23.5%) from the previous year, due to increases in both domestic and overseas sales. From an earnings perspective as well, ordinary profit was JPY 58,879 million, up by JPY 24,230 million (69.9%) from the previous year and profit attributable to owners of parent was JPY 41,295 million, up by JPY 16,241 million (64.8%) from the previous year, each reaching a record high.

	FY2022	Year-on-year changes
Net sales	JPY 208,803 million	Up 23.5%
Operating profit	JPY 56,983 million	Up 66.0%
Ordinary profit	JPY 58,879 million	Up 69.9%
Profit attributable to owners of parent	JPY 41,295 million	Up 64.8%

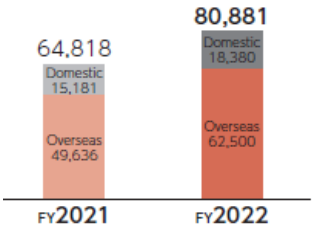


[1] The figure for the Other segment in the sales composition ratio encompasses operations that include the semiconductor laser business and hotel operations.

A summary of business performance by business segment is reported below.

Electron tube	Development, manufacture and sale of photomultiplier tubes and other vacuum-tube optical sensors, light sources, radiation sources, imaging devices, applied products, etc.

Net sales: JPY 80,881 million
(Up 24.8% YoY)



・In the industrial field, sales of microfocus X-ray sources for non-destructive testing increased mainly in Asia, particularly for automotive battery testing applications and circuit board inspection applications, accompanying expanding production of EVs (electric vehicles) and global proliferation of 5G technology.
・Sales of Stealth Dicing Engine for high-speed, high-quality silicon wafer dicing as well as sales of photomultiplier tubes (PMT) and light sources for semiconductor inspection equipment increased, driven by brisk semiconductor capital investment worldwide.
・In the medical field, sales of PMT for flow cytometers and other medical inspection and monitoring systems increased due to rising demand in Japan and overseas.



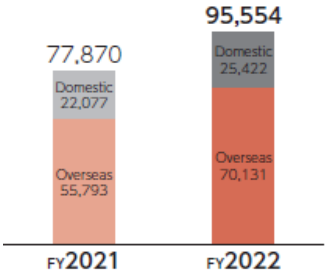
▲ Microfocus X-ray source



▲ Photomultiplier tubes for medical inspection and monitoring systems

Opto-semiconductor	<Main businesses> Development, manufacture and sale of opto-semiconductor devices including photodiodes, photo ICs and image sensors, and applied products, etc.

Net sales: JPY 95,554 million
(Up 22.7% YoY)



・Sales of image sensors for semiconductor fabrication and inspection equipment increased due to rising global demand for semiconductors.
・In the FA (Factory Automation) field, sales of photo ICs, photodiodes and LEDs increased, particularly for controls for industrial robots.
・In the medical field, sales of silicon photodiodes for X-ray CT and sales of Multi-Pixel Photon Counters (MPPC®) for positron emission tomography (PET) applications increased in response to continued growth in demand in Japan and overseas.



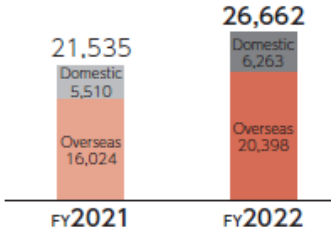
▲ Photo IC for FA



▲ Illustration of application of photo ICs. Photo ICs are used in applications that include controls for robotic arms and detecting passing products.

Imaging and measurement instruments	<Main businesses> Development, manufacture and sale of systems enhanced for industrial and research applications such as life sciences, semiconductors and medicine

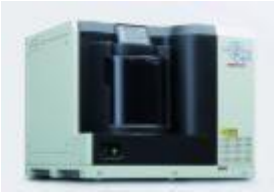
Net sales: JPY 26,662 million
(Up 23.8% YoY)



・Sales of digital cameras increased not only in the life sciences and biotechnology sectors, but also in the physics sector for applications that include quantum technology and astronomy due to the introduction of new products, and sales of digital cameras for DNA testing also increased overseas.
・ Sales of digital slide scanners for pathology continued to increase in Europe.
・Sales of failure analysis systems for semiconductor devices were strong in Japan and overseas, particularly in Asia.



▲ New digital camera ORCA®-Quest



▲ Digital slide scanner for pathology

The status of our research and development is reported below.

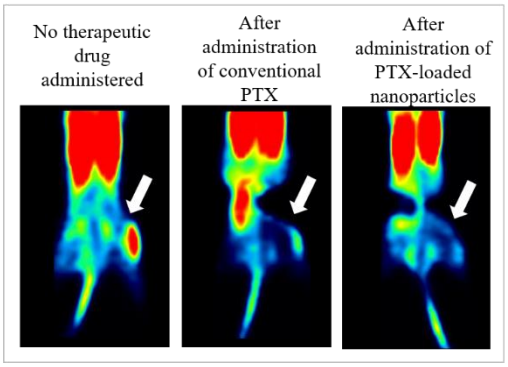
<Basic Research Sector>

Establishment of nanoparticle technology for anticancer drugs using lasers

Paclitaxel (PTX) is an anticancer drug used in the treatment of breast cancer and other types of cancer. Because it has extremely low water solubility, it is generally used for treatment by dissolving it in a solvent containing ethanol or another such substance. When administered internally, however, such solvents may cause allergic reactions or other side-effects, which has given rise to the need for a method for increasing the solubility of PTX that does not require use of a solvent.

In response, the Company established a method for subdividing PTX down to the nanoparticle level by irradiating PTX in a solution with a laser of a specific wavelength using an aqueous solution instead of a solvent.

Dissolution studies reproducing the biological environment using such PTX-loaded nanoparticles have yielded substantially improved solubility relative to use of conventional PTX. Meanwhile, in vivo studies using mice have confirmed that it is possible to achieve therapeutic efficacy equivalent to the use of conventional PTX, without the side-effects. It is hoped that this methodology will contribute to the establishment of a new approach to anticancer drug production that reduces burden on patients, and it is also hoped that this methodology will have applications with respect to various therapeutic drugs with poor water solubility.

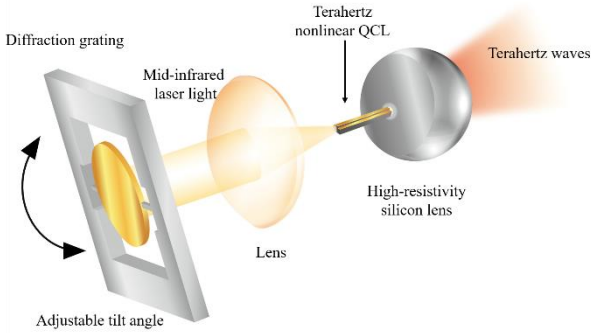


▲ This is an illustration of PET images related to in vivo studies using mice. Tumorous activity is more pronounced in the red areas. Tumorous activity indicated by the arrows attenuates after administration of either conventional paclitaxel (PTX) or PTX-loaded nanoparticles, thereby indicating no difference in efficacy of PTX therapy.

The world's first quantum cascade laser module with a tunable terahertz frequency range

We have been seeking solutions for test sample analysis and non-destructive testing that involve irradiating samples with terahertz waves, a type of electromagnetic wave, and measuring the rate of absorption. The Company has enlisted its proprietary technologies in developing a terahertz frequency range quantum cascade laser[1] (QCL) light source that operates at room temperature across a greater wavelength range. However, in order to achieve more accurate analysis, it is necessary to irradiate samples by switching the terahertz frequency to match the components within the sample, which calls for a single light source module with the capability of tunable frequency.

In response, the Company optimized QCL configurations drawing on its terahertz wave research analysis and technology developed over many years, while combining such technology with components such as diffraction grating that disperses and reflects light at different wavelengths. We have developed the world's first QCL module that makes it possible to freely switch frequencies by controlling the tilt of the diffraction grating and adjusting the reflection angle of the optical beam[2].



▲ This illustrates the mechanism for frequency switching. It is possible to switch the frequency of the terahertz wave by changing the tilt of the diffraction grating.

This results in better accuracy and efficiency of quality assessments and non-destructive testing of pharmaceuticals, foods, and semiconductor materials. We are also seeking to apply this technology to ultra-high-speed wireless communications using terahertz waves.

<Development Sector>

Development of world's first THz image intensifier capable of real-time imaging

Although terahertz wave non-destructive testing is useful for detecting materials such as nails and films that are difficult to detect by inspections using x-rays, its limited operation speed served as a hurdle to real-time imaging when using prevailing imaging methods that involve converting terahertz waves into heat.

In response, the Company developed an image intensifier[3] capable of real-time imaging through a method that involves converting terahertz waves into electrons and then converting those electrons into light. This has culminated in the world's first fast-response, high-resolution image intensifier, upon having achieved success in efficiently converting terahertz waves into electrons and amplifying the electrons using photoelectric conversion technology previously developed through joint research with the Technical University of Denmark, and also enlisting imaging technology and design ingenuity amassed over many years.



▲ The newly developed I.I. (left). Transmission image (right) captured by the image intensifier by irradiating terahertz waves onto a metallic object (middle).

The combination of this image intensifier and terahertz wave light sources is poised to enable quick in-line detection of contaminants in materials, such that are difficult to detect using X-ray non-destructive testing. Moreover, this technology holds promise with respect to applications involving walk-through security checks at event venues and other such locations given that terahertz waves do not have harmful effects on the human body.

1. A quantum cascade laser (QCL) is a semiconductor laser light source that uses a special structure in the light-emitting layer which enables high output power in a wavelength range from the mid-infrared to the far-infrared region, unlike conventional lasers.
2. Part of this research was commissioned by the Japanese Ministry of Internal Affairs and Communications as a "Strategic Information and Communications R&D Promotion Program (SCOPE)" (No. JP195006001).
3. Image intensifiers are imaging devices capable of detecting and amplifying very low-level visible and invisible light.

Development of avalanche photodiode (APD) array for industrial LiDAR that achieves lower costs and fast response

Avalanche photodiodes (APDs) are optical semiconductor sensors equipped with the capability of amplifying optical signals. They are widely used in LiDAR[4] applications because they are able to detect low-level light with higher sensitivity to measure the distance to far-away objects. Although the Company had previously developed an APD array containing multiple APDs for industrial LiDAR, the APD array required separate control circuits and temperature sensors for adjusting the signal multiplication factor to match changes in ambient temperature when in use.

In response, the Company developed an APD array equipped with a self-bias generator for stabilizing the signal multiplication factor using the Company's proprietary semiconductor fabrication technology. This eliminates the need for control circuits and temperature sensors to adjust the signal multiplication factor. We have also achieved improvement with respect to detection accuracy and distance as a result of having optimized design of built-in signal processing circuits and having improved signal response time by approximately threefold that of conventional products. This APD array product promises to achieve lower costs and greater performance of LiDAR installed in automated guided vehicles.



▲ Illustration of newly developed APD array (left) and its application with respect to LiDAR for automated guided vehicles (right)

As reported above, we are using the proprietary photonics technologies our Group has cultivated over many years to pursue basic research aimed at the creation of new knowledge and new industries and undertake development that seeks to create new products and further enhance the high performance and added value of existing products in sectors such as biotechnology, medical care, information, telecommunications, energy, materials, space and astronomy and agriculture.

For the fiscal year ended September 30, 2022, research and development expenses decreased to JPY 11,269 million (down by 0.9%) compared with the previous fiscal year.

4 LiDAR is a remote sensing technology that measures distance by irradiating a laser beam onto an object and capturing the reflected light with an optical sensor.

(2) Capital Investment

For the fiscal year ended September 30, 2022, we made total capital investments of JPY 20,427 million for purposes such as expanding production capacity. The amounts of capital investment by business segment are as follows:

(Millions of Japanese Yen)

Segment	The amounts of capital investment
Electron tube	10,582
Opto-semiconductor	5,300
Imaging and measurement instruments	1,779
Other	2,765
Total	20,427



▲ Artist's rendering of new Toyooka Factory building (Electron Tube Segment)

(3) Fund Procurement

There was no fund procurement during the fiscal year ended September 30, 2022.

(4)Change in Business Results and Financial Position for the Three Most Recent Fiscal Years

(Millions of Japanese Yen, except for earnings per share and net assets per share, which are in Japanese Yen)

Year / Classification	FY2019	FY2020	FY2021	FY2022
Net sales	145,912	140,251	169,026	208,803
Ordinary profit	26,277	22,692	34,648	58,879
Profit attributable to owners of parent	19,918	16,523	25,053	41,295
Earnings per share	128.67	106.73	161.82	266.70
Total assets	259,694	271,615	301,676	366,177
Net assets	203,647	213,515	237,570	281,904
Net assets per share	1,311.11	1,373.79	1,527.65	1,811.98

Notes: 1. Earnings per share is calculated using the number of shares after deducting treasury shares from the average total shares issued during the period. Net assets per share are calculated using the number of shares after deducting treasury shares from the total shares issued at the end of the period.

2.The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year 2022, and each figure for the fiscal year 2022 is the figure after applying the accounting standard and relevant ASBJ regulations.

3. Amounts less than 0.01 yen are rounded.

(5) Issues to be Addressed

With regard to the business environment surrounding the Group, signs of recovery in corporate earnings and capital investment in some sectors aside, the outlook for the global economy has remained uncertain particularly given concerns of an economic downturn due to tightening of monetary policy worldwide, in addition to resurgence of the COVID-19 pandemic, prolonged difficulties in procuring raw materials, and effects of the situation in Ukraine.

Operating under such conditions, the Company has continued to achieve sales growth as a result of maintaining strong performance since the previous fiscal year across major industries including the medical, industrial and analysis fields. In particular, earnings were driven by semiconductor-related products for industrial equipment against a backdrop marked by global expansion of semiconductor-related demand for 5G, data centers and other applications, and sales of medical-bio instruments also performed well. As a result, the Group achieved record-high net sales and profit in the fiscal year.

Demand for the photonics technologies pursued by our Group has been increasingly mounting in cutting-edge technological domains including the medical, industrial and analysis fields, which has prompted us to reaffirm the notion that products supplied by the Company serve as "Key Enabling Technology" that improves performance of our customers' end products worldwide.

For the Group, we seek to keep supplying products and technologies that society needs, which will involve forging ahead with capital investment necessary for the future, refining core technologies that drive business, actively engaging in co-creation with our partners in Japan and overseas with whom synergies with our optical technologies can be expected, and taking on challenges of expanding the optical application industry, the Company's business domain.

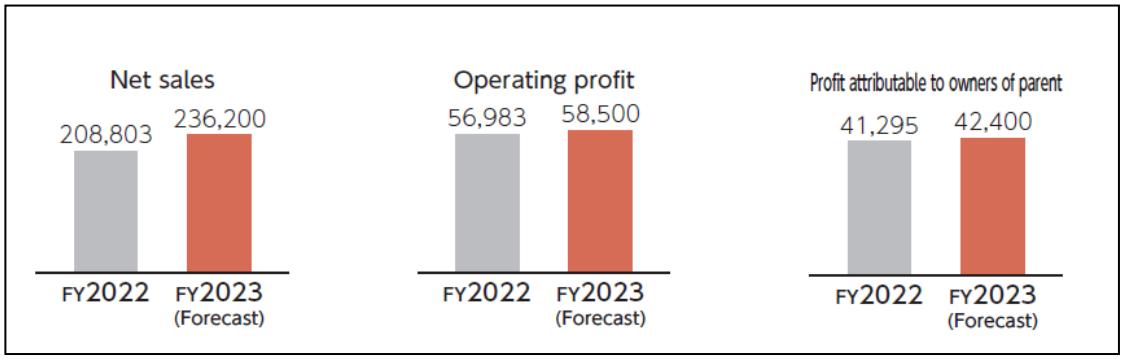
Meanwhile, our initiatives for new growth going forward entail taking steps to strengthen our management structure with the aim of achieving medium- to long-term business expansion. This will involve making the laser business a new pillar of our operations, enhancing coordination company-wide including three business divisions and the Central Research Laboratory, and fully leveraging synergies derived from such efforts.

For the Group, we will strive to increase our corporate value by using photonics technologies to help address various issues such as environmental and social challenges with our sights set on achieving a sustainable society, while never forgetting the venture mentality we have maintained since the Company's founding.

We look forward to continuing to receive your unwavering support and encouragement in the future.

(Reference)

Forecast of consolidated financial results for FY2023 (Unit: JPY million)



Commitment to Sustainability

①Basic Policy of Sustainability

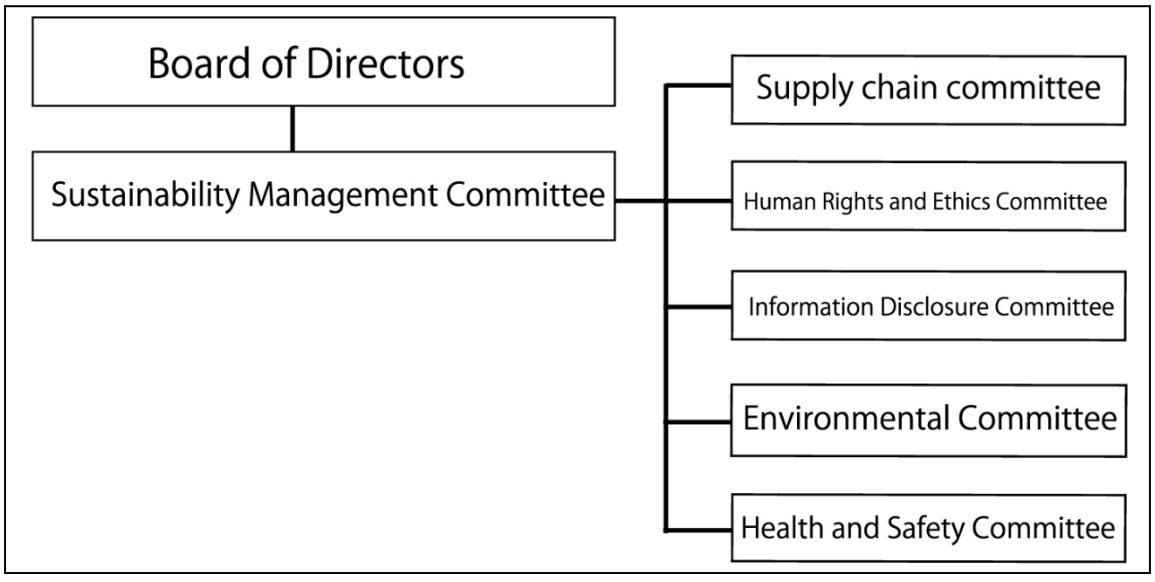
Since our founding in 1953, The Company has consistently pursued "light" and have made it our basic philosophy to contribute to society and the development of science and technology through world-class manufacturing using optical technology. Aiming to grow as a company that is sound and trusted, The Company will maintain a high awareness of sustainability and promote business together with all stakeholders.

1. The Company will strictly adhere to corporate ethics, comply with relevant laws and regulations, international rules, and the spirit thereof, and respect human rights.
2. The Company will conduct ecologically-sound and sustainable business activities, considering and contributing to the environment.
3. The Company will respect our employees, support their development, and provide a pleasant and safe work environment.
4. The Company will provide safe and high-quality products and services.
5. The Company will conduct fair transactions, appropriately manage information, and prevent unauthorized access, information leakage, and unauthorized use.

②Promotion system

The Company established the “Sustainability Management Committee” in October 2021.

This Committee promotes a company-wide response under the leadership of the Division Director of the Administration Headquarters as the chairperson. The status of the activities of each committee under the Sustainability Management Committee is reported to the Board of Directors, and the intentions of the Board of Directors are reflected in the activities of each committee.



(6) Key Subsidiaries

Company name		Capital stock	Percent owned	Main businesses	Location
Japan	Koso Corporation	85,000,000 yen	100.0	Manufacture of light sources	Iwata City, Shizuoka Pref.
	Takaoka Electronics Co., Ltd.	98,000,000 yen	88.6	Manufacture of photomultiplier tubes (PMT) and related products	Naka-ku, Hamamatsu City
	Hamamatsu Electronic Press Co., Ltd.	95,000,000 yen	72.1	Manufacture of electronic components and molds	Iwata City, Shizuoka Pref.
	Iwata Grand Hotel Inc.	100,000,000 yen	57.1	Hotel operations	Iwata City, Shizuoka Pref.
North America	Photonics Management Corp.	33,521,000 US dollars	100.0	Holding company	USA
	Hamamatsu Corporation	426,000 US dollars	(100.0)	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems	USA
	Energetiq Technology, Inc.	1 US dollar	(100.0)	Manufacture and sale of light sources and related products	USA
Europe	Photonics Management Europe S.R.L.	272,696,000 euros	100.0	Holding company	Belgium
	Hamamatsu Photonics Europe GmbH	400,000 euros	(100.0)	Regional sales headquarters in Europe	Germany
	Hamamatsu Photonics Deutschland GmbH	2,000,000 euros	(100.0)	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems	Germany
Asia	Hamamatsu Photonics (China) Co., Ltd.	50,000,000 Chinese yuan	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems	China
	Beijing Hamamatsu Photon Techniques, Inc.	200,000,000 Chinese yuan	94.0	Manufacture and sale of photomultiplier tubes (PMT) and related products	China

Notes: 1. The figures in ( ) for percent owned are the indirect ownership percentage.
2. As of September 30, 2022, there are 21 subsidiaries subject to consolidation, including the 12 key subsidiaries listed above.

(7) Main Office Locations & Factories (As of September 30, 2022)

a. Hamamatsu Photonics K.K.

Classification	Office name and Location
Office	Headquarters(Naka-ku, Hamamatsu City)
Factory	Main Factory(Higashi-ku, Hamamatsu City), Mitsue Factory(Iwata City, Shizuoka Pref.), Shingai Factory(Minami-ku, Hamamatsu City), Toyooka Factory(Iwata City, Shizuoka Pref.), Tenno Glass Works(Higashi-ku, Hamamatsu City), Joko Factory(Higashi-ku, Hamamatsu City), Miyakoda Factory(Kita-ku, Hamamatsu City)
Sales Office	Sendai Sales Office(Aoba-ku, Sendai City), Tsukuba Sales Office(Tsukuba City, Ibaraki Pref.), Tokyo Sales Office(Chiyoda-ku, Tokyo), Chubu Sales Office(Naka-ku, Hamamatsu City), Osaka Sales Office(Chuo-ku, Osaka City), Nishinihon Sales Office(Hakata-ku, Fukuoka City)
Research Laboratory	Central Research Laboratory(Hamakita-ku, Hamamatsu City), Tsukuba Research Laboratory(Tsukuba City, Ibaraki Pref.), Industries Development Laboratory(Nishi-ku, Hamamatsu City)

b. Subsidiaries

As described in the above ⑹ Key Subsidiaries

(8) Employees (As of September 30, 2022)

Business segment	No. of employees	
Electron tube	2,140	(+90)
Opto-semiconductor	1,664	(+110)
Imaging and measurement instruments	610	(+7)
Other	372	(+3)
Corporate (shared)	705	(+2)
Total	5,491	(+212)

Notes: 1. The number of employees is the numbers of full-time employees.
2. Employees designated as “Corporate (shared)” are individuals affiliated with management departments who cannot be classified in a specific business segment.

(9) Main Banks and Amount of Borrowing (As of September 30, 2022)

(Millions of Japanese Yen)

Bank	Amount
MUFG Bank, Ltd.	6,700
Resona Bank, Limited	2,584
Shizuoka Bank, Ltd.	1,645

Note: The Company has concluded commitment line contracts with the five banks with which it does business, for the purpose of flexible and efficient financing. The balance of unrealized borrowings based on the commitment line contracts is as follows.

Total amount of commitment line contracts	JPY 20,000 million
Balance of borrowings	JPY – million
Balance of unrealized borrowings	JPY 20,000 million

(10) Summary of Other Important Matters Concerning the Corporate Group

Not applicable

2. Matters Concerning the Company's Stock (As of September 30, 2022)

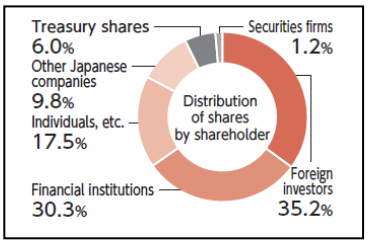
Common stock

a. Authorized: 500,000,000 shares

b. Issued: 165,052,729 shares
(including 9,945,784 shares of treasury shares)

c. Number of shareholders: 22,934

d. Major shareholders:



Name of shareholder	No. of shares	Percentage of shareholding
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,945,300	18.7
Custody Bank of Japan, Ltd. (Trust Account)	8,646,200	5.6
Toyota Motor Corporation	8,400,000	5.4
Hamamatsu Photonics K.K. employees	4,108,174	2.6
SSBTC Client Omnibus Account	3,815,019	2.5
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	2,917,800	1.9
State Street Bank West Client - Treaty 505234	2,595,587	1.7
JP Morgan Chase Bank 385635	2,557,500	1.6
JP Morgan Chase Bank 380072	2,371,500	1.5
RBC ISB S/A DUB NON RESIDENT/TREATY RATE UCITS-CLIENTS ACCOUNT-MIG	1,869,600	1.2

Notes: 1. The Company holds 9,945,784 shares of treasury shares that is not included in the shares of the major shareholders shown above.
2. The percentage of shareholding is calculated after excluding treasury shares. Fractional amounts of less than a single unit have been rounded.
3. On January 14, 2022, the Company issued shares of common stock as restricted stock remuneration, which increased the number of issued shares by 10,888.

e. Shares Delivered During the Fiscal Year to Company's Officers as Remuneration for Their Execution of Duties

During the fiscal year ended September 30, 2022, the following shares were delivered in accordance with the restricted stock remuneration plan.

Classification	No. of shares	No. of eligible Directors for issuance
Directors (excluding Outside Directors)	6,520	6

Notes: 1. Stocks are not delivered to Outside Directors and Audit & Supervisory Board Members.
2. In addition to the aforementioned, 4,368 restricted stocks were granted to nine (9) Executive Officers.

3. Matters Concerning Company Stock Acquisition Rights

Not applicable

4. Matters Concerning Company Directors

(1) Directors and Audit & Supervisory Board Members (As of September 30, 2022)

Company Position	Name	Responsibilities	Significant Position Concurrently Held
Representative Director and President Chief Executive Officer	Akira Hiruma	—	Director and President, Photonics Management Corp. Director, Hamamatsu Corporation Director, Photonics Management Europe S.R.L. Chairman, Beijing Hamamatsu Photon Techniques, Inc. Chairman, Hamamatsu Photonics (China) Co., Ltd. Director and President, Research Foundation for Opto-Science and Technology President, Hamamatsu Medical Photonics Foundation President, The Graduate School for the Creation of New Photonics Industries
Representative Director and Vice President Chief Operating Officer	Kenji Suzuki	—	—
Representative Director and Senior Managing Executive Officer	Tadashi Maruno	Division Director, Systems Division	Director, Hamamatsu Corporation
Director and Managing Executive Officer	Kenji Yoshida	Division Director, Administration Headquarters	—
	Takayuki Suzuki	Division Director, Solid State Division	Director, Hamamatsu Corporation
	Hisaki Kato	Division Director, Electron Tube Division	—
Outside Director	Kashiko Kodate	—	Professor Emeritus, Japan Women's University
	Ken Koibuchi	—	Chief Project Leader (Autono-MaaS, Automated Driving) Connected Campany, Toyota Motor Corporation Fellow, Vehicle Development Center , Toyota Motor Corporation
	Kazue Kurihara	—	Professor Emeritus, Tohoku University Professor, New Industry Creation Hatchery Center, Tohoku University
	Takuo Hirose	—	Partner,Anderson Mori & Tomotsune LPC Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K. Outside Director(Audit & Supervisory Committee Member),Core Concept Technologies Inc.

Audit & Supervisory Board Member (Standing)	Akira Utsuyama	—	—
	Michihito Suzuki	—	—
Outside Audit & Supervisory Board Member	Yuji Maki	—	Consultant, Toyota Motor Corporation
	Muneo Kurauchi	—	—

Notes: 1. The Company has notified the Tokyo Stock Exchange of Outside Director Kashiko Kodate, Outside Director Ken Koibuchi, Outside Director Kazue Kurihara, Outside Director Takuo Hirose, Outside Audit & Supervisory Board Member Yuji Maki and Outside Audit & Supervisory Board Member Muneo Kurauchi as independent officers, as provided by the securities listing regulations of the Tokyo Stock Exchange.

2. At the 74th Ordinary General Meeting of Shareholders held on December 17, 2021, all of Directors were reelected and assumed their respective positions. Changes to Directors, other than reappointments, were as follows.

Appointed Director	Takuo Hirose
Resigned Representative Director	Koei Yamamoto
Resigned Director	Tsutomu Hara

3. At the Board of Directors meeting held on December 17, 2021, the Directors were elected and assumed their respective positions. The change to Director with specific titles was as follows:

Appointed Representative Director	Tadashi Maruno

4. Outside Audit & Supervisory Board Member Yuji Maki is well-versed in corporate management and has the appropriate degree of knowledge concerning financial affairs and accounting.
5. Outside Audit & Supervisory Board Member Muneo Kurauchi has many years of experience in financial services in Japan and overseas at The Bank of Tokyo-Mitsubishi UFJ, Ltd. (now MUFG Bank, Ltd.), and has the appropriate degree of knowledge concerning financial affairs and accounting.
6. The Company has business transactions, including the sale and purchase of products, with Japan Women's University.
7. Toyota Motor Corporation is a major shareholder and owns 5.4% of the Company's total shares issued (excluding treasury shares). The Company has business transactions, including the sale and purchase of products, with Toyota Motor Corporation.
8. The Company has business transactions, including the sale and purchase of products, with Tohoku University.
9. The Company has transactional relationships with Anderson Mori & Tomotsune LPC including the provision of legal advisory services.

(Reference) The Company has introduced an Executive Officer System. The statuses Executive Officers (excluding those concurrently serving as Directors) as of September 30, 2022, are as follows.

Company Position	Name	Responsibilities
Managing Executive Officer	Naofumi Toriyama	Division Director, Business Headquarters
Senior Executive Officer	Kazuhiko Mori	General Manager, Accounting Division
Senior Executive Officer	Minoru Saito	General Manager, Compound semiconductor Fabrication Center and Laser Promotion Division
Executive Officer	Ken Nozaki	In charge of Public Relations, Liaison Office/ General Manager, Collaboration Supporting Department and General Manager, Business Mentor-Bank, GSCC
Executive Officer	Hiroyuki Okada	In charge of GSCC and Medical / Division Director, GSCC and General Manager, Business Accelerator, GSCC and General Manager, Internal Venture, GSCC and

		General Manager, New Concept Design, GSCC
Executive Officer	Kazuya Suzuki	In charge of Intellectual Property, Environment, Quality and Export Control/General Manager, Product Management Division.
Executive Officer	Koichi Nagumo	In charge of General Affairs/ General Manager, General Affairs Division
Executive Officer	Shuichi Osada	In charge of IR and IT/ General Manager, Business Management and Control Division and Manager, Investor Relations Office
Executive Officer	Haruyoshi Toyoda	Director, Central Research Laboratory

Notes: 1.GSCC stands for Global Strategic Challenge Center.
2. On October 1, 2022, Shuichi Osada's role was changed to be in charge of IR and IT/ General Manager, Business Management and Control Division and General Manager, IT Strategy Division and Manager, Investor Relations Office.

(2) Overview of Directors and Officers Liability Insurance Policy

The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act. The scope of insureds of the policy covers officers (including Directors, Audit & Supervisory Board Members, and Executive Officers) of the Company and some subsidiaries inside and outside Japan, and the Company bears the full cost of insurance premiums for all the insureds.

The policy covers the insured's legally mandated amount of indemnification and related litigation expenses incurred from claims for damages arising from the insureds performance of their duties. However, by excluding from the scope of coverage, losses, etc. incurred due to illegal acts for personal gain or granting of benefits, or criminal conduct, the policy has built in measures to ensure that the adequacy of the execution of duties by the insured shall not be compromised.

(3) Remuneration and Other Amounts Paid to Directors and Audit & Supervisory Board Members

a. Total remuneration and other benefits pertaining to the fiscal year ended September 30, 2022

Classification	Number of compensated individuals	Basic Remuneration	Remuneration for Granting Restricted Stock to Directors	Total amount of Remuneration
Directors(Outside Directors only)	12(4)	JPY 322(30) million	48(-) million	370(30) million
Audit & Supervisory Board Members(Outside Audit & Supervisory Board Members only)	4(2)	JPY 54(13) million	-(-) million	54(13) million
Total(Outside Officers only)	16(6)	JPY 376(44) million	48(-) million	424(44) million

Notes: 1. The amount of remuneration for Directors was established at a monthly amount of up to JPY 60 million (up to JPY 10 million for Outside Directors), excluding the salary payable in the capacity of employees, by a resolution of the 74th Ordinary General Meeting of Shareholders held on December 17, 2021. The number of Directors at the conclusion of the said Ordinary General Meeting of Shareholders was 10

(including four (4) Outside Directors).

2. At the 72nd Ordinary General Meeting of Shareholders held on December 20, 2019, aiming to contribute to continuous improvement in corporate value from the same position as our shareholders by promoting the long-term, stable holding of the Company's stock by Directors, it was resolved that the remuneration for granting restricted stock to Directors (excluding Outside Directors) shall be up to 200 million yen per year (however, not more than 200,000 shares per year), separately from the remuneration described in 1. above. The number of Directors at the conclusion of the said Ordinary General Meeting of Shareholders was 13 (including two (2) Outside Directors).
3. The amount of remuneration for Audit & Supervisory Board members was established at a monthly amount up to JPY 10 million by a resolution of the 74th Ordinary General Meeting of Shareholders held on December 17, 2021. The number of Audit & Supervisory Board Members at the conclusion of the said Ordinary General Meeting of Shareholders was four (4).
4. Total remuneration paid to Directors does not include the employee salary portions paid to Directors serving concurrently as employees.
5. Among the number of Directors who received payment in the table above, there includes two (2) Directors who resigned on December 17, 2021.

b. Retirement benefits paid in the fiscal year ended September 30, 2022

Retirement benefits paid during the fiscal year ended September 30, 2022 based on a resolution of the 65th Ordinary General Meeting of Shareholders held on December 20, 2012 to pay final benefits following abolition of the retirement benefit plan were as follows.
Director: 2, JPY 163 million
(The amount shown above includes a transfer of the provision for officers' retirement benefits included in the total amount of officers' remuneration and other benefits disclosed in the Business Report for the prior fiscal year.)

c. Matters including policy for determining the content of Directors' remuneration and others

The Company has adopted a resolution on the policy for determining the content of individual remuneration, etc. for Directors and other matters at a Board of Directors meeting. Furthermore, the Board of Directors meeting has judged that the method of determining the details of remuneration, etc. and the content of determined remuneration. are consistent with the determination policy resolved by the Board of Directors meeting, and accordingly, that the remuneration, etc. for each individual Director in the fiscal year ended September 30, 2021, is in line with said determination policy. The policy for determining the content of remuneration, etc. for individual Directors is as follows.

The Company pursues the unknown where no one has yet explored. By leveraging photonics technology to establish new industries and reach for the world's highest levels of manufacturing excellence, we build enterprise value and contribute to the development of science and technology. However, only a small fraction of the nature of light has been elucidated. We explore fields not yet explained. Based on the knowledge generated by that inquiry, we require our Directors and employees to seek potential applications. Based on this idea, the Company requires Directors to pursue outcomes from a medium to long-term rather than a short-term perspective. Therefore, the Company considers that fixed remuneration is most suitable as the base remuneration for Directors.

On the other hand, as Directors are obligated to fulfill their commitments to our shareholders, aiming to contribute to continuous improvement in corporate value from the same position as our shareholders by promoting the long-term, stable holding of the Company's stock by Directors, in January 2020 we introduced stock-based remuneration (restricted stock-based remuneration).

As a result, remuneration for Directors of the Company (excluding Outside Directors) is composed of fixed remuneration and stock-based remuneration.

Regarding the amount of Director remuneration, fixed monthly remuneration established based on position is decided at the Board of Directors meetings and paid monthly. Furthermore, stock-based remuneration set at around 15% of total Director remuneration is decided for each Director at the Board of Directors meetings and paid prior with a 30-year transfer restriction period from the record date. Additionally, only fixed remuneration is paid as remuneration for Outside Directors.

(3) Outside Officers

a. Main activities

Company Position	Name	Main activities	Attendance
Outside Director	Kashiko Kodate	Based on her extensive expertise as a university professor and experience in corporate management, Kashiko Kodate has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling her expected role as Outside Director. Furthermore, she also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 17/17 (100%) the Nomination and Compensation Committee 3/3 (100%)
	Ken Koibuchi	Based mainly on his wealth of experience and keen insight in fields including corporate management, Ken Koibuchi has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling his expected role as Outside Director. Furthermore, he also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 15/17 (88%) the Nomination and Compensation Committee 3/3 (100%)
	Kazue Kurihara	Based on her extensive expertise as a university professor and experience through industry-academia partnerships, Kazue Kurihara has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling her expected role as Outside Director. Furthermore, she also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 17/17 (100%) the Nomination and Compensation Committee 3/3 (100%)
	Takuo Hirose	Based on his extensive experience as a attorney and outstanding insight in the field of corporate legal affairs, Takuo Hirose has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling his expected role as Outside Director. Furthermore, he also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 14/14 (100%) the Nomination and Compensation Committee 2/2 (100%)

Outside Audit & Supervisory Board Member	Yuji Maki	Contributes remarks and advice based on his practical experience and perspective in the accounting division of a listed company.	Board of Directors meetings 17/17 (100%) Audit & Supervisory Board 6/6 (100%)
	Muneo Kurauchi	Takes advantage of his experience in the banking industry to contribute remarks and advice on all aspects of corporate management, including financial accounting.	Board of Directors meetings 17/17 (100%) Audit & Supervisory Board meetings 6/6 (100%)

Note:The attendance record for Takuo Hirose is his attendance at Board of Directors meetings and attendance at the Nomination and Compensation Committee meetings after he assumed office on December 17, 2021.

b. Summary of contents of agreements to limit liability

Based on the Articles of Incorporation, the Company has entered Agreement Limiting Liability between the Company and each Outside Director and Outside Audit & Supervisory Board Member regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit their obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act.

5. Independent Auditor

(1) Name of Independent Auditor

Ernst & Young ShinNihon LLC

(2) Amount of Compensation and Other Benefits Paid to the Independent Auditor Pertaining to the Fiscal Year Ended September 30, 2022

Classification	Amount
Amount of compensation and other fees related to activities prescribed in Article 2 paragraph (1) of the Certified Public Accountants Act (Law No. 103 of 1948)	JPY 69 million
Total amount of cash and other financial interests the Company and its subsidiary companies will pay to the Company's independent auditor	JPY 93 million

Notes: 1.The amount of compensation and other benefits pertaining to the fiscal year ended September 30, 2022 is reported in these total amounts because the amounts of the audit fees etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not classified separately and cannot be substantively classified in the audit agreement between the Company and its independent auditor.

2. The total amount of cash and other financial interests the Company and its subsidiary companies will pay to the Company's independent auditor includes compensation and other fees for advice and guidance on accounting matters and information disclosure, which constitute services other than the services specified under Article 2, paragraph (1) of the Certified Public Accountants Act (non-auditing services).

3. After performing the verification necessary to determine whether the details of the audit plan, status of performance of audit duties, grounds for calculation of estimated compensation and other matters pertaining to the independent auditor are appropriate, the Company's Audit & Supervisory Board has given its consent for the amount of compensation and other benefits paid to the independent auditor.

(3) Consolidated Subsidiary Audits

The following important consolidated subsidiaries of the Company are subject to audits by certified public accountants or audit entities other than the Company's independent auditor (including individuals in other countries holding qualifications that correspond to these qualifications).

Corporation Name
Hamamatsu Corporation
Hamamatsu Photonics Deutschland GmbH
Hamamatsu Photonics (China) Co., Ltd.

(4) Company Policy Concerning Decisions to Dismiss or Not Reappoint the Independent Auditor

The Company's Audit & Supervisory Board will dismiss the independent auditor by a resolution of the Audit & Supervisory Board based on the consensus of all Audit & Supervisory Board members if the independent auditor corresponds to any of the reasons provided in the sub-paragraphs of Article 340 paragraph (1) of the Companies Act. In this case, an Audit & Supervisory Board member selected by the Audit & Supervisory Board will report on the dismissal and the reason at the first Ordinary General Meeting of Shareholders convened after such dismissal.

In addition the situation described above, if it recognizes the independent auditor will have difficulty in appropriately accomplishing their duties, the Company's Audit & Supervisory Board will conduct a study based on the facts, and if it is judged dismissal or non-reappointment is reasonable the Audit and Supervisory Board will decide to make that intent a purpose of the Ordinary General Meeting of Shareholders.

6. Systems for ensuring proper business activities and operating status of said systems
Systems for ensuring proper business activities

A summary of matters resolved by the Board of Directors meeting is provided below.

[Basic Policy on Company-wide Efforts for Corporate Management]

- The Company's business is carried out based on the conduct of its employees. Therefore we will strive to foster each individual and create an organization that will grow and develop as a sound, trusted company.
- Each individual must study through their daily work, and foster a corporate culture to engage in absorption of new knowledge, correct communication of information and correct conduct, with a sense of responsibility, duty, and awareness.

(1) System to ensure the execution of Directors' duties complies with laws and regulations and the Articles of Incorporation

The Company strives to clarify its basic approach concerning corporate ethics and compliance, and ensure all employees are well-acquainted with the Company's thinking.

Apart from the Board of Directors, the Company has established the Executive Officers meeting to speed up management decision-making and separate executive and supervisory functions.

The Company strengthens the supervisory function of the Board of Directors by reporting the resolutions of the Executive Officers meeting to the Board of Directors.

(2) System for retaining and managing information concerning the execution of Directors' duties

1. The Company prepares and retains minutes of the Board of Directors meetings, the Executive Officers meeting, and other important meetings.
2. Information will be computerized and retained in an easy to inspect format.

(3) Rules and other systems related to management of loss risks

The Company will establish respective divisions responsible for risks related to information security, quality, environment, disasters, export control, etc., and these divisions prepare rules and guidelines concerning such risks, and conduct training and education.

(4) Systems to ensure the execution of Directors' duties is performed efficiently, and systems to ensure the execution of employees' duties complies with laws and regulations and the Articles of Incorporation

1. Under the rules of the Board of Directors, the Company holds regular meetings of the Board of Directors once a month to make decisions on important matters and receive reports from the Executive Officers to supervise the status of business execution. In addition, the Executive Officer system separates management decision-making from business execution, enabling swift and flexible decision-making, while revitalizing the Board of Directors and strengthening management oversight functions.
2. Under the rules of the Board of Executive Officers, the Company holds regular meetings of the Board of Executive Officers attended by the Directors, the Executive Officers and Audit & Supervisory Board Members to review and resolve matters delegated by the Board of Directors. In addition, the Business promotion meeting, which is affiliated with the Board of Executive Officers, is attended by General Managers and above, and examines basic and important matters related to business execution from a variety of perspectives, and directly explains and directs them to the relevant parties. In this way, the Company aims to expedite and improve the efficiency of business execution and to share information among officers and executive employees. Furthermore, information is also communicated to other employees through other meetings.
3. The Company will prepare the organization regulations, division of duties provisions, and administrative authority provisions, and clarify responsibilities and authorities.
4. To understand budget execution status and operating results trends, the Company will

establish a Budget Committee to study progress reports and actions to be taken.

5. The Company will conduct training to improve areas such as the safety and health of employees and compliance awareness at the time when individuals join the Company and when individuals are appointed to management positions, and continually after that.
6. The Company will prepare a system for disclosing inside information accurately and on a timely basis.
7. The Company will prepare various guidelines based on the Personal Information Management Guidelines to address the management of personal information.
8. The Company will clarify the basic policy for eliminating anti-social forces, and thoroughly acquaint all employees with it.
9. Based on the Internal Controls and Audit Provisions, the Company will prepare the internal control systems necessary to ensure the appropriateness of financial reporting.

(5) Systems to ensure appropriate business operations in our Group (meaning the Company and its consolidated subsidiaries)

1. For domestic and foreign consolidated subsidiaries, the Company will establish a management division responsible for ensuring appropriate operations while respecting, as a rule, each subsidiary's autonomy. The Company will respond as follows based on the size and business of consolidated subsidiaries.
   a) For domestic consolidated subsidiaries, the Company executes operations in accordance with the Company's policy and monitors the execution of operations by dispatching Directors or executive employees of the Company to serve as Directors of these subsidiaries. In addition, the Company strives to avoid risks by dispatching Directors or executive employees of the Company to serve as Audit & Supervisory Board Members.
   b) For overseas consolidated subsidiaries, in addition to the actions described in a), the Company periodically brings together responsible individuals of the overseas consolidated subsidiaries for reporting and conferring, to build a consensus about the management. In addition, the Company dispatches or seconds responsible individuals to the subsidiaries in order to collect information as necessary.
2. Domestic and foreign consolidated subsidiaries of the Company shall regularly report on their operating results etc. to the Company, and if necessary the Company shall convene a liaison meeting to encourage communication, in order to promote cooperation within our Group.
3. The Company will address the risks at domestic and foreign consolidated subsidiaries by sharing risk information corresponding to size and business category, preparing and disseminating various provisions, and implementing training and education, with using the responsible division of the Company as a contact.
4. The Company will formulate a consolidated earnings plan while sharing information between the Company and its consolidated subsidiaries.
5. The Company will make the Fundamental CSR Policy and the Corporate Code of Conduct known to its consolidated subsidiaries, with the goal of improving compliance within our Group.

(6) Matters concerning employees to be appointed when the Audit & Supervisory Board Members have requested that employees be assigned to assist their duties

If the Audit & Supervisory Board Members have requested staff to assist an audit, the Company will appoint individuals from among its employees based on the Audit & Supervisory Board request about the number and the abilities of staff.

(7) Matters concerning ensuring the independence of the employees in the preceding paragraph from the Directors and ensuring the effectiveness of instructions to said employees

As dedicated staff to assist the Audit & Supervisory Board, the relevant employees must act solely in accordance with the standards set by the Audit & Supervisory Board, and must follow the Audit & Supervisory Board Members' instructions and orders. Furthermore, they are not to serve

concurrently in an office related to the execution of operations or as employees in other divisions.

(8) System for Directors and employees of our Group to report to Audit & Supervisory Board Members, and system concerning other reports to Audit & Supervisory Board Members

When Directors, Executive Officers and employees (including Directors, Audit & Supervisory Board Members, and employees of consolidated subsidiaries) are requested to report on matters concerning the execution of operations by Audit & Supervisory Board Members of the Company, they will make an appropriate report promptly.

Furthermore, as soon as they have discovered any facts that might cause a significant loss to our Group, including acts that will violate laws and regulations or the Company's Articles of Incorporation, they shall make a report immediately to an Audit & Supervisory Board Member, or to the Audit & Supervisory Board.

(9) System to ensure individuals who have made a report under the preceding paragraph are not subjected to disadvantageous treatment because they made said report

The Company will not subject a Director or employee of our Group who made a report to an Audit & Supervisory Board Member to disadvantageous treatment because they made said report.

(10) Matters concerning the policy with respect to the procedure for advances or reimbursements of expenses incurred with respect to the execution of an Audit & Supervisory Board Member's duties or other processing of expenses or debts incurred with respect to the execution of said duties

When an Audit & Supervisory Board Member has submitted a request for advance payment of expenses with respect to the execution of duties based on Article 388 of the Companies Act, the Company will process said expenses or debts promptly except when it has determined, based on discussions with the responsible division, that the expenses or debts with respect to the relevant payment request were not necessary for execution of said Audit & Supervisory Board Member's duties.

(11) Other systems to ensure that audits by Audit & Supervisory Board Member are conducted effectively

The Company will ensure that the Audit & Supervisory Board Members will conduct effective audit activities for operating audits and accounting audits, based on a system of appropriate reports from parties such as the Independent Auditor, the Internal Audit & Control Division, the Internal Audit Division, subsidiaries' Directors and Audit & Supervisory Board Members and the audit assistance staff, as well as coordination and information sharing with them.

A summary of the operation status of the systems for ensuring appropriate business operations is provided below.

Execution of Directors' duties

By separating the operational execution function from the Board of Directors, delegating authority for operational execution to Executive Officers, and reporting matters resolved at the Executive Officers meetings to the Board of Directors, the Company is working to strengthen the monitoring function of the Board of Directors and to promote flexible decision-making. In addition, in order to ensure the fairness, etc. of nominations for candidates for Director and remuneration procedures, and to strengthen the monitoring function of the Board of Directors, the Company has established a voluntary Nomination and Compensation Committee. Furthermore, for the purpose of maintaining and improving the effectiveness of the Board of Directors, the Company has continually conducted evaluations of the Board of Directors by consigning to a third party administration of questionnaires based on self-assessment

by the Directors and Audit & Supervisory Board Members. Based on the results of these evaluations, the Company changes the method of operating the Board of Directors meetings and other matters as necessary. On the other hand, the Company has formulated a basic policy concerning corporate governance in which it identified the management philosophy, and has disclosed the policy on its website to make known not only to its employees but also to various stakeholders. As part of our corporate governance activities, Directors, Audit & Supervisory Board Members and Executive officers are provided with officer training programs as appropriate. The Company has also created opportunities for Directors to exchange ideas regarding current business development and topics and the medium- to long-term direction of the Company.

In the fiscal year under review, with aims that include building a management structure that can quickly respond to changes in the Company's operating environment, and clarifying the responsibility of management, the Company has changed the terms of office for Directors from two (2) years to one (1) year, and has also decided to disclose the combinations of skills possessed by Directors, including their knowledge, experience, and abilities, together with policies and procedures for electing Directors. During the fiscal year under review, the Company resolved and disclosed its basic policy on sustainability at the Board of Directors meetings, and began reporting its sustainability initiatives to the Board of Directors.

The Company has also made its basic thinking concerning corporate ethics and compliance, its Fundamental CSR Policy and its Corporate Code of Conduct known to employees by posting this information on its intranet website and through various educational efforts. In August 2017, the Company became a signatory to the UN Global Compact and declared its support for the UN's 10 principles. In this fiscal year, the Company has been recognized under the 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category) "White 500," as in the previous year. The Company will continue to implement policies to enable all employees to balance work and family and to continue working actively on a long-term basis.

Meanwhile, under the rules of the Board of Executive Officers, the Company holds meetings of the Board of Executive Officers once a week attended by the Directors, Executive Officers and Audit & Supervisory Board Members to review and resolve matters delegated by the Board of Directors, thereby promoting flexible decision-making. The Company holds the Business promotion meeting attended by the Directors, the Executive Officers, Audit & Supervisory Board Members and other managers once every week under the rules of Business promotion meeting to conduct multifaceted studies of basic matters and important issues regarding the execution of operations and from time to time prepares reports and studies on various issues. These meetings prepare and retain all meeting minutes.

Management of loss risk

The Company has formulated a business continuity plan, which it continuously revises through means such as training, to prepare for disasters such as earthquakes. It also has strengthened its risk management system for overseas business travel. Training with regard to other risks related to health and safety, information security, quality, environment, disasters and export control, etc., is implemented by each responsible division.

Furthermore, in response to COVID-19, the Company has worked to prevent infections and spread among our employees and to ensure safety, while promoting thorough infection prevention policies to prevent any impact on production activities.

Execution of employees' duties

The Company holds the Business promotion meeting once every week and

communicates information to its executive employees through various discussions, including our Group's management policies and conformity with our corporate culture. In addition, the Company holds a meeting of its employees holding the managerial position regularly, where the management side gives reports and seeks to deliver and share information in their own words.

The Company has also prepared rules and provided education to prevent research activity misconduct and the improper use of public research funds.

Ensuring proper operations in our Group

To ensure propriety of operations, including those of consolidated subsidiaries, the Company clarifies administrative authority including that of consolidated subsidiaries and shares such information within the Group. With the aims of creating risk management systems for the entire Group and achieving thorough compliance with laws and regulations, the Company promotes projects for improving the Group compliance framework geared toward its overseas consolidated subsidiaries. Furthermore, in addition to dispatching or seconding executives to consolidated subsidiaries, for its domestic consolidated subsidiaries the Company exchanges information monthly if necessary, and for its overseas consolidated subsidiaries implements meetings where all managers attend.

Systems to ensure audits and supervision are conducted effectively

To improve the effectiveness of audits by the Audit & Supervisory Board Members, if necessary the Company confers beforehand with the Audit & Supervisory Board Members concerning the contents of materials to be submitted to the Board of Directors meeting. Furthermore, to improve the effectiveness of audits and supervision by the Outside Directors and Outside Audit & Supervisory Board Members, the Company provides them with the necessary information by sending beforehand the materials related to matters to be resolved at the regular Board of Directors meeting and creates an opportunity to explain to them the matters as needed. Furthermore, the Company has reorganized its Internal Audit Division, which is directly controlled by the Representative Director and President, increasing its headcount and establishing a system for integrated performance of operational audits and financial report audits. The results of internal audits are reported to the Representative Director and President and the Audit&Supervisory Board in a timely manner, and also reports them to the Business promotion meeting.

Note: The figures presented in this Business Report are rounded down to the nearest whole unit of presentation.

Consolidated Balance Sheets

(As of September 30, 2022)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	**246,038**	**Current liabilities**	**69,522**
Cash and deposits	125,999	Notes and accounts payable-trade	8,129
Notes and accounts receivable-trade	49,751	Electronically recorded obligations-operating	9,253
Securities	2,316	Short-term borrowings	4,799
Merchandise and finished goods	11,458	Current portion of long-term borrowings	2,098
Work in process	31,920	Income taxes payable	11,350
Raw materials and supplies	15,698	Provision for bonuses	7,926
Other	9,120	Other	25,964
Allowance for doubtful accounts	(227)	**Non-current liabilities**	**14,751**
Non-current assets	**120,139**	Long-term borrowings	4,630
Property, plant and equipment	**95,200**	Deferred tax liabilities	544
Buildings and structures, net	47,925	Retirement benefit liability	8,363
Machinery, equipment and vehicles, net	11,958	Other	1,212
Tools, furniture and fixtures, net	5,345	**Total liabilities**	**84,273**
Land	17,516	**Net assets**	
Leased assets, net	243	**Shareholders' equity**	**266,239**
Right-of-use assets, net	743	Share capital	35,048
Construction in progress	11,466	Capital surplus	34,792
Intangible assets	**5,359**	Retained earnings	217,195
Customer relationships	1,873	Treasury shares	(20,798)
Other	3,486	**Accumulated other comprehensive income**	**14,324**
Investments and other assets	**19,579**	Valuation difference on available-for-sale securities	921
Investment securities	3,711	Deferred gains or losses on hedges	(274)
Deferred tax assets	12,913	Foreign currency translation adjustment	15,344
Investment property, net	197	Remeasurements of defined benefit plans	(1,666)
Other	2,776	**Non-controlling interests**	**1,340**
Allowance for doubtful accounts	(19)	**Total net assets**	**281,904**
Total assets	**366,177**	**Total liabilities and net assets**	**366,177**

Consolidated Statements of Income

(From October 1, 2021 through September 30, 2022)

(Millions of Japanese Yen)

Item	Amount	
Net sales		**208,803**
Cost of sales		**96,421**
Gross profit		**112,381**
Selling, general and administrative expenses		**55,398**
Operating profit		**56,983**
Non-operating income		
Interest income	223	
Dividend income	56	
Rental income from non-current assets	131	
Rental income from investment property	74	
Foreign exchange gains	671	
Share of profit of entities accounted for using equity method	194	
Other	796	**2,147**
Non-operating expenses		
Interest expenses	82	
Rent expenses on real estate	94	
Other	75	**251**
Ordinary profit		**58,879**
Extraordinary income		
Gain on sales of non-current assets	27	
Subsidy income	517	**544**
Extraordinary losses		
Loss on sales of non-current assets	3	
Loss on retirement of non-current assets	302	
Loss on tax purpose reduction entry of non-current assets	433	
Loss on valuation of investment securities	16	**755**
Profit before income taxes		**58,668**
Income taxes-current	17,843	
Income taxes-deferred	(651)	**17,191**
Profit		**41,476**
Profit attributable to non-controlling interests		**181**
Profit attributable to owners of parent		**41,295**

Non-consolidated Balance Sheets

(As of September 30, 2022)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	**167,582**	**Current liabilities**	**50,835**
Cash and deposits	68,823	Electronically recorded obligations - operating	9,253
Notes receivable - trade	6,877	Accounts payable - trade	8,840
Accounts receivable - trade	37,296	Current portion of long-term borrowings	2,000
Merchandise and finished goods	3,439	Lease obligations	144
Work in process	30,534	Accounts payable - other	3,299
Raw materials and supplies	13,910	Accrued expenses	1,314
Accounts receivable - other	5,728	Income taxes payable	9,178
Other	1,021	Advances received	345
Allowance for doubtful accounts	(49)	Deposits received	309
		Provision for bonuses	6,863
		Electronically recorded obligations - facilities	6,758
		Deposits received from employees	2,484
Non-current assets	**105,511**	Other	44
Property, plant and equipment	**80,011**	**Non-current liabilities**	**10,886**
Buildings	37,089	Long-term borrowings	4,000
Structures	1,827	Lease obligations	98
Machinery and equipment	10,299	Provision for retirement benefits	5,428
Vehicles	14	Provision for loss on business of subsidiaries and associates	662
Tools, furniture and fixtures	3,368	Asset retirement obligations	176
Land	16,103	Forward exchange contracts	391
Leased assets	214	Other	129
Construction in progress	11,093	**Total liabilities**	**61,722**
Intangible assets	**1,160**	**Net assets**	
Patent right	60	**Shareholders' equity**	**210,724**
Software	1,075	**Share Capital**	**35,048**
Other	24	**Capital surplus**	**34,757**
Investments and other assets	**24,339**	Legal capital surplus	34,757
Investment securities	2,178	**Retained earnings**	**161,712**
Shares of subsidiaries and associates	8,829	Legal retained earnings	695
Investments in capital	0	Other retained earnings	161,016
Investments in capital of subsidiaries and associates	1,657	Reserve for dividends	9,000
Deferred tax assets	10,949	General reserve	115,600
Investment proprety	180	Retained earnings brought forward	36,416
Other	561	**Treasury shares**	**(20,794)**
Allowance for doubtful accounts	(19)	**Valuation and translation adjustments**	**646**
		Valuation difference on available-for-sale securities	**921**
		Deferred gains or losses on hedges	**(274)**
		Total net assets	**211,370**
Total assets	**273,093**	**Total liabilities and net assets**	**273,093**

Non-consolidated Statements of Income

(From October 1, 2021 through September 30, 2022)

(Millions of Japanese Yen)

Item	Amount	
Net sales		**165,215**
Cost of sales		**92,241**
Gross profit		**72,974**
Selling, general and administrative expenses		**34,500**
Operating profit		**38,473**
Non-operating income		
Interest income	6	
Dividend income	4,359	
Rental income from investment property	62	
Foreign exchange gains	149	
Miscellaneous income	633	**5,210**
Non-operating expenses		
Interest expenses	37	
Rent expenses on real estate	90	
Miscellaneous loss	11	**139**
Ordinary profit		**43,545**
Extraordinary income		
Gain on sales of non-current assets	4	
Subsidy income	517	**521**
Extraordinary losses		
Loss on retirement of non-current assets	259	
Loss on tax purpose reduction entry of non-current assets	433	
Loss on valuation of investment securities	2	**695**
Profit before income taxes		**43,371**
Income taxes - current	12,323	
Income taxes - deferred	(779)	**11,544**
Profit		**31,827**

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