

February 13, 2024

Menicon Co., Ltd.

President and COO: Koji Kawaura

Securities Code: 7780

TSE Prime Market, NSE Premier Market

Contact:

Motonari Watanabe

Senior Executive Officer,

Corporate Management, CFO

Phone: +81-52-935-1646

Notice of Revision to Financial Forecast

Menicon Co., Ltd. hereby announces that it has revised the full-year consolidated financial forecast for the fiscal year ending March 31, 2024, which were announced on May 15, 2023.

For details, please refer to the followings.

1. Revised consolidated financial forecast for the full fiscal year ending March 31, 2024.

(April 1, 2023 to March 31, 2024)

	Net sales (Million yen)	Operating profit (Million yen)	Ordinary profit (Million yen)	Profit attributable to owners of parent (Million yen)	Basic earnings per share (Yen)
Previous forecast A	116,000	12,300	12,000	7,600	99.89
Revised forecast B	116,000	10,500	10,300	6,000	78.85
Difference B – A	0	(1,800)	(1,700)	(1,600)	—
Percentage change (%)	0%	(14.6%)	(14.2%)	(21.1%)	—
(Reference) Results of the previous year (Fiscal year ending March 31, 2023)	110,194	12,062	11,755	7,377	97.25

2. Reason

Business results for the nine months ended December 31, 2023 saw net sales and gross profit generally in line with expectations. Although sales of orthokeratology lens-related products in China felt the impact of the economic stagnation, sales of disposable contact lenses and care products have been strong in Europe and North America. On the other hand, selling, general and administrative expenses increased due to the strengthening of the global sales structure including personnel reinforcement, and the normalization of sales activities due to the convergence of COVID-19 infections. In addition, temporary costs were generated for responding to domestic price revisions and other factors. For these reasons, due to higher than expected spending, profit items in the earnings hierarchy below operating profit have been progressing at a lower rate than expected in the previous forecast.

In the fourth quarter, although the impact of the economic stagnation is expected to continue in China, sales of disposable contact lenses and care products are expected to remain strong in Europe and North America, and domestic price revisions are expected to make steady progress. As such, we anticipate an improvement in gross profit margin. However, due to initiatives toward future growth, such as the strengthening of global sales systems as selling, general and administrative expenses and the estimated possibility of recording extraordinary losses in the provision for loss on guarantees resulting from the end of the Stock Benefit Trust, profit items in the earnings hierarchy below operating profit are expected to fall below the previous forecast.

Considering the aforementioned scenario, we have revised the full-year consolidated business results forecast as released on May 15, 2023. This business results forecast is based on information currently available to the Company as of the date of publication of these materials, and actual results may differ from these forecasts due to various factors.

End