

HOYA Corporation

FY25 Q4 Earnings Presentation

April 30, 2026

Forward-looking Statement

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FY25 Q4 Results



FY25 Q4 Overview

- [Revenue] Consolidated revenue increased significantly, mainly driven by strong demand in the Information Technology business.
- [Operating Profit] Profit increased significantly driven by higher revenue.
- Quarterly revenue and operating profit reached historical highs.

Revenue
¥248.1 bn
+15%
(CC +9%)

Operating Profit
¥74.7 bn
+14%
(CC +10%)

Pretax profit
¥76.6 bn
+15%
(CC +12%)

ROIC
19.5%
NOPAT / Invested Capital
(Interest-bearing liabilities + equity
attributable to the parent company)

*CC: Constant Currency

USD

156.45円

-3.5%

EUR

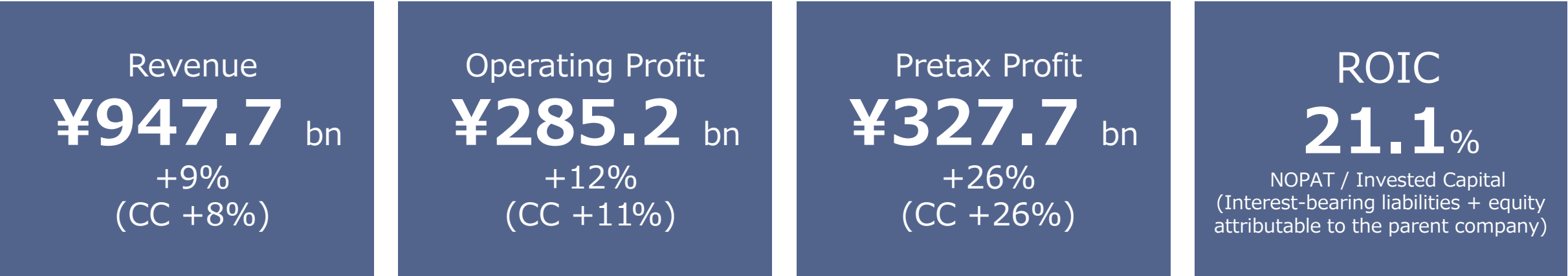
183.53円

-15.2%

FY25 Full-Year Overview



- In the IT business, mask blanks and HDD substrates drove overall performance. The Imaging business, which has returned to a growth trajectory, also contributed to revenue growth.
- In the Life Care segment, products in the eye health field, such as eyeglass lenses and contact lenses, supported overall growth.

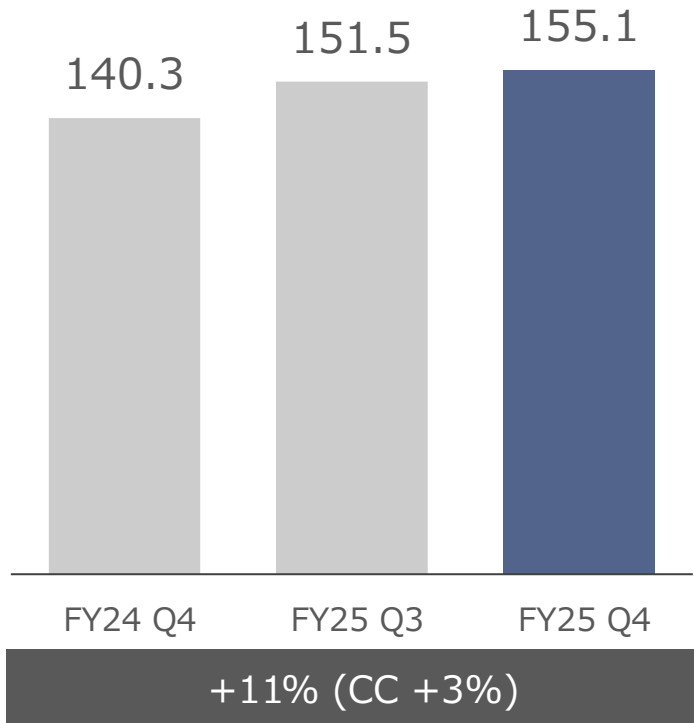


USD	151.09円	+1.0%
EUR	175.58円	-7.3%

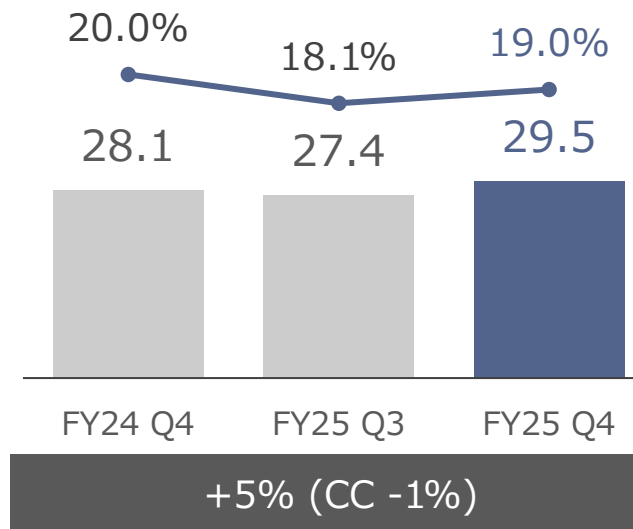
Life Care Business

- [Revenue] Although actual growth rates varied by product, revenue resulted with double-digit growth due to the impact of FX rates.
- [Operating Profit] Profitability continued to improve QoQ due to the impact of increased revenue and ongoing cost rationalization.
- [Pretax Profit] Profit declined due to factors such as the recognition of FX losses in the current quarter, compared to FX gains in the same period of the previous year.

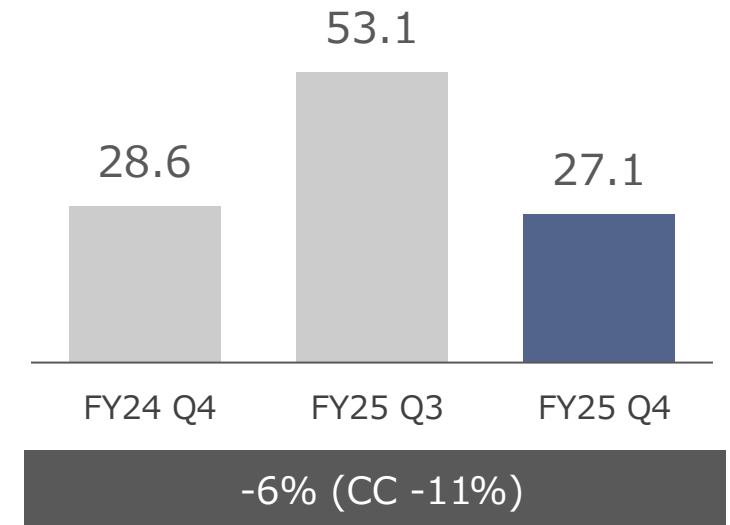
Revenue (¥bn)



OP/OPM



Pretax Profit (¥bn)



Eyeglass Lenses

Sales Growth
+11%
(CC +2%)

- Sales in Europe and North America were weak, but Asia and South America helped support overall performance.
- In particular, the Chinese market was able to return to a growth trajectory thanks to the launch of MiYOSMART iQ (2nd generation) and increased sales of progressive lenses.
- In FY26, we will aim for stable growth through the expansion of high-value-added products, such as the horizontal rollout of MiYOSMART iQ and new progressive lens products.



Contact Lenses (eyecity)

Sales Growth
+4%
(CC +4%)

- Customer retention continued to improve thanks to private-label products and subscription services.
- The product mix of high-value-added products, such as high-performance daily disposables and multifocal lenses, continued to increase.
- In FY26, we aim to create new sales opportunities by advancing age-specific customer acquisition and enhancing the purchasing experience across stores and subscription services in an integrated manner.



Endoscopes

Sales Growth
+14%
(CC +4%)

- In Europe, our primary market, performance remained resilient, supported by the successful acquisition of tender-based projects.
- In the Chinese market, recovery continues to take time due to factors such as stricter local procurement requirements and increased competitiveness among local players.
- As we continue to streamline our product mix and operations through structural reforms, we will focus on improving the profitability of our business while maintaining sales levels in FY26.



IOLs

Sales Growth
+8%
(CC +1%)

- In Japan, our primary market, sales of monofocal lenses remained steady, driven primarily by hospital sales.
- Sales in the Middle East declined amid heightened geopolitical tensions involving Iran, while the impact of the NVBP in China persisted.
- In FY26, we aim to achieve growth exceeding the market through expanded sales of ATIOLs (trifocal/enhanced monofocal) and recovery driven by the stabilization of our supply system.



Vivinex™ multiSert™

Artificial Bone and Other

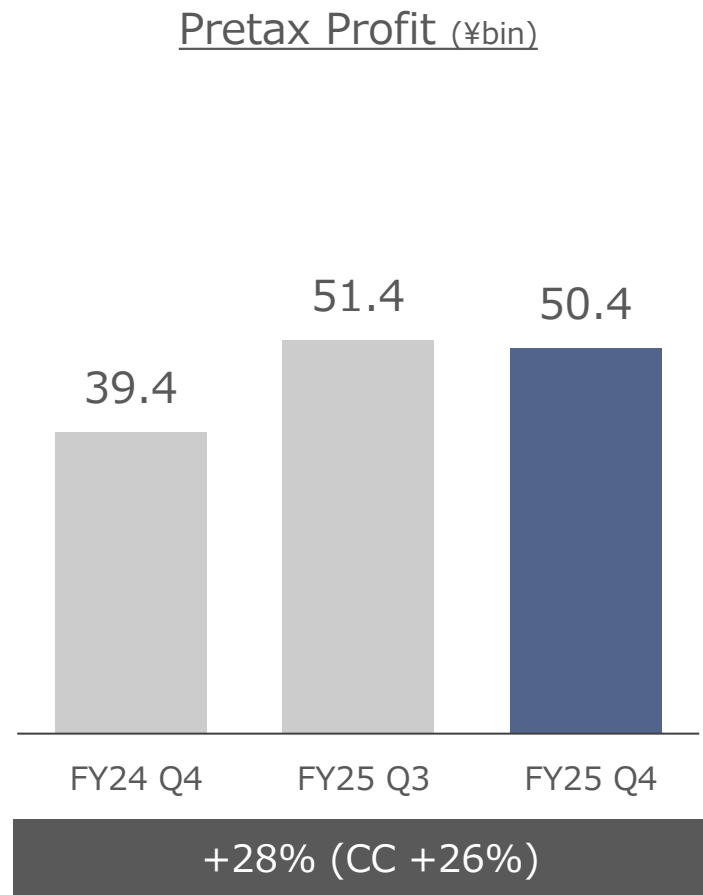
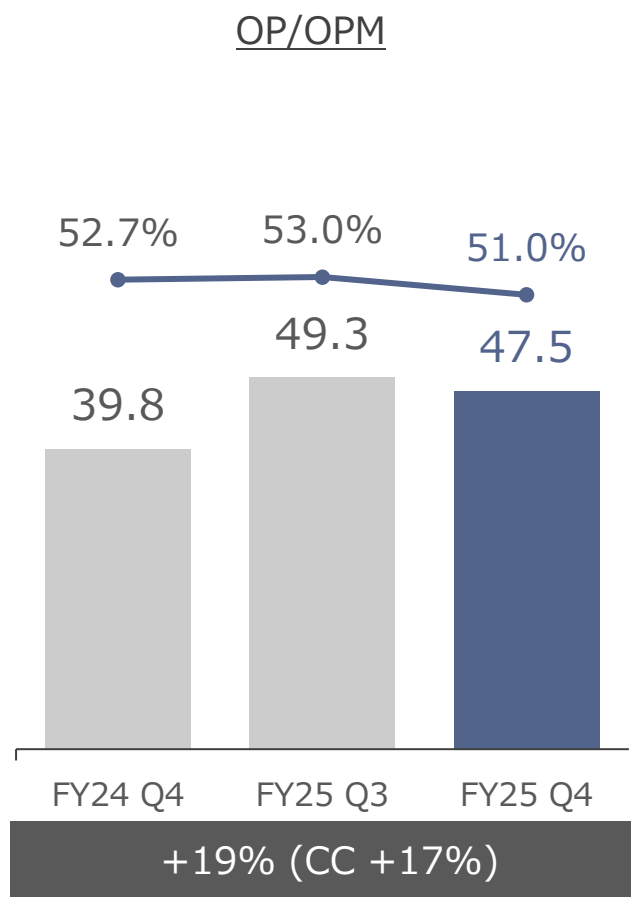
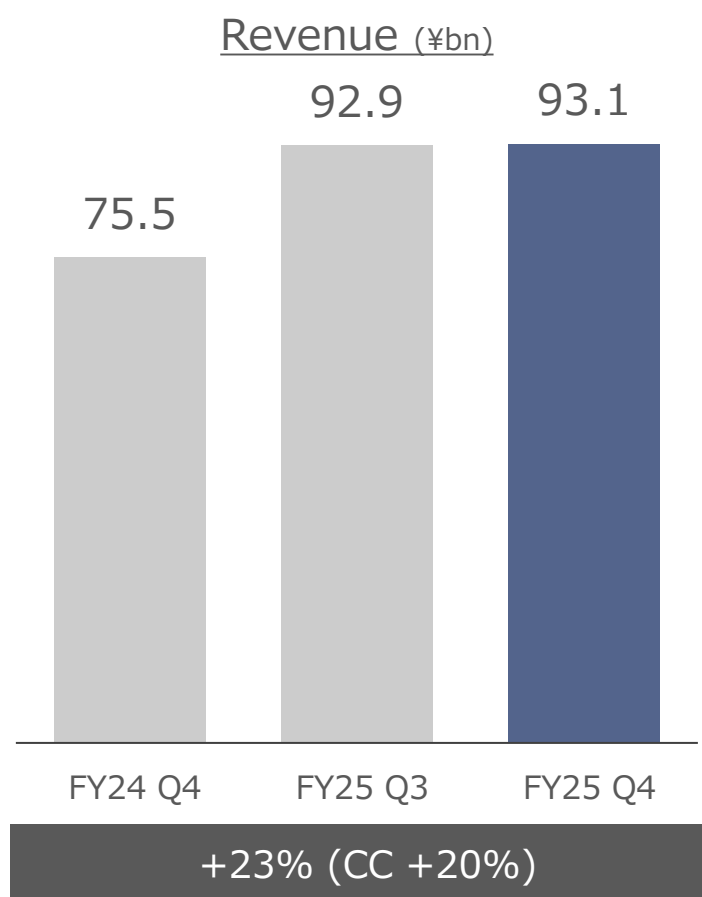
Sales Growth
+14%
(CC +7%)

- Sales of endoscope disinfection washers grew steadily, supported by strong product competitiveness and replacement demand.
- Sales of metal implants remained stable. While chromatography media sales fluctuate QoQ due to customer inventory adjustments, revenue increased this quarter.
- We aim to achieve stable, sustainable growth by expanding sales channels beyond major markets and key customers, and by strengthening our operating and revenue base.



Information Technology Business

- [Revenue] All product lines achieved double-digit real growth. For blanks and HDD substrates, the seasonal downturn did not occur due to robust customer demand.
- [Operating Profit] Although profit margins declined slightly due to factors such as increased depreciation expenses associated with higher capacity utilization rates, a significant increase in profit was achieved.



Sales Growth
+18%
(CC +17%)

- EUV blank sales grew as the mix of high-precision products for advanced nodes increased, supported by continued investment in leading-edge logic for AI and HPC.
- DUV blank demand remained solid, but growth moderated due to tougher YoY comparisons and already high capacity utilization.
- An expansion of EUV blank production capacity was approved. Construction of a new facility in Singapore (total investment of about ¥42 bn*) will start in FY26, with mass production planned for FY28.
*Based on current exchange rates.



HOYA ELECTRONICS SINGAPORE PTE. LTD.

Sales Growth
+37%
(CC +32%)

- Revenue increased significantly due to the low base from the previous year and the expansion of new product development projects for smartphones and IT devices.
- In particular, demand for foldable smartphones was robust among major customers in China and South Korea.
- In FY26, we aim to expand sales by increasing the product mix of high-value-added masks, such as phase-shift and halftone masks.



HDD Substrates

Sales Growth
+25%
(CC +20%)

- Strong nearline HDD demand, supported by robust data center investment, offset seasonal headwinds and drove strong growth.
- Progress on the product roadmap was validated, as the second customer announced the launch of an 11-glass-substrate model in H2 2026 and indicated the introduction of a 12-glass-substrate model in 2027.
- In response to expanding adoption of glass substrates, we decided to invest in a new factory near the existing site in Vietnam. Phase 1 investment of roughly ¥50 bn* is planned under a phased expansion.

*Based on current exchange rates.



Imaging

Sales Growth
+30%
(CC +25%)

- Against the backdrop of robust investment in AI data centers, momentum continued for CUPO.
- In addition, demand remained strong for lenses for wearables, including vlog and action cameras, as well as for in-vehicle sensing cameras.
- In FY26, while closely monitoring the DRAM shortage for cameras and customer inventory levels, we will proceed with the steady expansion of non-digital camera segments, such as CUPO and lenses for wearables.



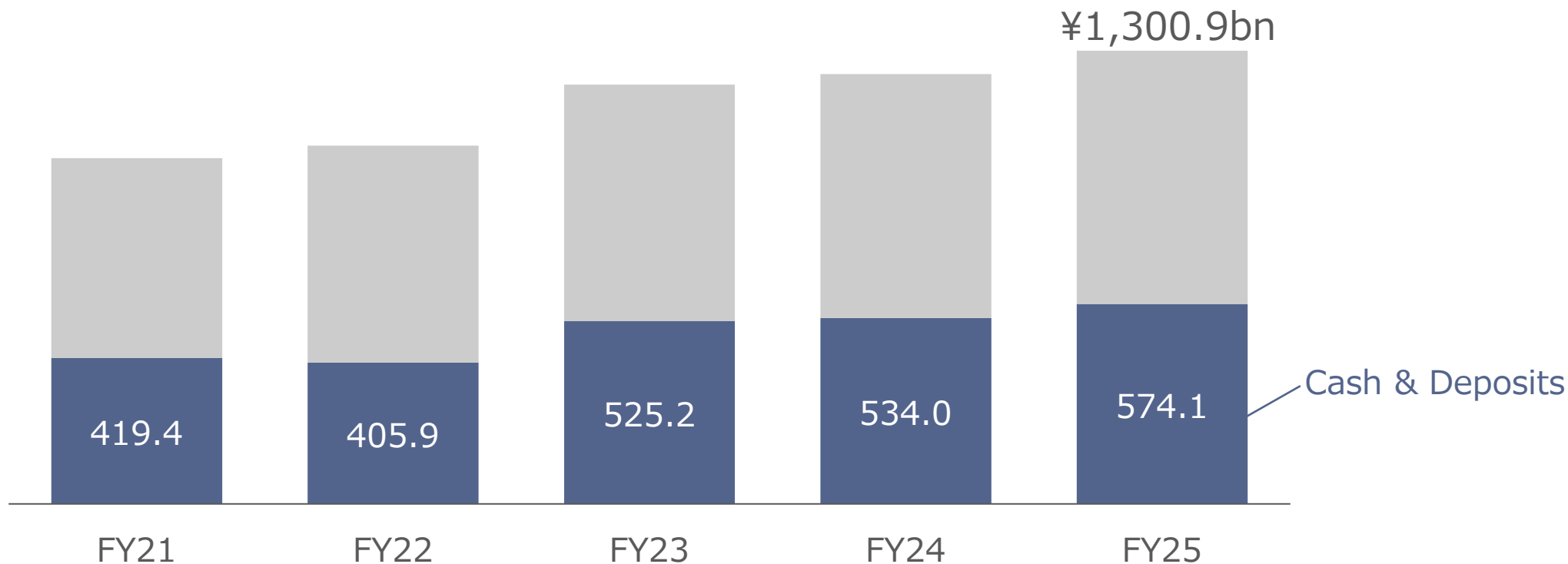
Capital Policy Update



Background of the Review

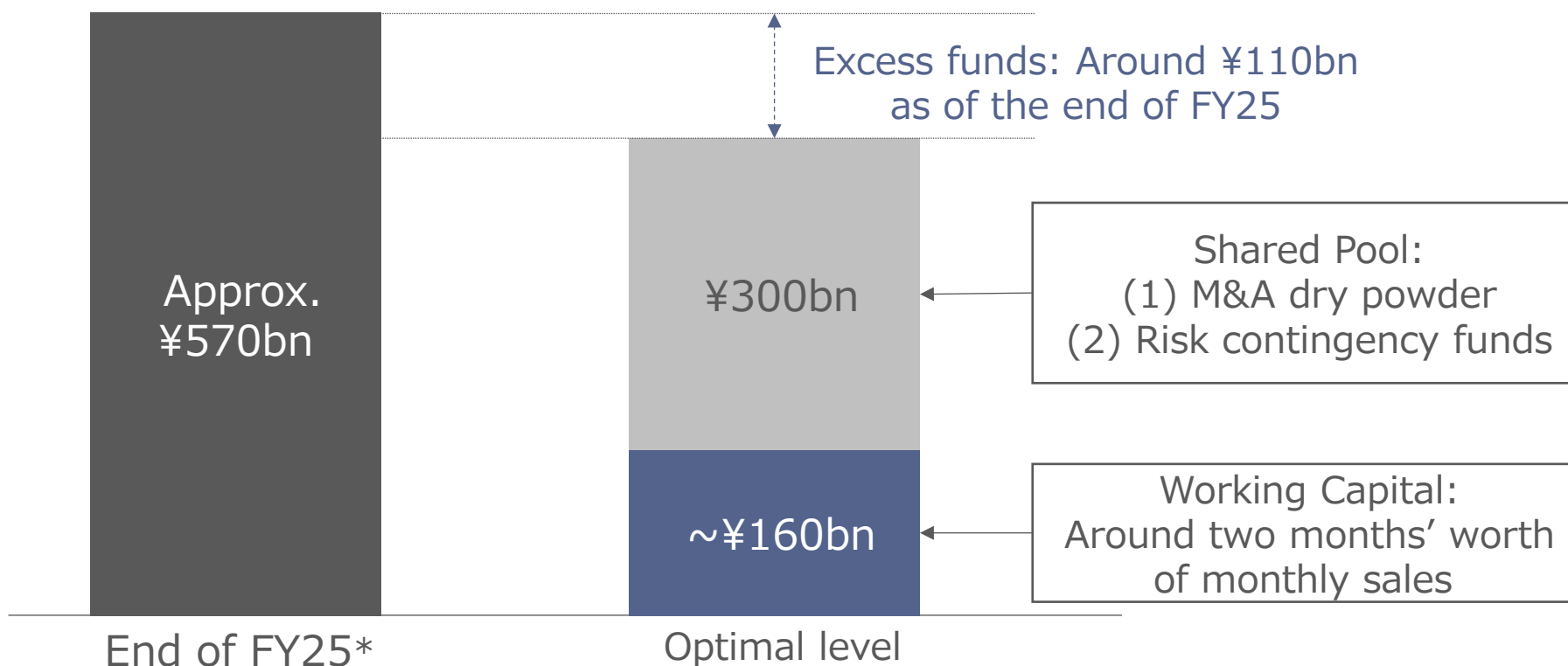
- Although the company implemented a significant dividend increase based on its new dividend policy and conducted two share buybacks, challenges remained regarding capital efficiency, as evidenced by the continued growth of dollar-denominated cash due to the weak yen and a net cash ratio exceeding 40%.
- Regarding the management of cash, the previous cash flow-centric explanation made it difficult for the capital markets to grasp the full picture of the Company's capital policy.

Trends in Our Total Assets and Cash & Deposits (¥bn)



Optimal Net Cash Level

- In determining the optimal net cash level, the Company has defined it as a two-tier structure consisting of:
(1) funds necessary for operations = two months' worth of monthly sales (currently around ¥160bn), and
(2) a shared fund pool of ¥300bn to serve as both M&A dry powder and a buffer against business damage caused by changes in the business environment.
- Based on the above, we estimate that we are currently exceeding the optimal level by roughly ¥110bn.
- It should be noted that the required working capital will naturally vary depending on factors such as size of sales.



*Net cash excluding direct bank borrowings.

Excess Cash Release Framework

- Cash and deposits exceeding the aforementioned criteria will be released in phases, primarily through share buybacks, with the aim of optimizing the net cash level over a period of about three years.
- Even as we plan several large-scale capital investments in the medium term, we expect operating cash flow to fully fund these projects, allowing us to maintain our approach to releasing excess cash without constraining growth investment. Furthermore, we will recalibrate the release of excess cash each fiscal year, reflecting investment needs and evolving capital requirements.

1. Investment

- “Internal investment, first.” We plan to significantly expand production capacity for EUV blanks and HDD substrates over the medium term.
- M&A will focus on small-scale bolt-ons in the eyeglass lens and contact lens sectors.
- While we will continue to explore opportunities for large-scale M&A, decisions will be made based on rigorous valuation methods.

2. Dividends

- We implement a progressive dividend policy with a payout ratio of 40%.

3. Share Buybacks

- Cash Flow Perspective: We will return 100% of free cash flow combining dividends and share buybacks.
- Balance Sheet Perspective: In addition to the cash flow based framework, we will buyback shares over a period of about three years to optimize cash balance.

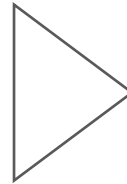
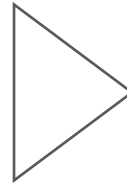
New Capital Policy in a Nutshell

Previous

Avoid increase of net cash balance

Explained appropriate level of net cash on a case-by-case basis

Cash flow-centric explanation



Moving Forward

Reduce to optimal level

Clear framework:
working capital + M&A/risk

Explanation focused on
balance sheet optimization

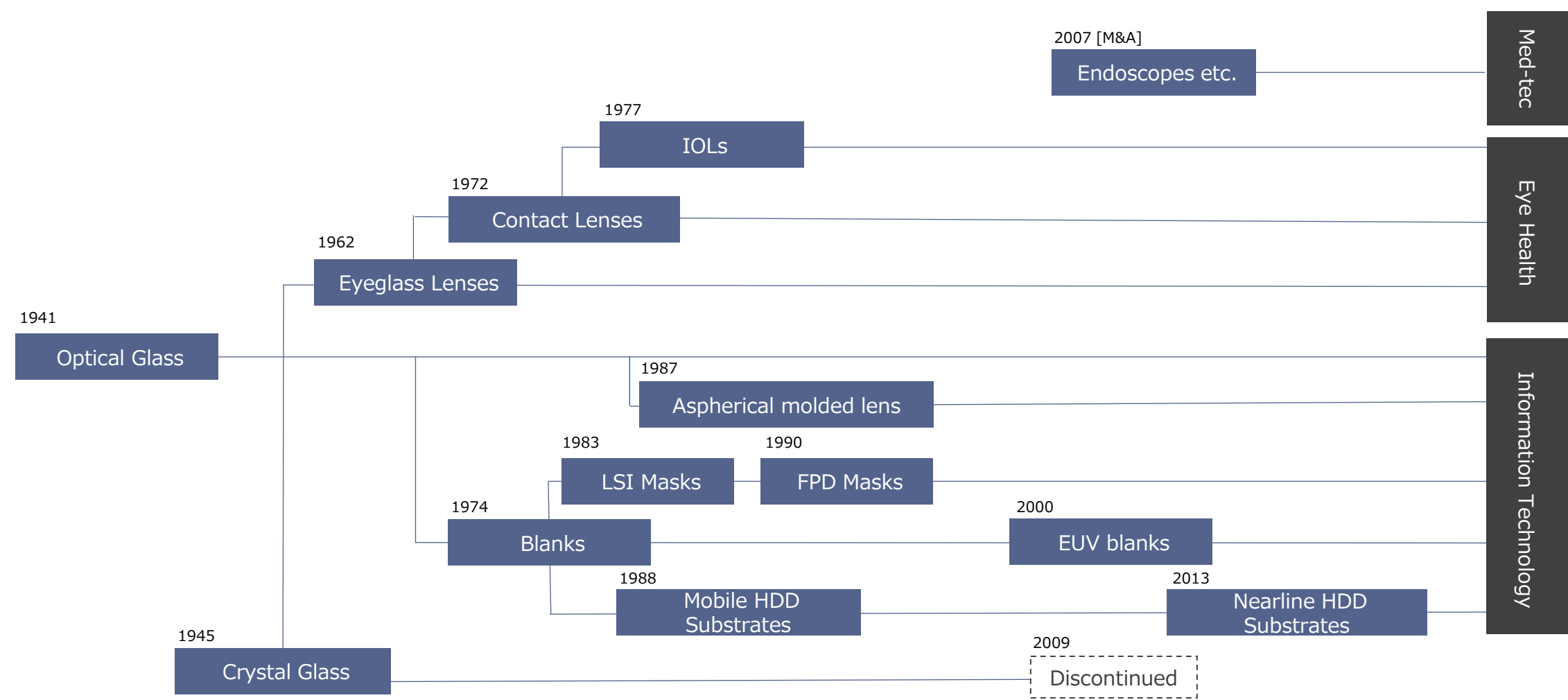
The objective of this new capital policy is to establish a mechanism that, based on objective rules, releases excess funds in a disciplined manner until net cash reaches the optimal level.

Strengthening the R&D Foundation for Sustainable Growth



History of Our Business Expansion

Since successfully melting glass 85 years ago, we have consistently expanded our business portfolio by focusing on technology, gradually advancing material composition, optical design, and processing methods.



HOYA's Core Competencies

- However, we have not expanded our business solely through technological prowess; we have also placed a strong emphasis on product realization.
- By selecting markets where we can potentially be a “big fish in the small pond,” we have established solid market positions through the continuous strengthening of a value chain in which the following four elements are organically linked.

Market Selection "A big fish in the small pond"

Material Science

Optical material composition & structural know-how

Core Technologies

Expertise in controlling optical material properties and optical design

Process & Production

Manufacturing capabilities (melting, molding, polishing, coating, etc.) and expertise in stable mass production

Commercialization

Expertise in identifying customer challenges and progressing to joint development

Evolution of Growth Strategies

- While the company previously conducted R&D on technological seeds across the entire group, in the late 2000s it shifted its growth strategy toward “Life Care × M&A” and transitioned to development centered around business divisions and products.
- However, as the execution of large-scale M&A transactions has been limited since 2017 due to financial discipline. Against this backdrop, there has been a growing recognition within the company that the role of internal development should be reevaluated. This led to the promotion of cross-divisional R&D collaboration under the internal company structure.

~2010

2020

2030

Group-wide Seed Research

Growth Strategy Focused on M&A

2007 Endoscope

2013 SEIKO Lenses

2017 Performance Optics

Company Structure

Joint R&D across divisions
within the same company

XR Glass

Launch of HOYA Incubation Laboratories

- We launched HOYA Incubation Laboratories (HILS) to evolve inter-company initiatives into group-wide R&D and business development, with the aim of identifying and commercializing growth drivers over the next 10 to 20 years.
- While business divisions will continue to conduct R&D focused on specific products, HILS will carry out development activities from a longer-term and group-wide perspective.

HILS Basic Policy

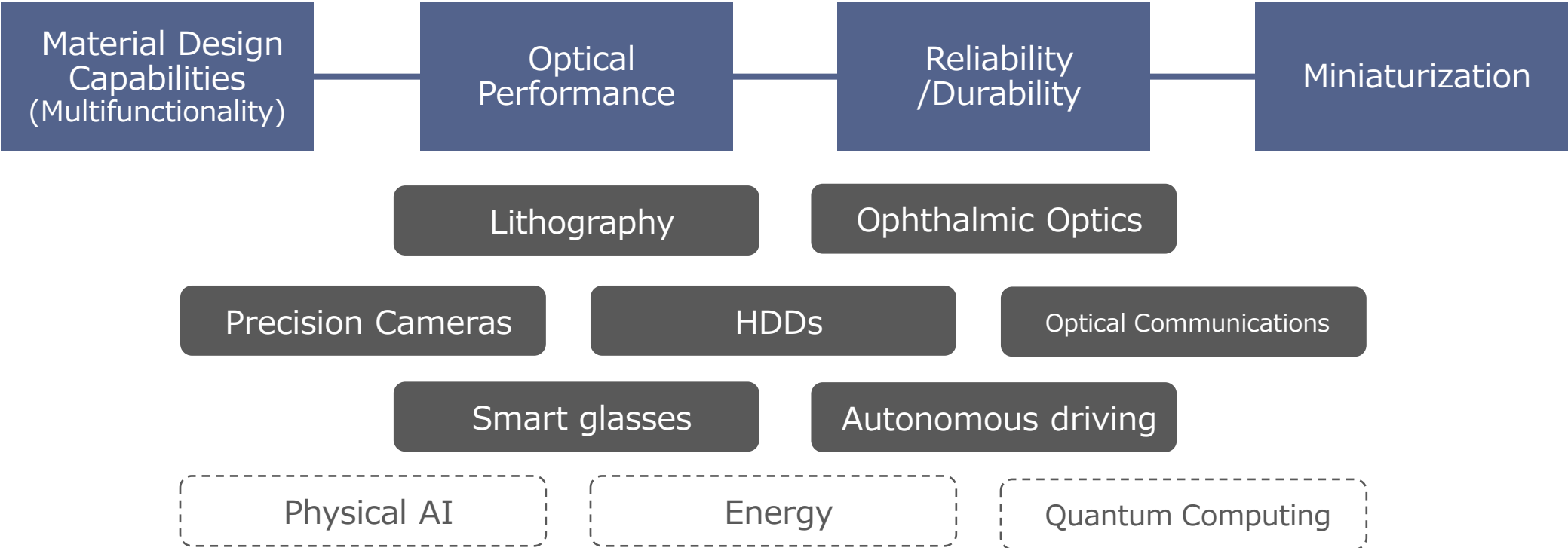
- ☑ Avoid research for its own sake; design themes with future commercialization in mind.
- ☑ Avoid following unrelated technology trends; drive research from our core competencies.
- ☑ Look beyond technology alone; integrate mass production, quality, and market perspectives.



Universe of Existing and Potential Business Domains

From the outset, HILS does not target specific industries. Instead, starting with optical glass technologies that offer advantages in theses such as “transition from electronics to optics,” “use in extreme environments,” and “miniaturization,” we explore potential business opportunities across a wide range of business domains.

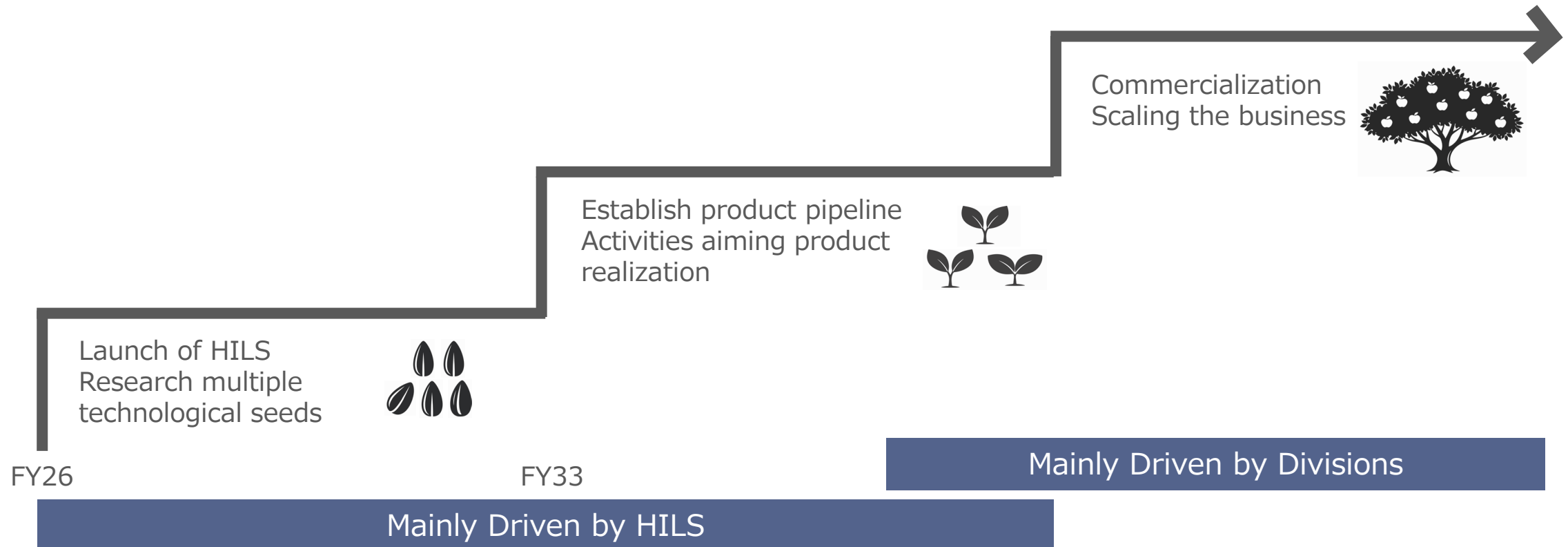
Advantages of Our Technology & Business Domains



*Items indicated by dotted lines are examples of areas where we will explore the potential application of our technology in the future.

HILS Roadmap

- To replenish and strengthen the pool of technology seeds that had been narrowed as our growth strategy shifted toward an M&A-driven approach, we will initiate research on multiple themes starting in FY26.
- By around FY33, these technology seeds will be incorporated into a structured product pipeline, with activities focused on Product Realization.
- Products that achieve Product Realization will then be led by the respective business divisions, with the aim of scaling them up into core businesses within HOYA.



Notes

- ✓ Accounting standard: IFRS
- ✓ The fiscal year ending March 2026 is referred to as “FY25” throughout this document.
- ✓ Figures less than 100 million yen are rounded down. Accordingly, some discrepancies may occur among totals. Ratios are calculated using actual numbers.
- ✓ Operating profit is calculated as reference information for investors; calculated by deducting finance income/costs, share of profits(loss) of associates, FX gain/loss and other temporary gain/loss from pretax profit.
- ✓ We have omitted detailed breakdown of financial statements. Please refer to the tanshin or the quarterly report for detailed numbers.
<https://www.hoya.com/en/investor/kessan/>

Innovating for a Better Tomorrow

HOYA