

Growth Strategies by Segment

Optics & Systems Segment



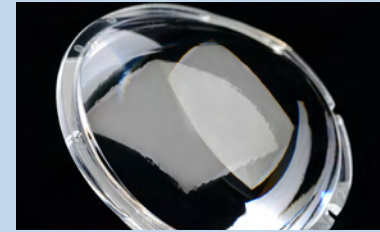
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In the Optics & Systems segment, we engage in the production and sales of optical components, electroforming and precision components, semiconductor related embedded systems, molds and plastic molded products, RFID systems, IC cards, projectors, and imaging equipment.

Vision	Enhance Analog Core Technologies and contribute to people's lives and society with optical and system component products , shifting from products to services
Business strategy	Transformation and growth from projectors to automotive and semiconductor business fields

Product List

Classification	Major Products
Optical components	In-car camera lens unit
	LED headlamp lens
	Single lenses, etc. (lenses for smartphones, eyeglasses for camera lenses, etc.)
Molds and plastic molded products	Ultra-precision molding dies
	Plastic molded products
Electronic components	Semiconductor-related embedded systems
	Image recognition system
	Electronic equipment assembly business
Projector	Projector
Precision electroforming products	Masks for organic EL deposition (electroforming), masks for IC package connection, precision electroformed molds and transfer leads for electronic components)
RFID and IC cards	RFID systems, Contactless IC cards and IC card reader/writers



LED headlamp lens



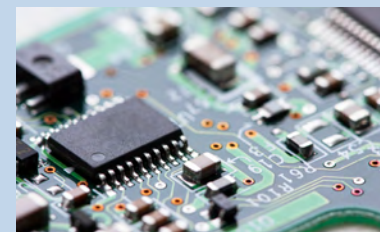
Contactless IC cards and IC card reader/writers



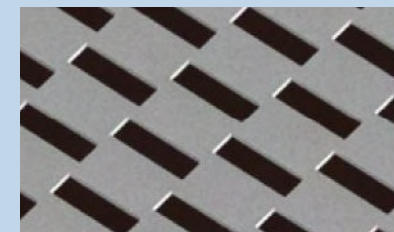
Lens mold



Semiconductor related embedded system



In-car camera lens unit (for viewing)



Mask for organic EL deposition (electroforming)

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5G/IoT

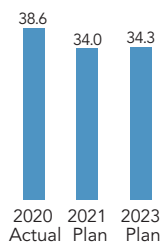


Mobility

Optics & Systems Segment

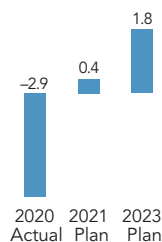
Net Sales

(billions of yen)



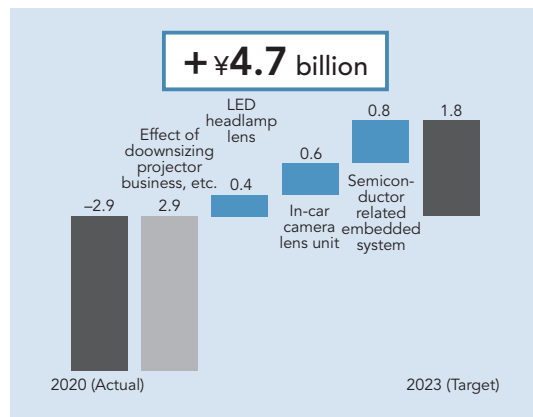
Operating Profit (Loss)

(billions of yen)



Operating Profit Change (FY2020 to FY2023)

(billions of yen)









Situation in Fiscal 2020

Sales of semiconductor related embedded systems and other products increased due to the recovery trend in the semiconductor market. In addition, optical components for the automotive market showed signs of recovery from the third quarter onward due to the recovery trend in the automotive market, but projector sales declined. As a result, net sales in the Optics & Systems segment were ¥38.6 billion.

Although operating profit of semiconductor related embedded systems and precision electroforming products, etc., increased, due to decreased operating profit of optical components for the automotive market, the operating loss amounted to ¥2.9 billion, despite the efforts to reduce fixed costs for projectors, etc.

Growing Businesses that Drive MEX23

Growth Businesses	Market Position	Strengths	Future Development
 LED headlamp lens 	<p>"Maintain global top market share*1"</p> <ul style="list-style-type: none"> Market expands as automobile headlamps are shifting to LED 	<ul style="list-style-type: none"> Utilize technologies of free form optical design and high-precision molding, and respond to evolution of headlamps such as ADB*2 and diversifying designs Ability to respond to components surrounding headlamps, such as light guides 	<ul style="list-style-type: none"> Consider to enter to the high-value-added unit business from a single lens business To expand sales in China, ASEAN, and India Cost reduction by multi-cavity molding and higher molding cycle
 In-car camera lens unit 	<p>"Continue to secure market position as a major manufacturer of high-precision plastic lenses"</p> <ul style="list-style-type: none"> The markets for both sensing and viewing are expanding. Continue to secure a position as a major manufacturer. Demand for higher precision increased in line with growing demand for sensing applications 	<ul style="list-style-type: none"> Realize high accuracy, high durability, and low cost with hybrid lens units that combine aspherical glass and plastic lenses by utilizing optical design and high-precision molding technologies 	<ul style="list-style-type: none"> Realize higher resolution using high-precision plastic lenses Expansion into camera markets other than automotive applications such as security applications
 Semiconductor related embedded system 	<p>"Further strengthen relationships with semiconductor manufacturing equipment manufacturers"</p> <ul style="list-style-type: none"> Semiconductor market is expanding following increasing data capacity and popularity of mobile devices and expanding data centers. In line with this trend, the demand for embedded systems used in semiconductor manufacturing equipments also increases. Maintain the top share of semiconductor manufacturing equipment manufacturers, which are major customers 	<ul style="list-style-type: none"> Integrated response from design, development and assembly to meet the requirements of semiconductor manufacturing equipment manufacturers Utilize multiple domestic manufacturing bases to respond flexibly to the supply of multiple and high-quality products in line with customer requirements 	<ul style="list-style-type: none"> Early acquisition of next-generation manufacturing equipment development projects and long-term continuous orders Cost and lead time reduction

*1 Global top market share: Maxell survey as of September 2021

*2 ADB: Adaptive driving beam