

**Main Questions and Answers Related to  
the Third Quarter Results of Fiscal Year Ending March 2023**

Q: Tell us about the progress of the operating profit in the third quarter toward the plan.

A: Operating income for the third quarter reached a record high of 81.8 billion yen, and overall was almost in line with the plan. Healthcare segment did not reach the target due to cost inflation and delays in process development projects in Bio CDMO business, and decreased sales of cell culture media due to tight raw material supply in the Life Science business. In the Materials segment, Electronic Materials business fell short of the plan mainly due to the weakness of the logic semiconductor market. Business Innovation segment was almost in line with the plan. Imaging segment exceeded the plan thanks to strong sales of “INSTAX” and new digital camera products. There is no change to our strategies in positioning the Healthcare and the Advanced Materials businesses as our growth drivers, we will continue to grow them in the next fiscal year and onwards.

Q: Tell us about the factors behind the favorable performance of the Imaging segment and outlook for the next fiscal year and beyond.

A: The reason for the strong performance was due to the successful timely launch and sales of new products such as “INSTAX SQUARE Link”, and digital cameras “X-T5”, “X-H2S”, and “X-H2”. As Instax film and the digital cameras are in a tight supply situation worldwide, we are still in a situation where we are not able to deliver these products to all the customers. We aim to maintain the current favorable trend by ensuring the supply of products and continuing to provide attractive new products to the market.

Q: Tell us about the reason for retirement of treasury shares?

A: The intent is to optimize the total number of issued shares and dispel concerns in the market for potential share dilution. It was held for the purpose of utilizing it for large-scale M&A, etc., but as we carry out the current management strategy centered on growth investment such as capital investment and R&D, and also we do not foresee large amount of treasury shares utilization in a near term, we made a decision to retire 100 million treasury shares.