

Please note that the following is an unofficial English translation of the Japanese original text of the 77th 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 27, 2024

To Our Shareholders

Tadashi Maruno, President and CEO  
Hamamatsu Photonics K.K.  
1126-1, Ichino-cho, Chuo-ku  
Hamamatsu City, Shizuoka Prefecture

## **NOTICE OF CONVOCAATION OF THE 77th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to announce the 77th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. (the “Company”), to be held as follows.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format and posts this information on each of the following websites. Please access either of the websites by using the internet addresses shown below to review the information.

<b>The Company’s website</b>	<b><a href="https://www.hamamatsu.com/jp/en/investor-relations/ir-library.html">https://www.hamamatsu.com/jp/en/investor-relations/ir-library.html</a></b>	
<b>Tokyo Stock Exchange website (Listed Company Search)</b>	<b><a href="https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show">https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show</a></b>	

Access the Tokyo Stock Exchange website, search “Hamamatsu Photonics” or our securities code “6965,” select “Basic information” and go to “Documents for public inspection/PR information.”

If you are unable to attend the meeting in person, you may exercise your voting rights by Electronic Means (via the Internet, etc.) or in Writing. Please read the REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, and exercise your voting rights by 5:00 p.m., Thursday, December 19, 2024, Japan Time.

1. **Time and Date:** 10:00 a.m., Friday, December 20, 2024
2. **Place:** ACT CITY HAMAMATSU Concert Hall  
111-1, Itaya-machi, Chuo-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 77th Fiscal Year (From October 1, 2023 through September 30, 2024), 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 77th Fiscal Year (From October 1, 2023 through September 30, 2024)

**Matters to be resolved:**

- Proposal No. 1: Appropriation of Surplus  
Proposal No. 2: Election of Ten (10) Directors  
Proposal No. 3: Election of Four (4) Audit & Supervisory Board Members

■ Other matters concerning this Notice of Convocation

1. Please note that of matters for which measures for providing information in electronic format are to be taken, “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 are not provided in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents. Instead, these are published on the respective websites listed on the previous page in accordance with the applicable laws and regulations and Article 15 of the Articles of Incorporation. These documents are part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparation for the Audit Reports.
2. If any amendment is made to the matters for which measures for providing information in electronic format are to be taken, the amended information will be posted on the respective websites listed on the previous page.

■ Video distribution after the meeting

A video of part of this General Meeting of Shareholders will be made available at a later date. The video will be posted on the Company’s website as soon as it is ready for distribution after this General Meeting of Shareholders. Please note that depending on your device or network environment, you may not be able to view the video.

The Company’s website

<https://www.hamamatsu.com/jp/en/investor-relations/ir-library.html>



**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 exercising voting rights via the Internet, etc.**

**Please access the Website for the Exercise of Voting Rights (“<https://www.soukai-portal.net>” or “<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 19, 2024, Japan Time]**



### **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 19, 2024, Japan Time]**



### **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.

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 via the Internet, etc. and in writing, only the exercise of the voting rights via the Internet, etc. shall be deemed effective.

- 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.

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**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)**

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## ■ 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

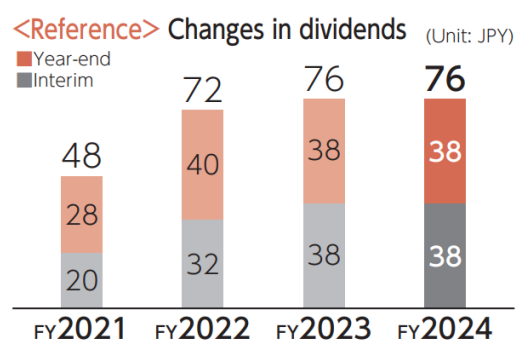
The Company places the highest priority on distribution of results through dividends as a measure of returning profits to shareholders. Our basic dividend strategy outlines steadily increasing dividends through continuous growth in earnings per share by enhancing and strengthening its corporate earning 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 strives to maintain 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 38 yen per share. The amount of annual dividend will be 76 yen per share including an interim dividend of 38 yen we have already paid.

Note: The Company conducted a 2-for-1 stock split of shares of common stock as of October 1, 2024. The above year-end dividend will be paid based on the number of shares held before the stock split, as the record date for the dividend is September 30, 2024.

- (1) Type of property for dividends :  
Cash
- (2) Allotment of property for dividends and total amount thereof :  
38 yen per share of common stock of the Company for a total of 5,895,236,742 yen
- (3) Effective date for distribution of dividends from surplus :  
December 23, 2024



##### 2. Other Matters Regarding Appropriation of Surplus

To reinforce its management base to prepare for business developments in the future, the Company proposes to make an account transfer as follows.

- (1) Item of surplus to be increased and amount thereof:  
General reserve: 6,000,000,000 yen
- (2) Item of surplus to be decreased and amount thereof:  
Retained earnings brought forward: 6,000,000,000 yen

## Proposal No. 2: 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	Tadashi Maruno		Representative Director and President Chief Executive Officer	16 /16 (100%)
2	Reelection	Hisaki Kato		Representative Director and Vice President Chief Operating Officer In charge of Corporate Strategy and Laser Promotion Division Division Director, Electron Tube Division	16 /16 (100%)
3	Reelection	Takayuki Suzuki		Representative Director Senior Managing Executive Officer In charge of Social and Environmental Value Creation Division Director, Solid State Division	16 /16 (100%)
4	Reelection	Kazuhiko Mori		Director Senior Executive Officer Chief of Finance and Accounting General Headquarters	16 /16 (100%)
5	New election	Ken Nozaki		Managing Executive Officer Chief of Global Management and Planning General Headquarters	—
6	New election	Naofumi Toriyama		Managing Executive Officer Division Director, Business Headquarters	—
7	Reelection	Kazue Kurihara	[Outside] [Independent]	Director	16 /16 (100%)
8	Reelection	Takuo Hirose	[Outside] [Independent]	Director	16 /16 (100%)
9	Reelection	Kaoru Minoshima	[Outside] [Independent]	Director	12 /13 (92%)
10	New election	Takaaki Kimura	[Outside] [Independent]	—	—

Note: The attendance record for Kaoru Minoshima is her attendance after she assumed office as Director on December 22, 2023.



No. 1

Tadashi Maruno (October 6, 1960)  
[Reelection]

#### Brief History, and Positions and Responsibilities in the Company

Apr. 1983	Joined the Company
Dec. 2017	Director Division Director, Systems Division
Dec. 2019	Managing Director
Dec. 2020	Director Managing Executive Officer
Dec. 2021	Representative Director Senior Managing Executive Officer
Dec. 2022	Representative Director and President(present) Chief Executive Officer (present)
	Chairman of the Nomination and Compensation Committee

Number of shares of the  
Company held  
29,586

Attendance at Board of  
Directors meetings  
16/16  
(100%)

Attendance at the  
Nomination and  
Compensation  
Committee  
4/4  
(100%)

#### Significant Positions Concurrently Held

Director and President, Photonics Management Corp.  
Managing Director, Photonics Management Europe S.R.L.  
Director, Hamamatsu Corporation  
Chairman, Hamamatsu Photonics (China) Co., Ltd.  
Director and Chairman, NKT Photonics A/S

#### 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 making decisions on important matters in management, supervising business execution and management of the Group as Representative Director and President, and Chief Executive Officer. In particular, he promotes expansion of corporate business from a global perspective in striving to enhance company-wide functions, from both financial and non-financial perspectives, and coordination across 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.



No. 2	Hisaki Kato (May 7, 1957) [Reelection]
<b>Brief History, and Positions and Responsibilities in the Company</b>	
	Mar. 1981      Joined the Company
	Jan. 2018      Deputy Division Director, Electron Tube Division
	Dec. 2018      Director
	Dec. 2020      Managing Executive Officer Division Director, Electron Tube Division (present)
Number of shares of the Company held 25,148	Dec. 2022      Representative Director and Vice President (present) Chief Operating Officer (present) In charge of Corporate Strategy (present)
Attendance at Board of Directors meetings 16/16 (100%)	Dec. 2023      In charge of Laser Promotion Division (present)
<b>Significant Positions Concurrently Held</b>	
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 as Representative Director and Vice President, and Chief Operating Officer, and oversees the Electron Tube business as Division Director, Electron Tube Division. He has also fulfilled his responsibilities such as leading management reforms as the person in charge of Corporate Strategy. 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.





No. 3

Takayuki Suzuki (October 8, 1961)  
[Reelection]

#### **Brief History, and Positions and Responsibilities in the Company**

	Jul. 1989	Joined the Company
	Oct. 2017	Deputy Division Director, Solid State Division
	Dec. 2017	Director
	Dec. 2019	Managing Director
	Dec. 2020	Director
Number of shares of the Company held 18,236		Managing Executive Officer
		Division Director, Solid State Division (present)
	Dec. 2022	Senior Managing Executive Officer (present)
		In charge of Social and Environmental Value Creation / DX
Attendance at Board of Directors meetings 16/16 (100%)	Dec. 2023	Representative Director (present)
	Apr. 2024	In charge of Social and Environmental Value Creation (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 as Representative Director and Senior Managing Executive Officer, and oversees the Opto-semiconductor business as Division Director, Solid State Division. He has also fulfilled his responsibilities such as promoting the creation of an environment that contributes to the enhancement of corporate value in non-financial aspects as the person in charge of Social and Environmental Value Creation.

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.





No. 4

Kazuhiko Mori (December 11, 1956)  
[Reelection]

#### **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
Number of shares of the Company held 14,182	Dec. 2012	Audit & Supervisory Board Member (Standing)
	Dec. 2017	Director General Manager, Accounting Division
Attendance at Board of Directors meetings 16/16 (100%)	Dec. 2020	Senior Executive Officer (present)
	Dec. 2022	Director (present) In charge of Finance and Accounting
	Apr. 2023	Chief of Finance and Accounting General Headquarters (present)

#### **Significant Positions Concurrently Held**

Director, NKT Photonics A/S

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

#### **Reason for nomination as a candidate for Director**

The Company proposes the reelection 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 Director, Senior Executive Officer and Chief of Finance and Accounting General Headquarters.

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  
12,112

No. 5

Ken Nozaki (December 25, 1956)  
[New election]

#### **Brief History, and Positions and Responsibilities in the Company**

Apr. 1991	Joined the Company
Oct. 2013	General Manager, President Office
Jul. 2020	General Manager, Business Mentor-Bank, Global Strategic Challenge Center
Dec. 2020	Executive Officer In charge of Public Relations, Liaison Office General Manager, Collaboration Supporting Department
Dec. 2022	Managing Executive Officer (present) In charge of Planning and Coordination, Public Relations
Apr. 2023	Chief of Global Management and Planning General Headquarters (present)

#### **Reason for nomination as a candidate for Director**

Ken Nozaki has accumulated a wealth of business experience and expertise mainly in cooperation with the national government, universities, and related organizations. Currently, he is responsible for management of the Group and oversees global management and planning divisions, which are responsible for formulating and promoting non-financial strategies, as Managing Executive Officer and Chief of Global Management and Planning General Headquarters. 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  
28,792

No. 6

Naofumi Toriyama (March 11, 1958)  
[New election]

#### **Brief History, and Positions and Responsibilities in the Company**

Apr. 1981	Joined the Company
Oct. 2012	General Manager, Business Promotion Department, Electron Tube Division
Feb. 2014	General Manager, Domestic Sales Division
Dec. 2015	Director
Oct. 2018	Division Director, Business Headquarters (present)
Dec. 2020	Senior Executive Officer
Dec. 2021	Managing Executive Officer (present)

#### **Significant Positions Concurrently Held**

Director, Hamamatsu Corporation

Director and Chairman, Energetiq Technology, Inc.

#### **Reason for nomination as a candidate for Director**

Naofumi Toriyama has accumulated a wealth of business experience mainly in sales divisions, as well as expertise in the planning of global sales strategies. Currently, he is responsible for management of the Group and oversees sales divisions as Managing Executive Officer and Division Director of Business Headquarters.

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.



No. 7	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
Number of shares of the Company held 1,400	Apr. 2016	Professor Emeritus, Tohoku University (present)
	Apr. 2017	Professor, New Industry Creation Hatchery Center, Tohoku University (present)
Attendance at Board of Directors meetings 16/16 (100%)	Dec. 2020	Outside Director of the Company (present)
	Jan.2022	Director, SMILEco Instruments Corporation (present)
	Jun.2023	Outside Director, MITSUBISHI GAS CHEMICAL COMPANY, INC. (present)
	Member of the Nomination and Compensation Committee	
Attendance at the Nomination and Compensation Committee 4/4 (100%)	<b>Significant Positions Concurrently Held</b>	
	Professor Emeritus, Tohoku University Professor, New Industry Creation Hatchery Center, Tohoku University Outside Director, MITSUBISHI GAS CHEMICAL COMPANY, INC.	

#### **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 has management experience.

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 four (4) 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.



No. 8	Takuo Hirose (June 28, 1971)		
	[Reelection]	[Outside]	[Independent]

#### **Brief History, and Positions and Responsibilities in the Company**

	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)
Number of shares of the Company held	Jun. 2018	Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K. (present)
0	Mar. 2021	Outside Director (Audit & Supervisory Committee Member), Core Concept Technologies Inc. (present)
Attendance at Board of Directors meetings	Dec. 2021	Outside Director of the Company (present)
16/16 (100%)		Member of the Nomination and Compensation Committee

#### **Significant Positions Concurrently Held**

Attendance at the Nomination and Compensation Committee	Partner, Anderson Mori & Tomotsune LPC
4/4 (100%)	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 three (3) years 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.





No. 9	Kaoru Minoshima (November 25, 1964)		
	[Reelection]	[Outside]	[Independent]

**Brief History, and Positions and Responsibilities in the Company**

Apr. 2013	Professor, the University of Electro-Communications (present)
Apr. 2021	Director, Institute for Advanced Science, the University of Electro-Communications (present)
Apr. 2022	Vice-President (Academic Research Data Utilization), the University of Electro-Communications
Dec. 2023	Outside Director of the Company (present)
Apr. 2024	Vice-President (Global Outreach Development), the University of Electro-Communications (present) Deputy Member of the Board of Directors, the University of Electro-Communications (present)

Member of the Nomination and Compensation Committee

Number of shares of the Company held  
0

Attendance at Board of Directors meetings  
12/13  
(92 %)

Attendance at the Nomination and Compensation Committee  
2/3  
(67%)

Note: The attendance record is for her attendance at the Board of Directors meetings and the Nomination and Compensation Committee after she assumed office as Director on December 22, 2023.

**Significant Positions Concurrently Held**

Professor, the University of Electro-Communications  
Director, Institute for Advanced Science, the University of Electro-Communications  
Vice-President (Global Outreach Development), the University of Electro-Communications  
Deputy Member of the Board of Directors, the University of Electro-Communications

**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 optical science and quantum fields, Kaoru Minoshima has many achievements in collaboration with private companies through industry-academia partnerships.

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. Although she 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 she will appropriately fulfill her duties as an Outside Director based on the above reasons.

**Service period as an Outside Director of the Company**

Kaoru Minoshima'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 Kaoru Minoshima as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. The Company has transactional relationships with University of Electro-Communications including sales of electronic devices. The scale of such transactions with University of Electro-Communications 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 Kaoru Minoshima 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 Kaoru Minoshima if the reappointment of Kaoru Minoshima is approved.



No. 10	Takaaki Kimura (February 14, 1953)		
	[New election]	[Outside]	[Independent]
<b>Brief History and Positions</b>			
	Apr. 1976	Joined Yamaha Motor Co., Ltd.	
	Apr. 2002	Senior General Manager, AM Operations, Yamaha Motor Co., Ltd.	
	Jun. 2003	Executive Officer, Yamaha Motor Co., Ltd.	
	Mar. 2005	Director, Yamaha Motor Co., Ltd.	
	Mar. 2007	Senior Executive Officer, Yamaha Motor Co., Ltd.	
	Jan. 2009	Chief General Manager, Marine Business Operations, Yamaha Motor Co., Ltd.	
	Nov. 2009	Representative Director, Yamaha Motor Co., Ltd. Managing Executive Officer, Yamaha Motor Co., Ltd.	
	Mar. 2010	Senior Managing Executive Officer, Yamaha Motor Co., Ltd.	
	Jan. 2012	Chief General Manager, Technology Center, Yamaha Motor Co., Ltd.	
	Mar. 2014	Executive Vice President, Yamaha Motor Co., Ltd.	
	Mar. 2018	Executive Advisor, Yamaha Motor Co., Ltd. (Retired in Mar. 2021)	

Number of shares of the  
Company held  
0

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

Takaaki Kimura served as Representative Director and Executive Vice President at a global manufacturing company, and has a wealth of experience and broad insight into corporate management.

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 election as an Outside Director.

#### **Matters concerning independence**

The Company is scheduled to file Takaaki Kimura as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. He previously served as Representative Director and Executive Vice President of Yamaha Motor Co., Ltd., and the Company currently has transactional relationships with Yamaha Motor Co., Ltd. including sales of electronic devices. However, he retired from his position as Executive Advisor to Yamaha Motor Co., Ltd. in March 2021. Furthermore, the scale of such transactions with Yamaha Motor Co., Ltd., is 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, if the appointment of Takaaki Kimura is approved, the Company plans to enter into Agreement Limiting Liability with him 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.

- Notes:
1. There are no special interest relationships between the Company and the candidates for Directors other than Hisaki Kato.
  2. Kazue Kurihara, Takuo Hirose, Kaoru Minoshima and Takaaki Kimura, candidates for Director, are the candidates for Outside Director.
  3. The Company conducted a 2-for-1 stock split of shares of common stock as of October 1, 2024. The number of shares of the Company held by each candidate is the number of shares after the stock split.
  4. 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. For an overview of the insurance policy, please refer to "(2) Overview of Directors and Officers Liability Insurance Policy" in "4. Matters Concerning Company Directors" in the Business Report. 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.

**Proposal No. 3: Election of Four (4) Audit & Supervisory Board Members**

The terms of office of all four (4) current Audit & Supervisory Board Members will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is proposed that four (4) Audit & Supervisory Board Members be elected.

The Audit & Supervisory Board has given its consent to this proposal.

The candidates for Audit & Supervisory Board Member are as follows.

No.	Name			Positions in the Company	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board
1	Reelection	Akira Utsuyama		Audit & Supervisory Board Member (Standing)	16/16 (100%)	7/7 (100%)
2	Reelection	Michihito Suzuki		Audit & Supervisory Board Member (Standing)	16/16 (100%)	7/7 (100%)
3	New election	Shoji Nakano	[Outside] [Independent]	—	—	—
4	New election	Seidai Hirai	[Outside] [Independent]	—	—	—



No. 1

Akira Utsuyama (June 12, 1960)  
[Reelection]

#### Brief History and Positions in the Company

Apr. 1983	Joined the Company
Jul. 2006	General Manager, Intellectual Property Division
Dec. 2017	Audit & Supervisory Board Member (Standing) (present)

#### Reason for nomination as a candidate for Audit & Supervisory Board Member

Number of Shares of the  
Company Held  
14,262

Attendance at Board of  
Directors meetings  
16/16 (100%)

Attendance at Audit &  
Supervisory Board  
7/7 (100%)

Akira Utsuyama has accumulated a wealth of business experience and expertise in all areas of corporate operations, including photonics technology and business management, through his work on intellectual property over many years. The Company expects that his wealth of experience and knowledge can be effectively utilized in the duties of an Audit & Supervisory Board Member of the Company, which is a product manufacturer. Accordingly, the Company requests his reelection as an Audit & Supervisory Board Member.



No. 2

Michihito Suzuki (January 7, 1958)  
[Reelection]

#### Brief History and Positions in the Company

Mar. 1980	Joined the Company
Oct. 2010	Domestic Sales Manager, Tokyo Sales Office of Domestic Sales Division
Oct. 2012	Chief Manager, General Affairs of Laser Business Group (currently Laser Promotion Division)
Oct. 2016	Deputy General Manager, Compound semiconductor Fabrication Center
Dec. 2020	Audit & Supervisory Board Member (Standing) (present)

Number of Shares of the  
Company Held  
14,400

Attendance at Board of  
Directors meetings  
16/16 (100%)

Attendance at Audit &  
Supervisory Board  
7/7 (100%)

#### Reason for nomination as a candidate for Audit & Supervisory Board Member

Michihito Suzuki has accumulated a wealth of business experience and expertise in all areas of corporate operations through his work in sales and operations over many years. The Company expects that his wealth of experience and knowledge can be effectively utilized in the duties of an Audit & Supervisory Board Member of the Company, which is a product manufacturer. Accordingly, the Company requests his reelection as an Audit & Supervisory Board Member.



Number of Shares of the  
Company Held  
0

No. 3	Shoji Nakano (November 1, 1957)		
	[New election]	[Outside]	[Independent]
<b>Brief History and Positions</b>			
Apr. 1980	Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)		
Jun. 2007	Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)		
May. 2010	Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)		
Jul. 2012	Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.		
Nov. 2014	Representative Director and Deputy President, Mitsubishi UFJ Research and Consulting Co., Ltd.		
Jun. 2016	Director and Vice president, BOT Lease Co., Ltd.		
Jun. 2017	Chief Executive Officer and President, BOT Lease Co., Ltd.		
Jun. 2022	Senior Advisor, BOT Lease Co., Ltd. (present)		

#### **Significant Positions Concurrently Held**

Senior Advisor, BOT Lease Co., Ltd.

#### **Reason for nomination as a candidate for Outside Audit & Supervisory Board Member**

In addition to his many years of experience in financial institutions and a wealth of knowledge related to finance, etc., Shoji Nakano has served as Chief Executive Officer and President and other positions at several business companies, and thus also possesses experience as a business manager. In order to have this knowledge and experience reflected in the Company's audits, the Company nominated him as a new candidate for Outside Audit & Supervisory Board Member.

#### **Matters concerning independence**

The Company is scheduled to file Shoji Nakano as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. Currently, the Company has loans with MUFG Bank, Ltd. However, he retired from the bank in November 2014. Furthermore, the amount of the loans with the bank is 2.8% of the Company's consolidated total assets. There are no transactions between the Company and Mitsubishi UFJ Research and Consulting Co., Ltd. or BOT Lease Co., Ltd. Therefore, the Company is sufficiently convinced of his independent status.

#### **Summary of contents of agreements to limit liability**

Based on the Articles of Incorporation, if the appointment of Shoji Nakano is approved, the Company plans to enter Agreement Limiting Liability with him 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.





Number of Shares of the  
Company Held  
0

No. 4

Seidai Hirai (January 10, 1959)

[New election]

[Outside]

[Independent]

#### Brief History and Positions

Apr. 1981	Joined Hamamatsu Shinkin Bank (currently Hamamatsu Iwata Shinkin Bank)
Jun. 2013	Director, Hamamatsu Shinkin Bank General Manager, Credit Supervision Division, Hamamatsu Shinkin Bank
Jun. 2015	Managing Director (in charge of Credit Supervision Division • Business Support Division) , Hamamatsu Shinkin Bank
Jun. 2020	Senior Managing Director (in charge of Branch Management Division • Corporate Business Division • Retail-Banking Division) , Hamamatsu Iwata Shinkin Bank
Jun. 2021	Senior Managing Director (in charge of SDGs Promotion Division • Business Management Division • Solution Support Division) , Hamamatsu Iwata Shinkin Bank
Jun. 2023	Senior Managing Director (in charge of Strategic Planning Division • Digital Promotion Division • Systems Division) , Hamamatsu Iwata Shinkin Bank (present)

#### Significant Positions Concurrently Held

Senior Managing Director (in charge of Strategic Planning Division • Digital Promotion Division • Systems Division) , Hamamatsu Iwata Shinkin Bank

#### Reason for nomination as a candidate for Outside Audit & Supervisory Board Member

In addition to his many years of experience in financial institutions and a wealth of knowledge related to finance, etc., Seidai Hirai currently serves as Senior Managing Director of the Hamamatsu Iwata Shinkin Bank, and thus also possesses experience as a business manager. In order to utilize this knowledge and experience in the Company's audits, the Company nominated him as a new candidate for Outside Audit & Supervisory Board Member.

#### Matters concerning independence

The Company is scheduled to file Seidai Hirai as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange.

#### Summary of contents of agreements to limit liability

Based on the Articles of Incorporation, if the appointment of Seidai Hirai is approved, the Company plans to enter Agreement Limiting Liability with him 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.

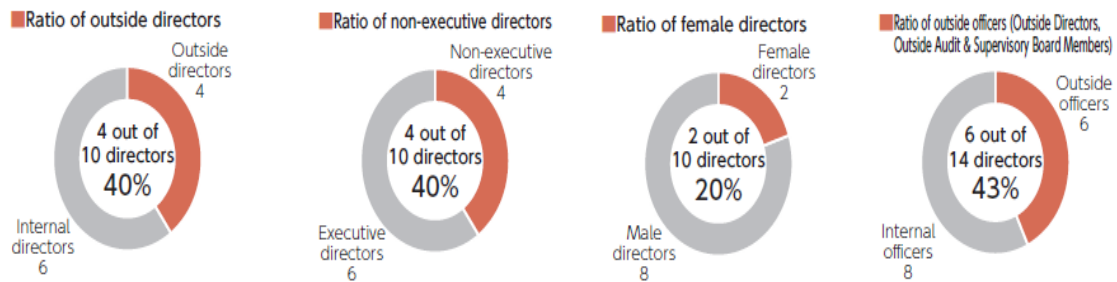
- Notes:
1. There are no special interest relationships between the Company and candidates for Audit & Supervisory Board Member.
  2. Shoji Nakano and Seidai Hirai, candidates for Audit & Supervisory Board Member, are the candidates for Outside Audit & Supervisory Board Member.
  3. The Company conducted a 2-for-1 stock split of shares of common stock as of October 1, 2024. The number of shares of the Company held by each candidate is the number of shares after the stock split.
  4. 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 Audit & Supervisory Board Members 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 an Audit & Supervisory Board Member, or receipt of claims pertaining to the pursuit of such liability. For an overview of the insurance policy, please refer to "(2) Overview of Directors and Officers Liability Insurance Policy" in "4. Matters Concerning Company Directors" in the Business Report. If each candidate assumes office as an Audit & Supervisory Board Member, 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. 2 and No. 3 are approved and adopted**

If Proposal No. 2 and No. 3 are 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
		Management Strategy		Technology Research & Development	Finance & Accounting	Legal Compliance	Sales & Marketing	Communication	Sustainability	
		Business Company	Public Interest Corporation and other organization, etc.							
Tadashi Maruno	Representative Director and President	●		●			●	●		Male
Hisaki Kato	Representative Director and Vice President	●		●			●	●		Male
Takayuki Suzuki	Representative Director	●		●			●		●	Male
Kazuhiko Mori	Director				●			●		Male
Ken Nozaki	Director		●						●	Male
Naofumi Toriyama	Director						●	●		Male
Kazue Kurihara	Outside Director		●	●						Female
Takuo Hirose	Outside Director	●				●				Male
Kaoru Minoshima	Outside Director		●	●						Female
Takaaki Kimura	Outside Director	●							●	Male
Akira Utsuyama	Audit & Supervisory Board Member (Standing)					●				Male
Michihito Suzuki	Audit & Supervisory Board Member (Standing)					●	●			Male
Shoji Nakano	Outside Audit & Supervisory Board Member	●			●					Male
Seidai Hirai	Outside Audit & Supervisory Board Member		●		●				●	Male

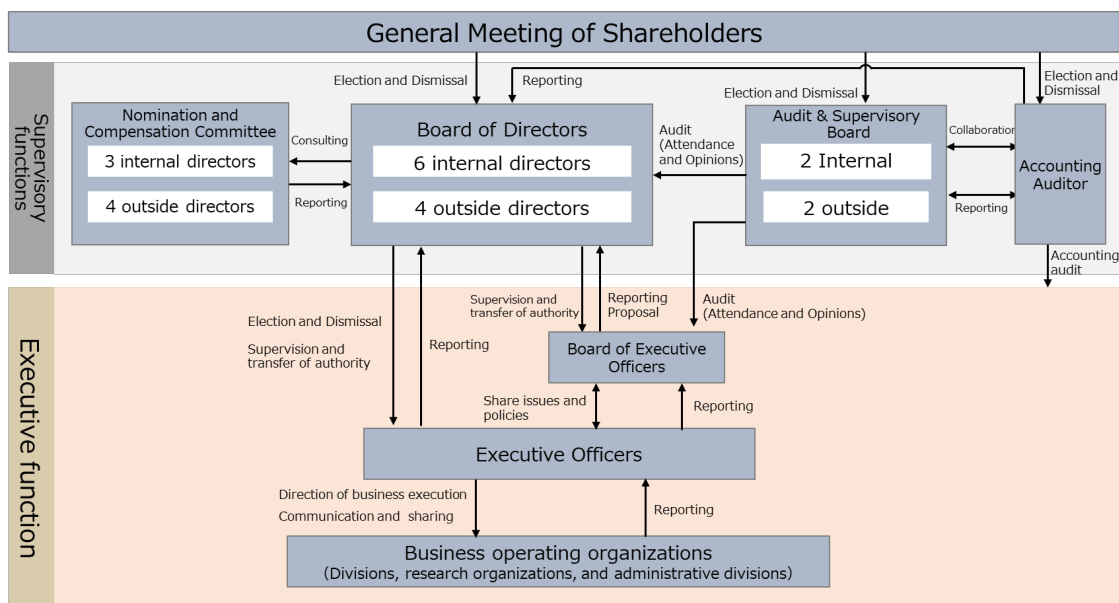
Notes: Expertise and Experience in business execution and/or supervision from a global perspective are not included in the above table because all members should have them.



## 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, 2024.

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.



## Business Report

(From October 1, 2023 through September 30, 2024)

### 1. Matters Concerning the Corporate Group

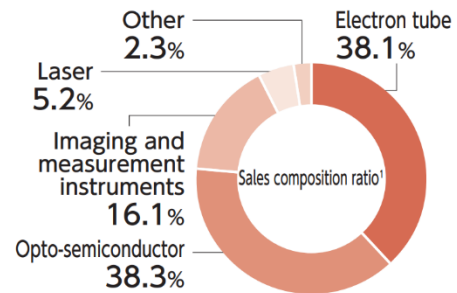
#### (1) Business Operations and Results

During the fiscal year ended September 30, 2024 (from October 1, 2023 through September 30, 2024), Japan's economy showed signs of a gradual recovery with improvement in the employment and income environment and the effects of various government policies. However, the outlook remained uncertain mainly due to continuing high interest rates and strong currencies in Europe and the USA and concerns over the future of the Chinese economy.

Given these circumstances, the Group worked across divisional boundaries on reforms to increase corporate value from both financial and non-financial perspectives, while continuing necessary capital investment to maintain and strengthen competitiveness, and promoting research and product development utilizing the Company's proprietary photonics technologies. In this way, the Group strived to secure net sales and earnings.

As a result, we closed the fiscal year 2024 with net sales of JPY 203,961 million, down by JPY 17,483 million (7.9 %) from the previous fiscal year. From an earnings perspective as well, ordinary profit was JPY 34,512 million, down by JPY 24,903 million (41.9%) from the previous fiscal year and profit attributable to owners of parent was JPY 25,145 million, down by JPY 17,679 million (41.3%) from the previous fiscal year. Accordingly, both revenue and profits regrettably decreased.

	FY2024	Year-on-year changes
Net sales	JPY 203,961 million	Down 7.9 %
Operating profit	JPY 32,118 million	Down 43.3 %
Ordinary profit	JPY 34,512 million	Down 41.9 %
Profit attributable to owners of parent	JPY 25,145 million	Down 41.3 %



<sup>1</sup> The figure for the Other segment in the sales composition ratio encompasses operations that include hotel operations and businesses related to proprietary products of subsidiaries.

A summary of business performance by business segment is reported below. From the fiscal year ended September 30, 2024, the business segment classification has been changed and “Laser,” which was previously included in “Other,” has been added as a new business segment. The following year-on-year changes in net sales are based on comparisons of figures after restatement according to the new business segment classification.

<div> <div>Electron tube</div> <div> Development, manufacture and sale of photomultiplier tubes and other vacuum-tube optical sensors, light sources, radiation sources, imaging devices, applied products, etc. </div> </div>	
<div> <div> <div>Net sales: JPY 77,679 million (Down 5.8% YoY)</div> <div> <div> <div>82,501</div> <div>Domestic 14,273</div> <div>Overseas 68,227</div> </div> <div> <div>77,679</div> <div>Domestic 13,127</div> <div>Overseas 64,551</div> </div> </div> <div> <div>FY2023</div> <div>FY2024</div> </div> </div> </div>	<div> <div> <div>· In the academic field, sales of photomultiplier tubes (PMT) for high-energy physics experiments increased.</div> <div>· In the industrial field, sales of microfocus X-ray sources for non-destructive testing devices decreased significantly due to the stagnant EV (electric vehicles) market, mainly for automotive battery testing applications and circuit board inspection applications.</div> <div>· Sales of PMT for semiconductor fabrication and inspection equipment decreased.</div> </div> </div>



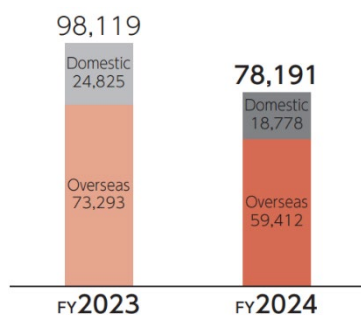
▲ Conceptual diagram of “Hyper-Kamiokande,” the next-generation of neutrino measurement experiments (left. Photo courtesy of the Kamioka Observatory, Institute for Cosmic Ray Research, The University of Tokyo). A PMT (right) is attached to the tank wall in the center.

## Opto-semiconductor

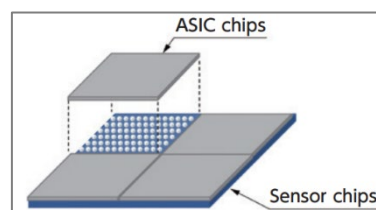
### <Main businesses>

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

Net sales: JPY 78,191 million (Down 20.3% YoY)



- In the academic field, sales of opto-semiconductor sensors such as photodiode arrays for high-energy physics experiments increased in the academic field due to continued orders from projects in Europe.
- Sales of silicon photodiodes for X-ray CT decreased in the medical field due to the absence of the increase in orders, which had been the result of material shortages until the previous year.
- Sales of flat panel sensors for dental diagnostic equipment decreased due to the impact of price competition from the emergence of competitors overseas.

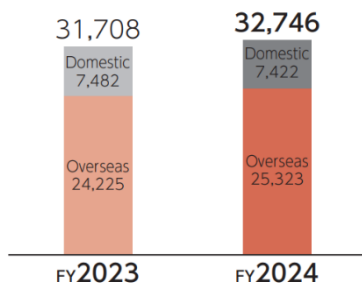


▲ Photodiode array for high-energy physics experiments (left) and conceptual diagram of the structure of a photodiode array with ASIC (right)



<b>Imaging and measurement instruments</b>	<p>&lt;Main businesses&gt; Development, manufacture and sale of systems enhanced for industrial and research applications such as life sciences, semiconductors and medicine</p>
--	--

Net sales: JPY 32,746 million (Up 3.3% YoY)



- Sales of digital slide scanners for pathology increased due to rising demand in Japan after the acquisition of medical device approval.
- Sales of FDSS (functional drug screening system) used in the development of new drugs, etc. remained steady, in part because of the launch of new products.
- Sales of board cameras for laboratory testing decreased.



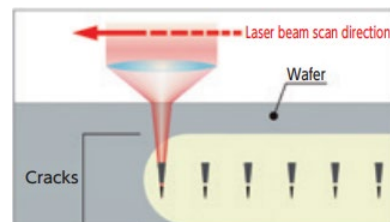
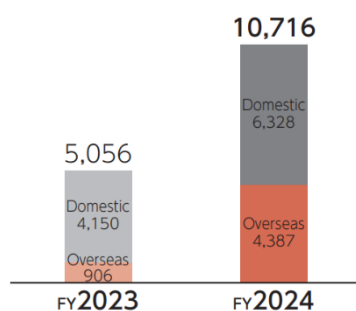
▲ Digital slide scanners for pathology



▲ Functional drug screening system

<b>Laser</b>	<p>&lt;Main businesses&gt; Development, manufacture and sale of stealth dicing system, fiber lasers and other laser products, and applied products, etc.</p>
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Net sales: JPY 10,716 million (Up 111.9% YoY)



▲ Stealth Dicing Engine (left) and a laser beam is used to create cracks in the wafer to cut it (right).

The status of our research and development is reported below.

### <Basic Research Sector>

#### **Development of a high-power laser diode (LD) module for laser fusion**

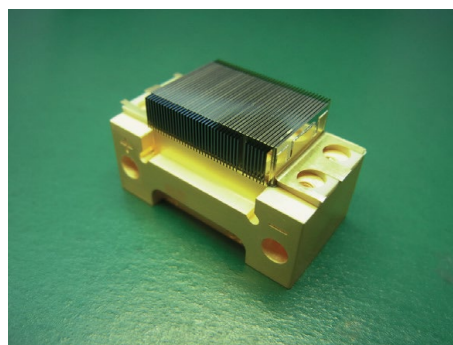
##### • Research background

Laser fusion is a technology that generates energy artificially by irradiating fuel, such as deuterium extracted from seawater, with a laser. Since it produces no carbon dioxide emissions, it is gaining attention as a next-generation clean energy technology.

Realization of laser fusion requires an ultra-high power laser in the megajoule class, which can be achieved by combining multiple laser devices with outputs of 1 to 10 kJ<sup>1</sup> each. To this end, the Company is advancing research with the establishment of a 1 kJ-output laser device as a key milestone.

##### • Research outcomes

The Company has developed a compact, high-power LD module by establishing a technology for high-density stacking of LDs used as pumping light sources for 1 kJ lasers. By increasing the number of LDs, higher output from the entire laser device can be expected. However, with conventional stacking technology, as the density between LDs increases, misalignment with other components occurs, leading to a higher risk of malfunction during power application. By applying our proprietary stacking technology, we have reduced the spacing between the LDs to about one-fourth of the previous level while minimizing misalignment, thus ensuring high reliability. As a result, the maximum output of the LD module has been increased by about four times compared to conventional products. The Company will continue its research and development toward achieving even higher laser output, contributing to the early realization of fusion power generation worldwide.



▲LD module using a new stacking technology. 40 LDs are extremely tightly spaced at 0.4 mm.

#### **Develop equipment able to safely measure the blood circulation in the brain of newborns with high-precision**

##### • Research background

Premature/low birth weight infants are susceptible to bleeding deep within the brain and aftereffects, so there has been a need for a method of accurate measurement of hemoglobin concentration, which is a parameter indicative of bleeding. However, in traditional measuring methods for detecting reflected light from light irradiated to the head, in addition to the scope of measurement only covering the superficial part of the brain, the hemoglobin concentration that could be measured was also limited to the amount of change (relative value) from the start of the measurement.

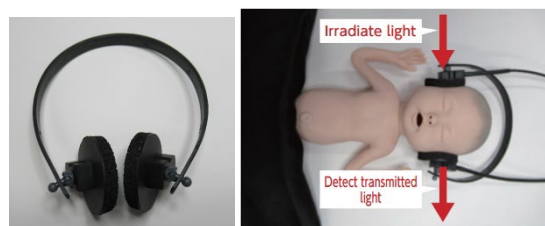
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<sup>1</sup> The “kJ” stands for kilojoule. Joule is a unit of energy, and one kilojoule is equivalent to 240 calories of heat energy.

- Research outcomes

The Company developed a new measuring equipment that adopts photomultiplier tubes, which are highly sensitive optical sensor, lasers and proprietary temporal resolution technology<sup>2</sup>. This developed product irradiates the head with near infrared light, and detects such transmitted light so it can capture the hemoglobin concentration deep in the brain as an absolute value rather than a relative value, and can measure the blood circulation in the brain more accurately.

We will utilize the Company's technology for continued improvement so that it can be adopted for not only premature/low birth weight infants but for all new newborns and contribute to neonatal medicine as a new measurement instrument for the management of blood circulation in the brain.



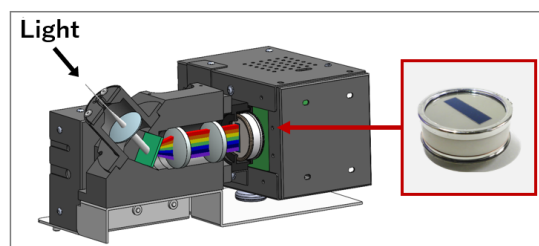
▲ Developed transmission probe (left) and measurement landscape image (right)

### <Development Sector>

#### New optical sensor technology that fused semiconductor technology and electron tube technology

- Technology features

The Company's optical sensors are used in various settings such as for medical, analytical, and industrial use. We have developed new optical sensor technology by fusing the latest semiconductor technology and electron tube technology. This technology enables the detection of weak light with high sensitivity by multiplying the conversion of light to electrons using electron tube technology and semiconductor technology. The Company has drawn out the synergistic effects that it has cultivated to date of measurement uniformity, which has been a characteristic of semiconductor technology, and the high sensitivity, ultra-low noise and high-speed response, which are characteristics of electron tube technology to the maximum extent possible. This has also made it possible to accurately and quickly capture weak light as well as slight differences in strength.



▲ Transmission diagram of the spectroscopy module used in flow cytometer (left). Optical sensor (right) using this technology is incorporated as key components.

- Future outlook

This technology is a new fundamental technology for the Company, and we aim for applications in a wide-range of uses including medical-bio, industrial and analytical uses. For example, by applying flow cytometry that acquires various cell information, we hope for early detection of diseases and to shorten the development period for new drugs.

First, we will develop high value-added modules that use this technology in the medical-bio field, while developing modules centered on the technology to solve customer and social issues in various fields.

<sup>2</sup> This development product is the result of joint research with the University of Tokyo and Saitama Children's Medical Center.

### Slide scanner specialized for multi-wavelength fluorescence imaging, “MoxiePlex®”

- Development background

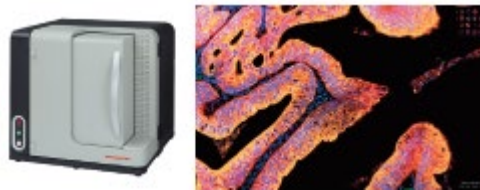
Cancer cells proliferate or die while interacting with various cells and molecules within the body. It is anticipated that visualizing and analyzing these complex biological phenomena will contribute to the development of new drugs and the establishment of new treatments. A common method for this type of observation is to add fluorescent reagents that bind to specific cells or molecules in collected specimens, and then observe fluorescent images using a microscope. In recent years, there has been a growing need to acquire multi-wavelength fluorescence images using multiple fluorescent reagents to observe more complex biological phenomena. However, the challenges have included the need for complex equipment configurations and the significant amount of time required for image acquisition.

- Product features

The Company has developed the “MoxiePlex,” a slide scanner specialized for multi-wavelength fluorescence measurement, utilizing high-sensitivity, high-resolution fluorescence imaging technology and image processing technology. This product can measure specimens stained with fluorescent reagents of multiple wavelengths, allowing for the rapid visualization of biological phenomena occurring within cells, in addition

to cellular morphological information. This enables a more detailed analysis of the environment surrounding cancer cells. In addition, the product features automatic settings for exposure time, measurement time, etc., as well as automatic specimen detection, enabling image acquisition with simple operations in a short time.

The use of this product is expected to lead to the elucidation of complex biological phenomena and promote the efficiency of research and development of new drugs and treatments, with promising applications in clinical fields.



▲ The developed “MoxiePlex” (left) and the multi-wavelength fluorescence image of colon tissue acquired using MoxiePlex (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, 2024, research and development expenses increased to JPY 13,551 million (up 10.1%) compared with the previous fiscal year.

## (2) Capital Investment

For the fiscal year ended September 30, 2024, we made total capital investments of JPY 30,941 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	6,236
Opto-semiconductor	19,456
Imaging and measurement instruments	3,085
Laser	1,379
Other	783
Total	30,941

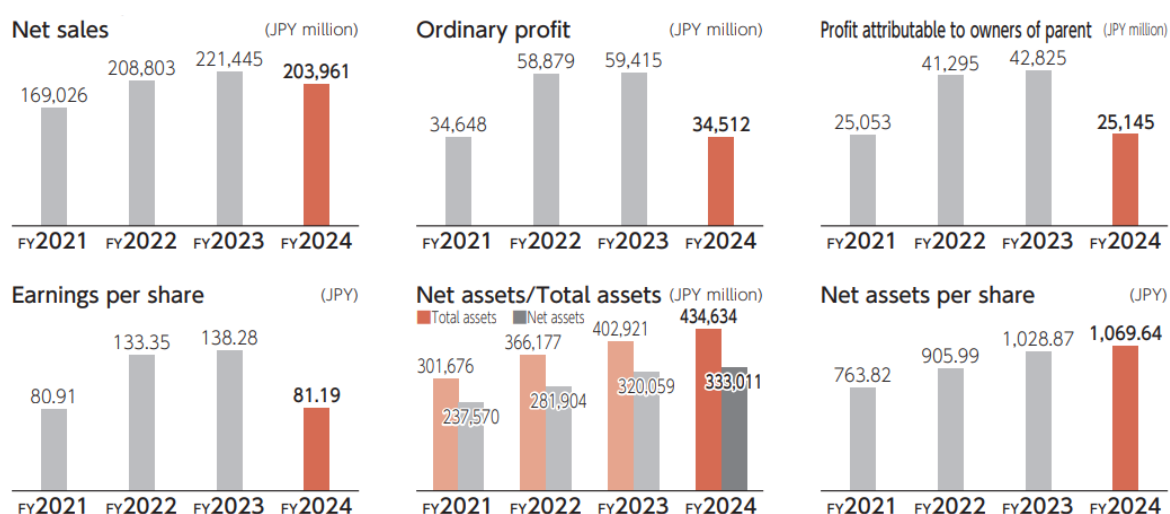


▲ Exterior view of new Miyakoda Factory building (Laser Segment)



▲ Artist's rendering of new Main Factory building (Opto-semiconductor Segment)

### (3) 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	FY2021	FY2022	FY2023	FY2024
Classification				
Net sales	169,026	208,803	221,445	203,961
Ordinary profit	34,648	58,879	59,415	34,512
Profit attributable to owners of parent	25,053	41,295	42,825	25,145
Earnings per share	80.91	133.35	138.28	81.19
Total assets	301,676	366,177	402,921	434,634
Net assets	237,570	281,904	320,059	333,011
Net assets per share	763.82	905.99	1,028.87	1,069.64

- 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 and thereafter is the figure after applying the accounting standard and relevant ASBJ regulations.
  3. Amounts less than 0.01 yen are rounded.
  4. The Company conducted a 2-for-1 stock split of shares of common stock as of October 1, 2024. Earnings per share and net assets per share are calculated on the assumption that the stock split was conducted at the beginning of FY2021.



#### **(4) Issues to be Addressed**

As for the current conditions of the Group amid the recent changes in social conditions due to the rapid development of generative AI and changes in the global environment, such as frequent large-scale disasters, there has been movement toward inventory adjustments due to the absence of rapidly increasing demand, which has been the result of material shortages until the previous year, and the business environment has become increasingly challenging mainly due to the emergence of competitors in some markets. Meanwhile, the Group is working on transformation for further growth based on the eight materialities that it formulated last year. Here, we introduce some specific examples.

##### **1. Technology innovation and maintaining competitiveness**

**Issue:** Maintaining and strengthening competitiveness to respond to market fluctuations and the emergence of competitors

**Approach:** The Company's products are essential in areas such as semiconductor manufacturing and testing equipment and medical-bio instruments. While increasing product performance, we will promote the development of new devices including innovative optical sensors and quantum sensors that fuse opto-semiconductor and vacuum tube technology. In addition, NKT Photonics A/S, which has a specialty in fiber lasers, was acquired to further strengthen laser technologies in addition to the Company's own research and development, becoming a company that owns world-leading technology in both light detectors and light sources. In future, we will provide total solutions that meet various needs including high value-added modules for integrated light detectors and light sources utilizing all core technologies related to light through close communication with customers and the market.

##### **2. Sustainable growth**

**Issue:** Development of new markets and application fields to achieve sustainable growth

**Approach:** Our Central Research Laboratory will strengthen and promote basic research that challenges the unknown and unexplored of light, while promoting research divided into three pillars of (1) promotion of future-oriented fundamental research and seed creation, (2) basic research to solve social issues, and (3) promotion of practical use of research findings from collaboration with divisions, aimed at research and development that is mindful of new market development through collaboration with divisions. In particular, in relation to promotion of practical use of research findings from collaboration with division, we will once again match the technologies that divisions will require in the future with the long-term research findings of our Central Research Laboratory, and create new markets and accelerate research for the creation of new markets and practical use by selecting four priority themes ((i) technology for unexplored wavelength devices, (ii) metasurface technology, (iii) high value-added data driven laser processing technology, (iv) LD module technology for nuclear fusion).

##### **3. Further promotion of sustainability activities**

**Issue:** Further promotion of sustainability initiatives focused on human capital investment, responding to climate change problems for sustainable business activities

**Approach:** We aim to expand the use of renewable energy and improve the energy efficiency of products as measures to address climate change. Furthermore, we will formulate a long-term vision for responding to global warming and a specific approach to realize a sustainable society.

In addition, we will implement various measures to create an environment that is more conducive to work and focuses on the diversity of employees. Furthermore, we launched the Business Strategy Office to formulate strategy in specific markets for the purpose of cultivating human resources as well as strengthening the business strategy. We will improve skills and cultivate human resources that support technology innovation by formulating a business strategy from a company-wide perspective that goes beyond divisions and local subsidiaries.

##### **4. Strengthen the Financial Strategy**

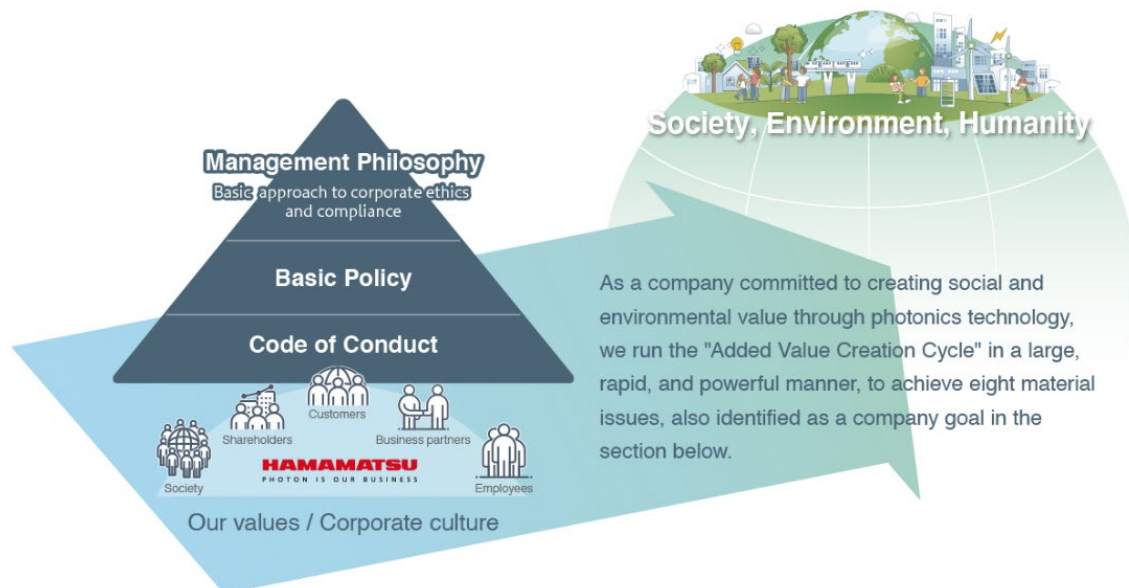
**Issue:** Establishment of an optimal financial structure to improve long-term growth and shareholder value

**Approach:** The Company formulated the following financial strategy for the term of the Medium-term Plan (FY2025 to FY2027) aimed at maximizing corporate value.

- We added a minimum ratio of dividends to shareholders' equity of 3.5% to the traditional dividend policy to achieve even more stable shareholder returns even when there are large fluctuations in short-term profits.
- Flexible implementation will be determined with comprehensive consideration of factors such as the levels of cash on hand and trends in strategic investment projects for share repurchases in addition to dividends.
- We will continue to actively resource research and development and capital investment required for medium to long-term growth, and work on reducing cash on hand as well as leveraging interest-bearing debt.



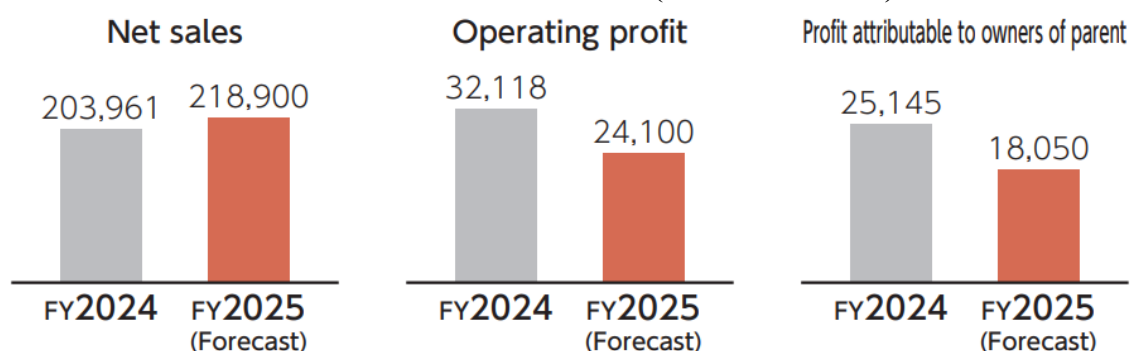
The Group aims to further improve corporate value through those approaches.  
We look forward to continuing to receive your unwavering support and encouragement in the future.



▲ As a company that makes use of light to create value for society and the environment, we will continue endeavoring to achieve our vision for the future based on our management philosophy.

**(Reference)**

**Forecast of consolidated financial results for FY2025(Unit: JPY million)**



**Commitment to Sustainability**

①Hamamatsu Photonics Group Basic Policy of Sustainability

The Hamamatsu Photonics Group is dedicated to exploring the unknown and unexplored aspects of light. We are committed to creating new markets that contribute to a better society and a healthier planet by utilizing new technologies and knowledge to discover new opportunities. Aiming to grow as a company that is sound and trusted, we will maintain high awareness of sustainability and compliance, and work together with all stakeholders to promote business.

1. We will strive to pursue the unknown and unexplored of light, and aim to establish new industries.
2. We will contribute to social and human development by offering safe and high-quality products and services with photonics technology.
3. We will ensure corporate ethics and foster the corporate culture that all employees conduct the right behaviors as members of society.
4. We will strictly abide by all relevant laws, regulations, and conventions, be they local, national, or international, in letter and in spirit.
5. We will conduct fair transactions, appropriately manage information, and prevent unauthorized access, information leakage, and unauthorized use.
6. We will provide appropriate and accurate information to our stakeholders in a timely manner.
7. We will conduct ecologically-sound and sustainable business activities, considering the environment and contributing to its preservation.
8. We will give consideration to people who are affected by our business activities, and respect human rights.
9. We will respect our employees, support their development, and provide a pleasant and safe work environment.
10. We will continue to serve as a philanthropic partner within our local communities.

②Promotion system

The Company is committed to all activities that contribute to sustainability, including “important matters and goals to be addressed (materiality),” with responsibility shared across the organization, while the Board of Directors oversees these efforts.

**Detailed information on our sustainability activities is available on our website.**

**<https://www.hamamatsu.com/jp/en/our-company/sustainability.html>**



## (5) 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	Chuo-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, etc.	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.	480,696,000 euros	100.0	Holding company	Belgium
	Hamamatsu Photonics Europe GmbH	400,000 euros	(100.0)	Regional sales headquarters in Europe	Germany
	NKT Photonics A/S	15,200,000 danish kroner	(100.0)	Development, manufacturing and sales of laser equipment and laser equipment components	Denmark
	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, etc.	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, etc.	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. In May 2024, Photonics Management Europe S.R.L. acquired all the shares of NKT Photonics A/S with the aim of expanding its laser business, and made it a subsidiary.
3. As of September 30, 2024, there are 32 subsidiaries subject to consolidation, including the 13 key subsidiaries listed above.

**(6) Main Office Locations & Factories (As of September 30, 2024)****a. Hamamatsu Photonics K.K.**

Classification	Office name and Location
Office	Headquarters(Chuo-ku, Hamamatsu City)
Factory	Main Factory(Chuo-ku, Hamamatsu City), Mitsue Factory(Iwata City, Shizuoka Pref.), Shingai Factory(Chuo-ku, Hamamatsu City), Toyooka Factory(Iwata City, Shizuoka Pref.), Tenno Glass Works(Chuo-ku, Hamamatsu City), Joko Factory(Chuo-ku, Hamamatsu City), Miyakoda Factory(Hamana-ku, Hamamatsu City)
Sales Office	Sendai Sales Office(Aoba-ku, Sendai City), Tokyo Sales Office(Chiyoda-ku, Tokyo), Chubu Sales Office(Chuo-ku, Hamamatsu City), Osaka Sales Office(Chuo-ku, Osaka City), Nishinohon Sales Office(Hakata-ku, Fukuoka City)
Research Laboratory	Central Research Laboratory(Hamana-ku, Hamamatsu City), Tsukuba Research Laboratory(Tsukuba City, Ibaraki Pref.), Yokohama IT Development Office (Kohoku-ku, Yokohama City) , Industries Development Laboratory(Chuo-ku, Hamamatsu City)

**b.Subsidiaries**

As described in the above (5) Key Subsidiaries

**(7) Employees (As of September 30, 2024)**

Business segment	No. of employees
Electron tube	2,132    △86
Opto-semiconductor	1, 864    102
Imaging and measurement instruments	639    △5
Laser	585    +417
Other	483    +100
Corporate (shared)	692    +72
Total	6,395    +600

- 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.  
3. From the fiscal year ended September 30, 2024, the business segment classification has been changed and “Laser,” which was previously included in “Other,” has been added as a new business segment. Figures for changes from the end of the previous fiscal year in the above table are comparisons after reclassifying the figures into the new business categories.

**(8) Fund Procurement**

There was no fund procurement during the fiscal year ended September 30, 2024.

**(9) Main Banks and Amount of Borrowing (As of September 30, 2024)**

(Millions of Japanese Yen)

Bank	Amount
MUFG Bank, Ltd.	15,700
Resona Bank, Limited	9,431
Shizuoka Bank, Ltd.	5,983

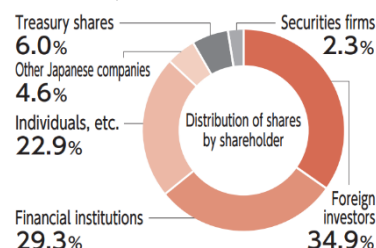
**(10) Summary of Other Important Matters Concerning the Corporate Group**

Not applicable

## 2. Matters Concerning the Company's Stock (As of September 30, 2024)

### Common stock

- a. Authorized: 500,000,000 shares  
b. Issued: 165, 083,770 shares  
(including 9,945,961 shares of treasury shares)  
c. Number of shareholders: 48,967  
d. Major shareholders:



Name of shareholder	No. of shares	Percentage of shareholding
The Master Trust Bank of Japan, Ltd. (Trust Account)	24,916,500	16.1
Custody Bank of Japan, Ltd. (Trust Account)	10,485,500	6.8
Hamamatsu Photonics K.K. employees	4,224,214	2.7
State Street Bank and Trust Company 505025	3,919,362	2.5
JP Morgan Chase Bank 385632	3,869,900	2.5
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	2,943,500	1.9
State Street Bank and Trust Company 505001	2,870,733	1.9
JP Morgan Chase Bank 385864	2,735,000	1.8
State Street Bank West Client - Treaty 505234	2,709,787	1.7
JP Morgan Chase Bank 385781	1,813,316	1.2

- Notes: 1. The Company holds 9,945,961 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 19, 2024, the Company issued shares of common stock as restricted stock remuneration, which increased the number of issued shares by 17,822.

### 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, 2024, 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)	10,253	6

- Notes: 1. Stocks are not delivered to Outside Directors and Audit & Supervisory Board Members.  
2. In addition to the aforementioned, 7,569 restricted stocks were granted to ten(10) 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, 2024)

Company Position	Name	Responsibilities	Significant Position Concurrently Held
Director and Chairman	Akira Hiruma	—	Director and President, Photonics Management Corp. Managing 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
Director and Vice Chairman	Kenji Suzuki	—	—
Representative Director and President Chief Executive Officer	Tadashi Maruno	—	Director, Hamamatsu Corporation Chairman, Hamamatsu Photonics (China) Co., Ltd. Director and Chairman, NKT Photonics A/S
Representative Director and Vice President Chief Operating Officer	Hisaki Kato	In charge of Corporate Strategy and Laser Promotion Division Division Director, Electron Tube Division	Chairman, Beijing Hamamatsu Photon Techniques, Inc.
Representative Director Senior Managing Executive Officer	Takayuki Suzuki	In charge of Social and Environmental Value Creation Division Director, Solid State Division	Director, Hamamatsu Corporation
Director Senior Executive Officer	Kazuhiko Mori	Chief of Finance and Accounting General Headquarters	Director, NKT Photonics A/S Outside Director (Audit & Supervisory Committee Member), ENSHU Limited
Outside Director	Ken Koibuchi	—	Chief Project Leader, Application Development, Software Development Center, Toyota Motor Corporation
	Kazue Kurihara	—	Professor Emeritus, Tohoku University Professor, New Industry Creation Hatchery Center, Tohoku University Outside Director, MITSUBISHI GAS CHEMICAL COMPANY, INC.
	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.
	Kaoru Minoshima	—	Professor, the University of Electro-Communications Director, Institute for Advanced Science, the University of Electro-Communications Vice-President (Global Outreach Development), the University of Electro-Communications Deputy Member of the Board of Directors, the University of Electro-Communications

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 Ken Koibuchi, Outside Director Kazue Kurihara, Outside Director Takuo Hirose, Outside Director Kaoru Minoshima, 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 76th Ordinary General Meeting of Shareholders held on December 22, 2023, all of Directors were reelected and assumed their respective positions. Changes to Directors, other than reappointments, were as follows.
- Appointed Director      Kaoru Minoshima  
Resigned Director      Kashiko Kodate
3. Changes to the positions and responsibilities of Directors during the fiscal year ended September 30, 2024 were as follows.

Name	Before revision		After revision		The date of change
	Company Position	Responsibilities	Company Position	Responsibilities	
Akira Hiruma	Representative Director and Chairman	—	Director and Chairman	—	December 22, 2023
Hisaki Kato	Representative Director and Vice President Chief Operating Officer	In charge of Corporate Strategy Division Director, Electron Tube Division	Representative Director and Vice President Chief Operating Officer	In charge of Corporate Strategy and Laser Promotion Division Division Director, Electron Tube Division	December 22, 2023
Takayuki Suzuki	Director Senior Managing Executive Officer	In charge of Social and Environmental Value Creation / DX Division Director, Solid State Division	Representative Director Senior Managing Executive Officer	In charge of Social and Environmental Value Creation / DX Division Director, Solid State Division	December 22, 2023
	Representative Director Senior Managing Executive Officer	In charge of Social and Environmental Value Creation / DX Division Director, Solid State Division	Representative Director Senior Managing Executive Officer	In charge of Social and Environmental Value Creation Division Director, Solid State Division	April 1, 2024

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, 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 Toyota Motor Corporation.
7. The Company has business transactions, including the sale and purchase of products, with Tohoku University.
8. The Company has transactional relationships with Anderson Mori & Tomotsune LPC including the provision of legal advisory services.
9. The Company has business transactions, including the sale and purchase of products, with the University of Electro-Communications.

(Reference) The Company has introduced an Executive Officer System. The statuses Executive Officers (excluding those concurrently serving as Directors) as of September 30, 2024, are as follows.

Company Position	Name	Responsibilities
Managing Executive Officer	Naofumi Toriyama	Division Director, Business Headquarters
Managing Executive Officer	Ken Nozaki	Chief of Global Management and Planning General Headquarters
Senior Executive Officer	Kazuya Suzuki	Chief of Administration General Headquarters
Executive Officer	Hiroyuki Okada	Division Director (Chief), Global Strategic Challenge Center
Executive Officer	Koichi Nagumo	Deputy Chief of Global Management and Planning General Headquarters
Executive Officer	Shuichi Osada	Deputy Chief of Administration General Headquarters
Executive Officer	Haruyoshi Toyoda	Director, Central Research Laboratory
Executive Officer	Fumio Iwase	In charge of DX Chief of Business Process Re-engineering General Headquarters Division Director, Systems Division
Executive Officer	Shinji Ito	Deputy Division Director, Solid State Division
Executive Officer	Masato Tsutsumizaki	Deputy Division Director, Electron Tube Division

## (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, 2024

Classification	Number of compensated individuals	Basic Remuneration	Remuneration for Granting Restricted Stock to Directors	Total amount of Remuneration
Directors(Outside Directors only)	11(5)	JPY 314(33) million	59(-) million	374(33) million
Audit & Supervisory Board Members(Outside Audit & Supervisory Board Members only)	4(2)	JPY 55(14) million	-(-) million	55(14) million
Total(Outside Officers only)	15(7)	JPY 370(48) million	59(-) million	429(48) million

- Notes:
1. The amount of remuneration for Directors was established at an annual amount of up to JPY 720 million (up to JPY 120 million for Outside Directors), excluding the salary payable in the capacity of employees, by a resolution of the 76th Ordinary General Meeting of Shareholders held on December 22, 2023. 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) excluding the salary payable in the capacity of employees, 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. Among the number of Directors who received payment in the table above, there includes one (1) Directors who resigned on December 22, 2023.

#### b. Retirement benefits paid in the fiscal year ended September 30, 2024

Not applicable

c. Matters including policy for determining the content of Directors' remuneration and others  
The Company adopts a policy for determining the content of individual remuneration for Directors and other matters at a Board of Directors meeting. The current policy reflects a partial revision resolved at a Board of Directors meeting held on December 22, 2023, in conjunction with the introduction of short-term performance-linked remuneration. 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, 2024, is in line with said determination policy. The policy for determining the content of remuneration, etc. for individual Directors is as follows.

On the basis of the conviction that light has unlimited possibilities, the Company strives to pursue the unknown and unexplored. Based on new technologies and knowledge the Company creates new markets that contribute to a better society and a healthier planet. Since these philosophies cannot be achieved in the short term, the Company requires its Directors to achieve results from a medium-to long-term perspective, not from a short-term perspective. Therefore, the Company considers that fixed remuneration is suitable as the base remuneration for Directors. In addition, the Company has introduced short-term performance-linked remuneration in consideration of the need to achieve stable performance improvement in each fiscal year in order to respond to shareholders' entrustment.

On the other hand, the Company has introduced stock-based remuneration (restricted stock remuneration) with the aim of contributing to the sustainable enhancement of corporate value from a long-term perspective, standing on the same standpoint as our shareholders. As a result, the remuneration for Directors (excluding Outside Directors) consists of (1) fixed remuneration, (2) short-term performance-linked remuneration, and (3) stock-based remuneration. Since the Company places importance on a medium-to long-term perspective, the Company has structured the ratio of these remunerations to be generally 70:15:15 (see note below). In addition, the remuneration for Outside Directors is fixed remuneration only.

(Note) Short-term performance-linked remuneration may increase or decrease depending on the business performance of each fiscal year. Therefore, the actual ratio may change. In addition, above ratio may not be applied to Officers who concurrently serve as employees due to the relationship with their salaries as employees.

A summary of the remuneration system for Directors is as follows:

1. Involvement of the Nomination and Compensation Committee

Remuneration for Directors is determined on an individual basis by the Board of Directors. Decisions by the Board of Directors are made after consultation with the Nomination and Compensation Committee, the majority of whose members are Outside Directors. The Nomination and Compensation Committee regulations stipulate that the Company respect the reports of the Nomination and Compensation Committee.

2. Summary of each remuneration

Remuneration for Directors consists of (1) fixed remuneration, (2) short-term performance-linked remuneration, and (3) stock-based remuneration. The ratio of these remunerations shall be 70:15:15. Short-term performance-linked remuneration changes in accordance with business performance.

A summary of each remuneration is as follows:

(1) Fixed Remuneration

The amount of monthly fixed remuneration is determined for each position, taking into consideration other companies' standards through surveys conducted by external organizations. Remuneration for Outside Directors is fixed remuneration only.

(2) Short-term performance-linked remuneration

Short-term performance-linked remuneration is determined individually by the Board of Directors based on the performance of each fiscal year. The specific method of determining it is as follows:

① The index of short-term performance-linked remuneration is consolidated operating income. First, the Company compares consolidated operating income for the previous and current fiscal years and determines a coefficient (which varies depending on the position) based on the increase or decrease of it. Then, the Company calculates the amount of remuneration by multiplying the coefficient by the base amount for each position, and pays it to the directors in December of each year.

② The coefficient based on the comparison of consolidated operating income shall be "1" if it is between -5% and +5% compared to the previous year. Then, short-term performance-linked remuneration is paid based on this coefficient. In this case, the ratio of Directors' remuneration shall be approximately 70:15:15 (standard ratio). And, in order to provide an incentive for Directors to further improve performance, the coefficient shall be varied within a range of  $\pm 30\%$  of the previous year's ratio of consolidated operating income. On the contrary, short-term performance-linked remuneration shall not be paid if consolidated operating income is less than -30% of the previous year's rate.

(3) Stock-based remuneration

Stock-based remuneration set at around 15% of total Director remuneration is decided for each Director at the Board of Directors and paid prior with a 30-year transfer restriction period from the record date.

#### (4)Outside Officers

##### a.Main activities

Company Position	Name	Main activities	Attendance
Outside Director	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 13/16 (81%) the Nomination and Compensation Committee 4/4(100%)
	Kazue Kurihara	Based on her extensive expertise as a university professor and experience through industry-academia partnerships and corporate management, 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 16/16 (100%) the Nomination and Compensation Committee 4/4 (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 16/16 (100%) the Nomination and Compensation Committee 4/4 (100%)
	Kaoru Minoshima	Based on her extensive expertise as a university professor and experience through industry-academia partnerships, Kaoru Minoshima 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 12/13 (92%) the Nomination and Compensation Committee 2/3 (67%)
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 16/16 (100%) Audit & Supervisory Board 7/7 (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 16/16 (100%) Audit & Supervisory Board 7/7 (100%)

Note: The attendance record of Kaoru Minoshima at the Board of Directors meetings and the Nomination and Compensation Committee is her attendance after she assumed office as Director on December 22, 2023.

##### 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, 2024

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 78 million
Total amount of cash and other financial interests the Company and its subsidiary companies will pay to the Company's independent auditor	JPY 81 million

Notes:

1. The amount of compensation and other benefits pertaining to the fiscal year ended September 30, 2023 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 preparation of comfort letters, 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 to 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 Board of Executive Officers 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 Board of Executive Officers 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 Board of Executive Officers, which is attended by General Managers and above depending on the content of discussion, 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 Board of Executive

Officers studies 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, Executive Officers or executive employees of the Company to serve as Directors of these subsidiaries. In addition, the Company strives to avoid risks by dispatching Directors, Executive Officers 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 Hamamatsu Photonics Group Basic Policy of Sustainability and the Hamamatsu Photonics Group 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, Executive Officer 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 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.

- 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. During the fiscal year under review, dialogue sessions were held separately from the Board of Directors as a forum for officers and Executive Officers to discuss a wide range of matters in order to further enhance information exchange and interaction among officers. In addition, as part of our corporate governance activities, Directors, Audit & Supervisory Board Members and Executive Officers are provided with training programs as appropriate.

- The Company holds the Board of Executive Officers approximately once a week attended by the Directors, Executive Officers and Audit & Supervisory Board Members to review, discuss and resolve important matters other than those to be resolved by the Board of Directors, thereby promoting flexible decision-making. General Managers and above also attend the meetings as appropriate, and review and discuss important matters and issues related to business execution from a variety of perspectives. Minutes of all meetings are prepared and retained.

- In order to realize its management philosophy, the Company has formulated eight materialities, focusing on “contribution to society and the environment through the business” and “strengthening the business foundation and corporate social responsibility” as the priority matters and goals. During the fiscal year under review, the Group revised Hamamatsu Photonics Group Code of Conduct, which is intended to enhance awareness among the Group’s officers and employees about these materialities, as well as related laws, regulations, and policies, and to guide them in acting with high ethical standards and a strong sense of responsibility. In order to realize the principles and guidelines, the Group is promoting group-wide initiatives related to business, ESG, and other matters, mainly led by the respective General Headquarters, and is promoting management from both financial and non-financial perspectives.

- Our management philosophy and the above policies related to ESG initiatives are posted on the internal and external websites. In addition, the President’s message on the Group’s vision is shared with the Group’s employees.

#### **Initiatives to enhance non-financial value, including ESG**

- The Company has been recognized under the 2024 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category) “White 500,” renewing the previous certificate. The Company is implementing policies to enable all employees to balance work and private life and to continue working actively on a long-term basis, such as holding online courses on childcare, nursing care and infertility treatment.

- The Company has set a long-term goal of reducing greenhouse gas emissions from its business activities and achieving carbon neutrality by 2050. In addition, in October 2022, the Company joined RE100, an international initiative that aims to adopt 100% renewable electricity for business operations, and aims to ensure that all electricity used in the Group will come from renewable sources by 2040. The Company is implementing the necessary measures to achieve these goals.

- In August 2017, the Company became a signatory to the UN Global Compact and declared its support for the UN’s 10 principles.

- In addition to the above, each General Headquarters promotes initiatives to improve the non-financial value of the Group as a whole.

#### **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.



**Execution of employees' duties**

- The Board of Executive Officers communicates information to General Managers and above 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**

- 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 domestic and overseas consolidated subsidiaries.
- 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. In addition, the Company clarifies administrative authority including that of consolidated subsidiaries and shares such information within the Group.

**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.
- The Company has increased the headcount in its Internal Audit Division, which is directly controlled by the Representative Director and President, and further strengthened 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 Board of Executive Officers.

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, 2024)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>239,009</b>	<b>Current liabilities</b>	<b>80,734</b>
Cash and deposits	97,021	Notes and accounts payable-trade	6,558
Notes and accounts receivable-trade	45,717	Electronically recorded obligations-operating	6,795
Securities	2,854	Short-term borrowings	25,281
Merchandise and finished goods	15,458	Current portion of long-term borrowings	3,114
Work in process	39,897	Income taxes payable	955
Raw materials and supplies	25,214	Provision for bonuses	6,933
Other	13,248	Other	31,096
Allowance for doubtful accounts	(402)	<b>Non-current liabilities</b>	<b>20,888</b>
<b>Non-current assets</b>	<b>195,624</b>	Long-term borrowings	8,522
<b>Property, plant and equipment</b>	<b>132,895</b>	Retirement benefit liability	7,758
Buildings and structures, net	56,476	Deferred tax liabilities	231
Machinery, equipment and vehicles, net	16,125	Other	4,374
Tools, furniture and fixtures, net	6,758	<b>Total liabilities</b>	<b>101,623</b>
Land	19,511	<b>Net assets</b>	
Leased assets, net	546	<b>Shareholders' equity</b>	<b>310,052</b>
Right-of-use assets, net	3,564	Share capital	35,146
Construction in progress	29,912	Capital surplus	34,426
<b>Intangible assets</b>	<b>35,731</b>	Retained earnings	261,277
Goodwill	30,827	Treasury shares	(20,798)
Customer-related intangible assets	1,113	<b>Accumulated other comprehensive income</b>	<b>21,255</b>
Other	3,789	Valuation difference on available-for-sale securities	1,096
<b>Investments and other assets</b>	<b>26,997</b>	Foreign currency translation adjustment	18,071
Investment securities	4,386	Remeasurements of defined benefit plans	2,086
Retirement benefit assets	5,236	<b>Non-controlling interests</b>	<b>1,704</b>
Deferred tax assets	12,608	<b>Total net assets</b>	<b>333,011</b>
Other	4,786	<b>Total liabilities and net assets</b>	<b>434,634</b>
Allowance for doubtful accounts	(19)		
<b>Total assets</b>	<b>434,634</b>		

## Consolidated Statements of Income

(From October 1, 2023 through September 30, 2024)

(Millions of Japanese Yen)

Item	Amount	
<b>Net sales</b>		<b>203,961</b>
<b>Cost of sales</b>		<b>100,077</b>
<b>Gross profit</b>		<b>103,884</b>
<b>Selling, general and administrative expenses</b>		<b>71,766</b>
<b>Operating profit</b>		<b>32,118</b>
<b>Non-operating income</b>		
Interest income	1,386	
Dividend income	59	
Rental income from non-current assets	104	
Rental income from investment property	6	
Share of profit of entities accounted for using equity method	417	
Other	1,150	<b>3,125</b>
<b>Non-operating expenses</b>		
Interest expenses	174	
Rent expenses on real estate	1	
Foreign exchange losses	255	
Compensation for damage	257	
Other	42	<b>731</b>
<b>Ordinary profit</b>		<b>34,512</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	57	
Subsidy income	771	
Compensation income	1,127	<b>1,956</b>
<b>Extraordinary losses</b>		
Loss on sales of non-current assets	0	
Impairment	646	
Loss on retirement of non-current assets	52	
Loss on tax purpose reduction entry of non-current assets	296	
Loss on valuation of investment securities	37	<b>1,033</b>
<b>Profit before income taxes</b>		<b>35,435</b>
Income taxes-current	10,052	
Income taxes-deferred	(18)	<b>10,034</b>
<b>Profit</b>		<b>25,401</b>
Profit attributable to non-controlling interests		<b>256</b>
<b>Profit attributable to owners of parent</b>		<b>25,145</b>

## Non-consolidated Balance Sheets

(As of September 30, 2024)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>150,267</b>	<b>Current liabilities</b>	<b>59,441</b>
Cash and deposits	40,738	Electronically recorded obligations - operating	6,795
Notes receivable - trade	5,866	Accounts payable - trade	5,606
		Short-term borrowings	20,000
Accounts receivable - trade	34,902	Current portion of long-term borrowings	3,000
Merchandise and finished goods	3,792	Lease obligations	140
Work in process	36,238	Accounts payable - other	2,876
Raw materials and supplies	20,445	Accrued expenses	1,258
Accounts receivable - other	6,456	Income taxes payable	73
Other	1,872	Advances received	54
Allowance for doubtful accounts	(45)	Deposits received	364
		Provision for bonuses	5,269
		Electronically recorded obligations - facilities	10,702
		Deposits received from employees	3,256
		Other	42
<b>Non-current assets</b>	<b>172,700</b>	<b>Non-current liabilities</b>	<b>18,603</b>
<b>Property, plant and equipment</b>	<b>106,613</b>	Long-term borrowings	8,709
Buildings	41,502	Lease obligations	375
Structures	2,014	Provision for retirement benefits	8,338
Machinery and equipment	13,624	Provision for loss on business of subsidiaries and associates	999
Vehicles	5	Asset retirement obligations	182
Tools, furniture and fixtures	3,857		
Land	16,315		
Leased assets	462		
Construction in progress	28,830		
<b>Intangible assets</b>	<b>1,497</b>	<b>Total liabilities</b>	<b>78,045</b>
Patent right	50	<b>Net assets</b>	
Software	1,425	<b>Shareholders' equity</b>	<b>243,826</b>
Other	21	<b>Share Capital</b>	<b>35,146</b>
<b>Investments and other assets</b>	<b>64,589</b>	<b>Capital surplus</b>	<b>34,855</b>
Investment securities	2,506	Legal capital surplus	34,855
Shares of subsidiaries and associates	10,007	<b>Retained earnings</b>	<b>194,619</b>
Investments in capital	0	Legal retained earnings	695
Investments in capital of subsidiaries and associates	36,626	Other retained earnings	193,923
Prepaid pension costs	3,471	Reserve for dividends	13,000
Deferred tax assets	10,491	General reserve	155,600
Other	1,503	Retained earnings brought forward	25,323
Allowance for doubtful accounts	(19)	<b>Treasury shares</b>	<b>(20,794)</b>
		<b>Valuation and translation adjustments</b>	<b>1,096</b>
		<b>Valuation difference on available-for-sale securities</b>	<b>1,096</b>
		<b>Total net assets</b>	<b>244,923</b>
<b>Total assets</b>	<b>322,968</b>	<b>Total liabilities and net assets</b>	<b>322,968</b>

## Non-consolidated Statements of Income

(From October 1, 2023 through September 30, 2024)

(Millions of Japanese Yen)

Item	Amount	
<b>Net sales</b>		<b>137,743</b>
<b>Cost of sales</b>		<b>87,306</b>
<b>Gross profit</b>		<b>50,436</b>
<b>Selling, general and administrative expenses</b>		<b>37,907</b>
<b>Operating profit</b>		<b>12,529</b>
<b>Non-operating income</b>		
Interest income	245	
Dividend income	8,886	
Foreign exchange gains	752	
Miscellaneous income	245	
		<b>10,134</b>
<b>Non-operating expenses</b>		
Interest expenses	314	
Compensation for damage	257	
Miscellaneous loss	1	
		<b>573</b>
<b>Ordinary profit</b>		<b>22,090</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	13	
Subsidy income	483	
Compensation income	1,127	
		<b>1,624</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	11	
Loss on tax purpose reduction entry of non-current assets	296	
Provision for loss on business of subsidiaries and associates	211	
		<b>519</b>
<b>Profit before income taxes</b>		<b>23,196</b>
Income taxes - current	4,030	
Income taxes - deferred	592	
		<b>4,622</b>
<b>Profit</b>		<b>18,573</b>

- END -