



# **Summary of Consolidated Financial Results for the Third Quarter of F.Y. 2021 (Jan.1 to Sep.30, 2021)**

**OPTEX GROUP CO., LTD.  
November 9, 2021**

**(Tokyo Stock Exchange Market 1<sup>st</sup> Section:#6914)**

**<Disclaimer>**

The forward-looking statements, including OPTEX CO., LTD.'s operating results, strategies, and business plans, contained in these materials are based on judgments and assumptions posited on information available at the time of the presentation. There is a possibility actual operating results will differ materially from the projections described herein as a result of uncertainties contained within these judgments and assumptions, and changes in the Company's management of its businesses or changes in domestic and overseas business conditions in the future.

# Key Points of Financial Results from 3Q of F.Y. 2021

## Record sales

- Net sales were +35% year on year, reflecting growth in existing businesses(+25%) and the effects of the consolidation of a new operating company (Sanritz Automation Co., Ltd.).

## Record profit

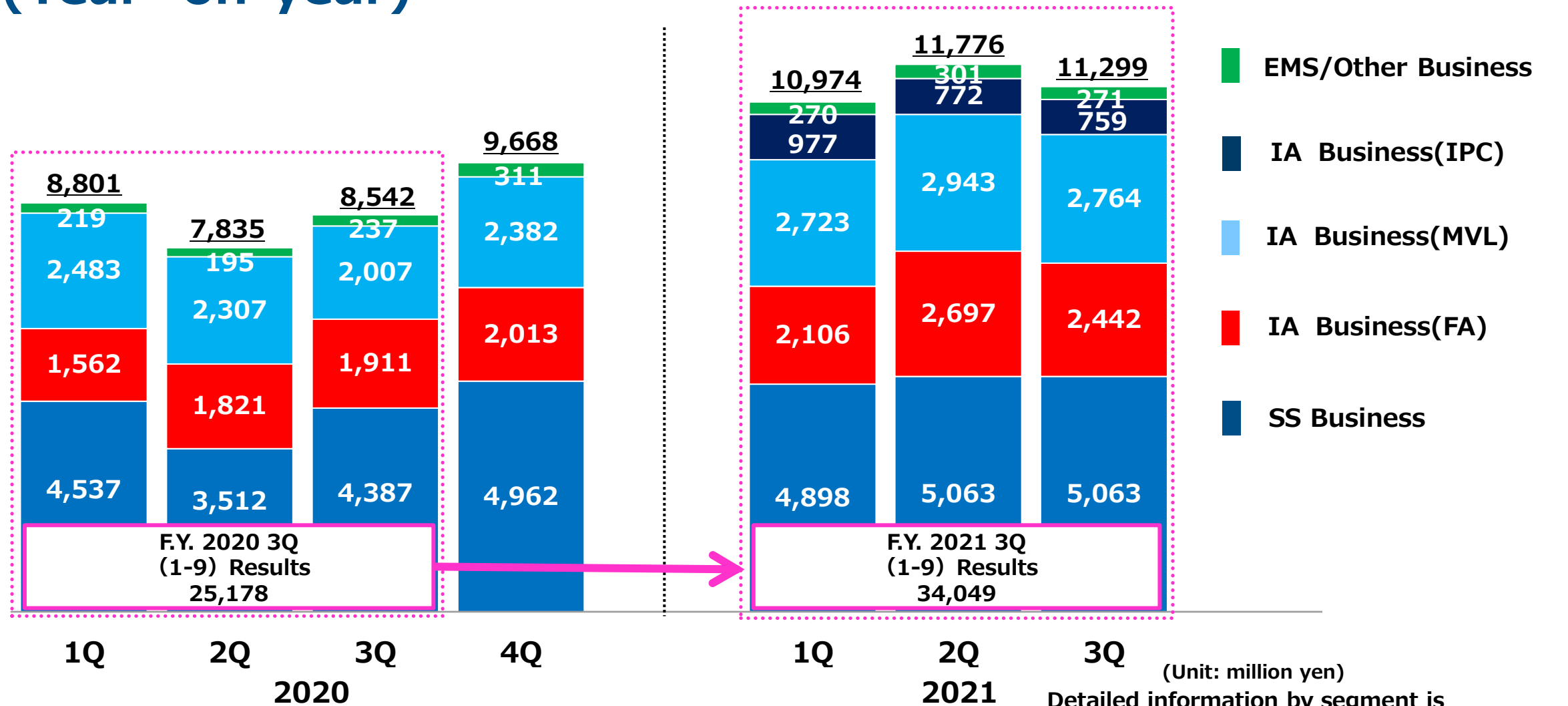
- Operating income was +201% year on year, Reflecting a significant decrease in the SG&A ratio, offsetting an increase in the cost of sales ratio of approx. 1 percentage point.

# Summary of Consolidated Financial Results for the Third Quarter of F.Y. 2021

<u>Operating Results</u> (Unit: million yen)	F.Y.2020 3Q (1-9) Results	F.Y.2021 3Q (1-9) Results	Change	Percent Change
Net sales	25,178	34,049	+8,871	35.2%
Operating income (Operating income Ratio)	1,266 (5.0%)	3,816 (11.2%)	+2,550	201.3%
Ordinary income	1,343	4,191	+2,848	212.1%
Profit attributable to owners of parent	713	2,952	+2,239	313.8%
Net income per share (yen)	19.73	81.65		

Exchange rate (Unit: Yen)	1USD	107.59	108.50
	1EUR	120.90	129.83

# Quarterly performance - Consolidated Net Sales (Year- on-year)



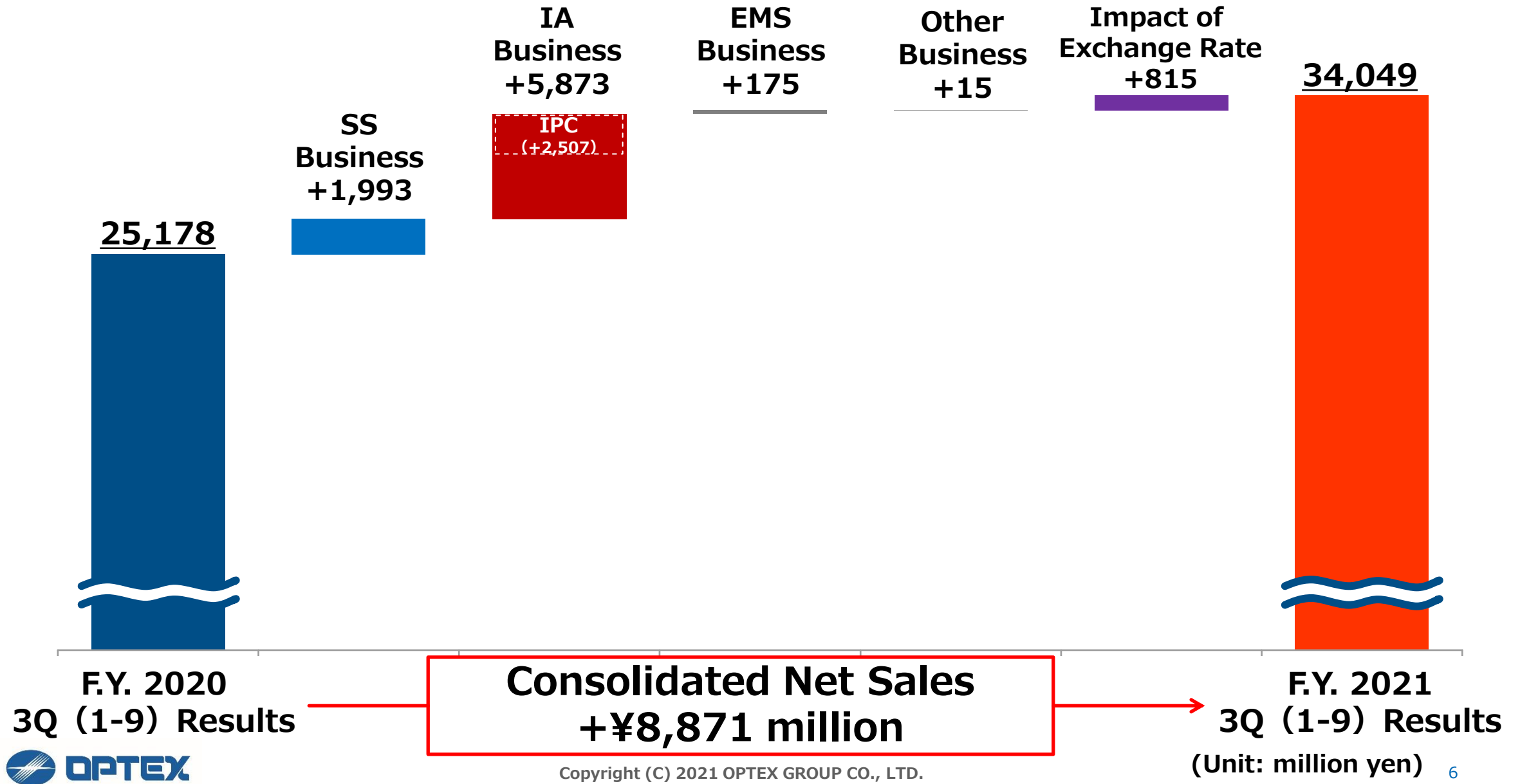
Detailed information by segment is presented on the 8th and subsequent pages.

# Comparison of Financial Results for the Third Quarter of F.Y. 2021 between Segments

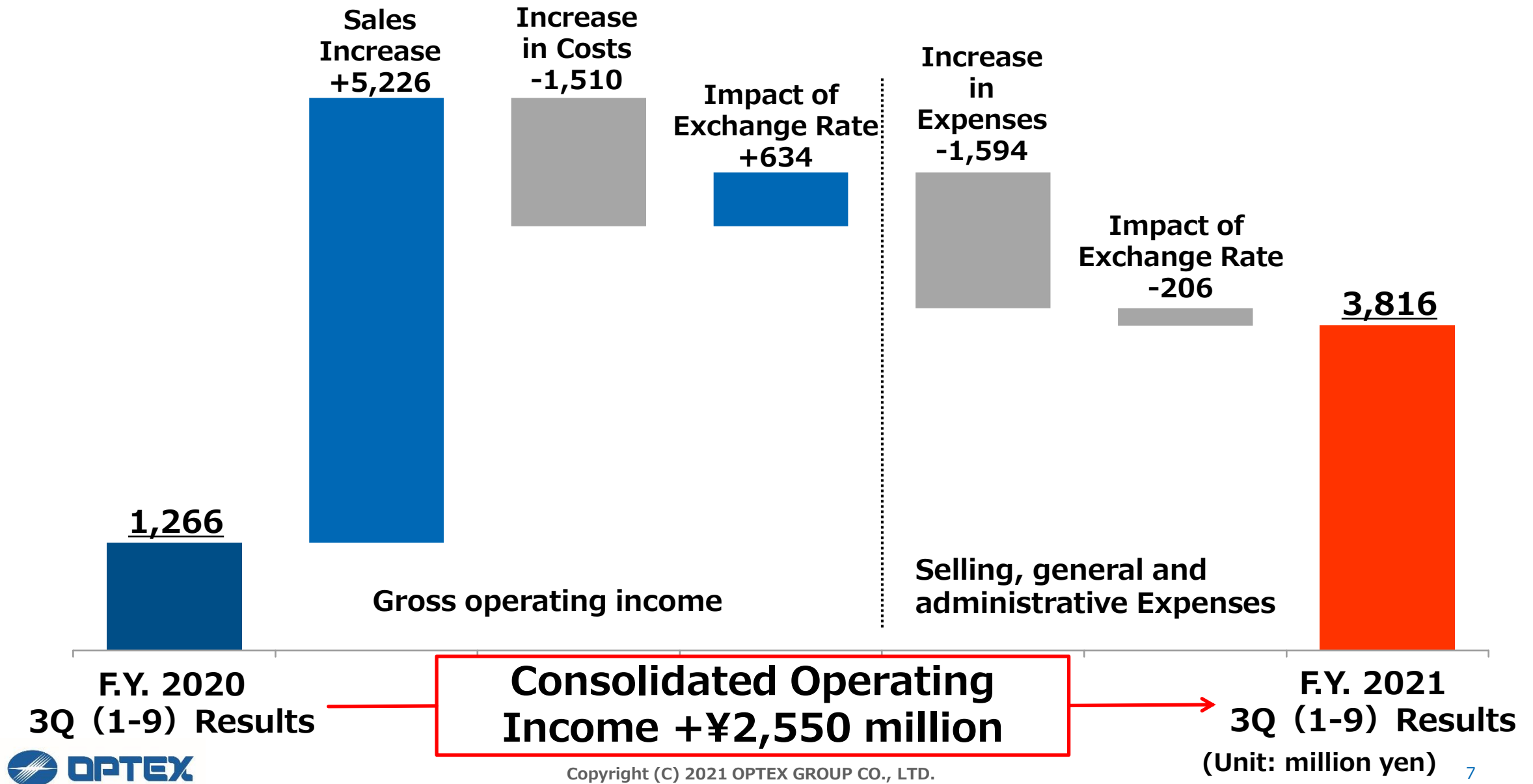
Operating Results (Unit: million yen)	F.Y. 2020 3Q (1-9) Results		F.Y. 2021 3Q (1-9) Results			
	Net sales	Operating income (Operating income Ratio)	Net sales	Percent Change	Operating income (Operating income Ratio)	Percent Change
SS Business	12,435	833 (6.7%)	15,023	20.8%	1,809 (12.0%)	117.0%
IA Business *	12,093	793 (6.6%)	18,183	50.4%	2,174 (12.0%)	174.0%
EMS Business	299	59 (20.0%)	477	59.7%	254 (53.2%)	324.5%

\*With respect to the IA business, IPC segment results are included in consolidated results, starting from FY2021.

# Factors of change in Net Sales (Year- on-year)



# Factors of change in Operating Income (Year- on-year)



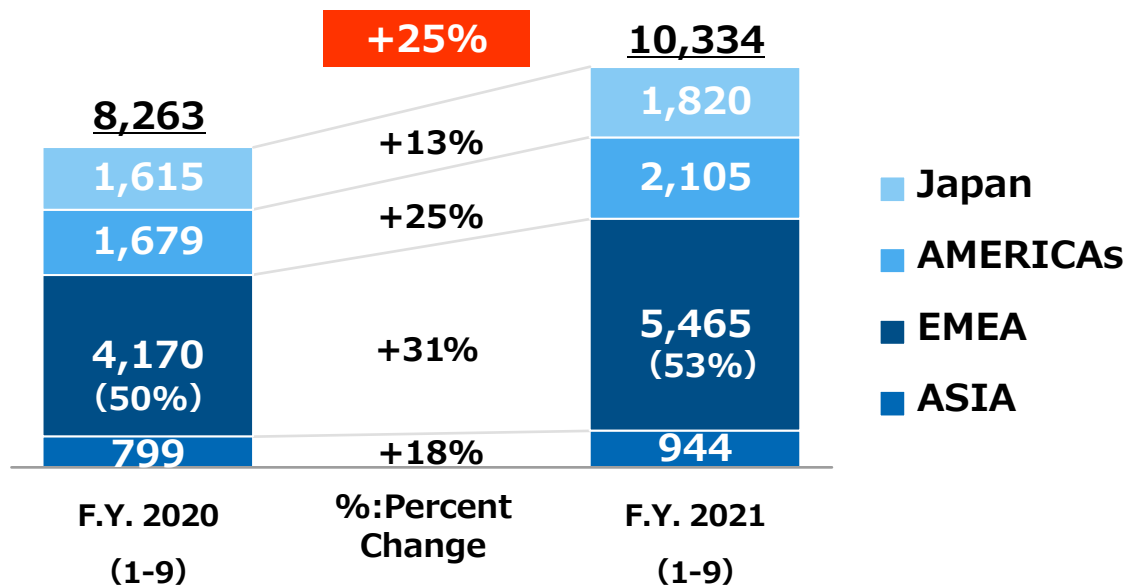
# Business by Segment - ss Business(Security Sensors)

Region	F.Y. 2021 3Q (1-9) Results
Japan	Sales increased, reflecting steady sales for security companies and large-scale critical facilities.
AMERICAs	Sales rose significantly, reflecting solid sales for general housing units and offices, and large-scale critical facilities.
EMEA	Sales increased substantially, reflecting solid sales for general housing units and offices, and large-scale critical facilities.
Asia and Oceania	Sales increased, reflecting steady sales for critical facilities.

Sales by Region / Figures in parentheses ( ) are the percentage of total sales



Camera sensors  
for general home use

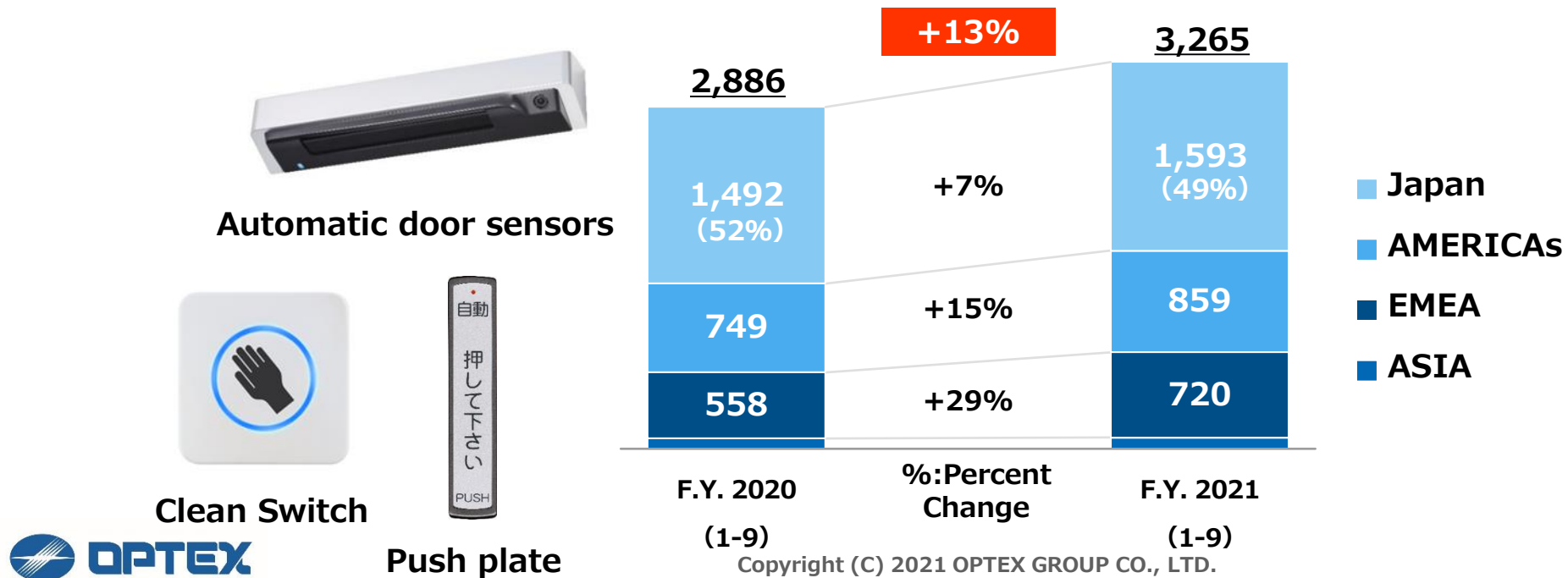




# Business by Segment - ss Business(Automatic Door Sensors)

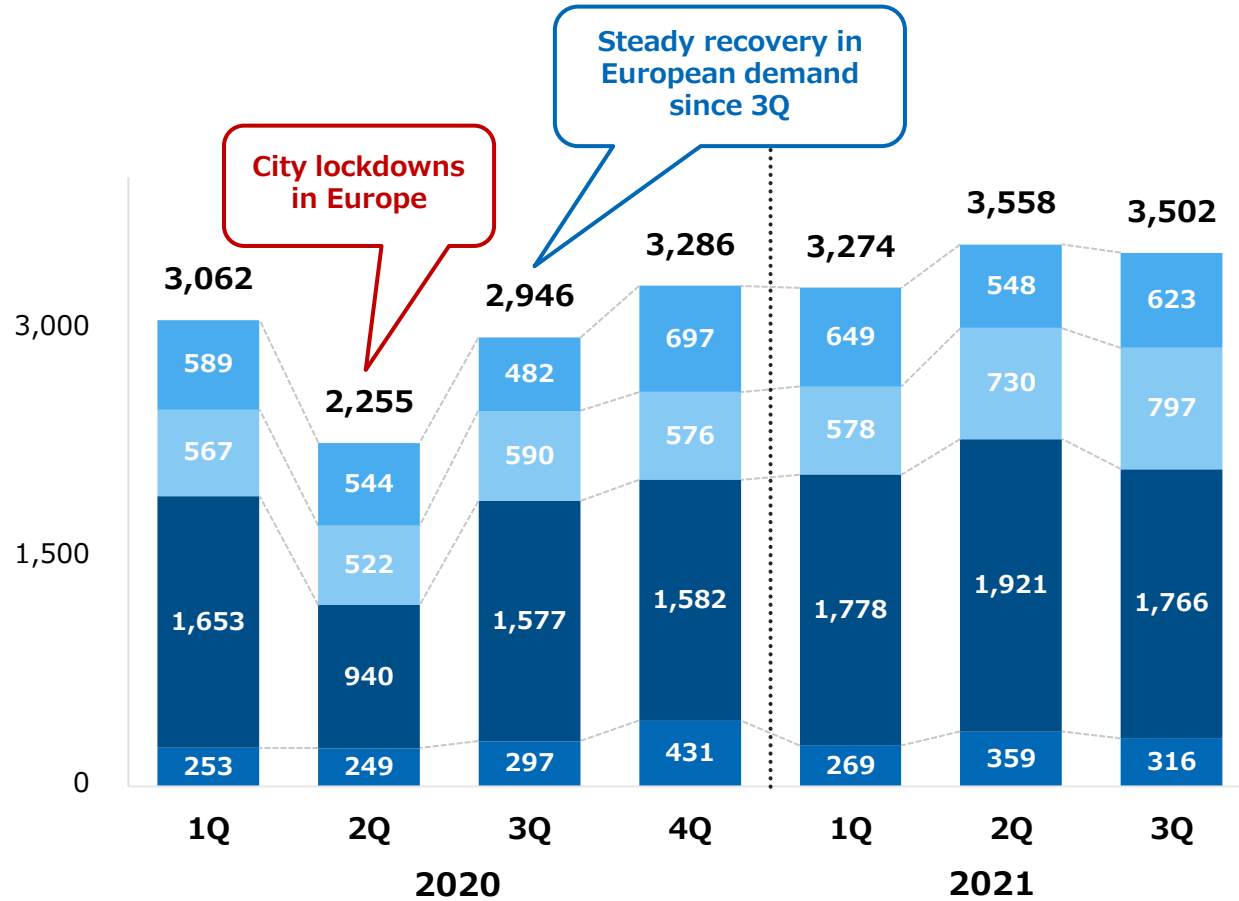
Region	F.Y. 2021 3Q (1-9) Results
Japan	Sales increased, driven by steady sales to automatic door dealers on the back of firm demand from stores handling daily necessities and demand for sensors for non-contact applications.
AMERICAs	Sales rose on solid sales to major American automatic door manufacturers.
EMEA	Sales climbed significantly on solid sales to major European automatic door manufacturers.

Sales by Region / Figures in parentheses ( ) are the percentage of total sales

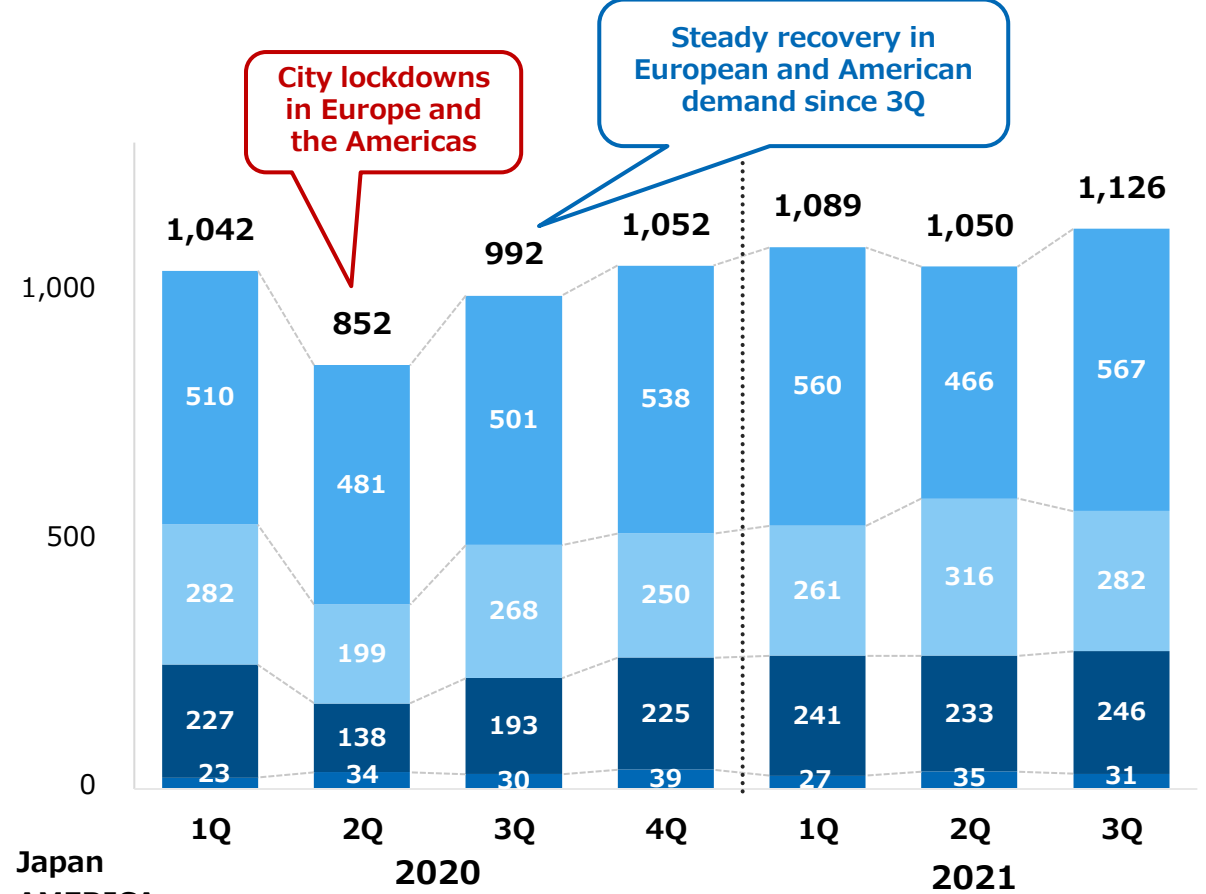


# Quarterly Trends (SS Business)

## SS Business (Security Sensors)



## SS Business (Automatic Door Sensors)



(Unit: million yen)

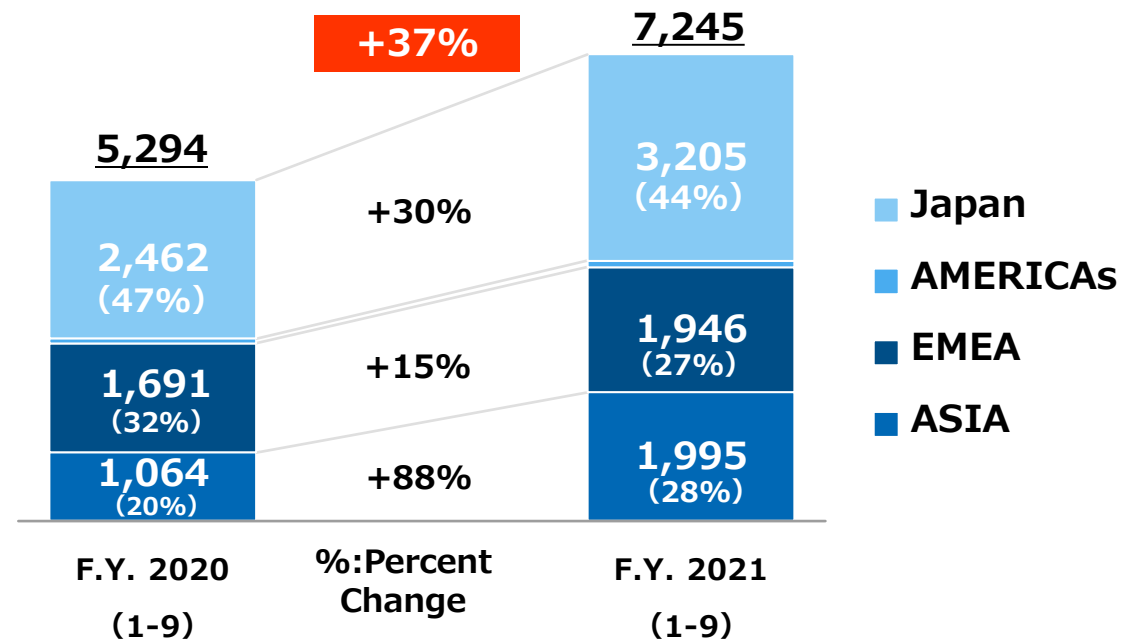
# Business by Segment - IA Business(FA)

Region	F.Y. 2021 3Q (1-9) Results
Japan	Sales increased substantially, reflecting solid sales related to capital investment in electric devices, electronics and semiconductors as well as in the food industry.
EMEA	Sales increased, reflecting steady sales for displacement sensors for electronic parts.
Asia and Oceania	Sales increased substantially, mainly reflecting steady sales of displacement sensors on the back of strong capital investment demand in China.

Sales by Region / Figures in parentheses ( ) are the percentage of total sales



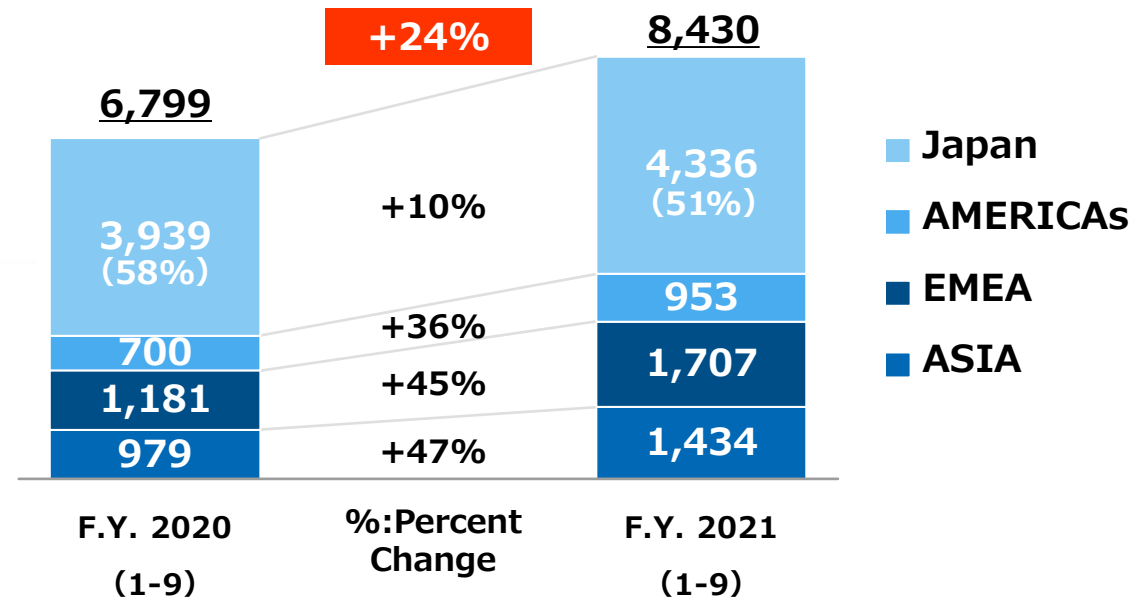
Displacement sensors



# Business by Segment - IA Business(MVL)

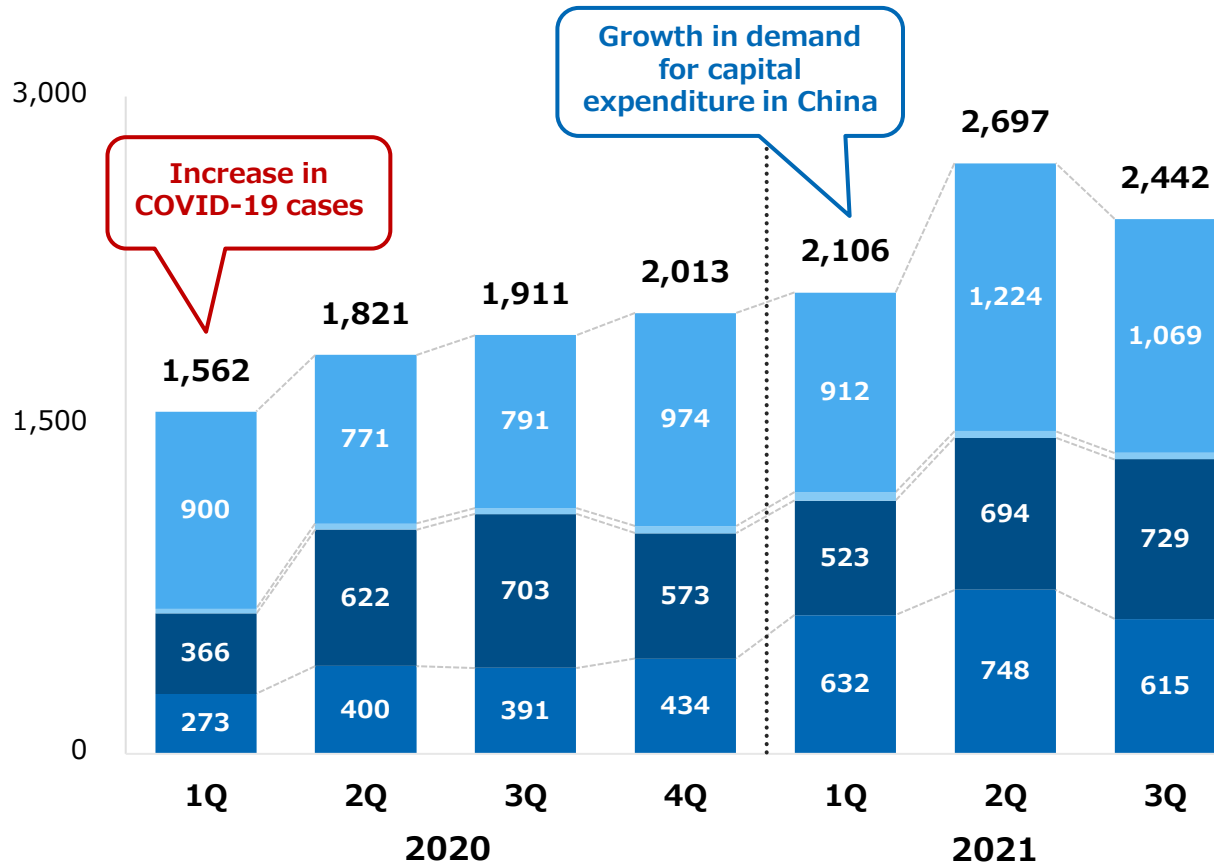
Region	F.Y. 2021 3Q (1-9) Results
Japan	Sales increased, reflecting steady sales related to capital investment in electric devices, electronics and semiconductors, despite sluggish sales to the automobile industry.
AMERICAS	Sales increased due to ongoing projects for the medical industry and orders related to capital investment in semiconductors in North America.
EMEA	Sales increased, reflecting the recovery of economic activity in Europe and higher sales recorded by the French local subsidiary through the expansion of products into the United States.
Asia and Oceania	Sales climbed significantly on a rise in sales related to capital investment in semiconductors in China.

Sales by Region / Figures in parentheses ( ) are the percentage of total sales

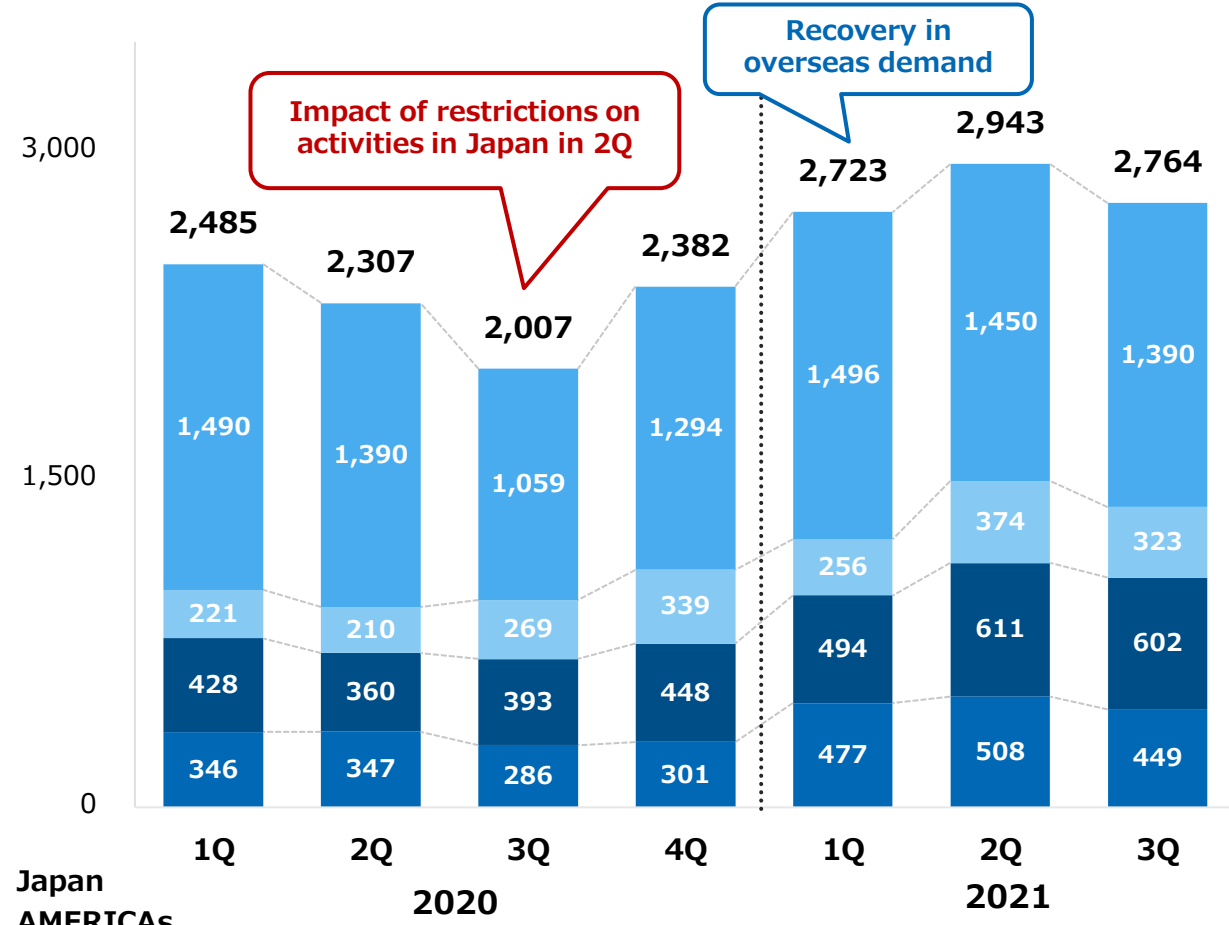


# Quarterly Trends (IA Business)

## IA Business (FA)



## IA Business (MVL)



(Unit: million yen)



# OPTEX GROUP TOPICS

## IA Business (FA)

### Received “Japan Food Journal Award for Excellent Food Machinery”



### World's largest shipments of image sensors for print inspection\*



\* Optex FA survey

- Prevents printing accidents
- Facilitates traceability improvement

## IA Business (MVL)

### Joined SoftBank 5G Consortium

SoftBank 5G Consortium

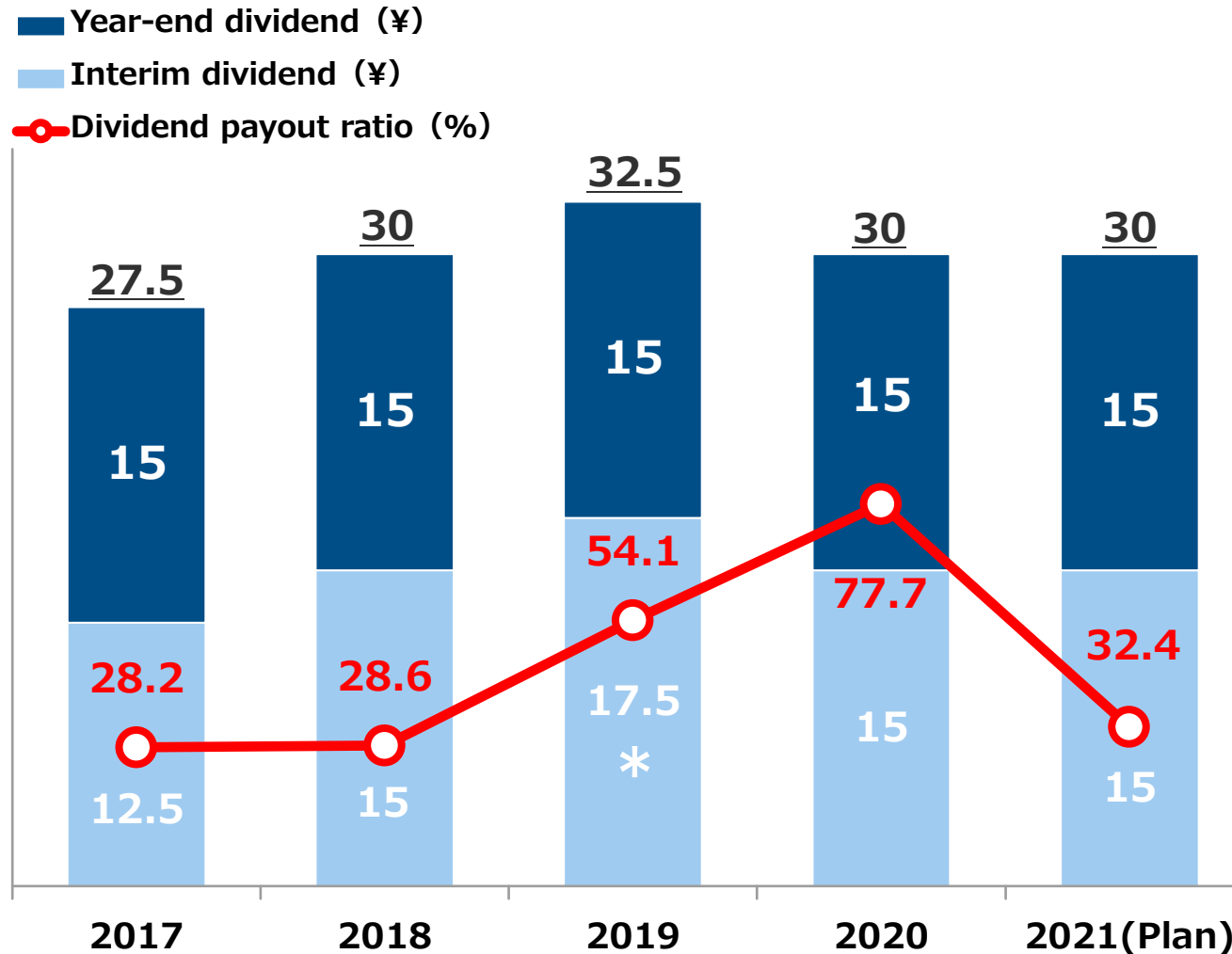
A group of organizations working to experiment with, verify the performance of, and commercialize the 5G solutions expected to help solve issues in various industries, aiming to accelerate 5G implementation in society

CCS Inc. is participating as a 5G-related partner.



**Visualized and enabled using AI**  
**Accelerating development of  
image inspection solution**

# Revisions to the F.Y. 2021 Dividend Projection



## Acquisition of treasury shares

	2018	2019
Amount	1.5 billion yen	1.0 billion yen
No. of shares	700,000 shares	670,000 shares

\*The amount includes a commemorative dividend of 2.5 yen

ROE	12.6%	12.3%	6.8%	4.3%	-
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# F.Y. 2021 Consolidated Earnings Projection

Operating Results (Unit: million yen)		F.Y. 2021 start-of-year forecast	F.Y. 2021 latest forecast (announced on July 13)	Changes	F.Y. 2020 Full-year Results
Net sales		40,000	45,000	+5,000 (+12.5%)	34,846
Operating income (Operating income Ratio)		3,000 (7.5%)	4,500 (10.0%)	+1,500 (+50.0%)	2,098
Ordinary income		3,200	4,800	+1,600 (+50.0%)	2,176
Profit attributable to owners of parent		2,200	3,350	+1,150 (+52.3%)	1,395
Net income per share (yen)		60.85	92.64	-	38.59
Exchange rate (Unit: Yen)	1USD	105.00	105.92		
	1EUR	120.00	126.77		



<https://www.optexgroup.co.jp/en/>

# Company Overview

# Company Overview

Company Name	OPTEX GROUP CO., LTD.
Location	Otsu City, Shiga, Japan
Established	May 25, 1979
Capital	2,798 million JPY
Sales	34,846 million JPY
Operating Profit	2,098 million JPY
Fiscal Year-End	December
Stock Code	Tokyo Stock Exchange 6914
Consolidated Number of Employees	2,171

**OPTEX Group  
is an integrated  
manufacturer of sensors.**

**It is our business to see  
what the eyes cannot see!**

**Meaning of the company name**

**OPTEX**

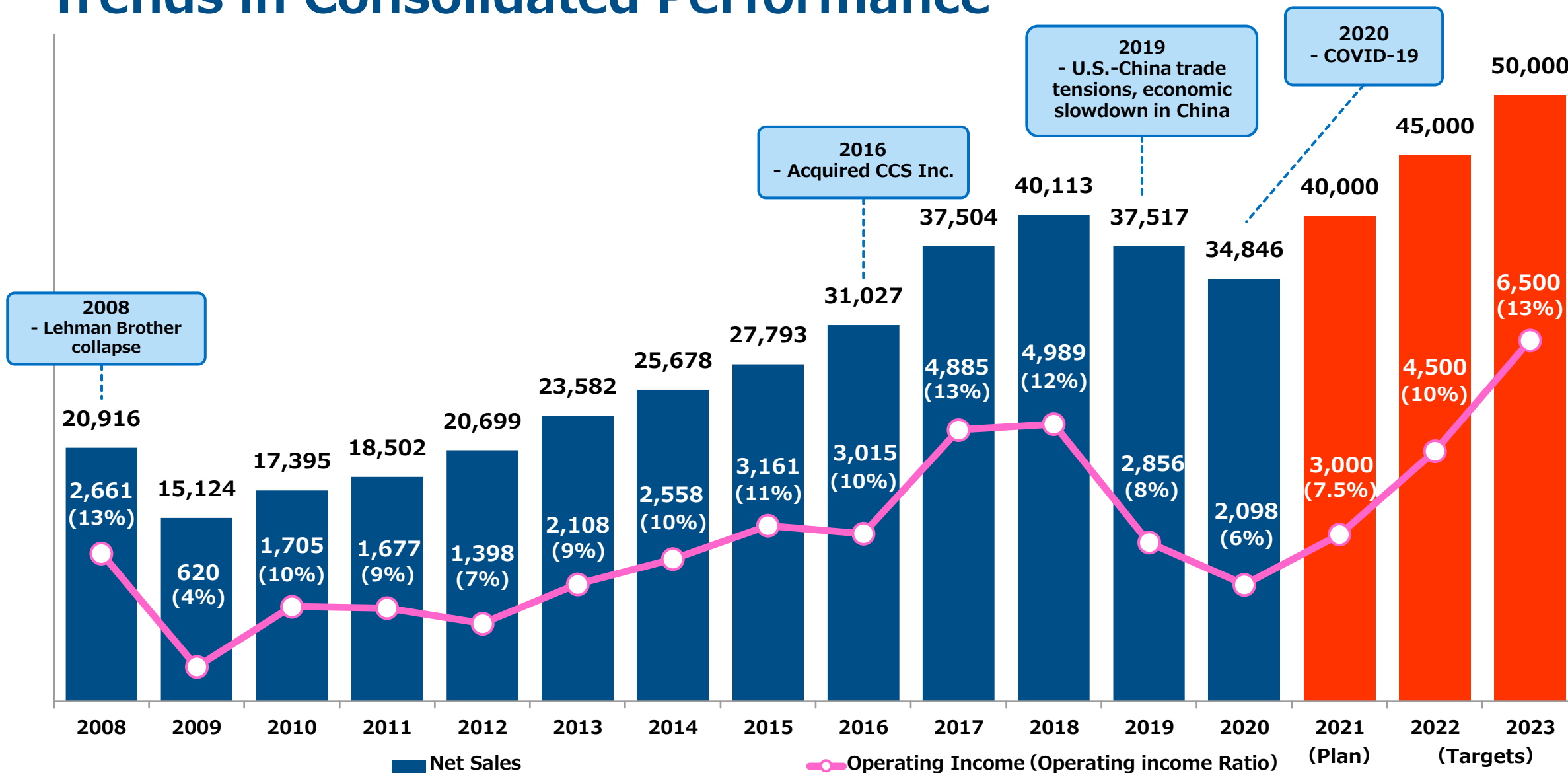
**OPTical TEchnology**

**X (a Greek letter) as  
a symbol of the *unknown*  
and the *future***

(Values: Results for the fiscal year ended December 31, 2020)



# Trends in Consolidated Performance



# Company Overview \_ History

- 1979** Established OPTEX CO., LTD.
- 1980** Developed the world's first Automatic Door Sensors with far-infrared
- 1985** Founded a subsidiary in California, U.S.A.
- 1991** Made the company's stock public.
- 1996** Developed Outdoor Crime Prevention Sensors
- 2001** Listed on the second section of the Tokyo Stock Exchange
- 2002** Established OPTEX FA CO., LTD. as photoelectric sensor division.
- 2003** Listed on the First Section of the Tokyo Stock Exchange
- 2005** Established a factory in China
- 2016** Acquired 63.5% shares of CCS Inc.
- 2017** Acquired 100% ownership of OPTEX FA  
Transitioned to a new organizational structure  
with OPTEX GROUP CO., LTD. as holding company
- 2018** Acquired 100% ownership of CCS Inc.
- 2020** Acquired Sanritz Automation Co, Ltd.



Founding members



Automatic door sensor



Outdoor security Sensor (1996)



Factory automation sensor developed by Optex FA



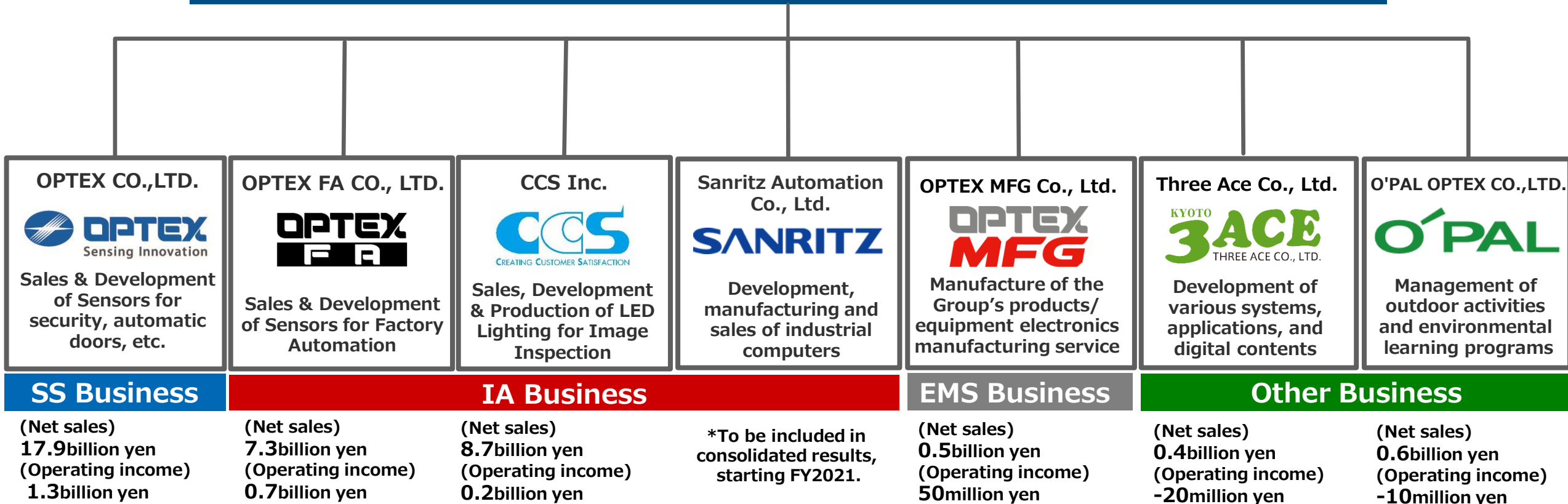
China: Home Plant  
(Dongguan City,  
Guangzhou)



LED lighting systems  
for image inspection 21

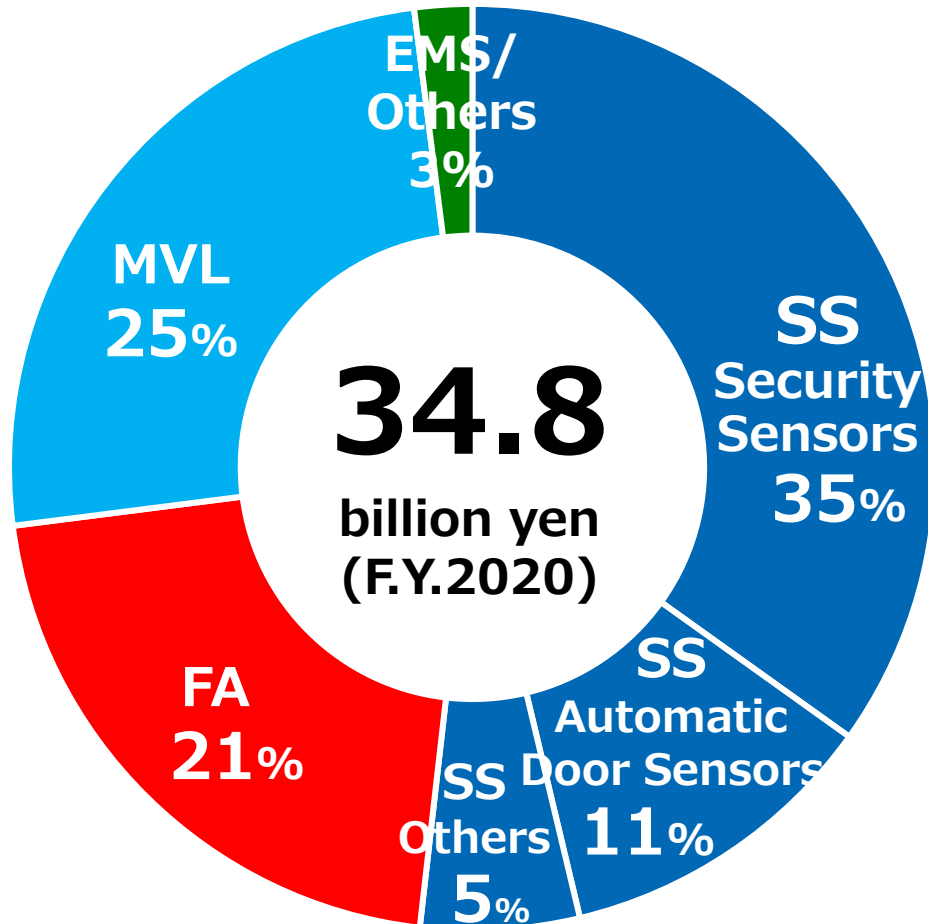
# Holding Company Structure

Holding Company **OPTEX GROUP CO., LTD**  
(Tokyo Stock Exchange Market 1st Section : #6914)

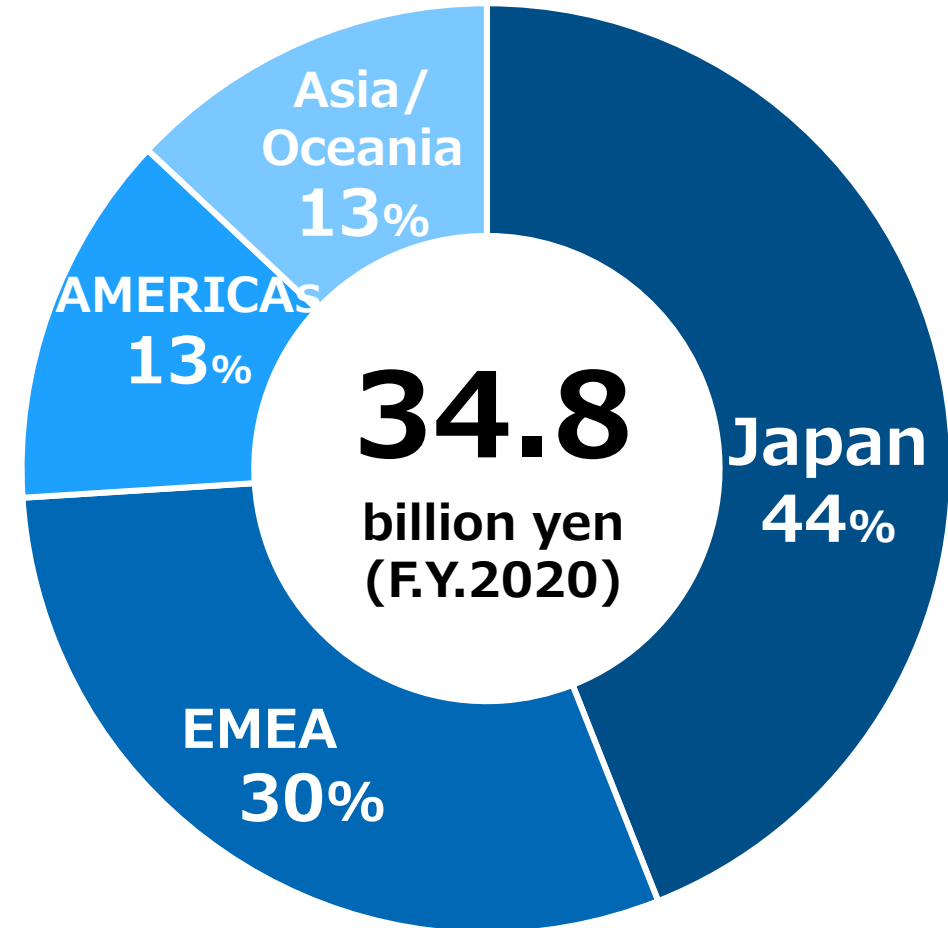


# Company Overview \_ Data

## Sales by Product Category



## Sales by Region



EMEA : Europe, the Middle East, Africa  
AMERICAS: North, Central and South America

# Company Overview \_ Global Market Share

## Global niche No.1

Security  
sensors

**40%**

Outdoor Intrusion  
Detector



Sensor for large-scale  
critical facilities



Camera sensor



Automatic door  
sensors

**30%**

Automatic door  
sensor



Infrared sensor



Clean Switch



Push plate

Machine vision  
lighting

**30%**

LED inspection  
lighting

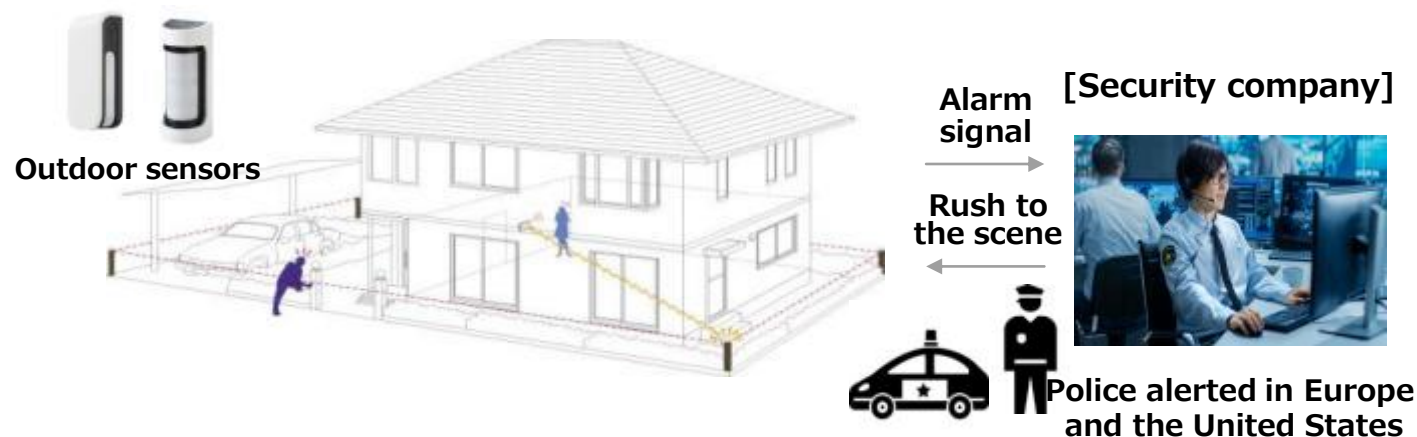


LED lighting systems  
for image inspection

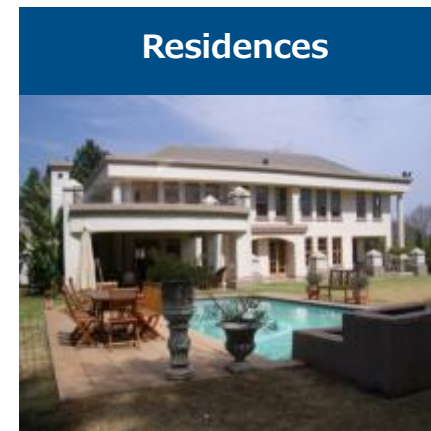


# Business Domain \_ Security sensors

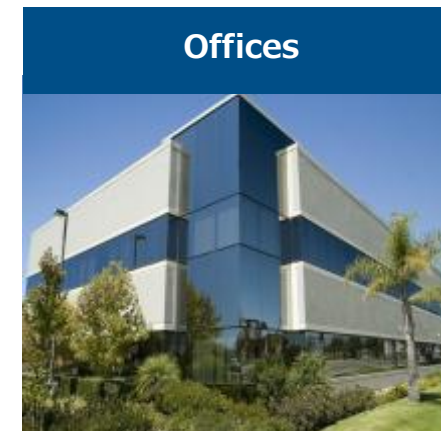
Residential home · Commercial facilities



Residences



Offices



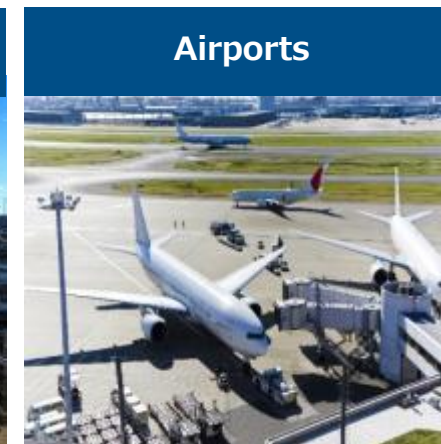
Important facilities



Oil, gas, and other infrastructure facilities



Airports



# Business Domain \_ Automatic door sensors

Domestic market share: Over 50%

Overseas market share: Over 20%

In 1980, we applied **far-infrared rays**, until then mainly used for military purposes, to automatic door sensors.



Mat switch (on the floor)



The world's first  
Automatic Door Sensor



Infrared sensor (overhead)



Ensure the detection of forklifts



# Business Domain \_ Factory Automation sensors



Provision of **sensors for factory automation** which help automate factory production processes and save labor

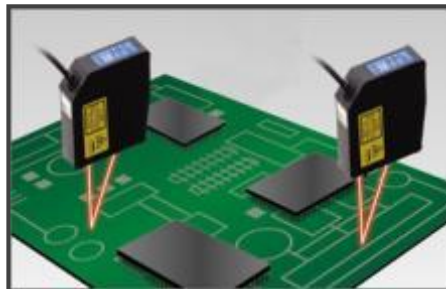
## Displacement sensors



Products for the semiconductor and electric and electronic parts industries



Measurement of smartphone frame height

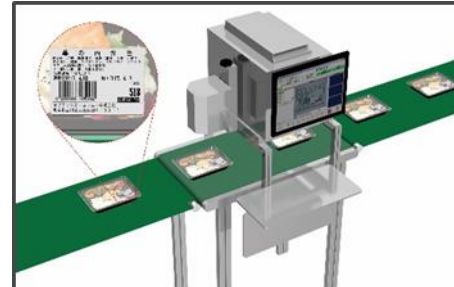


Measurement of substrate tilt/warp

## Image sensors



Products for the three-item industries (food, pharmaceutical and cosmetic items)



Inspection of use-by dates printed on packages

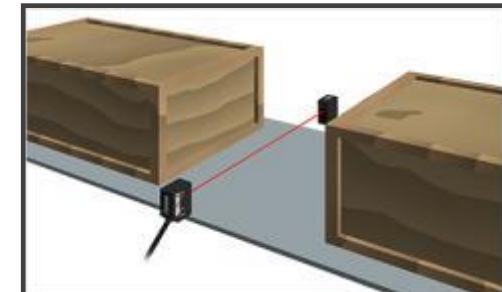


Inspection of use-by dates printed on milk cartons  
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## Photoelectric sensors



Products for the logistics industry



Detection of passing wooden boxes



Detecting boxes protruding from shelves in automatic warehouses

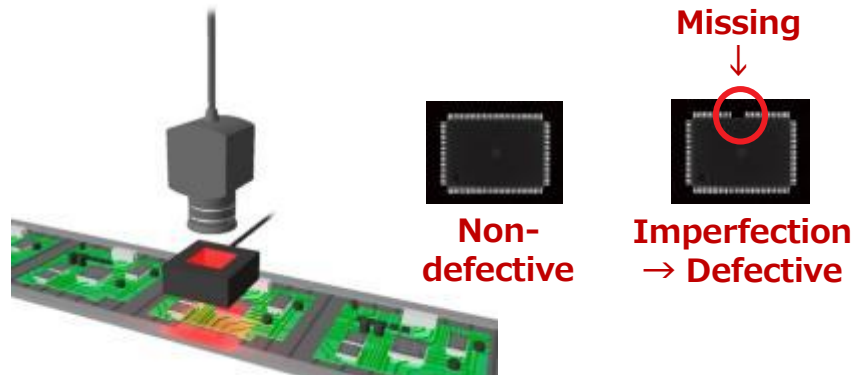
# Business Domain \_ Machine Vision Lighting

CCS produces **lighting for image inspection** using LED since 1993.

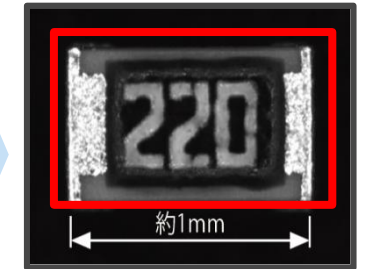
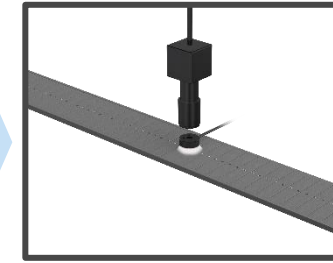
## Lighting for image inspections\*

When producing something at a plant, each stage of work **requires an “inspection” process.**

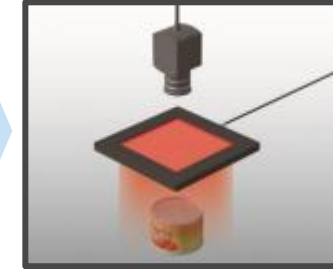
Photos or images of the inspection targets are taken and processed using lighting (and power supplies), lenses, and cameras, and the items are judged to be “good” or “defective”.



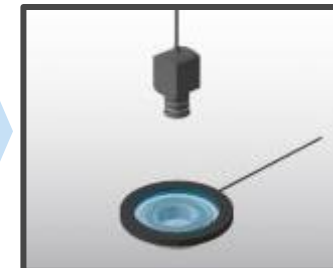
Inspection for defects in parts mounted on a printed circuit board



Letter/shape imaging (Small chip parts; about 1mm)



Imperfection imaging (surface of can)



Engraved letter imaging (bearing)

\*Lighting for image inspection is also called Machine Vision (MV) lighting.

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# Business Domain \_Industrial Computers

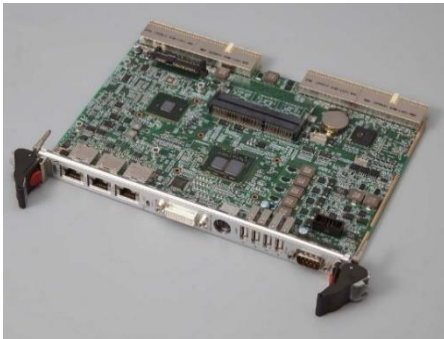
**SANRITZ**

Provision of products that are highly reliable in terms of environmental durability, noise insulation, and other factors.

Our competitive edge is that we highlight long-term technical support services based on a wealth of expertise on the development of hardware and software

## Embedded Boards

Provision of computer platforms for equipment used for semiconductor manufacturing, medical services and communications



## Production and Infrastructure System

Provision of systems that solve issues related to production frontlines and social infrastructure



## Advanced Measurement/Control Systems

Provision of advanced system products, such as robots, for measurement and control operations





# ESG's Efforts

We are proactively addressing ESG issues to enhance our corporate value.  
See our ESG report [here](#).



## Environment

### Products and services to help resolve environment issues

Automatic door sensors that help reduce energy consumption at factories and warehouses. They do not react to anything passing in front of them, but will open to anything coming towards them. This prevents unnecessary opening and closing operations and improves air conditioning efficiency.



### Simplified water quality measurement system using IoT



## Social

### Relationships with local communities

As part of CSR activities, O'PAL hosts many Lake Biwa Learning & Experience programs, social contribution programs that take advantage of the natural environment of the head office location.



Kayaking



Non-native fish species study



Plankton observation



## Governance

### Corporate governance

Four of the Directors and members of the Audit & Supervisory Committee, who account for more than one-third of the total (11), are Independent Outside Directors. Experts (lawyers and certified public accountants) are appointed.

Appointed a female Outside Director for the first time at Annual General Meeting of Shareholders held in March 2020.



Improving strategy quality by making decisions through active discussions held by the board of directors to further improve our corporate value.