



Interim Financial Results FY 2005

Results Briefing on August 4, 2005 Tamron Co., Ltd (Code:7740)

The following unaudited excerpt from the “RENKETSU KESSAN TANSHIN” is provided as a matter of convenience. The unaudited financial statements are as of June 30th. There may have been changes in the financial condition or affairs of Tamron Co., Ltd. since the last audit done on March 31, 2005. The report presented contains forward-looking statements that reflect the management’s current future outlook based on the currently available information. These forward-looking statements are subject to material difference due to various known and unknown factors.

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Consolidated Balance Sheet (Assets)

(Thousands of Yen)

	June 05	June 04	December 04
Assets			
Current Assets			
Cash and time deposits	9,343,143	10,322,126	11,144,704
Notes and accounts receivable, trade	9,209,694	10,379,349	7,857,023
Inventories	9,160,104	10,054,151	8,593,451
Deferred tax assets	286,754	509,649	464,310
Other current assets	976,867	968,341	1,204,407
Allowance for doubtful accounts	(126,776)	(110,547)	(109,891)
Total current assets	28,849,787	32,123,071	29,154,005
Fixed assets			
Tangible fixed assets			
Buildings and structures	2,335,522	2,319,932	2,306,918
Machinery, equipment and vehicles	5,237,556	3,597,672	4,498,481
Furniture and fixtures	1,667,123	1,218,088	1,434,049
Land	880,122	876,143	874,552
Other	766,235	453,355	567,203
Total tangible fixed assets	10,886,560	8,465,191	9,681,205
Intangible fixed assets	1,033,823	193,810	863,414
Investments and other assets			
Investment securities	632,902	598,900	628,249
Deferred tax assets	396,096	342,319	348,676
Other	195,389	173,533	190,844
Allowance for doubtful accounts	(9,364)	(8,939)	(9,364)
Total investments and other assets	1,215,024	1,105,814	1,158,406
Total fixed assets	13,135,408	9,764,816	11,703,026
Total assets	41,985,196	41,887,887	40,857,031

Consolidated Balance Sheet (Liabilities)

(Thousands of Yen)

	June 05	June 04	December 04
Liabilities			
Current Liabilities			
Notes and accounts payable, trade	3,985,100	5,428,363	3,482,649
Short-term loans payable	4,807,328	4,459,173	4,845,350
Income taxes payable	564,045	1,097,200	878,839
Accrued expenses	-	-	-
Other current liabilities	2,447,480	2,721,394	2,618,222
Total current liabilities	11,803,955	13,706,132	11,825,061
Long-term liabilities			
Long-term loans payable	2,742,329	4,246,704	3,184,227
Liability for employees' retirement benefits	889,439	802,122	822,819
Liability for directors' retirement benefits	144,536	125,665	133,704
Total long-term liabilities	3,776,304	5,174,491	4,140,751
Total liabilities	15,580,260	18,880,624	15,965,813
Minority interests	-	-	-
Shareholders' equity			
Common stock	6,923,075	6,923,075	6,923,075
Capital surplus	7,440,327	7,440,259	7,440,327
Retained earnings	12,450,084	9,161,252	11,197,882
Unrealized gain on other market securities	106,425	85,726	103,130
Foreign currency translation adjustments	(495,159)	(583,765)	(754,165)
Treasury stock, at cost	(19,816)	(19,284)	(19,032)
Total Shareholders' equity	26,404,935	23,007,263	24,891,218
Total liabilities and shareholders' equity	41,985,196	41,887,887	40,857,031

Consolidated Statement of Income

(Thousands of Yen)

	June 05	June 04	December 04
Net Sales	27,612,089	30,732,299	63,345,260
Cost of Sales	20,269,383	23,322,995	47,747,609
Gross Profit	7,342,705	7,409,304	15,597,651
Selling, general and administrative expenses	4,666,561	3,919,411	8,374,025
Operating income	2,676,144	3,489,892	7,223,625
Non-operating income			
Interest and dividend income	4,766	2,728	7,598
Foreign exchange gain	-	129,107	94,407
Other	91,213	60,200	106,251
Total non-operating income	95,979	192,037	208,258
Non-operating expense			
Interest expense	79,734	72,809	159,190
Foreign exchange loss	21,376	-	-
Loss on inventory	258,049	102,821	524,954
Fixed assets	27,307	40,905	48,474
Other	48,712	50,293	109,958
Total non-operating expense	435,179	266,830	842,578
Ordinary Income	2,336,944	3,415,099	6,589,305
Income before income tax	2,336,944	3,415,099	6,589,305
Income taxes	601,424	1,113,076	2,015,811
Tax refund	(43,917)	-	-
Tax adjustment	135,615	75,887	99,167
Net Income	1,643,823	2,226,135	4,474,325

Consolidated Statement of Retained Earnings

(Thousands of Yen)

	June 05	June 04	December 04
Capital Surplus			
Capital surplus at the beginning of the year	7,440,327	4,353,384	4,353,384
Increase:			
Issuance of common stock	-	3,086,875	3,086,875
Gain on sales of treasury stock	-	-	68
Capital surplus at the end of year	7,440,327	7,440,259	7,440,327
Retained earning			
Retained earning at the beginning of the year	11,197,882	7,234,100	7,234,100
Increase:			
Net income	1,643,823	2,226,135	4,474,325
Decrease:			
Cash dividends	352,621	257,082	468,642
Bonuses to directors and auditors	39,000	41,900	41,900
Retained earnings at the end of the year	12,450,084	9,161,252	11,197,882

Consolidated Statement of Cash Flows

(Thousands of Yen)

	June 05	June 04	December 04
Cash flows from operating activities			
Income before income taxes	2,336,944	3,415,099	6,589,305
Depreciation and amortization	755,595	572,231	1,468,778
Increase in reserve for employees' retirement	66,619	98,223	118,921
Interest and dividend income	(5,875)	(3,948)	(9,068)
Interest expense	79,734	72,809	159,190
Loss on disposal of property, plant and equipment	27,307	40,905	48,474
Increase (decrease) in trade receivables	(1,027,623)	(1,471,042)	896,052
(Increase) decrease in inventories	(420,928)	(1,925,716)	(548,175)
Increase (decrease) in trade payables	116,482	1,196,286	(530,269)
Other - net	391,729	310,674	146,229
Sub total	2,319,986	2,305,523	8,339,437
Interest and dividend received	5,875	3,948	9,078
Interest paid	(79,709)	(74,531)	(160,714)
Income taxes paid	(914,694)	(1,668,910)	(2,930,371)
Income taxes refunded	43,917	-	-
Net cash provided by operating activities	1,375,375	566,029	5,257,429
Cash flows from investing activities			
Purchases of property, plant and equipment	(2,147,750)	(1,940,139)	(4,176,880)
Proceeds from sale of property, plant and equipment	50	4,770	6,369
Purchases of investment securities	-	-	-
Increase in loans receivable	(12,832)	(7,404)	(12,470)
Proceeds from collection of loans receivable	7,156	2,240	11,341
Purchase on intangible fixed assets	(186,308)	(30,487)	(721,204)
Other - net	(18,270)	(8,754)	(17,014)
Net cash provided by investing activities	(2,357,954)	(1,979,775)	(4,909,858)
Cash flows from financing activities			
Net increase (decrease) in short-term loans	51,125	(1,519,892)	(1,009,574)
Proceeds from long term-loans	350,000	2,298,984	2,296,304
Repayment of long-term loans	(973,620)	(974,192)	(2,091,518)
Proceeds from sales of treasury stock	-	-	902
Purchases of treasury stock	(784)	(862)	(1,444)
Proceeds from issuance of common stock	-	6,174,375	6,174,375
Dividends paid	(350,569)	(258,118)	(468,072)
Net cash provided by financing activities	(923,848)	5,720,293	4,900,971
Effect of exchange rate changes on cash and cash equivalents	104,866	17,511	(101,905)
Net increase (decrease) in cash and cash equivalents	(1,801,561)	4,324,059	5,146,637
Cash and cash equivalents at the beginning of the year	11,144,704	5,998,067	5,988,067
Cash and cash equivalents at the end of the year	9,343,143	10,322,126	11,144,704

Business Segment Information

June 04

(Thousands of Yen)

	Photographic Products	Optical Components	Commercial/Industrial-use optics	Total	Eliminations and/or corporate	Consolidated
Net sales						
Outside customer	4,698,342	21,686,845	4,347,111	30,732,299	-	30,732,299
Intersegment sale or transfer	-	-	-	-	-	-
Total	4,698,342	21,686,845	4,347,111	30,732,299	-	30,732,299
Operating expenses	4,556,642	17,940,213	4,127,959	26,624,816	617,590	27,242,406
Operating income	141,699	3,746,632	219,151	4,107,482	(617,590)	3,489,892

June 05

	Photographic Products	Optical Components	Commercial/Industrial-use optics	Total	Eliminations and/or corporate	Consolidated
Net sales						
Outside customer	6,905,460	16,389,425	4,317,203	27,612,089	-	27,612,089
Intersegment sale or transfer	-	-	-	-	-	-
Total	6,905,460	16,389,425	4,317,203	27,612,089	-	27,612,089
Operating expenses	6,076,714	13,874,958	4,216,857	24,168,530	767,414	24,935,944
Operating income	828,746	2,514,467	100,345	3,443,558	(767,414)	2,676,144

December 04

	Photographic Products	Optical Components	Commercial/Industrial-use optics	Total	Eliminations and/or corporate	Consolidated
Net sales						
Outside customer	10,765,252	43,980,066	8,599,941	63,345,260	-	63,345,260
Intersegment sale or transfer	-	-	-	-	-	-
Total	10,765,252	43,980,066	8,599,941	63,345,260	-	63,345,260
Operating expenses	10,272,293	36,616,418	7,979,381	54,868,094	1,253,541	56,121,635
Operating income	492,958	7,363,648	620,559	8,477,166	(1,253,541)	7,223,625

Geographical Segment Information

June 04

(Thousands of Yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corpo-	Consolidated
Sales:							
Sales to outside customers	27,002,852	1,829,729	896,235	1,003,481	30,732,299	-	30,732,299
Intersegment sales or transfer	2,041,979	-	-	8,446,577	10,488,557	(10,488,557)	-
Total	29,044,831	1,829,729	896,235	9,450,059	41,220,856	(10,488,557)	30,732,299
Operating expenses	25,507,164	1,799,968	904,489	8,907,890	37,119,512	(9,877,106)	27,242,406
Operating income	3,537,666	29,761	(8,253)	542,168	4,101,343	(611,450)	3,489,892

June 05

	Japan	North America	Europe	Asia	Total	Eliminations and/or corpo-	Consolidated
Sales:							
Sales to outside	22,956,172	2,049,627	1,342,731	1,263,558	27,612,089	-	27,612,089
Intersegment sales or transfer	2,359,042	-	1,291	7,587,681	9,948,015	(9,948,015)	-
Total	25,315,214	2,049,627	1,344,022	8,851,240	37,560,105	(9,948,015)	27,612,089
Operating expenses	22,583,807	1,993,824	1,298,928	8,279,677	34,156,237	(9,220,292)	24,935,944
Operating income	2,731,407	55,802	45,094	571,562	3,403,867	(727,722)	2,676,144

December 04

	Japan	North America	Europe	Asia	Total	Eliminations and/or corpo-	Consolidated
Sales:							
Sales to outside	55,008,969	3,653,840	1,996,950	2,685,500	63,345,260	-	63,345,260
Intersegment sales or transfer	4,258,654	-	-	19,741,395	24,000,049	(24,000,049)	-
Total	59,267,624	3,653,840	1,996,950	22,426,895	87,345,310	(24,000,049)	63,345,260
Operating expenses	52,431,729	3,598,435	1,995,937	20,783,281	78,809,384	(22,687,748)	56,121,635
Operating income	6,835,894	55,404	1,012	1,643,614	8,535,926	(1,312,300)	7,223,625

* Principal market in the above designated areas:

- | | |
|--------------------|------------------|
| (1) North America: | U.S.A |
| (2) Europe: | Germany, France |
| (3) Asia: | Hong Kong, China |