

3rd Quarter FY2013 Consolidated Financial Results

October 31, 2013

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 3rd quarter FY2013 (January 1, 2013 through September 30, 2013)

(1) Consolidated financial results (% of change from previous 3rd quarter)

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q FY2013	48,632	4.7	3,870	(9.4)	3,816	(10.5)	2,512	(19.3)
3Q FY2012	46,451	6.2	4,269	(11.9)	4,262	(11.9)	3,111	1.3

(Note) Comprehensive income: 3Q FY2013: 4,995 million yen (63.9%) / 3Q FY2012: 3,048 million yen (14.5%)

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
3Q FY2013	91.53	-
3Q FY2012	113.37	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
3Q FY2013	62,003	44,429	71.7
FY2012	58,058	40,805	70.3

(Reference) Shareholders' equity: 3Q FY2013: 44,429 million yen / FY2012: 40,805 million yen

2. Cash dividends

	Cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2012	-	20.00	-	30.00	50.00
FY2013	-	20.00	-		
FY2013 (forecast)				30.00	50.00

(Note) Revision of cash dividend forecast for this period: None

3. Forecast of consolidated results for FY2013 (January 1, 2013 through December 31, 2013)

(% of change from FY2012)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2013	69,000	7.2	5,600	1.8	5,500	2.3	3,900	0.2	142.07

(Note) Revision of forecast for this period: Yes

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: millions of yen)

	FY2012 (As of December 31, 2012)	3rd quarter FY2013 (As of September 30, 2013)
Assets		
Current assets		
Cash and deposits	10,822	13,065
Notes and accounts receivable-trade	15,509	13,309
Finished goods	8,144	7,568
Work in process	2,842	3,547
Raw materials and supplies	1,376	1,487
Deferred tax assets	668	512
Other	899	1,015
Allowance for doubtful accounts	(52)	(54)
Total current assets	40,211	40,450
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,505	10,283
Accumulated depreciation	(5,053)	(5,453)
Buildings and structures, net	3,452	4,830
Machinery, equipment and vehicles	15,808	18,393
Accumulated depreciation	(9,813)	(11,290)
Machinery, equipment and vehicles, net	5,994	7,103
Tools, furniture and fixtures	16,253	16,726
Accumulated depreciation	(13,846)	(14,341)
Tools, furniture and fixtures, net	2,407	2,385
Other	2,558	3,546
Total property, plant and equipment	14,413	17,865
Intangible assets	721	709
Investments and other assets		
Investment securities	1,649	1,910
Deferred tax assets	529	520
Other	626	652
Allowance for doubtful accounts	(93)	(104)
Total investments and other assets	2,712	2,978
Total noncurrent assets	17,846	21,553
Total assets	58,058	62,003

	(Amount: millions of yen)	
	FY2012	3rd quarter FY2013
	(As of December 31, 2012)	(As of September 30, 2013)
Liabilities		
Current liabilities		
Accounts payable-trade	5,410	5,165
Short-term loans payable	3,928	3,865
Income taxes payable	699	468
Other	4,223	4,036
Total current liabilities	14,262	13,535
Noncurrent liabilities		
Long-term loans payable	1,547	2,405
Provision for retirement benefits	1,154	1,340
Other	288	292
Total noncurrent liabilities	2,990	4,039
Total liabilities	17,252	17,574
Net assets		
Shareholders' equity		
Capital stock	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	27,310	28,450
Treasury stock	(81)	(81)
Total shareholders' equity	41,584	42,724
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	94	255
Foreign currency translation adjustment	(873)	1,449
Total accumulated other comprehensive income	(778)	1,704
Total net assets	40,805	44,429
Total liabilities and net assets	58,058	62,003

(2) Consolidated statements of income

(Amount: millions of yen)

	3rd quarter FY2012 (January 1, 2012 through September 30, 2012)	3rd quarter FY2013 (January 1, 2013 through September 30, 2013)
Net sales	46,451	48,632
Cost of sales	31,596	33,334
Gross profit	14,855	15,298
Selling, general and administrative expenses	10,585	11,427
Operating income	4,269	3,870
Non-operating income		
Interest income	19	14
Other	125	130
Total non-operating income	144	144
Non-operating expenses		
Interest expenses	92	68
Foreign exchange losses	30	90
Other	28	39
Total non-operating expenses	151	198
Ordinary income	4,262	3,816
Income before income taxes and minority interests	4,262	3,816
Income taxes	1,150	1,303
Income before minority interests	3,111	2,512
Net income	3,111	2,512

(3) Consolidated statements of comprehensive income

	(Amount: millions of yen)	
	3rd quarter FY2012 (January 1, 2012 through September 30, 2012)	3rd quarter FY2013 (January 1, 2013 through September 30, 2013)
Income before minority interests	3,111	2,512
Other comprehensive income		
Valuation difference on available-for-sale securities	9	160
Foreign currency translation adjustment	(73)	2,322
Total other comprehensive income	(63)	2,483
Comprehensive income	3,048	4,995
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,048	4,995

(Segment Information)

Information on net sales and income (loss) by reportable segment.

3rd quarter FY2012 (January 1, 2012 through September 30, 2012)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	33,579	6,295	6,577	46,451	-	46,451
(2) Intersegment sales	-	-	-	-	-	-
Total	33,579	6,295	6,577	46,451	-	46,451
Operating income	4,283	488	1,204	5,976	(1,706)	4,269

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,706) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.

3rd quarter FY2013 (January 1, 2013 through September 30, 2013)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	34,286	5,672	8,673	48,632	-	48,632
(2) Intersegment sales	-	-	-	-	-	-
Total	34,286	5,672	8,673	48,632	-	48,632
Operating income	3,208	796	1,619	5,625	(1,754)	3,870

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,754) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.