

## 1st Quarter FY2019 Consolidated Financial Results

April 26, 2019

(Amounts are rounded down to the nearest million yen)

### 1. Consolidated Results for 1st quarter FY2019 (January 1, 2019 through March 31, 2019)

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

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q FY2019	13,062	4.9	687	5.3	664	59.8	505	66.9
1Q FY2018	12,447	8.3	652	172.6	415	57.9	303	72.9

(Note) Comprehensive income: 1Q FY2019: 824 million yen (-%) / 1Q FY2018: (519) million yen (-%)

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
1Q FY2019	19.66	-
1Q FY2018	11.69	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
1Q FY2019	62,863	50,769	80.8
FY2018	64,704	50,852	78.6

(Reference) Shareholders' equity: 1Q FY2019: 50,769 million yen / FY2018: 50,852 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
FY2018	-	25.00	-	35.00	60.00
FY2019	-				
FY2019 (forecast)		25.00	-	35.00	60.00

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

### 3. Forecast of consolidated results for FY2019 (January 1, 2019 through December 31, 2019)

(% of change from FY2018 or 1st half FY2018)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2019 1st Half	28,600	0.1	1,600	(18.4)	1,600	(23.5)	1,150	(27.5)	44.69
FY2019	65,000	5.2	5,900	8.8	5,900	0.4	4,130	(4.6)	160.49

(Note) Revision of forecast for this period: None

**Consolidated financial statements**

(1) Consolidated balance sheets

(Amount: Million yen)

	FY2018 (As of December 31, 2018)	1st quarter FY2019 (As of March 31, 2019)
<b>Assets</b>		
Current assets		
Cash and deposits	22,438	23,230
Notes and accounts receivable - trade	13,407	10,118
Finished goods	6,364	6,574
Work in process	3,461	3,056
Raw materials and supplies	985	1,337
Other	1,168	1,643
Allowance for doubtful accounts	(25)	(31)
Total current assets	47,801	45,928
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,131	13,181
Accumulated depreciation	(7,869)	(8,009)
Buildings and structures, net	5,261	5,171
Machinery, equipment and vehicles	18,555	18,850
Accumulated depreciation	(14,120)	(14,466)
Machinery, equipment and vehicles, net	4,434	4,384
Tools, furniture and fixtures	20,551	21,045
Accumulated depreciation	(18,755)	(18,970)
Tools, furniture and fixtures, net	1,796	2,074
Land	1,155	1,155
Other	625	577
Total property, plant and equipment	13,274	13,363
Intangible assets	632	637
Investments and other assets		
Investment securities	2,336	2,206
Deferred tax assets	422	435
Other	269	324
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	2,995	2,934
Total non-current assets	16,903	16,934
<b>Total assets</b>	64,704	62,863

(Amount: Million yen)

	FY2018 (As of December 31, 2018)	1st quarter FY2019 (As of March 31, 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	3,782	2,675
Short-term loans payable	2,531	2,511
Accrued expenses	3,026	2,473
Income taxes payable	551	190
Other	1,661	1,904
<b>Total current liabilities</b>	<b>11,553</b>	<b>9,755</b>
<b>Non-current liabilities</b>		
Long-term loans payable	467	385
Provision for share benefits	83	112
Net defined benefit liability	1,452	1,480
Other	296	360
<b>Total non-current liabilities</b>	<b>2,299</b>	<b>2,337</b>
<b>Total liabilities</b>	<b>13,852</b>	<b>12,093</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	34,561	34,160
Treasury shares	(483)	(483)
<b>Total shareholders' equity</b>	<b>48,433</b>	<b>48,032</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	561	679
Foreign currency translation adjustment	1,924	2,115
Remeasurements of defined benefit plans	(67)	(58)
<b>Total accumulated other comprehensive income</b>	<b>2,418</b>	<b>2,737</b>
<b>Total net assets</b>	<b>50,852</b>	<b>50,769</b>
<b>Total liabilities and net assets</b>	<b>64,704</b>	<b>62,863</b>

(2) Consolidated Statements of income

(Amount: Million yen)

	1st quarter FY2018 (January 1, 2018 through March 31, 2018)	1st quarter FY2019 (January 1, 2019 through March 31, 2019)
Net sales	12,447	13,062
Cost of sales	8,150	8,485
Gross profit	4,296	4,576
Selling, general and administrative expenses	3,644	3,889
Operating income	652	687
Non-operating income		
Interest income	15	20
Rent income	2	2
Subsidy income	36	45
Other	26	32
Total non-operating income	81	100
Non-operating expenses		
Interest expenses	10	11
Foreign exchange losses	301	100
Other	6	10
Total non-operating expenses	318	123
Ordinary income	415	664
Profit before income taxes	415	664
Income taxes	112	158
Profit	303	505
Profit attributable to owners of parent	303	505

(3) Consolidated Statements of Comprehensive Income

(Amount: Million yen)

	1st quarter FY2018 (January 1, 2018 through March 31, 2018)	1st quarter FY2019 (January 1, 2019 through March 31, 2019)
Profit	303	505
Other comprehensive income		
Valuation difference on available-for-sale securities	(98)	118
Foreign currency translation adjustment	(623)	190
Remeasurements of defined benefit plans, net of tax	(99)	9
Total other comprehensive income	(822)	318
Comprehensive income	(519)	824
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(519)	824

## (Segment Information)

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

1st quarter FY2018 (January 1, 2018 through March 31, 2018)

(Amount: Million yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	9,134	461	2,851	12,447	-	12,447
(2) Intersegment sales	-	-	-	-	-	-
Total	9,134	461	2,851	12,447	-	12,447
Operating income (loss)	1,168	(44)	104	1,228	(575)	652

(Note)

1. Segment profit(loss) is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (575) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.

1st quarter FY2019 (January 1, 2019 through March 31, 2019)

(Amount: Million yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	8,853	613	3,595	13,062	-	13,062
(2) Intersegment sales	-	-	-	-	-	-
Total	8,853	613	3,595	13,062	-	13,062
Operating income	1,089	22	187	1,299	(612)	687

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (612) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.