



Financial Results FY 2005  
For the Year ended December 31, 2005

Table of Contents

Financial Summary	2
Consolidated Balance Sheet	
• Asset	3
• Liabilities	4
Consolidated Statements of Income	5
Consolidated Statements of Retained Earnings	6
Consolidated Statements of Cash Flows	7, 8
Group Network Overview	9
Business Segment Information	10
Geographical Segment Information	11
Overseas Sales	12

The following excerpt from the “Financial Results FY 2005, for the Year ended December 31, 2005” is provided for reference only. The financial results are as of December 31, 2005. The report presented contains forward-looking statements that reflect the management’s current future outlook based on the currently available information. Thus, the forward-looking statements are subject to material difference due to various known and unknown factors.

## Financial Summary

For the Year ended December 31, 2005

(Millions of Yen)

	December 31 2005	December 31 2004
Net Sales	59,607	63,345
Operating Income	4,803	7,223
Income before Income Tax	4,225	6,589
Net Income	3,343	4,474
Total Assets	44,081	40,857
Total Shareholder's Equity	28,341	24,891

### Per Share Data

(Yen)

	December 31 2005	December 31 2004
Net Income	117.48 yen	323.52 yen
Shareholder's Equity	1,003.63 yen	1,761.96 yen

\*Two-for-one stock split was effected on August 19, 2005. Thus, net income per share is calculated with the assumption that the stock split was executed at the beginning of the fiscal year.

### Cash Flows

(Millions of Yen)

	December 31 2005	December 31 2004
Cash flow from operating activities	6,707	5,257
Cash flow from investing activities	(5,120)	(4,909)
Cash flow from financing activities	(1,500)	4,900
Cash and cash equivalents at the term end	11,496	11,144

Forecast for FY 2006 (January 1, 2006 ~ December 31, 2006)

(Millions of Yen)

	Net Sales	Ordinary Income	Net Income
January 1, 2006 ~ June 30, 2006	27,000	2,000	1,400
January 1, 2006 ~ December 31, 2006	61,000	5,000	3,500

\*Forecasted net income per share for FY 2006 is 124.07 yen

## Consolidated Balance Sheet (Assets)

(Thousands of Yen)

	December 31 2005	December 31 2004
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	11,496,535	11,144,704
Notes and accounts receivable, trade	7,360,264	7,857,023
Inventories	8,026,847	8,593,451
Deferred tax assets	312,175	464,310
Other current assets	1,431,551	1,204,407
Reserve for doubtful accounts	(80,677)	(109,891)
<b>Total current assets</b>	<b>28,546,696</b>	<b>29,154,005</b>
<b>Fixed assets</b>		
<b>Tangible fixed assets</b>		
Buildings and structures	3,822,587	2,306,918
Machinery, equipment and vehicles	6,153,474	4,498,481
Tools, Furniture and fixtures	1,913,270	1,434,049
Land	773,630	874,552
Other	277,010	567,203
<b>Total tangible fixed assets</b>	<b>12,939,972</b>	<b>9,681,205</b>
Intangible fixed assets	1,514,396	863,414
<b>Investments and other assets</b>		
Investment securities	623,187	628,249
Deferred tax assets	236,769	348,676
Other	229,895	190,844
Reserve for doubtful accounts	(9,360)	(9,364)
<b>Total investments and other assets</b>	<b>1,080,492</b>	<b>1,158,406</b>
<b>Total fixed assets</b>	<b>15,534,861</b>	<b>11,703,026</b>
<b>Total assets</b>	<b>44,081,557</b>	<b>40,857,031</b>

## Consolidated Balance Sheet (Liabilities)

(Thousands of Yen)

	December 31 2005	December 31 2004
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable, trade	3,958,531	3,482,649
Short-term loans payable	4,308,409	4,845,350
Income taxes payable	214,337	878,839
Other current liabilities	3,063,095	2,618,222
Total current liabilities	11,544,373	11,825,061
<b>Long-term liabilities</b>		
Long-term loans payable	3,131,468	3,184,227
Reserve for employees' retirement benefits	908,065	822,819
Reserve for directors' retirement benefits	156,367	133,704
Total long-term liabilities	4,195,901	4,140,751
Total liabilities	15,740,274	15,965,813
<b>Minority interests</b>	-	-
<b>Shareholders' equity</b>		
Common stock	6,923,075	6,923,075
Capital surplus	7,440,327	7,440,327
Retained earnings	13,797,491	11,197,882
Unrealized gain on other market securities	279,464	103,130
Foreign currency translation adjustments	(78,797)	(754,165)
Treasury stock, at cost	(20,278)	(19,032)
Total Shareholders' equity	28,341,282	24,891,218
<b>Total liabilities, minority interest and shareholders' equity</b>	<b>44,081,557</b>	<b>40,857,031</b>

## Consolidated Statements of Income

(Thousands of Yen)

	December 31 2005	December 31 2004
Net Sales	59,607,175	63,345,260
Cost of Sales	45,099,766	47,747,609
Gross Profit	14,507,408	15,597,651
Selling, general and administrative expenses	9,703,781	8,374,025
Operating income	4,803,627	7,223,625
Non-operating income		
Interest and dividend income	14,485	7,598
Foreign exchange gain	26,181	94,407
Other	269,665	106,251
Total non-operating income	310,332	208,258
Non-operating expense		
Interest expense	156,784	159,190
Loss on disposal of inventory	570,186	524,954
Loss on disposal of fixed assets	92,791	48,474
Other	68,780	109,958
Total non-operating expense	888,543	842,578
Ordinary Income	4,225,416	6,589,305
Other		
Gain from sale of fixed assets	199,172	-
Reserve for doubtful accounts	7,293	-
Income before income tax	4,431,882	6,589,305
Income taxes	958,153	2,015,811
Tax refund	(47,121)	-
Tax adjustment	177,004	99,167
<b>Net Income</b>	<b>3,343,845</b>	<b>4,474,325</b>

## Consolidated Statement of Retained Earnings

(Thousands of Yen)

	December 31 2005	December 31 2004
<b>Capital Surplus</b>		
Capital surplus at the beginning of the year	7,440,327	4,353,384
Increase:		
Issuance of common stock	-	3,086,875
Gain on sales of treasury stock	-	68
Capital surplus at the end of year	7,440,327	7,440,327
<b>Retained earnings</b>		
Retained earnings at the beginning of the year	11,197,882	7,234,100
Increase:		
Net income	3,343,845	4,474,325
Decrease:		
Cash dividends	705,237	468,642
Bonuses to directors and auditors	39,000	41,900
<b>Retained earnings at the end of the year</b>	<b>13,797,491</b>	<b>11,197,882</b>

## Consolidated Statement of Cash Flows

(Thousands of Yen)

	December 31 2005	December 31 2004
Cash flows from operating activities		
Income before income taxes	4,431,882	6,589,305
Depreciation and amortization	2,210,838	1,468,778
Increase in reserve for employees' retirement benefits	85,245	118,921
Interest and dividend income	(37,420)	(9,068)
Interest expense	156,784	159,190
Loss on disposal of fixed assets	92,791	48,474
Gain from sale of fixed assets	(199,172)	-
Decrease in trade receivables	698,022	896,052
(Increase) decrease in inventories	943,025	(548,175)
Increase (decrease) in trade payables	295,200	(530,269)
Other - net	63,094	146,229
Sub total	8,740,293	8,339,437
Interest and dividend received	37,420	9,078
Interest paid	(158,610)	(160,714)
Income taxes paid	(1,959,027)	(2,930,371)
Income taxes refunded	47,121	-
Net cash provided by operating activities	6,707,197	5,257,429

## Consolidated Statement of Cash Flows

(Thousands of Yen)

	December 31 2005	December 31 2004
Cash flows from investing activities		
Purchases of fixed assets	(4,860,591)	(4,176,880)
Proceeds from sale of fixed assets	359,348	6,369
Purchase of intangible fixed assets	(861,431)	(721,204)
Purchase of investment securities	300,000	-
Increase in loans receivable	(19,235)	(12,470)
Proceeds from collection of loans receivable	20,939	11,341
Other - net	(59,537)	(17,014)
Net cash provided by investing activities	(5,120,508)	(4,909,858)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	(312,360)	(1,009,574)
Proceeds from long term-loans	1,550,000	2,296,304
Repayment of long-term loans	(2,036,465)	(2,091,518)
Proceeds from issuance of common stock	-	6,174,375
Proceeds from sales of treasury stock	-	902
Purchases of treasury stock	(1,246)	(1,444)
Dividends paid	(700,910)	(468,072)
Net cash provided by financing activities	(1,500,983)	4,900,971
Effect of exchange rate changes on cash and cash equivalents	266,124	(101,905)
Net increase in cash and cash equivalents	351,830	5,146,637
Cash and cash equivalents at the beginning of the year	11,144,704	5,998,067
<b>Cash and cash equivalents at the end of the year</b>	<b>11,496,535</b>	<b>11,144,704</b>



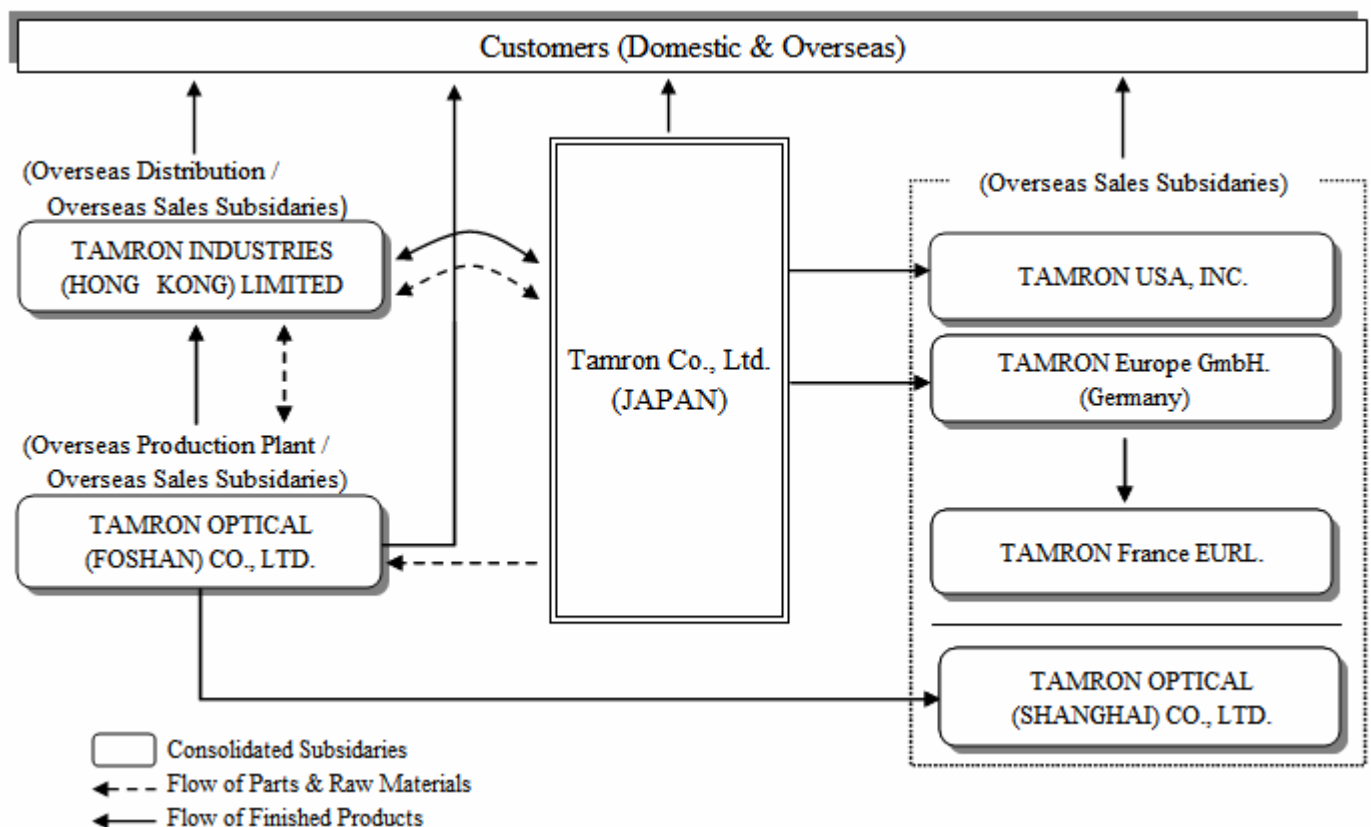
## Group Network Overview

Tamron group comprises Tamron Co., Ltd. (Japan) and six other subsidiaries. Main business drivers are the following three segments, Photographic Products, Optical Components, and Commercial / Industrial-use Optics.

The details of the business segments are as follows.

Business Segment	Main Business	Related Business Groups
Photographic Products	Interchangeable lenses for SLR camera Medium-format cameras Lenses for medium-format cameras Related photographic accessories	Tamron Co., Ltd. TAMRON USA, INC. TAMRON Europe GmbH. TAMRON France EURL. TAMRON INDUSTRIES (HONG KONG) LIMITED TAMRON OPTICAL (FOSHAN) CO., LTD. TAMRON OPTICAL (SHANGHAI) CO., LTD.
Optical Components	Camcorder lenses Digital still camera lenses Cellular phone camera lenses	Tamron Co., Ltd. TAMRON INDUSTRIES (HONG KONG) LIMITED TAMRON OPTICAL (FOSHAN) CO., LTD. TAMRON OPTICAL (SHANGHAI) CO., LTD.
Commercial / Industrial-use Optics	Lenses for CCTV cameras Projection lenses High-precision molds Injection-molded parts & components Optical device units	Tamron Co., Ltd. TAMRON USA, INC. TAMRON Europe GmbH. TAMRON INDUSTRIES (HONG KONG) LIMITED TAMRON OPTICAL (FOSHAN) CO., LTD. TAMRON OPTICAL (SHANGHAI) CO., LTD.

Overview of the relationships and the flow of products, and parts & raw materials are as illustrated below.



## Business Segment Information

December 31, 2004

(Thousands of Yen)

	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
Assets	9,499,426	14,270,695	6,210,563	29,980,684	10,876,346	40,857,031
Depreciation expenses	630,387	476,741	333,916	1,441,046	27,732	1,468,778
Capital expenditures	1,127,136	2,306,354	1,937,553	5,371,044	216,916	5,587,960

December 31, 2005

(Thousands of Yen)

	Photographic Products	Optical Components	Commercial/Industrial-use optics	Total	Eliminations and/or corporate	Consolidated
Net sales						
Outside customer	14,912,504	33,800,418	10,894,251	59,607,175	-	59,607,175
Intersegment sale or transfer	-	-	-	-	-	-
Total	14,912,504	33,800,418	10,894,251	59,607,175	-	59,607,175
Operating expenses	13,123,595	29,382,399	10,245,142	52,751,137	2,052,410	54,803,547
Operating income	1,788,908	4,418,019	649,109	6,856,037	(2,052,410)	4,803,627
Assets	10,362,240	14,022,834	8,953,328	33,338,403	10,743,153	44,081,557
Depreciation expenses	715,747	764,280	715,116	2,195,145	15,693	2,210,838
Capital expenditures	1,244,980	2,205,294	2,123,880	5,574,154	443,578	6,017,733

## Geographical Segment Information

December 31, 2004 (Thousands of Yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Sales:							
Sales to outside customers	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
Assets	23,544,491	1,736,460	1,090,733	8,641,027	35,012,712	5,844,319	40,857,031

December 31, 2005 (Thousands of Yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Sales:							
Sales to outside customers	49,036,292	4,513,779	3,101,477	2,955,625	59,607,175	-	59,607,175
Intersegment sales or transfer	5,614,493	-	1,298	20,987,206	26,602,998	(26,602,998)	-
Total	54,650,785	4,513,779	3,102,776	23,942,831	86,210,173	(26,602,998)	59,607,175
Operating expenses	49,851,767	4,298,059	2,972,077	22,061,566	79,183,470	(24,379,922)	54,803,547
Operating income	4,799,018	215,720	130,698	1,881,265	7,026,703	(2,223,075)	4,803,627
Assets	25,330,604	2,004,892	1,151,244	10,950,243	39,436,985	4,644,571	44,081,557

\* Principal market in the above designated areas:

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

## Overseas Sales

December 31, 2004 (Thousands of Yen)

	North America	Europe	Asia	Total
Overseas sales	4,551,987	2,942,472	10,861,053	18,355,513
Consolidated sales				63,345,260
Percentage of consolidated sales(%)	7.2	4.6	17.1	29.0

December 31, 2005 (Thousands of Yen)

	North America	Europe	Asia	Total
Overseas sales	4,858,436	4,180,251	9,805,749	18,844,437
Consolidated sales				59,607,175
Percentage of consolidated sales(%)	8.2	7.0	16.5	31.6

Notes:

1. Country and regional segments are classified on the basis of geographical proximity
2. Principal markets in the above designated areas
  - (1) North America: U.S.A. and Canada
  - (2) Europe: Germany, U.K., France, Northern Europe and other European Countries
  - (3) Asia: Hong Kong, China and other Asian Countries
3. Overseas sales represent those of Tamron Co., Ltd. and consolidated companies in countries and regions other than Japan.



#### HEADQUARTERS

Tamron Co., Ltd.  
1385 Hasunuma,  
Minuma-ku, Saitama-city,  
Saitama 337-8556  
Japan  
<http://www.tamron.co.jp>

#### INVESTOR RELATIONS

If you have any questions, please contact our Investor Relation representative.

e-mail: [tsuchiya@tamron.co.jp](mailto:tsuchiya@tamron.co.jp)