

## 2nd Quarter FY2010 Consolidated Financial Results

(Amounts are rounded down to the nearest million yen)

### 1. Consolidated Results for 2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)

#### (1) Consolidated financial results

(% of change from previous 2nd Quarter)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q FY2010	25,598	18.2	2,341	-	2,352	-	1,610	-
2Q FY2009	21,653	-	(29)	-	(40)	-	(677)	-

	Quarterly net income(loss) per share –Basic		Quarterly net income(loss) per share –Diluted	
	Yen		Yen	
2Q FY2010	58.68		-	
2Q FY2009	(24.67)		-	

#### (2) Consolidated financial position

	Total assets		Total net assets		Ratio of net assets		Net assets per share	
	Million yen		Million yen		%		Yen	
2Q FY2010	49,894		33,004		66.1		1,202.33	
FY2009	47,391		32,929		69.5		1,199.58	

### 2. Cash dividends

	Cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	Yen				
FY2009	-	15.00	-	25.00	40.00
FY2010	-	20.00			
FY2010 (forecast)			-	-	-

### 3. Forecast of consolidated results for FY2010 (January 1, 2010 through December 31, 2010)

(% of change from 1st Half FY2010)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2010	59,000	18.3	5,400	135.3	5,200	129.7	3,500	444.7	127.50

## Consolidated financial statements

(1) Consolidated quarterly balance sheets

(Amount: thousands of yen)

	2nd Quarter FY2010 (As of June 30, 2010)	FY2009 (As of December 31, 2009)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	12,629,134	11,887,019
Notes and accounts receivable-trade	12,379,611	9,566,922
Finished goods	3,805,193	4,323,744
Work in process	2,381,535	1,248,922
Raw materials and supplies	957,730	1,479,295
Deferred tax assets	672,084	916,514
Other	936,405	1,165,739
Allowance for doubtful accounts	(51,877)	(57,496)
<b>Total current assets</b>	<b>33,709,817</b>	<b>30,530,662</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	8,246,632	8,461,764
Accumulated depreciation	(4,445,856)	(4,399,799)
Buildings and structures, net	3,800,776	4,061,964
Machinery, equipment and vehicles	12,780,769	12,688,540
Accumulated depreciation	(7,462,517)	(7,363,708)
Machinery, equipment and vehicles, net	5,318,251	5,324,832
Tools, furniture and fixtures	12,852,789	12,451,142
Accumulated depreciation	(10,670,804)	(10,224,678)
Tools, furniture and fixtures, net	2,181,985	2,226,463
Other	1,186,022	1,059,376
<b>Total property, plant and equipment</b>	<b>12,487,036</b>	<b>12,672,637</b>
Intangible assets	926,008	1,156,808
<b>Investments and other assets</b>		
Investment securities	1,188,909	1,190,926
Deferred tax assets	603,583	701,044
Other	1,045,672	1,209,123
Allowance for doubtful accounts	(66,557)	(69,271)
<b>Total investments and other assets</b>	<b>2,771,607</b>	<b>3,031,822</b>
<b>Total noncurrent assets</b>	<b>16,184,652</b>	<b>16,861,268</b>
<b>Total assets</b>	<b>49,894,469</b>	<b>47,391,931</b>

(Amount: thousands of yen)

	2nd Quarter FY2010 (As of June 30, 2010)	FY2009 (As of December 31, 2009)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	3,929,788	3,736,609
Short-term loans payable	5,395,974	5,315,065
Income taxes payable	213,652	103,370
Provision for directors' bonuses	25,000	10,300
Other	3,885,090	2,738,806
<b>Total current liabilities</b>	<b>13,449,506</b>	<b>11,904,151</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	1,956,355	1,081,580
Provision for retirement benefits	1,209,065	1,203,497
Other	274,781	273,347
<b>Total noncurrent liabilities</b>	<b>3,440,201</b>	<b>2,558,425</b>
<b>Total liabilities</b>	<b>16,889,708</b>	<b>14,462,576</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,923,075	6,923,075
Capital surplus	7,440,327	7,440,327
Retained earnings	22,259,177	21,334,711
Treasury stock	(1,521,408)	(1,521,304)
<b>Total shareholders' equity</b>	<b>35,101,171</b>	<b>34,176,809</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	75,563	77,121
Foreign currency translation adjustment	(2,171,974)	(1,324,576)
<b>Total valuation and translation adjustments</b>	<b>(2,096,411)</b>	<b>(1,247,455)</b>
<b>Total net assets</b>	<b>33,004,760</b>	<b>32,929,354</b>
<b>Total liabilities and net assets</b>	<b>49,894,469</b>	<b>47,391,931</b>

(2) Consolidated quarterly statements of income

(Amount: thousands of yen)

	2nd Quarter FY2009 (January 1, 2009 through June 30, 2009)	2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)
Net sales	21,653,599	25,598,845
Cost of sales	15,887,156	17,037,795
Gross profit	5,766,443	8,561,049
Selling, general and administrative expenses	5,795,844	6,219,915
Operating income (loss)	(29,401)	2,341,133
Non-operating income		
Interest income	15,989	11,447
Other	101,345	83,922
Total non-operating income	117,334	95,370
Non-operating expenses		
Interest expenses	67,444	45,821
Foreign exchange losses	-	29,259
Product compensation expenses	32,005	-
Other	28,940	8,783
Total non-operating expenses	128,390	83,863
Ordinary income(loss)	(40,457)	2,352,640
Extraordinary income		
Reversal of allowance for doubtful accounts	5,997	1,718
Total extraordinary income	5,997	1,718
Extraordinary loss		
Loss on withdrawal from pension fund	1,130,776	-
Total extraordinary losses	1,130,776	-
Income (loss) before income taxes	(1,165,236)	2,354,358
Income taxes	(488,116)	743,621
Net income (loss)	(677,120)	1,610,737

(4) Consolidated quarterly statements of cash flows

(Amount: thousands of yen)

	2nd Quarter FY2009 (January 1, 2009 through June 30, 2009)	2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	(1,165,236)	2,354,358
Depreciation and amortization	1,871,727	1,531,870
Increase (decrease) in allowance for doubtful accounts	33,807	6,395
Increase (decrease) in reserve for loss on withdrawal from pension fund	(1,149,664)	-
Increase (decrease) in provision for retirement benefits	25,545	5,958
Interest and dividends income	(29,752)	(25,652)
Interest expenses	67,444	45,821
Decrease (increase) in notes and accounts receivable-trade	2,081,486	(3,272,246)
Decrease (increase) in inventories	482,494	(417,706)
Increase (decrease) in notes and accounts payable-trade	(452,858)	356,086
Other, net	32,040	1,414,421
Subtotal	1,797,034	1,999,308
Interest and dividends income received	28,912	25,723
Interest expenses paid	(69,558)	(47,237)
Income taxes paid	(639,028)	(327,817)
Income taxes refund	-	506,565
Net cash provided by (used in) operating activities	1,117,359	2,156,542
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,035,242)	(1,402,855)
Purchase of intangible assets	(95,796)	(23,872)
Other, net	1,019	(11,953)
Net cash provided by (used in) investing activities	(1,130,018)	(1,438,681)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(191,942)	-
Proceeds from long-term loans payable	1,000,000	1,692,794
Repayment of long-term loans payable	(718,524)	(640,604)
Cash dividends paid	(687,198)	(685,820)
Other, net	(1,178)	(390)
Net cash provided by (used in) financing activities	(598,843)	365,978
Effect of exchange rate change on cash and cash equivalents	202,399	(341,724)
Net increase (decrease) in cash and cash equivalents	(409,103)	742,114
Cash and cash equivalents at beginning of period	10,752,065	11,887,019
Cash and cash equivalents at end of period	10,342,961	12,629,134

**(Segment Information)**

a. Business Segment Information

2nd Quarter FY2009 (January 1, 2009 through June 30, 2009)

(Amount: thousands of yen)

	Photographic Products	Optical Components	Commercial/Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	12,380,205	5,793,796	3,479,597	21,653,599	-	21,653,599
(2) Intersegment sales	-	-	-	-	-	-
Total	12,380,205	5,793,796	3,479,597	21,653,599	-	21,653,599
Operating income (loss)	950,816	(293,363)	249,068	906,522	(935,923)	(29,401)

2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)

(Amount: thousands of yen)

	Photographic Products	Optical Components	Commercial/Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	15,282,481	6,523,967	3,792,396	25,598,845	-	25,598,845
(2) Intersegment sales	-	-	-	-	-	-
Total	15,282,481	6,523,967	3,792,396	25,598,845	-	25,598,845
Operating income	1,925,125	981,641	421,941	3,328,708	(987,574)	2,341,133

Note:

1. Business segmentation

Main products by business segment are as follows:

(1) Photo graphic products

Interchangeable lenses for SLR camera

(2) Optical components

Camcorder lenses, digital still camera lenses, cellular phone camera lenses

(3) Commercial/industrial-use optics

Lenses for CCTV cameras, automotive lenses, injection-molded parts & components, test plates, optical device units

b. Geographical Segment Information

2nd Quarter FY2009 (January 1, 2009 through June 30, 2009)

(Amount: thousands of yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Net sales :							
(1) Sales to external customers	14,606,013	2,134,582	3,640,365	1,272,638	21,653,599	-	21,653,599
(2) Intersegment sales	4,675,095	2,890	-	9,811,963	14,489,949	(14,489,949)	-
Total	19,281,108	2,137,473	3,640,365	11,084,601	36,143,549	(14,489,949)	21,653,599
Operating income (loss)	(186,904)	11,739	302,133	680,101	807,069	(836,470)	(29,401)

2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)

(Amount: thousands of yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Net sales :							
(1) Sales to external customers	17,428,239	2,323,385	4,072,125	1,775,094	25,598,845	-	25,598,845
(2) Intersegment sales	5,091,495	575	-	12,280,253	17,372,324	(17,372,324)	-
Total	22,519,735	2,323,961	4,072,125	14,055,347	42,971,169	(17,372,324)	25,598,845
Operating income	1,813,682	119,215	222,440	1,239,961	3,395,300	(1,054,166)	2,341,133

Note:

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.

(2) Europe: Germany, France

(3) Asia: Hong Kong, China

c. Overseas Sales

2nd Quarter FY2009 (January 1, 2009 through June 31, 2009)

(Amount: thousands of yen)

	North America	Europe	Asia	Total
Overseas sales	2,512,786	3,906,826	7,715,965	14,135,577
Consolidated sales				21,653,599
Percentage of consolidated sales (%)	11.6	18.1	35.6	65.3

2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)

(Amount: thousands of yen)

	North America	Europe	Asia	Total
Overseas sales	2,913,940	4,363,206	11,064,131	18,341,277
Consolidated sales				25,598,845
Percentage of consolidated sales (%)	11.4	17.0	43.2	71.6

Note:

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., 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.