

2nd Quarter FY2011 Consolidated Financial Results

August 3, 2011

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 2nd Quarter FY2011 (January 1, 2011 through June 30, 2011)

(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 FY2011	28,126	9.9	3,011	28.6	3,108	32.1	2,158	34.0
2Q FY2010	25,598	18.2	2,341	-	2,352	-	1,610	-

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
2Q FY2011	78.63	-
2Q FY2010	58.68	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets	Net assets per share
	Million yen	Million yen	%	Yen
2Q FY2011	53,836	35,561	66.1	1,295.48
FY2010	50,120	33,996	67.8	1,238.45

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
FY2010	-	20.00	-	*30.00	50.00
FY2011	-	20.00			
FY2011 (forecast)			-	-	-

*: Including commemorative dividend of ¥5 for the company's 60th anniversary

Cash dividends forecast for FY2011 is undetermined

3. Forecast of consolidated results for FY2011 (January 1, 2011 through December 31, 2011)

(% of change from FY2010)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2011	61,000	7.7	5,600	2.6	5,500	0.4	3,800	3.0	138.43

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: millions of yen)

	2nd Quarter FY2011 (As of June 30, 2011)	FY2010 (As of December 31, 2010)
Assets		
Current assets		
Cash and deposits	14,200	10,996
Notes and accounts receivable-trade	13,341	14,588
Finished goods	5,099	4,816
Work in process	3,041	2,300
Raw materials and supplies	579	992
Deferred tax assets	298	166
Other	734	737
Allowance for doubtful accounts	(46)	(58)
Total current assets	37,248	34,541
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,374	8,162
Accumulated depreciation	(4,718)	(4,563)
Buildings and structures, net	3,655	3,598
Machinery, equipment and vehicles	14,053	12,861
Accumulated depreciation	(8,257)	(7,736)
Machinery, equipment and vehicles, net	5,796	5,125
Tools, furniture and fixtures	13,962	13,498
Accumulated depreciation	(11,812)	(11,287)
Tools, furniture and fixtures, net	2,149	2,210
Other	1,541	1,276
Total property, plant and equipment	13,143	12,210
Intangible assets	626	737
Investments and other assets		
Investment securities	1,406	1,171
Deferred tax assets	652	576
Other	820	932
Allowance for doubtful accounts	(60)	(48)
Total investments and other assets	2,818	2,632
Total noncurrent assets	16,587	15,579
Total assets	53,836	50,120

(Amount: millions of yen)

	2nd quarter FY2011 (As of June 30, 2011)	FY2010 (As of December 31, 2010)
Liabilities		
Current liabilities		
Accounts payable-trade	4,785	4,769
Short-term loans payable	4,809	5,086
Income taxes payable	958	323
Other	3,922	3,105
Total current liabilities	14,475	13,284
Noncurrent liabilities		
Long-term loans payable	2,322	1,442
Provision for retirement benefits	1,201	1,127
Other	273	269
Total noncurrent liabilities	3,798	2,839
Total liabilities	18,274	16,124
Net assets		
Shareholders' equity		
Capital stock	6,923	6,923
Capital surplus	7,440	7,440
Retained earnings	25,123	23,788
Treasury stock	(1,521)	(1,521)
Total shareholders' equity	37,965	36,630
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	25	65
Foreign currency translation adjustment	(2,429)	(2,699)
Total valuation and translation adjustments	(2,403)	(2,634)
Total net assets	35,561	33,996
Total liabilities and net assets	53,836	50,120

(2) Consolidated Statements of income

(Amount: millions of yen)

	2nd Quarter FY2010 (January 1, 2010 through June 30, 2010)	2nd Quarter FY2011 (January 1, 2011 through June 30, 2011)
Net sales	25,598	28,126
Cost of sales	17,037	18,261
Gross profit	8,561	9,865
Selling, general and administrative expenses	6,219	6,854
Operating income	2,341	3,011
Non-operating income		
Interest income	11	12
Foreign exchange gains	-	85
Other	83	69
Total non-operating income	95	167
Non-operating expenses		
Interest expenses	45	61
Foreign exchange losses	29	-
Other	8	8
Total non-operating expenses	83	70
Ordinary income	2,352	3,108
Extraordinary income		
Reversal of allowance for doubtful accounts	1	8
Total extraordinary income	1	8
Income before income taxes and minority interests	2,354	3,116
Income taxes	743	957
Income before minority interests	-	2,158
Net income	1,610	2,158

(3) Consolidated statements of cash flows

(Amount: millions of yen)

	FY2010 (January 1, 2010 through June 30, 2010)	FY2011 (January 1, 2011 through June 30, 2011)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	2,354	3,116
Depreciation and amortization	1,531	1,510
Increase (decrease) in allowance for doubtful accounts	6	(4)
Increase (decrease) in provision for retirement benefits	5	89
Interest and dividends income	(25)	(35)
Interest expenses	45	61
Decrease (increase) in notes and accounts receivable-trade	(3,272)	1,429
Decrease (increase) in inventories	(417)	(494)
Increase (decrease) in notes and accounts payable-trade	356	(17)
Other, net	1,414	747
Subtotal	1,999	6,403
Interest and dividends income received	25	35
Interest expenses paid	(47)	(61)
Income taxes paid	(327)	(478)
Income taxes refund	506	1
Net cash provided by (used in) operating activities	2,156	5,901
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,402)	(2,106)
Purchase of intangible assets	(23)	(111)
Other, net	(11)	(314)
Net cash provided by (used in) investing activities	(1,438)	(2,532)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-	(289)
Proceeds from long-term loans payable	1,692	1,570
Repayment of long-term loans payable	(640)	(669)
Cash dividends paid	(685)	(823)
Net cash provided by (used in) financing activities	365	(213)
Effect of exchange rate change on cash and cash equivalents	(341)	48
Net increase (decrease) in cash and cash equivalents	742	3,203
Cash and cash equivalents at beginning of period	11,887	10,996
Cash and cash equivalents at end of period	12,629	14,200

(Segment Information)

Business Segment Information

2nd quarter FY2011 (January 1, 2011 through June 30, 2011)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/Industrial use optics	Total	Adjustment	Consolidated
Net sales :						
(1) Sales to external customers	19,323	5,159	3,643	28,126	-	28,126
(2) Intersegment sales	-	-	-	-	-	-
Total	19,323	5,159	3,643	28,126	-	28,126
Operating income	3,288	355	441	4,085	(1,074)	3,011

(Note) 1. The details of the business segments are as follows.

Business Segment	Main Business
Photographic Products	Interchangeable lenses for SLR camera
Optical Components	Camcorder lenses Digital still camera lenses Cellular phone camera lenses
Commercial/Industrial-use Optics	Lenses for CCTV cameras Automotive lenses High-precision molds Molding die for high-precision engineering plastic injection Test plates Optical device units, etc

2. Operating income is adjusted on operating income on the quarterly consolidated statements of income.

3. Adjustments of segments include unallocated corporate operating expenses.