

1st Quarter FY2015 Consolidated Financial Results

April 28, 2015

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 1st quarter FY2015 (January 1, 2015 through March 31, 2015)

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

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q FY2015	16,818	19.0	1,581	135.9	1,647	119.9	1,856	306.1
1Q FY2014	14,132	6.9	670	(16.2)	749	(1.3)	457	(12.4)

(Note) Comprehensive income: 1Q FY2015: 1,219 million yen (-%) / 1Q FY2014: (342) million yen (-%)

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
1Q FY2015	67.67	-
1Q FY2014	16.65	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
1Q FY2015	64,580	48,419	75.0
FY2014	69,906	51,995	74.4

(Reference) Shareholders' equity: 1Q FY2015: 48,419 million yen / FY2014: 51,995 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
FY2014	-	20.00	-	30.00	50.00
FY2015	-				
FY2015 (forecast)		25.00	-	30.00	55.00

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

3. Forecast of consolidated results for FY2015 (January 1, 2015 through December 31, 2015)

(% of change from FY2014 or 1st half FY2014)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1H FY2015	36,200	10.5	2,800	9.1	2,700	2.3	2,550	40.0	95.60
FY2015	78,500	6.6	6,600	8.6	6,400	3.2	4,850	26.1	184.45

(Note) Revision of forecast for this period: Yes

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: millions of yen)

	FY2014 (As of December 31, 2014)	1st quarter FY2015 (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	15,915	15,362
Notes and accounts receivable - trade	18,653	13,182
Finished goods	5,989	6,405
Work in process	2,888	3,402
Raw materials and supplies	1,658	1,797
Deferred tax assets	481	544
Other	1,412	1,320
Allowance for doubtful accounts	(44)	(41)
Total current assets	46,955	41,973
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,513	13,449
Accumulated depreciation	(6,396)	(6,510)
Buildings and structures, net	7,117	6,938
Machinery, equipment and vehicles	20,821	20,784
Accumulated depreciation	(13,441)	(13,670)
Machinery, equipment and vehicles, net	7,380	7,113
Tools, furniture and fixtures	17,764	17,858
Accumulated depreciation	(15,394)	(15,619)
Tools, furniture and fixtures, net	2,369	2,239
Other	1,947	2,254
Total property, plant and equipment	18,814	18,546
Intangible assets	866	853
Investments and other assets		
Investment securities	2,394	2,378
Deferred tax assets	474	456
Other	517	487
Allowance for doubtful accounts	(116)	(116)
Total investments and other assets	3,269	3,206
Total non-current assets	22,950	22,606
Total assets	69,906	64,580

(Amount: millions of yen)

	FY2014 (As of December 31, 2014)	1st quarter FY2015 (As of March 31, 2015)
Liabilities		
Current liabilities		
Accounts payable - trade	5,855	4,572
Short-term loans payable	2,327	3,347
Income taxes payable	918	683
Other	5,501	4,488
Total current liabilities	14,602	13,091
Non-current liabilities		
Long-term loans payable	1,771	1,473
Net defined benefit liability	1,342	1,400
Other	194	194
Total non-current liabilities	3,308	3,069
Total liabilities	17,911	16,161
Net assets		
Shareholders' equity		
Capital stock	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	31,609	32,628
Treasury shares	(81)	(4,038)
Total shareholders' equity	45,883	42,945
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	466	479
Foreign currency translation adjustment	5,797	5,142
Remeasurements of defined benefit plans	(152)	(148)
Total accumulated other comprehensive income	6,111	5,474
Total net assets	51,995	48,419
Total liabilities and net assets	69,906	64,580

(2) Consolidated Statements of income

(Amount: millions of yen)

	1st quarter FY2014 (January 1, 2014 through March 31, 2014)	1st quarter FY2015 (January 1, 2015 through March 31, 2015)
Net sales	14,132	16,818
Cost of sales	9,850	11,123
Gross profit	4,281	5,694
Selling, general and administrative expenses	3,611	4,113
Operating income	670	1,581
Non-operating income		
Interest income	11	6
Rent income	6	5
Foreign exchange gains	28	-
Subsidy income	29	61
Other	40	30
Total non-operating income	117	103
Non-operating expenses		
Interest expenses	16	11
Foreign exchange losses	-	15
Other	21	9
Total non-operating expenses	37	36
Ordinary income	749	1,647
Extraordinary income		
Insurance income	-	99
Gain on bargain purchase	-	653
Total extraordinary income	-	753
Income before income taxes and minority interests	749	2,401
Income taxes	292	544
Income before minority interests	457	1,856
Net income	457	1,856

(3) Consolidated Statements of Comprehensive Income

(Amount: millions of yen)

	1st quarter FY2014 (January 1, 2014 through March 31, 2014)	1st quarter FY2015 (January 1, 2015 through March 31, 2015)
Income before minority interests	457	1,856
Other comprehensive income		
Valuation difference on available-for-sale securities	(65)	13
Foreign currency translation adjustment	(734)	(654)
Remeasurements of defined benefit plans, net of tax	-	3
Total other comprehensive income	(799)	(637)
Comprehensive income	(342)	1,219

(Segment Information)

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

1st quarter FY2014 (January 1, 2014 through March 31, 2014)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	9,387	1,590	3,154	14,132	-	14,132
(2) Intersegment sales	-	-	-	-	-	-
Total	9,387	1,590	3,154	14,132	-	14,132
Operating income	619	23	668	1,311	(641)	670

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (641) 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 FY2015 (January 1, 2015 through March 31, 2015)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	12,495	1,080	3,241	16,818	-	16,818
(2) Intersegment sales	-	-	-	-	-	-
Total	12,495	1,080	3,241	16,818	-	16,818
Operating income	1,668	89	393	2,151	(570)	1,581

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (570) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.