

### 3rd Quarter FY2015 Consolidated Financial Results

October 30, 2015

(Amounts are rounded down to the nearest million yen)

#### 1. Consolidated Results for 3rd quarter FY2015 (January 1, 2015 September 30, 2015)

(1) Consolidated financial results (% of change from previous 3rd quarter)

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q FY2015	52,805	3.3	3,750	(13.8)	4,124	(6.6)	3,575	30.5
3Q FY2014	51,120	5.1	4,348	12.4	4,415	15.7	2,740	9.1

(Note) Comprehensive income: 3Q FY2015: 2,320 million yen [(27.9)%] / 3Q FY2014: 3,218 million yen [(35.6)%]

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
3Q FY2015	135.33	-
3Q FY2014	99.84	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
3Q FY2015	65,389	48,872	74.7
FY2014	69,906	51,995	74.4

(Reference) Shareholders' equity: 3Q FY2015: 48,872 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	-	25.00	-		
FY2015 (forecast)				*35.00	60.00

(Note) Revision of cash dividend forecast for this period: Yes

\*: Anticipated year-end dividends include commemorative dividends of 5 yen for the company's 65th anniversary

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

(% of change from FY2014)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
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: None

**Consolidated financial statements**

## (1) Consolidated balance sheets

(Amount: millions of yen)

	FY2014 (As of December 31, 2014)	3rd quarter FY2015 (As of September 30, 2015)
<b>Assets</b>		
Current assets		
Cash and deposits	15,915	15,466
Notes and accounts receivable - trade	18,653	13,985
Finished goods	5,989	7,399
Work in process	2,888	3,420
Raw materials and supplies	1,658	1,789
Deferred tax assets	481	508
Other	1,412	1,255
Allowance for doubtful accounts	(44)	(30)
Total current assets	46,955	43,795
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,513	13,346
Accumulated depreciation	(6,396)	(6,630)
Buildings and structures, net	7,117	6,715
Machinery, equipment and vehicles	20,821	20,225
Accumulated depreciation	(13,441)	(13,675)
Machinery, equipment and vehicles, net	7,380	6,550
Tools, furniture and fixtures	17,764	18,889
Accumulated depreciation	(15,394)	(16,257)
Tools, furniture and fixtures, net	2,369	2,632
Other	1,947	1,759
Total property, plant and equipment	18,814	17,657
Intangible assets	866	800
Investments and other assets		
Investment securities	2,394	2,283
Deferred tax assets	474	511
Other	517	466
Allowance for doubtful accounts	(116)	(124)
Total investments and other assets	3,269	3,136
Total non-current assets	22,950	21,594
Total assets	69,906	65,389

(Amount: millions of yen)

	FY2014 (As of December 31, 2014)	3rd quarter FY2015 (As of September 30, 2015)
Liabilities		
Current liabilities		
Accounts payable - trade	5,855	4,943
Short-term loans payable	2,327	3,239
Income taxes payable	918	672
Other	5,501	4,964
Total current liabilities	14,602	13,819
Non-current liabilities		
Long-term loans payable	1,771	1,032
Net defined benefit liability	1,342	1,459
Other	194	205
Total non-current liabilities	3,308	2,697
Total liabilities	17,911	16,516
Net assets		
Shareholders' equity		
Capital stock	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	31,609	29,714
Treasury shares	(81)	(53)
Total shareholders' equity	45,883	44,015
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	466	414
Foreign currency translation adjustment	5,797	4,567
Remeasurements of defined benefit plans	(152)	(125)
Total accumulated other comprehensive income	6,111	4,856
Total net assets	51,995	48,872
Total liabilities and net assets	69,906	65,389

## (2) Consolidated Statements of income

(Amount: millions of yen)

	3rd quarter FY2014 (January 1, 2014 through September 30, 2014)	3rd quarter FY2015 (January 1, 2015 through September 30, 2015)
Net sales	51,120	52,805
Cost of sales	34,733	35,869
Gross profit	16,387	16,936
Selling, general and administrative expenses	12,038	13,185
Operating income	4,348	3,750
Non-operating income		
Interest income	39	23
Dividend income	29	30
Foreign exchange gains	39	238
Subsidy income	31	63
Other	99	193
Total non-operating income	239	550
Non-operating expenses		
Interest expenses	50	34
Loss on retirement of non-current assets	106	87
Loss on abandonment of inventories	0	38
Other	16	15
Total non-operating expenses	172	176
Ordinary income	4,415	4,124
Extraordinary income		
Insurance income	-	99
Gain on bargain purchase	-	653
Total extraordinary income	-	753
Income before income taxes and minority interests	4,415	4,877
Income taxes	1,675	1,301
Income before minority interests	2,740	3,575
Net income	2,740	3,575

(3) Consolidated Statements of Comprehensive Income

(Amount: millions of yen)

	3rd quarter FY2014 (January 1, 2014 through September 30, 2014)	3rd quarter FY2015 (January 1, 2015 through September 30, 2015)
Income before minority interests	2,740	3,575
Other comprehensive income		
Valuation difference on available-for-sale securities	20	(51)
Foreign currency translation adjustment	457	(1,230)
Remeasurements of defined benefit plans, net of tax	-	27
Total other comprehensive income	478	(1,254)
Comprehensive income	3,218	2,320
Comprehensive income attributable to owners of parent	3,218	2,320

**(Segment Information)**

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

3rd quarter FY2014 (January 1, 2014 through September 30, 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	36,675	5,326	9,119	51,120	-	51,120
(2) Intersegment sales	-	-	-	-	-	-
Total	36,675	5,326	9,119	51,120	-	51,120
Operating income	4,073	479	1,616	6,169	(1,821)	4,348

Notes : 1. Segment profit is adjusted to operating profit of consolidated statements of income.

2. Adjustment of segment profit totaled (1,821) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.

3rd quarter FY2015 (January 1, 2015 through September 30, 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	39,659	3,432	9,712	52,805	-	52,805
(2) Intersegment sales	-	-	-	-	-	-
Total	39,659	3,432	9,712	52,805	-	52,805
Operating income	4,107	193	1,257	5,558	(1,807)	3,750

Notes : 1. Segment profit is adjusted to operating profit of consolidated statements of income.

2. Adjustment of segment profit totaled (1,807) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.