

3rd Quarter FY2012 Consolidated Financial Results

October 31, 2012

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 3rd quarter FY2012 (January 1, 2012 through September 30, 2012)

(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 FY2012	46,451	6.2	4,269	(11.9)	4,262	(11.9)	3,111	1.3
3Q FY2011	43,753	7.7	4,847	38.6	4,840	37.5	3,073	23.3

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
3Q FY2012	113.37	-
3Q FY2011	111.96	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
3Q FY2012	54,729	37,809	69.1
FY2011	51,898	36,134	69.6

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
FY2011	-	20.00	-	30.00	50.00
FY2012	-	20.00	-		
FY2012 (forecast)				-	-

Cash dividends forecast for FY2012 is undetermined

3. Forecast of consolidated results for FY2012 (January 1, 2012 through December 31, 2012)

(% of change from FY2011)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2012	65,000	11.1	6,200	9.0	5,900	3.5	4,000	5.1	145.72

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: millions of yen)

	FY2011 (As of December 31, 2011)	3rd quarter FY2012 (As of September 30, 2012)
Assets		
Current assets		
Cash and deposits	12,773	11,279
Notes and accounts receivable-trade	12,535	15,026
Finished goods	5,424	5,859
Work in process	2,628	3,447
Raw materials and supplies	953	1,240
Deferred tax assets	450	474
Other	600	869
Allowance for doubtful accounts	(35)	(38)
Total current assets	35,331	38,157
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,379	8,385
Accumulated depreciation	(4,849)	(5,005)
Buildings and structures, net	3,529	3,380
Machinery, equipment and vehicles	14,325	14,828
Accumulated depreciation	(8,608)	(9,237)
Machinery, equipment and vehicles, net	5,716	5,591
Tools, furniture and fixtures	14,822	15,521
Accumulated depreciation	(12,539)	(13,238)
Tools, furniture and fixtures, net	2,282	2,282
Other	1,838	1,962
Total property, plant and equipment	13,367	13,217
Intangible assets	620	681
Investments and other assets		
Investment securities	1,320	1,462
Deferred tax assets	580	650
Other	729	610
Allowance for doubtful accounts	(51)	(51)
Total investments and other assets	2,578	2,672
Total noncurrent assets	16,566	16,571
Total assets	51,898	54,729

(Amount: millions of yen)

	FY2011 (As of December 31, 2011)	3rd quarter FY2012 (As of September 30, 2012)
Liabilities		
Current liabilities		
Accounts payable-trade	3,731	5,734
Short-term loans payable	4,493	3,454
Income taxes payable	995	655
Other	3,316	3,739
Total current liabilities	12,536	13,583
Noncurrent liabilities		
Long-term loans payable	1,836	1,753
Provision for retirement benefits	1,109	1,293
Other	281	288
Total noncurrent liabilities	3,227	3,335
Total liabilities	15,764	16,919
Net assets		
Shareholders' equity		
Capital stock	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	24,788	26,528
Treasury stock	(81)	(81)
Total shareholders' equity	39,063	40,802
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(25)	(15)
Foreign currency translation adjustment	(2,903)	(2,976)
Total accumulated other comprehensive income	(2,928)	(2,992)
Total net assets	36,134	37,809
Total liabilities and net assets	51,898	54,729

(2) Consolidated Statements of income

(Amount: millions of yen)

	3rd quarter FY2011 (January 1, 2011 through September 30, 2011)	3rd quarter FY2012 (January 1, 2012 through September 30, 2012)
Net sales	43,753	46,451
Cost of sales	28,574	31,596
Gross profit	15,179	14,855
Selling, general and administrative expenses	10,331	10,585
Operating income	4,847	4,269
Non-operating income		
Interest income	17	19
Foreign exchange gains	44	-
Other	90	125
Total non-operating income	152	144
Non-operating expenses		
Interest expenses	93	92
Foreign exchange losses	-	30
Other	66	28
Total non-operating expenses	159	151
Ordinary income	4,840	4,262
Extraordinary income		
Insurance income	77	-
Reversal of allowance for doubtful accounts	14	-
Total extraordinary income	91	-
Extraordinary loss		
Loss on retirement of noncurrent assets	71	-
License fee for prior periods	300	-
Total extraordinary losses	371	-
Income before income taxes and minority interests	4,560	4,262
Income taxes	1,487	1,150
Income before minority interests	3,073	3,111
Net income	3,073	3,111

(3) Consolidated quarterly statements of comprehensive income

(Amount: millions of yen)

	3rd Quarter FY2011 (January 1, 2011 through September 30, 2011)	3rd Quarter FY2012 (January 1, 2012 through September 30, 2012)
Income before minority interests	3,073	3,111
Other comprehensive income		
Valuation difference on available-for-sale securities	(80)	9
Foreign currency translation adjustment	(330)	(73)
Total other comprehensive income	(411)	(63)
Comprehensive income	2,661	3,048
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,661	3,048

(Segment Information)

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

3rd quarter FY2011 (January 1, 2011 through September 30, 2011)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	29,296	8,534	5,922	43,753	-	43,753
(2) Intersegment sales	-	-	-	-	-	-
Total	29,296	8,534	5,922	43,753	-	43,753
Operating income	4,745	861	973	6,580	(1,732)	4,847

Note:

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,732) 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 FY2012 (January 1, 2012 through September 30, 2012)

(Amount: millions of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	33,579	6,295	6,577	46,451	-	46,451
(2) Intersegment sales	-	-	-	-	-	-
Total	33,579	6,295	6,577	46,451	-	46,451
Operating income	4,283	488	1,204	5,976	(1,706)	4,269

Note:

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (1,706) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.