

1st Quarter FY2020 Consolidated Financial Results

April 28, 2020

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 1st quarter FY2020 (January 1, 2020 through March 31, 2020)

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

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q FY2020	11,044	(15.4)	467	(32.0)	614	(7.6)	469	(7.1)
1Q FY2019	13,062	4.9	687	5.3	664	59.8	505	66.9

(Note) Comprehensive income: 1Q FY2020: (104) million yen (-%) / 1Q FY2019: 824 million yen (-%)

	Quarterly net income per share –Basic	Quarterly net income per share –Diluted
	Yen	Yen
1Q FY2020	18.29	-
1Q FY2019	19.66	-

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets
	Million yen	Million yen	%
1Q FY2020	56,318	44,440	78.9
FY2019	69,297	54,539	78.7

(Reference) Shareholders' equity: 1Q FY2020: 44,440 million yen / FY2019: 54,539 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
FY2019	-	25.00	-	43.00	68.00
FY2020	-	-	-	-	-
FY2020 (forecast)	-	-	-	-	-

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

(Note) The dividend forecasts for the Fiscal Year 2020 have not been determined at this moment.

3. Forecast of consolidated results for FY2020 (January 1, 2020 through December 31, 2020)

(% of change from FY2019 or 1st half FY2019)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2020 1st Half	-	-	-	-	-	-	-	-	-
FY2020	-	-	-	-	-	-	-	-	-

(Note) Revision of forecast for this period: Yes

(Note) The impact of the COVID-19 coronavirus on the Tamron Group's sales, development and production, among other operations, is extremely unpredictable due to a range of environmental changes caused by the global spread of the infection. The situation has made the calculation of a reliable results forecast difficult. Tamron therefore has decided to revise the results forecast for the fiscal year ending December 31, 2020, which was announced on February 7, 2020, leaving it undecided for the time being. Tamron will announce a new forecast when it becomes feasible.

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: Million yen)

	FY2019 (As of December 31, 2019)	1st quarter FY2020 (As of March 31, 2020)
Assets		
Current assets		
Cash and deposits	28,384	18,798
Notes and accounts receivable - trade	12,907	8,766
Finished goods	5,658	5,301
Work in process	2,496	3,491
Raw materials and supplies	1,233	1,516
Other	1,011	1,177
Allowance for doubtful accounts	(28)	(30)
Total current assets	51,662	39,020
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,159	13,087
Accumulated depreciation	(8,257)	(8,327)
Buildings and structures, net	4,902	4,760
Machinery, equipment and vehicles	18,625	18,562
Accumulated depreciation	(14,590)	(14,631)
Machinery, equipment and vehicles, net	4,035	3,930
Tools, furniture and fixtures	21,541	21,307
Accumulated depreciation	(19,212)	(18,880)
Tools, furniture and fixtures, net	2,328	2,426
Land	1,165	1,162
Other	1,073	1,131
Total property, plant and equipment	13,505	13,411
Intangible assets	698	689
Investments and other assets		
Investment securities	2,864	2,592
Deferred tax assets	321	411
Other	314	259
Allowance for doubtful accounts	(68)	(67)
Total investments and other assets	3,431	3,195
Total non-current assets	17,634	17,297
Total assets	69,297	56,318

(Amount: Million yen)

	FY2019 (As of December 31, 2019)	1st quarter FY2020 (As of March 31, 2020)
Liabilities		
Current liabilities		
Accounts payable - trade	3,660	2,604
Short-term loans payable	2,418	2,390
Accrued expenses	2,857	1,994
Income taxes payable	1,019	381
Other	2,343	2,156
Total current liabilities	12,299	9,526
Non-current liabilities		
Long-term loans payable	225	165
Provision for share benefits	195	227
Net defined benefit liability	1,365	1,406
Other	672	552
Total non-current liabilities	2,458	2,351
Total liabilities	14,758	11,877
Net assets		
Shareholders' equity		
Capital stock	6,923	6,923
Capital surplus	7,432	7,432
Retained earnings	38,336	37,692
Treasury shares	(483)	(9,363)
Total shareholders' equity	52,208	42,683
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	920	730
Deferred gains or losses on hedges	(1)	-
Foreign currency translation adjustment	1,399	1,014
Remeasurements of defined benefit plans	11	11
Total accumulated other comprehensive income	2,330	1,756
Total net assets	54,539	44,440
Total liabilities and net assets	69,297	56,318

(2) Consolidated Statements of income

(Amount: Million yen)

	1st quarter FY2019 (January 1, 2019 through March 31, 2019)	1st quarter FY2020 (January 1, 2020 through March 31, 2020)
Net sales	13,062	11,044
Cost of sales	8,485	6,694
Gross profit	4,576	4,350
Selling, general and administrative expenses	3,889	3,882
Operating income	687	467
Non-operating income		
Interest income	20	19
Foreign exchange gains	-	36
Rent income	2	3
Subsidy income	45	43
Surrender value of insurance policies	-	38
Other	32	32
Total non-operating income	100	173
Non-operating expenses		
Interest expenses	11	9
Foreign exchange losses	100	-
Loss on sales of non-current assets	-	6
Other	10	11
Total non-operating expenses	123	27
Ordinary income	664	614
Profit before income taxes	664	614
Income taxes	158	144
Profit	505	469
Profit attributable to owners of parent	505	469

(3) Consolidated Statements of Comprehensive Income

(Amount: Million yen)

	1st quarter FY2019 (January 1, 2019 through March 31, 2019)	1st quarter FY2020 (January 1, 2020 through March 31, 2020)
Profit	505	469
Other comprehensive income		
Valuation difference on available-for-sale securities	118	(190)
Deferred gains or losses on hedges	—	1
Foreign currency translation adjustment	190	(385)
Remeasurements of defined benefit plans, net of tax	9	(0)
Total other comprehensive income	318	(573)
Comprehensive income	824	(104)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	824	(104)

(Segment Information)

Information on net sales and income by reportable segment

1st quarter FY2019 (January 1, 2019 through March 31, 2019)

(Amount: Million yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	8,853	613	3,595	13,062	-	13,062
(2) Intersegment sales	-	-	-	-	-	-
Total	8,853	613	3,595	13,062	-	13,062
Operating income	1,089	22	187	1,299	(612)	687

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (612) 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 FY2020 (January 1, 2020 through March 31, 2020)

(Amount: Million yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Adjustment (Note 2)	Consolidated
Net sales :						
(1) Sales to external customers	7,253	417	3,373	11,044	-	11,044
(2) Intersegment sales	-	-	-	-	-	-
Total	7,253	417	3,373	11,044	-	11,044
Operating income	998	17	293	1,309	(841)	467

(Note)

1. Segment profit is adjusted to operating profit of consolidated statements of income.
2. Adjustment of segment profit totaled (841) million yen is due to unallocated operating expenses consisted principally of expenses related to general affairs, accounting and other departments of the Company.