

FY2009 Consolidated Financial Results

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for FY2009 (January 1, 2009 through December 31, 2009)

(1) Consolidated financial results % of change from previous year

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2009	49,892	(20.2)	2,295	(63.0)	2,263	(61.3)	642	(78.8)
FY2008	62,537	(8.3)	6,198	(29.5)	5,842	(24.2)	3,029	(36.5)

	Net income(loss) per share –Basic	Net income(loss) per share –Diluted	Ratio of net income to shareholders' equity	Ratio of income before taxes to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2009	23.41	-	1.9	4.7	4.6
FY2008	108.41	-	8.9	11.5	9.9

(2) Consolidated financial position

	Total assets	Total net assets	Ratio of net assets	Net assets per share
	Million yen	Million yen	%	Yen
FY2009	47,391	32,929	69.5	1,199.58
FY2008	49,176	33,126	67.4	1,206.77

(3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	%	Yen
FY2009	3,727	(1,829)	(801)	11,887
FY2008	6,947	(5,773)	(3,100)	10,752

2. Cash dividends

	Cash dividends per share					Total amount of cash dividends (annual)	Dividends payout ratio (consolidated)	Ratio of total amount of dividends to shareholders' equity (consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
FY2008	-	25.00	-	25.00	50.00	1,391	46.1	4.1
FY2009	-	15.00	-	25.00	40.00	1,098	170.9	3.3
FY2010 (forecast)	-	-	-	-	-		-	

3. Forecast of consolidated results for FY2010 (January 1, 2010 through December 31, 2010)

(% of change from FY2009 or 1st Half or FY2009)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2010 first Half	23,900	10.4	1,300	-	1,200	-	800	-	29.14
FY2010	53,000	6.2	4,600	100.4	4,300	90.0	2,600	304.6	94.71

Consolidated financial statements

(1) Consolidated balance sheets

(Amount: thousands of yen)

	FY2008 (As of December 31, 2008)	FY2009 (As of December 31, 2009)
Assets		
Current assets		
Cash and deposits	10,752,065	11,887,019
Notes and accounts receivable-trade	9,499,434	9,566,922
Inventories	7,959,494	-
Finished goods	-	4,323,744
Work in process	-	1,248,922
Raw materials and supplies	-	1,479,295
Deferred tax assets	830,972	916,514
Other	1,093,531	1,165,739
Allowance for doubtful accounts	(71,949)	(57,496)
Total current assets	30,063,549	30,530,662
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,297,092	8,461,764
Accumulated depreciation	(4,069,963)	(4,399,799)
Buildings and structures, net	4,227,128	4,061,964
Machinery, equipment and vehicles	12,677,063	12,688,540
Accumulated depreciation	(6,312,021)	(7,363,708)
Machinery, equipment and vehicles, net	6,365,041	5,324,832
Tools, furniture and fixtures	11,097,451	12,451,142
Accumulated depreciation	(8,534,961)	(10,224,678)
Tools, furniture and fixtures, net	2,562,490	2,226,463
Land	754,947	775,852
Other	432,503	283,524
Total property, plant and equipment	14,342,112	12,672,637
Intangible assets	1,687,809	1,156,808
Investments and other assets		
Investment securities	1,066,642	1,190,926
Deferred tax assets	640,190	701,044
Other	1,383,277	1,209,123
Allowance for doubtful accounts	(7,110)	(69,271)
Total investments and other assets	3,083,000	3,031,822
Total noncurrent assets	19,112,922	16,861,268
Total assets	49,176,471	47,391,931

(Amount: thousands of yen)

	FY2008 (As of December 31, 2008)	FY2009 (As of December 31, 2009)
Liabilities		
Current liabilities		
Accounts payable-trade	3,694,320	3,736,609
Short-term loans payable	4,781,966	5,315,065
Income taxes payable	708,100	103,370
Provision for directors' bonuses	69,000	10,300
Provision for loss on withdrawal from pension fund	1,149,664	-
Other	2,966,113	2,738,806
Total current liabilities	13,369,164	11,904,151
Noncurrent liabilities		
Long-term loans payable	1,274,848	1,081,580
Provision for retirement benefits	1,134,728	1,203,497
Other	270,819	273,347
Total noncurrent liabilities	2,680,395	2,558,425
Total liabilities	16,049,560	14,462,576
Net assets		
Shareholders' equity		
Capital stock	6,923,075	6,923,075
Capital surplus	7,440,327	7,440,327
Retained earnings	21,790,201	21,334,711
Treasury stock	(1,521,227)	(1,521,304)
Total shareholders' equity	34,632,377	34,176,809
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(9,455)	77,121
Foreign currency translation adjustment	(1,496,010)	(1,324,576)
Total valuation and translation adjustments	(1,505,465)	(1,247,455)
Total net assets	33,126,911	32,929,354
Total liabilities and net assets	49,176,471	47,391,931

(2) Consolidated Statements of income

(Amount: thousands of yen)

	FY2008 (January 1, 2008 through December 31, 2008)	FY2009 (January 1, 2009 through December 31, 2009)
Net sales	62,537,972	49,892,645
Cost of sales	43,676,836	35,637,382
Gross profit	18,861,136	14,255,262
Selling, general and administrative expenses		
Advertising expenses	1,038,066	764,998
Promotion expenses	434,881	596,426
Provision of allowance for doubtful accounts	11,114	57,993
Salaries and bonuses	2,878,826	2,971,627
Provision for directors' bonuses	69,000	10,300
Retirement benefit expenses	110,747	106,485
Technical research expenses	3,135,621	2,713,834
Other	4,984,464	4,738,439
Total selling, general and administrative expenses	12,662,722	11,960,105
Operating income	6,198,413	2,295,157
Non-operating expenses		
Interest income	79,561	29,037
Gain on sales of investment securities	14	-
Insurance income	34,525	-
Other	146,160	153,006
Total non-operating income	260,261	182,043
Non-operating expenses		
Interest expenses	161,098	120,067
Foreign exchange losses	137,885	-
Loss on abandonment of inventories	226,384	-
Loss on retirement of noncurrent assets	38,312	13,783
Product compensation expenses	-	35,534
Other	52,855	44,066
Total non-operating expenses	616,536	213,451
Ordinary income	5,842,137	2,263,749
Extraordinary income		
Reversal of allowance for doubtful accounts	-	1,800
Total extraordinary income	-	1,800
Provision of reserve for loss on withdrawal from pension fund	1,149,664	-
Loss on valuation of investment securities	354,819	22,223
Loss on withdrawal from pension fund	-	1,130,776
Total extraordinary losses	1,504,483	1,153,000
Income before income taxes and minority interests	4,337,653	1,112,549
Income taxes-current	1,833,548	674,150
Income taxes-deferred	(525,155)	(204,145)
Total income taxes	1,308,392	470,004
Net income	3,029,260	642,545

(3) Consolidated statements of changes in net assets

(Amount: thousands of yen)

	FY2008 (January 1, 2008 through December 31, 2008)	FY2009 (January 1, 2009 through December 31, 2009)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	6,923,075	6,923,075
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	6,923,075	6,923,075
Capital surplus		
Balance at the end of previous period	7,440,327	7,440,327
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	7,440,327	7,440,327
Retained earnings		
Balance at the end of previous period	20,453,466	21,790,201
Changes of items during the period		
Dividends from surplus	(1,692,525)	(1,098,035)
Net income	3,029,260	642,545
Total changes of items during the period	1,336,735	(455,490)
Balance at the end of current period	21,790,201	21,334,711
Treasury stock		
Balance at the end of previous period	(21,042)	(1,521,227)
Changes of items during the period		
Purchase of treasury stock	(1,500,185)	(77)
Total changes of items during the period	(1,500,185)	(77)
Balance at the end of current period	(1,521,227)	(1,521,304)
Total shareholders' equity		
Balance at the end of previous period	34,795,826	34,632,377
Changes of items during the period		
Dividends from surplus	(1,692,525)	(1,098,035)
Net income	3,029,260	642,545
Purchase of treasury stock	(1,500,185)	(77)
Total changes of items during the period	(163,449)	(455,567)
Balance at the end of current period	34,632,377	34,176,809

(Amount: thousands of yen)

	FY2008 (January 1, 2008 through December 31, 2008)	FY2009 (January 1, 2009 through December 31, 2009)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	117,563	(9,455)
Change of items during the period		
Net changes of items other than shareholders' equity	(127,019)	86,577
Total changes of items during the period	(127,019)	86,577
Balance at the end of current period	(9,455)	77,121
Foreign currency translation adjustment		
Balance at the end of previous period	347,997	(1,496,010)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,844,007)	171,433
Total changes of items during the period	(1,844,007)	171,433
Balance at the end of current period	(1,496,010)	(1,324,576)
Total valuation and translation adjustments		
Balance at the end of previous period	465,560	(1,505,465)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,971,026)	258,010
Total changes of items during the period	(1,971,026)	258,010
Balance at the end of current period	(1,505,465)	(1,247,455)
Total net assets		
Balance at the end of previous period	35,261,387	33,126,911
Changes of items during the period		
Dividends from surplus	(1,692,525)	(1,098,035)
Net income	3,029,260	642,545
Purchase of treasury stock	(1,500,185)	(77)
Net changes of items other than shareholders' equity	(1,971,026)	258,010
Total changes of items during the period	(2,134,476)	(197,556)
Balance at the end of current period	33,126,911	32,929,354

(4) Consolidated statements of cash flows

(Amount: thousands of yen)

	FY2008 (January 1, 2008 through December 31, 2008)	FY2009 (January 1, 2009 through December 31, 2009)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	4,337,653	1,112,549
Depreciation and amortization	4,100,322	3,963,323
Increase (decrease) in provision for directors' bonuses	(2,000)	(58,700)
Increase (decrease) in reserve for loss on withdrawal from pension fund	1,149,664	(1,149,664)
Increase (decrease) in provision for retirement benefits	30,226	68,805
Interest and dividends income	(93,020)	(45,978)
Interest expenses	161,098	120,067
Loss on retirement of property, plant and equipment	38,312	13,783
Loss (gain) on sales of investment securities	(14)	-
Loss (gain) on valuation of investment securities	354,819	22,223
Decrease (increase) in notes and accounts receivable-trade	1,124,436	(24,147)
Decrease (increase) in inventories	(1,611,123)	970,277
Increase (decrease) in notes and accounts payable-trade	(319,769)	7,388
Other, net	(81,966)	389,369
Subtotal	9,188,640	5,389,296
Interest and dividends income received	92,820	44,652
Interest expenses paid	(167,886)	(122,650)
Income taxes paid	(2,165,954)	(1,584,244)
Net cash provided by (used in) operating activities	6,947,620	3,727,055
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(4,600,303)	(1,715,380)
Purchase of intangible assets	(350,941)	(131,788)
Purchase of investment securities	(780,942)	(301,243)
Proceeds from sales of investment securities	37	300,000
Payments of loans receivable	(7,700)	(20,608)
Collection of loans receivable	19,160	23,509
Other, net	(52,329)	16,218
Net cash provided by (used in) investing activities	(5,773,020)	(1,829,293)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	388,687	630,101
Proceeds from long-term loans payable	1,200,000	1,000,000
Repayment of long-term loans payable	(1,494,802)	(1,330,327)
Purchase of treasury stock	(1,500,185)	(77)
Cash dividends paid	(1,693,166)	(1,100,266)
Other, net	(1,111)	(1,380)
Net cash provided by (used in) financing activities	(3,100,578)	(801,949)
Effect of exchange rate change on cash and cash equivalents	(842,896)	39,141
Net increase (decrease) in cash and cash equivalents	(2,768,875)	1,134,954
Cash and cash equivalents at beginning of period	13,520,940	10,752,065
Cash and cash equivalents at end of period	10,752,065	11,887,019

(Segment Information)

a. Business Segment Information

FY2008 (January 1, 2008 through December 31, 2008)

(Amount: thousands of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	28,938,045	25,014,188	8,585,739	62,537,972	-	62,537,972
(2) Intersegment sales	-	-	-	-	-	-
Total	28,938,045	25,014,188	8,585,739	62,537,972	-	62,537,972
Operating expenses	25,437,241	21,507,571	7,241,603	54,186,416	2,153,142	56,339,559
Operating income	3,500,803	3,506,617	1,344,135	8,351,555	(2,153,142)	6,198,413
Assets	21,040,153	11,407,163	6,046,199	38,493,516	10,682,954	49,176,471
Depreciation	1,937,033	1,469,319	649,342	4,055,696	44,625	4,100,322
Capital expenditure	2,064,894	1,980,768	659,087	4,704,751	67,511	4,772,262

FY2009 (January 1, 2009 through December 31, 2009)

(Amount: thousands of yen)

	Photographic Products	Optical Components	Commercial/ Industrial use optics	Total	Eliminations and/or corporate	Consolidated
Net sales :						
(1) Sales to external customers	29,422,071	12,956,926	7,513,646	49,892,645	-	49,892,645
(2) Intersegment sales	-	-	-	-	-	-
Total	29,422,071	12,956,926	7,513,646	49,892,645	-	49,892,645
Operating expenses	25,993,369	12,919,885	6,787,306	45,700,560	1,896,926	47,597,487
Operating income	3,428,702	37,041	726,340	4,192,084	(1,896,926)	2,295,157
Assets	21,581,327	7,522,329	6,587,879	35,691,536	11,700,394	47,391,931
Depreciation	2,038,237	1,287,899	586,247	3,912,384	50,938	3,963,323
Capital expenditure	1,115,130	446,783	191,646	1,753,560	20,740	1,774,301

b. Geographical Segment Information

FY2008 (January 1, 2008 through December 31, 2008)

(Amount: thousands of yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Net sales :							
(1) Sales to external customers	47,896,732	4,784,994	7,399,399	2,456,846	62,537,972	-	62,537,972
(2) Intersegment sales	10,517,635	-	140	29,188,411	39,706,186	(39,706,186)	-
Total	58,414,367	4,784,994	7,399,540	31,645,257	102,244,159	(39,706,186)	62,537,972
Operating expenses	53,223,128	4,533,916	6,569,057	29,389,919	93,716,022	(37,376,462)	56,339,559
Operating income	5,191,238	251,077	830,482	2,255,337	8,528,137	(2,329,724)	6,198,413
Assets	25,177,386	2,347,242	3,247,497	11,613,911	42,386,038	6,790,433	49,176,471

FY2009 (January 1, 2009 through December 31, 2009)

(Amount: thousands of yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Net sales :							
(1) Sales to external customers	33,808,280	4,385,561	8,647,392	3,051,410	49,892,645	-	49,892,645
(2) Intersegment sales	11,561,606	3,210	713	22,545,423	34,110,953	(34,110,953)	-
Total	45,369,887	4,388,771	8,648,106	25,596,833	84,003,599	(34,110,953)	49,892,645
Operating expenses	43,893,504	4,213,704	7,916,626	23,833,464	79,857,298	(32,259,811)	47,597,487
Operating income	1,476,383	175,067	731,480	1,763,369	4,146,300	(1,851,142)	2,295,157
Assets	21,624,538	2,445,710	4,323,018	11,196,545	39,589,812	7,802,118	47,391,931

Note:

1. Country and regional segments are classified on the basis of geographical proximity.
2. Principal markets in the above designated areas
 - (1) North America: U.S.A.
 - (2) Europe: Germany, France
 - (3) Asia: Hong Kong, China

c. Overseas Sales

FY2008 (January 1, 2008 through December 31, 2008)

(Amount: thousands of yen)

	North America	Europe	Asia	Total
Overseas sales	5,246,528	8,580,864	22,903,418	36,730,811
Consolidated sales				62,537,972
Percentage of consolidated sales (%)	8.4	13.7	36.6	58.7

FY2009 (January 1, 2009 through December 31, 2009)

(Amount: thousands of yen)

	North America	Europe	Asia	Total
Overseas sales	5,508,091	9,189,973	19,278,497	33,976,561
Consolidated sales				49,892,645
Percentage of consolidated sales (%)	11.0	18.4	38.7	68.1

Note:

1. Country and regional segments are classified on the basis of geographical proximity.
2. Principal markets in the above designated areas
 - (1) North America: U.S.A.
 - (2) Europe: Germany, France
 - (3) Asia: Hong Kong, China
3. Overseas sales represent those of Tamron Co., Ltd. and consolidated companies in countries and regions other than Japan.