

1st Quarter FY2010 Consolidated Financial Results

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for 1st Quarter FY2010 (January 1, 2010 through March 31, 2010)

(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 FY2010	11,168	(20.7)	705	-	709	-	447	-
1Q FY2009	9,252	-	(485)	-	(546)	-	(677)	-

	Quarterly net income(loss) per share –Basic		Quarterly net income(loss) per share –Diluted	
	Yen		Yen	
1Q FY2010	16.32		-	
1Q FY2009	(24.70)		-	

(2) Consolidated financial position

	Total assets		Total net assets		Ratio of net assets		Net assets per share	
	Million yen		Million yen		%		Yen	
1Q FY2010	48,419		32,756		67.7		1,193.28	
FY2009	47,391		32,929		69.5		1,199.58	

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
FY2009	-	15.00	-	25.00	40.00
FY2010	-				
FY2010 (forecast)		-	-	-	-

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

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

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st Half FY2010	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 quarterly balance sheets

(Amount: thousands of yen)

	1st Quarter FY2010 (As of March 31, 2010)	FY2009 (As of December 31, 2009)
Assets		
Current assets		
Cash and deposits	10,819,627	11,887,019
Notes and accounts receivable-trade	10,654,761	9,566,922
Finished goods	4,430,086	4,323,744
Work in process	2,347,112	1,248,922
Raw materials and supplies	1,524,197	1,479,295
Deferred tax assets	897,024	916,514
Other	1,300,204	1,165,739
Allowance for doubtful accounts	(54,895)	(57,496)
Total current assets	31,918,119	30,530,662
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,411,199	8,461,764
Accumulated depreciation	(4,475,478)	(4,399,799)
Buildings and structures, net	3,935,721	4,061,964
Machinery, equipment and vehicles	12,836,885	12,688,540
Accumulated depreciation	(7,543,682)	(7,363,708)
Machinery, equipment and vehicles, net	5,293,203	5,324,832
Tools, furniture and fixtures	12,550,988	12,451,142
Accumulated depreciation	(10,491,667)	(10,224,678)
Tools, furniture and fixtures, net	2,059,320	2,226,463
Other	1,218,492	1,059,376
Total property, plant and equipment	12,506,736	12,672,637
Intangible assets	1,078,573	1,156,808
Investments and other assets		
Investment securities	1,334,553	1,190,926
Deferred tax assets	530,538	701,044
Other	1,119,873	1,209,123
Allowance for doubtful accounts	(69,332)	(69,271)
Total investments and other assets	2,915,632	3,031,822
Total noncurrent assets	16,500,942	16,861,268
Total assets	48,419,062	47,391,931

(Amount: thousands of yen)

	1st Quarter FY2010 (As of March 31, 2010)	FY2009 (As of December 31, 2009)
Liabilities		
Current liabilities		
Accounts payable-trade	3,966,235	3,736,609
Short-term loans payable	5,404,805	5,315,065
Income taxes payable	144,272	103,370
Provision for directors' bonuses	12,500	10,300
Other	3,003,751	2,738,806
Total current liabilities	12,531,565	11,904,151
Noncurrent liabilities		
Long-term loans payable	1,691,788	1,081,580
Provision for retirement benefits	1,165,682	1,203,497
Other	273,631	273,347
Total noncurrent liabilities	3,131,101	2,558,425
Total liabilities	15,662,667	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	21,096,414	21,334,711
Treasury stock	(1,521,408)	(1,521,304)
Total shareholders' equity	33,938,408	34,176,809
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	162,546	77,121
Foreign currency translation adjustment	(1,344,560)	(1,324,576)
Total valuation and translation adjustments	(1,182,013)	(1,247,455)
Total net assets	32,756,394	32,929,354
Total liabilities and net assets	48,419,062	47,391,931

(2) Consolidated quarterly statements of income

(Amount: thousands of yen)

	1st Quarter FY2009 (January 1, 2009 through March 31, 2009)	1st Quarter FY2010 (January 1, 2010 through March 31, 2010)
Net sales	9,252,751	11,168,268
Cost of sales	6,831,310	7,442,945
Gross profit	2,421,440	3,725,323
Selling, general and administrative expenses	2,906,584	3,019,853
Operating income (loss)	(485,143)	705,470
Non-operating income		
Interest income	7,821	4,885
Other	34,364	25,075
Total non-operating income	42,185	29,961
Non-operating expenses		
Interest expenses	34,071	21,606
Foreign exchange losses	23,159	3,312
Product compensation expenses	32,005	-
Other	13,990	1,411
Total non-operating expenses	103,227	26,331
Ordinary income(loss)	(546,185)	709,100
Extraordinary income		
Reversal of allowance for doubtful accounts	3,575	1,117
Total extraordinary income	3,575	1,117
Income (loss) before income taxes	(542,610)	710,218
Income taxes	135,293	262,244
Net income (loss)	(677,903)	447,973

(4) Consolidated quarterly statements of cash flows

(Amount: thousands of yen)

	1st Quarter FY2009 (January 1, 2009 through March 31, 2009)	1st Quarter FY2010 (January 1, 2010 through March 31, 2010)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	(542,610)	710,218
Depreciation and amortization	906,394	748,196
Increase (decrease) in allowance for doubtful accounts	40,583	(2,755)
Increase (decrease) in provision for retirement benefits	11,511	(37,901)
Interest and dividends income	(7,821)	(4,885)
Interest expenses	34,071	21,606
Decrease (increase) in notes and accounts receivable-trade	1,806,369	(1,202,234)
Decrease (increase) in inventories	(217,589)	(1,279,396)
Increase (decrease) in notes and accounts payable-trade	(1,584,906)	212,173
Other, net	51,061	408,810
Subtotal	497,064	(426,168)
Interest and dividends income received	6,561	6,260
Interest expenses paid	(36,169)	(22,399)
Income taxes paid	(644,425)	(124,459)
Net cash provided by (used in) operating activities	(176,969)	(566,765)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(648,164)	(426,079)
Purchase of intangible assets	(51,763)	(5,162)
Other, net	732	(21,651)
Net cash provided by (used in) investing activities	(699,195)	(452,893)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(130,807)	-
Proceeds from long-term loans payable	500,000	1,001,040
Repayment of long-term loans payable	(376,169)	(315,692)
Cash dividends paid	(685,950)	(686,905)
Other, net	(818)	(103)
Net cash provided by (used in) financing activities	(693,746)	(1,661)
Effect of exchange rate change on cash and cash equivalents	124,415	(46,071)
Net increase (decrease) in cash and cash equivalents	(1,445,494)	(1,067,391)
Cash and cash equivalents at beginning of period	10,752,065	11,887,019
Cash and cash equivalents at end of period	9,306,570	10,819,627

(Segment Information)

a. Business Segment Information

1st Quarter FY2009 (January 1, 2009 through March 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	4,926,030	2,672,077	1,654,643	9,252,751	-	9,252,751
(2) Intersegment sales	-	-	-	-	-	-
Total	4,926,030	2,672,077	1,654,643	9,252,751	-	9,252,751
Operating income (loss)	204,954	(389,023)	177,298	(6,770)	(478,373)	(485,143)

1st Quarter FY2010 (January 1, 2010 through March 31, 2010)

(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	6,772,793	2,547,478	1,847,997	11,168,268	-	11,168,268
(2) Intersegment sales	-	-	-	-	-	-
Total	6,772,793	2,547,478	1,847,997	11,168,268	-	11,168,268
Operating income	537,278	370,540	254,074	1,161,893	(456,423)	705,470

Note:

1. Business segmentation

Main products by business segment are as follows:

(1) Photo graphic products

Interchangeable lenses for SLR camera

(2) Optical components

Camcorder lenses, digital still camera lenses, cellular phone camera lenses

(3) Commercial/industrial-use optics

Lenses for CCTV cameras, automotive lenses, injection-molded parts & components, test plates, optical device units

b. Geographical Segment Information

1st Quarter FY2009 (January 1, 2009 through March 31, 2009)

(Amount: thousands of yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Net sales :							
(1) Sales to external customers	6,041,698	1,061,176	1,585,406	564,469	9,252,751	-	9,252,751
(2) Intersegment sales	2,094,472	2,835	-	3,904,247	6,001,555	(6,001,555)	-
Total	8,136,171	1,064,012	1,585,406	4,468,716	15,254,307	(6,001,555)	9,252,751
Operating income	(430,642)	(18,128)	91,465	201,350	(155,955)	(329,188)	(485,143)

1st Quarter FY2010 (January 1, 2010 through March 31, 2010)

(Amount: thousands of yen)

	Japan	North America	Europe	Asia	Total	Eliminations and/or corporate	Consolidated
Net sales :							
(1) Sales to external customers	7,648,794	995,220	1,673,295	850,958	11,168,268	-	11,168,268
(2) Intersegment sales	2,259,594	-	-	5,438,805	7,698,399	(7,698,399)	-
Total	9,908,389	995,220	1,673,295	6,289,763	18,866,668	(7,698,399)	11,168,268
Operating income	813,236	12,919	94,057	523,920	1,444,133	(738,663)	705,470

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

1st Quarter FY2009 (January 1, 2009 through March 31, 2009) (Amount: thousands of yen)

	North America	Europe	Asia	Total
Overseas sales	1,113,327	1,720,476	2,793,025	5,626,829
Consolidated sales				9,252,751
Percentage of consolidated sales (%)	12.0	18.6	30.2	60.8

1st Quarter FY2010 (January 1, 2010 through December 31, 2010) (Amount: thousands of yen)

	North America	Europe	Asia	Total
Overseas sales	1,274,668	1,812,840	5,080,341	8,167,849
Consolidated sales				11,168,268
Percentage of consolidated sales (%)	11.4	16.2	45.5	73.1

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., Canada
 - (2) Europe: Germany, U.K., France, Northern Europe and other European countries
 - (3) Asia: Hong Kong, China and other Asian countries
3. Overseas sales represent those of Tamron Co., Ltd. and consolidated companies in countries and regions other than Japan.