

Financial Statements

Briefing Session for 2012/03 Term

(From April 1, 2011 to March 31, 2012)



May 15, 2012

- I . Overview of Consolidated Financial Results for 2012/03 Term
- II . Business Outlook
- III . Forecast of Consolidated Financial Results for 2013/03 Term

**I . Overview of Consolidated Financial Results for
2012/03 Term**

II . Business Outlook

III . Forecast of Consolidated Financial Results for
2013/03 Term

Consolidated Financial Statements for 2012/03 Term Highlights (Part1)

(¥ Million)	2012/03 Term	2011/03 Term	Year-on-year percentage change	Estimated value of business results (Nov. 11, 2011)
Sales Amount	4,781	4,779	+0.0%	4,830
Precision Machinery	1,111	893	+24.4%	1,030
Fiber Optic Components & Instrumental	3,670	3,886	△5.5%	3,800
Operating Profit	3	△164	—	20
Ordinary Profit	45	△19	—	20
Net Profit	33	△512	—	0

Consolidated Financial Statements for 2012/03 Term Highlights (Part2)

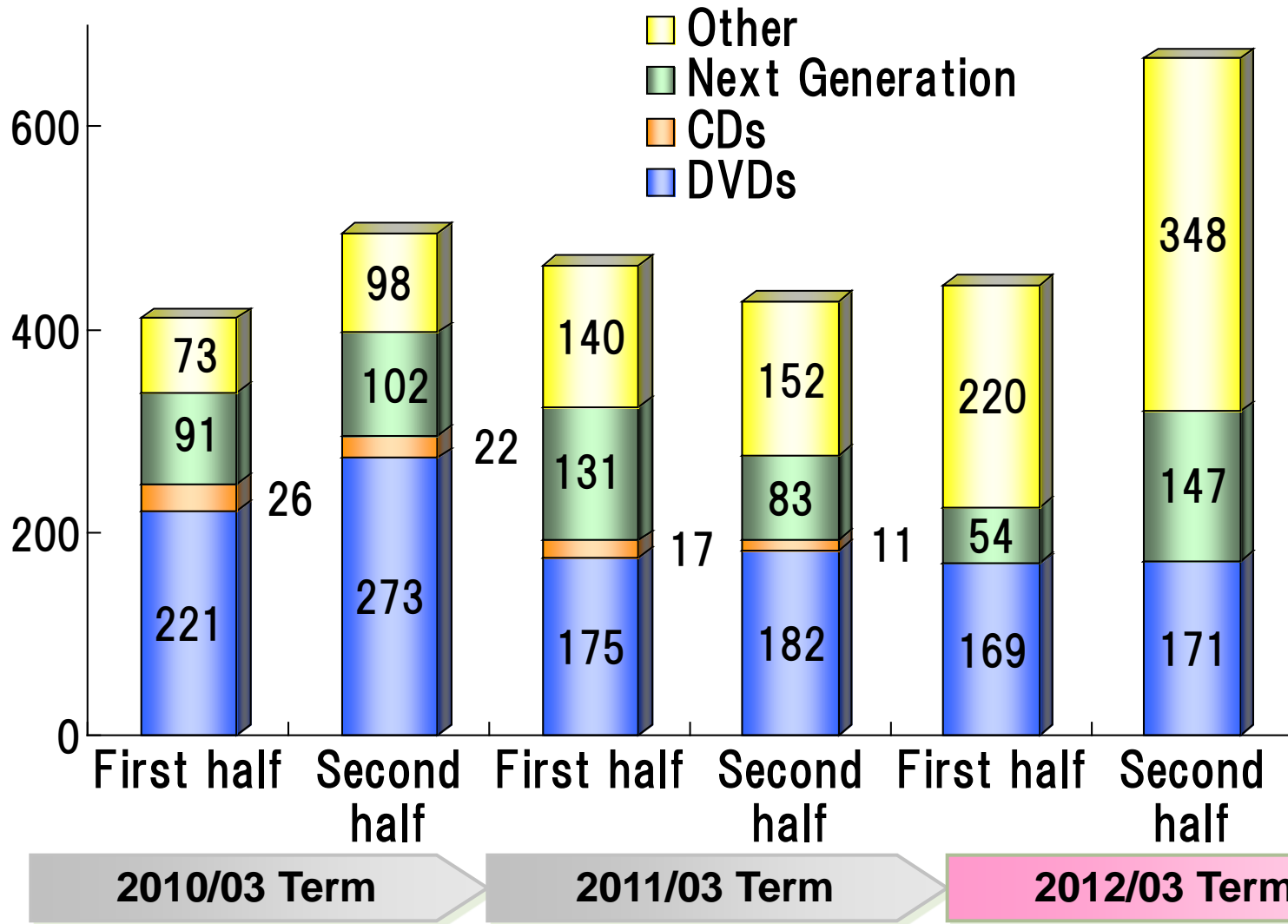
(¥ Million)	2012/03 Term	2011/03 Term	Year-on-year percentage change
Orders Received	4,736	4,871	Δ2.8%
Orders Backlog	454	499	Δ9.0%
Equipment Investment	278	320	Δ13.2%
Depreciation Expenses	245	287	Δ14.4%
R & D Expenses	248	435	Δ42.9%

Business Results by Segment/ Precision Machinery

(¥ Million)	2012/03 Term	2011/03 Term	Year-on-year percentage change
Sales Amount	1,111	893	+24.4%
Operating Expenses	1,284	1,248	+2.9%
Operating Profit	△173	△354	—
Operating Profit Ratio	△15.6%	△39.7%	+24.1%

Sales Amounts by Product / Precision Machinery

¥ Million

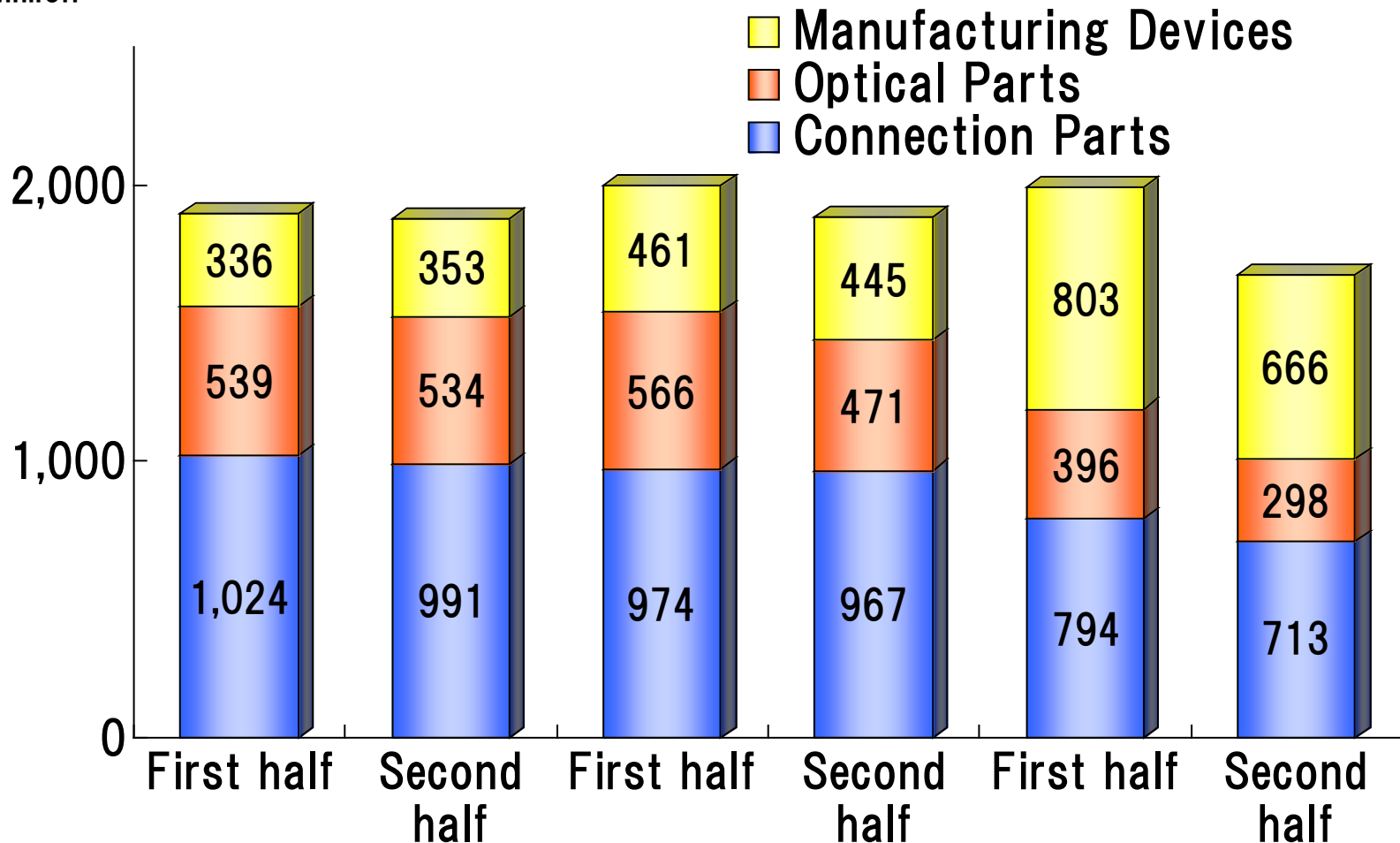


Business Results by Segment/ Fiber Optic Components & Instrumental

(¥ Million)	2012/03 Term	2011/03 Term	Year-on-year percentage change
Sales Amount	3,670	3,886	△5.5%
Operating Expenses	3,493	3,695	△5.5%
Operating Profit	177	190	△6.8%
Operating Profit Ratio	4.8%	4.9%	△0.1%

Sales Amounts by Product / Fiber Optic Components & Instrumental

¥ Million



2010/03 Term

2011/03 Term

2012/03 Term

Consolidated Balance Sheet

(¥ Million) [Assets]	2012/03 Term	2011/03 Term	Amount (Increase/Decrease)
Current Assets	15,363	15,203	+160
Fixed Assets	5,316	5,385	△68
Total Assets	20,680	20,588	+91
[Liabilities and Net Assets]			
Current Liabilities	733	681	+51
Fixed Liabilities	627	600	+27
Net Assets	19,319	19,306	+12
Total Liabilities/ Net Assets	20,680	20,588	+91

Consolidated Cash Flow Statement

(¥ Million)	2012/03 Term	2011/03 Term
CF - Operating	Δ109	Δ320
CF - Investing	Δ38	391
CF- Financing	0	0
Increase in Cash	Δ165	Δ46
Balance at the beginning of term	1,624	1,671
Balance at the end of term	1,459	1,624

I . Overview of Consolidated Financial Results for
2012/03 Term

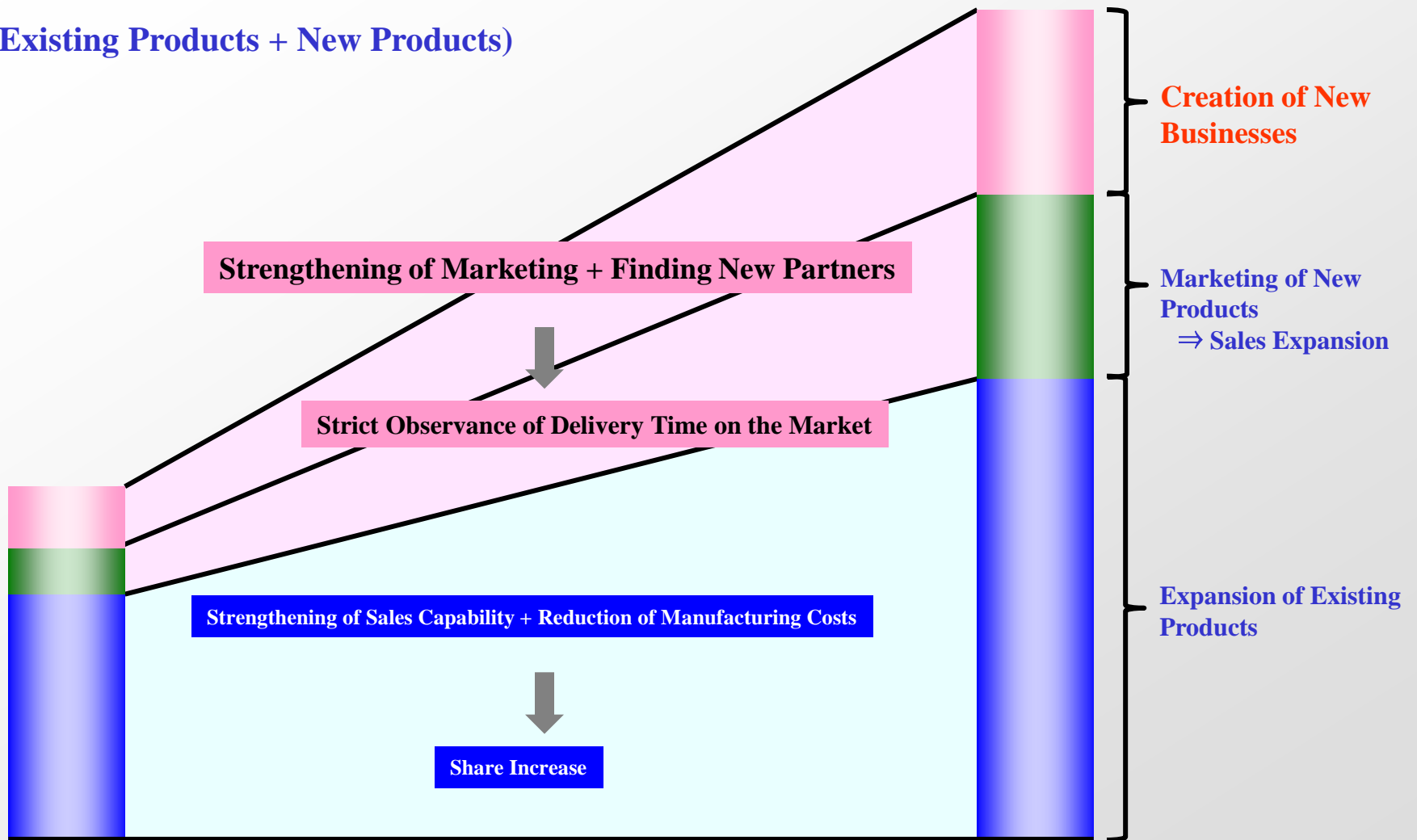
II . Business Outlook

III . Forecast of Consolidated Financial Results for
2013/03 Term

Image of Long-Run Development

Expansion of Existing Business + Creation of New Businesses

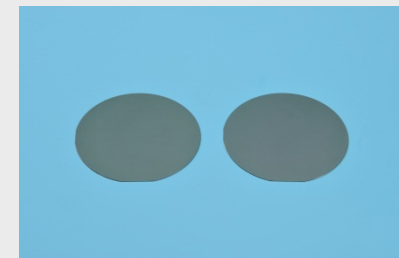
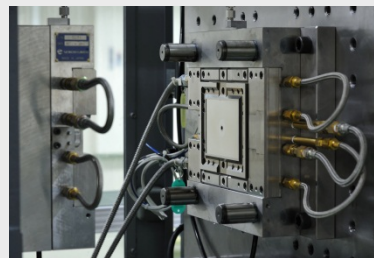
(Existing Products + New Products)



Business Plans for Precision Machinery

Break through, not only optical disc mold business

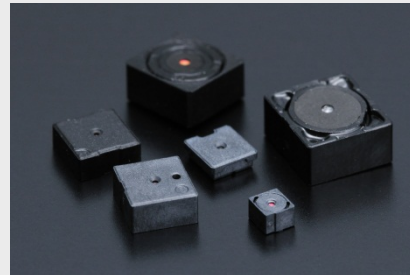
- **Maintain optical disc mold business**
- **Expansion into high-value added molds business**
- **Development of mass production technology for nano level molding and thin & flat molding**
- **Expansion of precision polishing business on SiC wafer etc.**



Business Plans for Micro Imaging Device

Develop Mass-Production Capability & Promote New Applications

- **Ensure Smooth Development of Mass-Production Capability in Hangzhou Facility**
- **Promote New Sales Accounts**
- **Develop High-Pixel Lenses**
- **Promote Non-Smart Phone/Non-Mobile Phone Applications**



Business Plans for Fiber Optic Components & Instrumental

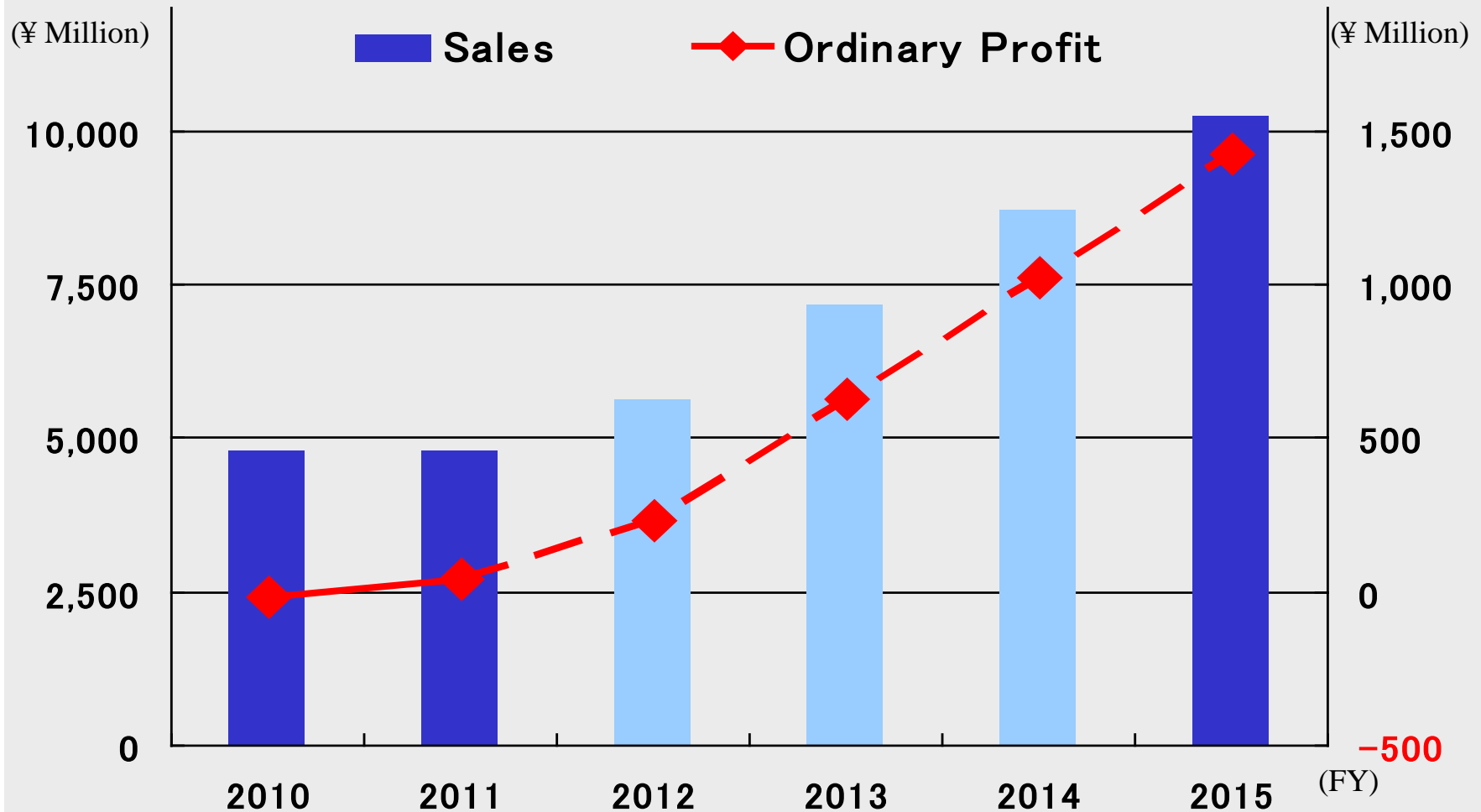
Sales Emphasis on Growing Market Reinforce Price Competitiveness

- Sales emphasis on China and developing markets
- Promote MPO connector and new polishing machine
- Drastically reduce procurement and production cost



Performance Targets for FY2010 to FY2015

Achieve sales of ¥10 billion and an ordinary profit of ¥1.4 billion for FY2015



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Management Policies for Fiscal Year Ending March 2013

- 1) Establish corporate structures
conductive to black figures**
- 2) Strengthen business platform**
 - (1) Strengthen sales capabilities**
 - (2) Strengthen price competitiveness**
- 3) Create new businesses and new products**

Forecast of Consolidated Business Results for 2013./03 Term

(¥ Million)	First half	Second half	Forecast of the 2013/03 Term	Results for the 2012/03 Term
Sales Amount	2,660	2,960	5,620	4,781
Operating Profit	0	170	170	3
Ordinary Profit	30	200	230	45
Net profit	△20	130	110	33
Equipment Investment			191	278
Depreciation Expenses			253	245
R & D Expenses			186	248

Forecast of Consolidated Business Results (by Segment) for 2013/03 Term

(¥ Million)	Forecast of the First half	Forecast of the Second half	Forecast of the full year	Results for the previous term	Year-on-year percentage change
The Relation of Precision Machinery					
Sales Amount	800	960	1,760	1,111	+58%
Operating Expenses	820	960	1,780	1,284	+39%
Operating Profit	△20	0	△20	△173	—
The Relation of Optical Communications					
Sales Amount	1,860	2,000	3,860	3,670	+5%
Operating Expenses	1,840	1,830	3,670	3,493	+5%
Operating Profit	20	170	190	177	+7%

