

FY2009 Financial Results

- I. FY2009 ended March 2010 Financial Results
- II. FY2010 Full Year Plan

Finetech Business

Positioning Business

Eye Care Business

April 28, 2010

TOPCON CORPORATION

CFO Takayuki Ogawa



FY2009 ended March 2010 Financial Results

Consolidated Financial Results

(billion yen)	2009/3 Actual	2010/3 Actual	YoY (%)	Point (YoY)
Net Sales	112.6	94.8	84%	<ul style="list-style-type: none"> - World Economic Downturn, Lower Sales Volume - Yen Strength + Stable Growth in Chinese Market (Except Projectors)
Gross Income on Sales	39.0	40.2	103%	
SGA	45.9	38.8	85%	
Operating Income (Loss)	(6.9)	1.4	—%	<ul style="list-style-type: none"> + Change in Product Mix + Reduction in Fixed Cost - Lower Sales Volume, Yen Strength
OP Ratio	—%	1.5%		
Non-Operating Expenses	(2.3)	(0.8)	—	<ul style="list-style-type: none"> + Gain on Sales of Properties + Reversal of Allowance for Doubtful Accounts - Liquidation of Affiliated Company
Ordinary Income (Loss)	(9.3)	0.5	—%	
Extraordinary Income (Loss)	(1.2)	1.5	—%	
Income before income taxes and minority interests	(10.5)	2.0	—%	
Net income	(9.9)	0.1	—%	
Dividends (¥)	¥10	¥4		

Financial Results by Segment

Positioning

Eye Care

Finetech

Net Sales (Consolidated)

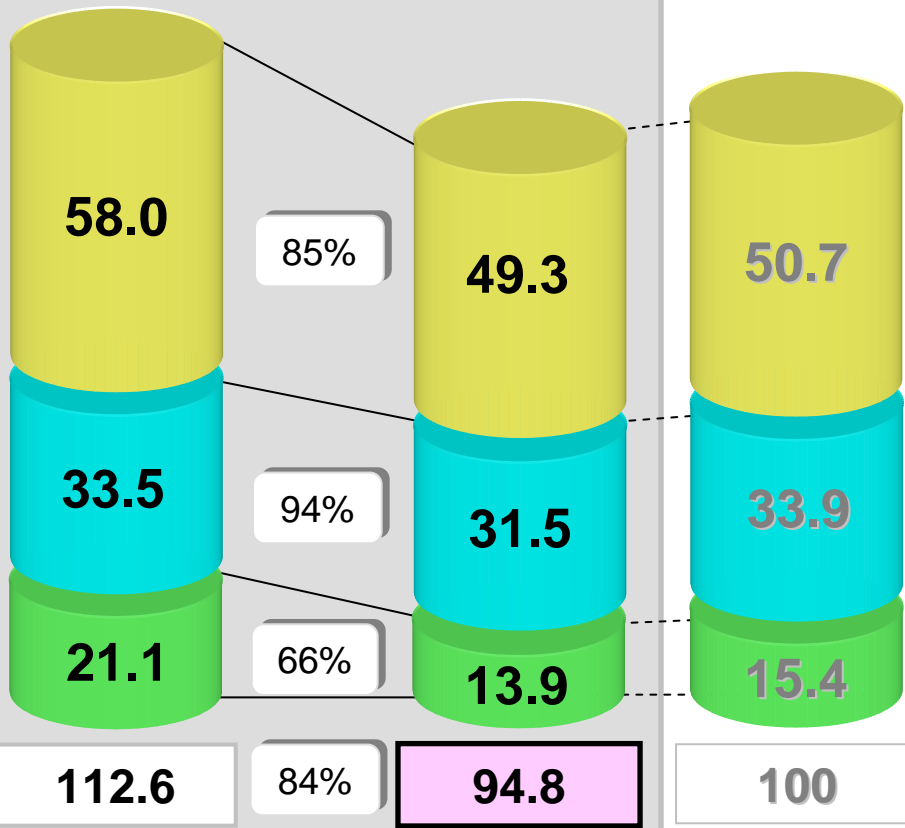
(billion yen)

2009/3
Actual

YoY
(%)

2010/3
Actual

2009/10/30
Announcement



Operating Income (Consolidated)

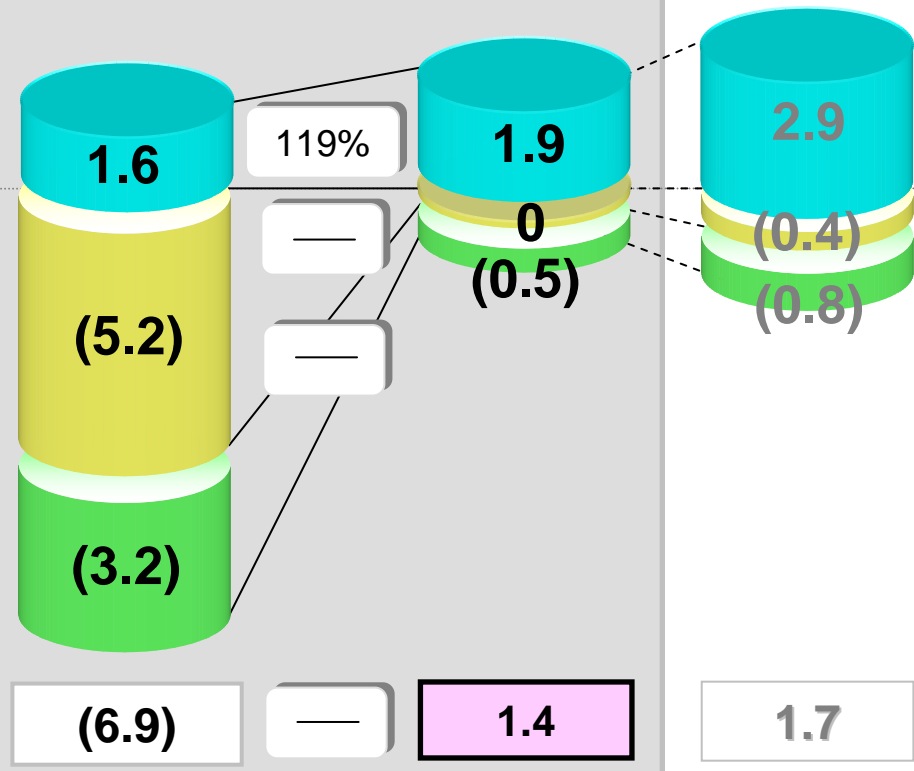
(billion yen)

2009/3
Actual

YoY
(%)

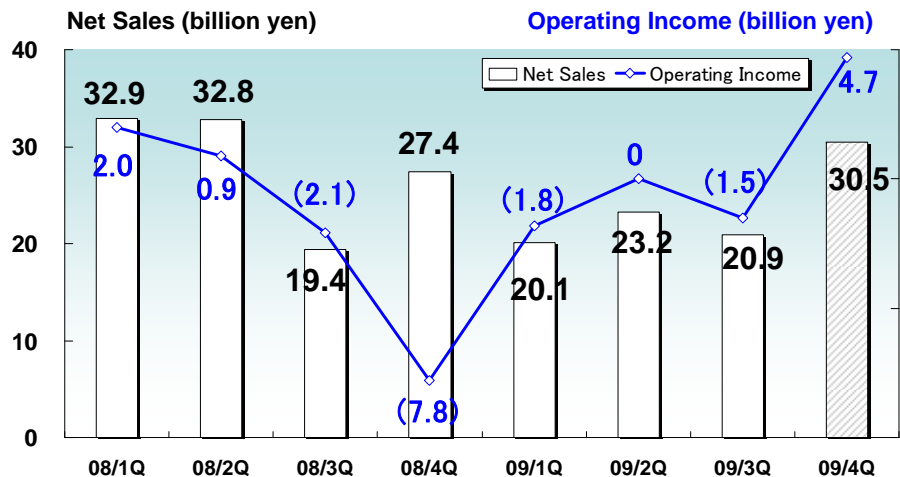
2010/3
Actual

2009/10/30
Announcement

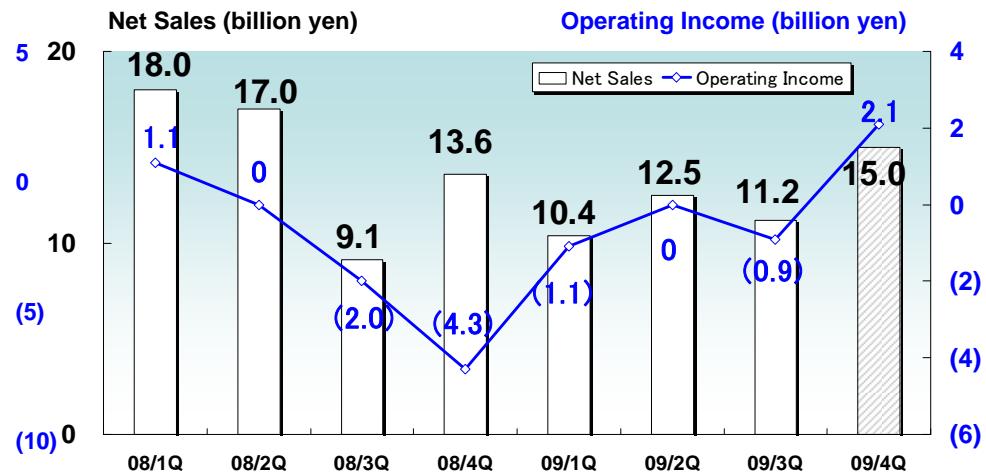


Financial Results (Quarterly)

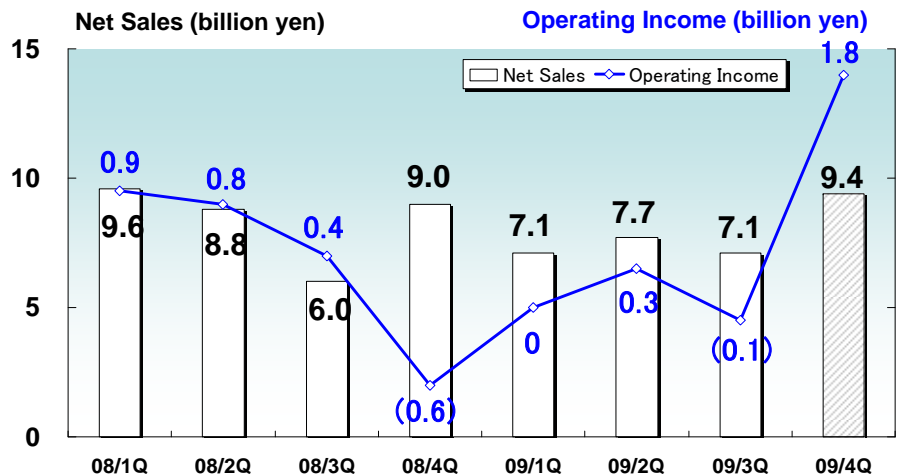
1. Consolidated



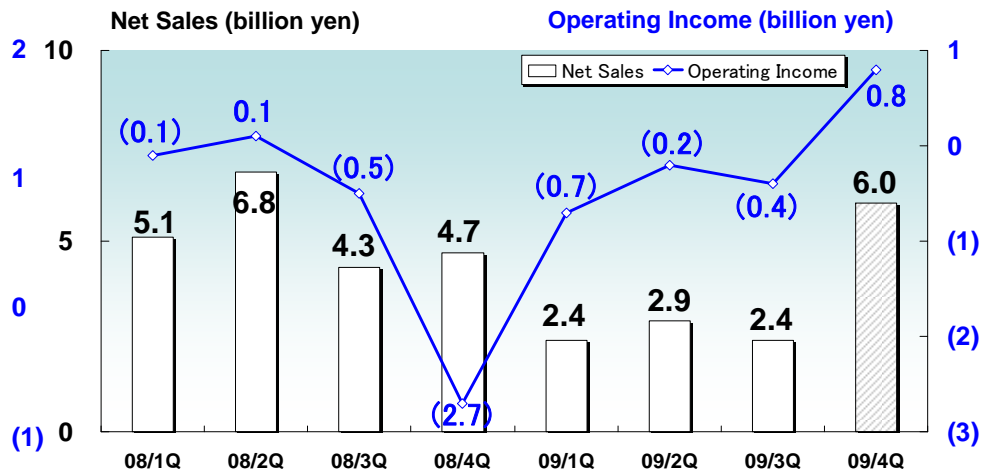
2. Positioning



3. Eye Care

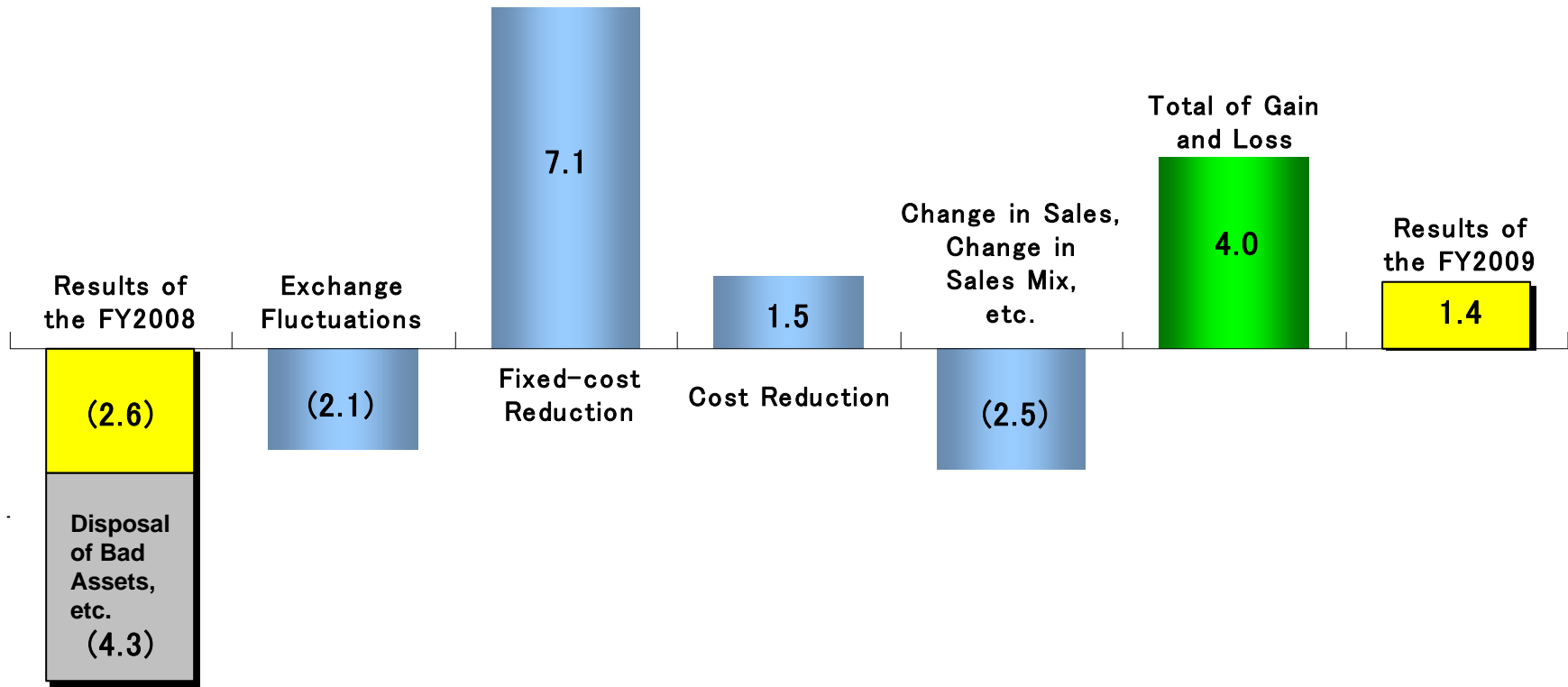


4. Finetech



Analysis of Gain and Loss in Operating Income (YoY)

[Consolidated] (FY2008 → FY2009) (billion yen)
 (codes are based on gain and loss)



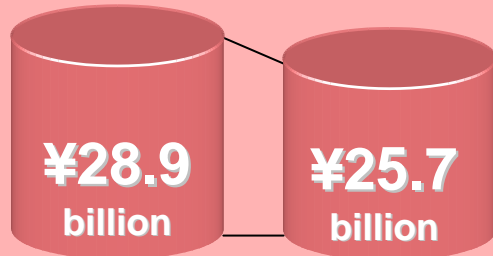
Impact from Currency Exchange (Compared with Original Plan)

	Exchange Rate in FY2009		Total Amount of Impact	
	Assumed Rate for FY 2009	Average Exchange Rate	Net Sales	Operating Income
US\$	¥90	¥93.04	¥1.4 billion	¥0.5 billion
EUR	¥120	¥130.62	¥1.8 billion	¥0.6 billion
Total			¥3.2 billion	¥1.1 billion

* We applied the average exchange rate from 1Q FY2009

Domestic and Overseas Sales (YoY)

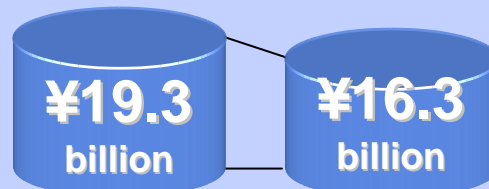
Japan



FY2008

FY2009

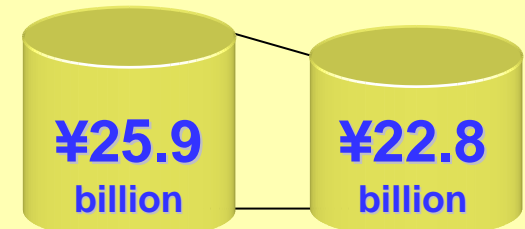
North America



FY2008

FY2009

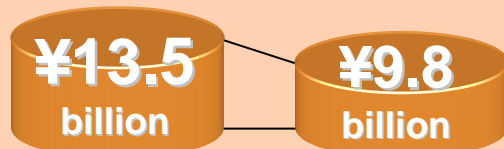
Europe



FY2008

FY2009

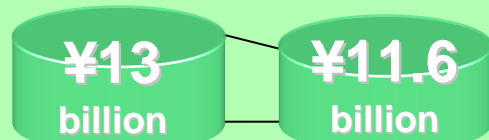
China



FY2008

FY2009

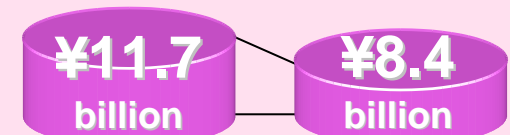
Asia & Oceania



FY2008

FY2009

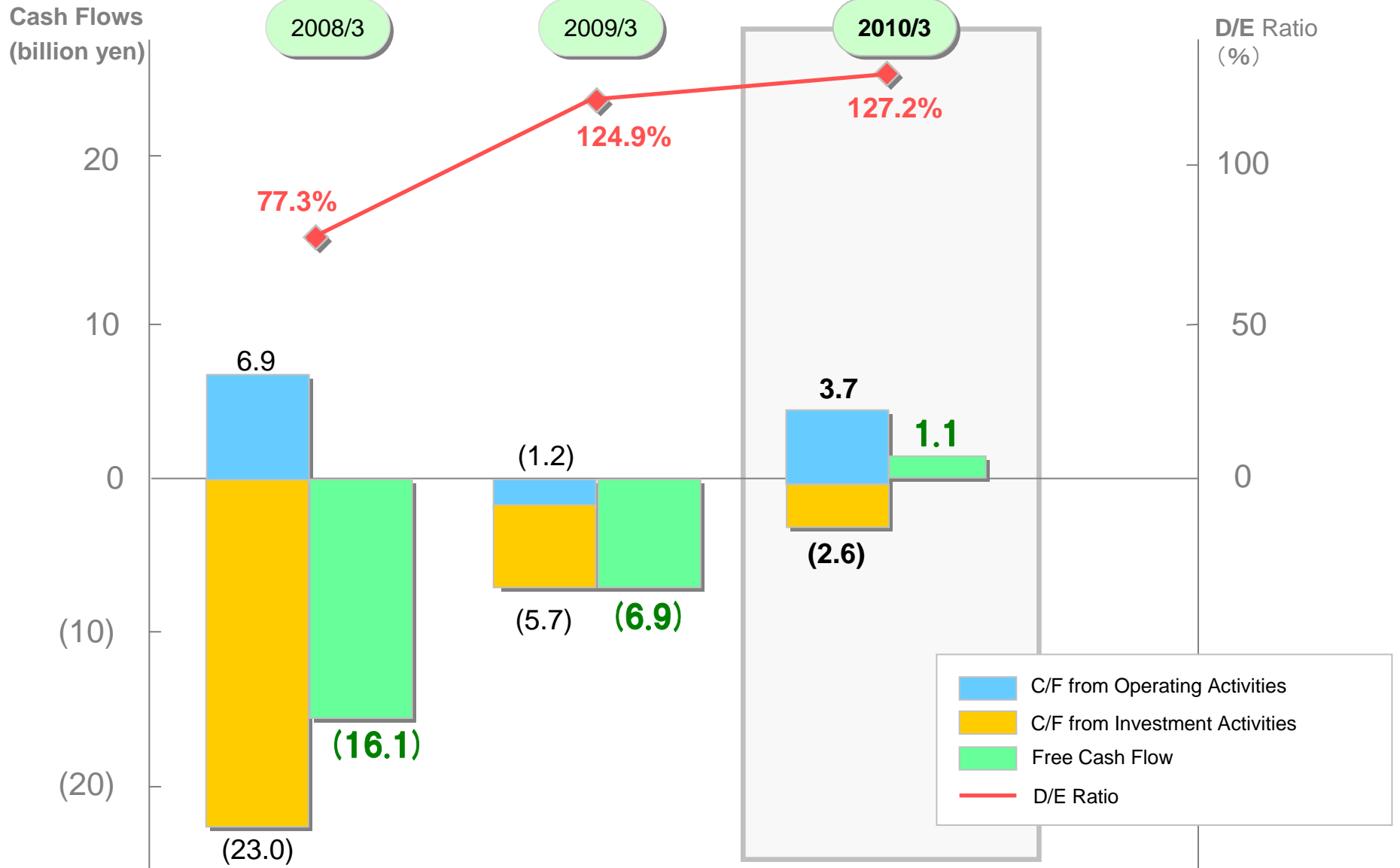
Others



FY2008

FY2009

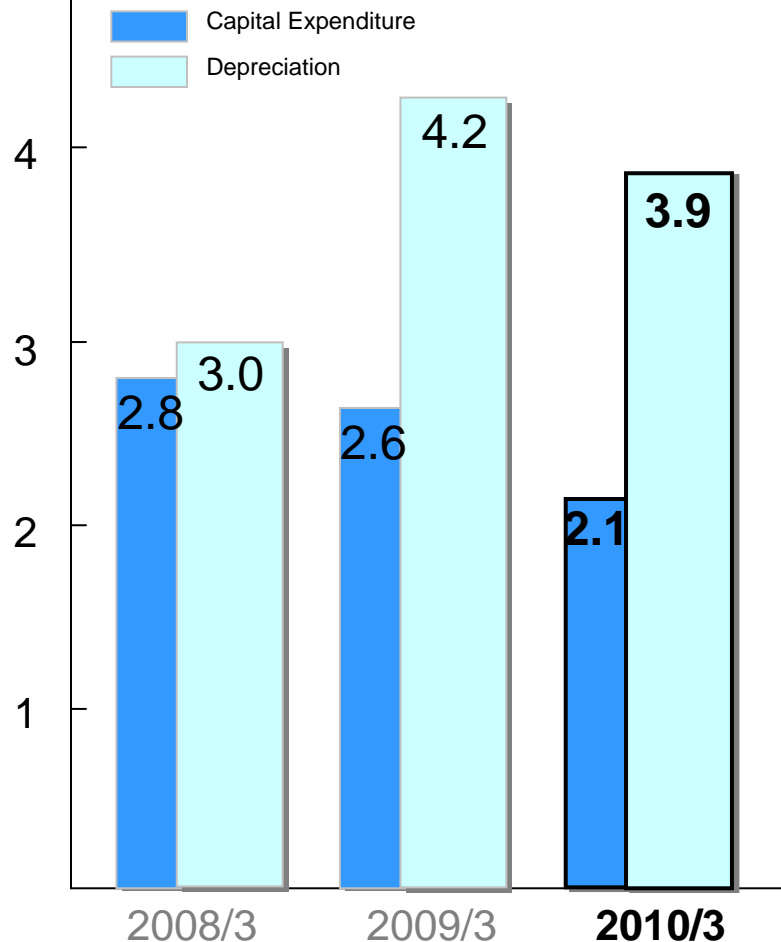
Consolidated Cash Flows



CAPEX / Depreciation / R&D

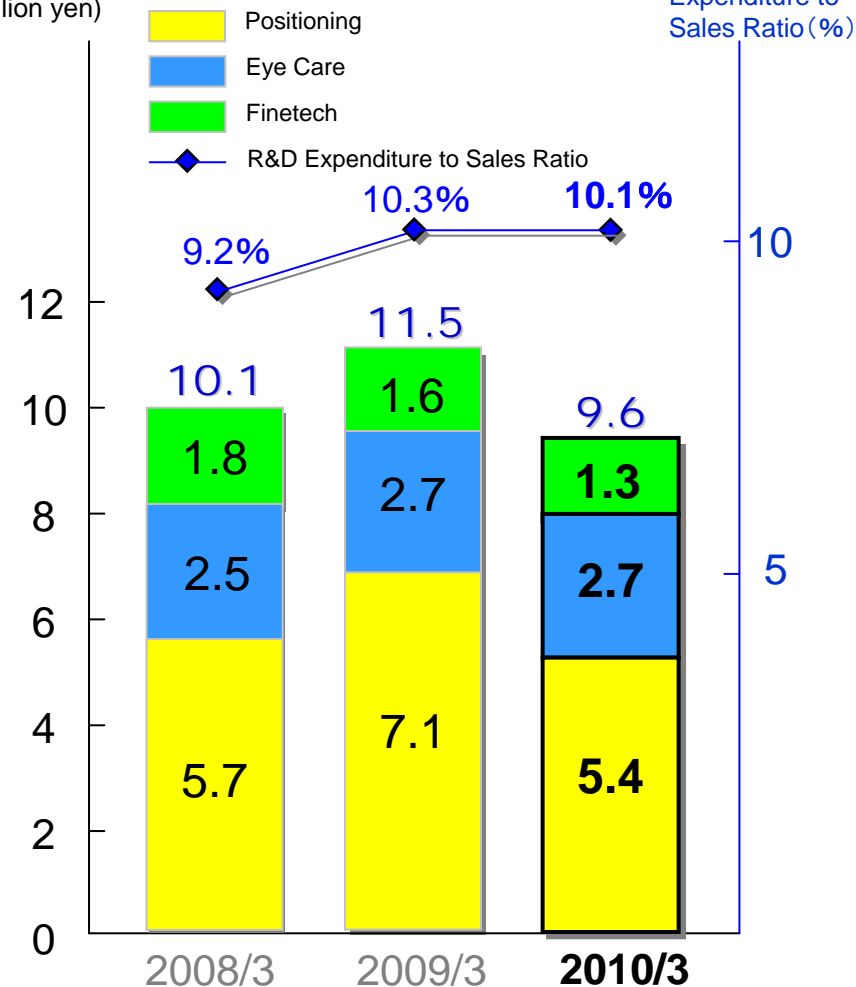
Capital Expenditure / Depreciation

Cash Flows
(billion yen)



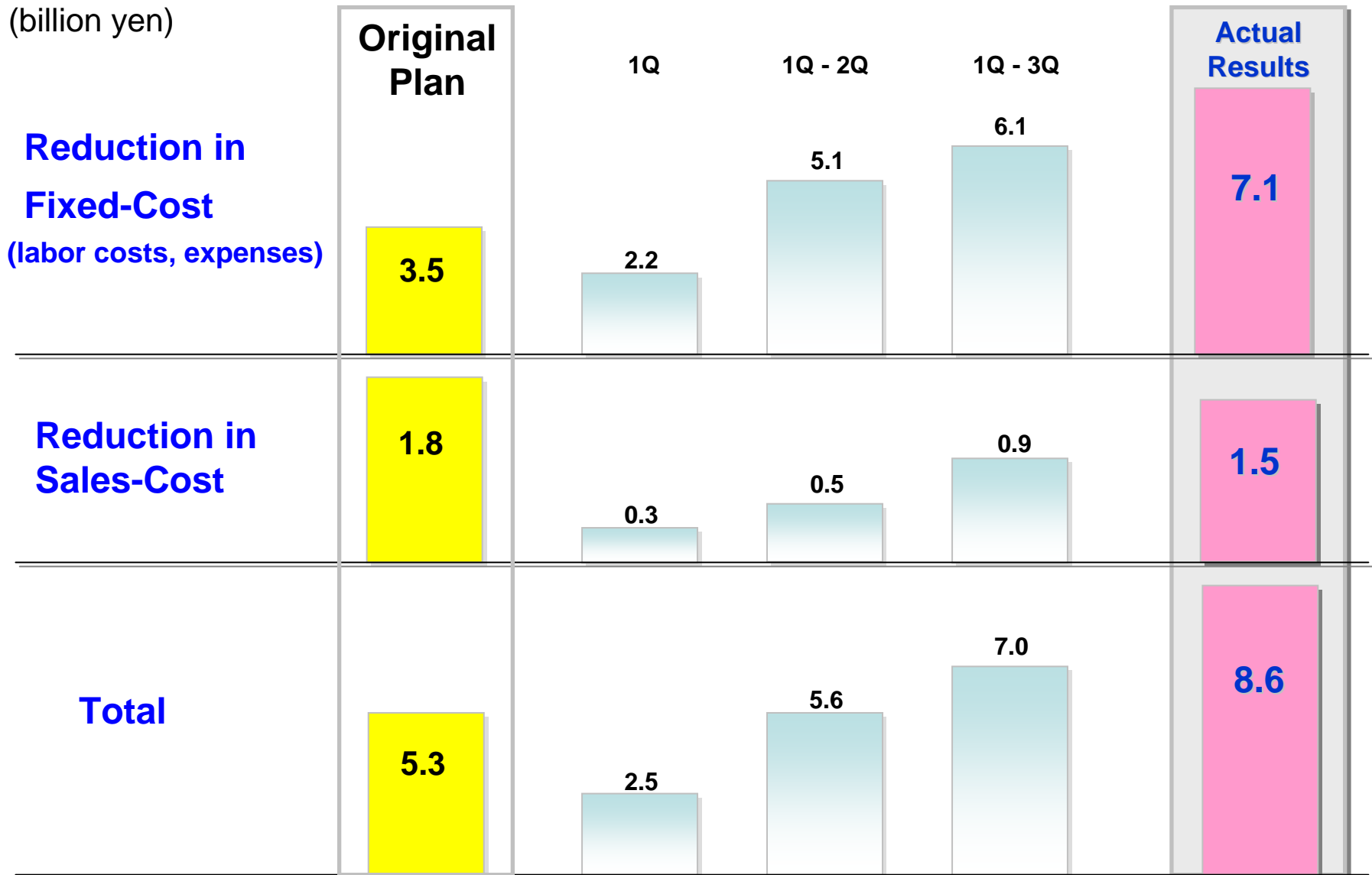
R&D

R&D
(billion yen)



Results of Earnings Recovery Measures (Consolidated)

(billion yen)





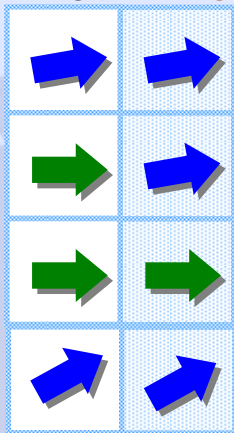
FY2010 Full Year Plan

Business Trends by Region and Market **POSITIONING**

by Region

- America
- Europe
- Japan
- Emerging Countries

FY09 FY10



《Overview of FY09》

- ▶ USA: Shows gradual recovery from 2H FY2009
- ▶ Japan and Europe: Continued stagnated economy
- ▶ Emerging Co: Keeps growing while impacted by recession

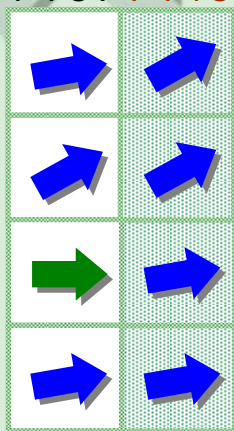
《Forecast for FY10》

- ✓ Expecting for global economic recovery
- ✓ Further growth in emerging countries

by Market

- Construction
- Precision Agriculture
- Surveying/ GIS
- 3D Measurement

FY09 FY10



《Overview of FY09》

- ▶ Gradual recovery in construction market
- ▶ Further growth in new fields such as precision Ag and mobile mapping

《Forecast for FY10》

- ✓ Further market growth led mainly by emerging countries
- ✓ Stronger demand for high value-added products in pursuing work efficiency

Business Trends by Region and Market **EYE CARE**

by Region

● Europe
● America
● Japan
● Asia

FY09 FY10

《Overview of FY09》

- ▶ USA: CAPEX freeze in facilities
- ▶ Japan: Expanding market in medical check-up
: OCT inspection now covered by the medical insurance system
- ▶ Asia: Stable growth in China
: Huge economic damage in oil-producing countries

《Forecast for FY10》

- ✓ Slow recovery in USA. Sluggish economy in Europe
- ✓ Slow down replacement demand for retinal camera in the Japanese check-up market.
Increased OCT demand in medical facilities.
- ✓ Continuing growth in Asia lead by China and India

- 3D OCT-2000
- 3D OCT-2000FA
- KR-1W
- IT Solution



by Market

● Ophthalmic Market
● Optometric Market
● Diabetes and Glaucoma Screening Market

FY09 FY10

《Overview of FY09》

- ▶ Decreased investments for facilities in ophthalmic market
Less participants in the bidding
- ▶ CAPEX freeze in optometric market
- ▶ Expansion of screening market

《Forecast for FY10》

- ✓ Increased investment and inquiries in ophthalmic market
- ✓ Hitting bottom in optometric market
- ✓ Stable growth in screening market



Business Trends by Region and Market

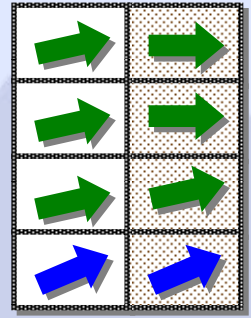
FINETECH



by Region

- Europe
- North America
- Japan
- Asia

FY09 FY10



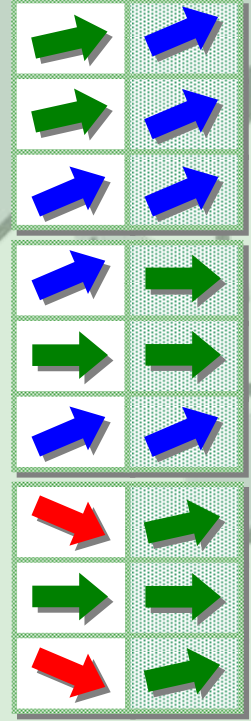
FY09 Overview	<ul style="list-style-type: none"> ▶ Increased consumer spending helped by economic stimulus in many countries ▶ Resumption of CAPEX at large firms
FY10 Forecast	<ul style="list-style-type: none"> ✓ Over-concentration of capital investment in Asia ✓ Increasing demand on energy saving products and new energy



by Market

- | | |
|---------------|--------------------------|
| Semiconductor | ● MPU |
| | ● Memory |
| | ● Green Device |
| FPD | ● LCD |
| | ● OLED |
| | ● Touch Screen |
| Device | ● Projector |
| | ● Multi Function Printer |
| | ● Optical Pickup |

FY09 FY10



FY09 Overview	<ul style="list-style-type: none"> ▶ Improved FAB capacity utilization rates along with economic recovery ▶ Decreased customer and production lines by reconstruction of the industry
FY10 Forecast	<ul style="list-style-type: none"> ✓ Steady growth in semiconductor market by strong demand on PC ✓ SSD, Green devices (LED, Power-IC) entering an expanding phase
FY09 Overview	<ul style="list-style-type: none"> ▶ Extensive economic stimulus by Chinese government lead FPD market ▶ Investment in new FAB lines are shifting to China
FY10 Forecast	<ul style="list-style-type: none"> ✓ Rapid expansion of demand on terminal devices with touch screen ✓ Possibility of oversupply by operation start of new LCD lines in China
FY09 Overview	<ul style="list-style-type: none"> ▶ Decreased office equipment sales by expense reduction of many companies ▶ Lower demand on DVD player embedded PC because of expansion of demand on netbook
FY10 Forecast	<ul style="list-style-type: none"> ✓ Growing with the expansion of the Pico Projector equipped mobile devices ✓ Increasing demand on BD-DVD embedded FPD TV

Full Year Business Forecast

(million yen)

[Consolidated]		FY2009		FY2010			
		1H	Full Year	1H		Full Year	
		Actual	Actual	Forecast	YoY (%)	Forecast	YoY (%)
Net Sales		43,338	94,862	48,000	110.8%	104,000	109.6%
Operating Income (Loss)		(1,836)	1,405	0	-%	2,700	192.2%
Ordinary Income (Loss)		(2,364)	545	(600)	-%	1,400	256.8%
Net Income (Loss)		(2,369)	133	(900)	-%	200	149.5%
ROE			0.3%			0.5%	
Dividends		¥2	¥4	¥2		¥4	
Exchange Rate	US\$	¥95.27	¥93.04	¥90		¥90	
	EUR	¥132.73	¥130.62	¥120		¥120	

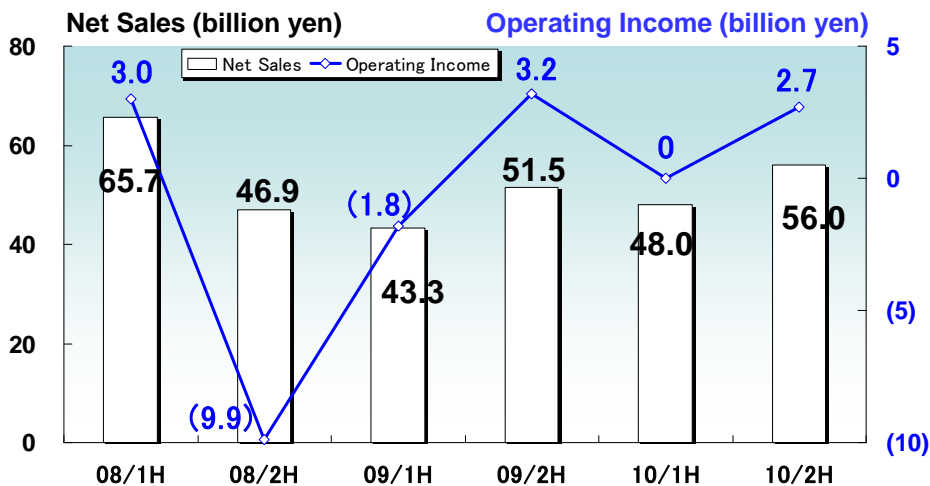
Business Forecast by Segment

(million yen)

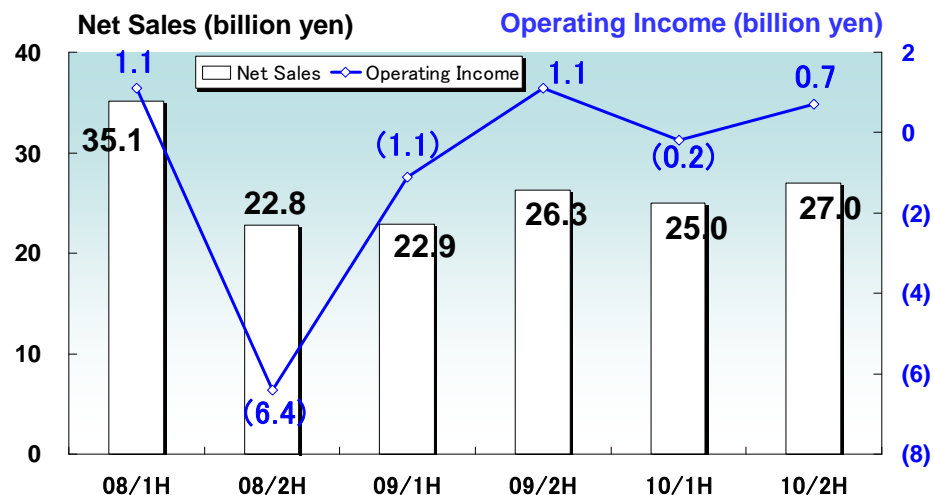
[Consolidated]		FY2009		FY2010			
		1H	Full Year	1H		Full Year	
		Actual	Actual	Forecast	YoY (%)	Forecast	YoY (%)
Net Sales	Positioning	22,997	49,350	25,000	108.7%	52,000	105.4%
	Eye Care	14,929	31,561	16,000	107.2%	34,000	107.7%
	Finetech	5,411	13,950	7,000	129.4%	18,000	129.0%
	Total	43,338	94,862	48,000	110.8%	104,000	109.6%
Operating Income (Loss)	Positioning	(1,173)	6	(200)	-%	500	-%
	Eye Care	326	1,963	600	184.0%	2,000	101.9%
	Finetech	(990)	(564)	(400)	-%	200	-%
	Total	(1,836)	1,405	0	-%	2,700	192.2%

Financial Results and Forecast (Semiannually)

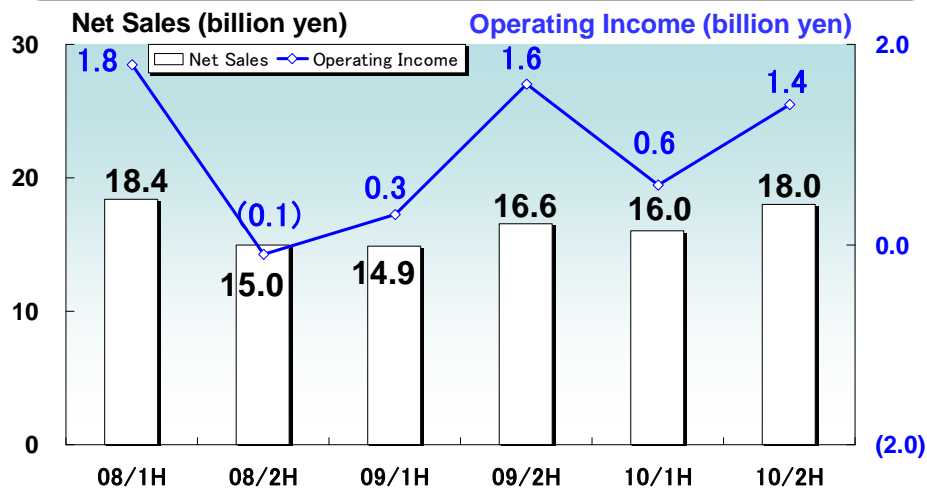
1. Consolidated



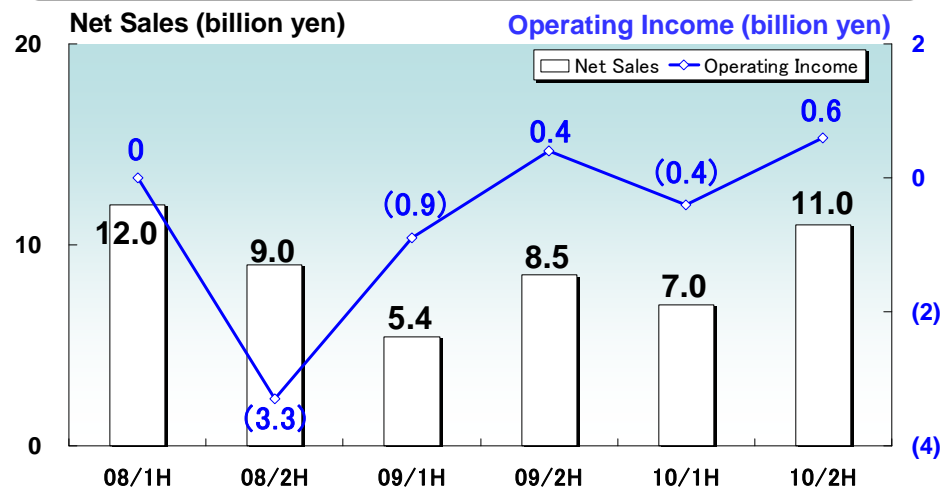
2. Positioning



3. Eye Care



4. Finetech



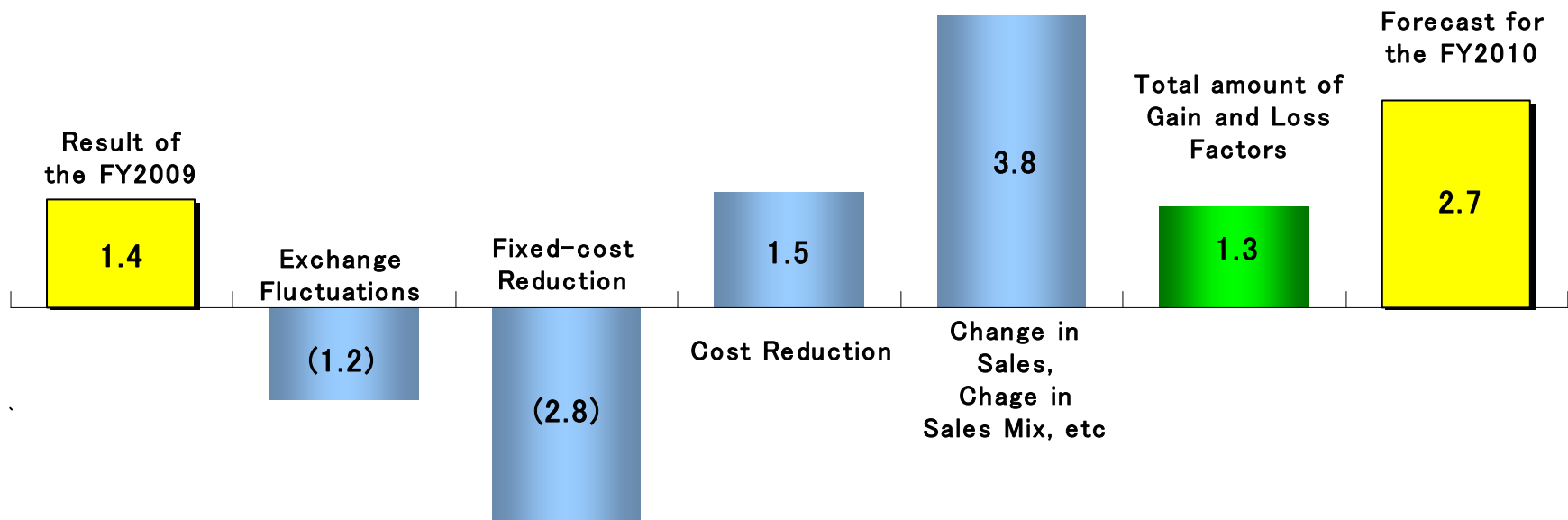
Forecast of Gain and Loss in Operating Income

[Consolidated]

(codes are based on gain and

(FY2009 → FY2010)

(billion yen)



FY2010 Resource Loading Plan

(billion yen)

Items	FY2009	FY2010
Capital Expenditure	2.1	3.1
(Depreciation)	(3.9)	(4.1)
R&D (R&D Expenditure to Sales Ratio)	9.6 (10.1%)	10.4 (10.0%)
Investment & Loan	2.5	3.0

Impact from Currency Exchange FY2010

	Exchange Rate	Impact from Fluctuation by ¥1	
	Assumed Rate for FY2010	Net Sales	Operating Income
US\$	¥90	¥0.5 billion	¥0.2 billion
EUR	¥120	¥0.2 billion	¥0.1 billion

* In cases where a foreign subsidiary is consolidated, the Company had converted figures into yen based on exchange rate at the end of the term until FY2008. From FY2009 onward, average exchange rate during the period will be applied.

Cautionary Note regarding Forward-Looking Statements

These materials contain forward-looking statements, including projections of future operating performance. Such statements are based on management's best judgment, given the materials available to them at the time these statements are made.

However, please be aware that actual performance may differ from projected figures owing to unexpected changes in the economic environment in which we operate, as well as to market fluctuations.

Inquiries:

Corporate Communication Dept.

IR Affairs

TOPCON CORPORATION

Tel: +81-3-3558-2532

E-mail: investor_info@topcon.co.jp

URL: <http://global.topcon.com/invest/>