

**Consolidated Financial Results**  
**(Japanese GAAP)**  
**FY 2013 ending March 2014**  
**TOPCON CORPORATION**  
**Release Date: January 31, 2014**

**1. Summary of Third Quarter Business Results for FY2013 ending March 2014 (April 1, 2013 - December 31, 2013)**

"%" indicate year-to-year increase (decrease)

(1) Consolidated business results

(Rounded down to the nearest million yen)

	Net sales		Operating income		Ordinary income		Net income (loss)	
	million yen	%	million yen	%	million yen	%	million yen	%
3rd Quarter of FY 2013	79,322	18.6	5,738	236.0	5,992	—	2,245	—
3rd Quarter of FY 2012	66,874	(2.9)	1,707	—	349	—	(1,558)	—

Note: Comprehensive income  
 3rd Quarter of FY 2013 4,666 million yen ( — % )  
 3rd Quarter of FY 2012 (249) million yen ( — % )

	Net income (loss)	Diluted net income
	per share	per share
3rd Quarter of FY 2013	20.79 yen	— yen
3rd Quarter of FY 2012	(16.82)	—

Note: Year-to-year increase (decrease) percentage of Ordinary income for the 3rd quarter of FY 2013 is shown as "—" because the percentage was in excess of 1,000%.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	%
3rd Quarter of FY 2013	129,627	52,521	39.9	479.33
FY 2012 ended March 2013	129,503	49,022	37.4	448.77

Note: Shareholders' equity  
 3rd Quarter of FY 2013 51,775 million yen  
 FY 2012 ended March 2013 48,474 million yen

**2. Dividends**

	Dividends per share				
	end of 1st quarter	end of 2nd quarter	end of 3rd quarter	year-end	Total
FY 2012 ended March 2013	— yen	2.00 yen	— yen	4.00 yen	6.00 yen
FY 2013 ending March 2014	—	5.00	—		
FY 2013 ending March 2014 (forecast)				5.00	10.00

\*Revisions to the projected dividends : No

**3. Business Forecasts for FY 2013 ending Mar. 2014 (April 1, 2013 - March 31, 2014)**

"%" indicate year-to-year increase (decrease)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Annual	110,000	13.0	11,500	120.5	10,000	188.0	5,000	877.1	46.29

\*Revisions to the business forecasts : No

Note: The forecasts above were prepared on the premise of future forecasts available at the time of the release of this document, such as trends of business, competition environment and currency exchange rates. Due to unforeseen circumstances, however, the actual results may differ from these forecast data.

# Consolidated quarterly financial statements

## Consolidated quarterly balance sheets

(Unit: Million Yen)

	FY 2012 ended March 2013	3rd Quarter of FY 2013
<b>Assets</b>		
Current assets		
Cash and deposits	17,213	13,735
Notes and accounts receivable-trade	36,912	34,276
Merchandise and finished goods	16,051	20,805
Work in process	4,279	4,512
Raw materials and supplies	6,033	7,510
Other	10,089	9,691
Allowance for doubtful accounts	(1,469)	(1,730)
Total current assets	89,110	88,801
Noncurrent assets		
Property, plant and equipment	11,277	11,401
Intangible assets		
Goodwill	9,650	8,825
Other	9,241	9,783
Total intangible assets	18,892	18,608
Investments and other assets	10,222	10,816
Total noncurrent assets	40,392	40,826
Total assets	129,503	129,627
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	9,903	11,309
Short-term loans payable	31,627	23,628
Income taxes payable	1,172	2,055
Provision for product warranties	584	628
Other	11,375	9,681
Total current liabilities	54,662	47,303
Noncurrent liabilities		
Long-term loans payable	19,002	23,390
Provision for retirement benefits	5,331	4,762
Provision for directors' retirement benefits	35	37
Other	1,448	1,612
Total noncurrent liabilities	25,818	29,802
Total liabilities	80,480	77,106
<b>Net assets</b>		
Shareholders' equity		
Capital stock	16,638	16,638
Capital surplus	21,051	20,950
Retained earnings	12,843	14,087
Treasury stock	(57)	(58)
Total shareholders' equity	50,476	51,617
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	298	535
Deferred gains or losses on hedges	10	(35)
Foreign currency translation adjustment	(2,310)	(342)
Total accumulated other comprehensive income	(2,002)	157
Minority interests	548	746
Total net assets	49,022	52,521
Total liabilities and net assets	129,503	129,627

Consolidated quarterly statements of income

(Unit: Million Yen)

	3rd Quarter of FY 2012	3rd Quarter of FY 2013
Net sales	66,874	79,322
Cost of sales	37,973	41,687
Gross profit	28,900	37,635
Selling, general and administrative expenses	27,192	31,896
Operating income	1,707	5,738
Non-operating income		
Interest income	50	48
Dividends income	25	30
Equity in earnings of affiliates	—	67
Foreign exchange gains	—	870
Other	199	294
Total non-operating income	275	1,311
Non-operating expenses		
Interest expenses	859	780
Equity in losses of affiliates	45	—
Foreign exchange losses	557	—
Other	172	277
Total non-operating expenses	1,634	1,057
Ordinary income	349	5,992
Extraordinary loss		
Loss on valuation of investment securities	619	478
Loss on liquidation of subsidiaries and affiliates	—	104
Impairment loss	—	25
Office transfer expenses	438	—
Loss on cancellation of office transfer	175	—
Loss on sales of land	54	—
Total extraordinary losses	1,287	609
Income (loss) before income taxes and minority interests	(938)	5,382
Income taxes-current	445	1,856
Income taxes-deferred	199	1,093
Total income taxes	645	2,950
Income (loss) before minority interests	(1,583)	2,432
Minority interests in income (loss)	(25)	186
Net income (loss)	(1,558)	2,245

[Segment Information by business category]

3rd Quarter of FY 2012 ( from April 1, 2012 to December 31, 2012)

(unit: million yen)

	Reportable segment					Elimination & Common	Total
	Smart Infrastructure Company	Positioning Company	Eye Care Company	Other	Sub-Total		
Sales							
Sales to unaffiliated customers	14,114	24,042	21,388	7,328	66,874	—	66,874
Intercompany sales or transfer	5,753	1,452	—	—	7,205	(7,205)	—
Total	19,868	25,494	21,388	7,328	74,080	(7,205)	66,874
Segment Profit (Operating Profit)	2,200	300	752	(361)	2,892	(1,184)	1,707

Note: Segment Profit (1,184) on "Elimination & Common" is goodwill amortization expense which is not distributed to each reportable segment.

3rd Quarter of FY 2013 ( from April 1, 2013 to December 31, 2013)

(unit: million yen)

	Reportable segment					Elimination & Common	Total
	Smart Infrastructure Company	Positioning Company	Eye Care Company	Other	Sub-Total		
Sales							
Sales to unaffiliated customers	17,378	31,251	26,185	4,506	79,322	—	79,322
Intercompany sales or transfer	6,043	1,896	—	20	7,960	(7,960)	—
Total	23,422	33,148	26,185	4,526	87,282	(7,960)	79,322
Segment Profit (Operating Profit)	2,920	2,210	2,024	(67)	7,088	(1,350)	5,738

Note: Segment Profit (1,350) on "Elimination & Common" is goodwill amortization expense which is not distributed to each reportable segment.

[Segment Information by region]

3rd Quarter of FY 2012 ( from April 1, 2012 to December 31, 2012)

(unit: million yen)

	Japan	North America	Europe	China	Asia / Oceania	other	Elimination & Common	Total
Sales								
Sales to unaffiliated customers	22,296	19,152	15,952	3,788	4,687	996	—	66,874
Intercompany sales or transfer	14,428	4,769	473	1,548	555	—	(21,776)	—
Total	36,725	23,921	16,426	5,337	5,242	996	(21,776)	66,874
Segment Profit (Operating Profit)	2,894	742	(187)	38	(56)	26	(1,751)	1,707

3rd Quarter of FY 2013 ( from April 1, 2013 to December 31, 2013)

(unit: million yen)

	Japan	North America	Europe	China	Asia / Oceania	other	Elimination & Common	Total
Sales								
Sales to unaffiliated customers	22,887	25,381	20,697	3,680	5,372	1,302	—	79,322
Intercompany sales or transfer	16,094	5,990	848	3,682	1,402	—	(28,017)	—
Total	38,981	31,372	21,546	7,362	6,775	1,302	(28,017)	79,322
Segment Profit (Operating Profit)	4,190	2,903	438	483	173	56	(2,507)	5,738

Notes:1.Sales and Segment Profit are classified by country or region based on the location of each our group company.

2.The region which belongs to "other" category is Middle East.

[Overseas sales]

3rd Quarter of FY 2012 ( from April 1, 2012 to December 31, 2012)

(unit: million yen)

	North America	Europe	China	Asia / Oceania	other	Total
Overseas sales	14,224	14,212	6,046	8,755	6,919	50,157
Consolidated Sales						66,874
Ratio to Consolidated Sales (%)	21.3	21.3	9.0	13.1	10.3	75.0

3rd Quarter of FY 2013 ( from April 1, 2013 to December 31, 2013)

(unit: million yen)

	North America	Europe	China	Asia / Oceania	other	Total
Overseas sales	17,687	19,800	5,777	10,182	8,181	61,629
Consolidated Sales						79,322
Ratio to Consolidated Sales (%)	22.3	25.0	7.3	12.8	10.3	77.7

Notes:1.Sales is classified by country or region based on the location of customers.

2.The main regions which belong to "other" category are Latin America, Middle East, Russia, and Africa.