



October 31, 2013

To Whom It May Concern:

Company: Topcon Corporation
Representative: President, Satoshi Hirano
(Code No.: 7732 1st section of the Tokyo Stock Exchange)
Inquiry: Director & Senior Managing Executive Officer,
Takayuki Ogawa
Accounting & Finance Division
(TEL: 03-3558-2536)

**Notice on the Difference between Financial Forecast and Results of the second quarter,
and the Recording of Extraordinary Loss**

Topcon Corporation hereby announces the difference between the consolidated financial forecast announced on July 31, 2013 and the results (from April 1, 2013 to September 30, 2013), and extraordinary loss posted during the second quarter of FY2013, as follows.

1. Difference between the financial forecast and the results of the second quarter

(1) Accumulated second quarter of FY 2013 (From April 1, 2013 to September 30, 2013)

(Unit: Million Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
Previous forecast (A) (announced on July 31, 2013)	52,000	3,500	2,800	1,200	11.11 yen
Results (B)	52,795	4,143	4,040	1,673	15.50 yen
Difference (B-A)	795	643	1,240	473	—
Change (%)	1.5%	18.4%	44.3%	39.5%	—
(Reference) Results for the Six-Month ended Sept. 30, 2012	46,121	1,505	486	(1,221)	(13.19) yen

(2) Reasons for the difference between the financial forecast and the results

During the accumulated second quarter, although net sales stayed within the range of a slight difference compared to the previous forecast announced on July 31, 2013, the operating income exceeded the forecast by 643 million yen mainly due to improvement in gross profit ratio. On top of that, mainly due to foreign exchange gains from revaluation of foreign currency assets, the ordinary income increased by 1,240 million yen, and the net income increased by 473 million yen from the previous forecast.

At present, there is no correction of the financial forecast for the full year (from April 1, 2013 to March 31, 2014) publicly announced on July 31, 2013. In case of necessity when important changes in the business environment occur in the future, we will give you the information of the revisions without delay.

2. Recording of extraordinary loss

In the second quarter of FY 2013, some of investment securities have been significantly decreased in value, of which restoration we cannot expect. As these securities became subject to impairment, we recorded the extraordinary loss for impairment of these securities.

Loss on revaluation of securities at second quarter of FY 2013

	Consolidated	Individual
Total loss on revaluation of securities in the second quarter of FY 2013 (From July 1, 2013 to September 30, 2013) (=A-B)	467 million yen	12 million yen
(A) Total loss on revaluation of securities in the first and second quarters of FY 2013 (From April 1, 2013 to September 30, 2013)	467 million yen	12 million yen
(B) Total loss on revaluation of securities in the first quarter of FY 2013 (From April 1, 2013 to June 30, 2013)	-	-

* Topcon Corporation adopts the quarterly reversal method for the evaluation of securities.

* The end of our fiscal term is March 31.