

Highlights of Consolidated Results for Fiscal Year ended March 31, 2013

Millions of yen (except for per share amounts)			
	Year ended March 31, 2013	Year ended March 31, 2012	Change (%)
Net sales	Y 516,066	Y 497,390	3.8
Operating income	29,775	34,183	-12.9
Current profits	23,144	34,351	-32.6
Net income	17,826	19,525	-8.7
(Ref.) Comprehensive income	38,668	17,019	127.2
Net income per share:			
Basic	Y 66.65	Y 72.95	
Diluted	66.54	72.85	
Dividends per common share	24.00	24.00	
As of			
	March 31, 2013	March 31, 2012	
Total assets	Y 421,494	Y 370,906	
Net assets	278,769	231,425	
Owners' equity ratio	62.4 %	62.3 %	
Owners' equity per share	Y 985.85	Y 863.01	
(Ref.) Owners' equity	262,837	231,001	
Net cash provided by operating activities	Y 32,734	Y 39,327	
Net cash used in investing activities	(41,771)	(30,758)	
Net cash used in financing activities	(6,413)	(14,117)	
Cash and cash equivalents at end of period	55,059	58,731	
Number of consolidated subsidiaries	60	55	
Number of affiliates using the applied equity method	5	8	

Highlights of Consolidated Forecast for Fiscal Year ending March 31, 2014

Millions of yen (except for per share amounts)			
	[Forecast] Year ending March 31, 2014	Year ended March 31, 2013	Change (%)
Net sales	Y 570,000	Y 516,066	10.5
Operating income	32,000	29,775	7.5
Current profits	32,000	23,144	38.3
Net income	18,500	17,826	3.8
Net income per share	Y 69.39	Y 66.65	
Dividends per common share	24.00	24.00	

Notes:

- The financial statements have been prepared in accordance with accounting principles generally accepted in Japan.
- Amounts less than 1 million yen have been rounded down.
- Yen amounts for the year ended March 31, 2013 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=82.00 yen, in the accompanying consolidated financial statements.
- Operating results for the year ended March 31, 2013 are based on the following currency exchange rates:
Actual average rates for the year ended March 31, 2013: US\$=83.23 yen, EURO=107.57yen
Forecasts for the year ending March 31, 2014 are based on the following currency exchange rates:
Assumed average rates for the fiscal year: US\$=90.00 yen, EURO=115.00 yen
- Number of shares outstanding (including treasury stock): 277,535 thousands as of March 31, 2013, 277,535 thousands as of March 31, 2012
Number of treasury stock outstanding: 10,925 thousands as of March 31, 2013, 9,866 thousands as of March 31, 2012
Number of weighted average shares (full year): 267,473 thousands during the year ended March 31, 2013, 267,658 thousands during the year ended March 31, 2012

The above-mentioned forecasts are the results of estimations based on outlook for economic environment and predictions at the time of this announcement. The actual results of business performance may sometimes differ from these forecasts due to various factors.

CONSOLIDATED BALANCE SHEETS

	Millions of yen		Thousands of U.S. dollars
	As of March 31, 2013	As of March 31, 2012	As of March 31, 2013
ASSETS			
Current assets			
Cash and cash equivalents	Y 52,320	Y 59,536	\$ 638,055
Marketable securities	10,004	881	122,011
Trade receivables	80,418	65,634	980,717
Allowance for doubtful accounts	(1,555)	(1,448)	(18,964)
Inventories	87,679	76,483	1,069,261
Other current assets	19,685	24,959	240,073
Total current assets	<u>248,554</u>	<u>226,047</u>	<u>3,031,154</u>
Net property, plant and equipment	88,588	69,945	1,080,347
Securities investments	38,612	29,072	470,888
Other assets	54,423	54,713	663,701
Allowance for doubtful accounts	(8,684)	(8,873)	(105,912)
Total assets	<u>Y 421,494</u>	<u>Y 370,906</u>	<u>\$ 5,140,179</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Short-term borrowings	Y 6,524	Y 4,466	\$ 79,570
Current portion of long-term debt	-	15,000	-
Trade payables	32,107	35,978	391,551
Other current liabilities	68,422	62,034	834,416
Total current liabilities	<u>107,054</u>	<u>117,478</u>	<u>1,305,537</u>
Long-term liabilities			
Long-term borrowings	12,700	500	154,878
Other long-term liabilities	22,970	21,501	280,131
Total liabilities	<u>142,724</u>	<u>139,480</u>	<u>1,740,545</u>
Net assets			
Shareholders' equity			
Capital stock	19,209	19,209	234,267
Capital surplus	16,463	16,151	200,776
Retained earnings	255,639	243,725	3,117,552
Treasury stock	(12,971)	(11,672)	(158,185)
Total shareholders' equity	<u>278,341</u>	<u>267,413</u>	<u>3,394,410</u>
Other comprehensive income			
Unrealized gain (loss) on available-for-sale securities	2,344	2,176	28,593
Deferred gain (loss) under hedge accounting	(443)	(184)	(5,407)
Foreign currency translation adjustments	(17,405)	(38,404)	(212,257)
Total other comprehensive income	<u>(15,503)</u>	<u>(36,412)</u>	<u>(189,070)</u>
Stock acquisition rights	458	420	5,594
Minority interests	15,473	3	188,700
Total net assets	<u>278,769</u>	<u>231,425</u>	<u>3,399,634</u>
Total liabilities and net assets	<u>Y 421,494</u>	<u>Y 370,906</u>	<u>\$ 5,140,179</u>

	Millions of yen		Thousands of U.S. dollars
	As of March 31, 2013	As of March 31, 2012	As of March 31, 2013
Accumulated depreciation	Y 160,309	Y 149,833	\$ 1,954,991

CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of U.S. dollars
	Year ended	Year ended	Year ended
	March 31, 2013	March 31, 2012	March 31, 2013
Net sales	Y 516,066	Y 497,390	\$ 6,293,498
Cost of sales	300,006	280,689	3,658,616
Gross profit	216,060	216,700	2,634,882
Selling, general and administrative expenses	186,284	182,517	2,271,761
Operating income	29,775	34,183	363,121
Non-operating income (expenses):			
Interest and dividend income	1,451	1,175	17,707
Interest expenses	(451)	(615)	(5,503)
Other, net	(7,632) ^{*1}	(392)	(93,075)
Current profits	23,144	34,351	282,249
Extraordinary income (expenses):			
Gain (Loss) on sales and disposals of property, plant and equipment, net	(170)	(545)	(2,074)
Other, net	4,971 ^{*2}	302	60,631
Income before income taxes	27,946	34,107	340,807
Income taxes	10,088	14,582	123,035
Income before minority interests	17,857	19,525	217,772
Minority interests in net income	30	0	377
Net income	Y 17,826	Y 19,525	\$ 217,394

Notes:

^{*1} Valuation loss on derivatives of (4,625) million yen is included.

^{*2} Gain on negative goodwill of 7,194 million yen and Loss from step acquisitions of (3,843) million yen are included.

Net income per share:	Yen	Yen	U.S. dollars
Basic	Y 66.65	Y 72.95	\$ 0.81
Diluted	66.54	72.85	0.81

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Millions of yen		Thousands of U.S. dollars
	Year ended	Year ended	Year ended
	March 31, 2013	March 31, 2012	March 31, 2013
Income before minority interests	Y 17,857	Y 19,525	\$ 217,772
Other comprehensive income:			
Unrealized gain (loss) on available-for-sale securities	168	(308)	2,049
Deferred gain (loss) under hedge accounting	(258)	(93)	(3,156)
Foreign currency translation adjustments	20,861	(2,143)	254,410
Share of other comprehensive income of associates	40	40	491
Total other comprehensive income (loss)	20,811	(2,505)	253,794
Comprehensive income	Y 38,668	Y 17,019	\$ 471,566
Comprehensive income attributable to:			
Owners of the Company	Y 38,597	Y 17,019	\$ 470,698
Minority interests	71	0	868

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Year ended March 31, 2013

	Shareholders' equity					Other comprehensive income						Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) under hedge accounting	Foreign currency translation adjustments	Total other comprehensive income	Stock acquisition rights	Minority interests	
Balance at April 1, 2012	19,209	16,151	243,725	(11,672)	267,413	2,176	(184)	(38,404)	(36,412)	420	3	231,425
Increase (Decrease) during the term:												
Cash dividends	-	-	(6,450)	-	(6,450)	-	-	-	-	-	-	(6,450)
Net income	-	-	17,826	-	17,826	-	-	-	-	-	-	17,826
Acquisition of treasury stock	-	-	-	(1,704)	(1,704)	-	-	-	-	-	-	(1,704)
Gain on sales of treasury stock	-	312	-	405	717	-	-	-	-	-	-	717
Change in scope of consolidation	-	-	538	-	538	-	-	-	-	-	-	538
Net increase (decrease) during the term, except for items under shareholders' equity	-	-	-	-	-	168	(258)	20,999	20,908	38	15,469	36,416
Total	-	312	11,914	(1,298)	10,927	168	(258)	20,999	20,908	38	15,469	47,344
Balance at March 31, 2013	19,209	16,463	255,639	(12,971)	278,341	2,344	(443)	(17,405)	(15,503)	458	15,473	278,769

Year ended March 31, 2012

	Shareholders' equity					Other comprehensive income						Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) under hedge accounting	Foreign currency translation adjustments	Total other comprehensive income	Stock acquisition rights	Minority interests	
Balance at April 1, 2011	19,209	16,156	230,351	(11,688)	254,029	2,445	(90)	(36,261)	(33,906)	338	7	220,468
Increase (Decrease) during the term:												
Cash dividends	-	-	(6,450)	-	(6,450)	-	-	-	-	-	-	(6,450)
Net income	-	-	19,525	-	19,525	-	-	-	-	-	-	19,525
Acquisition of treasury stock	-	-	-	(10)	(10)	-	-	-	-	-	-	(10)
Gain on sales of treasury stock	-	(5)	-	26	20	-	-	-	-	-	-	20
Change in scope of consolidation	-	-	298	-	298	-	-	-	-	-	-	298
Net increase (decrease) during the term, except for items under shareholders' equity	-	-	-	-	-	(268)	(93)	(2,143)	(2,505)	81	(3)	(2,427)
Total	-	(5)	13,373	15	13,384	(268)	(93)	(2,143)	(2,505)	81	(3)	10,956
Balance at March 31, 2012	19,209	16,151	243,725	(11,672)	267,413	2,176	(184)	(38,404)	(36,412)	420	3	231,425

Year ended March 31, 2013

	Shareholders' equity					Other comprehensive income						Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) under hedge accounting	Foreign currency translation adjustments	Total other comprehensive income	Stock acquisition rights	Minority interests	
Balance at April 1, 2012	234,267	196,968	2,972,260	(142,352)	3,261,144	26,543	(2,250)	(468,346)	(444,053)	5,123	47	2,822,260
Increase (Decrease) during the term:												
Cash dividends	-	-	(78,669)	-	(78,669)	-	-	-	-	-	-	(78,669)
Net income	-	-	217,394	-	217,394	-	-	-	-	-	-	217,394
Acquisition of treasury stock	-	-	-	(20,781)	(20,781)	-	-	-	-	-	-	(20,781)
Gain on sales of treasury stock	-	3,807	-	4,948	8,755	-	-	-	-	-	-	8,755
Change in scope of consolidation	-	-	6,568	-	6,568	-	-	-	-	-	-	6,568
Net increase (decrease) during the term, except for items under shareholders' equity	-	-	-	-	-	2,050	(3,156)	256,090	254,983	472	188,653	444,108
Total	-	3,807	145,294	(15,833)	133,268	2,050	(3,156)	256,090	254,983	472	188,653	577,375
Balance at March 31, 2013	234,267	200,776	3,117,552	(158,185)	3,394,410	28,593	(5,407)	(212,257)	(189,070)	5,594	188,700	3,399,634

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Millions of yen		Thousands of
	Year ended	Year ended	U.S. dollars
	March 31, 2013	March 31, 2012	Year ended March 31, 2013
OPERATING ACTIVITIES:			
Income before income taxes	Y 27,946	Y 34,107	\$ 340,807
Adjustments for:			
Depreciation and amortization	24,476	23,069	298,499
Impairment loss	268	608	3,276
Amortization of goodwill	1,418	1,687	17,304
Provision for (Reversal of) allowance for doubtful accounts	1,443	913	17,601
Provision for (Reversal of) retirement benefits	429	(490)	5,243
Provision for (Reversal of) product warranty	178	(982)	2,173
Loss (Gain) from liquidation of subsidiaries	(136)	-	(1,659)
Interest and dividend income	(1,451)	(1,175)	(17,707)
Interest expenses	451	615	5,503
Foreign exchange loss (gain)	(2,420)	797	(29,519)
Valuation loss (gain) on derivatives	4,625	(136)	56,404
Equity in loss (earnings) of affiliates	(160)	(387)	(1,952)
Loss (Gain) on sales and disposals of property, plant and equipment, net	170	545	2,074
Loss (Gain) on sales of investment securities	(1,723)	(6)	(21,019)
Compensations receivable	(288)	(596)	(3,523)
Gain on negative goodwill	(7,194)	-	(87,733)
Loss (Gain) from step acquisitions	3,843	-	46,866
Decrease (Increase) in trade notes and accounts receivable	(4,500)	(3,149)	(54,888)
Decrease (Increase) in inventories	2,333	(5,423)	28,457
Increase (Decrease) in trade notes and accounts payable	(6,673)	2,327	(81,384)
Increase (Decrease) in accrued expenses	(1,729)	1,487	(21,097)
Other, net	(1,274)	170	(15,547)
Cash generated from operations	40,030	53,979	488,178
Interest and dividends received	1,623	1,433	19,797
Interest paid	(489)	(614)	(5,975)
Compensations received	385	500	4,703
Income taxes paid	(8,815)	(15,971)	(107,508)
Net cash provided by operating activities	Y 32,734	Y 39,327	\$ 399,196
INVESTING ACTIVITIES:			
Proceeds from sales of marketable securities	1,300	300	15,860
Disbursement for purchases of property, plant and equipment	(24,941)	(21,129)	(304,162)
Proceeds from sales of property, plant and equipment	1,080	1,113	13,172
Disbursement for purchases of intangible assets	(5,723)	(6,026)	(69,799)
Proceeds from sales of intangible assets	-	3	-
Disbursement for purchases of investment securities	(2,170)	(67)	(26,469)
Proceeds from sales of investment securities	2,660	256	32,441
Disbursement for purchases of shares in affiliates	(6,617)	(1,929)	(80,701)
Disbursement for purchase of shares in an affiliate resulting in change in scope of consolidation	(7,010)	-	(85,498)
Proceeds from liquidation of a subsidiary	-	757	-
Disbursement for payment of investments in affiliates	-	(2,462)	-
Proceeds from collection of long-term loans	12	10	154
Other, net	(361)	(1,583)	(4,411)
Net cash used in investing activities	Y (41,771)	Y (30,758)	\$ (509,413)
FINANCING ACTIVITIES:			
Increase (Decrease) in short-term borrowings, net	4,532	(4,189)	55,277
Proceeds from borrowings of long-term debt	12,200	250	148,780
Repayment of bonds	(15,000)	(500)	(182,927)
Disbursement for repayment of lease obligations	(1,700)	(3,226)	(20,744)
Decrease (Increase) in treasury stock, net	5	(1)	68
Cash dividends paid	(6,450)	(6,450)	(78,669)
Net cash used in financing activities	Y (6,413)	Y (14,117)	\$ (78,214)
Effect of foreign currency exchange rate changes on cash and cash equivalents	10,569	(1,614)	128,892
Net increase (decrease) in cash and cash equivalents	(4,882)	(7,163)	(59,539)
Cash and cash equivalents at beginning of period	58,731	65,100	716,243
Cash and cash equivalents of newly consolidated subsidiaries	1,209	794	14,754
Cash and cash equivalents at end of period	Y 55,059	Y 58,731	\$ 671,458

SEGMENT INFORMATION

	Millions of yen		Thousands of U.S. dollars	
	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2013	
Printing & Solutions				
Net sales				
Unaffiliated customers	Y 350,836	Y 337,226	\$ 4,278,492	
Intersegment	-	-	-	
Total	350,836	337,226	4,278,492	
Operating income	18,826	21,977	229,587	
Personal & Home				
Net sales				
Unaffiliated customers	Y 33,804	Y 30,705	\$ 412,251	
Intersegment	-	-	-	
Total	33,804	30,705	412,251	
Operating income	2,488	2,604	30,345	
Machinery & Solution				
Net sales				
Unaffiliated customers	Y 61,415	Y 70,422	\$ 748,970	
Intersegment	-	-	-	
Total	61,415	70,422	748,970	
Operating income	4,006	8,345	48,855	
Network & Contents				
Net sales				
Unaffiliated customers	Y 50,083	Y 45,924	\$ 610,770	
Intersegment	-	-	-	
Total	50,083	45,924	610,770	
Operating income (loss)	2,314	(19)	28,222	
Others				
Net sales				
Unaffiliated customers	Y 19,927	Y 13,111	\$ 243,015	
Intersegment	10,965	7,555	133,727	
Total	30,892	20,667	376,742	
Operating income	2,251	1,427	27,458	
Adjustment				
Net sales				
Unaffiliated customers	Y -	Y -	\$ -	
Intersegment	(10,965)	(7,555)	(133,727)	
Total	(10,965)	(7,555)	(133,727)	
Operating income	(110)	(153)	(1,347)	
Consolidated				
Net sales				
Unaffiliated customers	Y 516,066	Y 497,390	\$ 6,293,498	
Intersegment	-	-	-	
Total	516,066	497,390	6,293,498	
Operating income	29,775	34,183	363,121	

Note:

Main products in each business segment are as follows:

Printing & Solutions	Printers, Multi-function printers, Electronic stationeries,
Personal & Home	Home sewing machines
Machinery & Solution	Industrial sewing machines, Machine tools
Network & Contents	Online karaoke, Contents distribution services
Others	Sales of products other than those above, and so forth