

Supplementary Information for 1st Quarter of Fiscal Year Ending March 31, 2014

1-1. Consolidated results (1st Quarter results) (Millions of yen)

| | FY ended Mar 31, 2013 (Apr to Jun 2012) | FY ending Mar 31, 2014 (Apr to Jun 2013) | Change (w/o forex impact) |
|----------------------------|---|--|------------------------------|
| Net sales | 120,666 | 139,312 | 15.5% (+0.5%) |
| Operating income | 11,533 | 9,388 | -18.6% |
| Current profits | 12,249 | 5,874 | -52.0% |
| Net income | 10,300 | 1,336 | -87.0% |
| Exchange rates | Yen-USD 80.40 | 97.94 | - |
| | Yen-EUR 103.35 | 127.35 | - |
| Operating profit ratio (%) | 9.6% | 6.7% | - |

* Operating profit ratio = Operating income / Net sales

** Exchange rates* are the rates used to convert financial statements of overseas subsidiaries into yen.

1-2. Sales by business segment (1st Quarter results) (Millions of yen)

| | | FY ended Mar 31, 2013 (Apr to Jun 2012) | FY ending Mar 31, 2014 (Apr to Jun 2013) | Change | Change w/o forex impact |
|----------------------|---------------------------------------|---|--|--------|----------------------------|
| Printing & Solutions | Communications and Printing equipment | 72,031 | 86,341 | 19.9% | 1.5% |
| | Electronic stationery | 8,484 | 10,882 | 28.3% | 8.1% |
| | Total | 80,515 | 97,223 | 20.8% | 2.2% |
| Personal & Home | | 7,348 | 8,256 | 12.4% | -4.3% |
| Machinery & Solution | Industrial sewing machines | 4,181 | 6,188 | 48.0% | 21.1% |
| | Machine tools | 13,790 | 9,724 | -29.5% | -33.8% |
| | Total | 17,971 | 15,912 | -11.5% | -21.0% |
| Network & Contents | | 11,043 | 11,063 | 0.2% | -0.6% |
| Industrial Part | | - | 3,762 | - | - |
| Others | | 3,788 | 3,093 | -18.3% | -20.6% |
| G. total | | 120,666 | 139,312 | 15.5% | 0.5% |

2-1. Consolidated results (quarterly results) (Millions of yen)

| | FY ended Mar 31, 2013 | | | | | FY ending Mar 31, 2014 1st Quarter (Apr to Jun 2013) |
|----------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---------|---|
| | 1st Quarter (Apr to Jun 2012) | 2nd Quarter (Jul to Sep 2012) | 3rd Quarter (Oct to Dec 2012) | 4th Quarter (Jan to Mar 2013) | Total | |
| Net sales | 120,666 | 123,858 | 132,738 | 138,803 | 516,066 | 139,312 |
| Operating income | 11,533 | 8,092 | 6,121 | 4,027 | 29,775 | 9,388 |
| Current profits | 12,249 | 7,790 | 2,110 | 994 | 23,144 | 5,874 |
| Net income | 10,300 | 4,539 | -2,618 | 5,604 | 17,826 | 1,336 |
| Exchange rates | Yen-USD 80.40 | 78.42 | 81.49 | 91.07 | 83.23 | 97.94 |
| | Yen-EUR 103.35 | 98.30 | 106.20 | 120.20 | 107.57 | 127.35 |
| Operating profit ratio (%) | 9.6% | 6.5% | 4.6% | 2.9% | 5.8% | 6.7% |

* Operating profit ratio = Operating income / Net sales

** Exchange rates* are the rates used to convert financial statements of overseas subsidiaries into yen.

2-2. Sales by business segment (quarterly results) (Millions of yen)

| | | FY ended Mar 31, 2013 | | | | | FY ending Mar 31, 2014 1st Quarter (Apr to Jun 2013) |
|----------------------|---------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---------|---|
| | | 1st Quarter (Apr to Jun 2012) | 2nd Quarter (Jul to Sep 2012) | 3rd Quarter (Oct to Dec 2012) | 4th Quarter (Jan to Mar 2013) | Total | |
| Printing & Solutions | Communications and Printing equipment | 72,031 | 70,009 | 83,997 | 87,462 | 313,500 | 86,341 |
| | Electronic stationery | 8,484 | 8,862 | 9,614 | 10,374 | 37,335 | 10,882 |
| | Total | 80,515 | 78,872 | 93,611 | 97,837 | 350,836 | 97,223 |
| Personal & Home | | 7,348 | 7,578 | 9,952 | 8,925 | 33,804 | 8,256 |
| Machinery & Solution | Industrial sewing machines | 4,181 | 4,142 | 4,499 | 6,085 | 18,909 | 6,188 |
| | Machine tools | 13,790 | 15,781 | 6,683 | 6,250 | 42,506 | 9,724 |
| | Total | 17,971 | 19,924 | 11,183 | 12,335 | 61,415 | 15,912 |
| Network & Contents | | 11,043 | 14,287 | 12,543 | 12,208 | 50,083 | 11,063 |
| Industrial Part | | - | - | - | - | - | 3,762 |
| Others | | 3,788 | 3,194 | 5,447 | 7,496 | 19,927 | 3,093 |
| G. total | | 120,666 | 123,858 | 132,738 | 138,803 | 516,066 | 139,312 |

2-3. Operating income by business segment (quarterly results) (Millions of yen)

| | FY ended Mar 31, 2013 | | | | | FY ending Mar 31, 2014 1st Quarter (Apr to Jun 2013) |
|----------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--------|---|
| | 1st Quarter (Apr to Jun 2012) | 2nd Quarter (Jul to Sep 2012) | 3rd Quarter (Oct to Dec 2012) | 4th Quarter (Jan to Mar 2013) | Total | |
| Printing & Solutions | 8,841 | 3,551 | 3,555 | 2,877 | 18,826 | 7,504 |
| Personal & Home | 461 | 523 | 829 | 673 | 2,488 | 640 |
| Machinery & Solution | 1,994 | 2,387 | 147 | -523 | 4,006 | 831 |
| Network & Contents | -177 | 1,392 | 846 | 252 | 2,314 | -175 |
| Industrial Part | - | - | - | - | - | 313 |
| Others | 414 | 238 | 741 | 747 | 2,141 | 273 |
| G. total | 11,533 | 8,092 | 6,121 | 4,027 | 29,775 | 9,388 |

2-4. Sales by geographic segment (quarterly results) (Millions of yen)

| | FY ended Mar 31, 2013 | | | | | FY ending Mar 31, 2014 1st Quarter (Apr to Jun 2013) |
|-----------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---------|---|
| | 1st Quarter (Apr to Jun 2012) | 2nd Quarter (Jul to Sep 2012) | 3rd Quarter (Oct to Dec 2012) | 4th Quarter (Jan to Mar 2013) | Total | |
| Japan | 37,473 | 40,621 | 36,763 | 36,754 | 151,613 | 37,422 |
| Americas | 35,599 | 36,264 | 43,871 | 43,784 | 159,519 | 46,191 |
| Europe | 29,422 | 27,008 | 34,969 | 38,879 | 130,279 | 33,542 |
| Asia and Others | 18,170 | 19,963 | 17,134 | 19,385 | 74,655 | 22,155 |
| G. total | 120,666 | 123,858 | 132,738 | 138,803 | 516,066 | 139,312 |

3-1. Consolidated results (annual)

(Millions of yen)

| | FY ended Mar 31, 2008 | FY ended Mar 31, 2009 | FY ended Mar 31, 2010 | FY ended Mar 31, 2011 | FY ended Mar 31, 2012 | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 forecast | |
|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|--------|
| Net sales | 566,378 | 482,204 | 446,269 | 502,830 | 497,390 | 516,066 | 585,000 | |
| Operating income | 53,503 | 19,901 | 26,637 | 36,092 | 34,183 | 29,775 | 35,000 | |
| Current profits | 46,535 | 25,562 | 29,664 | 38,612 | 34,351 | 23,144 | 32,000 | |
| Net income | 27,110 | 15,262 | 19,629 | 26,238 | 19,525 | 17,826 | 18,500 | |
| Exchange rates | Yen-USD | 114 | 101 | 93.04 | 85.82 | 79.30 | 83.23 | 92.84 |
| | Yen-EUR | 162 | 144 | 130.62 | 113.56 | 110.17 | 107.57 | 122.78 |
| Overseas sales ratio (%) | 82.7% | 83.1% | 80.2% | 76.6% | 77.0% | 77.0% | - | |
| Operating profit ratio (%) | 9.4% | 4.1% | 6.0% | 7.2% | 6.9% | 5.8% | 6.0% | |
| ROE (%) | 12.7% | 7.4% | 9.6% | 12.1% | 8.7% | 7.2% | - | |
| ROA (%) | 6.9% | 4.2% | 5.6% | 7.1% | 5.3% | 4.5% | - | |
| Net income per share (yen) | 98.46 | 56.79 | 73.34 | 98.03 | 72.95 | 66.65 | 69.39 | |

* Operating profit ratio = Operating income / Net sales

* ROE = Net income / Owners' equity (average of opening balance and ending balance)

Owners' equity represents Shareholders' equity and Other comprehensive income.

* ROA = Net income / Total assets (average of opening balance and ending balance)

* "Exchange rates" are the rates used to convert financial statements of overseas subsidiaries into yen.

3-2. Sales by business segment (FY ending Mar 31, 2014)

(Millions of yen)

| | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 forecast | Change | Change w/o forex impact | |
|----------------------|---------------------------------------|---------------------------------------|---------|-------------------------------|--------|
| Printing & Solutions | Communications and Printing equipment | 313,500 | 363,800 | 16.0% | 5.7% |
| | Electronic stationery | 37,335 | 44,000 | 17.8% | 6.5% |
| | Total | 350,836 | 407,800 | 16.2% | 5.8% |
| Personal & Home | 33,804 | 39,800 | 17.7% | 7.3% | |
| Machinery & Solution | Industrial sewing machines | 18,909 | 25,100 | 32.7% | 18.2% |
| | Machine tools | 42,506 | 29,800 | -29.9% | -34.6% |
| | Total | 61,415 | 54,900 | -10.6% | -18.3% |
| Network & Contents | 50,083 | 52,500 | 4.8% | 4.4% | |
| Industrial Part | 0 | 16,100 | - | - | |
| Others | 19,927 | 13,900 | -30.2% | -31.3% | |
| G. total | 516,066 | 585,000 | 13.4% | 4.6% | |

3-3. Operating income by business segment (FY ending Mar 31, 2014)

(Millions of yen)

| | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 forecast | Change |
|----------------------|--------------------------|---------------------------------------|--------|
| Printing & Solutions | 18,826 | 25,100 | 33.3% |
| Personal & Home | 2,488 | 3,200 | 28.6% |
| Machinery & Solution | 4,006 | 2,300 | -42.6% |
| Network & Contents | 2,314 | 2,100 | -9.3% |
| Industrial Part | 0 | 1,100 | - |
| Others | 2,141 | 1,200 | -44.0% |
| G. total | 29,775 | 35,000 | 17.5% |

3-4. Sales by geographic segment (FY ending Mar 31, 2014)

(Millions of yen)

| | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 forecast | Change | Change w/o forex impact |
|-----------------|--------------------------|---------------------------------------|--------|-------------------------------|
| Japan | 151,613 | 157,600 | 3.9% | 3.9% |
| Americas | 159,519 | 187,300 | 17.4% | 5.5% |
| Europe | 130,279 | 150,900 | 15.8% | 2.4% |
| Asia and Others | 74,655 | 89,200 | 19.5% | 7.5% |
| G. total | 516,066 | 585,000 | 13.4% | 4.6% |

4-1. Capital expenditure/Depreciation and amortization (annual)

(Millions of yen)

| | FY ended Mar 31, 2008 | FY ended Mar 31, 2009 | FY ended Mar 31, 2010 | FY ended Mar 31, 2011 | FY ended Mar 31, 2012 | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 forecast |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|
| Capital expenditure | 31,605 | 27,169 | 17,481 | 19,787 | 27,833 | 30,237 | 41,700 |
| Depreciation and amortization | 22,227 | 23,093 | 21,028 | 24,027 | 23,069 | 24,476 | 28,400 |

4-2. Capital expenditure/Depreciation and amortization (quarterly results)

(Millions of yen)

| | FY ended Mar 31, 2013 | | | | FY ending Mar 31, 2014 |
|-------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 1st Quarter (Apr to Jun 2012) | 2nd Quarter (Jul to Sep 2012) | 3rd Quarter (Oct to Dec 2012) | 4th Quarter (Jan to Mar 2013) | 1st Quarter (Apr to Jun 2013) |
| Capital expenditure | 4,545 | 5,944 | 8,597 | 11,151 | 6,406 |
| Depreciation and amortization | 5,179 | 5,666 | 6,240 | 7,391 | 5,960 |

5-1. R&D Expenses (annual)

(Millions of yen)

| | FY ended Mar 31, 2008 | FY ended Mar 31, 2009 | FY ended Mar 31, 2010 | FY ended Mar 31, 2011 | FY ended Mar 31, 2012 | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 forecast |
|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|
| R&D expenses | 34,116 | 36,859 | 34,778 | 36,252 | 39,232 | 37,514 | 40,400 |
| R&D expenses per sales (%) | 6.0% | 7.6% | 7.8% | 7.2% | 7.9% | 7.3% | 6.9% |

5-2. R&D Expenses (quarterly results)

(Millions of yen)

| | FY ended Mar 31, 2013 | | | | FY ending Mar 31, 2014 |
|--------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 1st Quarter (Apr to Jun 2012) | 2nd Quarter (Jul to Sep 2012) | 3rd Quarter (Oct to Dec 2012) | 4th Quarter (Jan to Mar 2013) | 1st Quarter (Apr to Jun 2013) |
| R&D expenses | 8,621 | 9,527 | 8,825 | 10,540 | 8,871 |

6. Inventories

| | FY ended Mar 31, 2013 | | | | FY ending Mar 31, 2014 |
|-------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 1st Quarter as of Jun 30, 2012 | 2nd Quarter as of Sep 30, 2012 | 3rd Quarter as of Dec 31, 2012 | 4th Quarter as of Mar 31, 2013 | 1st Quarter as of Jun 30, 2013 |
| Inventories (Millions of yen) | 78,771 | 85,141 | 89,099 | 87,679 | 91,186 |
| Inventories/cost of sales | 3.5 | 3.6 | 3.4 | 3.2 | 3.4 |

7. Interest - bearing debt

| | FY ended Mar 31, 2008 | FY ended Mar 31, 2009 | FY ended Mar 31, 2010 | FY ended Mar 31, 2011 | FY ended Mar 31, 2012 | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 1st Quarter as of Jun 30, 2013 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--|
| Interest - bearing debt (Millions of yen) | 33,599 | 30,401 | 26,943 | 24,386 | 19,966 | 19,224 | 22,323 |
| D E R | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |

* DER = Interest-bearing debt / Owners' equity

Owners' equity represents Shareholders' equity and Other comprehensive income.

8. Owners' equity

(Millions of yen)

| | FY ended Mar 31, 2008 | FY ended Mar 31, 2009 | FY ended Mar 31, 2010 | FY ended Mar 31, 2011 | FY ended Mar 31, 2012 | FY ended Mar 31, 2013 | FY ending Mar 31, 2014 1st Quarter as of Jun 30, 2013 |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--|
| Total assets | 392,259 | 337,667 | 365,990 | 372,645 | 370,906 | 421,494 | 433,862 |
| Owners' equity | 216,175 | 196,790 | 212,221 | 220,122 | 231,001 | 262,837 | 270,645 |
| Owners' equity ratio (%) | 55.1% | 58.3% | 58.0% | 59.1% | 62.3% | 62.4% | 62.4% |

* Owners' equity ratio = Owners' equity / Total assets

Owners' equity represents Shareholders' equity and Other comprehensive income.