

Highlights of Consolidated Results for the Nine Months and the Third Quarter of Fiscal Year Ending March 31, 2014

Millions of yen (except for per share amounts)			
	Nine months ended December 31, 2013	Nine months ended December 31, 2012	Change (%)
Net sales	Y 451,841	Y 377,263	19.8
Operating income	30,740	25,748	19.4
Current profits	24,145	22,150	9.0
Net income	11,784	12,221	-3.6
(Ref.) Comprehensive income	40,595	19,916	103.8
Net income per share:			
Basic	Y 44.21	Y 45.66	
Diluted	44.12	45.58	
	As of December 31, 2013	As of March 31, 2013	
Total assets	Y 483,612	Y 421,494	
Net assets	313,212	278,769	
Owners' equity ratio	61.3 %	62.4 %	
Owners' equity per share	Y 1,116.14	Y 985.85	
(Ref.) Owners' equity	296,215	262,837	
Number of consolidated subsidiaries	64	60	
Number of affiliates using the applied equity method	5	5	

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

Millions of yen (except for per share amounts)			
	[Revised] Year ending March 31, 2014	Year ended March 31, 2013	Change (%)
Net sales	Y 615,000	Y 516,066	19.2
Operating income	38,000	29,775	27.6
Current profits	30,500	23,144	31.8
Net income	15,500	17,826	-13.1
Net income per share	Y 58.40	Y 66.65	
Dividends per common share	24.00	24.00	
	[Revised] Year ending March 31, 2014	[Previous] Year ending March 31, 2014	Change (%)
Net sales	Y 615,000	Y 600,000	2.5
Operating income	38,000	35,000	8.6
Current profits	30,500	29,500	3.4
Net income	15,500	16,500	-6.1
Net income per share	Y 58.40	Y 61.89	
Dividends per common share	24.00	24.00	

(Note 1) Forecasted operating results have been changed in this quarterly period.

(Note 2) No change has been made to forecasted dividend per common share in this quarterly period.

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 nine months ended December 31, 2013 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=94.00 yen, in the accompanying consolidated financial statements.
- Operating results for the nine months ended December 31, 2013 are based on the following currency exchange rates:
Actual average rates for the nine months ended December 31, 2013: US\$=99.23 yen, EURO=132.13 yen
Forecasts for the year ending March 31, 2014 are based on the following currency exchange rates:
Assumed average rates for the fiscal year: US\$=99.74 yen, EURO=133.45 yen
- Number of shares outstanding (including treasury stock): 277,535 thousands as of December 31, 2013, 277,535 thousands as of March 31, 2013
Number of treasury stock outstanding: 12,143 thousands as of December 31, 2013, 10,925 thousands as of March 31, 2013
Number of weighted average shares (nine months): 266,561 thousands during the period ended December 31, 2013, 267,690 thousands during the period ended December 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 December 31, 2013	As of March 31, 2013	As of December 31, 2013
ASSETS			
Current assets			
Cash and cash equivalents	Y 77,815	Y 52,320	\$ 827,826
Marketable securities	3,823	10,004	40,671
Trade receivables	90,061	80,418	958,104
Allowance for doubtful accounts	(1,721)	(1,555)	(18,315)
Inventories	106,312	87,679	1,130,983
Other current assets	22,316	19,685	237,415
Total current assets	<u>298,608</u>	<u>248,554</u>	<u>3,176,683</u>
Net property, plant and equipment	99,847	88,588	1,062,207
Securities investments	36,714	38,612	390,584
Other assets	49,897	54,423	530,828
Allowance for doubtful accounts	(1,456)	(8,684)	(15,494)
Total assets	<u>Y 483,612</u>	<u>Y 421,494</u>	<u>\$ 5,144,809</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Short-term borrowings	Y 10,756	Y 6,524	\$ 114,433
Trade payables	46,696	32,107	496,770
Other current liabilities	73,292	68,422	779,708
Total current liabilities	<u>130,745</u>	<u>107,054</u>	<u>1,390,911</u>
Long-term liabilities			
Long-term borrowings	12,900	12,700	137,234
Other long-term liabilities	26,753	22,970	284,616
Total liabilities	<u>170,399</u>	<u>142,724</u>	<u>1,812,761</u>
Net assets			
Shareholders' equity			
Capital stock	19,209	19,209	204,361
Capital surplus	16,679	16,463	177,440
Retained earnings	260,719	255,639	2,773,616
Treasury stock	(14,092)	(12,971)	(149,924)
Total shareholders' equity	<u>282,516</u>	<u>278,341</u>	<u>3,005,493</u>
Other comprehensive income			
Unrealized gain (loss) on available-for-sale securities	5,250	2,344	55,861
Deferred gain (loss) under hedge accounting	(2,107)	(443)	(22,420)
Foreign currency translation adjustments	10,555	(17,405)	112,291
Total other comprehensive income	<u>13,698</u>	<u>(15,503)</u>	<u>145,732</u>
Stock acquisition rights	451	458	4,806
Minority interests	16,545	15,473	176,018
Total net assets	<u>313,212</u>	<u>278,769</u>	<u>3,332,049</u>
Total liabilities and net assets	<u>Y 483,612</u>	<u>Y 421,494</u>	<u>\$ 5,144,809</u>

CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of U.S. dollars
	Nine months ended	Nine months ended	Nine months ended
	December 31, 2013	December 31, 2012	December 31, 2013
Net sales	Y 451,841	Y 377,263	\$ 4,806,824
Cost of sales	258,047	217,181	2,745,191
Gross profit	193,793	160,082	2,061,633
Selling, general and administrative expenses	163,053	134,334	1,734,608
Operating income	30,740	25,748	327,025
Non-operating income (expenses):			
Interest and dividend income	937	1,174	9,974
Interest expenses	(218)	(363)	(2,323)
Other, net	(7,314) *	(4,408)	(77,814)
Current profits	24,145	22,150	256,863
Extraordinary income (expenses):			
Gain (Loss) on sales and disposals of property, plant and equipment, net	(309)	(85)	(3,287)
Other, net	384	(3)	4,087
Income before income taxes	24,220	22,062	257,662
Income taxes	11,820	9,840	125,754
Income before minority interests	12,399	12,222	131,908
Minority interests in net income	614	0	6,542
Net income	Y 11,784	Y 12,221	\$ 125,366

* Foreign exchange loss of 8,469 million yen is included.

Net income per share:	Yen	Yen	U.S. dollars
Basic	Y 44.21	Y 45.66	\$ 0.47
Diluted	44.12	45.58	0.47

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Millions of yen		Thousands of U.S. dollars
	Nine months ended	Nine months ended	Nine months ended
	December 31, 2013	December 31, 2012	December 31, 2013
Income before minority interests	Y 12,399	Y 12,222	\$ 131,908
Other comprehensive income:			
Unrealized gain (loss) on available-for-sale securities	2,550	(664)	27,135
Deferred gain (loss) under hedge accounting	(1,664)	(216)	(17,703)
Foreign currency translation adjustments	27,309	8,534	290,524
Share of other comprehensive income (loss) of associates	-	40	-
Total other comprehensive income (loss)	28,195	7,694	299,956
Comprehensive income	Y 40,595	Y 19,916	\$ 431,864
Comprehensive income attributable to:			
Owners of the Company	Y 40,335	Y 19,915	\$ 429,104
Minority interests	259	0	2,760

SEGMENT INFORMATION

	Millions of yen		Thousands of
			U.S. dollars
	Nine months ended December 31, 2013	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Printing & Solutions			
Net sales			
Unaffiliated customers	Y 317,962	Y 252,999	\$ 3,382,584
Intersegment	-	-	-
Total	317,962	252,999	3,382,584
Operating income	23,146	15,948	246,237
Personal & Home			
Net sales			
Unaffiliated customers	Y 31,779	Y 24,879	\$ 338,084
Intersegment	-	-	-
Total	31,779	24,879	338,084
Operating income	2,891	1,814	30,761
Machinery & Solution			
Net sales			
Unaffiliated customers	Y 44,643	Y 49,079	\$ 474,933
Intersegment	-	-	-
Total	44,643	49,079	474,933
Operating income	3,088	4,529	32,857
Network & Contents			
Net sales			
Unaffiliated customers	Y 34,178	Y 37,874	\$ 363,602
Intersegment	-	-	-
Total	34,178	37,874	363,602
Operating income (loss)	(548)	2,061	(5,836)
Industrial Part			
Net sales			
Unaffiliated customers	Y 11,799	Y -	\$ 125,525
Intersegment	-	-	-
Total	11,799	-	125,525
Operating income	831	-	8,845
Others			
Net sales			
Unaffiliated customers	Y 11,477	Y 12,430	\$ 122,096
Intersegment	7,345	7,048	78,145
Total	18,822	19,478	200,240
Operating income	1,389	1,436	14,783
Adjustment			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(7,345)	(7,048)	(78,145)
Total	(7,345)	(7,048)	(78,145)
Operating income	(58)	(42)	(626)
Consolidated			
Net sales			
Unaffiliated customers	Y 451,841	Y 377,263	\$ 4,806,824
Intersegment	-	-	-
Total	451,841	377,263	4,806,824
Operating income	30,740	25,748	327,025

Note:

Main products in each business segment are as follows:

Printing & Solutions	All-in-Ones, Printers, FAX Machines, Electronic Stationeries, Typewriters
Personal & Home	Home Sewing Machines, etc.
Machinery & Solution	Industrial Sewing Machines, Machine Tools, Garment Printers
Network & Contents	Online Karaoke System, Fitness Lesson System for Fitness Studio, Applications for Smartphones / Tablets, etc.
Industrial Part	Reducers, Gears, etc.
Others	Real Estate, etc.