

### Highlights of Consolidated Results for the First Half and the Second Quarter of Fiscal Year ending March 31, 2018

	Millions of yen (except for per share amounts)		
	Six months ended September 30, 2017	Six months ended September 30, 2016	Change
	Y	Y	
Revenue	346,400	310,270	11.6 %
Operating profit	31,310	36,164	(13.4) %
Profit before income taxes	31,588	37,062	(14.8) %
Profit for the period	22,967	26,990	(14.9) %
Profit for the period attributable to owners of the parent company	22,682	26,991	(16.0) %
Comprehensive income for the period	45,628	(31,233)	-
Basic earnings per share for the period (yen)	87.35	103.96	
Diluted earnings per share for the period (yen)	87.10	103.67	
Dividends per common share (yen)	24.00	18.00	
	<b>As of September 30, 2017</b>	<b>As of March 31, 2017</b>	
Total assets	Y 705,968	Y 674,107	
Total equity	400,978	361,709	
Equity attributable to owners of the parent company	384,067	345,061	
Equity attributable to owners of the parent company ratio	54.4 %	51.2 %	
Equity attributable to owners of the parent company per share (yen)	1,478.99	1,328.97	

### Highlights of Consolidated Forecast for Fiscal Year ending March 31, 2018

	Millions of yen (except for per share amounts)		
	[Revised] Year ending March 31, 2018	Year ended March 31, 2017	Change
	Y	Y	
Revenue	700,000	641,185	9.2 %
Business segment profit	72,500	60,759	19.3 %
Operating profit	66,000	59,152	11.6 %
Profit before income taxes	65,500	61,257	6.9 %
Profit for the period	49,000	47,440	3.3 %
Profit for the period attributable to owners of the parent company	48,500	47,242	2.7 %
	[Revised] Year ending March 31, 2018	[Previous] Year ending March 31, 2018	Change
Revenue	Y 700,000	Y 680,000	2.9 %
Business segment profit	72,500	66,000	9.8 %
Operating profit	66,000	62,500	5.6 %
Profit for the period attributable to owners of the parent company	48,500	46,000	5.4 %
Basic earnings per share for the period (yen)	186.52	176.91	
Dividends per common share (yen)	48.00	48.00	

(Note 1) Forecasted operating results have been changed from the most recent announcement.

(Note 2) No change has been made in forecasted dividends per common share from the most recent announcement.

(Note 3) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

#### Notes:

- The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
- Amounts less than 1 million yen have been rounded down.
- Yen amounts for the six months ended September 30, 2017 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=113.00 yen, in the accompanying consolidated financial statements.
- Operating results for the six months ended September 30, 2017 are based on the following currency exchange rates:  
Actual average rates for the six months ended September 30, 2017: US\$=111.42 yen, EURO=126.63 yen  
Forecasts for the year ending March 31, 2018 are based on the following currency exchange rates:  
Assumed average rates for the year ending March 31, 2018: US\$=110.97 yen, EURO=127.63 yen
- Number of shares outstanding (including treasury stock): 262,220 thousands as of September 30, 2017, 277,535 thousands as of March 31, 2017  
Number of treasury stock outstanding: 2,538 thousands as of September 30, 2017, 17,889 thousands as of March 31, 2017  
Number of weighted average shares (first half): 259,668 thousands during the period ended September 30, 2017, 259,633 thousands during the period ended September 30, 2016

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 Statement of Financial Position

	Millions of yen		Thousands of U.S. dollars
	As of March 31, 2017	As of September 30, 2017	As of September 30, 2017
<b>Assets</b>			
Current assets			
Cash and cash equivalents	Y 112,032	Y 105,985	\$ 937,920
Trade and other receivables	96,112	107,521	951,513
Other financial assets	9,701	9,232	81,699
Inventories	112,432	124,158	1,098,743
Other current assets	14,701	12,515	110,752
Subtotal	344,980	359,413	3,180,646
Non-current assets classified as held for sale	245	154	1,363
Total current assets	345,225	359,567	3,182,009
Non-current assets			
Property, plant and equipment	120,767	119,874	1,060,832
Investment property	6,646	7,210	63,805
Goodwill and intangible assets	147,012	157,905	1,397,389
Investments accounted for using the equity method	1,506	1,448	12,814
Other financial assets	29,640	35,555	314,646
Deferred tax assets	16,691	17,902	158,425
Other non-current assets	6,617	6,505	57,566
Total non-current assets	328,881	346,401	3,065,496
Total assets	Y 674,107	Y 705,968	\$ 6,247,504
<b>Equity and liabilities</b>			
Liabilities			
Current liabilities			
Trade and other payables	Y 66,268	Y 72,253	\$ 639,407
Bonds and borrowings	20,509	1,179	10,434
Other financial liabilities	3,053	7,467	66,080
Income taxes payable	6,461	7,117	62,982
Provisions	5,691	5,532	48,956
Other current liabilities	50,350	50,775	449,336
Subtotal	152,337	144,325	1,277,212
Liabilities directly associated with assets classified as held for sale	20	26	230
Total current liabilities	152,357	144,351	1,277,442
Non-current liabilities			
Bonds and borrowings	117,082	117,186	1,037,044
Other financial liabilities	10,969	9,650	85,398
Retirement benefits liabilities	17,612	18,762	166,035
Provisions	3,376	3,282	29,044
Deferred tax liabilities	7,843	8,512	75,327
Other non-current liabilities	3,154	3,241	28,681
Total non-current liabilities	160,040	160,637	1,421,566
Total liabilities	312,398	304,989	2,699,018
Equity			
Capital stock	19,209	19,209	169,991
Capital surplus	17,455	17,395	153,938
Retained earnings	407,843	404,389	3,578,664
Treasury stock	(24,230)	(2,792)	(24,708)
Other components of equity	(75,216)	(54,134)	(479,062)
Equity attributable to owners of the parent company	345,061	384,067	3,398,823
Non-controlling interests	16,647	16,910	149,646
Total equity	361,709	400,978	3,548,478
Total equity and liabilities	Y 674,107	Y 705,968	\$ 6,247,504

## Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30, 2016	<b>Six months ended September 30, 2017</b>	<b>Six months ended September 30, 2017</b>
Revenue	Y 310,270	<b>Y 346,400</b>	<b>\$ 3,065,487</b>
Cost of sales	(172,612)	<b>(199,753)</b>	<b>(1,767,726)</b>
Gross profit	137,657	<b>146,647</b>	<b>1,297,761</b>
Selling, general and administrative expenses	(102,986)	<b>(107,532)</b>	<b>(951,611)</b>
Other income	5,172	<b>1,136</b>	<b>10,053</b>
Other expenses	(3,679)	<b>(8,940)</b>	<b>(79,115)</b>
Operating profit	36,164	<b>31,310</b>	<b>277,080</b>
Finance income	7,216	<b>1,403</b>	<b>12,416</b>
Finance expenses	(6,386)	<b>(1,135)</b>	<b>(10,044)</b>
Share of profit/(loss) of investments accounted for using the equity method	67	<b>9</b>	<b>80</b>
Profit before income taxes	37,062	<b>31,588</b>	<b>279,540</b>
Income tax expenses	(10,072)	<b>(8,620)</b>	<b>(76,283)</b>
Profit for the period	26,990	<b>22,967</b>	<b>203,248</b>
Profit for the period attributable to:			
Owners of the parent company	26,991	<b>22,682</b>	<b>200,726</b>
Non-controlling interests	(0)	<b>285</b>	<b>2,522</b>
Profit for the period	Y 26,990	<b>Y 22,967</b>	<b>\$ 203,248</b>
Earnings per share:	Yen	<b>Yen</b>	U.S. dollars
Basic earnings per share	Y 103.96	<b>Y 87.35</b>	<b>\$ 0.77</b>
Diluted earnings per share	103.67	<b>87.10</b>	<b>0.77</b>

## Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	Three months ended September 30, 2016	Three months ended <b>September 30,</b> <b>2017</b>	Three months ended September 30, 2017
Revenue	Y 152,742	Y 178,672	\$ 1,581,168
Cost of sales	(86,966)	(102,407)	(906,257)
Gross profit	65,775	76,264	674,903
Selling, general and administrative expenses	(51,244)	(54,647)	(483,602)
Other income	2,608	335	2,965
Other expenses	(2,083)	(3,246)	(28,726)
Operating profit	15,056	18,706	165,540
Finance income	1,317	750	6,637
Finance expenses	(492)	(792)	(7,009)
Share of profit/(loss) of investments accounted for using the equity method	66	(61)	(540)
Profit before income taxes	15,948	18,603	164,628
Income tax expenses	(4,283)	(4,958)	(43,876)
Profit for the period	11,665	13,645	120,752
Profit for the period attributable to:			
Owners of the parent company	11,652	13,535	119,779
Non-controlling interests	12	109	965
Profit for the period	Y 11,665	Y 13,645	\$ 120,752
Earnings per share:	Yen	Yen	U.S. dollars
Basic earnings per share	Y 44.88	Y 52.12	\$ 0.46
Diluted earnings per share	44.76	51.98	0.46

## Consolidated Statement of Comprehensive Income

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30, 2016	<b>Six months ended September 30, 2017</b>	<b>Six months ended September 30, 2017</b>
Profit for the period	Y 26,990	<b>Y 22,967</b>	<b>\$ 203,248</b>
Other comprehensive income, net of income tax Items that will not be reclassified subsequently to profit or loss			
Gains/(Losses) on investments in equity instruments designated as FVTOCI	519	<b>1,569</b>	<b>13,885</b>
Total of items that will not be reclassified subsequently to profit or loss	519	<b>1,569</b>	<b>13,885</b>
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges	(70)	<b>149</b>	<b>1,319</b>
Exchange differences on translating foreign operations	(58,673)	<b>20,942</b>	<b>185,327</b>
Total of items that may be reclassified subsequently to profit or loss	(58,744)	<b>21,091</b>	<b>186,646</b>
Other comprehensive income for the period, net of income tax	(58,224)	<b>22,660</b>	<b>200,531</b>
Comprehensive income for the period	<u>(31,233)</u>	<u><b>45,628</b></u>	<u><b>403,788</b></u>
Comprehensive income for the period attributable to:			
Owners of the parent company	(31,163)	<b>45,249</b>	<b>400,434</b>
Non-controlling interests	(70)	<b>379</b>	<b>3,354</b>
Comprehensive income for the period	Y <u>(31,233)</u>	<b>Y <u>45,628</u></b>	<b>\$ <u>403,788</u></b>

## Consolidated Statement of Comprehensive Income

	Millions of yen		Thousands of U.S. dollars
	Three months ended September 30, 2016	Three months ended <b>September 30,</b> <b>2017</b>	Three months ended September 30, 2017
Profit for the period	Y 11,665	Y <b>13,645</b>	\$ 120,752
Other comprehensive income, net of income tax Items that will not be reclassified subsequently to profit or loss			
Gains/(Losses) on investments in equity instruments designated as FVTOCI	1,363	552	4,885
Total of items that will not be reclassified subsequently to profit or loss	1,363	552	4,885
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges	(45)	(16)	(142)
Exchange differences on translating foreign operations	(10,164)	10,518	93,080
Total of items that may be reclassified subsequently to profit or loss	(10,209)	10,502	92,938
Other comprehensive income for the period, net of income tax	(8,846)	11,054	97,823
Comprehensive income for the period	2,819	24,700	218,584
Comprehensive income for the period attributable to:			
Owners of the parent company	2,760	24,536	217,133
Non-controlling interests	58	163	1,442
Comprehensive income for the period	Y 2,819	Y <b>24,700</b>	\$ 218,584

## Consolidated Statement of Changes in Equity

Six months ended September 30, 2016

	Millions of yen											
	Equity attributable to owners of the parent company						Other components of equity					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Cash flow hedges	Unrealized gains/(losses) on available-for-sale securities	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Total	Total	Non-controlling interests	Total equity
Balance as of March 31, 2016	19,209	17,321	363,864	(24,225)	(46,083)	(200)	3,554	-	(42,729)	333,440	16,545	349,986
Cumulative effect of adoption of the new accounting standards	-	-	3,420	-	-	-	(3,554)	-	(3,554)	(133)	44	(88)
Balance as of April 1, 2016	19,209	17,321	367,285	(24,225)	(46,083)	(200)	-	-	(46,284)	333,307	16,589	349,897
Profit for the period	-	-	26,991	-	-	-	-	-	-	26,991	(0)	26,990
Other comprehensive income/(loss)	-	-	-	-	(58,604)	(70)	-	521	(58,154)	(58,154)	(69)	(58,224)
Total comprehensive income/(loss) for the period	-	-	26,991	-	(58,604)	(70)	-	521	(58,154)	(31,163)	(70)	(31,233)
Acquisition of treasury stock	-	-	-	(2)	-	-	-	-	-	(2)	-	(2)
Disposal of treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	(4,679)	-	-	-	-	-	-	(4,679)	(101)	(4,780)
Reclassification to retained earnings	-	-	521	-	-	-	-	(521)	(521)	-	-	-
Other increase/(decrease)	-	-	-	-	-	-	-	-	-	-	(3)	(3)
Total transactions with owners	-	-	(4,158)	(2)	-	-	-	(521)	(521)	(4,681)	(104)	(4,786)
Balance as of September 30, 2016	19,209	17,321	390,118	(24,227)	(104,687)	(271)	-	-	(104,959)	297,463	16,414	313,878

Six months ended September 30, 2017

	Millions of yen											
	Equity attributable to owners of the parent company						Other components of equity					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Cash flow hedges	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Total	Total	Non-controlling interests	Total equity	
Balance as of April 1, 2017	19,209	17,455	407,843	(24,230)	(75,055)	(161)	-	(75,216)	345,061	16,647	361,709	
Profit for the period	-	-	22,682	-	-	-	-	-	22,682	285	22,967	
Other comprehensive income	-	-	-	-	20,932	149	1,484	22,566	22,566	93	22,660	
Total comprehensive income for the period	-	-	22,682	-	20,932	149	1,484	22,566	45,249	379	45,628	
Acquisition of treasury stock	-	-	-	(7)	-	-	-	-	(7)	-	-	(7)
Disposal of treasury stock	-	(36)	(11)	47	-	-	-	-	0	-	-	0
Cancellation of treasury stock	-	(21)	(21,369)	21,391	-	-	-	-	-	-	-	-
Dividends paid	-	-	(6,239)	-	-	-	-	-	(6,239)	(111)	-	(6,351)
Change due to stock swap	-	(2)	-	6	-	-	-	-	3	(3)	-	-
Reclassification to retained earnings	-	-	1,484	-	-	-	(1,484)	(1,484)	-	-	-	-
Total transactions with owners	-	(59)	(26,136)	21,437	-	-	(1,484)	(1,484)	(6,243)	(115)	-	(6,358)
Balance as of September 30, 2017	19,209	17,395	404,389	(2,792)	(54,122)	(12)	-	(54,134)	384,067	16,910	400,978	

Six months ended September 30, 2017

	Thousands of U.S. dollars											
	Equity attributable to owners of the parent company						Other components of equity					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Cash flow hedges	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Total	Total	Non-controlling interests	Total equity	
Balance as of April 1, 2017	169,991	154,469	3,609,230	(214,425)	(664,204)	(1,425)	-	(665,628)	3,053,637	147,319	3,200,965	
Profit for the period	-	-	200,726	-	-	-	-	-	200,726	2,522	203,248	
Other comprehensive income	-	-	-	-	185,239	1,319	13,133	199,699	199,699	823	200,531	
Total comprehensive income for the period	-	-	200,726	-	185,239	1,319	13,133	199,699	400,434	3,354	403,788	
Acquisition of treasury stock	-	-	-	(62)	-	-	-	-	(62)	-	-	(62)
Disposal of treasury stock	-	(319)	(97)	416	-	-	-	-	0	-	-	0
Cancellation of treasury stock	-	(186)	(189,106)	189,301	-	-	-	-	-	-	-	-
Dividends paid	-	-	(55,212)	-	-	-	-	-	(55,212)	(982)	-	(56,204)
Change due to stock swap	-	(18)	-	53	-	-	-	-	27	(27)	-	-
Reclassification to retained earnings	-	-	13,133	-	-	-	(13,133)	(13,133)	-	-	-	-
Total transactions with owners	-	(522)	(231,292)	189,708	-	-	(13,133)	(13,133)	(55,248)	(1,018)	-	(56,265)
Balance as of September 30, 2017	169,991	153,938	3,578,664	(24,708)	(478,956)	(106)	-	(479,062)	3,398,823	149,646	3,548,478	

## Consolidated Statement of Cash Flows

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30, 2016	Six months ended September 30, 2017	Six months ended September 30, 2017
Cash flows from operating activities			
Profit before income taxes	Y 37,062	Y 31,588	\$ 279,540
Depreciation and amortization	17,037	16,966	150,142
Finance expenses/(income)	(830)	(268)	(2,372)
Share of loss/(profit) of investments accounted for using the equity method	(67)	(9)	(80)
Losses/(gains) on sale and disposal of fixed assets	329	280	2,478
Decrease/(increase) in trade and other receivables	(3,789)	(8,241)	(72,929)
Decrease/(increase) in inventories	(658)	(7,963)	(70,469)
Increase/(decrease) in trade and other payables	130	6,437	56,965
Decrease/(increase) in retirement benefit assets	124	543	4,805
Increase/(decrease) in retirement benefit liabilities	(73)	(78)	(690)
Other	(1,376)	7,632	67,540
Subtotal	47,889	46,886	414,920
Interest received	447	483	4,274
Dividends received	236	214	1,894
Interest paid	(314)	(268)	(2,372)
Income taxes paid	(5,146)	(9,461)	(83,726)
Net cash provided by operating activities	Y 43,112	Y 37,853	\$ 334,982
Cash flows from investing activities			
Purchases of property, plant and equipment	(11,312)	(11,138)	(98,566)
Proceeds from sales of property, plant and equipment	289	417	3,690
Purchases of intangible assets	(3,458)	(4,515)	(39,956)
Purchases of investments in equity instruments	(361)	(353)	(3,124)
Proceeds from sales of investments in equity instruments	327	422	3,735
Purchase of investments in debt instruments	(2,290)	(6,589)	(58,310)
Proceeds from sales or redemption of investments in debt instruments	5,761	2,938	26,000
Payments for acquisition of business	(140)	(617)	(5,460)
Other	(313)	(339)	(3,000)
Net cash provided by (used in) investing activities	Y (11,498)	Y (19,775)	\$ (175,000)
Cash flows from financing activities			
Repayment of short-term borrowings	(468)	(423)	(3,743)
Repayment of long-term borrowings	(10,605)	(20,289)	(179,549)
Repayment of lease obligations	(1,034)	(917)	(8,115)
Dividends paid	(4,679)	(6,239)	(55,212)
Dividends paid to non-controlling interests	(101)	(111)	(982)
Other	(1)	(64)	(566)
Net cash provided by (used in) financing activities	Y (16,890)	Y (28,045)	\$ (248,186)
Effect of exchange rate changes on cash and cash equivalents	(4,354)	3,920	34,690
Net increase/(decrease) in cash and cash equivalents	10,369	(6,047)	(53,513)
Cash and cash equivalents at the beginning of the period	67,387	112,032	991,434
Cash and cash equivalents at the end of the period	Y 77,757	Y 105,985	\$ 937,920



## Segment Information

Six months ended September 30, 2016

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	186,798	20,592	43,639	24,553	28,155	6,531	310,270	-	310,270
Intersegment	-	-	-	-	-	9,080	9,080	(9,080)	-
Total	186,798	20,592	43,639	24,553	28,155	15,611	319,350	(9,080)	310,270
Business segment profit	28,149	459	2,901	982	1,926	395	34,815	(143)	34,671
Other income and expenses	2,147	36	225	(969)	(13)	66	1,492	-	1,492
Operating profit	30,296	496	3,127	12	1,912	461	36,308	(143)	36,164
Finance income and expenses									830
Share of profit/(loss) of investments accounted for using the equity method									67
Profit before income taxes									37,062

Six months ended September 30, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	199,230	20,726	63,482	23,982	33,004	5,973	346,400	-	346,400
Intersegment	-	-	-	-	-	6,154	6,154	(6,154)	-
Total	199,230	20,726	63,482	23,982	33,004	12,127	352,555	(6,154)	346,400
Business segment profit/(loss)	26,909	431	7,610	1,067	2,520	633	39,172	(56)	39,115
Other income and expenses	(6,567)	(447)	(154)	(135)	(582)	83	(7,804)	-	(7,804)
Operating profit/(loss)	20,341	(16)	7,455	931	1,938	716	31,367	(56)	31,310
Finance income and expenses									268
Share of profit/(loss) of investments accounted for using the equity method									9
Profit before income taxes									31,588

Six months ended September 30, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Thousand of U.S. dollars									
Revenue									
Customers	1,763,097	183,416	561,788	212,230	292,071	52,858	3,065,487	-	3,065,487
Intersegment	-	-	-	-	-	54,460	54,460	(54,460)	-
Total	1,763,097	183,416	561,788	212,230	292,071	107,319	3,119,956	(54,460)	3,065,487
Business segment profit/(loss)	238,133	3,814	67,345	9,442	22,301	5,602	346,655	(496)	346,150
Other income and expenses	(58,115)	(3,956)	(1,363)	(1,195)	(5,150)	735	(69,062)	-	(69,062)
Operating profit/(loss)	180,009	(142)	65,973	8,239	17,150	6,336	277,584	(496)	277,080
Finance income and expenses									2,372
Share of profit/(loss) of investments accounted for using the equity method									80
Profit before income taxes									279,540

Notes:

1) Main products in each business segment are as follows:

Printing & Solutions	Printers, All-in-Ones, Labeling Systems, Label Printers, Scanners, etc.
Personal & Home	Home Sewing Machines, Home Cutting Machines, etc.
Machinery	Industrial Sewing Machines, Garment Printers, Machine Tools, Reducers, Gears, etc.
Network & Contents	Online Karaoke Systems, Management of Karaoke Clubs, Content Services, etc.
Domino	Cording & Marking Equipment, Digital Printing Equipment, etc.
Others	Real Estate, etc.

2) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

## Segment Information

Three months ended September 30, 2016

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	91,500	11,093	20,676	11,967	13,740	3,763	152,742	-	152,742
Intersegment	-	-	-	-	-	2,548	2,548	(2,548)	-
Total	91,500	11,093	20,676	11,967	13,740	6,312	155,290	(2,548)	152,742
Business segment profit	11,214	479	1,022	570	1,065	196	14,549	(18)	14,531
Other income and expenses	1,173	5	157	(835)	(9)	33	525	-	525
Operating profit	12,387	485	1,179	(264)	1,055	230	15,074	(18)	15,056
Finance income and expenses									825
Share of profit/(loss) of investments accounted for using the equity method									66
Profit before income taxes									15,948

Three months ended September 30, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	100,430	11,377	34,426	12,764	16,556	3,117	178,672	-	178,672
Intersegment	-	-	-	-	-	3,514	3,514	(3,514)	-
Total	100,430	11,377	34,426	12,764	16,556	6,632	182,186	(3,514)	178,672
Business segment profit	13,548	594	5,066	1,127	927	397	21,661	(44)	21,617
Other income and expenses	(2,350)	(158)	(123)	(93)	(232)	47	(2,910)	-	(2,910)
Operating profit	11,197	436	4,943	1,033	695	444	18,751	(44)	18,706
Finance income and expenses									(42)
Share of profit/(loss) of investments accounted for using the equity method									(61)
Profit before income taxes									18,603

Three months ended September 30, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Thousand of U.S. dollars									
Revenue									
Customers	888,761	100,681	304,655	112,956	146,513	27,584	1,581,168	-	1,581,168
Intersegment	-	-	-	-	-	31,097	31,097	(31,097)	-
Total	888,761	100,681	304,655	112,956	146,513	58,690	1,612,265	(31,097)	1,581,168
Business segment profit	119,894	5,257	44,832	9,973	8,204	3,513	191,690	(389)	191,301
Other income and expenses	(20,796)	(1,398)	(1,088)	(823)	(2,053)	416	(25,752)	-	(25,752)
Operating profit	99,088	3,858	43,743	9,142	6,150	3,929	165,938	(389)	165,540
Finance income and expenses									(372)
Share of profit/(loss) of investments accounted for using the equity method									(540)
Profit before income taxes									164,628

Notes:

1) Main products in each business segment are as follows:

Printing & Solutions	Printers, All-in-Ones, Labeling Systems, Label Printers, Scanners, etc.
Personal & Home	Home Sewing Machines, Home Cutting Machines, etc.
Machinery	Industrial Sewing Machines, Garment Printers, Machine Tools, Reducers, Gears, etc.
Network & Contents	Online Karaoke Systems, Management of Karaoke Clubs, Content Services, etc.
Domino	Cording & Marking Equipment, Digital Printing Equipment, etc.
Others	Real Estate, etc.

2) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

## Supplementary Information for the 1st Half and the 2nd Quarter of Fiscal Year Ending March 31, 2018

### 1-1. Consolidated results (1st half results)

(Millions of yen)

	FY ended Mar 31, 2017 (Apr to Sep 2016)	FY ending Mar 31, 2018 (Apr to Sep 2017)	Change (w/o fx impact)
Sales Revenue	310,270	346,400	11.6% (+8.3%)
Business Segment Profit	34,671	39,115	12.8%
Operating profit	36,164	31,310	-13.4%
Net Income	26,991	22,682	-16.0%
Exchange rates			
Yen-USD	106.43	111.42	-
Yen-EUR	119.12	126.63	-
Operating profit ratio (%)	11.7%	9.0%	-

\* Operating profit ratio = Operating Profit / Sales Revenue

\* Net Income = Profit for the period attributable to owners of the parent company

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

### 1-2. Sales by business segment (1st half results)

(Millions of yen)

		FY ended Mar 31, 2017 (Apr to Sep 2016)	FY ending Mar 31, 2018 (Apr to Sep 2017)	Change	Change (w/o fx impact)
Printing & Solutions	Communication and Printing equipment	164,791	176,188	6.9%	2.2%
	Electronic stationery	22,007	23,041	4.7%	-0.1%
	Total	186,798	199,230	6.7%	2.0%
Personal & Home		20,592	20,726	0.6%	-4.2%
Machinery	Industrial sewing machines	12,638	14,012	10.9%	6.3%
	Machine tools	21,957	39,558	80.2%	78.9%
	Industrial Parts	9,043	9,912	9.6%	8.5%
Total		43,639	63,482	45.5%	43.3%
Network & Contents		24,553	23,982	-2.3%	-2.4%
Domino		28,155	33,004	17.2%	18.8%
Others		6,531	5,973	-8.5%	-8.5%
G. total		310,270	346,400	11.6%	8.3%

### 2-1. Consolidated results (quarterly results)

(Millions of yen)

	FY ended Mar 31, 2017					FY ending Mar 31, 2018		
	1st Quarter (Apr to Jun 2016)	2nd Quarter (Jul to Sep 2016)	3rd Quarter (Oct to Dec 2016)	4th Quarter (Jan to Mar 2017)	Total	1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	1st half (Apr to Sep 2017)
Sales Revenue	157,528	152,742	166,596	164,318	641,185	167,728	178,672	346,400
Business Segment Profit	20,140	14,531	14,736	11,351	60,759	17,497	21,617	39,115
Operating profit	21,107	15,056	11,174	11,813	59,152	12,603	18,706	31,310
Net Income	15,338	11,652	11,676	8,574	47,242	9,146	13,535	22,682
Exchange rates								
Yen-USD	109.07	102.91	108.72	113.76	109.03	111.61	111.38	111.42
Yen-EUR	122.47	114.59	117.70	120.81	119.37	123.14	130.45	126.63
Operating profit ratio (%)	13.4%	9.9%	6.7%	7.2%	9.2%	7.5%	10.5%	9.0%

\* Operating profit ratio = Operating Profit / Sales Revenue

\* Net Income = Profit for the period attributable to owners of the parent company

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

### 2-2. Sales Revenue by business segment (quarterly results)

(Millions of yen)

		FY ended Mar 31, 2017					FY ending Mar 31, 2018		
		1st Quarter (Apr to Jun 2016)	2nd Quarter (Jul to Sep 2016)	3rd Quarter (Oct to Dec 2016)	4th Quarter (Jan to Mar 2017)	Total	1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	1st half (Apr to Sep 2017)
Printing & Solutions	Communications & Printing equipment	83,963	80,827	87,094	86,676	338,562	87,666	88,522	176,188
	Electronic stationery	11,334	10,672	11,256	11,802	45,066	11,134	11,907	23,041
	Total	95,298	91,500	98,351	98,478	383,628	98,800	100,430	199,230
Personal & Home		9,499	11,093	13,599	10,217	44,409	9,349	11,377	20,726
Machinery	Industrial sewing machines	6,598	6,040	6,753	7,409	26,802	6,777	7,235	14,012
	Machine tools	11,840	10,117	11,341	12,053	45,352	17,392	22,166	39,558
	Industrial Parts	4,524	4,518	4,619	5,127	18,789	4,887	5,025	9,912
Total		22,962	20,676	22,714	24,590	90,944	29,056	34,426	63,482
Network & Contents		12,586	11,967	12,984	12,193	49,731	11,218	12,764	23,982
Domino		14,414	13,740	15,493	15,705	59,354	16,448	16,556	33,004
Others		2,767	3,763	3,453	3,132	13,117	2,855	3,117	5,973
G. total		157,528	152,742	166,596	164,318	641,185	167,728	178,672	346,400

### 2-3. Business Segment profit by business segment (quarterly results)

(Millions of yen)

	FY ended Mar 31, 2017					FY ending Mar 31, 2018		
	1st Quarter (Apr to Jun 2016)	2nd Quarter (Jul to Sep 2016)	3rd Quarter (Oct to Dec 2016)	4th Quarter (Jan to Mar 2017)	Total	1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	1st half (Apr to Sep 2017)
Printing & Solutions	16,934	11,214	9,780	7,724	45,654	13,361	13,548	26,909
Personal & Home	-19	479	1,152	426	2,038	-163	594	431
Machinery	1,879	1,022	1,269	2,006	6,177	2,543	5,066	7,610
Network & Contents	411	570	891	339	2,213	-60	1,127	1,067
Domino	861	1,065	1,452	798	4,177	1,592	927	2,520
Others	198	196	221	80	697	236	397	633
Adjustment	-125	-18	-31	-24	-199	-12	-44	-56
G. total	20,140	14,531	14,736	11,351	60,759	17,497	21,617	39,115

### 2-4. Operating profit by business segment (quarterly results)

(Millions of yen)

	FY ended Mar 31, 2017					FY ending Mar 31, 2018		
	1st Quarter (Apr to Jun 2016)	2nd Quarter (Jul to Sep 2016)	3rd Quarter (Oct to Dec 2016)	4th Quarter (Jan to Mar 2017)	Total	1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	1st half (Apr to Sep 2017)
Printing & Solutions	17,908	12,387	5,752	9,471	45,520	9,144	11,197	20,341
Personal & Home	10	485	1,033	349	1,880	-452	436	-16
Machinery	1,948	1,179	1,392	1,459	5,980	2,511	4,943	7,455
Network & Contents	276	-264	808	34	854	-102	1,033	931
Domino	857	1,055	2,009	444	4,366	1,242	695	1,938
Others	231	230	209	78	749	271	444	716
Adjustment	-125	-18	-31	-24	-199	-12	-44	-56
G. total	21,107	15,056	11,174	11,813	59,152	12,603	18,706	31,310

### 3-1. Consolidated results(annual)

(Millions of yen)

	J-GAAP					IFRS		
	FY ended Mar 31, 2012	FY ended Mar 31, 2013	FY ended Mar 31, 2014	FY ended Mar 31, 2015	FY ended Mar 31, 2016	FY ended Mar 31, 2016	FY ended Mar 31, 2017	FY ending Mar 31,2018 forecast
Net Sales (Sales Revenue)	497,390	516,066	616,834	707,237	745,888	682,119	641,185	700,000
Business Segment Profit	-	-	-	-	-	54,934	60,759	72,500
Operating profit	34,183	29,775	43,301	57,541	47,276	58,640	59,152	66,000
Current profits	34,351	23,144	35,613	51,557	48,611	-	-	-
Net Income	19,525	17,826	19,220	53,969	31,017	41,238	47,242	48,500
Exchange rates								
Yen-USD	79.30	83.23	100.00	110.03	120.16	120.16	109.03	110.97
Yen-EUR	110.17	107.57	134.01	138.68	132.36	132.36	119.37	127.63
Operating profit ratio (%)	6.9%	5.8%	7.0%	8.1%	6.3%	8.6%	9.2%	9.4%
ROE (%)	8.7%	7.2%	6.9%	16.8%	9.2%	12.1%	13.9%	-
ROA (%)	5.3%	4.5%	4.3%	10.4%	5.0%	6.7%	7.0%	-
Net income per share (yen)	72.95	66.65	72.20	206.68	119.47	158.83	181.96	186.52

\* Operating profit ratio = Operating income / Net sales(Sales Revenue)

\* ROE = Net income Attributable to owners of the company / Owners' equity (average of opening balance and ending balance)  
Owners' equity represents Shareholders' equity and Other comprehensive income.

\* ROA = Net income Attributable to owners of the company / 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 Revenue by segment

(Millions of yen)

		FY ended Mar 31, 2017	FY ending Mar 31,2018 forecast	Change	Change x FX
Printing & Solutions	Communications and Printing equipment	338,562	358,400	5.9%	2.2%
	Electronic stationery	45,066	47,500	5.4%	1.9%
	Total	383,628	405,900	5.8%	2.2%
Personal & Home		44,409	45,400	2.2%	-1.2%
Machinery	Industrial sewing machines	26,802	30,100	12.3%	9.4%
	Machine tools	45,352	72,300	59.4%	58.4%
	Industrial Parts	18,789	20,300	8.0%	7.3%
	Total	90,944	122,700	34.9%	33.4%
Network & Contents		49,731	49,400	-0.7%	-0.7%
Domino		59,354	67,000	12.9%	10.6%
Others		13,117	9,600	-26.8%	-26.8%
G. total		641,185	700,000	9.2%	6.3%

### 3-3. Business segment profit by segment

(Millions of yen)

	FY ended Mar 31, 2017	FY ending Mar 31,2018 forecast	Change
Printing & Solutions	45,654	49,700	8.9%
Personal & Home	2,038	2,200	7.9%
Machinery	6,177	12,700	105.6%
Network & Contents	2,213	2,500	12.9%
Domino	4,177	4,800	14.9%
Others	697	600	-14.0%
Adjustment	-199	-	-
G. total	60,759	72,500	19.3%

### 3-4. Operating Profit by segment

(Millions of yen)

	FY ended Mar 31, 2017	FY ending Mar 31,2018 forecast	Change
Printing & Solutions	45,520	45,500	-0.0%
Personal & Home	1,880	1,300	-30.9%
Machinery	5,980	12,800	114.0%
Network & Contents	854	2,000	133.9%
Domino	4,366	4,200	-3.8%
Others	749	200	-73.3%
Adjustment	-199	-	-
G. total	59,152	66,000	11.6%

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

(Millions of yen)

	J-GAAP					IFRS		
	FY ended Mar 31, 2012	FY ended Mar 31, 2013	FY ended Mar 31, 2014	FY ended Mar 31, 2015	FY ended Mar 31, 2016	FY ended Mar 31, 2016	FY ended Mar 31, 2017	FY ending Mar 31, 2018 forecast
Capital expenditure	27,833	30,237	34,858	34,064	39,976	41,469	28,644	35,000
Depreciation and amortization	23,069	24,476	27,613	28,205	34,341	34,934	33,811	34,600

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

(Millions of yen)

	IFRS				IFRS	
	FY ended March 31, 2017				FY ending Mar 31, 2018	
	1st Quarter (Apr to Jun 2016)	2nd Quarter (Jul to sep 2016)	3rd Quarter (Oct to Dec 2016)	4th Quarter (Jan to Mar 2017)	1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to sep 2017)
Capital expenditure	6,656	6,200	6,586	9,201	6,387	8,608
Depreciation and amortization	8,633	8,402	8,316	8,457	8,399	8,567

#### 5-1. R&D Expenses (annual)

(Millions of yen)

	J-GAAP					IFRS		
	FY ended Mar 31, 2012	FY ended Mar 31, 2013	FY ended Mar 31, 2014	FY ended Mar 31, 2015	FY ended Mar 31, 2016	FY ended Mar 31, 2016	FY ended Mar 31, 2017	FY ending Mar 31, 2018 Forecast
R&D expenses	39,232	37,514	40,137	42,523	46,017	44,639	42,547	46,000
R&D expenses per sales (%)	7.9%	7.3%	6.5%	6.0%	6.2%	6.5%	6.6%	6.6%

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

(Millions of yen)

	IFRS				IFRS	
	FY ended March 31, 2017				FY ending Mar 31, 2018	
	1st Quarter (Apr to Jun 2016)	2nd Quarter (Jul to sep 2016)	3rd Quarter (Oct to Dec 2016)	4th Quarter (Jan to Mar 2017)	1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to sep 2017)
R&D expenses	9,740	11,060	10,351	11,394	10,729	12,225

#### 6. Inventories (quarterly results)

	IFRS				IFRS	
	FY ended March 31, 2017				FY ending Mar 31, 2018	
	1st Quarter as of Jun 30, 2016	2nd Quarter as of Sep 30, 2016	3rd Quarter as of Dec 31, 2016	4th Quarter as of Mar 31, 2017	1st Quarter as of Jun 30, 2017	2nd Quarter as of Sep 30, 2017
Inventories (Millions of yen)	113,299	112,863	117,467	112,432	116,867	124,158
Inventories/cost of sales	4.0	3.9	3.5	3.5	3.6	3.6

#### 7. Interest - bearing debt

	J-GAAP					IFRS		IFRS
	FY ended Mar 31, 2012	FY ended Mar 31, 2013	FY ended Mar 31, 2014	FY ended Mar 31, 2015	FY ended Mar 31, 2016	FY ended Mar 31, 2016	FY ended Mar 31, 2017	FY ending Mar 31, 2018 2nd Quarter as of Sep 30, 2017
Interest - bearing debt (Millions of yen)	19,966	19,224	14,366	15,481	158,440	158,487	137,592	118,365
DER	0.1	0.1	0.05	0.04	0.49	0.48	0.40	0.31

\* DER = Interest-bearing debt / Owners' equity

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

#### 8. Cash flows

(Millions of yen)

	J-GAAP					IFRS		IFRS
	FY ended Mar 31, 2012	FY ended Mar 31, 2013	FY ended Mar 31, 2014	FY ended Mar 31, 2015	FY ended Mar 31, 2016	FY ended Mar 31, 2016	FY ended Mar 31, 2017	FY ending Mar 31, 2018 1st half
Net cash provided by operating activities	39,327	32,734	55,019	58,021	49,241	51,304	99,155	37,853
Net cash used in investing activities	-30,758	-41,771	-39,099	-15,326	-215,091	-216,997	-23,271	-19,775
Net cash used in financing activities	-14,117	-6,413	-13,433	-18,451	134,317	134,317	-30,389	-28,045
Cash and cash equivalents at end of period	58,731	55,059	68,934	104,732	66,690	67,387	112,032	105,985

#### 9. Owners' equity

(Millions of yen)

	J-GAAP					IFRS		IFRS
	FY ended Mar 31, 2012	FY ended Mar 31, 2013	FY ended Mar 31, 2014	FY ended Mar 31, 2015	FY ended Mar 31, 2016	FY ended Mar 31, 2016	FY ended Mar 31, 2017	FY ending Mar 31, 2018 2nd Quarter as of Sep 30, 2017
Total assets	370,906	421,494	469,973	567,230	667,811	675,301	674,107	705,968
Owners' equity	231,001	262,837	291,164	350,162	322,146	333,440	345,061	384,067
Owners' equity ratio (%)	62.3%	62.4%	62.0%	61.7%	48.2%	49.4%	51.2%	54.4%

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

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