

Highlights of Consolidated Results for the Nine Months and the Third Quarter of Fiscal Year ending March 31, 2018

	Millions of yen (except for per share amounts)		
	Nine months ended December 31, 2017	Y	Change
	Y	476,867	12.0 %
Revenue	534,162	476,867	12.0 %
Operating profit	53,106	47,339	12.2 %
Profit before income taxes	53,723	48,867	9.9 %
Profit for the period	39,184	38,814	1.0 %
Profit for the period attributable to owners of the parent company	38,838	38,667	0.4 %
Comprehensive income for the period	65,779	21,774	202.1 %
Basic earnings per share for the period (yen)	149.57	148.93	
Diluted earnings per share for the period (yen)	149.14	148.52	
	As of December 31, 2017	As of March 31, 2017	
Total assets	Y 718,192	Y 674,107	
Total equity	414,751	361,709	
Equity attributable to owners of the parent company	397,891	345,061	
Equity attributable to owners of the parent company ratio	55.4 %	51.2 %	
Equity attributable to owners of the parent company per share (yen)	1,532.23	1,328.97	

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

	Millions of yen (except for per share amounts)		
	[Forecast] 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 %
Basic earnings per share for the period (yen)	186.52	181.96	
Dividends per common share (yen)	48.00	42.00	

(Note 1) No change has been made to forecasted operating results from the most recent announcement.

(Note 2) No change has been made to 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 nine months ended December 31, 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 nine months ended December 31, 2017 are based on the following currency exchange rates:
Actual average rates for the nine months ended December 31, 2017: US\$=111.82 yen, EURO=128.59 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 December 31, 2017, 277,535 thousands as of March 31, 2017
Number of treasury stock outstanding: 2,539 thousands as of December 31, 2017, 17,889 thousands as of March 31, 2017
Number of weighted average shares (nine months): 259,673 thousands during the period ended December 31, 2017, 259,632 thousands during the period ended December 31, 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 December 31, 2017	As of December 31, 2017
Assets			
Current assets			
Cash and cash equivalents	Y 112,032	Y 109,213	\$ 966,487
Trade and other receivables	96,112	112,049	991,584
Other financial assets	9,701	8,911	78,858
Inventories	112,432	122,825	1,086,947
Other current assets	14,701	13,794	122,071
Subtotal	344,980	366,794	3,245,965
Non-current assets classified as held for sale	245	160	1,416
Total current assets	345,225	366,954	3,247,381
Non-current assets			
Property, plant and equipment	120,767	121,938	1,079,097
Investment property	6,646	6,528	57,770
Goodwill and intangible assets	147,012	157,941	1,397,708
Investments accounted for using the equity method	1,506	1,486	13,150
Other financial assets	29,640	39,476	349,345
Deferred tax assets	16,691	17,219	152,381
Other non-current assets	6,617	6,646	58,814
Total non-current assets	328,881	351,237	3,108,292
Total assets	Y 674,107	Y 718,192	\$ 6,355,681
Equity and liabilities			
Liabilities			
Current liabilities			
Trade and other payables	Y 66,268	Y 69,379	\$ 613,973
Bonds and borrowings	20,509	24,752	219,044
Other financial liabilities	3,053	6,227	55,106
Income taxes payable	6,461	6,545	57,920
Provisions	5,691	5,306	46,956
Other current liabilities	50,350	49,604	438,973
Subtotal	152,337	161,815	1,431,991
Liabilities directly associated with assets classified as held for sale	20	27	239
Total current liabilities	152,357	161,843	1,432,239
Non-current liabilities			
Bonds and borrowings	117,082	97,503	862,858
Other financial liabilities	10,969	9,594	84,903
Retirement benefits liabilities	17,612	19,220	170,088
Provisions	3,376	3,349	29,637
Deferred tax liabilities	7,843	8,702	77,009
Other non-current liabilities	3,154	3,225	28,540
Total non-current liabilities	160,040	141,597	1,253,071
Total liabilities	312,398	303,440	2,685,310
Equity			
Capital stock	19,209	19,209	169,991
Capital surplus	17,455	17,395	153,938
Retained earnings	407,843	415,547	3,677,407
Treasury stock	(24,230)	(2,795)	(24,735)
Other components of equity	(75,216)	(51,466)	(455,451)
Equity attributable to owners of the parent company	345,061	397,891	3,521,159
Non-controlling interests	16,647	16,860	149,204
Total equity	361,709	414,751	3,670,363
Total equity and liabilities	Y 674,107	Y 718,192	\$ 6,355,681

Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	Nine months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2017
	Y	Y	\$
Revenue	476,867	534,162	4,727,097
Cost of sales	(272,731)	(308,402)	(2,729,221)
Gross profit	204,135	225,759	1,997,867
Selling, general and administrative expenses	(154,728)	(164,232)	(1,453,381)
Other income	1,739	1,550	13,717
Other expenses	(3,808)	(9,970)	(88,230)
Operating profit	47,339	53,106	469,965
Finance income	2,655	2,185	19,336
Finance expenses	(1,252)	(1,625)	(14,381)
Share of profit/(loss) of investments accounted for using the equity method	125	56	496
Profit before income taxes	48,867	53,723	475,425
Income tax expenses	(10,053)	(14,538)	(128,655)
Profit for the period	38,814	39,184	346,761
Profit for the period attributable to:			
Owners of the parent company	38,667	38,838	343,699
Non-controlling interests	146	345	3,053
Profit for the period	Y 38,814	Y 39,184	\$ 346,761
Earnings per share:	Yen	Yen	U.S. dollars
Basic earnings per share	Y 148.93	Y 149.57	\$ 1.32
Diluted earnings per share	148.52	149.14	1.32

Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	Three months ended December 31, 2016	Three months ended December 31, 2017	Three months ended December 31, 2017
Revenue	Y 166,596	Y 187,761	\$ 1,661,602
Cost of sales	(100,118)	(108,649)	(961,496)
Gross profit	66,477	79,112	700,106
Selling, general and administrative expenses	(51,741)	(56,700)	(501,770)
Other income	987	450	3,982
Other expenses	(4,548)	(1,066)	(9,434)
Operating profit	11,174	21,795	192,876
Finance income	7,644	782	6,920
Finance expenses	(7,072)	(490)	(4,336)
Share of profit/(loss) of investments accounted for using the equity method	57	46	407
Profit before income taxes	11,804	22,134	195,876
Income tax expenses	18	(5,918)	(52,372)
Profit for the period	11,823	16,216	143,504
Profit for the period attributable to:			
Owners of the parent company	11,676	16,156	142,973
Non-controlling interests	147	60	531
Profit for the period	Y 11,823	Y 16,216	\$ 143,504
Earnings per share:	Yen	Yen	U.S. dollars
Basic earnings per share	Y 44.97	Y 62.22	\$ 0.55
Diluted earnings per share	44.85	62.04	0.55

Consolidated Statement of Comprehensive Income

	Millions of yen		Thousands of U.S. dollars
	Nine months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2017
Profit for the period	Y 38,814	Y 39,184	\$ 346,761
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	2,328	2,829	25,035
Total of items that will not be reclassified subsequently to profit or loss	<u>2,328</u>	<u>2,829</u>	<u>25,035</u>
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges	(90)	120	1,062
Exchange differences on translating foreign operations	(19,277)	23,644	209,239
Total of items that may be reclassified subsequently to profit or loss	<u>(19,368)</u>	<u>23,765</u>	<u>210,310</u>
Other comprehensive income for the period, net of income tax	<u>(17,039)</u>	<u>26,594</u>	<u>235,345</u>
Comprehensive income for the period	<u>21,774</u>	<u>65,779</u>	<u>582,115</u>
Comprehensive income for the period attributable to:			
Owners of the parent company	21,632	65,316	578,018
Non-controlling interests	142	463	4,097
Comprehensive income for the period	<u>Y 21,774</u>	<u>Y 65,779</u>	<u>\$ 582,115</u>

Consolidated Statement of Comprehensive Income

	Millions of yen		Thousands of U.S. dollars
	Three months ended December 31, 2016	Three months ended December 31, 2017	Three months ended December 31, 2017
Profit for the period	Y 11,823	Y 16,216	\$ 143,504
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	1,808	1,260	11,150
Total of items that will not be reclassified subsequently to profit or loss	1,808	1,260	11,150
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges	(19)	(28)	(248)
Exchange differences on translating foreign operations	39,395	2,701	23,903
Total of items that may be reclassified subsequently to profit or loss	39,376	2,673	23,655
Other comprehensive income for the period, net of income tax	41,184	3,934	34,814
Comprehensive income for the period	53,008	20,150	178,319
Comprehensive income for the period attributable to:			
Owners of the parent company	52,795	20,067	177,584
Non-controlling interests	212	83	735
Comprehensive income for the period	Y 53,008	Y 20,150	\$ 178,319

Consolidated Statement of Changes in Equity

Nine months ended December 31, 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	-	-	38,667	-	-	-	-	-	-	38,667	146	38,814
Other comprehensive income/(loss)	-	-	-	-	(19,226)	(90)	-	2,282	(17,035)	(17,035)	(3)	(17,039)
Total comprehensive income/(loss) for the period	-	-	38,667	-	(19,226)	(90)	-	2,282	(17,035)	21,632	142	21,774
Acquisition of treasury stock	-	-	-	(19)	-	-	-	-	-	(19)	-	(19)
Disposal of treasury stock	-	(8)	-	8	-	-	-	-	-	0	-	0
Dividends paid	-	-	(9,359)	-	-	-	-	-	-	(9,359)	(209)	(9,569)
Reclassification to retained earnings	-	-	2,282	-	-	-	-	(2,282)	(2,282)	-	-	-
Other increase/(decrease)	-	-	(0)	-	-	-	-	-	-	(0)	(5)	(5)
Total transactions with owners	-	(8)	(7,077)	(10)	-	-	-	(2,282)	(2,282)	(9,379)	(215)	(9,594)
Balance as of December 31, 2016	19,209	17,313	398,875	(24,236)	(65,310)	(291)	-	-	(65,601)	345,560	16,516	362,077

Nine months ended December 31, 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	-	-	38,838	-	-	-	-	-	38,838	345	39,184
Other comprehensive income	-	-	-	-	23,629	120	2,727	26,477	26,477	117	26,594
Total comprehensive income for the period	-	-	38,838	-	23,629	120	2,727	26,477	65,316	463	65,779
Acquisition of treasury stock	-	-	-	(10)	-	-	-	-	(10)	-	(10)
Disposal of treasury stock	-	(36)	(11)	47	-	-	-	-	0	-	0
Cancellation of treasury stock	-	(21)	(21,369)	21,391	-	-	-	-	-	-	-
Dividends paid	-	-	(12,480)	-	-	-	-	-	(12,480)	(246)	(12,726)
Change due to stock swap	-	(2)	-	6	-	-	-	-	3	(3)	-
Reclassification to retained earnings	-	-	2,727	-	-	-	(2,727)	(2,727)	-	-	-
Total transactions with owners	-	(59)	(31,134)	21,434	-	-	(2,727)	(2,727)	(12,487)	(249)	(12,736)
Balance as of December 31, 2017	19,209	17,395	415,547	(2,795)	(51,425)	(40)	-	(51,466)	397,891	16,860	414,751

Nine months ended December 31, 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	-	-	343,699	-	-	-	-	-	343,699	3,053	346,761
Other comprehensive income	-	-	-	-	209,106	1,062	24,133	234,310	234,310	1,035	235,345
Total comprehensive income for the period	-	-	343,699	-	209,106	1,062	24,133	234,310	578,018	4,097	582,115
Acquisition of treasury stock	-	-	-	(88)	-	-	-	-	(88)	-	(88)
Disposal of treasury stock	-	(319)	(97)	416	-	-	-	-	0	-	0
Cancellation of treasury stock	-	(186)	(189,106)	189,301	-	-	-	-	-	-	-
Dividends paid	-	-	(110,442)	-	-	-	-	-	(110,442)	(2,177)	(112,619)
Change due to stock swap	-	(18)	-	53	-	-	-	-	27	(27)	-
Reclassification to retained earnings	-	-	24,133	-	-	-	(24,133)	(24,133)	-	-	-
Total transactions with owners	-	(522)	(275,522)	189,681	-	-	(24,133)	(24,133)	(110,504)	(2,204)	(112,708)
Balance as of December 31, 2017	169,991	153,938	3,677,407	(24,735)	(455,088)	(354)	-	(455,451)	3,521,159	149,204	3,670,363

Consolidated Statement of Cash Flows

	Millions of yen		Thousands of
			U.S. dollars
	Nine months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2017
Cash flows from operating activities			
Profit before income taxes	Y 48,867	Y 53,723	\$ 475,425
Depreciation and amortization	25,353	25,544	226,053
Finance expenses/(income)	(1,403)	(560)	(4,956)
Share of loss/(profit) of investments accounted for using the equity method	(125)	(56)	(496)
Losses/(gains) on sale and disposal of fixed assets	496	394	3,487
Decrease/(increase) in trade and other receivables	(12,231)	(12,415)	(109,867)
Decrease/(increase) in inventories	7,790	(5,891)	(52,133)
Increase/(decrease) in trade and other payables	1,198	3,367	29,796
Decrease/(increase) in retirement benefit assets	390	552	4,885
Increase/(decrease) in retirement benefit liabilities	125	209	1,850
Other	895	1,835	16,239
Subtotal	71,358	66,702	590,283
Interest received	686	751	6,646
Dividends received	351	322	2,850
Interest paid	(443)	(409)	(3,619)
Income taxes paid	(10,290)	(15,665)	(138,628)
Net cash provided by operating activities	Y 61,661	Y 51,702	\$ 457,540
Cash flows from investing activities			
Purchases of property, plant and equipment	(16,090)	(17,281)	(152,929)
Proceeds from sales of property, plant and equipment	367	471	4,168
Purchases of intangible assets	(5,670)	(6,638)	(58,743)
Purchases of investments in equity instruments	(373)	(533)	(4,717)
Proceeds from sales of investments in equity instruments	2,216	422	3,735
Purchase of investments in debt instruments	(5,461)	(9,198)	(81,398)
Proceeds from sales or redemption of investments in debt instruments	11,051	4,330	38,319
Payments for acquisition of business	(140)	(617)	(5,460)
Other	(525)	(514)	(4,549)
Net cash provided by (used in) investing activities	Y (14,626)	Y (29,559)	\$ (261,584)
Cash flows from financing activities			
Proceeds from short-term borrowings	1,254	3,154	27,912
Repayment of long-term borrowings	(10,605)	(20,294)	(179,593)
Repayment of lease obligations	(1,472)	(1,324)	(11,717)
Dividends paid	(9,359)	(12,480)	(110,442)
Dividends paid to non-controlling interests	(214)	(246)	(2,177)
Other	(17)	(66)	(584)
Net cash provided by (used in) financing activities	Y (20,415)	Y (31,257)	\$ (276,611)
Effect of exchange rate changes on cash and cash equivalents	1,953	6,295	55,708
Net increase/(decrease) in cash and cash equivalents	28,572	(2,819)	(24,947)
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 95,959	Y 109,213	\$ 966,487

Segment Information

Nine months ended December 31, 2016

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	285,149	34,192	66,353	37,537	43,648	9,984	476,867	-	476,867
Intersegment	-	-	-	-	-	11,855	11,855	(11,855)	-
Total	285,149	34,192	66,353	37,537	43,648	21,840	488,722	(11,855)	476,867
Business segment profit	37,929	1,612	4,171	1,874	3,379	616	49,582	(175)	49,407
Other income and expenses	(1,880)	(81)	348	(1,053)	543	54	(2,068)	-	(2,068)
Operating profit	36,049	1,530	4,520	820	3,922	671	47,514	(175)	47,339
Finance income and expenses									1,403
Share of profit/(loss) of investments accounted for using the equity method									125
Profit before income taxes									48,867

Nine months ended December 31, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	309,850	34,375	94,085	37,101	50,052	8,696	534,162	-	534,162
Intersegment	-	-	-	-	-	8,789	8,789	(8,789)	-
Total	309,850	34,375	94,085	37,101	50,052	17,486	542,951	(8,789)	534,162
Business segment profit	42,499	1,568	11,420	2,131	3,255	726	61,601	(74)	61,527
Other income and expenses	(7,164)	(604)	(187)	(159)	(413)	109	(8,420)	-	(8,420)
Operating profit	35,335	963	11,232	1,972	2,841	836	53,181	(74)	53,106
Finance income and expenses									560
Share of profit/(loss) of investments accounted for using the equity method									56
Profit before income taxes									53,723

Nine months ended December 31, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Thousand of U.S. dollars									
Revenue									
Customers	2,742,035	304,204	832,611	328,327	442,938	76,956	4,727,097	-	4,727,097
Intersegment	-	-	-	-	-	77,779	77,779	(77,779)	-
Total	2,742,035	304,204	832,611	328,327	442,938	154,743	4,804,876	(77,779)	4,727,097
Business segment profit	376,097	13,876	101,062	18,858	28,805	6,425	545,142	(655)	544,487
Other income and expenses	(63,398)	(5,345)	(1,655)	(1,407)	(3,655)	965	(74,513)	-	(74,513)
Operating profit	312,699	8,522	99,398	17,451	25,142	7,398	470,628	(655)	469,965
Finance income and expenses									4,956
Share of profit/(loss) of investments accounted for using the equity method									496
Profit before income taxes									475,425

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 December 31, 2016

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	98,351	13,599	22,714	12,984	15,493	3,453	166,596	-	166,596
Intersegment	-	-	-	-	-	2,774	2,774	(2,774)	-
Total	98,351	13,599	22,714	12,984	15,493	6,228	169,371	(2,774)	166,596
Business segment profit	9,780	1,152	1,269	891	1,452	221	14,767	(31)	14,736
Other income and expenses	(4,027)	(118)	123	(83)	556	(12)	(3,561)	-	(3,561)
Operating profit	5,752	1,033	1,392	808	2,009	209	11,206	(31)	11,174
Finance income and expenses									572
Share of profit/(loss) of investments accounted for using the equity method									57
Profit before income taxes									11,804

Three months ended December 31, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Millions of yen									
Revenue									
Customers	110,619	13,648	30,602	13,119	17,047	2,723	187,761	-	187,761
Intersegment	-	-	-	-	-	2,634	2,634	(2,634)	-
Total	110,619	13,648	30,602	13,119	17,047	5,358	190,396	(2,634)	187,761
Business segment profit	15,590	1,136	3,809	1,064	734	93	22,429	(18)	22,411
Other income and expenses	(597)	(157)	(32)	(23)	168	26	(615)	-	(615)
Operating profit	14,993	979	3,776	1,040	903	119	21,814	(18)	21,795
Finance income and expenses									292
Share of profit/(loss) of investments accounted for using the equity method									46
Profit before income taxes									22,134

Three months ended December 31, 2017

	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Thousand of U.S. dollars									
Revenue									
Customers	978,929	120,779	270,814	116,097	150,858	24,097	1,661,602	-	1,661,602
Intersegment	-	-	-	-	-	23,310	23,310	(23,310)	-
Total	978,929	120,779	270,814	116,097	150,858	47,416	1,684,920	(23,310)	1,661,602
Business segment profit	137,965	10,053	33,708	9,416	6,496	823	198,487	(159)	198,327
Other income and expenses	(5,283)	(1,389)	(283)	(204)	1,487	230	(5,442)	-	(5,442)
Operating profit	132,681	8,664	33,416	9,204	7,991	1,053	193,044	(159)	192,876
Finance income and expenses									2,584
Share of profit/(loss) of investments accounted for using the equity method									407
Profit before income taxes									195,876

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 3rd Quarter of Fiscal Year Ending March 31, 2018

1-1. Consolidated results (9-month results)

(Millions of yen)

	FY ended Mar 31, 2017 (Apr to Dec 2016)	FY ending Mar 31, 2018 (Apr to Dec 2017)	Change (w/o fx impact)
Sales Revenue	476,867	534,162	12.0%
Business Segment Profit	49,407	61,527	24.5%
Operating profit	47,339	53,106	12.2%
Net Income	38,667	38,838	0.4%
Exchange rates			
Yen-USD	107.88	111.82	-
Yen-EUR	119.13	128.59	-
Operating profit ratio (%)	9.9%	9.9%	-

* 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 (9-month results)

(Millions of yen)

		FY ended Mar 31, 2017 (Apr to Dec 2016)	FY ending Mar 31, 2018 (Apr to Dec 2017)	Change	Change (w/o fx impact)
Printing & Solutions	Communication and Printing equipment	251,885	274,649	9.0%	3.5%
	Electronic stationery	33,264	35,200	5.8%	0.3%
	Total	285,149	309,850	8.7%	3.1%
Personal & Home		34,192	34,375	0.5%	-4.9%
Machinery	Industrial sewing machines	19,392	22,812	17.6%	12.2%
	Machine tools	33,298	56,316	69.1%	67.2%
	Industrial Parts	13,662	14,956	9.5%	8.3%
	Total	66,353	94,085	41.8%	39.0%
Network & Contents		37,537	37,101	-1.2%	-1.2%
Domino		43,648	50,052	14.7%	11.5%
Others		9,984	8,696	-12.9%	-12.9%
G. total		476,867	534,162	12.0%	7.6%

2-1. Consolidated results (quarterly results)

(Millions of yen)

	FY ended Mar 31, 2017				
	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
Sales Revenue	157,528	152,742	166,596	164,318	641,185
Business Segment Profit	20,140	14,531	14,736	11,351	60,759
Operating profit	21,107	15,056	11,174	11,813	59,152
Net Income	15,338	11,652	11,676	8,574	47,242
Exchange rates					
Yen-USD	109.07	102.91	108.72	113.76	109.03
Yen-EUR	122.47	114.59	117.70	120.81	119.37
Operating profit ratio (%)	13.4%	9.9%	6.7%	7.2%	9.2%

* 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.

FY ending Mar 31, 2018				
1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	3rd Quarter (Oct to Dec 2017)	Q3 YTD (Apr to Dec 2017)	
167,728	178,672	187,761	534,162	
17,497	21,617	22,411	61,527	
12,603	18,706	21,795	53,106	
9,146	13,535	16,156	38,838	
111.61	111.38	112.74	111.82	
123.14	130.45	133.09	128.59	
7.5%	10.5%	11.6%	9.9%	

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

(Millions of yen)

		FY ended Mar 31, 2017				
		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
Printing & Solutions	Communications & Printing equipment	83,963	80,827	87,094	86,676	338,562
	Electronic stationery	11,334	10,672	11,256	11,802	45,066
	Total	95,298	91,500	98,351	98,478	383,628
Personal & Home		9,499	11,093	13,599	10,217	44,409
Machinery	Industrial sewing machines	6,598	6,040	6,753	7,409	26,802
	Machine tools	11,840	10,117	11,341	12,053	45,352
	Industrial Parts	4,524	4,518	4,619	5,127	18,789
	Total	22,962	20,676	22,714	24,590	90,944
Network & Contents		12,586	11,967	12,984	12,193	49,731
Domino		14,414	13,740	15,493	15,705	59,354
Others		2,767	3,763	3,453	3,132	13,117
G. total		157,528	152,742	166,596	164,318	641,185

FY ending Mar 31, 2018				
1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	3rd Quarter (Oct to Dec 2017)	Q3 YTD (Apr to Dec 2017)	
87,666	88,522	98,460	274,649	
11,134	11,907	12,158	35,200	
98,800	100,430	110,619	309,850	
9,349	11,377	13,648	34,375	
6,777	7,235	8,800	22,812	
17,392	22,166	16,757	56,316	
4,887	5,025	5,043	14,956	
29,056	34,426	30,602	94,085	
11,218	12,764	13,119	37,101	
16,448	16,556	17,047	50,052	
2,855	3,117	2,723	8,696	
167,728	178,672	187,761	534,162	

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

(Millions of yen)

		FY ended Mar 31, 2017				
		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
Printing & Solutions		16,934	11,214	9,780	7,724	45,654
Personal & Home		-19	479	1,152	426	2,038
Machinery		1,879	1,022	1,269	2,006	6,177
Network & Contents		411	570	891	339	2,213
Domino		861	1,065	1,452	798	4,177
Others		198	196	221	80	697
Adjustment		-125	-18	-31	-24	-199
G. total		20,140	14,531	14,736	11,351	60,759

FY ending Mar 31, 2018				
1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	3rd Quarter (Oct to Dec 2017)	Q3 YTD (Apr to Dec 2017)	
13,361	13,548	15,590	42,499	
-163	594	1,136	1,568	
2,543	5,066	3,809	11,420	
-60	1,127	1,064	2,131	
1,592	927	734	3,255	
236	397	93	726	
-12	-44	-18	-74	
17,497	21,617	22,411	61,527	

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

(Millions of yen)

		FY ended Mar 31, 2017				
		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
Printing & Solutions		17,908	12,387	5,752	9,471	45,520
Personal & Home		10	485	1,033	349	1,880
Machinery		1,948	1,179	1,392	1,459	5,980
Network & Contents		276	-264	808	34	854
Domino		857	1,055	2,009	444	4,366
Others		231	230	209	78	749
Adjustment		-125	-18	-31	-24	-199
G. total		21,107	15,056	11,174	11,813	59,152

FY ending Mar 31, 2018				
1st Quarter (Apr to Jun 2017)	2nd Quarter (Jul to Sep 2017)	3rd Quarter (Oct to Dec 2017)	Q3 YTD (Apr to Dec 2017)	
9,144	11,197	14,993	35,335	
-452	436	979	963	
2,511	4,943	3,776	11,232	
-102	1,033	1,040	1,972	
1,242	695	903	2,841	
271	444	119	836	
-12	-44	-18	-74	
12,603	18,706	21,795	53,106	

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)	3rd Quarter (Oct to Dec 2017)
Capital expenditure	6,656	6,200	6,586	9,201	6,387	8,608	9,189
Depreciation and amortization	8,633	8,402	8,316	8,457	8,399	8,567	8,578

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)	3rd Quarter (Oct to Dec 2017)
R&D expenses	9,740	11,060	10,351	11,394	10,729	12,225	11,014

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	3rd Quarter as of Dec 31, 2017
Inventories (Millions of yen)	113,299	112,863	117,467	112,432	116,867	124,158	122,825
Inventories/cost of sales	4.0	3.9	3.5	3.5	3.6	3.6	3.4

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 3rd Quarter as of Dec 31, 2017
Interest - bearing debt (Millions of yen)	19,966	19,224	14,366	15,481	158,440	158,487	137,592	122,256
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 Q3 YTD
Net cash provided by operating activities	39,327	32,734	55,019	58,021	49,241	51,304	99,155	51,702
Net cash used in investing activities	-30,758	-41,771	-39,099	-15,326	-215,091	-216,997	-23,271	-29,559
Net cash used in financing activities	-14,117	-6,413	-13,433	-18,451	134,317	134,317	-30,389	-31,257
Cash and cash equivalents at end of period	58,731	55,059	68,934	104,732	66,690	67,387	112,032	109,213

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 3rd Quarter as of Dec 31, 2017
Total assets	370,906	421,494	469,973	567,230	667,811	675,301	674,107	718,192
Owners' equity	231,001	262,837	291,164	350,162	322,146	333,440	345,061	397,891
Owners' equity ratio (%)	62.3%	62.4%	62.0%	61.7%	48.2%	49.4%	51.2%	55.4%

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

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