

### Highlights of Consolidated Results for the First Half and the Second Quarter of Fiscal Year ending March 31, 2014

Millions of yen (except for per share amounts)			
	Six months ended September 30, 2013	Six months ended September 30, 2012	Change (%)
Net sales	Y 288,355	Y 244,525	17.9
Operating income	19,364	19,626	-1.3
Current profits	15,323	20,040	-23.5
Net income	6,435	14,840	-56.6
(Ref.) Comprehensive income	18,335	3,522	420.6
Net income per share:			
Basic	Y 24.14	Y 55.44	
Diluted	24.09	55.35	
Dividends per common share	12.00	12.00	
As of			
	September 30, 2013	As of March 31, 2013	
Total assets	Y 448,725	Y 421,494	
Net assets	294,061	278,769	
Owners' equity ratio	61.9 %	62.4 %	
Owners' equity per share	Y 1,042.15	Y 985.85	
(Ref.) Owners' equity	277,852	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 600,000	Y 516,066	16.3
Operating income	35,000	29,775	17.5
Current profits	29,500	23,144	27.5
Net income	16,500	17,826	-7.4
Net income per share	Y 61.89	Y 66.65	
Dividends per common share	24.00	24.00	
[Revised] [Previous]			
	Year ending March 31, 2014	Year ending March 31, 2014	Change (%)
Net sales	Y 600,000	Y 585,000	2.6
Operating income	35,000	35,000	-
Current profits	29,500	32,000	-7.8
Net income	16,500	18,500	-10.8
Net income per share	Y 61.89	Y 69.39	
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 six months ended September 30, 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 six months ended September 30, 2013 are based on the following currency exchange rates:  
Actual average rates for the six months ended September 30, 2013: US\$=97.99 yen, EURO=128.79 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\$=96.77 yen, EURO=127.45 yen
- Number of shares outstanding (including treasury stock): 277,535 thousands as of September 30, 2013, 277,535 thousands as of March 31, 2013  
Number of treasury stock outstanding: 10,921 thousands as of September 30, 2013, 10,925 thousands as of March 31, 2013  
Number of weighted average shares (first half): 266,612 thousands during the period ended September 30, 2013, 267,682 thousands during the period ended September 30, 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 September 30, 2013	As of March 31, 2013	As of September 30, 2013
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	Y 68,437	Y 52,320	\$ 728,061
Marketable securities	4,853	10,004	51,632
Trade receivables	83,105	80,418	884,100
Allowance for doubtful accounts	(1,559)	(1,555)	(16,590)
Inventories	97,678	87,679	1,039,128
Other current assets	18,465	19,685	196,440
Total current assets	<u>270,980</u>	<u>248,554</u>	<u>2,882,770</u>
Net property, plant and equipment	96,276	88,588	1,024,223
Securities investments	33,306	38,612	354,326
Other assets	56,102	54,423	596,839
Allowance for doubtful accounts	(7,941)	(8,684)	(84,481)
Total assets	<u>Y 448,725</u>	<u>Y 421,494</u>	<u>\$ 4,773,677</u>
<b>LIABILITIES AND NET ASSETS</b>			
Current liabilities			
Short-term borrowings	Y 6,405	Y 6,524	\$ 68,140
Trade payables	43,076	32,107	458,262
Other current liabilities	67,703	68,422	720,252
Total current liabilities	<u>117,185</u>	<u>107,054</u>	<u>1,246,653</u>
Long-term liabilities			
Long-term borrowings	12,900	12,700	137,234
Other long-term liabilities	24,578	22,970	261,473
Total liabilities	<u>154,663</u>	<u>142,724</u>	<u>1,645,360</u>
Net assets			
Shareholders' equity			
Capital stock	19,209	19,209	204,361
Capital surplus	16,463	16,463	175,144
Retained earnings	258,559	255,639	2,750,637
Treasury stock	(12,967)	(12,971)	(137,954)
Total shareholders' equity	<u>281,265</u>	<u>278,341</u>	<u>2,992,187</u>
Other comprehensive income			
Unrealized gain (loss) on available-for-sale securities	4,220	2,344	44,900
Deferred gain (loss) under hedge accounting	(812)	(443)	(8,645)
Foreign currency translation adjustments	(6,820)	(17,405)	(72,561)
Total other comprehensive income	<u>(3,412)</u>	<u>(15,503)</u>	<u>(36,307)</u>
Stock acquisition rights	451	458	4,806
Minority interests	15,757	15,473	167,633
Total net assets	<u>294,061</u>	<u>278,769</u>	<u>3,128,318</u>
Total liabilities and net assets	<u>Y 448,725</u>	<u>Y 421,494</u>	<u>\$ 4,773,677</u>

## CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of U.S. dollars
	Six months ended	Six months ended	Six months ended
	September 30, 2013	September 30, 2012	September 30, 2013
Net sales	Y 288,355	Y 244,525	\$ 3,067,608
Cost of sales	165,627	138,901	1,761,995
Gross profit	122,727	105,623	1,305,613
Selling, general and administrative expenses	103,363	85,996	1,099,608
Operating income	19,364	19,626	206,005
Non-operating income (expenses):			
Interest and dividend income	587	598	6,246
Interest expenses	(168)	(202)	(1,796)
Other, net	(4,459) *	17	(47,436)
Current profits	15,323	20,040	163,019
Extraordinary income (expenses):			
Gain (Loss) on sales and disposals of property, plant and equipment, net	(238)	(141)	(2,536)
Other, net	(64)	(601)	(687)
Income before income taxes	15,020	19,297	159,796
Income taxes	8,348	4,456	88,809
Income before minority interests	6,672	14,840	70,987
Minority interests in net income	237	0	2,528
Net income	Y 6,435	Y 14,840	\$ 68,459

\* Foreign exchange loss of 5,570 million yen is included.

Net income per share:	Yen	Yen	U.S. dollars
Basic	Y 24.14	Y 55.44	\$ 0.26
Diluted	24.09	55.35	0.26

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Millions of yen		Thousands of U.S. dollars
	Six months ended	Six months ended	Six months ended
	September 30, 2013	September 30, 2012	September 30, 2013
Income before minority interests	Y 6,672	Y 14,840	\$ 70,987
Other comprehensive income:			
Unrealized gain (loss) on available-for-sale securities	2,099	(1,654)	22,332
Deferred gain (loss) under hedge accounting	(369)	192	(3,929)
Foreign currency translation adjustments	9,933	(9,827)	105,671
Share of other comprehensive income (loss) of associates	-	(28)	-
Total other comprehensive income (loss)	11,662	(11,318)	124,074
Comprehensive income	Y 18,335	Y 3,522	\$ 195,061
Comprehensive income attributable to:			
Owners of the Company	Y 17,874	Y 3,522	\$ 190,158
Minority interests	460	0	4,903

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	Millions of yen		Thousands of U.S. dollars	
	Six months ended September 30, 2013	Six months ended September 30, 2012	Six months ended September 30, 2013	
<b>OPERATING ACTIVITIES:</b>				
Income before income taxes	Y 15,020	Y 19,297	\$ 159,796	
Adjustments for:				
Depreciation and amortization	12,535	10,845	133,360	
Impairment loss	231	91	2,464	
Amortization of goodwill	766	773	8,156	
Provision for (Reversal of) allowance for doubtful accounts	231	157	2,463	
Provision for (Reversal of) retirement benefits	914	301	9,724	
Provision for (Reversal of) product warranty	789	(465)	8,395	
Provision for (Reversal of) bonus reserve	(324)	(584)	(3,452)	
Interest and dividend income	(587)	(598)	(6,246)	
Interest expenses	168	202	1,796	
Foreign exchange loss (gain)	(1,985)	329	(21,120)	
Equity in loss (earnings) of affiliates	128	(96)	1,372	
Valuation loss (gain) on derivatives	(1,652)	(609)	(17,576)	
Loss (Gain) on sales and disposals of property, plant and equipment, net	238	141	2,536	
Loss (Gain) on cancellation of shares due to absorption of a subsidiary	(144)	-	(1,533)	
Loss from liquidation of a subsidiary	-	125	-	
Decrease (Increase) in trade notes and accounts receivable	(666)	(419)	(7,094)	
Decrease (Increase) in inventories	(5,336)	(12,714)	(56,769)	
Increase (Decrease) in trade notes and accounts payable	12,590	962	133,939	
Increase (Decrease) in accrued expenses	254	(2,708)	2,710	
Other, net	(3,051)	25	(32,463)	
Cash generated from operations	30,122	15,055	320,457	
Interest and dividends received	618	695	6,582	
Interest paid	(170)	(243)	(1,815)	
Compensations received	-	96	-	
Income taxes paid	(4,775)	(2,042)	(50,801)	
Net cash provided by operating activities	Y 25,795	Y 13,563	\$ 274,423	
<b>INVESTING ACTIVITIES:</b>				
Proceeds from sales of marketable securities	2,801	-	29,803	
Disbursement for purchases of property, plant and equipment	(13,787)	(9,399)	(146,678)	
Proceeds from sales of property, plant and equipment	764	682	8,138	
Disbursement for purchases of intangible assets	(2,493)	(2,699)	(26,523)	
Disbursement for purchases of investment securities	(3,487)	(285)	(37,104)	
Proceeds from sales of investment securities	699	0	7,441	
Disbursement for purchases of shares in affiliates	(920)	(996)	(9,791)	
Disbursement for payment of investments in affiliates	(2,188)	-	(23,279)	
Proceeds from collection of long-term loans	102	13	1,087	
Other, net	141	(458)	1,510	
Net cash used in investing activities	Y (18,367)	Y (13,143)	\$ (195,396)	
<b>FINANCING ACTIVITIES:</b>				
Increase (Decrease) in short-term borrowings, net	(444)	10,792	(4,727)	
Proceeds from borrowings of long-term debt	200	200	2,128	
Disbursement for repayment of lease obligations	(747)	(905)	(7,951)	
Disbursement for bond redemption	-	(15,000)	-	
Decrease (Increase) in treasury stock, net	(1)	7	(20)	
Cash dividends paid	(3,365)	(3,225)	(35,806)	
Net cash used in financing activities	Y (4,359)	Y (8,130)	\$ (46,376)	
Effect of foreign currency exchange rate changes on cash and cash equivalents	3,075	(2,688)	32,713	
Net increase (decrease) in cash and cash equivalents	6,144	(10,398)	65,364	
Cash and cash equivalents at beginning of period	55,059	58,731	585,740	
Cash and cash equivalents of newly consolidated subsidiaries	4,301	1,209	45,756	
Cash and cash equivalents from merger with a non-consolidated subsidiary	210	-	2,235	
Cash and cash equivalents at end of period	Y 65,714	Y 49,543	\$ 699,095	

## SEGMENT INFORMATION

	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30, 2013	Six months ended September 30, 2012	Six months ended September 30, 2013
<b>Printing &amp; Solutions</b>			
Net sales			
Unaffiliated customers	Y 202,533	Y 159,387	\$ 2,154,612
Intersegment	-	-	-
Total	202,533	159,387	2,154,612
Operating income	14,722	12,392	156,626
<b>Personal &amp; Home</b>			
Net sales			
Unaffiliated customers	Y 18,767	Y 14,926	\$ 199,649
Intersegment	-	-	-
Total	18,767	14,926	199,649
Operating income	1,613	984	17,160
<b>Machinery &amp; Solution</b>			
Net sales			
Unaffiliated customers	Y 30,049	Y 37,896	\$ 319,671
Intersegment	-	-	-
Total	30,049	37,896	319,671
Operating income	2,049	4,381	21,807
<b>Network &amp; Contents</b>			
Net sales			
Unaffiliated customers	Y 22,256	Y 25,330	\$ 236,771
Intersegment	-	-	-
Total	22,256	25,330	236,771
Operating income (loss)	(292)	1,214	(3,114)
<b>Industrial Part</b>			
Net sales			
Unaffiliated customers	Y 7,638	Y -	\$ 81,257
Intersegment	-	-	-
Total	7,638	-	81,257
Operating income	516	-	5,499
<b>Others</b>			
Net sales			
Unaffiliated customers	Y 7,110	Y 6,983	\$ 75,647
Intersegment	4,779	4,734	50,848
Total	11,890	11,717	126,495
Operating income	790	676	8,413
<b>Adjustment</b>			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(4,779)	(4,734)	(50,848)
Total	(4,779)	(4,734)	(50,848)
Operating income	(36)	(23)	(390)
<b>Consolidated</b>			
Net sales			
Unaffiliated customers	Y 288,355	Y 244,525	\$ 3,067,608
Intersegment	-	-	-
Total	288,355	244,525	3,067,608
Operating income	19,364	19,626	206,005

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.