

## Fiscal Year March 2008 3rd Quarter Highlights of Consolidated Financial Results

(Results for the nine months ended December 31, 2007)

	Millions of yen (except for per share amounts)			
	Three months ended	Three months ended	Change (%)	Year ended
	December 31, 2007	December 31, 2006		March 31, 2007
Net sales	Y 427,085	Y 411,934	3.7	Y 562,272
Operating income	41,494	40,052	3.6	51,255
Current profits	35,250	36,446	-3.3	45,479
Net income	23,331	22,945	1.7	28,874
Net income per share:				
Basic	Y 84.73	Y 83.29		Y 104.82
Diluted	84.72	-		104.82
Total assets	Y 415,440	Y 392,225		Y 399,109
Net assets	229,188	207,600		213,663
Owners' equity ratio	54.4 %	52.1 %		52.7 %
Owners' equity per share	Y 820.91	Y 741.89		Y 763.94
Number of consolidated subsidiaries	52	55		54
Number of affiliates using the applied equity method	8	8		8

(Results for the three months ended December 31, 2007)

	Millions of yen (except for per share amounts)			
	Three months ended	Three months ended	Change (%)	Year ended
	December 31, 2007	December 31, 2006		March 31, 2007
Net sales	Y 148,746	Y 155,071	-4.1	Y 562,272
Operating income	14,991	13,879	8.0	51,255
Current profits	13,715	12,297	11.5	45,479
Net income	8,993	7,725	16.4	28,874
Net income per share:				
Basic	Y 32.66	Y 28.05		Y 104.82
Diluted	32.66	-		104.82
Number of consolidated subsidiaries	52	55		54
Number of affiliates using the applied equity method	8	8		8

## Highlights of Consolidated Forecast for Fiscal Year March 2008

	Millions of yen (except for per share amounts)					
	[Revised]	Year ended	Change (%)	[Revised]	[Previous]	Change (%)
	Year ending March 31, 2008	Year ended March 31, 2007		Year ending March 31, 2008	Year ending March 31, 2008	
Net sales	Y 570,000	Y 562,272	1.4	Y 570,000	Y 585,000	-2.6
Operating income	50,000	51,255	-2.4	50,000	52,000	-3.8
Current profits	42,000	45,479	-7.7	42,000	43,000	-2.3
Net income	25,000	28,874	-13.4	25,000	25,000	-
Net income per share	Y 90.80	Y 104.82		Y 90.80	Y 90.80	
Dividends per common share	22.00	20.00		22.00	22.00	

### 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, 2007 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=118.00yen, in the accompanying consolidated financial statements.
- The above forecasted operating results have been changed since the announcement on November 1, 2007.
- Forecasts for the year ending March 31, 2008 are based on the following currency exchange rates:  
Assumed average rates for the fiscal year: US\$=115.56yen, EURO=162.26yen
- Estimates for the 4th quarter, January 2008 through March 2008, are based on the following currency exchange rates: US\$=110.00 yen, EURO=160.00 yen

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**  
(UNAUDITED)

	Millions of yen			Thousands of U.S. dollars	
	As of December 31, 2007	As of March 31, 2007	Change	As of December 31, 2006	As of December 31, 2007
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	Y 78,059	Y 70,412	Y 7,647	Y 62,022	\$ 661,524
Trade receivables	82,606	84,415	(1,809)	84,134	700,056
Inventories	87,004	80,027	6,977	87,271	737,326
Other current assets	29,945	28,046	1,899	27,641	253,773
Total current assets	<u>277,616</u>	<u>262,901</u>	<u>14,714</u>	<u>261,069</u>	<u>2,352,679</u>
Net property, plant and equipment	73,359	72,591	768	70,479	621,689
Intangible fixed assets	16,513	15,297	1,216	14,409	139,945
Other assets	47,951	48,318	(366)	46,266	406,373
Total assets	<u>Y 415,440</u>	<u>Y 399,109</u>	<u>Y 16,331</u>	<u>Y 392,225</u>	<u>\$ 3,520,686</u>
<b>LIABILITIES AND NET ASSETS</b>					
Current liabilities					
Short-term borrowings	Y 23,837	Y 34,275	Y (10,438)	Y 30,248	\$ 202,009
Trade payables	42,546	39,719	2,827	46,575	360,564
Other current liabilities	79,570	87,572	(8,001)	82,324	674,324
Total current liabilities	<u>145,953</u>	<u>161,567</u>	<u>(15,613)</u>	<u>159,149</u>	<u>1,236,896</u>
Long-term liabilities					
Long-term borrowings	17,556	982	16,574	3,994	148,780
Other long-term liabilities	22,742	22,896	(153)	21,481	192,735
Total liabilities	<u>186,252</u>	<u>185,445</u>	<u>807</u>	<u>184,624</u>	<u>1,578,411</u>
Net assets					
Shareholders' equity					
Capital stock	19,209	19,209	-	19,209	162,796
Capital surplus	16,134	16,129	4	16,128	136,729
Retained earnings	184,517	167,812	16,704	161,927	1,563,704
Treasury stock	(1,568)	(1,455)	(112)	(1,404)	(13,294)
Total shareholders' equity	<u>218,292</u>	<u>201,696</u>	<u>16,596</u>	<u>195,861</u>	<u>1,849,935</u>
Valuation and translation adjustments					
Unrealized gain on available-for-sale securities	2,881	5,207	(2,326)	5,485	24,415
Deferred gain or loss under hedge accounting	(1,851)	(1,840)	(11)	(2,519)	(15,694)
Land revaluation difference	(0)	(0)	-	(0)	(6)
Foreign currency translation adjustments	6,703	5,327	1,375	5,516	56,806
Total valuation and translation adjustments	<u>7,731</u>	<u>8,694</u>	<u>(962)</u>	<u>8,481</u>	<u>65,521</u>
Stock acquisition rights	62	62	-	-	527
Minority interests	3,102	3,211	(109)	3,257	26,293
Total net assets	<u>229,188</u>	<u>213,663</u>	<u>15,524</u>	<u>207,600</u>	<u>1,942,275</u>
Total liabilities and net assets	<u>Y 415,440</u>	<u>Y 399,109</u>	<u>Y 16,331</u>	<u>Y 392,225</u>	<u>\$ 3,520,686</u>

**CONSOLIDATED STATEMENTS OF INCOME**  
(UNAUDITED)

**Results for the third quarter (9 months)**

	Millions of yen				Thousands of U.S. dollars
	Nine months ended December 31, 2007	Nine months ended December 31, 2006	Change (%)	Year ended March 31, 2007	Nine months ended December 31, 2007
Net sales	Y 427,085	Y 411,934	3.7	Y 562,272	\$ 3,619,368
Cost of sales	248,445	245,704		334,925	2,105,467
Gross profit	178,640	166,230	7.5	227,346	1,513,901
Selling, general and administrative expenses	137,146	126,178		176,091	1,162,255
Operating income	41,494	40,052	3.6	51,255	351,646
Non-operating income (expenses):					
Interest and dividend income	2,401	1,748		2,337	20,349
Interest expenses	(481)	(757)		(1,228)	(4,083)
Other, net	(8,162)	(4,597)		(6,885)	(69,178)
Current profits	35,250	36,446	-3.3	45,479	298,734
Extraordinary income (expenses):					
Gain (Loss) on sales of property, plant and equipment, net	697	714		385	5,910
Other, net	2	(300)		(77)	23
Income before income taxes and minority interests	35,950	36,859	-2.5	45,788	304,666
Income taxes & minority interests	12,619	13,913		16,913	106,941
Net income	Y 23,331	Y 22,945	1.7	Y 28,874	\$ 197,726

**Results for the third quarter (3 months)**

	Millions of yen				Thousands of U.S. dollars
	Three months ended December 31, 2007	Three months ended December 31, 2006	Change (%)	Three months ended December 31, 2007	Three months ended December 31, 2007
Net sales	Y 148,746	Y 155,071	-4.1	Y 148,746	\$ 1,260,562
Cost of sales	84,944	93,416		84,944	719,867
Gross profit	63,802	61,654	3.5	63,802	540,695
Selling, general and administrative expenses	48,810	47,775		48,810	413,650
Operating income	14,991	13,879	8.0	14,991	127,045
Non-operating income (expenses):					
Interest and dividend income	828	593		828	7,022
Interest expenses	(175)	(290)		(175)	(1,483)
Other, net	(1,929)	(1,885)		(1,929)	(16,349)
Current profits	13,715	12,297	11.5	13,715	116,235
Extraordinary income (expenses):					
Gain (Loss) on sales of property, plant and equipment, net	(203)	(170)		(203)	(1,721)
Other, net	(355)	(677)		(355)	(3,012)
Income before income taxes and minority interests	13,157	11,448	14.9	13,157	111,502
Income taxes & minority interests	4,163	3,722		4,163	35,285
Net income	Y 8,993	Y 7,725	16.4	Y 8,993	\$ 76,217

## SEGMENT INFORMATION BY BUSINESS

(UNAUDITED)

	Millions of yen				Thousands of
	Nine months ended December 31, 2007	Nine months ended December 31, 2006	Change (%)	Year ended March 31, 2007	U.S. dollars
<b>Printing and Solutions</b>					
Net sales					
Unaffiliated customers	Y 308,470	Y 289,680	6.5	Y 397,629	\$ 2,614,161
Intersegment	-	-	-	-	-
Total	308,470	289,680	6.5	397,629	2,614,161
Operating cost and expenses	278,832	259,939	7.3	360,202	2,362,987
Operating income	29,638	29,741	-0.3	37,427	251,174
<b>Personal and Home</b>					
Net sales					
Unaffiliated customers	Y 26,245	Y 25,809	1.7	Y 34,224	\$ 222,422
Intersegment	-	-	-	-	-
Total	26,245	25,809	1.7	34,224	222,422
Operating cost and expenses	23,287	23,604	-1.3	31,759	197,353
Operating income	2,958	2,205	34.1	2,465	25,069
<b>Machinery and Solution</b>					
Net sales					
Unaffiliated customers	Y 49,917	Y 45,874	8.8	Y 63,023	\$ 423,029
Intersegment	-	-	-	-	-
Total	49,917	45,874	8.8	63,023	423,029
Operating cost and expenses	42,565	39,731	7.1	54,550	360,726
Operating income	7,351	6,143	19.7	8,473	62,303
<b>Others</b>					
Net sales					
Unaffiliated customers	Y 42,451	Y 50,570	-16.1	Y 67,394	\$ 359,757
Intersegment	7,941	5,100	55.7	8,232	67,298
Total	50,392	55,670	-9.5	75,627	427,055
Operating cost and expenses	48,846	53,707	-9.1	72,738	413,954
Operating income	1,545	1,963	-21.3	2,889	13,101
<b>Corporate and Eliminations</b>					
Net sales					
Unaffiliated customers	Y -	Y -	-	Y -	\$ -
Intersegment	(7,941)	(5,100)	-	(8,232)	(67,298)
Total	(7,941)	(5,100)	-	(8,232)	(67,298)
Operating cost and expenses	(7,941)	(5,100)	-	(8,232)	(67,298)
Operating income	-	-	-	-	-
<b>Consolidated</b>					
Net sales					
Unaffiliated customers	Y 427,085	Y 411,934	3.7	Y 562,272	\$ 3,619,368
Intersegment	-	-	-	-	-
Total	427,085	411,934	3.7	562,272	3,619,368
Operating cost and expenses	385,591	371,882	3.7	511,017	3,267,722
Operating income	41,494	40,052	3.6	51,255	351,646

Notes:

Main products in each business segment are as follows:

Printing and Solutions	Fax machines, Printers, Multi-function centers, Electronic stationeries, Typewriters
Personal and Home	Domestic sewing machines
Machinery and Solution	Industrial sewing machines, Machine tools
Others	Network karaoke, Information distribution services for cellular phones, Real estate, Leasing parts, Other areas of business

## SEGMENT INFORMATION BY GEOGRAPHIC AREA

(UNAUDITED)

	Millions of yen				Thousands of U.S. dollars
	Nine months ended December 31, 2007	Nine months ended December 31, 2006	Change (%)	Year ended March 31, 2007	Nine months ended December 31, 2007
<b>Japan</b>					
Net sales					
Unaffiliated customers	Y 101,398	Y 107,346	-5.5	Y 143,321	\$ 859,312
Intersegment	232,041	218,051	6.4	285,305	1,966,453
Total	333,440	325,397	2.5	428,627	2,825,765
Operating cost and expenses	307,629	301,822	1.9	403,332	2,607,031
Operating income	25,810	23,575	9.5	25,294	218,734
<b>Americas</b>					
Net sales					
Unaffiliated customers	Y 132,252	Y 137,702	-4.0	Y 186,706	\$ 1,120,787
Intersegment	1,643	895	83.6	1,471	13,928
Total	133,896	138,598	-3.4	188,177	1,134,715
Operating cost and expenses	128,193	132,378	-3.2	179,971	1,086,388
Operating income	5,702	6,219	-8.3	8,206	48,327
<b>Europe</b>					
Net sales					
Unaffiliated customers	Y 143,699	Y 124,444	15.5	Y 173,301	\$ 1,217,789
Intersegment	2,573	857	200.2	1,425	21,812
Total	146,272	125,301	16.7	174,726	1,239,601
Operating cost and expenses	137,100	117,345	16.8	163,113	1,161,866
Operating income	9,172	7,956	15.3	11,612	77,736
<b>Asia and Others</b>					
Net sales					
Unaffiliated customers	Y 49,734	Y 42,441	17.2	Y 58,943	\$ 421,480
Intersegment	159,491	150,657	5.9	197,368	1,351,620
Total	209,225	193,099	8.4	256,311	1,773,099
Operating cost and expenses	204,250	189,617	7.7	251,850	1,730,933
Operating income	4,975	3,481	42.9	4,461	42,166
<b>Corporate and Eliminations</b>					
Net sales					
Unaffiliated customers	Y -	Y -	-	Y -	\$ -
Intersegment	(395,749)	(370,462)	-	(485,571)	(3,353,813)
Total	(395,749)	(370,462)	-	(485,571)	(3,353,813)
Operating cost and expenses	(391,582)	(369,282)	-	(487,251)	(3,318,495)
Operating income	(4,167)	(1,180)	-	1,680	(35,318)
<b>Consolidated</b>					
Net sales					
Unaffiliated customers	Y 427,085	Y 411,934	3.7	Y 562,272	\$ 3,619,368
Intersegment	-	-	-	-	-
Total	427,085	411,934	3.7	562,272	3,619,368
Operating cost and expenses	385,591	371,882	3.7	511,017	3,267,722
Operating income	41,494	40,052	3.6	51,255	351,646

## SEGMENT INFORMATION BY BUSINESS

(UNAUDITED)

	Millions of yen				Thousands of U.S. dollars	
	Three months ended December 31, 2007	Three months ended December 31, 2006	Change (%)	Year ended March 31, 2007	Three months ended December 31, 2007	
<b>Printing and Solutions</b>						
Net sales						
Unaffiliated customers	Y 109,262	Y 108,411	0.8	Y 397,629	\$ 925,953	
Intersegment	-	-	-	-	-	
Total	109,262	108,411	0.8	397,629	925,953	
Operating cost and expenses	98,451	98,434	0.0	360,202	834,333	
Operating income	10,811	9,976	8.4	37,427	91,620	
<b>Personal and Home</b>						
Net sales						
Unaffiliated customers	Y 10,481	Y 10,695	-2.0	Y 34,224	\$ 88,827	
Intersegment	-	-	-	-	-	
Total	10,481	10,695	-2.0	34,224	88,827	
Operating cost and expenses	8,933	9,365	-4.6	31,759	75,710	
Operating income	1,547	1,329	16.4	2,465	13,117	
<b>Machinery and Solution</b>						
Net sales						
Unaffiliated customers	Y 16,817	Y 16,078	4.6	Y 63,023	\$ 142,518	
Intersegment	-	-	-	-	-	
Total	16,817	16,078	4.6	63,023	142,518	
Operating cost and expenses	14,843	14,066	5.5	54,550	125,788	
Operating income	1,974	2,012	-1.9	8,473	16,730	
<b>Others</b>						
Net sales						
Unaffiliated customers	Y 12,185	Y 19,885	-38.7	Y 67,394	\$ 103,264	
Intersegment	3,203	1,590	101.5	8,232	27,147	
Total	15,388	21,475	-28.3	75,627	130,411	
Operating cost and expenses	14,730	20,914	-29.6	72,738	124,833	
Operating income	658	560	17.3	2,889	5,578	
<b>Corporate and Eliminations</b>						
Net sales						
Unaffiliated customers	Y -	Y -	-	Y -	\$ -	
Intersegment	(3,203)	(1,590)	-	(8,232)	(27,147)	
Total	(3,203)	(1,590)	-	(8,232)	(27,147)	
Operating cost and expenses	(3,203)	(1,590)	-	(8,232)	(27,147)	
Operating income	-	-	-	-	-	
<b>Consolidated</b>						
Net sales						
Unaffiliated customers	Y 148,746	Y 155,071	-4.1	Y 562,272	\$ 1,260,562	
Intersegment	-	-	-	-	-	
Total	148,746	155,071	-4.1	562,272	1,260,562	
Operating cost and expenses	133,755	141,192	-5.3	511,017	1,133,518	
Operating income	14,991	13,879	8.0	51,255	127,045	

Notes:

Main products in each business segment are as follows:

Printing and Solutions	Fax machines, Printers, Multi-function centers, Electronic stationeries, Typewriters
Personal and Home	Domestic sewing machines
Machinery and Solution	Industrial sewing machines, Machine tools
Others	Network karaoke, Information distribution services for cellular phones, Real estate, Leasing parts, Other areas of business

## SEGMENT INFORMATION BY GEOGRAPHIC AREA

(UNAUDITED)

	Millions of yen			Thousands of U.S. dollars	
	Three months ended December 31, 2007	Three months ended December 31, 2006	Change (%)	Year ended March 31, 2007	Three months ended December 31, 2007
<b>Japan</b>					
Net sales					
Unaffiliated customers	Y 33,752	Y 39,915	-15.4	Y 143,321	\$ 286,037
Intersegment	75,226	78,967	-4.7	285,305	637,510
Total	108,978	118,883	-8.3	428,627	923,547
Operating cost and expenses	101,273	111,555	-9.2	403,332	858,247
Operating income	7,705	7,327	5.2	25,294	65,299
<b>Americas</b>					
Net sales					
Unaffiliated customers	Y 45,319	Y 50,393	-10.1	Y 186,706	\$ 384,066
Intersegment	623	294	112.0	1,471	5,286
Total	45,943	50,687	-9.4	188,177	389,352
Operating cost and expenses	44,731	49,421	-9.5	179,971	379,080
Operating income	1,212	1,266	-4.3	8,206	10,273
<b>Europe</b>					
Net sales					
Unaffiliated customers	Y 53,541	Y 49,722	7.7	Y 173,301	\$ 453,745
Intersegment	995	309	221.4	1,425	8,435
Total	54,537	50,032	9.0	174,726	462,180
Operating cost and expenses	51,055	47,056	8.5	163,113	432,671
Operating income	3,482	2,976	17.0	11,612	29,509
<b>Asia and Others</b>					
Net sales					
Unaffiliated customers	Y 16,132	Y 15,039	7.3	Y 58,943	\$ 136,715
Intersegment	52,600	56,678	-7.2	197,368	445,769
Total	68,733	71,718	-4.2	256,311	582,484
Operating cost and expenses	67,502	69,747	-3.2	251,850	572,054
Operating income	1,230	1,971	-37.6	4,461	10,430
<b>Corporate and Eliminations</b>					
Net sales					
Unaffiliated customers	Y -	Y -	-	Y -	\$ -
Intersegment	(129,446)	(136,250)	-	(485,571)	(1,097,000)
Total	(129,446)	(136,250)	-	(485,571)	(1,097,000)
Operating cost and expenses	(130,807)	(136,588)	-	(487,251)	(1,108,534)
Operating income	1,361	338	302.3	1,680	11,534
<b>Consolidated</b>					
Net sales					
Unaffiliated customers	Y 148,746	Y 155,071	-4.1	Y 562,272	\$ 1,260,562
Intersegment	-	-	-	-	-
Total	148,746	155,071	-4.1	562,272	1,260,562
Operating cost and expenses	133,755	141,192	-5.3	511,017	1,133,518
Operating income	14,991	13,879	8.0	51,255	127,045

[Reference Data]

Forecast of Fiscal Year March 2008

1-1. Sales breakdown by business segment

Unit: Millions of yen

		Forecast ending March 31 2008 [Revised] (A)	Results ended March 31 2007 (B)	Change (A / B - 1)	Forecast ending March 31 2008 [Previous] (C)	Change (A / C - 1)
Printing and Solutions	Communications and Printing equipment	369,200	353,967	4.3%	380,800	Δ3.0%
	Electronic stationery	44,900	43,661	2.8%	46,700	Δ3.9%
	Total	414,100	397,629	4.1%	427,500	Δ3.1%
Personal and Home		34,100	34,224	Δ0.4%	34,500	Δ1.2%
Machinery and Solution	Industrial sewing machines	36,000	34,459	4.5%	37,200	Δ3.2%
	Machine tools	32,600	28,564	14.1%	30,100	8.3%
	Total	68,600	63,023	8.8%	67,300	1.9%
Others		53,200	67,394	Δ21.1%	55,700	Δ4.5%
Grand Total		570,000	562,272	1.4%	585,000	Δ2.6%

1-2. Operating income breakdown by business segment

Unit: Millions of yen

		Forecast ending March 31 2008 [Revised] (A)	Results ended March 31 2007 (B)	Change (A / B - 1)	Forecast ending March 31 2008 [Previous] (C)	Change (A / C - 1)
Printing and Solutions		35,800	37,427	Δ4.3%	37,600	Δ4.8%
Personal and Home		3,200	2,465	29.8%	2,900	10.3%
Machinery and Solution		9,300	8,473	9.8%	8,800	5.7%
Others		1,700	2,889	Δ41.2%	2,700	Δ37.0%
Grand Total		50,000	51,255	Δ2.4%	52,000	Δ3.8%

1-3. Sales breakdown by geographic segment

Unit: Millions of yen

		Forecast ending March 31 2008 [Revised] (A)	Results ended March 31 2007 (B)	Change (A / B - 1)	Forecast ending March 31 2008 [Previous] (C)	Change (A / C - 1)
Japan		132,700	143,321	Δ7.4%	132,200	0.4%
Americas		176,100	186,706	Δ5.7%	187,800	Δ6.2%
Europe		194,400	173,301	12.2%	195,200	Δ0.4%
Asia and Others		66,800	58,943	13.3%	69,800	Δ4.3%
Grand Total		570,000	562,272	1.4%	585,000	Δ2.6%