

Highlights of Consolidated Results for the 1st Quarter of Fiscal Year ending March 31, 2010

Millions of yen (except for per share amounts)				
	Three months ended		Three months ended	Change (%)
	June 30, 2009	June 30, 2008	June 30, 2008	
Net sales	Y 97,816	Y 126,104		-22.4
Operating income	6,362	9,206		-30.9
Current profits	8,118	9,618		-15.6
Net income	3,398	6,474		-47.5
Net income per share:				
Basic	Y 12.70	Y 23.81		
Diluted	12.69	23.80		
As of				
	June 30, 2009	March 31, 2009		
Total assets	Y 329,479	Y 337,667		
Net assets	203,837	199,371		
Owners' equity ratio	61.1 %	58.3 %		
Owners' equity per share	Y 752.26	Y 735.26		
(Ref.) Owners' equity	201,338	196,790		
Number of consolidated subsidiaries	54	53		
Number of affiliates using the applied equity method	8	8		

Highlights of Consolidated Forecast for Fiscal Year ending March 31, 2010

Millions of yen (except for per share amounts)				
	[Projected]		Year ended March 31, 2009	Change (%)
	Year ending March 31, 2010	Year ending March 31, 2009		
Net sales	Y 425,000	Y 482,204		-11.9
Operating income	13,000	19,901		-34.7
Current profits	20,000	25,562		-21.8
Net income	12,500	15,262		-18.1
Net income per share	Y 46.70	Y 56.79		
Dividends per common share	16.00	26.00		

(Note 1) No change has been made in forecasted operating results in this quarterly period.

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

(Note 3) Interim dividend for the year ended March 31, 2009 includes a commemorative dividend of 2.00 yen.

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 three months ended June 30, 2009 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=98.00 yen, in the accompanying consolidated financial statements.
- Operating results for the three months ended June 30, 2009 are based on the following currency exchange rates:
Actual average rates for the three months ended June 30, 2009: US\$=97.13 yen, EURO=132.55 yen
Forecasts for the year ending March 31, 2010 are based on the following currency exchange rates:
Assumed average rates for the fiscal year: US\$=93.00 yen, EURO=125.00 yen
- Number of shares outstanding (including treasury stock): 277,535 thousands as of June 30, 2009, 277,535 thousands as of March 31, 2009
Number of treasury stock outstanding: 9,892 thousands as of June 30, 2009, 9,886 thousands as of March 31, 2009
Number of weighted average shares (quarterly): 267,646 thousands during the period ended June 30, 2009, 271,907 thousands during the period ended June 30, 2008

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 June 30, 2009	As of March 31, 2009	As of June 30, 2009
ASSETS			
Current assets			
Cash and cash equivalents	Y 52,182	Y 45,970	\$ 532,477
Trade receivables	59,962	66,248	611,860
Inventories	68,356	71,990	697,515
Other current assets	17,664	22,928	180,247
Total current assets	<u>198,165</u>	<u>207,138</u>	<u>2,022,098</u>
Net property, plant and equipment	69,048	70,702	704,577
Intangible fixed assets	15,388	15,607	157,023
Other assets	46,877	44,218	478,339
Total assets	<u>Y 329,479</u>	<u>Y 337,667</u>	<u>\$ 3,362,037</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Short-term debt	Y 8,959	Y 9,901	\$ 91,425
Trade payables	22,879	24,067	233,464
Other current liabilities	55,673	66,100	568,098
Total current liabilities	<u>87,512</u>	<u>100,069</u>	<u>892,987</u>
Long-term liabilities			
Long-term debt	20,500	20,500	209,184
Other long-term liabilities	17,629	17,726	179,889
Total liabilities	<u>125,641</u>	<u>138,295</u>	<u>1,282,060</u>
Net assets			
Shareholders' equity			
Capital stock	19,209	19,209	196,019
Capital surplus	16,134	16,134	164,635
Retained earnings	197,458	197,082	2,014,887
Treasury stock	(11,675)	(11,671)	(119,142)
Total shareholders' equity	<u>221,127</u>	<u>220,754</u>	<u>2,256,398</u>
Valuation and translation adjustments			
Unrealized gain (loss) on available-for-sale securities	1,658	(30)	16,921
Deferred gain (loss) under hedge accounting	1,190	3,114	12,153
Foreign currency translation adjustments	(22,637)	(27,048)	(230,996)
Total valuation and translation adjustments	<u>(19,788)</u>	<u>(23,964)</u>	<u>(201,923)</u>
Stock acquisition rights	195	195	1,994
Minority interests	2,303	2,385	23,508
Total net assets	<u>203,837</u>	<u>199,371</u>	<u>2,079,977</u>
Total liabilities and net assets	<u>Y 329,479</u>	<u>Y 337,667</u>	<u>\$ 3,362,037</u>

CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30, 2009	Three months ended June 30, 2008	Three months ended June 30, 2009
Net sales	Y 97,816	Y 126,104	\$ 998,129
Cost of sales	53,532	71,910	546,245
Gross profit	44,284	54,193	451,884
Selling, general and administrative expenses	37,921	44,986	386,956
Operating income	6,362	9,206	64,928
Non-operating income (expenses):			
Interest and dividend income	359	1,029	3,673
Interest expenses	(141)	(113)	(1,443)
Other, net	1,536	(504)	15,680
Current profits	8,118	9,618	82,837
Extraordinary income (expenses):			
Gain (Loss) on sales and disposals of property, plant and equipment, net	(103)	(246)	(1,060)
Other, net	(18)	(27)	(190)
Income before income taxes and minority interests	7,995	9,343	81,587
Income taxes & minority interests	4,596	2,868	46,904
Net income	Y 3,398	Y 6,474	\$ 34,683
Net income per share:	Yen	Yen	U.S. dollars
Basic	Y 12.70	Y 23.81	\$ 0.13
Diluted	12.69	23.80	0.13

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Millions of yen		Thousands of U.S. dollars			
	Three months ended	Three months ended	Three months ended			
	June 30, 2009	June 30, 2008	June 30, 2009			
OPERATING ACTIVITIES:						
Income before income taxes and minority interests	Y	7,995	Y	9,343	\$	81,587
Adjustments for:						
Depreciation and amortization		4,787		5,255		48,853
Amortization of goodwill		86		163		885
Provision for (Reversal of) allowance for doubtful accounts		133		81		1,359
Provision for (Reversal of) retirement benefits		137		(99)		1,406
Provision for (Reversal of) product warranty		502		(492)		5,123
Provision for (Reversal of) copyright fees		-		834		-
Interest and dividend income		(359)		(1,029)		(3,673)
Interest expenses		141		113		1,443
Foreign exchange loss (gain)		(703)		(844)		(7,181)
Equity in loss (earnings) of affiliates		49		(20)		500
Valuation loss (gain) on derivatives		45		-		464
Loss (Gain) on sales of property, plant and equipment, net		-		31		-
Loss (Gain) on sales and disposals of property, plant and equipment, net		103		-		1,060
Valuation loss (gain) on investment securities		2		56		21
Valuation loss on affiliates' shares		36		-		376
Decrease (Increase) in trade notes and accounts receivable		7,839		6,266		79,996
Decrease (Increase) in inventories		5,987		(110)		61,098
Increase (Decrease) in trade notes and accounts payable		(863)		885		(8,814)
Increase (Decrease) in accrued expenses		(7,425)		(3,938)		(75,768)
Other, net		(3,188)		(1,877)		(32,536)
Cash generated from operations		15,307		14,620		156,200
Interest and dividends received		396		1,029		4,047
Interest paid		(78)		(47)		(800)
Income taxes paid		(1,394)		(4,312)		(14,230)
Net cash provided by operating activities	Y	14,231	Y	11,289	\$	145,217
INVESTING ACTIVITIES:						
Proceeds from sales of marketable securities		-		299		-
Disbursement for purchases of property, plant and equipment		(2,865)		(6,490)		(29,237)
Proceeds from sales of property, plant and equipment		213		110		2,182
Disbursement for purchases of intangible assets		(1,788)		(1,910)		(18,247)
Proceeds from sales of intangible assets		14		1		149
Disbursement for purchases of investment securities		(0)		(41)		(1)
Proceeds from sales of investment securities		-		38		-
Disbursement for purchases of affiliates' shares		(197)		(96)		(2,018)
Disbursement for payment of investments		(26)		-		(275)
Proceeds from collection of long-term loans		0		51		7
Other, net		67		(157)		693
Net cash used in investing activities	Y	(4,581)	Y	(8,195)	\$	(46,747)
FINANCING ACTIVITIES:						
Increase (Decrease) in short-term borrowings, net		(1,110)		(847)		(11,332)
Disbursement for repayment of long-term debt		(32)		(32)		(327)
Decrease (Increase) in treasury stock, net		(1)		(10,003)		(18)
Cash dividends paid		(3,225)		(3,038)		(32,908)
Others, net		4		-		51
Net cash used in financing activities	Y	(4,364)	Y	(13,921)	\$	(44,535)
Effect of foreign currency exchange rate changes on cash and cash equivalents		2,755		5,109		28,122
Net increase (decrease) in cash and cash equivalents		8,041		(5,718)		82,057
Cash and cash equivalents at beginning of period		46,127		83,218		470,691
Cash and cash equivalents of newly consolidated subsidiaries		6		-		67
Cash and cash equivalents at end of period	Y	54,175	Y	77,500	\$	552,815

SEGMENT INFORMATION BY BUSINESS

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30, 2009	Three months ended June 30, 2008	Three months ended June 30, 2009
Printing and Solutions			
Net sales			
Unaffiliated customers	Y 79,280	Y 94,407	\$ 808,988
Intersegment	-	-	-
Total	79,280	94,407	808,988
Operating cost and expenses	72,049	86,297	735,198
Operating income	7,231	8,110	73,790
Personal and Home			
Net sales			
Unaffiliated customers	Y 5,477	Y 7,295	\$ 55,888
Intersegment	-	-	-
Total	5,477	7,295	55,888
Operating cost and expenses	5,622	7,363	57,374
Operating income	(145)	(68)	(1,486)
Machinery and Solution			
Net sales			
Unaffiliated customers	Y 4,802	Y 14,995	\$ 49,003
Intersegment	-	-	-
Total	4,802	14,995	49,003
Operating cost and expenses	5,721	14,014	58,378
Operating income	-	981	-
Others			
Net sales			
Unaffiliated customers	Y 8,256	Y 9,405	\$ 84,249
Intersegment	1,879	1,456	19,175
Total	10,135	10,862	103,424
Operating cost and expenses	9,939	10,678	101,426
Operating income	195	183	1,999
Corporate and Eliminations			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(1,879)	(1,456)	(19,175)
Total	(1,879)	(1,456)	(19,175)
Operating cost and expenses	(1,879)	(1,456)	(19,175)
Operating income	-	-	-
Consolidated			
Net sales			
Unaffiliated customers	Y 97,816	Y 126,104	\$ 998,129
Intersegment	-	-	-
Total	97,816	126,104	998,129
Operating cost and expenses	91,453	116,897	933,201
Operating income	7,281	9,206	74,303

Note:

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

	Millions of yen		Thousands of
			U.S. dollars
	Three months ended June 30, 2009	Three months ended June 30, 2008	Three months ended June 30, 2009
Japan			
Net sales			
Unaffiliated customers	Y 20,018	Y 28,240	\$ 204,272
Intersegment	44,710	63,688	456,225
Total	64,728	91,928	660,497
Operating cost and expenses	63,284	84,307	645,763
Operating income	1,444	7,621	14,735
Americas			
Net sales			
Unaffiliated customers	Y 31,888	Y 39,588	\$ 325,390
Intersegment	331	411	3,384
Total	32,219	40,000	328,774
Operating cost and expenses	31,595	39,037	322,399
Operating income	624	963	6,376
Europe			
Net sales			
Unaffiliated customers	Y 33,607	Y 43,297	\$ 342,939
Intersegment	633	803	6,462
Total	34,241	44,101	349,401
Operating cost and expenses	31,187	41,827	318,244
Operating income	3,053	2,273	31,157
Asia and Others			
Net sales			
Unaffiliated customers	Y 12,301	Y 14,978	\$ 125,528
Intersegment	30,349	40,830	309,694
Total	42,651	55,808	435,222
Operating cost and expenses	41,694	56,047	425,458
Operating income	956	(239)	9,763
Corporate and Eliminations			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(76,024)	(105,734)	(775,765)
Total	(76,024)	(105,734)	(775,765)
Operating cost and expenses	(76,308)	(104,322)	(778,662)
Operating income	283	(1,412)	2,897
Consolidated			
Net sales			
Unaffiliated customers	Y 97,816	Y 126,104	\$ 998,129
Intersegment	-	-	-
Total	97,816	126,104	998,129
Operating cost and expenses	91,453	116,897	933,201
Operating income	6,362	9,206	64,928

[Reference Data]
Forecast for Fiscal Year ending March 2010

1-1. Sales breakdown by business segment

Unit: Millions of yen

		Forecast ending March 31 2010 (A)	Results ended March 31 2009 (B)	Change (A / B - 1)
Printing and Solutions	Communications and Printing equipment	286,600	329,385	-13.0%
	Electronic stationery	39,300	41,299	-4.8%
	Total	325,900	370,685	-12.1%
Personal and Home		27,800	30,663	-9.3%
Machinery and Solution	Industrial sewing machines	18,900	19,104	-1.1%
	Machine tools	10,000	22,559	-55.7%
	Total	28,900	41,664	-30.6%
Others		42,400	39,190	8.2%
Grand Total		425,000	482,204	-11.9%

1-2. Operating income breakdown by business segment

Unit: Millions of yen

		Forecast ending March 31 2010 (A)	Results ended March 31 2009 (B)	Change (A / B - 1)
Printing and Solutions		13,200	18,149	-27.3%
Personal and Home		1,200	1,764	-32.0%
Machinery and Solution		-3,300	-845	-
Others		1,900	832	128.2%
Grand Total		13,000	19,901	-34.7%

1-3. Sales breakdown by geographic segment

Unit: Millions of yen

		Forecast ending March 31 2010 (A)	Results ended March 31 2009 (B)	Change (A / B - 1)
Japan		96,600	105,191	-8.2%
Americas		141,100	158,899	-11.2%
Europe		137,400	166,007	-17.2%
Asia and Others		49,900	52,105	-4.2%
Grand Total		425,000	482,204	-11.9%