

Highlights of Consolidated Results for the Nine Months and the Third Quarter of Fiscal Year ending March 31, 2010

Millions of yen
(except for per share amounts)

	Nine months ended		Change (%)	Three months ended		Change (%)
	December 31, 2009	December 31, 2008		December 31, 2009	December 31, 2008	
Net sales	Y 318,070	Y 378,376	-15.9	Y 118,648	Y 121,778	-2.6
Operating income	19,679	23,710	-17.0	9,723	6,472	50.2
Current profits	23,017	26,229	-12.2	9,632	10,136	-5.0
Net income (loss)	12,096	10,128	19.4	7,176	(1,602)	-
Net income per share:						
Basic	Y 45.19	Y 37.64		Y 26.81	(5.99)	
Diluted	45.16	37.62		26.79	-	
	As of	As of				
	December 31,	March 31,				
	2009	2009				
Total assets	Y 332,950	Y 337,667				
Net assets	204,964	199,371				
Owners' equity ratio	61.2 %	58.3 %				
Owners' equity per share	Y 761.35	Y 735.26				
(Ref.) Owners' equity	203,784	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)

	[Revised]		Change (%)
	Year ending March 31, 2010	Year ended March 31, 2009	
Net sales	Y 444,000	Y 482,204	-7.9
Operating income	23,000	19,901	15.6
Current profits	26,000	25,562	1.7
Net income	14,500	15,262	-5.0
Net income per share	Y 54.17	Y 56.79	
Dividends per common share	16.00	26.00	
	[Revised]	[Previous]	
	Year ending	Year ending	
	March 31,	March 31,	
	2010	2010	
Net sales	Y 444,000	Y 430,000	3.3
Operating income	23,000	18,000	27.8
Current profits	26,000	21,000	23.8
Net income	14,500	12,500	16.0
Net income per share	Y 54.17	Y 46.70	
Dividends per common share	16.00	16.00	

(Note 1) Forecasted operating results have been changed 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 nine months ended December 31, 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 nine months ended December 31, 2009 are based on the following currency exchange rates:
Actual average rates for the nine months ended December 31, 2009: US\$=93.73 yen, EURO=132.69 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\$=93.03 yen, EURO=132.22 yen
- Number of shares outstanding (including treasury stock): 277,535 thousands as of December 31, 2009, 277,535 thousands as of March 31, 2009
Number of treasury stock outstanding: 9,873 thousands as of December 31, 2009, 9,886 thousands as of March 31, 2009
Number of weighted average shares (nine months): 267,654 thousands during the period ended December 31, 2009, 269,132 thousands during the period ended December 31, 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 December 31, 2009	As of March 31, 2009	As of December 31, 2009
ASSETS			
Current assets			
Cash and cash equivalents	Y 56,519	Y 45,970	\$ 576,725
Trade receivables	65,214	66,248	665,456
Inventories	65,449	71,990	667,855
Other current assets	16,189	22,928	165,196
Total current assets	<u>203,372</u>	<u>207,138</u>	<u>2,075,233</u>
Net property, plant and equipment	64,489	70,702	658,058
Intangible fixed assets	14,791	15,607	150,936
Other assets	50,296	44,218	513,230
Total assets	<u>Y 332,950</u>	<u>Y 337,667</u>	<u>\$ 3,397,457</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Short-term debt	Y 4,338	Y 9,901	\$ 44,265
Trade payables	32,789	24,067	334,588
Other current liabilities	53,501	66,100	545,937
Total current liabilities	<u>90,629</u>	<u>100,069</u>	<u>924,791</u>
Long-term liabilities			
Long-term debt	18,500	20,500	188,776
Other long-term liabilities	18,857	17,726	192,421
Total liabilities	<u>127,986</u>	<u>138,295</u>	<u>1,305,987</u>
Net assets			
Shareholders' equity			
Capital stock	19,209	19,209	196,019
Capital surplus	16,147	16,134	164,774
Retained earnings	204,109	197,082	2,082,748
Treasury stock	(11,671)	(11,671)	(119,095)
Total shareholders' equity	<u>227,795</u>	<u>220,754</u>	<u>2,324,445</u>
Valuation and translation adjustments			
Unrealized gain (loss) on available-for-sale securities	1,992	(30)	20,335
Deferred gain (loss) under hedge accounting	475	3,114	4,854
Foreign currency translation adjustments	(26,479)	(27,048)	(270,196)
Total valuation and translation adjustments	<u>(24,010)</u>	<u>(23,964)</u>	<u>(245,007)</u>
Stock acquisition rights	195	195	1,994
Minority interests	983	2,385	10,039
Total net assets	<u>204,964</u>	<u>199,371</u>	<u>2,091,470</u>
Total liabilities and net assets	<u>Y 332,950</u>	<u>Y 337,667</u>	<u>\$ 3,397,457</u>

CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of
			U.S. dollars
	Nine months ended December 31, 2009	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Net sales	Y 318,070	Y 378,376	\$ 3,245,621
Cost of sales	175,548	215,615	1,791,309
Gross profit	142,522	162,761	1,454,312
Selling, general and administrative expenses	122,843	139,050	1,253,501
Operating income	19,679	23,710	200,811
Non-operating income (expenses):			
Interest and dividend income	875	2,176	8,936
Interest expenses	(387)	(657)	(3,950)
Other, net	2,848	999	29,071
Current profits	23,017	26,229	234,869
Extraordinary income (expenses):			
Gain (Loss) on sales and disposals of property, plant and equipment, net	985	(662)	10,054
Other, net	(3,280)	(2,789)	(33,478)
Income before income taxes & minority interests	20,721	22,777	211,444
Income taxes & minority interests	8,624	12,648	88,010
Net income	Y 12,096	Y 10,128	\$ 123,434
Net income per share:	Yen	Yen	U.S. dollars
Basic	Y 45.19	Y 37.64	\$ 0.46
Diluted	45.16	37.62	0.46

Note:

Other extraordinary income (expenses) for the nine months ended December 31, 2009 includes loss on revision of retirement benefit plan Y 2,985 mil.

Other extraordinary income (expenses) for the nine months ended December 31, 2008 includes valuation loss on investment securities Y 3,781 mil.

CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of U.S. dollars
	Three months ended December 31, 2009	Three months ended December 31, 2008	Three months ended December 31, 2009
Net sales	Y 118,648	Y 121,778	\$ 1,210,702
Cost of sales	<u>65,311</u>	<u>69,796</u>	<u>666,448</u>
Gross profit	53,336	51,981	544,254
Selling, general and administrative expenses	<u>43,613</u>	<u>45,509</u>	<u>445,038</u>
Operating income	9,723	6,472	99,217
Non-operating income (expenses):			
Interest and dividend income	359	466	3,664
Interest expenses	(106)	(435)	(1,088)
Other, net	<u>(343)</u>	<u>3,632</u>	<u>(3,505)</u>
Current profits	9,632	10,136	98,288
Extraordinary income (expenses):			
Gain (Loss) on sales and disposals of property, plant and equipment, net	1,100	(166)	11,227
Other, net	<u>(291)</u>	<u>(3,548)</u>	<u>(2,971)</u>
Income before income taxes & minority interests	10,441	6,421	106,544
Income taxes & minority interests	<u>3,264</u>	<u>8,023</u>	<u>33,315</u>
Net income (loss)	<u>Y 7,176</u>	<u>Y (1,602)</u>	<u>\$ 73,229</u>
Net income per share:	Yen	Yen	U.S. dollars
Basic	Y 26.81	Y (5.99)	\$ 0.27
Diluted	26.79	-	0.27

Note:

Other extraordinary income (expenses) for the three months ended December 31, 2008 includes valuation loss on investment securities Y 3,722 mil.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Millions of yen		Thousands of U.S. dollars	
	Nine months ended December 31, 2009	Nine months ended December 31, 2008	Nine months ended December 31, 2009	
	Y	Y	\$	
OPERATING ACTIVITIES:				
Income before income taxes and minority interests	Y 20,721	Y 22,777	\$ 211,444	
Adjustments for:				
Depreciation and amortization	14,951	16,854	152,563	
Impairment loss	262	111	2,678	
Amortization of goodwill	284	575	2,905	
Provision for (Reversal of) allowance for doubtful accounts	484	36	4,940	
Provision for (Reversal of) retirement benefits	547	20	5,582	
Provision for (Reversal of) product warranty	1,708	(930)	17,438	
Provision for (Reversal of) copyright fees	-	1,753	-	
Interest and dividend income	(875)	(2,176)	(8,936)	
Interest expenses	387	657	3,950	
Foreign exchange loss (gain)	560	3,203	5,721	
Valuation loss (gain) on derivatives	(698)	551	(7,126)	
Equity in loss (earnings) of affiliates	(67)	(127)	(692)	
Loss (Gain) on sales of property, plant and equipment, net	-	(696)	-	
Loss (Gain) on sales and disposals of property, plant and equipment, net	(985)	-	(10,054)	
Loss (Gain) on sales of investment securities	1	(2)	11	
Valuation loss (gain) on investment securities	-	3,781	-	
Valuation loss on shares in affiliates	36	-	376	
Valuation loss on investments in affiliates	272	-	2,786	
Loss on revision of retirement benefit plan	2,985	-	30,464	
Decrease (Increase) in trade notes and accounts receivable	1,355	(3,307)	13,831	
Decrease (Increase) in inventories	6,470	(19,926)	66,025	
Increase (Decrease) in trade notes and accounts payable	10,411	5,618	106,245	
Increase (Decrease) in accrued expenses	(12,270)	(1,793)	(125,214)	
Other, net	(8,475)	(11,219)	(86,484)	
Cash generated from operations	38,068	15,759	388,452	
Interest and dividends received	946	2,176	9,659	
Interest paid	(324)	(584)	(3,307)	
Income taxes paid	(4,444)	(8,612)	(45,348)	
Net cash provided by operating activities	Y 34,246	Y 8,738	\$ 349,456	
INVESTING ACTIVITIES:				
Proceeds from sales of marketable securities	100	500	1,020	
Disbursement for purchases of property, plant and equipment	(7,787)	(15,760)	(79,466)	
Proceeds from sales of property, plant and equipment	2,276	1,648	23,229	
Disbursement for purchases of intangible assets	(3,796)	(5,354)	(38,737)	
Proceeds from sales of intangible assets	9	68	97	
Disbursement for purchases of investment securities	(90)	(2,595)	(923)	
Proceeds from sales of investment securities	0	768	0	
Disbursement for purchases of shares in affiliates	(1,862)	(99)	(19,009)	
Disbursement for transfer of business	-	(1,202)	-	
Disbursement for payment of investments	(26)	-	(275)	
Disbursement for payment of investments in affiliates	(1,458)	-	(14,882)	
Proceeds from collection of long-term loans	2	56	22	
Other, net	(536)	(277)	(5,474)	
Net cash used in investing activities	Y (13,170)	Y (22,246)	\$ (134,397)	
FINANCING ACTIVITIES:				
Increase (Decrease) in short-term borrowings, net	(7,727)	8,256	(78,854)	
Disbursement for repayment of long-term debt	(44)	(76)	(449)	
Repayment of bonds	-	(350)	-	
Decrease (Increase) in treasury stock, net	(3)	(10,009)	(35)	
Cash dividends paid	(5,375)	(6,801)	(54,847)	
Others, net	3	-	31	
Net cash used in financing activities	Y (13,147)	Y (8,980)	\$ (134,153)	
Effect of foreign currency exchange rate changes on cash and cash equivalents	611	(14,071)	6,243	
Net increase (decrease) in cash and cash equivalents	8,540	(36,559)	87,148	
Cash and cash equivalents at beginning of period	46,127	83,218	470,691	
Cash and cash equivalents of newly consolidated subsidiaries	1,019	-	10,405	
Cash and cash equivalents at end of period	Y 55,687	Y 46,659	\$ 568,244	

SEGMENT INFORMATION BY BUSINESS

	Millions of yen		Thousands of U.S. dollars
	Nine months ended December 31, 2009	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Printing and Solutions			
Net sales			
Unaffiliated customers	Y 253,076	Y 287,822	\$ 2,582,414
Intersegment	-	-	-
Total	253,076	287,822	2,582,414
Operating cost and expenses	231,631	267,644	2,363,584
Operating income	21,445	20,178	218,830
Personal and Home			
Net sales			
Unaffiliated customers	Y 20,472	Y 24,196	\$ 208,904
Intersegment	-	-	-
Total	20,472	24,196	208,904
Operating cost and expenses	19,548	22,708	199,474
Operating income	924	1,488	9,430
Machinery and Solution			
Net sales			
Unaffiliated customers	Y 19,161	Y 37,029	\$ 195,523
Intersegment	-	-	-
Total	19,161	37,029	195,523
Operating cost and expenses	22,199	35,551	226,525
Operating income	(3,038)	1,478	(31,002)
Others			
Net sales			
Unaffiliated customers	Y 25,360	Y 29,328	\$ 258,781
Intersegment	4,885	9,317	49,851
Total	30,245	38,645	308,632
Operating cost and expenses	29,897	38,079	305,078
Operating income	348	566	3,554
Corporate and Eliminations			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(4,885)	(9,317)	(49,851)
Total	(4,885)	(9,317)	(49,851)
Operating cost and expenses	(4,885)	(9,317)	(49,851)
Operating income	-	-	-
Consolidated			
Net sales			
Unaffiliated customers	Y 318,070	Y 378,376	\$ 3,245,621
Intersegment	-	-	-
Total	318,070	378,376	3,245,621
Operating cost and expenses	298,391	354,665	3,044,810
Operating income	19,679	23,710	200,811

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 BUSINESS

	Millions of yen		Thousands of U.S. dollars	
	Three months ended December 31, 2009	Three months ended December 31, 2008	Three months ended December 31, 2009	
Printing and Solutions				
Net sales				
Unaffiliated customers	Y 91,824	Y 93,499	\$ 936,981	
Intersegment	-	-	-	
Total	91,824	93,499	936,981	
Operating cost and expenses	82,219	88,086	838,976	
Operating income	9,604	5,413	98,005	
Personal and Home				
Net sales				
Unaffiliated customers	Y 8,526	Y 9,424	\$ 87,001	
Intersegment	-	-	-	
Total	8,526	9,424	87,001	
Operating cost and expenses	7,549	8,061	77,034	
Operating income	976	1,363	9,967	
Machinery and Solution				
Net sales				
Unaffiliated customers	Y 8,705	Y 7,810	\$ 88,827	
Intersegment	-	-	-	
Total	8,705	7,810	88,827	
Operating cost and expenses	9,687	8,290	98,852	
Operating income	(982)	(480)	(10,025)	
Others				
Net sales				
Unaffiliated customers	Y 9,593	Y 11,043	\$ 97,893	
Intersegment	1,526	4,945	15,578	
Total	11,120	15,989	113,471	
Operating cost and expenses	10,995	15,814	112,202	
Operating income	124	175	1,270	
Corporate and Eliminations				
Net sales				
Unaffiliated customers	Y -	Y -	\$ -	
Intersegment	(1,526)	(4,945)	(15,578)	
Total	(1,526)	(4,945)	(15,578)	
Operating cost and expenses	(1,526)	(4,945)	(15,578)	
Operating income	-	-	-	
Consolidated				
Net sales				
Unaffiliated customers	Y 118,648	Y 121,778	\$ 1,210,702	
Intersegment	-	-	-	
Total	118,648	121,778	1,210,702	
Operating cost and expenses	108,925	115,306	1,111,486	
Operating income	9,723	6,472	99,217	

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
	Nine months ended December 31, 2009	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Japan			
Net sales			
Unaffiliated customers	Y 65,320	Y 83,535	\$ 666,540
Intersegment	162,011	211,122	1,653,181
Total	227,332	294,657	2,319,720
Operating cost and expenses	223,241	284,764	2,277,979
Operating income	4,090	9,893	41,742
Americas			
Net sales			
Unaffiliated customers	Y 106,411	Y 122,978	\$ 1,085,832
Intersegment	1,132	1,010	11,557
Total	107,544	123,989	1,097,388
Operating cost and expenses	105,110	121,915	1,072,552
Operating income	2,433	2,073	24,836
Europe			
Net sales			
Unaffiliated customers	Y 105,386	Y 130,071	\$ 1,075,369
Intersegment	1,869	2,653	19,073
Total	107,255	132,725	1,094,441
Operating cost and expenses	99,327	126,254	1,013,544
Operating income	7,927	6,470	80,898
Asia and Others			
Net sales			
Unaffiliated customers	Y 40,952	Y 41,790	\$ 417,880
Intersegment	112,726	149,318	1,150,270
Total	153,678	191,109	1,568,151
Operating cost and expenses	147,752	188,828	1,507,682
Operating income	5,925	2,280	60,469
Corporate and Eliminations			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(277,739)	(364,104)	(2,834,081)
Total	(277,739)	(364,104)	(2,834,081)
Operating cost and expenses	(277,040)	(367,097)	(2,826,947)
Operating income	(699)	2,993	(7,133)
Consolidated			
Net sales			
Unaffiliated customers	Y 318,070	Y 378,376	\$ 3,245,621
Intersegment	-	-	-
Total	318,070	378,376	3,245,621
Operating cost and expenses	298,391	354,665	3,044,810
Operating income	19,679	23,710	200,811

SEGMENT INFORMATION BY GEOGRAPHIC AREA

	Millions of yen		Thousands of U.S. dollars
	Three months ended December 31, 2009	Three months ended December 31, 2008	Three months ended December 31, 2009
Japan			
Net sales			
Unaffiliated customers	Y 25,227	Y 26,738	\$ 257,425
Intersegment	60,433	70,868	616,672
Total	85,661	97,606	874,097
Operating cost and expenses	82,571	98,734	842,569
Operating income	3,089	(1,127)	31,528
Americas			
Net sales			
Unaffiliated customers	Y 37,973	Y 39,989	\$ 387,486
Intersegment	444	248	4,533
Total	38,417	40,238	392,019
Operating cost and expenses	37,385	40,102	381,480
Operating income	1,032	136	10,539
Europe			
Net sales			
Unaffiliated customers	Y 40,330	Y 43,112	\$ 411,538
Intersegment	696	632	7,107
Total	41,027	43,744	418,645
Operating cost and expenses	37,878	40,641	386,519
Operating income	3,148	3,103	32,126
Asia and Others			
Net sales			
Unaffiliated customers	Y 15,116	Y 11,938	\$ 154,253
Intersegment	42,359	54,854	432,237
Total	57,476	66,793	586,490
Operating cost and expenses	54,956	64,748	560,780
Operating income	2,519	2,045	25,711
Corporate and Eliminations			
Net sales			
Unaffiliated customers	Y -	Y -	\$ -
Intersegment	(103,933)	(126,604)	(1,060,549)
Total	(103,933)	(126,604)	(1,060,549)
Operating cost and expenses	(103,866)	(128,919)	(1,059,861)
Operating income	(67)	2,315	(688)
Consolidated			
Net sales			
Unaffiliated customers	Y 118,648	Y 121,778	\$ 1,210,702
Intersegment	-	-	-
Total	118,648	121,778	1,210,702
Operating cost and expenses	108,925	115,306	1,111,486
Operating income	9,723	6,472	99,217

[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 [Revised] (A)	Results ended March 31 2009 (B)	Change (A / B - 1)	Forecast ending March 31 2010 [Previous] (C)	Change (A / C - 1)
Printing and Solutions	Communications and Printing equipment	303,600	329,385	-7.8%	298,400	1.7%
	Electronic stationery	37,400	41,299	-9.4%	36,800	1.6%
	Total	341,000	370,685	-8.0%	335,200	1.7%
Personal and Home		27,500	30,663	-10.3%	27,400	0.4%
Machinery and Solution	Industrial sewing machines	16,600	19,104	-13.1%	17,900	-7.3%
	Machine tools	14,000	22,559	-37.9%	10,900	28.4%
	Total	30,600	41,664	-26.6%	28,800	6.3%
Others		44,900	39,190	14.6%	38,600	16.3%
Grand Total		444,000	482,204	-7.9%	430,000	3.3%

1-2. Operating income breakdown by business segment

Unit: Millions of yen

		Forecast ending March 31 2010 [Revised] (A)	Results ended March 31 2009 (B)	Change (A / B - 1)	Forecast ending March 31 2010 [Previous] (C)	Change (A / C - 1)
Printing and Solutions		24,100	18,149	32.8%	18,900	27.5%
Personal and Home		1,100	1,764	-37.7%	1,000	10.0%
Machinery and Solution		-3,100	-845	-	-3,100	-
Others		900	832	8.1%	1,200	-25.0%
Grand Total		23,000	19,901	15.6%	18,000	27.8%

1-3. Sales breakdown by geographic segment

Unit: Millions of yen

		Forecast ending March 31 2010 [Revised] (A)	Results ended March 31 2009 (B)	Change (A / B - 1)	Forecast ending March 31 2010 [Previous] (C)	Change (A / C - 1)
Japan		101,500	105,191	-3.5%	93,400	8.7%
Americas		142,400	158,899	-10.4%	138,700	2.7%
Europe		144,800	166,007	-12.8%	142,400	1.7%
Asia and Others		55,300	52,105	6.1%	55,500	-0.4%
Grand Total		444,000	482,204	-7.9%	430,000	3.3%