

Consolidated Financial Results for the Fiscal Year Ended March 31, 2013 (Japan GAAP)

English Translation of *Kessan Tanshin*

(Summary for reference)

May 8, 2013

Company Name: **CASIO COMPUTER CO., LTD.**

(URL <http://casio.jp/>)

Stock Exchange Listings: Tokyo

Code Number: 6952

President and CEO: Kazuo Kashio

Inquiries: Akinori Takagi, Managing Director

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Annual shareholders' meeting (scheduled): June 27, 2013

Start of distribution of dividends (scheduled): June 28, 2013

Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): June 27, 2013

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the year: Yes

(Monetary amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the year ended March 31, 2013 (From April 1, 2012 to March 31, 2013)

(Millions of yen)

(1) Operating Results

(Percentages indicate changes compared to the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
Year ended March 31, 2013	297,763	(1.3)	20,053	121.2	19,702	182.3	11,876	364.7
Year ended March 31, 2012	301,660	(11.7)	9,065	(24.7)	6,980	(40.4)	2,556	(55.0)

(Note) Comprehensive income: Year ended March 31, 2013: 19,544 million yen - %
Year ended March 31, 2012: 594 million yen (65.9) %

	Net income per share (Yen)	Diluted net income per share (Yen)	Net income/Equity	Ordinary income/Total assets	Operating income/Net sales
Year ended March 31, 2013	44.17	44.15	7.6 %	5.4 %	6.7 %
Year ended March 31, 2012	9.51	8.68	1.7	1.8	3.0

(Reference) Equity in gains of affiliates: Year ended March 31, 2013: 86 million yen
Year ended March 31, 2012: (2,158) million yen

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of March 31, 2013	369,322	163,968	44.4 %	609.57
As of March 31, 2012	366,212	149,254	40.7	554.22

(Reference) Equity: As of March 31, 2013: 163,882 million yen
As of March 31, 2012: 149,005 million yen

(3) Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Year ended March 31, 2013	9,478	(13,377)	(4,695)	97,350
Year ended March 31, 2012	10,793	3,107	(30,729)	100,710

2. Dividends

	Dividends per share (Yen)					Total dividends payment (Millions of yen)	Payout ratio (Consolidated)	Dividends/ Net assets (Consolidated)
	June 30	September 30	December 31	March 31	Total			
Year ended March 31, 2012	-	-	-	17.00	17.00	4,571	178.8 %	3.0 %
Year ended March 31, 2013	-	-	-	20.00	20.00	5,377	45.3 %	3.4 %
Year ending March 31, 2014 (Forecast)	-	10.00	-	10.00	20.00		41.4 %	

3. Consolidated Results Forecasts for Fiscal 2014 (From April 1, 2013 to March 31, 2014)

(Millions of yen)

(Percentages indicate changes compared to the corresponding periods of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (Yen)
		%		%		%		%	
First Half (Cumulative)	150,000	3.8	10,000	24.0	9,000	23.0	5,000	14.8	18.60
Fiscal 2014	320,000	7.5	25,000	24.7	23,000	16.7	13,000	9.5	48.35

Notes

(1) Changes in significant subsidiaries (Changes in scope of consolidation): No

Newly included: -

Excluded: -

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatements

(a) Changes in accounting policies due to revision of accounting standards: Yes

(b) Changes in accounting policies other than (a) above: No

(c) Changes in accounting estimates: Yes

(d) Retrospective restatements: No

Changes in accounting policies difficult to distinguish from changes in accounting estimates:

From the first quarter of the current fiscal year, the company changed the method of depreciation for property, plant and equipment acquired on or after April 1, 2012 to the one based on the amended Corporation Tax Law.

(3) Number of shares outstanding (common stock)

(a) Number of shares outstanding (including treasury stock):

As of March 31, 2013: 279,020,914 shares

As of March 31, 2012: 279,020,914 shares

(b) Number of treasury stock:

As of March 31, 2013: 10,171,434 shares

As of March 31, 2012: 10,167,943 shares

(c) Average number of shares outstanding

Year ended March 31, 2013: 268,851,563 shares

Year ended March 31, 2012: 268,854,536 shares

Statement on the Implementation Status of Audit Procedures

This report of consolidated financial results is outside the scope of audit procedures based on Japan's Financial Instruments and Exchange Law. At the time of publication of this report, the company has not yet completed the audit procedures of the consolidated financial statements based on the Financial Instruments and Exchange Law.

Proper Use of Business Results Forecasts and Other Notes

(Caution Concerning Forward-looking Statements)

- The forward-looking statements contained in these materials, including business results forecasts, are based on information currently available to the company and on certain assumptions deemed to be reasonable and are not intended to be construed as assurance that they will be accomplished in the future. Actual business results may differ substantially due to a number of factors. Please refer to Analysis of Operating Results, Analysis of Operating Results and Financial Position on page from 3 to 4 for the conditions that form the assumptions for business results and cautions concerning the use of business results forecasts.
- The supplementary explanatory materials for the financial results are published on TDnet on May 8, 2013.

Analysis of Operating Results and Financial Position

Analysis of Operating Results

(Operating Results for Fiscal 2013)

In fiscal 2013, despite the effects of the prolonged economic downturn for the Japanese and global economies amid the seemingly endless European debt problem, the Japanese economy finally began to show signs of a moderate recovery, which was partly attributable to the effect of the depreciation in the yen.

In this environment, consolidated net sales for fiscal 2013 were ¥297.7 billion. By segment, sales stood at ¥227.8 billion in the Consumer segment, ¥41.7 billion in the System Equipment segment and ¥28.1 billion in the Others segment.

In the timepiece business, brands such as G-SHOCK and PROTREK continued to perform well, primarily in overseas markets such as North America and Asia, driven by a stronger global brand strategy, and timepiece sales increased overall. Casio also launched G-SHOCK watches capable of connecting to smartphones with Bluetooth® and developed a new market. Casio also expanded the line-up of watches for women in brands such as Baby-G and SHEEN, and they continued to sell well. In the electronic dictionary business, sales of the EX-word series remained strong, mainly for the student model, and Casio continued to hold the overwhelming No. 1 share of the Japanese market.

In income for fiscal 2013, the Consumer segment posted ¥26.5 billion in operating income, and an operating profit margin of 11.7%, as a result of sustained high profitability in the timepiece and electronic dictionary businesses. Profitability improved in the System Equipment segment, bringing the operating loss back to ¥0.7 billion, and the Others segment recorded an operating loss of ¥0.2 billion. As a result, Casio registered ¥20.0 billion in consolidated operating income, allowing for adjustment. Casio recorded ¥19.7 billion in ordinary income and ¥11.8 billion in net income for the fiscal year.

(Forecast for Fiscal 2014)

The worst is over for the Japanese economy and it can now be expected to sustain a moderate recovery. In this environment, Casio will actively develop global markets for products which make the most of the company's original technology, as it seeks to significantly improve business performance. The main strategies for achieving this are as below.

- (a) In the timepiece business, Casio will further strengthen its global brand strategy, seeking to keep growing the business and maintain high profitability. It will keep expanding its line-up of watches, run proactive promotional campaigns in the global market, and build a high value-added business focusing primarily on six brands: G-SHOCK, which is marking its 30th anniversary, Baby-G, EDIFICE, OCEANUS, PROTREK, and SHEEN.
- (b) In the electronic dictionary business, Casio will attempt to expand the market for elementary school students while maintaining its No. 1 share and high profitability in the Japanese market. Moreover, it will tap into ASEAN markets in addition to China as it seeks to expand its business in overseas markets.
- (c) In the systems equipment business, Casio will seek to improve profitability by delivering original products tailored to the needs of clients, such as its Paper Write tablet devices for corporations.
- (d) Casio will aim to increase overseas sales, including in newly emerging nations, by strengthening its overseas sales structures.

Casio will also promote its new businesses, shifting the expansion of Casio Signage into high gear, pursuing early commercialization of digital painting (3D) and further improving the development of wrist devices.

Currently, the forecasts for fiscal 2014 are as follows.

(Consolidated results forecasts)

Net sales:	¥320.0 billion	(up 7.5% year-on-year)
Operating income:	¥25.0 billion	(up 24.7% year-on-year)
Ordinary income:	¥23.0 billion	(up 16.7% year-on-year)
Net income:	¥13.0 billion	(up 9.5% year-on-year)

Exchange rates for fiscal 2014 are estimated at US\$ 1 = ¥90 and Euro 1 = ¥115.

Analysis of Financial Position

Total assets on a consolidated basis at the end of fiscal 2013 stood at ¥369.3 billion, up ¥3.1 billion compared to the end of the previous fiscal year, owing to an increase in securities. Net assets rose ¥14.7 billion compared to the end of the previous fiscal year to ¥163.9 billion due to an increase in retained earnings. As a result, the equity ratio improved 3.7 points compared to the end of the previous fiscal year to 44.4%.

Net cash provided by operating activities was ¥9.4 billion, net cash used in investing activities was ¥13.3 billion, and net cash used in financing activities was ¥4.6 billion. As a result, consolidated cash and cash equivalents at the end of fiscal 2013 stood at ¥97.3 billion, ensuring adequate liquid funds.

Casio will continue to pursue effective management of its business assets, aiming to build a stable and strong financial structure.

Basic Policy on Allocation of Profit and Dividends for Fiscal 2013 and 2014

Casio has positioned the maintenance and expansion of returns for all of its shareholders as an important management issue. The company's dividend policy is based on maintaining stable dividends, and Casio decides the allocation of profit by taking into account all factors such as profit levels, financial position, the dividend payout ratio, and future business forecasts.

Based on the policy outlined above, Casio plans to increase the annual dividend by ¥3 from the ¥17 per share paid in the previous fiscal year to ¥20 per share. Moreover, although Casio has only paid annual fiscal year-end dividends in the past, the company plans to pay an interim dividend starting in fiscal 2014 in order to increase opportunities for distributing profits back to its shareholders.

Business Risks

The main risks that may affect Casio's business performance, financial position and share price are described below. Casio endeavors to prevent the occurrence of these risks and to respond when they do occur. Information on risks is current as of the end of the fiscal year under review.

- (1) Personal consumption trends in each country of the world
- (2) Sharp price fluctuations in the short term
- (3) Inability to launch popular new products on a timely and regular basis
- (4) Strategy changes, product specification changes, and order cancellations by major customers, and schedule changes to and cancellations of major orders
- (5) Obsolescence of Casio's products due to rapid technological change and radical change of market needs, etc.
- (6) Overseas political and economic conditions and unexpected changes in regulations and applications of legislation
- (7) A view that Casio's potential products or technology infringes the intellectual property rights of another company
- (8) The loss of social trust and liability for damages due to data leaks
- (9) Foreign exchange risk and interest rate risk
- (10) The occurrence of a disaster related to the environment, such as fire or earthquake, or of an accident in operations
- (11) Social unrest due to factors such as war, terrorism or infectious disease

The Casio Group

The Casio Group consists of Casio Computer Co., Ltd., and its 43 consolidated subsidiaries and 5 equity-method subsidiaries, as of March 31, 2013. The business activities of these companies range from development and production to sales and service in the Consumer, System Equipment and Others segments.

The Casio Group's development efforts are primarily the responsibility of Casio Computer Co., Ltd., which conducts basic research and development, and also develops new products and new production technologies. Further development of production technologies is largely conducted by the companies involved in production.

In terms of production, Casio Computer Co., Ltd., supplies production subsidiaries with primary components. They carry out fabrication and processing of products using these main components and other components they procure, and then supply the respective products to Casio Computer Co., Ltd.

The main production subsidiaries by business segment are shown below.

Segment	Principal products	Main production subsidiaries
Consumer	Watches Clocks Electronic dictionaries Electronic calculators Label printers Electronic musical instruments Digital cameras, etc.	Yamagata Casio Co., Ltd. Casio Computer (Hong Kong) Ltd. Casio Electronics (Shenzhen) Co., Ltd. Casio Electronic Technology (Zhongshan) Co., Ltd. Casio (Thailand) Co., Ltd.
System Equipment	Handheld terminals Electronic cash registers Office computers Page printers Data projectors, etc.	Yamagata Casio Co., Ltd. Casio Electronic Manufacturing Co., Ltd.
Others	Molds, etc.	Yamagata Casio Co., Ltd. Casio Computer (Hong Kong) Ltd.

In domestic sales, consumer products are mainly marketed through distributors. Moreover, Casio Computer Co., Ltd., sells system equipment directly to some customers, such as central and local government offices, although some sales of system equipment are conducted through sales affiliates in leading regions and distributors. Overseas, the company sells its products through direct or indirect export by Casio America, Inc. and other companies to North America, by Casio Electronics Co., Ltd., Casio Europe GmbH, Casio France S.A. and other companies to Europe, by Casio (Shanghai) Co., Ltd., Casio (Guangzhou) Co., Ltd. and other companies to Asia, and through distributors to other regions.

Casio Techno Co., Ltd., mainly carries out maintenance and service for the Group's products.

Management Policy

Basic Management Policy of the Company

Since Casio's foundation, its corporate creed has been "Creativity and Contribution." Casio's mission is to pursue growth as a company and increase corporate value by contributing to society. The company is accomplishing this by introducing innovative ideas going from 0 to 1, and outstanding solutions based on its proprietary advanced technologies.

Casio will continue to deliver the values of "function, quality, economy, speed, productivity, ethics, safety, and compatibility with the environment" in its products and services. In the months and years ahead, the company looks forward to providing all of its stakeholders with more "excitement" than they anticipate, and greater "inspiration" than ever before.

Medium- and Long-Term Management Strategy and Issues to Be Addressed

To achieve continuous growth in corporate value despite today's difficult economic environment, Casio is improving global cost competitiveness in every business to build a robust earnings base that will allow the company to secure high profits, while also strengthening its financial structure. Casio also firmly recognizes that better performance in the area of corporate social responsibility (CSR) is an important issue. To achieve these aims, Casio is working as one to execute the following strategies.

(1) Creating New Genres

Casio will develop new product genres that generate high profitability in each business. This will be accomplished by integrating Casio's unique technology with its product planning skills, which pinpoint the market's changing needs.

(2) Creating New Strategic Businesses

In the past, Casio has drawn on unique ideas and advanced technology to bring the world a range of exciting new products. To achieve steady growth in the future, Casio is determined not only to succeed in existing businesses, but also to create value in new business fields—which leverage Casio technologies. In order to achieve this, Casio will focus its management resources on new business fields even more than in the past, with the aim of quickly establishing businesses that can realize a stable highly profitable structure.

(3) Strengthening the Financial Structure

Casio is moving ahead strongly with improvements in its equity ratio and debt/equity (D/E) ratio with the aim of strengthening its financial foundations for future growth. Casio recognizes that securing financial liquidity is a key financial priority for the growth funds needed for future business expansion and future repayment of interest-bearing liabilities. Accordingly, Casio will flexibly adapt as it monitors changes in the external environment.

In the future, the company will continue to pursue even more thoroughly efficient cash flow management and strive to generate free cash flow, aiming to build a strong, stable financial structure.

(4) CSR-focused Management

Casio strives to increase its corporate value by actively engaging in CSR-focused management to fulfill the social role of a responsible corporation, which is to contribute to the development of a sustainable society.

Based on the Charter of Creativity for Casio, which articulates the code of conduct for employees, Casio addresses a variety of CSR issues, including preserving the global environment and biodiversity, fostering the next generation, and assisting with disaster recovery, as well as complying with laws and regulations and maintaining social order, in all of its business activities.

Through the execution of the four strategies described above, Casio seeks to deliver original products and services with high added value, increase corporate value, and contribute to the building of a society of abundant creativity.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	53,128	56,029
Notes and accounts receivable-trade	57,923	50,490
Securities	49,861	57,139
Finished goods	29,358	39,665
Work in process	5,955	5,573
Raw materials and supplies	10,276	8,877
Deferred tax assets	8,598	8,002
Short-term loans receivable with resale agreement	19,430	15,490
Accounts receivable-other	7,007	5,213
Other	3,031	3,826
Allowance for doubtful accounts	(545)	(585)
Total current assets	244,022	249,719
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	59,562	61,692
Accumulated depreciation	(40,971)	(42,600)
Buildings and structures, net	18,591	19,092
Machinery, equipment and vehicles	11,438	12,403
Accumulated depreciation	(9,585)	(9,644)
Machinery, equipment and vehicles, net	1,853	2,759
Tools, furniture and fixtures	33,660	32,702
Accumulated depreciation	(31,354)	(29,702)
Tools, furniture and fixtures, net	2,306	3,000
Land	37,487	37,206
Lease assets	2,340	2,729
Accumulated depreciation	(1,056)	(1,406)
Lease assets, net	1,284	1,323
Construction in progress	888	1,001
Total property, plant and equipment	62,409	64,381
Intangible assets		
Software	4,889	5,192
Other	1,053	876
Total intangible assets	5,942	6,068
Investments and other assets		
Investment securities	33,150	30,401
Long-term loans receivable	59	30
Long-term prepaid expenses	1,067	3,104
Deferred tax assets	18,030	13,791
Other	1,550	1,871
Allowance for doubtful accounts	(17)	(43)
Total investments and other assets	53,839	49,154
Total noncurrent assets	122,190	119,603
Total assets	366,212	369,322

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	49,682	35,709
Short-term loans payable	3,817	4,400
Current portion of long-term loans payable	-	25,000
Current portion of bonds	-	10,000
Accounts payable-other	17,764	18,777
Accrued expenses	12,048	12,849
Income taxes payable	1,914	2,321
Provision for product warranties	840	790
Other	5,520	5,456
Total current liabilities	91,585	115,302
Noncurrent liabilities		
Bonds payable	30,710	21,278
Bonds with subscription rights to shares	250	250
Long-term loans payable	77,457	52,900
Deferred tax liabilities	1,651	1,665
Provision for retirement benefits	11,295	2,700
Provision for directors' retirement benefits	1,842	1,878
Other	2,168	9,381
Total noncurrent liabilities	125,373	90,052
Total liabilities	216,958	205,354
Net assets		
Shareholders' equity		
Capital stock	48,592	48,592
Capital surplus	65,703	65,703
Retained earnings	55,218	62,523
Treasury stock	(8,590)	(8,592)
Total shareholders' equity	160,923	168,226
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	490	3,624
Deferred gains or losses on hedges	(238)	(143)
Foreign currency translation adjustment	(12,170)	(7,825)
Total accumulated other comprehensive income	(11,918)	(4,344)
Minority interests	249	86
Total net assets	149,254	163,968
Total liabilities and net assets	366,212	369,322

Consolidated Income Statements

(Millions of yen)

	Year ended March 31, 2012	Year ended March 31, 2013
Net sales	301,660	297,763
Cost of sales	195,622	181,479
Gross profit	106,038	116,284
Selling, general and administrative expenses	96,973	96,231
Operating income	9,065	20,053
Non-operating income		
Interest income	846	655
Dividends income	381	320
Foreign exchange gains	141	-
Gain on valuation of interest-rate swaps	112	269
Other	523	378
Total non-operating income	2,003	1,622
Non-operating expenses		
Interest expenses	1,002	1,210
Equity in losses of affiliates	2,158	-
Other	928	763
Total non-operating expenses	4,088	1,973
Ordinary income	6,980	19,702
Extraordinary income		
Gain on sales of investment securities	133	-
Insurance income	-	518
Gain on revision of retirement benefit plan	-	385
Other	87	20
Total extraordinary income	220	923
Extraordinary loss		
Loss on retirement of noncurrent assets	141	295
Impairment loss	515	647
Loss on disaster	157	-
Loss on valuation of investment securities	-	733
Loss on transfer of business	1,640	-
Loss on liquidation of subsidiaries and affiliates	2,673	-
Other	1,359	8
Total extraordinary losses	6,485	1,683
Income before income taxes and minority interests	715	18,942
Income taxes-current	3,616	3,746
Income taxes-deferred	(5,605)	3,225
Total income taxes	(1,989)	6,971
Income before minority interests	2,704	11,971
Minority interests in income	148	95
Net income	2,556	11,876

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2012	Year ended March 31, 2013
Income before minority interests	2,704	11,971
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,243)	3,134
Deferred gains or losses on hedges	0	95
Foreign currency translation adjustment	(814)	4,344
Share of other comprehensive income of associates accounted for using equity method	(53)	(0)
Total other comprehensive income	(2,110)	7,573
Comprehensive income	594	19,544
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	446	19,450
Comprehensive income attributable to minority interests	148	94

Consolidated Statements of Shareholders' Equity

(Millions of yen)

Year ended March 31, 2012 Year ended March 31, 2013

Shareholders' equity

Capital stock

Balance at the beginning of current period	48,592	48,592
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	48,592	48,592

Capital surplus

Balance at the beginning of current period	65,703	65,703
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	65,703	65,703

Retained earnings

Balance at the beginning of current period	57,233	55,218
Changes of items during the period		
Dividends from surplus	(4,571)	(4,571)
Net income	2,556	11,876
Total changes of items during the period	(2,015)	7,305
Balance at the end of current period	55,218	62,523

Treasury stock

Balance at the beginning of current period	(8,589)	(8,590)
Changes of items during the period		
Purchase of treasury stock	(1)	(2)
Disposal of treasury stock	0	0
Total changes of items during the period	(1)	(2)
Balance at the end of current period	(8,590)	(8,592)

Total shareholders' equity

Balance at the beginning of current period	162,939	160,923
Changes of items during the period		
Dividends from surplus	(4,571)	(4,571)
Net income	2,556	11,876
Purchase of treasury stock	(1)	(2)
Disposal of treasury stock	0	0
Total changes of items during the period	(2,016)	7,303
Balance at the end of current period	160,923	168,226

(Millions of yen)

Year ended March 31, 2012 Year ended March 31, 2013

Accumulated other comprehensive income**Valuation difference on available-for-sale securities**

Balance at the beginning of current period	1,733	490
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,243)	3,134
Total changes of items during the period	(1,243)	3,134
Balance at the end of current period	490	3,624

Deferred gains or losses on hedges

Balance at the beginning of current period	(238)	(238)
Changes of items during the period		
Net changes of items other than shareholders' equity	0	95
Total changes of items during the period	0	95
Balance at the end of current period	(238)	(143)

Foreign currency translation adjustment

Balance at the beginning of current period	(11,303)	(12,170)
Changes of items during the period		
Net changes of items other than shareholders' equity	(867)	4,345
Total changes of items during the period	(867)	4,345
Balance at the end of current period	(12,170)	(7,825)

Total accumulated other comprehensive income

Balance at the beginning of current period	(9,808)	(11,918)
Changes of items during the period		
Net changes of items other than shareholders' equity	(2,110)	7,574
Total changes of items during the period	(2,110)	7,574
Balance at the end of current period	(11,918)	(4,344)

Minority interests

Balance at the beginning of current period	101	249
Changes of items during the period		
Net changes of items other than shareholders' equity	148	(163)
Total changes of items during the period	148	(163)
Balance at the end of current period	249	86

Total net assets

Balance at the beginning of current period	153,232	149,254
Changes of items during the period		
Dividends from surplus	(4,571)	(4,571)
Net income	2,556	11,876
Purchase of treasury stock	(1)	(2)
Disposal of treasury stock	0	0
Net changes of items other than shareholders' equity	(1,962)	7,411
Total changes of items during the period	(3,978)	14,714
Balance at the end of current period	149,254	163,968

Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2012	Year ended March 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	715	18,942
Depreciation and amortization	9,277	8,372
Impairment loss	515	647
Loss (gain) on sales and retirement of noncurrent assets	54	275
Loss (gain) on sales of investment securities	(133)	-
Loss (gain) on valuation of investment securities	-	733
Increase (decrease) in provision for retirement benefits	586	(8,744)
Increase (decrease) in provision for directors' retirement benefits	(943)	36
Interest and dividends income	(1,227)	(975)
Interest expenses	1,002	1,210
Foreign exchange losses (gains)	(942)	(796)
Equity in (earnings) losses of affiliates	2,158	(86)
Decrease (increase) in notes and accounts receivable-trade	1,770	8,737
Decrease (increase) in inventories	(952)	(5,723)
Increase (decrease) in notes and accounts payable-trade	(1,169)	(15,237)
Decrease/increase in consumption taxes receivable/payable	179	298
Other, net	3,505	5,141
Subtotal	14,395	12,830
Interest and dividends income received	1,538	1,137
Interest expenses paid	(1,040)	(1,151)
Income taxes paid	(4,100)	(3,338)
Net cash provided by (used in) operating activities	10,793	9,478
Net cash provided by (used in) investing activities		
Payments into time deposits	(11,587)	(11,798)
Proceeds from withdrawal of time deposits	12,454	11,408
Purchase of property, plant and equipment	(6,067)	(6,916)
Proceeds from sales of property, plant and equipment	82	66
Purchase of intangible assets	(3,126)	(3,350)
Purchase of investment securities	(10,997)	(14,109)
Proceeds from sales and redemption of investment securities	21,796	11,655
Purchase of stocks of subsidiaries and affiliates	-	(263)
Proceeds from transfer of business	370	-
Other, net	182	(70)
Net cash provided by (used in) investing activities	3,107	(13,377)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(10,799)	583
Proceeds from long-term loans payable	39,457	-
Repayment of long-term loans payable	(10,000)	-
Proceeds from issuance of bonds	5,693	-
Redemption of bonds	(49,750)	-
Purchase of treasury stock	(2)	(2)
Proceeds from sales of treasury stock	0	0
Repayments of finance lease obligations	(757)	(705)
Cash dividends paid	(4,571)	(4,571)
Net cash provided by (used in) financing activities	(30,729)	(4,695)
Effect of exchange rate change on cash and cash equivalents	420	5,234
Net increase (decrease) in cash and cash equivalents	(16,409)	(3,360)
Cash and cash equivalents at beginning of period	117,119	100,710
Cash and cash equivalents at end of period	100,710	97,350

Notes to Consolidated Financial Statements

Notes on Premise of Going Concern

Not applicable.

Segment Information

1. Overview of Reportable Segments

The company's reportable segments consist of the company's constituent units for which separate financial information is available and which are subject to periodic examination in order for the board of directors to determine the allocation of management resources and evaluate financial results.

The company has designated three areas of segment reporting, which are the "Consumer," "System equipment," and "Others" segments, based on the type of products and services, and the market and consumer categories.

The categories of the main products and services belonging to each reportable segment are as follows.

Consumer.....	Watches, Clocks, Electronic dictionaries, Electronic calculators, Label printers, Electronic musical instruments, Digital cameras, etc.
System equipment	Handheld terminals, Electronic cash registers, Office computers, Page printers, Data projectors, etc.
Others.....	Molds, etc.

2. Information on Net Sales, Income or Loss, Assets and Other Categories for Each Reportable Segment

Year ended March 31, 2012

(Millions of yen)

	Reportable segments				Adjustments *1	Consolidated financial statement *2
	Consumer	System equipment	Others	Total		
Net sales						
(1) Outside customers	215,327	43,103	43,230	301,660	-	301,660
(2) Inside group	4	552	4,834	5,390	(5,390)	-
Total	215,331	43,655	48,064	307,050	(5,390)	301,660
Segment income (loss)	14,643	(2,350)	299	12,592	(3,527)	9,065
Segment assets	151,339	47,055	40,738	239,132	127,080	366,212
Others						
Depreciation and amortization	4,978	2,684	1,437	9,099	178	9,277
Amortization of goodwill	100	24	-	124	-	124
Investment to equity method affiliates	-	-	2,258	2,258	-	2,258
Increase in property, plant and equipment and intangible assets	6,034	2,682	1,048	9,764	138	9,902

Notes: 1. Adjustments are as shown below:

- (1) The (3,527) million yen adjustment to segment income or loss includes (3,527) million yen in corporate expenses that are not allocated to any reportable segments. Corporate expenses principally consist of administrative expenses of the parent company and R&D expenses for fundamental research, which are not subject to any reportable segments.
 - (2) The 127,080 million yen adjustment to segment assets includes 127,242 million yen in corporate assets that are not allocated to any reportable segments.
 - (3) The 178 million yen adjustment to depreciation and amortization consists of depreciation and amortization for assets related to administrative divisions that are not attributable to reportable segments.
 - (4) The 138 million yen adjustment to the increase in property, plant and equipment and intangible assets consists of capital expenditures in administrative divisions that are not attributable to reportable segments.
2. Segment income or loss is reconciled with operating income on the consolidated financial statements.

Year ended March 31, 2013

(Millions of yen)

	Reportable segments				Adjustments *1	Consolidated financial statement *2
	Consumer	System equipment	Others	Total		
Net sales						
(1) Outside customers	227,861	41,778	28,124	297,763	-	297,763
(2) Inside group	1	93	3,010	3,104	(3,104)	-
Total	227,862	41,871	31,134	300,867	(3,104)	297,763
Segment income (loss)	26,554	(702)	(293)	25,559	(5,506)	20,053
Segment assets	163,099	47,125	31,321	241,545	127,777	369,322
Others						
Depreciation and amortization	5,020	2,328	811	8,159	213	8,372
Amortization of goodwill	97	24	-	121	-	121
Investment to equity method affiliates	-	-	2,345	2,345	-	2,345
Increase in property, plant and equipment and intangible assets	7,594	2,831	337	10,762	273	11,035

Notes: 1. Adjustments are as shown below:

- (1) The (5,506) million yen adjustment to segment income or loss includes (5,506) million yen in corporate expenses that are not allocated to any reportable segments. Corporate expenses principally consist of administrative expenses of the parent company and R&D expenses for fundamental research, which are not subject to any reportable segments.
 - (2) The 127,777 million yen adjustment to segment assets includes 127,946 million yen in corporate assets that are not allocated to any reportable segments.
 - (3) The 213 million yen adjustment to depreciation and amortization consists of depreciation and amortization for assets related to administrative divisions that are not attributable to reportable segments.
 - (4) The 273 million yen adjustment to the increase in property, plant and equipment and intangible assets consists of capital expenditures in administrative divisions that are not attributable to reportable segments.
2. Segment income or loss is reconciled with operating income on the consolidated financial statements.