

Consolidated Financial Results for the Fiscal Year Ended March 31, 2014 (Japan GAAP)

English Translation of *Kessan Tanshin*

(Summary for reference)

May 7, 2014

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

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

Stock Exchange Listings: Tokyo

Code Number: 6952

President and CEO: Kazuo Kashio

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Annual shareholders' meeting (scheduled): June 27, 2014

Start of distribution of dividends (scheduled): June 30, 2014

Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): June 27, 2014

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the year: Yes

Note: The original disclosure in Japanese was released on May 7, 2014 at 15:00 (GMT+9).

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

1. Consolidated Financial Results for the year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)

(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, 2014	321,761	8.1	26,576	32.5	25,743	30.7	15,989	34.6
Year ended March 31, 2013	297,763	(1.3)	20,053	121.2	19,702	182.3	11,876	364.7

(Note) Comprehensive income: Year ended March 31, 2014: 24,072 million yen 23.2 %
Year ended March 31, 2013: 19,544 million yen - %

	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, 2014	59.47	59.45	%	%	%
Year ended March 31, 2013	44.17	44.15	%	%	%

(Reference) Share of profit of entities accounted for using equity method: Year ended March 31, 2014: 48 million yen
Year ended March 31, 2013: 86 million yen

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of March 31, 2014	366,964	185,256	%	688.66
As of March 31, 2013	369,322	163,968	%	609.57

(Reference) Equity: As of March 31, 2014: 185,140 million yen
As of March 31, 2013: 163,882 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, 2014	40,107	8,044	(38,523)	114,129
Year ended March 31, 2013	9,478	(13,377)	(4,695)	97,350

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, 2013	-	-	-	20.00	20.00	5,377	% 45.3	% 3.4
Year ended March 31, 2014	-	10.00	-	15.00	25.00	6,721	42.0	3.9
Year ending March 31, 2015 (Forecast)	-	12.50	-	12.50	25.00		29.2	

3. Consolidated Results Forecasts for Fiscal 2015 (From April 1, 2014 to March 31, 2015)

(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)	160,000	5.5	14,000	32.3	13,000	32.4	9,000	58.8	33.48
Fiscal 2015	350,000	8.8	35,000	31.7	33,000	28.2	23,000	43.8	85.55

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: No

(d) Retrospective restatements: No

(3) Number of shares outstanding (common shares)

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

As of March 31, 2014: 279,020,914 shares

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

(b) Number of treasury shares:

As of March 31, 2014: 10,181,415 shares

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

(c) Average number of shares outstanding

Year ended March 31, 2014: 268,845,183 shares

Year ended March 31, 2013: 268,851,563 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 (1) Analysis of Operating Results included in 1. Analysis of Operating Results and Financial Position on page 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 the company's official website on May 7, 2014.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

Operating Results for Fiscal 2014

In fiscal 2014, despite concerns of economic slowdown in emerging countries, corporate performance and employment improved in Japan due to the effects of the government's economic policies, and the Japanese economy maintained a tone of recovery.

In this situation, consolidated net sales for fiscal 2014 rose 8.1% year-on-year to ¥321.7 billion. By segment, sales stood at ¥264.4 billion in the Consumer segment, ¥45.2 billion in the System Equipment segment and ¥12.0 billion in the Others segment.

In the timepiece business, brands such as G-SHOCK and EDIFICE continued to perform well, primarily in overseas markets such as North America and China, driven by a stronger global brand strategy, and timepiece sales increased substantially overall. In addition, Baby-G and SHEEN brand watches for women continued to sell well. In the electronic dictionary business, sales of the EX-word series remained strong, mainly the student models, and Casio continued to hold the overwhelming top share of the Japanese market. In the electronic musical instrument business, sales of electronic pianos also expanded steadily.

In income for fiscal 2014, the Consumer segment posted ¥35.5 billion in operating income. The timepiece and electronic dictionary businesses maintained high profitability. The electronic musical instrument business also saw improved profitability driven by the expanded line-up of value-added electronic pianos. Casio also secured profit in the digital camera business by specializing in unique, high-end products. The System Equipment business recorded a ¥1.7 billion operating loss, and the Others segment posted an operating loss of ¥0.5 billion.

As a result, Casio posted ¥26.5 billion in consolidated operating income, allowing for adjustment, an increase of 32.5% year-on-year. Casio recorded ¥25.7 billion in ordinary income, up 30.7% year-on-year, and ¥15.9 billion in net income for the fiscal year, up 34.6%.

Forecast for Fiscal 2015

The Japanese economy is expected to remain firm. In this situation, 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 launch new watches with the latest technology, offering higher value added. These include hybrid watches featuring GPS and radio-control as well as models capable of connecting to smartphones with Bluetooth®. Casio will further strengthen its six main watch brands including G-SHOCK, to continue growing the business and maintain high profitability.
- (b) In the electronic dictionary business, Casio will expand the business and maintain a high level of profitability by strengthening models for elementary school students while expanding its line-up in the new category of digital vocabulary books 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 improve profitability for projectors through cost reduction and the introduction of new technology.
- (d) In new business, the company will work on expanding large orders for its Casio Signage business. It will also introduce Art Clocks and expand painting contents in the digital painting business.
- (e) In all business, Casio aims to boost sales outside Japan.

Currently, the forecasts for fiscal 2015 are as follows.

(Consolidated results forecasts)

Net sales:	¥350.0 billion	(up 8.8% year-on-year)
Operating income:	¥35.0 billion	(up 31.7% year-on-year)
Ordinary income:	¥33.0 billion	(up 28.2% year-on-year)
Net income:	¥23.0 billion	(up 43.8% year-on-year)

Exchange rates for fiscal 2015 are estimated at US\$ 1 = ¥95 and Euro 1 = ¥130.

(2) Analysis of Financial Position

Total assets on a consolidated basis at the end of fiscal 2014 stood at ¥366.9 billion, almost unchanged compared to the end of the previous fiscal year. Net assets rose ¥21.2 billion compared to the end of the previous fiscal year to ¥185.2 billion due to an increase in retained earnings. As a result, the equity ratio improved 6.1 points compared to the end of the previous fiscal year to 50.5%.

Net cash provided by operating activities was ¥40.1 billion, net cash provided by investing activities was ¥8.0 billion, and net cash used in financing activities was ¥38.5 billion. As a result, consolidated cash and cash equivalents at the end of fiscal 2014 stood at ¥114.1 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.

(3) Basic Policy on Allocation of Profit and Dividends for Fiscal 2014 and 2015

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 ¥5 from the ¥20 per share paid in the previous fiscal year to ¥25 per share. Casio plans to pay dividends of ¥25 per share for fiscal 2015.

(4) 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.

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

2. The Casio Group

The Casio Group consists of Casio Computer Co., Ltd., and its 41 consolidated subsidiaries and 3 equities accounted for using equity method, as of March 31, 2014. 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.

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 (China) 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.

3. Management Policy

(1) 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.

(2) Medium- and Long-Term Management Strategy and Issues to Be Addressed

Casio is continuing to improve global cost competitiveness in every business to build a robust earnings base that will allow the company to secure high profits. By vigorously promoting the company's medium-term plan, V15, Casio seeks to maximize corporate value.

Furthermore, along with strengthening its financial structure Casio also recognizes that even 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.

(a) 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.

(b) 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.

(c) Strengthening the Financial Structure

Casio is moving ahead strongly with improvements in return on equity (ROE) ratio and 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.

Casio will continue to strive to generate free cash flow, aiming to build a completely strong, stable financial structure.

(d) 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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
Assets		
Current assets		
Cash and deposits	56,029	90,759
Notes and accounts receivable-trade	50,490	50,633
Securities	57,139	26,001
Finished goods	39,665	35,469
Work in process	5,573	5,314
Raw materials and supplies	8,877	7,320
Deferred tax assets	8,002	5,161
Short-term loans receivable with resale agreement	15,490	15,820
Other	9,039	8,183
Allowance for doubtful accounts	(585)	(525)
Total current assets	249,719	244,135
Non-current assets		
Property, plant and equipment		
Buildings and structures	61,692	61,714
Accumulated depreciation	(42,600)	(43,612)
Buildings and structures, net	19,092	18,102
Machinery, equipment and vehicles	12,403	12,793
Accumulated depreciation	(9,644)	(10,222)
Machinery, equipment and vehicles, net	2,759	2,571
Tools, furniture and fixtures	32,702	33,869
Accumulated depreciation	(29,702)	(30,632)
Tools, furniture and fixtures, net	3,000	3,237
Land	37,206	36,924
Leased assets	2,729	3,731
Accumulated depreciation	(1,406)	(1,747)
Leased assets, net	1,323	1,984
Construction in progress	1,001	1,127
Total property, plant and equipment	64,381	63,945
Intangible assets	6,068	6,075
Investments and other assets		
Investment securities	30,401	30,301
Net defined benefit asset	-	9,621
Deferred tax assets	13,791	9,520
Other	5,005	3,444
Allowance for doubtful accounts	(43)	(77)
Total investments and other assets	49,154	52,809
Total non-current assets	119,603	122,829
Total assets	369,322	366,964

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Liabilities		
Current liabilities		
Notes and accounts payable-trade	35,709	39,407
Short-term loans payable	4,400	4,768
Current portion of long-term loans payable	25,000	28,749
Current portion of bonds	10,000	7,366
Current portion of bonds with subscription rights to shares	-	250
Accounts payable-other	18,777	19,727
Accrued expenses	12,849	13,177
Income taxes payable	2,321	2,755
Provision for product warranties	790	771
Other	5,456	5,140
Total current liabilities	115,302	122,110
Non-current liabilities		
Bonds payable	21,278	15,000
Bonds with subscription rights to shares	250	-
Long-term loans payable	52,900	30,000
Deferred tax liabilities	1,665	1,591
Provision for retirement benefits	2,700	-
Net defined benefit liability	-	860
Other	11,259	12,147
Total non-current liabilities	90,052	59,598
Total liabilities	205,354	181,708
Net assets		
Shareholders' equity		
Capital stock	48,592	48,592
Capital surplus	65,703	65,703
Retained earnings	62,523	70,447
Treasury shares	(8,592)	(8,603)
Total shareholders' equity	168,226	176,139
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,624	6,335
Deferred gains or losses on hedges	(143)	(49)
Foreign currency translation adjustment	(7,825)	(2,577)
Remeasurements of defined benefit plans	-	5,292
Total accumulated other comprehensive income	(4,344)	9,001
Minority interests	86	116
Total net assets	163,968	185,256
Total liabilities and net assets	369,322	366,964

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income**

(Millions of yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Net sales	297,763	321,761
Cost of sales	181,479	189,358
Gross profit	116,284	132,403
Selling, general and administrative expenses	96,231	105,827
Operating income	20,053	26,576
Non-operating income		
Interest income	655	565
Dividend income	320	465
Other	647	514
Total non-operating income	1,622	1,544
Non-operating expenses		
Interest expenses	1,210	1,208
Foreign exchange losses	117	500
Other	646	669
Total non-operating expenses	1,973	2,377
Ordinary income	19,702	25,743
Extraordinary income		
Gain on sales of investment securities	-	414
Insurance income	518	-
Gain on revision of retirement benefit plan	385	-
Other	20	25
Total extraordinary income	923	439
Extraordinary losses		
Impairment loss	647	448
Loss on valuation of investment securities	733	394
Directors' retirement benefits	6	2,134
Other	297	249
Total extraordinary losses	1,683	3,225
Income before income taxes and minority interests	18,942	22,957
Income taxes-current	3,746	4,238
Income taxes-deferred	3,225	2,700
Total income taxes	6,971	6,938
Income before minority interests	11,971	16,019
Minority interests in income	95	30
Net income	11,876	15,989

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Income before minority interests	11,971	16,019
Other comprehensive income		
Valuation difference on available-for-sale securities	3,134	2,711
Deferred gains or losses on hedges	95	94
Foreign currency translation adjustment	4,344	5,248
Share of other comprehensive income of entities accounted for using equity method	(0)	(0)
Total other comprehensive income	<u>7,573</u>	<u>8,053</u>
Comprehensive income	<u>19,544</u>	<u>24,072</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,450	24,042
Comprehensive income attributable to minority interests	94	30

(3) Consolidated Statements of Changes in Equity

Year ended March 31, 2013

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	48,592	65,703	55,218	(8,590)	160,923
Changes of items during period					
Dividends of surplus			(4,571)		(4,571)
Net income			11,876		11,876
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(0)		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(0)	7,305	(2)	7,303
Balance at end of current period	48,592	65,703	62,523	(8,592)	168,226

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	490	(238)	(12,170)	-	(11,918)	249	149,254
Changes of items during period							
Dividends of surplus							(4,571)
Net income							11,876
Purchase of treasury shares							(2)
Disposal of treasury shares							0
Net changes of items other than shareholders' equity	3,134	95	4,345	-	7,574	(163)	7,411
Total changes of items during period	3,134	95	4,345	-	7,574	(163)	14,714
Balance at end of current period	3,624	(143)	(7,825)	-	(4,344)	86	163,968

Year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	48,592	65,703	62,523	(8,592)	168,226
Changes of items during period					
Dividends of surplus			(8,065)		(8,065)
Net income			15,989		15,989
Purchase of treasury shares				(11)	(11)
Disposal of treasury shares		0		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	7,924	(11)	7,913
Balance at end of current period	48,592	65,703	70,447	(8,603)	176,139

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	3,624	(143)	(7,825)	-	(4,344)	86	163,968
Changes of items during period							
Dividends of surplus							(8,065)
Net income							15,989
Purchase of treasury shares							(11)
Disposal of treasury shares							0
Net changes of items other than shareholders' equity	2,711	94	5,248	5,292	13,345	30	13,375
Total changes of items during period	2,711	94	5,248	5,292	13,345	30	21,288
Balance at end of current period	6,335	(49)	(2,577)	5,292	9,001	116	185,256

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	18,942	22,957
Depreciation	8,372	8,889
Impairment loss	647	448
Loss (gain) on sales and retirement of non-current assets	275	224
Loss (gain) on sales of investment securities	-	(414)
Loss (gain) on valuation of investment securities	733	394
Increase (decrease) in provision for retirement benefits	(8,744)	-
Increase (decrease) in net defined benefit liability	-	(1,947)
Increase (decrease) in provision for directors' retirement benefits	36	(1,873)
Interest and dividend income	(975)	(1,030)
Interest expenses	1,210	1,208
Foreign exchange losses (gains)	(796)	(363)
Share of (profit) loss of entities accounted for using equity method	(86)	(48)
Decrease (increase) in notes and accounts receivable-trade	8,737	1,616
Decrease (increase) in inventories	(5,723)	9,876
Increase (decrease) in notes and accounts payable-trade	(15,237)	1,997
Decrease/increase in consumption taxes receivable/payable	298	(292)
Other, net	5,141	2,809
Subtotal	12,830	44,451
Interest and dividend income received	1,137	1,157
Interest expenses paid	(1,151)	(1,223)
Income taxes paid	(3,338)	(4,278)
Net cash provided by (used in) operating activities	9,478	40,107
Cash flows from investing activities		
Payments into time deposits	(11,798)	(16,890)
Proceeds from withdrawal of time deposits	11,408	11,531
Purchase of property, plant and equipment	(6,916)	(5,303)
Proceeds from sales of property, plant and equipment	66	263
Purchase of intangible assets	(3,350)	(3,424)
Purchase of investment securities	(14,109)	(5,988)
Proceeds from sales and redemption of investment securities	11,655	28,393
Purchase of shares of subsidiaries and associates	(263)	-
Other, net	(70)	(538)
Net cash provided by (used in) investing activities	(13,377)	8,044
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	583	368
Proceeds from long-term loans payable	-	25,000
Repayments of long-term loans payable	-	(45,000)
Redemption of bonds	-	(10,000)
Purchase of treasury shares	(2)	(13)
Proceeds from sales of treasury shares	0	0
Repayments of finance lease obligations	(705)	(813)
Cash dividends paid	(4,571)	(8,065)
Net cash provided by (used in) financing activities	(4,695)	(38,523)
Effect of exchange rate change on cash and cash equivalents	5,234	7,151
Net increase (decrease) in cash and cash equivalents	(3,360)	16,779
Cash and cash equivalents at beginning of period	100,710	97,350
Cash and cash equivalents at end of period	97,350	114,129

(5) 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 Others for Each Reportable Segment

Year ended March 31, 2013

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated financial statements (Note 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	5,020	2,328	811	8,159	213	8,372
Amortization of goodwill	97	24	-	121	-	121
Investment to entities accounted for using equity method	-	-	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 downward adjustment to segment income (loss) includes corporate expenses of 5,506 million yen 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 attributable to any reportable segments.
 - (2) The 127,777 million yen adjustment to segment assets includes corporate assets of 127,946 million yen that are not allocated to any reportable segments.
 - (3) The 213 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any 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 any reportable segments.
2. Segment income (loss) is reconciled with operating income in the consolidated financial statements.

Year ended March 31, 2014

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Consumer	System equipment	Others	Total		
Net sales						
(1) Outside customers	264,404	45,299	12,058	321,761	-	321,761
(2) Inside group	3	63	4,445	4,511	(4,511)	-
Total	264,407	45,362	16,503	326,272	(4,511)	321,761
Segment income (loss)	35,504	(1,765)	(512)	33,227	(6,651)	26,576
Segment assets	175,012	47,818	29,199	252,029	114,935	366,964
Others						
Depreciation	5,265	2,419	643	8,327	562	8,889
Amortization of goodwill	115	24	-	139	-	139
Investment to entities accounted for using equity method	-	-	2,391	2,391	-	2,391
Increase in property, plant and equipment and intangible assets	5,728	2,481	236	8,445	590	9,035

Notes: 1. Adjustments are as shown below:

- (1) The 6,651 million yen downward adjustment to segment income (loss) includes corporate expenses of 6,651 million yen 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 attributable to any reportable segments.
 - (2) The 114,935 million yen adjustment to segment assets includes corporate assets of 115,133 million yen that are not allocated to any reportable segments.
 - (3) The 562 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
 - (4) The 590 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 any reportable segments.
2. Segment income (loss) is reconciled with operating income in the consolidated financial statements.