

(Translation)

**Consolidated Financial Results**  
**for the 2nd quarter of fiscal year ending March 31, 2015**  
**(April 1, 2014 through September 30, 2014)**  
**[ Japanese GAAP ]**

November 7, 2014

Company name: **JANOME SEWING MACHINE CO., LTD.** Tokyo Stock Exchange in Japan  
Securities code: 6445 [URL http://www.janome.co.jp](http://www.janome.co.jp)  
Representative: Name: Hachiro Makabe Title: President  
Contact person: Name: Takeyuki Oshima Title: General Manager, Accounting  
Phone: +81 42 661 3071

Filing date of financial statements for the quarter : November 13, 2014

Payment date of cash dividends: ----

Supplementary materials prepared for quarterly financial results : Yes

Financial information meeting held for quarterly financial results: Yes (for securities analyst)

(Amounts less than one million yen are rounded down.)

**1. Consolidated results (April 1, 2014 through September 30, 2014)**

(1) Consolidated financial results

Percentages represent the percentage of change from the previous fiscal year.

|  | Net sales     |              | Operating income |            | Ordinary income |             | Net income  |              |
|--|---------------|--------------|------------------|------------|-----------------|-------------|-------------|--------------|
|  | Million yen   | %            | Million yen      | %          | Million yen     | %           | Million yen | %            |
| First half year ended<br><b>September 30, 2014</b> | <b>21,297</b> | <b>(1.6)</b> | <b>1,319</b>     | <b>4.1</b> | <b>1,236</b>    | <b>96.3</b> | <b>686</b>  | <b>164.7</b> |
| September 30, 2013                                 | 21,644        | 13.3         | 1,268            | 30.7       | 629             | 152.0       | 259         | -            |

Note: Comprehensive income was

1,328 million yen (66.7%) at the end of September 2014

796 million yen (-%) at the end of September 2013

|                           | Net income per share -<br>basic | Net income per share -<br>diluted |
|---------------------------|---------------------------------|-----------------------------------|
| First half year ended     | yen                             | yen                               |
| <b>September 30, 2014</b> | <b>3.55</b>                     | --                                |
| September 30, 2013        | 1.34                            | --                                |

(2) Consolidated financial position

|                           | Total assets  | Net assets    | Equity ratio |
|---------------------------|---------------|---------------|--------------|
| First half year ended     | Million yen   | Million yen   | %            |
| <b>September 30, 2014</b> | <b>53,771</b> | <b>19,419</b> | <b>34.8</b>  |
| March 31, 2015            | 51,409        | 18,117        | 34.0         |

Ref. Equity 18,734 million yen at the end of September 2014, and 17,465 million yen at the end of March 2014

**2. Cash dividends**

|                              | Annual cash dividends per share |             |           |          |       |
|------------------------------|---------------------------------|-------------|-----------|----------|-------|
|                              | End of 1Q                       | End of 2Q   | End of 3Q | Year-end | Total |
| Fiscal year ended            | yen                             | yen         | yen       | yen      | yen   |
| March 31, 2014               | --                              | 0.00        | --        | 0.00     | 0.00  |
| <b>March 31, 2015</b>        | --                              | <b>0.00</b> |           |          |       |
| March 31, 2015<br>(Forecast) |                                 |             | --        | 0.00     | 0.00  |

### 3. Forecast of consolidated results for fiscal year ending March 31, 2014

(April 1, 2014 through March 31, 2015)

Percentages represent the percentage of change from the previous fiscal year.

|   | Net sales   |     | Operating income |     | Ordinary income |      | Net income  |      |
|---|-------------|-----|------------------|-----|-----------------|------|-------------|------|
|   | Million yen | %   | Million yen      | %   | Million yen     | %    | Million yen | %    |
| Full year (April 1,2014 through March 31, 2015) | 46,000      | 2.9 | 3,000            | 3.3 | 2,700           | 14.7 | 1,800       | 23.2 |

|   | Net Income per share - basic |
|---|------------------------------|
|   | yen                          |
| Full year (April 1,2014 through March 31, 2015) | 9.31                         |

### 4. Others

(1) Changes in significant subsidiaries during the current fiscal year : None

Note: This refers to a presence/absence of changes in specified subsidiaries accompanying changes in scope of consolidation during the current quarter.

(2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles, procedures and presentations, etc.

( i ) Changes due to amendments in accounting principles: Yes

( ii ) Any changes other than the aforementioned: None

(iii) Changes in accounting estimate: None

(iv) Restatement: None

(4) Number of shares issued and outstanding (common stock)

( i ) Number of shares issued and outstanding at the end of fiscal period (including treasury stock)

195,214,448 shares at the end of September 2014

195,214,448 shares at the end of March 2014

( ii ) Number of treasury stock shares at the end of fiscal period

1,894,151 shares at the end of September 2014

1,893,683 shares at the end of March 2014

(iii) Average number of public shares during fiscal period

193,320,564 shares at the end of September 2014

193,320,775 shares at the end of September 2013

### Statement Relating to Execution Status of Audit Procedures

This quarterly financial report is exempt from audit procedures based upon the Financial Instruments and Exchange Act. At the time of disclosure of this report, audit procedures for the consolidated financial statements have not been completed.

### Explanation regarding the appropriate use of result forecasts, and other special items

The forward-looking statements stated in this report include expectations based on assumption, forecast and projection by our management available as of the date of their announcement. It is possible that actual results may differ materially from these expectations due to various factors.

## 1. Qualitative Information Concerning Financial Results for the 2nd quarter of the fiscal year ending March 31, 2015

### (1) Explanation of financial results

Despite the geopolitical risk of the situations in the Ukraine and the Middle-east, the world economy in the first half of the current fiscal year generally shifted into a bullish mood, thanks to a sustained economic expansion in the developed world, such as in the United States.

Although individual consumption has been hit by the weak yen and the increase in the consumption tax, the economy in Japan continues in its gradual recovery, based on steady improvements in employment and the income environment.

Against this backdrop, our Group will continue to work to both reduce cost price and sales and management costs, as well as to roll out our growth strategy, based on the medium-term business plans, via measures such as aggressive marketing, such as at exhibitions, both at home and abroad.

As a result, in the first half of the year Group total sales were 21,297 million yen (down 1.6% YOY) and operating income was 1,319 million yen (up 4.1% YOY), ordinary income was 1,236 million yen (up 96.3% YOY), and net income was 686 million yen (up 164.7% YOY).

The performance by segment is outlined below.

#### <Household equipment>

Sales in overseas sewing machine markets turned positive in both North America and Europe. On the other hand, we sold just 830,000 units (down 140,000 units YOY) at a value of 13,237 million yen (down 7.6% YOY), due to problems such as the slowing of growth in emerging economies and sudden drop in consumption and low value of the Russian currency because of the Ukraine situation.

Although the sewing machine market in Japan continues to suffer from low demand following the increase in the consumption tax, we were able to sell some 90,000 machines (up 4,000 units YOY) by pushing sales to large-volume retailers, but sales were 2,953 million yen (down 4.1% YOY) due to the increased share of low-price products.

Sales of 24-Hour Clean Bath system equipment totaled 573 million yen (down 6.1% YOY).

Overall, net sales in the household equipment business were 16,764 million yen (down 6.9 % YOY, with operating income of 944 million yen (down 7.4% YOY).

#### <Industrial equipment>

In the face of efforts to save labor in the face of rising labor costs at manufacturing bases in Asia, as well as to automate processes in miniaturizing products and parts and making work more precise, our industrial equipment business had record sales in the 2nd quarter of some 2,900 units, and saw a steady expansion of sales of desktop robots, which are aimed at industries related to cell phone terminals, such as for making smartphones, as well as of electro presses, mainly in the automotive parts industry.

Overall, net sales in the industrial equipment business were 3,186 million yen (up 33.8% YOY), with operating income of 393 million yen (up 61.0% YOY).

<Other>

In other business segments including IT software development, data processing, and 24-Hour Clean Bath system installation and maintenance, as well as real estate leasing income, net sales were 1,346 million yen (up 7.7% YOY, with operating income of 13 million yen (down 48.1% YOY)

(2) Explanation of financial position

As of September 30, 2014, total assets on a consolidated basis were 53,771 million yen (up 2,361 million yen from the previous fiscal year ended March 31, 2014).

Current assets were 23,980 million yen (up 2,071 million yen from the previous fiscal year ended March 31, 2014) due to factors including increases in bills and accounts receivable, merchandise and products. Fixed assets totalled 29,791 million yen (up 290 million yen from the previous fiscal year ended March 31, 2014), due to factors including the acquisition of tangible and intangible fixed assets. Current liabilities were 21,094 million yen (up 2,428 million yen from the previous fiscal year ended March 31, 2014) due to factors including an increase in bills and accounts payable and short-term borrowing, while fixed liabilities decreased to 13,257 million yen (down 1,369 million yen) due to factors including a fall in long-term borrowing.

Net assets were 19,419 million yen (up 1,301 million yen from the previous fiscal year ended March 31, 2014) due to factors including an increase in retained earnings.

[Overview of cash flow position]

Cash and cash equivalents on a consolidated basis as of September 30, 2014 decreased by 227 million yen from the previous fiscal year ended March 31, 2014, to 6,074 million yen (an increase of 796 million yen YOY).

Net cash generated by operating activities amounted to an inflow of 360 million yen (as compared to an inflow of 907 million yen YOY), due to factors including 1,018 million yen in quarterly income before income taxes and minority interests, an increase of 1,371 million yen in inventories, an increase of 785 million yen in notes and accounts payable.

Net cash generated by investing activities amounted to an outflow of 748 million yen (as compared to an outflow of 553 million yen YOY), due to expenditures of 582 million yen to purchase tangible fixed assets including equipment and molds, etc.

Net cash used for financing activities amounted to an inflow of 61 million yen (as compared to an inflow of 14 million yen YOY), due to factors including an increase in short-term borrowings of 1,419 million yen and an inflow from repayment of long-term debts of 1,310 million yen.

## 2. Consolidated Financial Statements

### Consolidated Balance Sheets

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Currency unit: million yen

|                                       | Previous Fiscal Year<br>ended Mar 31, 2014 | Current First Half<br>as of September 30, 2014 |
|---------------------------------------|--|--|
| <b>ASSETS</b>                         |  |  |
| Current assets                        |  |  |
| Cash and deposits                     | 7,076                                      | 6,825  |
| Notes and accounts receivable-trade   | 6,621                                      | 7,203  |
| Merchandise and finished goods        | 4,451                                      | 5,869  |
| Work in process                       | 479  | 594  |
| Raw materials and supplies            | 2,318                                      | 2,407  |
| Other                                 | 1,103                                      | 1,225  |
| Allowance for doubtful accounts       | (141)                                      | (145)  |
| Total current assets                  | 21,909                                     | 23,980   |
| Fixed assets                          |  |  |
| Tangible fixed assets                 |  |  |
| Buildings and structures (net)        | 5,939                                      | 5,914  |
| Land                                  | 15,049                                     | 14,881   |
| Other tangible fixed assets (net)     | 2,912                                      | 3,346  |
| Total tangible fixed assets           | 23,900                                     | 24,142   |
| Intangible fixed assets               |  |  |
| Goodwill                              | 361  | 289  |
| Other intangible fixed assets         | 1,637                                      | 1,754  |
| Total intangible fixed assets         | 1,999                                      | 2,043  |
| Investments and other assets          | 3,600                                      | 3,605  |
| Total fixed assets                    | 29,500                                     | 29,791   |
| <b>TOTAL ASSETS</b>                   | <b>51,409</b>                              | <b>53,771</b>                                  |
| <b>LIABILITIES</b>                    |  |  |
| Current liabilities                   |  |  |
| Notes and accounts payable            | 3,408                                      | 4,166  |
| Short-term loans payable              | 12,007                                     | 13,628   |
| Income taxes payable                  | 444  | 273  |
| Provision for bonuses                 | 449  | 524  |
| Provision for Restructuring loss      | 88   | 83   |
| Other current liabilities             | 2,266                                      | 2,416  |
| Total current liabilities             | 18,665                                     | 21,094   |
| Fixed liabilities                     |  |  |
| Long-term borrowings                  | 4,500                                      | 3,091  |
| Deferred income taxes for revaluation | 4,158                                      | 4,084  |
| Net defined benefit liability         | 5,215                                      | 5,272  |
| Other fixed liabilities               | 752  | 809  |
| Total fixed liabilities               | 14,627                                     | 13,257   |
| <b>TOTAL LIABILITIES</b>              | <b>33,292</b>                              | <b>34,352</b>                                  |

Currency unit: million yen

|   | Previous Fiscal Year<br>ended Mar 31, 2014 | Current First Half<br>as of September 30, 2014 |
|---|--|--|
| <b>NET ASSETS</b>                                   |  |  |
| Shareholders equity                                 |  |  |
| Common stock  | 11,372                                     | 11,372   |
| Capital surplus                                     | 823  | 823  |
| Retained earnings                                   | 87   | 906  |
| Treasury stock, at cost                             | (324)                                      | (325)  |
| Total shareholders equity                           | 11,958                                     | 12,778   |
| Other comprehensive income                          |  |  |
| Valuation difference in other marketable securities | 226  | 219  |
| Gain (loss) on deferred hedge                       | (3)  | (1)  |
| Land revaluation difference                         | 6,099                                      | 5,966  |
| Foreign currency translation adjustments            | (331)                                      | 147  |
| Remeasurements of defined benefit plans             | (483)                                      | (375)  |
| Total other comprehensive income                    | 5,506                                      | 5,956  |
| Minority interest share                             | 652  | 684  |
| <b>TOTAL NET ASSETS</b>                             | <b>18,117</b>                              | <b>19,419</b>                                  |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>             | <b>51,409</b>                              | <b>53,771</b>                                  |

Note: Amounts less than one million yen are rounded down.

## Consolidated Statement of Income

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Currency unit: million yen

|   | Previous First Half<br>April 1, 2013<br>through<br>September 30, 2013 | <b>Current First Half<br/>April 1, 2014<br/>through<br/>September 30, 2014</b> |
|---|---|--|
| Net sales   | 21,644  | 21,297   |
| Cost of sales                                     | 13,291  | 12,828   |
| Gross profit                                      | 8,352   | 8,469  |
| Selling, general and administrative expenses      | 7,084   | 7,149  |
| Operating income                                  | 1,268   | 1,319  |
| Non-operating income                              |   |  |
| Interest income                                   | 10  | 10   |
| Dividend income                                   | 22  | 32   |
| Insurance received                                | -   | 28   |
| Exchange gains                                    | -   | 2  |
| Other   | 88  | 42   |
| Total non-operating income                        | 122   | 116  |
| Non-operating expenses                            |   |  |
| Interest expenses                                 | 188   | 133  |
| Foreign exchange losses                           | 28  | -  |
| Restructuring loss                                | 450   | -  |
| Other   | 93  | 66   |
| Total non-operating expenses                      | 760   | 200  |
| Ordinary income                                   | 629   | 1,236  |
| Extraordinary profits                             |   |  |
| Gain on sales of fixed assets                     | 1   | 8  |
| Gain on sales of investment securities            | 4   | -  |
| Total extraordinary profits                       | 5   | 8  |
| Extraordinary losses                              |   |  |
| Loss on sales and retirement of noncurrent assets | 10  | 19   |
| Impairment Loss                                   | -   | 207  |
| Loss on valuation of investment securities        | 10  | -  |
| Total extraordinary losses                        | 20  | 226  |
| Income before income taxes and minority interests | 614   | 1,018  |
| Income tax, resident tax and business tax         | 334   | 377  |
| Income tax adjustment                             | (23)  | (60)   |
| Total taxes                                       | 311   | 317  |
| Net income before minority interests              | 303   | 701  |
| Minority interests                                | 44  | 14   |
| Net income  | 259   | 686  |

## Consolidated statements of comprehensive income

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Currency unit: million yen

|   | Previous First Half<br>April 1, 2013<br>through<br>September 30, 2013 | <b>Current First Half<br/>April 1, 2014<br/>through<br/>September 30, 2014</b> |
|---|---|--|
| Income before minority interests                      | 303   | 701  |
| Other comprehensive income                            |   |  |
| Valuation difference on available-for-sale securities | 247   | (6)  |
| Deferred gains or losses on hedges                    | 2   | 1  |
| Foreign currency translation adjustment               | 242   | 523  |
| Remeasurements of defined benefit plans               | -   | 108  |
| Total other comprehensive income                      | 493   | 627  |
| Comprehensive income                                  | 796   | 1,328  |
| Comprehensive income attributable to:                 |   |  |
| parent company owners                                 | 712   | 1,269  |
| minority interests                                    | 83  | 58   |

Note: Amounts less than one million yen are rounded down.

## Consolidated Statement of Cash Flows

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Currency unit: million yen

|  | Previous First Half<br>April 1, 2013<br>through<br>September 30, 2013 | Current First Half<br>April 1, 2014<br>through<br>September 30, 2014 |
|--|---|--|
| <b>Cash flows from operating activities</b>                  |   |  |
| Net income before income taxes and minority interests        | 614   | 1,018  |
| Depreciation   | 541   | 575  |
| Impairment loss  | -   | 207  |
| Goodwill amortization  | 72  | 72   |
| Increase/ (decrease) of employees retirement benefits        | (24)  | -  |
| Increase/ (decrease) in net defined benefit liability        | -   | 4  |
| Interest and dividend income                                 | (33)  | (42)   |
| Interest expenses  | 188   | 133  |
| (Increase)/ decrease in accounts receivable                  | (852)   | (478)  |
| (Increase)/ decrease in inventories                          | (198)   | (1,371)  |
| Increase/ (decrease) in accounts payable                     | 1,115   | 785  |
| Others   | 39  | 117  |
| Sub total  | 1,463   | 1,020  |
| Interest and dividend received                               | 34  | 44   |
| Interest paid  | (185)   | (133)  |
| Income taxes paid  | (405)   | (570)  |
| Net cash generated by operating activities                   | 907   | 360  |
| <b>Cash flows from investing activities</b>                  |   |  |
| Payments into time deposits                                  | (104)   | (30)   |
| Proceeds from withdrawal of time deposits                    | 147   | 37   |
| Purchase of property, plant and equipment                    | (311)   | (582)  |
| Proceeds from sales of property, plant and equipment         | 3   | 12   |
| Others   | (288)   | (186)  |
| Net cash generated by investing activities                   | (553)   | (748)  |
| <b>Cash flows from financing activities</b>                  |   |  |
| Net increase/(decrease) in short-term borrowings             | 2,802   | 1,419  |
| Outflow from repayment of long-term debts                    | (2,733)   | (1,310)  |
| Others   | (55)  | (46)   |
| Net cash used for financing activities                       | 14  | 61   |
| Effect of exchange rate changes on cash and cash equivalents | 125   | 99   |
| Increase/(decrease) in cash and cash equivalents             | 492   | (227)  |
| Cash and cash equivalents at beginning of period             | 4,785   | 6,301  |
| Cash and cash equivalents at end of period                   | 5,278   | 6,074  |

Note: Amounts less than one million yen are rounded down.



## Notes of Consolidated Financial Statements

(Notes regarding going concern assumptions)

None.

(Notes on significant changes in the amount of shareholders' equity)

None.

(Consolidated Segment Information)

I . Previous first half (April 1, 2013 through September 30, 2013)

1. Information on net sales and operating income/(loss) by reportable segment

Currency unit: million yen

|                                 | Reportable segment  |                      |        | Other* | Total  |
|---------------------------------|---------------------|----------------------|--------|--------|--------|
|                                 | Household equipment | Industrial equipment | Total  |        |        |
| Net sales                       |                     |                      |        |        |        |
| Net sales to external customers | 18,014              | 2,380                | 20,395 | 1,249  | 21,644 |
| Intersegment sales or transfers | 18                  | 517                  | 536    | 663    | 1,200  |
| Total                           | 18,033              | 2,898                | 20,932 | 1,913  | 22,845 |
| Segment profit / (loss)         | 1,020               | 244                  | 1,264  | 26     | 1,291  |

Note\*: "Other" is not categorized in the reportable business segment and includes IT software/electronic data processing services and real estate, etc.

2. Difference between the sum of reportable segment profits and losses and operating income in quarterly consolidated statements of income and major factors in the difference (adjustment of difference)

Currency unit: million yen

| Profit  | Amount |
|---|--------|
| Reportable segment total                              | 1,264  |
| Other net loss  | 26     |
| Elimination of intersegment transactions              | (23)   |
| Operating income in quarterly consolidated statements | 1,268  |

II . Current first half (April 1, 2014 through September 30, 2014)

1. Information on net sales and operating income/(loss) by reportable segment

Currency unit: million yen

|                                 | Reportable segment  |                      |        | Other* | Total  |
|---------------------------------|---------------------|----------------------|--------|--------|--------|
|                                 | Household equipment | Industrial equipment | Total  |        |        |
| Net sales                       |                     |                      |        |        |        |
| Net sales to external customers | 16,764              | 3,186                | 19,951 | 1,346  | 21,297 |
| Intersegment sales or transfers | 17                  | 459                  | 476    | 580    | 1,057  |
| Total                           | 16,782              | 3,645                | 20,428 | 1,927  | 22,355 |
| Segment profit/(loss)           | 944                 | 393                  | 1,338  | 13     | 1,352  |

Note\*: "Other" is not categorized in the reportable business segment and includes IT software/electronic data processing services and real estate, etc.

2. Difference between the sum of reportable segment profits and losses and operating income in quarterly consolidated statements of income and major factors in the difference (adjustment of difference)

Currency unit: million yen

| Profit  | Amount |
|---|--------|
| Reportable segment total                              | 1,338  |
| Other net profit                                      | 13     |
| Elimination of intersegment transactions              | (32)   |
| Operating income in quarterly consolidated statements | 1,319  |

### 3. Additional information

#### (1) Geographic segmentation

Previous first half (April 1, 2013 through September 30, 2013)

Currency unit: million yen

|                                     | Japan  | North America | South East Asia | Other Regions | Total  | Elimination / Corporate | Consolidated |
|-------------------------------------|--------|---------------|-----------------|---------------|--------|-------------------------|--------------|
| Net sales                           |        |               |                 |               |        |                         |              |
| (1) Net sales to external customers | 14,798 | 3,256         | 369             | 3,221         | 21,644 | --                      | 21,644       |
| (2) Intersegment sales or transfers | 4,528  | --            | 10,493          | 7             | 15,029 | (15,029)                | --           |
| Total                               | 19,326 | 3,256         | 10,862          | 3,228         | 36,674 | (15,029)                | 21,644       |
| Operating income/ (loss)            | 721    | 246           | 323             | 227           | 1,519  | (251)                   | 1,268        |

Current first half (April 1, 2014 through September 30, 2014)

Currency unit: million yen

|                                     | Japan  | North America | South East Asia | Other Regions | Total  | Elimination / Corporate | Consolidated |
|-------------------------------------|--------|---------------|-----------------|---------------|--------|-------------------------|--------------|
| Net sales                           |        |               |                 |               |        |                         |              |
| (1) Net sales to external customers | 13,719 | 3,560         | 371             | 3,646         | 21,297 | --                      | 21,297       |
| (2) Intersegment sales or transfers | 5,853  | --            | 10,046          | 5             | 15,904 | (15,904)                | --           |
| Total                               | 19,572 | 3,560         | 10,417          | 3,651         | 37,202 | (15,904)                | 21,297       |
| Operating income/ (loss)            | 970    | 218           | 370             | 213           | 1,772  | (452)                   | 1,319        |

Notes;

(1) Countries or regional analyses presented are based on geographic proximity

(2) Major countries or regions are defined as follows

- ( i ) North America           ..... U.S.A., Canada
- ( ii ) South East Asia       ..... R.O.C. (Taiwan), Thailand
- ( iii ) Other regions         ..... U.K., Netherlands, Switzerland, Australia, New Zealand, Chile

#### (2) Overseas sales by region

Previous first half (April 1, 2013 through September 30, 2013)

Currency unit: million yen

|   | North America | Europe | Other Regions | Total  |
|---|---------------|--------|---------------|--------|
| Net sales   |               |        |               |        |
| I Overseas sales                                  | 3,392         | 6,723  | 5,127         | 15,243 |
| II Consolidated sales                             |               |        |               | 21,644 |
| III Ratio of overseas sales to consolidated sales | 15.7%         | 31.1%  | 23.7%         | 70.4%  |

Current first half (April 1, 2014 through September 30, 2014)

Currency unit: million yen

|   | North America | Europe | Other Regions | Total  |
|---|---------------|--------|---------------|--------|
| Net sales   |               |        |               |        |
| I Overseas sales                                  | 3,673         | 5,720  | 5,323         | 14,717 |
| II Consolidated sales                             |               |        |               | 21,297 |
| III Ratio of overseas sales to consolidated sales | 17.2%         | 26.9%  | 25.0%         | 69.1%  |

1. Overseas sales include sales by the Company and its subsidiaries in countries and regions outside Japan.

(1) Countries or regional analyses presented are based on geographic proximity

(2) Major countries or regions are as follows

- ( i ) North America           ..... U.S.A., Canada
- ( ii ) Europe                   ..... U.K., Netherlands, Germany, Switzerland, Russia
- ( iii ) Other regions         ..... South East Asia, Oceania, Middle East, Africa, Central/South America