



## Consolidated Financial Statements for the Nine Months Ended December 31, 2008

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan. All figures in these statements which are less than 1 million yen have been rounded down. (English translation)

February 10, 2009

### CITIZEN HOLDINGS CO., LTD.

Code No.: 7762

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Contact: Osamu Yamada, Managing Director

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Listings: First section of Tokyo Stock Exchange  
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## 1. Results for the Nine months ended December 31, 2009 (April 1, 2008 to December 31, 2008)

### (1) Consolidated operating results

(Percentages represent changes over the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	( Millions of yen )	%	( Millions of yen )	%	( Millions of yen )	%	( Millions of yen )	%
Nine months ended December 31, 2008	246,351	-	12,284	-	10,066	-	(2,746)	-
Nine months ended December 31, 2007	259,754	1.8	22,018	14.1	23,606	7.7	13,626	36.0

	Earnings per share	Fully diluted earnings per share
	( Yen )	( Yen )
Nine months ended December 31, 2008	(8.13)	-
Nine months ended December 31, 2007	39.29	36.39

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	( Millions of yen )	( Millions of yen )	( % )	( Yen )
Nine months ended December 31, 2008	370,434	204,417	53.7	621.62
March 31, 2008	387,975	243,830	62.4	697.81

Reference: Shareholders' Equity: As of December 31, 2008: ¥ 199,080million

As of March 31, 2008: ¥ 242,143million

## 2. Dividends

( Record date )	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Full year
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
March 31, 2008	-	7.50	-	15.00	22.50
March 31, 2009	-	7.50	-	-	-
March 31, 2009 (Estimate)	-	-	-	-	-

Note: Revision of dividend forecast for quarter in review: Yes

The breakdown of the dividend for the year ended March 31, 2008, was as follows:

Common stock dividend: ¥7.50, Commemorative dividend: ¥7.50

The expected dividend at the end of the term ending March is to be confirmed.

**3. Projected Consolidated Results for the Year ending March 31, 2009**

(Percentages represent changes over the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(yen)
Full Year	305,000	(9.4)	2,000	(91.8)	0	-	(19,000)	-	(56.95)

Note: Revision of consolidated forecasts for quarter in review: Yes

**4. Others**

- (1) Important changes of subsidiaries during the term (change of specified subsidiaries that lead to a change in the scope of consolidation): None
- (2) Simplified accounting method or special accounting method for preparing quarterly financial reports adopted: Yes  
Note: Described in page 5, 【Qualitative Data, Financial Statements and Other Information】 4.Others
- (3) Changes in principles, procedures and classifications of accounting standards associated with the preparation of consolidated financial statements. (changes to major basic items for preparing quarterly financial reports)

(i) Changes associated with revised accounting standards: Yes

(ii) Changes other than those in (i)above: Yes

Note: Described in page 5, 【Qualitative Data, Financial Statements and Other Information】 4.Others

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

(i) Number of shares issued and outstanding at the end of term (including treasury stock)	December 2008: 380,353,809shares	March 2008: 380,353,809shares
(ii) Number of treasury stock at the end of term	December 2008: 60,093,180shares	March 2008: 33,348,673shares
(iii) Average number of common stocks	December 2008: 337,832,465shares	December 2007: 346,786,648shares

**\* Explanation about the proper use of financial forecasts and other important notes**

1. *Statements above relating to financial forecasts are based on information available to the Company and certain assumptions the Company considers reasonable as of the date of the announcement of these statements. Actual results may differ materially from these forecasts, depending on a variety of factors. Please refer to page 5 for assumptions underlying the above forecasts and precautions regarding their use.*
2. *The Group has adopted 'Accounting standards for quarterly financial statements' (Corporate Accounting Standards No.12) and 'Application guideline for accounting standards for quarterly financial statements' (Application Guideline No. 14 for Corporate Accounting Standards) from this consolidated financial year. Our quarterly consolidated financial statements are prepared according to the 'Regulations concerning quarterly consolidated financial statements'.*

**【Qualitative Data, Financial Statements and Other Information】****1. Qualitative data on the consolidated financial results**

The qualitative information regarding our consolidated management results described below have been created and cross referenced to changes in amounts and rates of the equivalent term in the previous consolidated financial year.

The economic climate worsened at an unprecedented rate in the 3rd quarter, following the collapse of a major U.S. security company in September. The impact on the real economy has become even more apparent.

In this economic downturn, although Watches and Clocks managed to increase their income, mainly thanks to the financial consolidation of BULOVA Corporation, the effective revenue decreased. Electronic devices, Electronic products and Industrial machinery all suffered a reduction in income. As a result, the income increased whilst the profit decreased with net sales of 246.3 billion yen (down 5.2% from the same term of the previous year), operating income of 12.2 billion yen (down 44.2%), ordinary income of 10 billion yen (down 57.4%) and quarter net loss of 2.7 billion yen.

The domestic watch market has been affected by anxiety among consumers caused by soaring prices of raw materials and fuel. Many luxurious products, including imported products, started dropping unit prices due to sluggish sales. Although newly introduced products including radio-controlled watches for ladies and divers performed relatively well the overall revenue has decreased.

In the overseas watch market, the financial turmoil triggered by the U.S. sub-prime loan crisis rapidly intensified in the summer. Besides, similarly to the domestic market, the consumer spending plummeted as well as distributors' purchase orders due to higher prices in general caused by the sharp rise in fuel prices. Rapid appreciation of the yen also affected the sales, resulting in a decrease in the overall revenue.

Q&Q brand performed well domestically especially with the lower price range radio-controlled watches, but the sales in the overseas market continued to be sluggish and the overall revenue has decreased.

As for the movements, whilst the falling demand for watches due to the economic slowdown lead to a decrease in the revenue, the Group successfully secured its profit by actively promoting products with higher added value. BULOVA Corporation was struck by the impact of the economic downturn in U.S., which is its main market. As a result of the drastic reduction in consumer spending in North America starting from August and currency fluctuations, the overall revenue has decreased.

As a result, watches and clocks increased in income but decreased in profit with net sales of 110.2 billion yen (up 1.1% YoY) and operating income of 13 billion yen (down 28.7% YoY), mainly due to the BULOVA Corporation's results, which was newly consolidated at the last financial year end.

In Electronic Devices, the demand for optical devices, especially the main staple chip LEDs, has been impacted by global inventory adjustments and cutbacks in the mobile phone market as consumption gradually declined.

The LEDs for general lighting performed steadily in the first half of the term expecting the market growth. However the sales have come to a standstill due to the stagnant economy in U.S., the largest market, as well as the appreciation of the yen. The light sensors decreased their revenue sharply due to inventory adjustments in the mobile phone market and the less demand for IrDA modules, our mainstay product. This is because more and more new mobile phone models tend not to have IrDA modules.

In Crystal Devices, although the tuning fork type cylindrical crystal oscillators decreased in revenue due to the downturn of the Clock and Watch industry the SMD type tuning fork crystal oscillators performed strongly from the first term and managed to avoid a significant drop in the sales volume despite some inventory adjustments. Crystal blanks have been hit by plummeted sales in the stagnant mobile phone market and Chinese manufacturers' expansion into the low-end market, which has caused a significant decrease in revenue.

As for the other component products, the small size switches dropped their revenue struck by the inventory adjustments in the mobile phone markets. On the other hand the key sheet modules performed well and achieved an increase in revenue. Liquid crystal optical elements increased sales in the first half term as the blu-ray disc expanded its market. However the sales slowed down rapidly in the second half term due to inventory management in the industry caused by the recession. With the glass substrates for HDDs, orders for small diameter substrates increased despite the fact that the demand fell significantly in general because of the global recession and an increasing sense of uncertainty.

As a result, in Electronic Devices as a whole, both the income and the profit declined with the sales of 68.8 billion yen (down 10.0% YoY) and operating income of 0.9 billion yen (down 27.7% YoY).

In Electronic Products, the revenue from small printers dropped as demand declined globally and consumer spending fell as a result of sudden currency fluctuations. The revenue from large dot printers and photo printers for the Chinese market also decreased as a result of shipping adjustments required to accommodate the clients'

inventories. Calculators were affected by the impact of the financial instability particularly from the latter half of the term and the sales and the revenue dropped in the main market, Russia, where they had been selling strongly.

Health care equipment arm increased in revenue as sales of pedometers grew in the domestic market whilst a campaign to replace mercury thermometers with electric thermometers went successfully in the overseas market, especially in more environmentally-aware European countries.

As a result, Electronic Products arm decreased both in income and in profit with net sales of 16 billion yen (down 21.3% YoY) and operating income of 0.6 billion yen (down 69.3% YoY).

In Industrial Machinery arm, as the actual economy worsened rapidly orders significantly decreased from major clients in the domestic and overseas automobile industry. The conditions are getting more and more severe as we have been receiving requests to delay shipments or to cancel orders. Although there are some activities with medical machinery in the European market the general downward trend is still continuing. Miyano Machinery Inc., our newly consolidated subsidiary, has also been struck by the serious downturn in the automobile industry and receiving considerably less orders in all areas.

Consequently, Industrial Machinery arm decreased both in income and in profit with net sales of 28.4 billion yen (down 5.0% YoY) and operating income of 1 billion yen (down 68.5% YoY).

In Other Products arm, Jewellery struggled and reduced sales especially with expensive items despite some items that performed well including marriage rings. The sudden drop in the platinum market put considerable pressure on the operating income.

Pachinko related products suffered from the cooling market and even the year-end sale did not generate expected results. However, the new products responded to the rapid popularisation of 1-yen Pachinko and the new products aimed to reduce labour costs by substituting the personnel work carrying Pachinko balls were successful and we managed to achieve sales at the same level as the previous year.

Automobile parts decreased in revenue as the sales volume of cars is significantly dropping on a global scale. In addition, rapid appreciation of the yen and soaring prices of raw materials coincided and further deteriorated the earnings environment.

Consequently, Other Products arm decreased both in income and in profit with net sales of 22.7 billion yen (down 4.6% YoY) and operating income of 0.5 billion yen (down 65.3% YoY).

## 2. Qualitative data on the consolidated financial position

The total assets at the end of the third quarter were 370.4 billion yen, decreasing by 17.5 billion yen from the previous financial year-end. The main reason was the decrease of 18.1 billion yen in cash and bank deposits and the decrease of 14 billion yen in investment account securities whilst inventory and land increased respectively by 12.5 billion yen and 2 billion yen. Liabilities increased by 21.8 billion yen to 166 billion yen. Net asset decreased by 39.4 billion yen to 204.4 billion yen.

## 3. Qualitative data on the consolidated earnings forecasts

Under the current economic circumstances, the global financial crisis is having a rapid and severe impact on the actual economy. Besides a sharp appreciation of the yen is further deteriorating the business environment surrounding us. With an ongoing slowdown of consumer spending in the clock and watch market and/or in the mobile phone market due to recession as well as a decline in willingness to invest in equipment in the industrial machinery market, the Group's business is unable to escape the impact of this unprecedented financial instability.

Given the above-mentioned situation, the Group's financial outlook for this term has been revised from the previous forecasts as follows:

(Full Year)

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Earnings per share (yen)
Previous Forecast (A)	342,000	17,500	18,500	10,000	29.97
Revised Forecast (B)	305,000	2,000	0	(19,000)	(56.95)
Difference (B-A)	(37,000)	(15,500)	(18,500)	(29,000)	-
Percentage Change (%)	(9.4)	(91.8)	-	-	-
Results for the previous term	336,685	24,262	24,746	12,189	35.14

#### 4. Others

- (1) Important changes of subsidiaries during the term (change of specified subsidiaries that lead to a change in the scope of consolidation)  
Not applicable
- (2) Simplified accounting method or special accounting method for preparing quarterly financial reports adopted.
- (i) Simplified accounting procedures  
(Accounting method used to estimate bad debts for general credit)  
Since the loan loss ratio and other factors have not significantly changed from the end of the previous business year, we have used reasonable references such as last year's loan loss ratio in estimating bad debts for general credit.  
(Evaluating method used for inventory assets)  
As to the write-down of inventory assets, we have estimated and devaluated the net sales prices only for our assets with clearly low profitability.  
Inventory assets that have been cut off from normal operating cycle process and have accumulated, or that have gone below anticipated disposal price have been recorded at the assessed value shown in the balance sheet of the previous year-end, unless they have shown marked changes.  
(Estimation method used for depreciation cost of fixed assets)  
If a consolidated subsidiary has prepared budgets including estimates on acquisition, selling or disposal of fixed assets during this financial year, we have distributed the annual depreciation amount to this term proportionally according to the relative budget.  
Where declining balance method is applied for depreciation, we have distributed the depreciation cost for this business year to this term proportionally.  
(Estimation method used for deferred income tax asset and deferred tax liabilities)  
Upon deciding the collectability of deferred income tax asset, we utilized the future earnings forecast and the tax planning used in our accounting settlement last year, as there had been no significant changes in business environment or occurrence of temporal disparities.
- (ii) Accounting procedure specific to the preparation of consolidated quarterly financial statements  
(Tax expenses)  
We have made reasonable estimations of effective tax rate after applying deferred tax accounting to net income before taxes for the consolidated accounting year including the second quarter of this consolidated financial term, and have applied the estimated effective tax rate to the quarterly net income before taxes. Deferred income taxes have been included in corporate tax.
- (3) Changes in principles, procedures and classifications of accounting standards associated with the preparation of consolidated financial statements
- (i) Application of the 'Accounting standard for quarterly financial statements'  
We have applied the 'Accounting standard for quarterly financial statements' (Corporate Accounting Standards No.12) and the 'Application guideline for accounting standard for quarterly financial statements' (Application Guideline No. 14 for Corporate Accounting Standards) starting from this consolidated financial year. Our quarterly consolidated financial statements have been prepared according to the 'Regulations Concerning Quarterly Consolidated Financial Statements'.
- (ii) Changes in evaluation standards and methods regarding the inventory assets  
Inventory assets for general selling purposes have been evaluated mainly by lower-of-cost-or-market method based on the gross average method. But since the application of the 'Accounting Standards Regarding The Evaluation Of The Inventory Assets' (Corporate Accounting Standards No.9, July 5, 2006) starting from the first quarter of this consolidated financial term, we have changed mainly to the use of cost accounting method based on the gross average method (in the balance sheet, inventory assets that decreased profitability are devaluated).  
This change has caused minimum effects to our profit and loss.
- (iii) The application of 'The Accounting Procedures of The Foreign Subsidiaries on Preparation of Consolidated Financial Statements for the Foreseeable Future'  
We have applied 'The Accounting Procedures Of The Foreign Subsidiaries On Preparation Of Consolidated Financial Statements For The Foreseeable Future' (Report On Handling Business Practices No.18, May 17, 2006) from the first quarter of this consolidated financial term, and have made modifications necessary to the consolidated financial settlement.

This change has caused minimum effects to our profit and loss.

(iv) Application of accounting standards to lease transactions

Regarding finance lease transactions without transfer of ownership, we had been processing accounting as the same as rental transactions. However, it has become possible to apply the 'Accounting Standards Regarding Lease Transactions' <Corporate Accounting Standards No.13 [June 17,1993 (First Corporate Accounting Committee), amended March 30, 2007]> and the 'Application Guidelines Regarding Lease Transactions In Accounting Standards' <Application Guideline No.16 For Corporate Accounting Standards [January 18, 1994 (Japanese Institute of Certified Public Accountants, Accounting System Committee) amended March 30, 2007]> in quarterly consolidated financial statements from the consolidated financial term starting April 1, 2008. Therefore we have changed the accounting standards of relative transactions to general sales transaction accounting process from the first quarter of this consolidated financial term.

As for the depreciation of finance lease transactions without transfer of ownership, we applied straight line depreciation method, regarding the lease term as the period of depreciation and the residual value as zero.

If the starting date of a finance lease transaction without transfer of ownership is prior to the starting year of application, we have continued to apply the accounting process for rental transactions.

This change has caused minimum effects to our profit and loss.

## CITIZEN HOLDINGS

**5. Consolidated Financial Statements****(1) Consolidated Balance Sheet**

(Unit: Millions of yen)

	As of December 31, 2008	As of March 31, 2008
<b>Assets</b>		
Current assets		
Cash and cash equivalents	53,571	71,680
Notes and accounts receivable	70,177	72,814
Marketable Securities	0	0
Finished goods	44,009	35,049
Raw materials	10,818	10,408
Work in process	22,516	19,346
Other	23,466	24,782
Allowance for doubtful accounts	(1,518)	(1,102)
Total Current assets	<u>223,043</u>	<u>232,980</u>
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	36,020	35,593
Machinery, equipment and carriers, net	27,823	27,847
Tools, furniture and fixtures, net	5,280	5,773
Other	16,179	11,386
Total Property, plant and equipment	<u>85,303</u>	<u>80,601</u>
Intangible fixed assets		
Goodwill	13,677	13,369
Other	2,153	1,564
Total Intangible fixed assets	<u>15,831</u>	<u>14,934</u>
Investments and other assets		
Investment securities	33,789	47,849
Other	14,236	13,921
Allowance for doubtful accounts	(147)	(217)
Allowance for investment loss	(1,620)	(2,094)
Total Investments and other assets	<u>46,257</u>	<u>59,459</u>
Total Fixed assets	<u>147,391</u>	<u>154,994</u>
Total assets	<u>370,434</u>	<u>387,975</u>

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(Unit: Millions of yen)

	As of December 31, 2008	As of March 31, 2008
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable	28,212	27,793
Short-term bank loans payable	28,972	4,917
Bonds to be redeemed within a year	400	-
Bonds with subscription warrant to be redeemed before the end of the year	22,500	-
Income taxes payable	3,954	3,532
Reserve for bonuses to employees	2,927	5,306
Reserve for product warranties	857	1,049
Other	31,613	32,631
<b>Total Current liabilities</b>	<b>119,438</b>	<b>75,231</b>
Long-term liabilities		
Bonds	1,600	-
Bonds with subscription right for new shares	-	23,000
Long-term loans payable	30,801	30,000
Reserve for defined retirement benefits	10,569	9,369
Negative goodwill	833	1,226
Other	2,775	5,316
<b>Total Long-term liabilities</b>	<b>46,579</b>	<b>68,912</b>
<b>Total liabilities</b>	<b>166,017</b>	<b>144,144</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	32,648	32,648
Additional paid-in capital	63,884	63,885
Retained earnings	164,483	174,397
Treasury stock	(50,910)	(30,893)
<b>Total Shareholders' equity</b>	<b>210,105</b>	<b>240,038</b>
Valuation and translation adjustments		
Net unrealized gain/loss on other securities	1,341	6,436
Foreign currency translation adjustments	(12,366)	(4,331)
<b>Total Valuation and translation adjustments</b>	<b>(11,025)</b>	<b>2,104</b>
Minority interest	5,337	1,687
<b>Total net assets</b>	<b>204,417</b>	<b>243,830</b>
<b>Total liabilities and net assets</b>	<b>370,434</b>	<b>387,975</b>

## CITIZEN HOLDINGS

## (2) Consolidated Statement of Income

(Unit: Millions of yen)

Nine months ended December 31, 2008  
(April 1, 2008 to December 31, 2008)

<b>Net sales</b>	246,351
<b>Cost of sales</b>	163,919
<b>Gross profit</b>	82,431
<b>Selling, general and administrative expenses</b>	70,146
Operating income	12,284
<b>Nonoperating income</b>	
Interest Income	681
dividend income	920
Amortization expense of negative goodwill	393
Other	1,688
Total Nonoperating income	3,684
<b>Nonoperating expenses</b>	
Interest changes	383
Foreign currency exchange loss	3,775
Investment loss from the application of equity method	289
Other	1,454
Total Nonoperating expenses	5,902
Ordinary income	10,066
<b>Extraordinary gains</b>	
Gain on sales of investment securities	3,140
Reversal of allowance for doubtful accounts	142
Other	293
Total Extraordinary gains	3,576
<b>Extraordinary losses</b>	
Loss on disposal of properties	394
Valuation loss on investment securities	3,289
Loss on impairment of fixed assets	352
Loss on revision of retirement benefit scheme	243
Loss on disposal of obsolete inventories	409
Amortization of goodwill	5,511
Other	261
Total Extraordinary losses	10,462
Income before income taxes	3,181
Income, inhabitants and enterprise taxes	6,014
Minority interests	(87)
<b>Net Loss</b>	(2,746)

C I T I Z E N   H O L D I N G S

(3) Consolidated Statement of Cash Flow

(Unit: Millions of yen)

Nine months ended September 31, 2008  
(April 1, 2008 to December 31, 2008)

**Cash flows from operating activities**

Income before income taxes	3,181
Depreciation	14,870
Amortization of goodwill	6,541
Increase/decrease in allowance for doubtful accounts	(2,070)
Interest and dividends income	(1,602)
Interest charges	383
Loss on sales of investment securities	(3,140)
Loss on Valuation of investment securities	3,289
Loss on sales of fixed assets	(434)
Loss on disposal of fixed assets	376
Increase/decrease in receivables - trade	2,716
Increase/decrease in inventories	(9,027)
Increase/decrease in payables - trade	1,337
Other	2,293
Sub total	18,714
Interest and dividends received	1,609
Interest payments	(387)
Income taxes	(6,129)
Net cash provided by operating activities	13,807

**Cash flows from investing activities**

Payments for the purchase of investment securities	(6,861)
Proceeds from the sale of investment securities	4,929
Payments for the purchase of property, plant and equipment	(16,630)
Proceeds from the sale of property, plant and equipment	758
Payments for the purchases of Intangible fixed assets	(704)
Payments for loans receivable	(780)
Proceeds from Collection of loans receivable	158
Payments for acquisition of stocks of subsidiaries	(1,440)
Payments from purchase of investments in consolidated subsidiaries resulting in change of scope of consolidation	(4,449)
Other	(516)
Net cash used in investing activities	(25,537)

**Cash flows from financing activities**

Net increase/decrease in borrowings	22,086
Proceeds from long-term loans payable	1,000
Proceeds from issuing straight bonds	2,000
Expense for extinguishment of bonds by purchase	(490)
Dividends paid	(7,721)
Dividends paid to the minority stockholders	(43)
Payments for purchase of treasury stock	(20,021)
Other	(2)
Net cash used in financing activities	(3,193)
Effect of exchange rate changes on cash and cash equivalents	(4,325)
Net increase/decrease in cash and cash equivalents	(19,248)
Cash and cash equivalents at beginning of term	70,480
Net increase/decrease in cash and cash equivalents associated with newly consolidated subsidiaries	698
Cash and cash equivalents at end of term	51,930

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- (4) Notes regarding premise of going concern  
Not applicable

(5) Segment information

【Business segment】

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Millions of yen)	Watches and clocks	Electronic devices	Electronic Products	Industrial machinery	Other products	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales								
(i) Customers	110,254	68,844	16,094	28,438	22,719	246,351	-	246,351
(ii) Inter-segment	152	63	8	9	568	802	(802)	-
Total	110,407	68,907	16,103	28,448	23,287	247,153	(802)	246,351
Operating income	13,072	913	647	1,092	539	16,265	(3,980)	12,284

【Geographic segment】

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Millions of yen)	Japan	Asia	Americas	Europe	Other	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales								
(i) Customers	167,862	20,969	37,919	18,109	1,490	246,351	-	246,351
(ii) Inter-segment	40,884	58,288	567	115	-	99,855	(99,855)	-
Total	208,746	79,257	38,487	18,224	1,490	346,206	(99,855)	246,351
Operating income /loss ( )	9,565	2,709	2,472	1,109	73	15,783	(3,498)	12,284

【Overseas sales】

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

	Asia	Americas	Europe	Other	Total
I Overseas sales (Millions of yen)	74,069	41,365	31,639	4,132	151,207
II Consolidated sales (Millions of yen)	-	-	-	-	246,351
III As % of consolidated net sales (%)	30.1	16.8	12.8	1.7	61.4

- (6) Notes on significant changes in owners' equity accounts

The treasury stock balance at the end of 9 months ended December 31, 2008 increased by 20,017 million yen to 50,910 million yen. This is mainly because we purchased our own stock through the stock market following the resolution approved at the Board Meeting held on August 29, 2008.

**[Supplementary Information]**

Financial statements for the previous quarterly period

## (1) Condensed Consolidated Statement of Income

Nine months ended December 31, 2007 (April 1, 2007 to December 31, 2007)

(Unit: Millions of yen)

	Six months ended September 30, 2007(April 1, 2007 to September 30, 2007)
Net sales	259,754
Cost of sales	170,687
Gross profit	89,066
Selling, general and administrative expenses	67,048
Operating income	22,018
Nonoperating income	3,450
Nonoperating expenses	1,861
Ordinary income	23,606
Extraordinary gains	2,921
Total Extraordinary losses	3,190
Income before income taxes	23,337
Income, inhabitants and enterprise taxes	9,664
Minority interests	45
Net income	13,626

## (2) Segment information

**【Business segment】**

Nine months ended December 31, 2007 (April 1, 2007 to December 31, 2007)

(Millions of yen)	Watches and clocks	Electronic devices	Electronic products	Industrial machinery	Other products	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales	109,035	76,515	20,441	29,937	23,823	259,754	-	259,754
Operating income	18,339	1,264	2,110	3,464	1,554	26,733	(4,715)	22,018