



Consolidated Financial Statements for the Three Months Ended June 30, 2010

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)

August 11 2010

CITIZEN HOLDINGS CO., LTD.

Code No.: 7762

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Contact: Toshio Tokura, Managing Director

Scheduled release of fiscal 2010 Quarterly Business Report: August 13, 2010

Scheduled start of dividend payment: -

Listings: First section of Tokyo Stock Exchange

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1. Results for the three months ended June 30, 2010 (From April 1, 2010 to June 30, 2010)

(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)	%
Three months ended June 30, 2010	64,968	18.3	2,984	-	2,140	-	1,117	-
Three months ended June 30, 2009	54,940	31.8	△1,277	-	△618	-	△496	-

	Earnings per share	Fully diluted earnings per share
	(Yen)	(Yen)
Three months ended June 30, 2010	3.49	-
Three months ended June 30, 2009	△1.55	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
Three months ended June 30, 2010	351,746	181,273	50.5	554.43
March 31, 2010	352,462	186,362	51.8	570.06

Reference: Shareholders' Equity: As of June 30, 2010: ¥ 177,557million As of March 31, 2010: ¥ 182,562million

2. Dividends

(Record date)	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Full year
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
March 31, 2010	-	3.50	-	3.50	7.00
March 31, 2011	-				
March 31, 2011 (Estimate)		3.50	-	3.50	7.00

Note: Revision of dividend forecast for quarter in review: None

3. Projected Consolidated Results for the Year ending March 31, 2010

(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)
First 2 quarters	135,500	13.2	6,000	247.3	5,000	128.5	2,400	117.3	7.49
Full Year	275,000	8.9	14,000	93.6	12,500	56.7	6,500	84.3	20.30

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

4. Others (For further details, please see "2. Other Information" on page 3 of attached documents)

(1) Changes in significant subsidiaries during this period: None

Newly consolidated:-

Excluded from the scope of consolidation:-

Note: This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during this period.

(2) Adoption of simplified accounting methods and special accounting methods: Yes

Note: This item indicates whether there was adoption of simplified accounting methods and special accounting methods for presenting quarterly consolidated financial statements.

(3) Changes of accounting policies applied, procedures and disclosures

(i) Changes associated with revised accounting standards: Yes

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

Note: This item indicates whether there were changes of accounting policies applied, procedures and disclosures for presenting quarterly consolidated financial statements, described "Changes in Bases of Presenting Quarterly Consolidated Financial Statements."

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

(i) Number of shares issued and outstanding at the end of term (including treasury stock) June 2010: 350,353,809shares March 2010:350,353,809shares

(ii) Number of treasury stock at the end of term June 2010: 30,100,946shares March 2010:30,099,812shares

(iii) Average number of common stocks June 2010: 320,253,184shares June 2009: 320,259,467shares

** Information regarding the implementation of quarterly review procedures**These quarterly financial results are not subject to quarterly review procedures. Thus, at the time of disclosure of these financial results, the quarterly financial statement review procedures based on the Financial Instruments and Exchange Law, have not been completed.*** Explanation about the proper use of financial forecasts and other important notes**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 the attached "Qualitative data on the consolidated earnings forecasts" on page 3 for assumptions underlying the above forecasts and precautions regarding their use.*

(Attached Documents)

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1. Qualitative Information Regarding These Quarterly Results

(1) Qualitative data on the consolidated financial results

Summary of Operating Results

With respect to the world economy during the first quarter under review, while there was a slight delay in economic recovery in Europe where financial problems is a concern, the United States showed a strong sign of recovery in personal consumption, and Asian countries led by China enjoyed a steady economic expansion. As for the domestic economy, it was on a recovery trend backed by the expansion of exports mainly to Asia; However, the outlook is uncertain due to concerns such as a stronger yen and the high unemployment ratio.

As a result of the conditions summarized above, the Citizen Group reported in its consolidated financial results for the first quarter under review an increase in both sales and profits, with net sales of 64.9 billion yen (up 18.3% year-on-year) and operating income of 2.9 billion yen (operating loss of 1.2 billion yen in the same period of last year).

Watches and clocks

With respect to CITIZEN brand watches, the domestic sales exceeded last year's level. In spite of an uncertainty over the economic outlook, the Japanese market started to show a sign of recovery. Furthermore, brisk performance by successful hit products contributed to the figure such as the "xC" branded watches for women and the "ATTESA" for men. Highly received by the market in particular were the radio-controlled watch "Direct Flight" series, and the world smallest radio-controlled watch "MINISOL". Overseas markets were also recovering. In the North America, the largest market for this business, sales of mainstay watches with the "Eco-Drive" feature steadily grew, while Europe experienced sluggish sales growth as its economic recovery lagged behind other markets. In Asian region, due to the favorable performance in the rapidly growing Chinese market, sales significantly surpassing the result in the same period of last year. As a result, overseas market as a whole reported sales increase.

The Q&Q brand recorded higher sales, as its low-price radio-controlled watches continued to make a favorable result in the domestic market, and overseas performance especially in Latin America was strong.

Sales of movement increased amid overall market recovery, especially backed by a surge in demand in China and also by stabilized demand in Asia and Latin America.

The BULOVA brand recorded a year-on-year sales increase, bolstered by solid sales recovery in the key North American market.

As a result of these developments, watches and clocks recorded net sales of 30.7 billion yen and operating income of 2.2 billion yen.

Devices and components

In opto-devices, lighting LEDs positioned as a growth field achieved a significant sales increase, owing to efforts to develop new customers such as major instrument manufacturers and ventures against the backdrop of market expansion. Mainstay mobile phone LEDs reported a slight sales increase, in spite of tough conditions due to market saturation and intensifying competition. Premium-priced Flash LEDs, among others, saw a considerable sales increase, as the efforts paid off in providing detailed information and responding attentively to customers. As for back light units, mid-sized back lights for automotive product market recorded a sales increase due to steady order in volume; however, the product for mobile phone saw a sales decrease due to a decline in order value from intensifying competition, and focus on profitable orders. Sales of light sensors fell, in spite of strong performance of remote control sensors for TV, as mainstay IrDA modules were affected by adjustments in the mobile phone market and also the decreased number of mobile phone models using the module by major customers.

In the area of crystal devices, despite a drop in orders from major customers, tuning-fork-type crystal oscillators, especially in the mainstay SMD products for use in mobile phones, enjoyed a solid level of orders from other customers, which resulted in a sales increase. Sales of crystal fragments were strong in Asia, despite impacts from inventory adjustments and a switch to in-house production by domestic customers.

In other devices, HDD glass substrates and auto components received steady orders, leading to higher sales. Sales of ferroelectric micro LCDs increased backed by the robust mirrorless interchangeable lens camera market. Switches recorded higher sales, since the products were sold mainly to South Korean manufacturers who were faring relatively well and also new products performed favorably.

As a result of these developments, devices and components reported net sales of 18.8 billion yen and operating income of 1.2 billion yen.

Electronic products

Sales of printers grew due to steady performance in Japan, the US and Europe, supported by recovery in capital investment and new product releases. Sales of large-sized printers mainly for China declined because the

Company curbed shipments to prioritize customers' efforts to reduce their inventory. However, given solid sell-through, reduced customer inventory, and expanded application of a tax collection system in China, demands are expected to surge. Photo printers suffered a period of few demand during the first half, as opposed to last year's strong sales, and the demand fell for both media and hardware more steeply than usual years, leading to sales decrease.

Sales of calculators increased as Russia, the largest customer, finally started to show a sign of recovery and also a product designed for a certain use took off in Europe.

In healthcare equipment, sales of slim pocket pedometers declined compared to last year's steady growth, because the entire pedometer market seemed saturated due to an increase in market entrants. Sales of clinical thermometer also dropped, because of slow progress in reducing the inventory carried since when the special demands were triggered by H1N1 influenza. Meanwhile, sales of blood pressure monitors rose both at home and abroad, thanks to the introduction of a new electronic slim wrist blood pressure monitor and expansion of distribution channels. However, overall sales in healthcare equipment declined.

As a result of these developments, electronic products posted net sales of 4.4 billion yen and operating income of less than 100 million yen.

Industrial machinery

The NC lathe market rebounded from the global slump, driven mainly by Asia. Although the competition landscape became more intense due to growing downward pressure on prices and increasing distribution of used machinery, overall sales rose sharply.

In the domestic market, recovery led by auto and precision equipment resulted in a considerable sales increase. In Asia, auto and HDD related products in China, India and the ASEAN region performed well. Furthermore, in South Korea and Taiwan, medical related products showed modest recovery. Thus, Asia as a whole enjoyed a sharp sales increase. Similarly, in the US market, medical related products showed solid performance. Despite the impact from sharp depreciation of the euro, the EU market also, enjoyed sales increase as it started to recover slowly late last fiscal year.

Miyano Machinery, Inc. enjoyed brisk sales in Japan, China and other Asian countries and achieved higher sales in all regions including Europe and the US.

As a result of these developments, industrial machinery recorded net sales of 7.4 billion yen and operating income of 400 million yen.

Other products

Jewelry sales declined due to stagnant performance of premium price products and falling retail prices mainly in wedding rings, in spite of a sign of recovery in consumer confidence since April.

Sales of pachinko-related products fell, affected by the deterioration in the employment environment, depressed personal spending due to a decline in personal income and sluggish levels of new parlor openings and large-scale renovations, as well as peripheral markets experiencing sluggish sales.

As a result of these developments, other products reported net sales of 3.5 billion yen and operating loss of 200 million yen.

(2) Qualitative data on the consolidated financial position

As of the end of the first quarter under review, total assets decreased by 700 million yen from the end of the previous fiscal year to 351.7 billion yen, due to a rise in inventory and also a decrease in investment securities. Liabilities rose by 4.3 billion yen to 170.4 billion yen due to an increase in notes and accounts payable as well as in reserve for bonuses. Net assets declined by 5.0 billion yen to 181.2 billion yen due to a drop in foreign currency translation adjustments.

(3) Qualitative data on the consolidated earnings forecasts

During the first quarter under review, we had better-than-expected results compared with our previous forecasts thanks to the recovery in markets, especially in the segments of devices and components and industrial machinery. Therefore, we have made an upward revision to our consolidated earnings forecast for the first half of 2010.

With respect to the full-year forecast, however, we have determined to keep the previous projection unchanged, taking into consideration the uncertainty surrounding the economic outlook for the second half of 2010, and other factors.

C I T I Z E N H O L D I N G S

(Earnings forecasts for the first six months of 2010)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share
					(yen)
Previous forecast (A)	132,500	5,000	4,000	2,000	6.25
Revised forecast (B)	135,500	6,000	5,000	2,400	7.49
Changes (B-A)	3,000	1,000	1,000	400	-
Changes (%)	2.2	20.0	25.0	20.0	-

2. Other Information

(1) Important changes of subsidiaries during the term
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)

We have not entered into a physical inventory check and have applied reasonable methods based on last year's physical inventory amount in estimating the inventory amounts at the end of the quarterly accounting term.

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
Not applicable

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly financial statements

(i) Changes in accounting policies

1) Application of "Accounting Standard for Equity Method of Accounting for Investments" and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method"

Effective from the first quarter of the consolidated fiscal year under review, the Company has applied "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No.16, March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No.24, March 10, 2008).

This application has no impact on the quarterly consolidated financial statements.

2) Application of "Accounting Standard for Asset Retirement Obligations"

Effective from the first quarter of the consolidated fiscal year under review, the Company has applied "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18 , March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31,2008).

The impact of this application on the quarterly consolidated financial statements is immaterial.

3) Application of "Accounting Standard for Business Combinations"

Effective from the first quarter of the consolidated fiscal year under review, the Company has applied "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No.22, December 26, 2008), "Partial Amendments to Accounting Standard for Research and Development Costs" (ASBJ Statement No.23, December 26, 2008), "Revised Accounting Standard for Business Divestitures" (ASBJ Statement No.7, December 26, 2008), "Revised Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No.16, December 26, 2008) and "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, December 26, 2008).

(ii) Changes in Methods of Presentation

With the application of "Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No.5, March 24, 2009) which is based on "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No.22, December 26, 2008), the Company has used the term "Income before minority interests" in the first quarter of the consolidated fiscal year under review.

(4) Notes regarding assumptions for the going concern

Not applicable

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Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Assets		
Current assets		
Cash and cash equivalents	96,224	95,213
Notes and accounts receivable	55,118	56,487
Merchandise and Finished goods	25,205	26,715
Work in process	18,588	16,635
Raw materials and supplies	11,506	9,425
Other	21,181	18,186
Allowance for doubtful accounts	△1,428	△1,504
Total Current assets	226,396	221,158
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	33,242	32,531
Machinery, equipment and carriers, net	18,236	18,002
Tools, furniture and fixtures, net	3,744	3,656
Land	12,054	12,106
Lease assets	164	138
Construction in progress	1,944	1,746
Total Property, plant and equipment	69,386	68,182
Intangible fixed assets		
Goodwill	7,941	8,206
Other	3,645	3,810
Total Intangible fixed assets	11,586	12,017
Investments and other assets		
Investment securities	31,436	35,936
Long-term loans receivable	800	944
Deferred tax assets	10,233	12,040
Other	4,287	4,923
Allowance for doubtful accounts	△1,033	△977
Allowance for investment loss	△1,347	△1,764
Total Investments and other assets	44,377	51,103
Total Fixed assets	125,349	131,303
Total assets	351,746	352,462

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(Unit: Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable	22,488	19,622
Short-term bank loans payable	30,708	31,541
Bonds to be redeemed within a year	500	500
Income taxes payable	1,133	1,060
Reserve for bonuses to employees	6,606	4,417
Reserve for bonuses to directors	-	199
Reserve for product warranties	705	830
Reserve for business restructuring losses	3,435	3,656
Other	24,997	23,429
Total Current liabilities	90,577	85,257
Long-term liabilities		
Bonds	1,350	1,550
Long-term loans payable	66,700	66,875
Reserve for defined retirement benefits	10,053	10,202
Asset retirement obligations	360	-
Other	1,431	2,213
Total Long-term liabilities	79,896	80,841
Total liabilities	170,473	166,099
Net assets		
Shareholders' equity		
Paid-in capital	32,648	32,648
Additional paid-in capital	38,468	38,468
Retained earnings	143,884	143,158
Treasury stock	△25,499	△25,498
Total Shareholders' equity	189,502	188,776
Valuation and translation adjustments		
Net unrealized gain/loss on other securities	1,835	3,773
Foreign currency translation adjustments	△13,780	△9,987
Total Valuation and translation adjustments	△11,944	△6,214
Minority interest	3,716	3,799
Total net assets	181,273	186,362
Total liabilities and net assets	351,746	352,462

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Consolidated Statement of Income

(Unit: Millions of yen)

	Three months ended June 30, 2009 (April 1,2009 to June 30, 2009)	Three months ended June 30, 2010 (April 1,2010 to June 30, 2010)
Net sales	54,940	64,968
Cost of sales	37,812	43,222
Gross profit	17,127	21,746
Selling, general and administrative expenses	18,405	18,761
Operating income/Loss	△1,277	2,984
Nonoperating income		
Interest Income	98	69
dividend income	201	201
Foreign currency exchange gain	283	-
Amortization expense of negative goodwill	122	116
Subsidy Income	250	1
Other	287	356
Total Nonoperating income	1,244	745
Nonoperating expenses		
Interest changes	388	392
Foreign exchange losses	-	985
Investment loss from the application of equity method	2	-
Other	194	211
	585	1,589
Ordinary income/Loss	△618	2,140
Extraordinary gains		
Reversal of allowance for doubtful accounts	23	24
Gain on sales of fixed assets	50	22
Other	0	61
Total Extraordinary gains	74	108
Extraordinary losses		
Loss on disposal of properties	14	7
Valuation loss on investment securities	6	1
Loss on sales of inventory assets	6	26
Business restructuring costs	21	0
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	348
Other	44	48
Total Extraordinary losses	93	432
Income/Loss before income taxes	△637	1,816
Income, inhabitants and enterprise taxes	186	649
Income before minority interests	-	1,166
Minority interests	△328	48
Net income/Loss	△496	1,117

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(2) Consolidated Statement of Cash Flow

(Unit: Millions of yen)

	Three months ended June 30, 2009 (April 1,2009 to June 30, 2009)	Three months ended June 30, 2010 (April 1,2010 to June 30, 2010)
Cash flows from operating activities		
Income before income taxes	△637	1,816
Depreciation	3,190	3,256
Increase/decrease in allowance	210	1,297
Interest and dividends income	△300	△270
Interest charges	388	392
Loss on Valuation of marketable securities	6	1
Loss on sales of fixed assets	△44	3
Loss on disposal of fixed assets	15	7
Increase/decrease in receivables - trade	4,628	114
Increase/decrease in inventories	3,303	△3,682
Increase/decrease in payables - trade	△3,646	5,910
Other	2,592	△250
Sub total	<u>9,707</u>	<u>8,597</u>
Interest and dividends received	293	263
Interest payments	△132	△140
Income taxes	△152	△775
Net cash provided by operating activities	<u>9,715</u>	<u>7,945</u>
Cash flows from investing activities		
Payments for the purchase of investment securities	△130	△75
Payments for the purchase of property, plant and equipment	△3,377	△3,304
Proceeds from the sale of property, plant and equipment	393	468
Payments for the purchase of Intangible fixed assets	△137	△58
Payments for loans receivable	△141	△311
Proceeds from Collection of loans receivable	18	301
Other	1,144	689
Net cash used in investing activities	<u>△2,230</u>	<u>△2,291</u>
Cash flows from financing activities		
Net increase/decrease in borrowings	△843	△869
Increase/decrease in Long-term loans payable	900	-
Redemptions of bonds	△200	△200
Dividends paid	△800	△1,120
Dividends paid to the minority stockholders	△8	△7
Payments for purchase of treasury stock	△0	△0
Other	△9	△17
Net cash used in financing activities	<u>△962</u>	<u>△2,216</u>
Effect of exchange rate changes on cash and cash equivalents	263	△2,183
Net increase in cash and cash equivalents	<u>6,786</u>	<u>1,255</u>
Cash and cash equivalents at beginning of term	87,649	90,877
Net increase in cash and cash equivalents associated with newly consolidated subsidiaries	143	289
Net increase in cash and cash equivalents associated with provisional account settlement of subsidiaries	3	-
Cash and cash equivalents at end of term	<u>94,583</u>	<u>92,422</u>

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

(5) Segment information

【Business segment】

Three months ended June 30, 2009 (April 1, 2009 to June 30, 2009)

(Millions of yen)	Watches and clocks	Devices and components	Electronic Products	Industrial machinery	Other products	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales								
(i) Customers	26,737	13,689	4,636	3,785	6,091	54,940	-	54,940
(ii) Inter-segment	20	0	266	0	88	376	(376)	-
Total	26,757	13,690	4,902	3,785	6,180	55,317	(376)	54,940
Operating income / loss (△)	187	364	158	△1,401	177	△513	(764)	△1,277

【Geographic segment】

Three months ended June 30, 2009 (April 1, 2009 to June 30, 2009)

(Millions of yen)	Japan	Asia	Americas	Europe	Other	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales								
(i) Customers	37,878	4,767	8,064	3,928	300	54,940	-	54,940
(ii) Inter-segment	6,479	11,372	183	10	-	18,046	(18,046)	-
Total	44,358	16,140	8,247	3,939	300	72,986	(18,046)	54,940
Operating income / loss (△)	△1,477	423	32	△180	△21	△1,223	(53)	△1,277

【Overseas sales】

Three months ended June 30, 2009 (April 1, 2009 to June 30, 2009)

	Asia	Americas	Europe	Other	Total
I Overseas sales (Millions of yen)	16,790	9,336	5,756	473	32,356
II Consolidated sales (Millions of yen)	-	-	-	-	54,940
III As % of consolidated net sales (%)	30.5	17.0	10.5	0.9	58.9

1. Reporting segment overview

The Group's reporting segments reflect financial information that is able to be disaggregated from the structural entities comprising the Company. The Board of Directors makes periodic review to the reporting segments in order to make decisions about the allocation of management resources and evaluate business performance.

The Group's business is organized into five reporting segments — Watches and clocks, Devices and components, Electronic products, Industrial machinery and Other products — based on the similarities of the types and characteristics of the products.

The major products of each segment are listed below.

Segment	Major products
Watches and clocks	Watches, Quartz watch movements
Devices and components	Chip LED, quartz oscillators, Display device, HDD glass substrate, Automotive components
Electronic products	Printers, Healthcare equipment, calculators
Industrial machinery	CNC automatic lathes
Other products	Jewelry, pachinko related products

2. Net sales and profit or loss by reporting segment

Three months ended June 30, 2009 (April 1, 2010 to June 30, 2010)

(Millions of yen)	Watches and clocks	Devices and components	Electronic Products	Industrial machinery	Other products	totals	Adjustments	Reported income(loss)
Net sales								
Customers	30,701	18,848	4,402	7,420	3,595	64,968	-	64,968
Inter-segment	731	1,604	203	3	1,089	3,632	(3,632)	-
Total	31,432	20,452	4,606	7,423	4,685	68,600	(3,632)	64,968
Segment income (loss)	2,413	1,231	43	405	(211)	3,883	(898)	2,984

(Notes) 1. Adjustments to segment loss (operating loss) of 898 million yen include intersegment transactions of 18 million yen to be eliminated as well as corporate expenses of 880 million yen not allocated to each reporting segment.

2. Segment income was reconciled with operating income presented in the Quarterly Consolidated Statement of Income.

(Additional Information)

Effective from the first quarter of the consolidated fiscal year under review, the Company has applied "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, March 27, 2009) and "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No.20, March 21, 2008).

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

Not applicable