



CITIZEN HOLDINGS

## Consolidated Financial Statements for the Six Months Ended September 30, 2015

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)

November 10 2015

### CITIZEN HOLDINGS CO., LTD.

Code No.: 7762

Representative: Toshio Tokura, President and CEO

Contact: Shigeru Kabata, Director, In charge of Corporate Planning Division

Scheduled release of fiscal 2015 Quarterly Business Report: November 13, 2015

Scheduled start of dividend payment: December 4, 2015

Listings: First section of Tokyo Stock Exchange

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### 1. Results for the Three months ended September 30, 2015 (April 1, 2015 to September 30, 2015)

(1) Consolidated operating results (Percentages represent changes over the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Six months ended September 30, 2015	174,278	11.7	14,988	20.9	15,699	13.2	10,226	3.7
Six months ended September 30, 2014	155,965	6.3	12,398	30.4	13,867	32.6	9,857	49.0

Note: Comprehensive Income:

As of September 30, 2015: ¥ 5,457million(Δ68.6%) As of September 30, 2014: ¥ 17,400million(32.5%)

	Earnings per share	Fully diluted earnings per share
	(Yen)	(Yen)
Six months ended September 30, 2015	31.89	-
Six months ended September 30, 2014	30.42	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
Six months ended September 30, 2015	420,049	245,681	56.2	742.07
March 31, 2015	421,563	247,972	56.6	736.17

Reference: Shareholders' Equity: As of September 30, 2015: ¥ 236,196million As of March 31, 2015: ¥ 238,505million

### 2. Dividends

(Record date)	Dividends per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Full year (Yen)
March 31, 2015	-	8.00	-	8.00	16.00
March 31, 2016	-	8.50	-	-	-
March 31, 2016 (Estimate)	-	-	-	8.50	17.00

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

### 3. Projected Consolidated Results for the Year ending March 31, 2016

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(yen)
Full Year	360,000	9.6	30,500	9.4	30,500	Δ2.9	19,000	8.1	59.25

Note: Revision of consolidated forecasts for quarter in review: No

C I T I Z E N   H O L D I N G S

**4. Others**

- (1) Change in significant subsidiaries during this period: None
- (2) Adoption of simplified accounting method and special accounting methods: None
- (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: None
  - (iii) Changes in accounting estimate: None
  - (iv) Restatements: None

Note: For details, please refer to Attached Documents “2. Other Information (3) Changes in accounting policies, changes in accounting estimates, and restatements” on page 4.

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

		shares		shares
(i) Number of shares issued and outstanding at the end of term (including treasury stock)	September 30, 2015	330,353,809	March 31, 2015	330,353,809
(ii) Number of treasury stock at the end of term	September 30, 2015	12,057,429	March 31, 2015	6,371,070
(iii) Average number of common stocks	September 30, 2015	320,654,477	September 30, 2014	323,989,158

*\* 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 4 for assumptions underlying the above forecasts and precautions regarding their use.*

(Attached Documents)

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## 1. Qualitative information on the Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2016

### (1) Qualitative data on the consolidated financial results

During the six months ended September 30, 2015, the Japanese economy experienced a trend toward recovery in personal spending and demand for capital investment, thanks in part to the effect of all the different policies implemented in the midst of the ongoing improvement in the employment and income environments. Consumption was also encouraged by the increased number of foreign visitors to Japan. The U.S. economy steadily recovered and remained solid, but the effect of the slowdown in the Chinese economy was a major concern. In Europe, although the economy was driven by a recovery trend in some of the key member countries, the outlook remains uncertain. Markets in the Asian economy struggled due to the increased slowdown of Chinese businesses along with political instability and weaker currencies in the ASEAN region.

Under these circumstances, the Citizen Group reported in its consolidated financial results for the six months under review an increase in both sales and profits, with net sales of 174.2 billion yen (up 11.7% year on year) and operating income of 14.9 billion yen (up 20.9% year on year).

### Watches and Clocks

Revenues from CITIZEN brand watches in the domestic market on a whole grew, supported by the recovery in personal spending due to the effect of higher stock prices on assets and increased wages, as well as the increased number of foreign visitors to Japan, which resulted in significant growth in sales at large department stores, mass merchandise outlets, and duty-free shops. The sales of EXCEED remained strong, while ATTESA, the GPS satellite wave watch launched in August, and the women's brand "xC" also contributed significantly to revenue growth.

Revenues from overseas markets on a whole increased, thanks in part to solid growth in the North American and European markets and the depreciation of the Japanese yen. Revenues from the North American market on a whole rose, despite sluggish sell-through performance at some department stores and jewelry chain stores. Revenues from the European markets also increased owing to a moderate economic recovery, strong personal spending, and new products supply. While revenues from the Asian markets rose, supported in part by the depreciation of the Japanese yen, consumption remained low due to weaker currencies in the ASEAN region. In China, unfavorable conditions continued in the market due to economic slowdown, but sales related to the Internet increased.

Revenues from the BULOVA brand increased as a result of strong sales at jewelry chains and other stores. These revenues offset the sluggish sales at some department stores and general retail stores in the North American market, one of key markets for BULOVA brand.

Revenues from the Q&Q brand decreased, despite solid domestic growth as well as strong sales in the Middle East markets. The main reasons for this decrease were the increase in import costs due to the sudden currency depreciation, affecting sales in the South American market, and the decline in sales stemming from the currency depreciation in Eastern Europe and other reasons in Europe.

Revenues from movements increased due to solid growth in high-value added products, such as slim watches, and high demand for mechanical watches, which offset the sluggish sales of standard products.

As a result of these developments, the watches and clocks segment achieved growth in both sales and profits, with net sales of 88.9 billion yen (up 12.4% year on year) and operating income of 10.0 billion yen (up 30.5% year on year) for the six months under review.

## Machine Tools

Revenues from the domestic market increased as a result of energy-saving subsidies, despite a decline in the number of large orders received.

Revenues from the Asian markets fell due to sluggish demand, the primary factor of which was the slowdown in the Chinese market.

Revenues from the American market increased, backed by economic expansion in North America and driven primarily by the strong sales of products for medical services and automobiles.

Revenues from the European markets declined as a result of a slowdown in some regions.

Under these circumstances, revenues from Cincom brands increased while revenues from Miyano brands decreased.

As a result, the machine tools segment achieved higher sales with slightly lower profits, with net sales of 25.3 billion yen (up 1.1% year on year) and operating income of 3.3 billion yen (down 2.6% year on year) for the six months under review.

## Devices and Components

Revenues from automobile components, among other precision machining components, increased thanks to the robust automobile production market and the increased number of orders. Revenues from switches grew considerably, supported by the large contribution of new product sales to net sales, despite the low level of orders received for smartphone side switches due to the sluggish business of large clients. As a result, revenues from precision machining components increased.

Revenues from opto-devices increased thanks to sales growth in Japan, North America, and Europe as a result of new product launches, despite further price reductions and performance competition that resulted in continuous fierce competition amid the market expansion of LED lighting products. Sales of LEDs for automobiles and smartphones also showed steady growth, and on a whole the revenues from opto-devices achieved an increase.

Revenues from quartz crystals, among other products, increased slightly because the declining prices bottomed out and a greater number of applications became available. Revenues from ferroelectric micro LCDs decreased due to the continued sluggish performance of the digital camera market. As a result, revenues from the other products segment on a whole declined.

As a result of these developments, the devices and components segment on a whole achieved growth in both sales and profits, with net sales of 42.1 billion yen (up 28.5% year on year) and operating income of 3.5 billion yen (up 28.8% year on year).

## Electronic Products

Revenues from information equipment increased due to strong sales of POS printers and label printers, among other printers, in Japan and China, despite the impact of customers' inventory adjustment of products for the Americas. On the other hand, revenues from large-size printers fell because of the economic slowdown in the Chinese market, while the revenues for photo printers declined due to the saturation of demand for replacements. As a result, revenues from printers on a whole declined.

Revenues from healthcare equipment increased, thanks in large part to the strong sales of blood-pressure monitors, a core product in the domestic market, and growth in the sales of products for overseas markets such as the Americas and Asia.

Revenues from calculators decreased due to lower sales in Asia and the Middle East.

As a result of these developments, the electronic products segment on a whole suffered decreases in both sales and profit, with net sales of 12.0 billion yen (down 4.3% year on year) and operating income of 0.1 billion yen (down 83.3% year on year).

## Other Products

Revenues from pachinko-related products decreased due to the continued harsh market conditions and low prospects for recovery in capital expenditures. Revenues from jewelries increased due to the expanding sales of bridal jewelries and event projects for the affluent.

As a result, the other products segment on a whole recorded lower sales but higher profits, with net sales of 5.6 billion yen (down 9.4% year on year) and an operating loss of 0.2 billion yen (compared to an operating loss of 0.3 billion yen in the same period of the previous fiscal year).

## (2) Qualitative data on the consolidated financial position

As of the end of the second quarter under review, total assets increased by 1.5 billion yen from the end of the previous fiscal year, to 420.0 billion yen. Current assets decreased by 2.4 billion yen mainly because inventories (merchandise and finished goods, work in process, raw materials, and supplies) increased by 5.4 billion yen. Notes and accounts receivable-trade rose by 3.4 billion yen, while cash and deposits decreased by 10.6 billion yen. Non-current assets increased by 0.9 billion yen due primarily to increases of 1.4 billion yen in investment securities and 0.9 billion yen in tools, furniture, and fixtures, and decreases of 0.5 billion yen in buildings and structures and 0.5 billion yen in land.

Liabilities increased by 0.7 billion yen from the end of the previous fiscal year, to 174.3 billion yen. This increase was attributable to the conversion of long-term loans to short-term loans, which resulted in a hike of 15.6 billion yen in short-term loans payable while long-term loans payable dropped by 15.0 billion yen, with an addition of 2.8 billion yen in notes and accounts payable-trade and 1.2 billion yen in accrued expenses, and a reduction of 3.4 billion yen in income taxes payable.

Net assets decreased by 2.2 billion, to 245.6 billion yen. This decrease was primarily the result of an increase of 7.7 billion yen in retained earnings, growth of 5.0 billion yen in treasury stock, 2.5 billion yen in foreign currency translation adjustment, and 2.5 billion yen in valuation difference on available-for-sale securities.

## (3) Qualitative data on the consolidated earnings forecasts

No changes have been made to the full-year forecasts for the consolidated financial results announced on August 12, 2015 in the Consolidated Financial Statements for the Three Months Ended June 30, 2015.

## 2. Other Information

### (1) Important changes of subsidiaries during the term

Not applicable.

### (2) Adoption of special accounting methods for presenting quarterly consolidated financial statements

Not applicable.

### (3) Changes in accounting policies, changes in accounting estimates, and restatements

#### Changes in accounting policies

Changes in accounting policies

(Application of accounting standards for business combinations)

Effective from the first quarter of the consolidated fiscal year under review, we began applying standards such as the "Accounting Standard for Business Combinations" (ASBJ Statement No.21, September 13, 2013, hereinafter, "Business Combinations Accounting Standard"), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013, hereinafter, "Consolidated Accounting Standard"), and the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013, hereinafter, "Business Divestitures Accounting Standard"). The purpose of applying these standards was to adopt a method in which the difference made by changes in our ownership interest in subsidiaries in which we retain a controlling interest is recorded as capital surplus, and acquisition-related costs are treated as expenses in the consolidated fiscal year in which they are incurred. In addition, for business combinations carried out at or after the beginning of the first quarter of the fiscal year under review, we adopted a method in which the reallocation of acquisition costs, as determined after reviewing provisional accounting treatment, is reflected in the quarterly consolidated financial statements for the period in which the business combination took place. We also changed the manner in which quarterly net income and other items are presented, and changed "minority interests" to "non-controlling interests." To reflect these changes, we reclassified the quarterly consolidated financial statements for the Second quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

Under the consolidated statement of cash flow for the six months ended September 30, 2015, cash flows associated with the acquisition or disposal of stocks of subsidiaries which cause no change in the scope of consolidation are included in the category of "cash flows from financing activities." Cash flows associated with the costs related to the acquisition of stocks of subsidiaries which cause change in the scope of consolidation or the costs incurred with respect to acquisition or disposal of stocks of subsidiaries which cause no change in the scope of consolidation are included in the category of "cash flows from operating activities."

We applied these standards in accordance with the transitional treatment specified in Section 58-2 (4) of the Business Combinations Accounting Standard, Section 44-5 (4) of the Consolidated Accounting Standard, and Section 57-4 (4) of the Business Divestitures Accounting Standard. We began applying them from the beginning of the first quarter of the consolidated fiscal year under review, and will continue to do so in future periods.

As a result, income before income taxes decreased 79 million yen for the six months ended September 30, 2015. In addition, capital surplus increased 79 million yen at the end of the six months ended September 30, 2015.

## 3. Consolidated Financial Statements

## (1) Consolidated Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2015	As of September 30, 2015
<b>Assets</b>		
Current assets		
Cash and deposits	110,716	100,043
Notes and accounts receivable - trade	65,734	69,206
Merchandise and finished goods	50,765	55,657
Work in process	19,611	21,627
Raw materials and supplies	19,749	18,336
Consumption taxes receivable	3,381	1,736
Deferred tax assets	9,944	9,076
Other	5,968	7,414
Allowance for doubtful accounts	△1,428	△1,089
<b>Total current assets</b>	<b>284,443</b>	<b>282,009</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,885	32,322
Machinery, equipment and vehicles, net	20,623	20,229
Tools, furniture and fixtures, net	5,095	6,007
Land	11,607	11,065
Leased assets, net	1,065	1,058
Construction in progress	3,988	5,207
<b>Total property, plant and equipment</b>	<b>75,266</b>	<b>75,891</b>
Intangible assets		
Goodwill	3,198	2,628
Software	2,209	2,291
Leased assets	12	18
Other	5,577	5,223
<b>Total intangible assets</b>	<b>10,998</b>	<b>10,161</b>
Investments and other assets		
Investment securities	40,724	42,191
Long-term loans receivable	1,152	1,118
Deferred tax assets	5,174	4,857
Other	5,580	5,784
Allowance for doubtful accounts	△1,637	△1,827
Allowance for investment loss	△138	△138
<b>Total investments and other assets</b>	<b>50,855</b>	<b>51,987</b>
<b>Total non-current assets</b>	<b>137,119</b>	<b>138,040</b>
<b>Total assets</b>	<b>421,563</b>	<b>420,049</b>



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(Unit: Millions of yen)

	As of March 31, 2015	As of September 30, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,371	23,266
Notes payable - facilities	473	312
Short-term loans payable	4,164	19,860
Income taxes payable	7,176	3,715
Deferred tax liabilities	1	10
Accrued expenses	16,210	17,485
Provision for bonuses	6,419	6,678
Provision for directors' bonuses	168	-
Provision for product warranties	1,119	1,108
Provision for environmental measures	11	3
Provision for loss on business restructuring liquidation	2,915	1,931
Provision for loss on disaster	4	4
Other	23,399	24,099
<b>Total current liabilities</b>	<b>82,435</b>	<b>98,477</b>
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term loans payable	45,000	30,000
Deferred tax liabilities	3,467	2,772
Provision for loss on guarantees	12	10
Provision for environmental measures	72	72
Provision for loss on business restructuring liquidation	2,013	1,957
Net defined benefit liability	18,800	19,091
Asset retirement obligations	97	97
Other	1,690	1,889
<b>Total non-current liabilities</b>	<b>91,155</b>	<b>75,891</b>
<b>Total liabilities</b>	<b>173,591</b>	<b>174,368</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	32,648	32,648
Capital surplus	33,890	33,969
Retained earnings	151,689	159,402
Treasury shares	△5,394	△10,397
<b>Total shareholders' equity</b>	<b>212,834</b>	<b>215,623</b>
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	11,190	8,689
Foreign currency translation adjustment	14,843	12,253
Remeasurements of defined benefit plans	△362	△369
<b>Total other accumulated comprehensive income</b>	<b>25,671</b>	<b>20,572</b>
Non-controlling interests	9,466	9,484
<b>Total net assets</b>	<b>247,972</b>	<b>245,681</b>
<b>Total liabilities and net assets</b>	<b>421,563</b>	<b>420,049</b>

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

Consolidated Statement of Income (Six months ended September 30, 2015)

(Unit: Millions of yen)

	Six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)	Six months ended September 30, 2015 (April 1, 2015 to September 30, 2015)
<b>Net sales</b>	155,965	174,278
Cost of sales	94,836	108,363
Gross profit	61,129	65,914
Selling, general and administrative expenses	48,730	50,925
<b>Operating income</b>	12,398	14,988
Non-operating income		
Interest income	165	171
Dividend income	388	450
Foreign exchange gains	979	-
Share of profit of entities accounted for using equity method	153	339
Other	382	596
Total non-operating income	2,069	1,557
Non-operating expenses		
Interest expenses	329	232
Foreign exchange losses	-	370
Other	270	244
Total non-operating expenses	600	846
<b>Ordinary income</b>	13,867	15,699
Extraordinary income		
Gain on sales of investment securities	1	188
Gain on sales of non-current assets	553	284
Other	61	31
Total extraordinary income	616	504
Extraordinary losses		
Loss on retirement of non-current assets	119	135
Loss on sales of non-current assets	12	4
Impairment loss	25	2
Other	168	66
Total extraordinary losses	326	208
<b>Income before income taxes</b>	14,157	15,995
Income taxes	4,207	5,426
Net income	9,950	10,569
Profit attributable to non-controlling interests	93	342
<b>Profit attributable to owners of parent</b>	9,857	10,226

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## Consolidated Statements of Comprehensive Income (Six months ended September 30, 2015)

(Unit: Millions of yen)

	Six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)	Six months ended September 30, 2015 (April 1, 2015 to September 30, 2015)
Net income	9,950	10,569
Other comprehensive income		
Valuation difference on available-for-sale securities	2,665	Δ2,503
Foreign currency translation adjustment	4,621	Δ2,374
Remeasurements of defined benefit plans, net of tax	49	Δ2
Share of other comprehensive income of entities accounted for using equity method	114	Δ231
Total other comprehensive income	7,450	Δ5,111
Comprehensive income	17,400	5,457
(Breakdown)		
Comprehensive income attributable to owners of parent	17,273	5,124
Comprehensive income attributable to non-controlling interests	127	333

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**(3) Consolidated Statement of Cash Flow**

(Unit: Millions of yen)

	Six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)	Six months ended September 30, 2015 (April 1, 2015 to September 30, 2015)
<b>Cash flows from operating activities</b>		
Income before income taxes	14,157	15,995
Depreciation	6,826	7,232
Amortization of goodwill	679	569
Increase/decrease in allowance for doubtful accounts	△874	△1,049
Increase/decrease in defined benefit plans	506	316
Interest and dividends income	△553	△621
Interest charges	329	232
Loss/gain on sales of investment securities	△1	△188
Loss/gain on sales of non-current assets	△541	△279
Loss on disposal of non-current assets	119	135
Increase/decrease in receivables - trade	2,164	△3,933
Increase/decrease in inventories	△9,705	△6,138
Increase/decrease in payables - trade	1,034	4,253
Other	844	2,036
Sub total	14,987	18,560
Interest and dividends received	557	617
Interest payments	△357	△224
Income taxes	△2,677	△7,846
Net cash provided by operating activities	12,509	11,107
<b>Cash flows from investing activities</b>		
Payments for the purchase of investment securities	△1	△5,017
Proceeds from the sale of investment securities	8	479
Payments for the purchase of property, plant and equipment	△7,624	△9,657
Proceeds from the sale of property, plant and equipment	2,874	1,121
Payments for the purchases of Intangible fixed assets	△362	△562
Payments for loans receivable	△583	△6
Collection of loans receivable	18	51
Other	△2,504	△240
Net cash used in investing activities	△8,174	△13,832
<b>Cash flows from financing activities</b>		
Net increase/decrease in borrowings	818	800
Proceeds from long-term loans payable	79	-
Repayments of long-term loans payable	△288	-
Redemption of bonds	△50	-
Dividends paid	△2,591	△2,591
Dividends paid to non-controlling interests	△48	△210
Purchase of treasury shares	△2	△5,003
Other	△52	86
Net cash used in financing activities	△2,137	△6,918
Effect of exchange rate changes on cash and cash equivalents	1,710	△853
Increase/decrease in cash and cash equivalents	3,909	△10,497
Cash and cash equivalents at the beginning of the term	92,661	105,276
Increase/decrease in cash and cash equivalents resulting from a change in the scope of consolidation	3	20
Cash and cash equivalents at the end of the term	96,574	94,799

**(4) Notes to the Consolidated Financial Statements**

(Notes regarding going concern assumptions)

Not applicable

(Notes regarding significant changes in shareholders' equity accounts)

**Acquisition of Treasury Stock**

Following a resolution made at a meeting of the Company's Board of Directors held on May 15, 2015, 5,682,800 shares of treasury stock were acquired. As a result, treasury stock increased by 4,999 million yen during the six months ended September 30, 2015, rising to 10,397 million yen at the end of the six months ended September 30, 2015.

**(Segment Information)**

(i) Six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)

Net sales and profit or loss by reporting segment

(Unit: Millions of yen)

	Watches and clocks	Machine Tools	Devices and components	Electronic Products	Other products	Segment totals	Eliminations or general corporate (Note 1)	Consolidated totals (Note 2)
Net sales								
Customers	79,147	25,110	32,830	12,629	6,246	155,965	-	155,965
Inter-segment	67	176	3,073	381	374	4,072	△4,072	-
Total	79,214	25,287	35,903	13,010	6,620	160,037	△4,072	155,965
Operating income (loss/△)	7,729	3,488	2,776	646	△352	14,288	△1,890	12,398

(Notes) 1. Adjustments to the segment loss (operating loss) of 1,890 million yen include intersegment transactions of 36 million yen to be eliminated, as well as corporate expenses of 1,854 million yen not allocated to each reporting segment.

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

(ii) Six months ended September 30, 2015 (April 1, 2015 to September 30, 2015)

Net sales and profit or loss by reporting segment

(Unit: Millions of yen)

	Watches and clocks	Machine Tools	Devices and components	Electronic Products	Other products	Segment totals	Eliminations or general corporate (Note 1)	Consolidated totals (Note 2)
Net sales								
Customers	88,964	25,390	42,181	12,083	5,658	174,278	-	174,278
Inter-segment	73	323	1,391	183	344	2,315	△2,315	-
Total	89,038	25,713	43,573	12,266	6,002	176,593	△2,315	174,278
Segment income (loss/△)	10,090	3,396	3,576	108	△209	16,963	△1,974	14,988

(Notes) 1. Adjustments to the segment loss (operating loss) of 1,974 million yen include intersegment transactions of 64 million yen to be eliminated, as well as corporate expenses of 2,039 million yen not allocated to each reporting segment.

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