

# Consolidated Financial Statements for the Nine Months Ended December 31, 2012

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 12, 2013

## 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 2012 Quarterly Business Report: February 13, 2013

Scheduled start of dividend payment: -

Listings: First section of Tokyo Stock Exchange  
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### 1. Results for the Nine months ended December 31, 2012 (From April 1, 2012 to December 31, 2012)

(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, 2012	206,872	△2.5	11,345	△20.0	11,982	△9.7	8,107	20.0
Nine months ended December 31, 2011	212,282	△1.7	14,186	△4.6	13,263	4.1	6,757	△8.0

Note: Comprehensive Income: As of December 31, 2012: ¥ 13,455million(-%) As of December 31, 2011: ¥ △236million(-%)

	Earnings per share	Fully diluted earnings per share
	(Yen)	(Yen)
Nine months ended December 31, 2012	25.02	-
Nine months ended December 31, 2011	20.86	-

(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, 2012	354,302	201,385	55.9	611.19
March 31, 2012	338,025	188,853	55.5	578.69

Reference: Shareholders' Equity: As of December 31, 2012: ¥ 198,025million As of March 31, 2012: ¥ 187,499million

### 2. Dividends

(Record date)	Dividends per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Full year (Yen)
March 31, 2012	-	4.00	-	4.00	8.00
March 31, 2013	-	5.00	-	-	-
March 31, 2013 (Estimate)	-	-	-	3.00	8.00

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

### 3. Projected Consolidated Results for the Year ending March 31, 2013

(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	274,000	△2.1	12,000	△27.4	13,000	△22.3	△6,000	-	△18.52

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

**4. Others**

- (1) Changes in significant subsidiaries during this period: None
- (2) Adoption of simplified accounting methods 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: Yes
  - (iv) Restatements: None
  - (v) Note: For details, please refer to Attached Documents “2. Other Information (3) Changes in accounting policies, changes in accounting estimates, and restatements” on page 6.

(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)	December 2012	330,353,809	March 2012	350,353,809
(ii) Number of treasury stock at the end of term	December 2012	6,352,913	March 2012	26,350,406
(iii) Average number of common stocks	December 2012	324,002,430	December 2011	324,005,203

*\* 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 5 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

During the nine months ended December 31, 2012, the U.S. economy was solid mainly in the individual consumption sector but the European economy remained unstable due to the protracted debt crisis problem and China and other emerging countries saw their economic slowdown accelerated, resulting in an overall severe situation. The Japanese economy, which had been on a mild recovery path, was also weak under the influence of the yen's appreciation and the global economic setback.

Under these circumstances, the Citizen Group reported in the first three quarters of the consolidated fiscal year under review, a decrease in both sales and profits, with net sales of 206.8 billion yen (down 2.5% year-on-year) and operating income of 11.3 billion yen (down 20.0% year-on-year).

#### Watches and clocks

In the domestic market where the situation was severe with decreasing foreign tourists and other factors, CITIZEN brand watches achieved higher revenues as they sold well during the year-end shopping season, resulting in a year-on-year sales growth of the mainstay brands ATTESA and xC as well as high-end products.

In the overseas markets, revenues decreased as the economy stagnated in European countries due to the debt crisis and China and other emerging countries faced economic slowdown. In the U.S., the market situation was solid even though some major department stores made inventory adjustments. New products of the Eco-Drive series sold well especially at major department stores and jewelry store chains, pushing up the overall revenues in this region. In Europe, despite sales in the U.K. remaining solid, the overall revenues ended up in a decline as consumer spending dropped mainly in Germany, Italy and Spain where the unemployment rate was rising amid the stagnant economy. In the Asian markets, sales were solid mainly in the ASEAN region but the Chinese market suffered an economic growth downturn, resulting in an overall revenue decline.

The BULOVA brand, despite procurement adjustments made by major department stores in the main U.S. market, achieved a significant growth in revenues as sales rebounded in the year-end shopping season and also new products sold well.

The Q&Q brand's sales continued to grow in Japan mainly to major customers. In the overseas markets, even with the strong yen and anxiety over the European economy, robust sales in North and Latin America as well as Asia and the Middle and Near East more than offset the sluggish sales in Europe, resulting in an overall revenue increase.

Movements suffered a significant revenue decline as demands for watches weakened due to European economic downturn and China's slower growth.

As a result of these developments, the watches and clocks segment reported higher sales and lower profits, with net sales of 106.8 billion yen (down 0.0% year-on-year) and operating income of 9.8 billion yen (down 12.6% year-on-year).

#### Machine tools

Revenues declined in the domestic market, where an economic slowdown that had accelerated in and after July was followed by the increasingly weaker automobile-related capital expenditures and decreasing sales related to semiconductors and electronic components. In Asia, the sense of stagnation deepened in the Chinese market after a period of strong sales in communications and healthcare-related sectors, and the ASEAN market weakened as a reaction to temporary reconstruction demands seen after the floods in Thailand. Even so, the overall revenues increased as the growth in the strong first half covered the weak second half. The U.S. market was led by automobile and healthcare-related sectors to show solid sales, resulting in an overall revenue growth. In Europe where concerns about an economic setback were growing, we received orders from active sectors such as those related to automobiles and precision devices but the overall revenues decreased as customers' motivation for capital expenditures failed to rebound.

Against this background, the Cincom brand achieved a certain result in Asian and the U.S. markets but suffered a drop in other regions. As for the Miyano brand, the main products penetrated wider in China and the U.S. and sales of CNC chuckers expanded in the overseas markets, but these positive factors failed to offset stagnant sales in Europe and other regions.

As a result of these developments, the machine tools segment reported an increase in both sales and profits, with net sales of 26.5 billion yen (down 11.5% year-on-year) and operating income of 1.9 billion yen (down 42.5% year-on-year).

#### Devices and components

Among opto-devices, LED lighting products achieved higher revenues even with harsh price competition, unit price decline, and other severe environmental conditions, as we received increasing orders for new products mainly from abroad amid the global tendency for ecological consciousness that expands markets. Revenues of backlight units decreased with a sales decline in the mobile phone sector as a result of selective order receipt aiming at higher profitability, while those for automobile use maintained a certain level of sales.

Among quartz crystals, tuning fork type quartz crystals' revenues fell mainly due to a steep decline in unit price, even though sales were solid in terms of volume with increased demand from major customers. On the other hand, quartz crystal blanks achieved higher revenues as sales grew in the recovering markets mainly for smartphones.

For ferroelectric micro LCDs, sales stagnated as we needed to respond to customers' production adjustments in and after the second quarter when the market situation worsened and also due to the trend for smaller and cheaper products. Even so, the overall revenues increased, helped by strong sales at the beginning of the period.

Revenues of switches stayed at the year-earlier level as sales of key sheet module products decreased, offsetting solid sales of side switches used in smartphones.

Sales growth of automobile components turned sluggish in the third quarter when automobile production volume slowed down, but hybrid car components sold well and sales steadily grew for North American customers, resulting in an overall revenue growth.

As a result of these developments, the devices and components segment reported a decrease in both sales and profits, with net sales of 45.7 billion yen (down 3.3% year-on-year) and operating income of 1.1 billion yen (down 15.5% year-on-year).

### **Electronic products**

For printers, revenues of POS printers and label printers rose in the U.S. market with new orders, but in Japan and Europe, customers' declining motivation for capital expenditures pushed down revenues below the year-earlier level. Revenues decreased for large-size printers, which mainly target the Chinese market, as the introduction of tax collection systems in China slowed down. Revenues for photo printers increased owing to the higher replacement demand and the growth of media sales. For calculators, revenues increased with solid performance in the European market centering on Russia and Eastern European countries.

Healthcare equipment's revenues grew in Japan helped by expanded sales channels and new products. Overseas, sales were solid in China and the U.S. but fell below the year-earlier level in other regions, resulting in an overall revenue decline. As a result of these developments, the electronic products segment reported an increase in both sales and profits, with net sales of 15.9 billion yen (down 4.6% year-on-year) and operating income of 0.2 billion yen (down 58.5% year-on-year).

### **Other products**

For jewelries, a sign of recovery was seen in some categories such as bridal jewelries, but the harsh seesaw market condition lingered and sales growth of high-end products, a driving force, slowed down. As a result, the overall revenues slightly decreased.

For Pachinko-related products, sales growth was slow as customers refrained from large investments under the protracted uncertain economic situation, but revenues grew as main products continued to sell well.

As a result of these developments, the other products segment reported a decrease in both sales and profits, with net sales of 11.8 billion yen (up 3.4% year-on-year) and operating income of 0.5 billion yen (operating loss of 0.1 billion yen year-on-year).

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

As of the end of the third quarter under review, total assets increased by 16.2 billion yen from the end of the previous fiscal year to 354.3 billion yen. This is mainly due to a 9.2 billion yen increase in inventories, a 3.6 billion yen increase in property, plant and equipment and a 5.0 billion yen increase in intangible fixed assets despite a 3.1 billion yen decrease in cash and cash deposits. Total liabilities increased by 3.7 billion yen from the end of the previous fiscal year to 152.9 billion yen mainly due to a 9.5 billion yen increase in bonds despite a 5.9 billion yen decrease in short-term bank loans payable. Net assets increased by 12.5 billion yen from the end of the previous fiscal year to 201.3 billion yen mainly due to an 8.1 billion yen increase in retained earnings, which is attributed to net incomes, and a 4.7 billion yen increase in foreign currency translation adjustments.

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

In the consolidated earnings forecasts for the fiscal year ending March 31, 2013, net sales and operating income are expected to fall below the latest forecasts due to the stagnant market situation and customers' declining motivation for capital expenditures mainly in the Machine Tools segment and the Devices and Components segment. Net income is also expected to fall below the latest forecast as we will book an extraordinary loss for structural reform measures.

The full-year forecasts are based on our exchange rate estimates of 1US\$=83 yen and 1euro=107 yen (1US\$=90 yen and 1euro=120 yen for the fourth quarter).

With regard to the above-mentioned structural reform, we will book an extraordinary loss of about 20 billion yen in the fiscal year ending March 31, 2013 for costs to strengthen our business structure, for which we will promote proper workforce, reorganize the production system, review unprofitable products and take other measures.

As a result, the forecasts have been revised as indicated below.

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Full Year (April 1, 2012 to March 31, 2013)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (yen)
Previous forecast (A)	280,000	14,500	13,500	8,500	26.23
Revised forecast (B)	274,000	12,000	13,000	△6,000	△18.52
Changes (B—A)	△6,000	△2,500	△500	△14,500	-
Changes (%)	△2.1	△17.2	△3.7	-	-
Reference: March 31, 2012	279,786	16,528	16,727	7,698	23.76

**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 depreciation method)

Pursuant to an amendment to the Corporation Tax Act, the Company and its domestic consolidated subsidiaries changed the depreciation method starting from the first quarter under review based on the stipulations in the amended Act for property, plant and equipment acquired on and after April 1, 2012.

Impacts on earnings results caused by this change are immaterial.

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

(Unit: Millions of yen)

	As of March 31, 2012	As of December 31, 2012
<b>Assets</b>		
Current assets		
Cash and cash deposits	73,026	69,857
Notes and accounts receivable	61,490	62,060
Merchandise and Finished goods	34,016	37,373
Work in process	20,707	23,822
Raw materials	13,452	16,200
Consumption tax receivable	1,639	1,129
Deferred tax assets	10,057	9,461
Other	6,250	8,500
Allowance for doubtful accounts	△1,203	△1,216
Total Current assets	219,438	227,190
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	31,227	31,775
Machinery, equipment and carriers, net	19,220	20,843
Tools, furniture and fixtures, net	3,861	4,005
Land	12,403	12,689
Lease assets	413	509
Construction in progress	2,457	3,369
Total Property, plant and equipment	69,582	73,192
Intangible fixed assets		
Goodwill	6,412	7,457
Software	2,368	2,541
Leased assets	41	34
Other	1,611	5,443
Total Intangible fixed assets	10,433	15,476
Investments and other assets		
Investment securities	30,046	30,824
Long-term loans receivable	707	598
Deferred tax assets	5,176	4,205
Other	3,420	3,640
Allowance for doubtful accounts	△282	△365
Allowance for investment loss	△499	△460
Total Investments and other assets	38,570	38,443
Total Fixed assets	118,587	127,112
Total assets	338,025	354,302

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(Unit: Millions of yen)

	As of March 31, 2012	As of December 31, 2012
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable	19,135	18,890
Short-term bank loans payable	21,522	15,569
Bonds to be redeemed within a year	500	500
Accrued income taxes	1,987	1,897
Deferred tax liabilities	5	9
Accrued expenses	11,901	12,869
Reserve for bonuses to employees	5,027	2,836
Reserve for bonuses to directors	137	-
Reserve for product warranties	723	743
Notes payable-facilities	465	1,191
Reserve for business restructuring losses	1,909	961
Asset retirement obligations	62	63
Reserve for disaster losses	70	70
Other	20,899	21,402
Total Current liabilities	84,349	77,004
Long-term liabilities		
Bonds	550	10,100
Long-term loans payable	50,650	50,250
Deferred tax liabilities	490	1,490
Reserve for defined retirement benefits	11,976	12,797
Reserve for environmental measures	50	50
Asset retirement obligations	271	248
Other	833	975
Total Long-term liabilities	64,822	75,912
Total liabilities	149,171	152,916
<b>Net assets</b>		
Shareholders' equity		
Paid-in capital	32,648	32,648
Additional paid-in Capital	37,167	33,890
Retained earnings	152,562	144,056
Treasury stock	△22,319	△5,380
Total Shareholders' equity	200,059	205,215
Valuation and translation adjustments		
Net unrealized gain/loss on other securities	3,142	3,825
Deferred gains or losses on hedges	51	-
Foreign currency translation adjustments	△15,755	△11,015
Total Valuation and translation adjustments	△12,560	△7,190
Minority interest	1,354	3,360
Total net assets	188,853	201,385
<b>Total liabilities and net assets</b>	<b>338,025</b>	<b>354,302</b>

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

(Unit: Millions of yen)

	Nine months ended December 31, 2011 (April 1, 2011 to December 31, 2011)	Nine months ended December 31, 2012 (April 1, 2012 to December 31, 2012)
<b>Net sales</b>	212,282	206,872
<b>Cost of sales</b>	136,385	132,534
<b>Gross profit</b>	75,896	74,337
<b>Selling, general and administrative expenses</b>	61,710	62,991
Operating income/Loss	14,186	11,345
<b>Nonoperating income</b>		
Interest Income	289	283
dividend income	600	542
Foreign exchange gains	-	338
Amortization expense of negative goodwill	-	124
Other	912	766
Total Nonoperating income	1,803	2,055
<b>Nonoperating expenses</b>		
Interest changes	860	915
Foreign exchange losses	1,468	-
Equity in losses of affiliates	40	-
Other	356	503
Total Nonoperating expenses	2,726	1,419
Ordinary income/Loss	13,263	11,982
<b>Extraordinary gains</b>		
Reversal of allowance for doubtful accounts	-	112
Reversal of Reserve for business restructuring losses	610	559
Gain on sales of fixed assets	383	1,297
Gain on liquidation of subsidiaries	3	0
Other	58	187
Total Extraordinary gains	1,055	2,158
<b>Extraordinary losses</b>		
Loss on disposal of properties	87	309
Valuation loss on investment securities	57	95
Loss on sales of fixed assets	9	9
Loss on impairment of fixed assets	20	627
Reorganization costs	-	178
Loss on disaster	114	-
Other	390	128
Total Extraordinary losses	680	1,349
Income/Loss before income taxes	13,638	12,790
Income, inhabitants and enterprise taxes	6,893	4,655
Income before minority interests	6,744	8,135
Minority interests/losses( $\Delta$ )	$\Delta$ 12	27
<b>Net income</b>	6,757	8,107

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**Consolidated Statements of Comprehensive Income**

(Unit: Millions of yen)

	Nine months ended December 31, 2011 (April 1, 2011 to December 31, 2011)	Nine months ended December 31, 2012 (April 1, 2012 to December 31, 2012)
Income before minority interests	6,744	8,135
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,711	682
Valuation and translation adjustments	-	△51
Foreign currency translation adjustment	△5,143	4,544
Share of other comprehensive income of associates accounted for using equity method	△126	145
Other comprehensive income	△6,981	5,320
Comprehensive Income	△236	13,455
(Breakdown)		
Comprehensive income attributable to owners of the parent	△356	13,477
Comprehensive income attributable to minority interests	119	△22

**(3) Notes regarding premise of going concern**

Not applicable

**(4) Notes on significant changes in owners' equity accounts**

(Cancellation of Treasury Stock)

The Company canceled 20 million shares held as treasury stock in the nine months ended December 31, 2012 pursuant to the resolution at a board of directors meeting. As a result of this cancellation, additional paid-in capital, retained earnings and treasury stock decreased by 3,276 million yen, 13,663 million yen and 16,939 million yen, respectively.

**(5) Segment information**

(i) Nine months ended December 31, 2011 (April 1, 2011 to December 31, 2011)

1. Net sales and profit or loss by reporting segment

(Millions of yen)	Watches and clocks	Machine tools	Devices and components	Electronic products	Other products	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales								
(i) Customers	106,819	30,024	47,285	16,740	11,412	212,282	-	212,282
(ii) Inter-segment	3,202	223	3,914	778	687	8,805	△8,805	-
Total	110,021	30,248	51,199	17,518	12,099	221,087	△8,805	212,282
Operating income / loss (△)	11,233	3,381	1,350	543	△120	16,388	△2,202	14,186

(Notes) 1. Adjustments to segment loss (operating loss) of 2,202 million yen include intersegment transactions of △42 million yen to be eliminated as well as corporate expenses of 2,159 million yen not allocated to each reporting segment.

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

2. Information concerning loss on impairment of fixed assets or goodwill by reporting segment

The information has been omitted for lack of materiality.

(ii) Nine months ended December 31, 2012 (April 1, 2012 to December 31, 2012)

1. Net sales and profit or loss by reporting segment

(Millions of yen)	Watches and clocks	Machine tools	Devices and components	Electronic products	Other products	Segment totals	Eliminations or general corporate	Consolidated totals
Net sales								
(i) Customers	106,811	26,586	45,707	15,963	11,803	206,872	-	206,872
(ii) Inter-segment	2,235	411	4,185	789	546	8,168	△8,168	-
Total	109,047	26,997	49,893	16,752	12,349	215,040	△8,168	206,872
Operating income / loss (△)	9,821	1,944	1,140	225	557	13,690	△2,344	11,345

(Notes) 1. Adjustments to segment loss (operating loss) of 2,344 million yen include intersegment transactions of △130 million yen to be eliminated as well as corporate expenses of 2,213 million yen not allocated to each reporting segment.

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

2. Information concerning loss on impairment of fixed assets or goodwill by reporting segment

(Significant loss on impairment for fixed assets)

The Company booked 623 million yen in loss on impairment for the Machine Tools segment's domestic bases restructuring.

**(6) Subsequent events**

Structural Reform and Establishment of Subsidiary

The Company, at a board of directors meeting held on February 12, 2013, resolved the implementation of a structural reform to promote proper workforce, reorganize the production structure and review unprofitable products based on its new medium-term management plan. As part of this effort, the Company approved a resolution of its consolidated subsidiary Citizen Watch Co., Ltd. at a board of directors meeting held on the same day to establish a subsidiary.

1. Loss forecast related to structural reform

Reasonable estimate for losses to be caused by the structural reform is not possible as details of the implementation

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have not yet been decided at this moment.

2. Establishment of subsidiary

(1) Purpose

The Company will reorganize its main production function in Japan to regain domestic production strength by concentrating knowledge and skills of the watches and clocks segment, which are now dispersed among companies. For this purpose, a subsidiary will be established as stated below, which the production-related function separated from Citizen Watch Co., Ltd. will be transferred to and also Citizen Heiwa Watch Co., Ltd., Citizen Tohoku Co., Ltd., Citizen Micro Co., Ltd., Citizen Watch Miyota Co., Ltd. and Citizen Watch Kawaguchiko Co., Ltd. will be absorbed into, so that the main production bases for the watches and clocks segment will be integrated.

(2) Outline of companies concerned

Name	Citizen Watch Co., Ltd.	Citizen Heiwa Watch Co., Ltd.
Address	6-1-12, Tanashi-Cho, Nishi-Tokyo-Shi, Tokyo	435, Shimotonooka, Iida-Shi, Nagano
Representative	Ryota Aoyagi, President	Hiroshi Katagiri, President
Business Line	Manufacture and sales of watches and components, etc.	Assembly of watches, assembly of modules, board mounting, FA equipment, assembly of electronics devices, component processing, sales of watches and jewelries
Capital	¥5,000 million	¥80 million
Established	April 2, 2007	October 1, 1949
Total Assets	¥92,825 million	¥10,869 million
Shareholding	Citizen Holdings Co., Ltd. (100%)	Citizen Watch Co., Ltd. (100%)

Name	Citizen Tohoku Co., Ltd.	Citizen Micro Co., Ltd.
Address	2-25, Kita Kogyodanchi, Kitakami-Shi, Iwate	2-15-1, Fujimi, Sayama-Shi, Saitama
Representative	Takashi Kaneko, President	Mamoru Ogura, President
Business Line	Watch components, manufacture of wristwatches, surface treatment processing, processing and assembly of precision components	Watch components, micro reduction gears, micro motors and other precision equipment, precision machine tool components, dies, inspection instruments, molded components, tools, etc.
Capital	¥55 million	¥198.2 million
Established	July 1, 1963	March 24, 1958
Total Assets	¥8,356 million	¥9,238 million
Shareholding	Citizen Watch Co., Ltd. (100%)	Citizen Watch Co., Ltd. (100%)

Name	Citizen Watch Miyota Co., Ltd.	Citizen Watch Kawaguchiko Co., Ltd.
Address	4107-5, Oaza-Miyota, Miyotamachi, Kitasaku-Gun, Nagano	4453, Kamiyoshida, Fujiyoshida-Shi, Yamanashi
Representative	Hideo Ogihara, President	Seiji Hayakawa, President
Business Line	Manufacture, sales and import/export of watches and components, etc.	Manufacture and sales of watch components, etc.
Capital	¥100 million	¥100 million
Established	April 1, 2010	April 1, 2010
Total Assets	¥3,994 million	¥3,917 million
Shareholding	Citizen Watch Co., Ltd. (100%)	Citizen Watch Co., Ltd. (100%)

(3) Outline of new subsidiary

- (i) Name Citizen Watch Manufacturing Co., Ltd.
- (ii) Address 840, Shimotomi, Tokorozawa-Shi, Saitama
- (iii) Representative Hideo Ogihara
- (iv) Business Line Manufacture, sales and import/export of watches and components
- (v) Capital ¥300 million
- (vi) Established July 1, 2013 (to be integrated on October 1, 2013)
- (vii) Shareholder Citizen Watch Co., Ltd. (100%)