This document is a summary translation of the Japanese language original version. In the event of any discrepancy, errors and/or omissions, the Japanese language version shall prevail.

August 9, 2018

Highlights of Consolidated Results for the 1st Quarter of Fiscal Year ending March 31, 2019

	Millions of yen (except for per share amounts)		
	Three months ended June 30, 2017	**Three months ended June 30, 2018**	Change
Revenue	Y 167,728	**Y 171,095**	2.0 %
Business segment profit	17,497	**20,477**	17.0 %
Operating profit	12,603	**22,255**	76.6 %
Profit before income taxes	12,984	**22,502**	73.3 %
Profit for the period	9,322	**16,627**	78.4 %
Profit for the period attributable to owners of the parent company	9,146	**16,565**	81.1 %
Comprehensive income for the period	20,928	**12,502**	-40.3 %
Basic earnings per share for the period (yen)	35.23	**63.79**	
Diluted earnings per share for the period (yen)	35.12	**63.60**	

(Note) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

	As of March 31, 2018	**As of June 30, 2018**
Total assets	Y 708,278	**Y 703,946**
Total equity	412,494	**416,667**
Equity attributable to owners of the parent company	395,514	**399,783**
Equity attributable to owners of the parent company ratio	55.8 %	**56.8 %**
Equity attributable to owners of the parent company per share (yen)	1,523.09	**1,539.43**

Highlights of Consolidated Forecast for Fiscal Year ending March 31, 2019

	Millions of yen (except for per share amounts)		
	Year ended March 31, 2018	[Forecast] Year ending March 31, 2019	Change
Revenue	Y 712,997	Y 690,000	-3.2 %
Business segment profit	77,229	71,000	-8.1 %
Operating profit	68,672	70,000	1.9 %
Profit before income taxes	69,669	70,000	0.5 %
Profit for the period	50,472	52,500	4.0 %
Profit for the period attributable to owners of the parent company	50,020	52,000	4.0 %
Basic earnings per share for the period (yen)	192.08	200.25	
Dividends per common share (yen)	54.00	60.00	

(Note 1) No change has been made to forecasted operating results from the most recent announcement.
(Note 2) No change has been made to forecasted dividends per common share from the most recent announcement.
(Note 3) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

Notes:
1) The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
2) Amounts less than 1 million yen have been rounded down.
3) Yen amounts for the three months ended June 30, 2018 have been translated into U.S. dollars for convenience only, at a uniform rate of US$1=111.00 yen, in the accompanying consolidated financial statements.
4) Operating results for the three months ended June 30, 2018 are based on the following currency exchange rates:
   Actual average rates for the three months ended June 30, 2018: US$=108.71 yen, EURO=129.39 yen
   Forecasts for the year ending March 31, 2019 are based on the following currency exchange rates:
   Assumed average rates for the year ending March 31, 2019: US$=107.00 yen, EURO=128.00 yen
5) Number of shares outstanding (including treasury stock): 262,220 thousands as of March 31, 2018, 262,220 thousands as of June 30, 2018
   Number of treasury stock outstanding: 2,541 thousands as of March 31, 2018, 2,525 thousands as of June 30, 2018
   Number of weighted average shares: 259,654 thousands during the three months ended June 30, 2017, 259,692 thousands during the three months ended June 30, 2018
6) Changes in Accounting Policies: The Brother Group adopted IFRS 15 "Revenue from Contracts with Customers" as of April 1, 2018.
   The Group applied this standard in compliance with the transition provisions, thereby recognizing the cumulative effects of adoption of this standard as an adjustment to the opening balance of retained earnings as at the beginning of the current fiscal year.

The above-mentioned forecasts are the results of estimations based on outlook for economic environment and predictions at the time of this announcement.
The actual results of business performance may sometimes differ from these forecasts due to various factors.

Consolidated Statement of Financial Position

	Millions of yen		Thousands of U.S. dollars
	As of March 31, 2018	**As of June 30, 2018**	**As of June 30, 2018**
Assets			
Current assets			
Cash and cash equivalents	Y 121,384	**Y 120,089**	**$ 1,081,883**
Trade and other receivables	104,624	**100,463**	**905,072**
Other financial assets	9,272	**9,914**	**89,315**
Inventories	116,967	**124,040**	**1,117,477**
Other current assets	14,211	**13,166**	**118,613**
Subtotal	366,459	**367,675**	**3,312,387**
Non-current assets classified as held for sale	174	**172**	**1,550**
Total current assets	366,633	**367,848**	**3,313,946**
Non-current assets			
Property, plant and equipment	120,320	**118,734**	**1,069,676**
Investment property	6,465	**6,451**	**58,117**
Goodwill and intangible assets	153,913	**149,086**	**1,343,117**
Investments accounted for using the equity method	1,498	**1,435**	**12,928**
Other financial assets	38,681	**38,603**	**347,775**
Deferred tax assets	13,489	**14,213**	**128,045**
Other non-current assets	7,275	**7,573**	**68,225**
Total non-current assets	341,644	**336,098**	**3,027,910**
Total assets	Y 708,278	**Y 703,946**	**$ 6,341,856**
Equity and liabilities			
Liabilities			
Current liabilities			
Trade and other payables	Y 68,189	**Y 67,519**	**$ 608,279**
Bonds and borrowings	21,894	**20,499**	**184,676**
Other financial liabilities	3,328	**2,380**	**21,441**
Income taxes payable	6,099	**6,026**	**54,288**
Provisions	4,823	**4,187**	**37,721**
Contract liabilities	-	**3,940**	**35,495**
Other current liabilities	52,676	**45,062**	**405,964**
Subtotal	157,012	**149,617**	**1,347,901**
Liabilities directly associated with assets classified as held for sale	27	**-**	**-**
Total current liabilities	157,039	**149,617**	**1,347,901**
Non-current liabilities			
Bonds and borrowings	94,552	**96,539**	**869,721**
Other financial liabilities	12,040	**9,784**	**88,144**
Retirement benefits liabilities	17,610	**17,361**	**156,405**
Provisions	3,141	**3,088**	**27,820**
Deferred tax liabilities	8,257	**7,867**	**70,874**
Contract liabilities	-	**891**	**8,027**
Other non-current liabilities	3,143	**2,128**	**19,171**
Total non-current liabilities	138,743	**137,661**	**1,240,189**
Total liabilities	295,783	**287,279**	**2,588,099**
Equity			
Capital stock	19,209	**19,209**	**173,054**
Capital surplus	17,517	**17,500**	**157,658**
Retained earnings	427,842	**435,883**	**3,926,874**
Treasury stock	(2,800)	**(2,778)**	**(25,027)**
Other components of equity	(66,255)	**(70,032)**	**(630,919)**
Equity attributable to owners of the parent company	395,514	**399,783**	**3,601,649**
Non-controlling interests	16,980	**16,883**	**152,099**
Total equity	412,494	**416,667**	**3,753,757**
Total equity and liabilities	Y 708,278	**Y 703,946**	**$ 6,341,856**

Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30, 2017	**Three months ended June 30, 2018**	**Three months ended June 30, 2018**
Revenue	Y 167,728	**Y 171,095**	**$ 1,541,396**
Cost of sales	(97,345)	**(98,125)**	**(884,009)**
Gross profit	70,382	**72,969**	**657,378**
Selling, general and administrative expenses	(52,884)	**(52,492)**	**(472,901)**
Other income	800	**2,272**	**20,468**
Other expenses	(5,694)	**(493)**	**(4,441)**
Operating profit	12,603	**22,255**	**200,495**
Finance income	719	**2,368**	**21,333**
Finance expenses	(408)	**(2,139)**	**(19,270)**
Share of profit/(loss) of investments accounted for using the equity method	70	**18**	**162**
Profit before income taxes	12,984	**22,502**	**202,721**
Income tax expenses	(3,662)	**(5,875)**	**(52,928)**
Profit for the period	9,322	**16,627**	**149,793**
Profit for the period attributable to:			
Owners of the parent company	9,146	**16,565**	**149,234**
Non-controlling interests	175	**62**	**559**
Profit for the period	Y 9,322	**Y 16,627**	**$ 149,793**
Earnings per share:	Yen	**Yen**	U.S. dollars
Basic earnings per share	Y 35.23	**Y 63.79**	**$ 0.57**
Diluted earnings per share	35.12	**63.60**	**0.57**

Consolidated Statement of Comprehensive Income

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30, 2017	**Three months ended June 30, 2018**	**Three months ended June 30, 2018**
Profit for the period	Y 9,322	**Y 16,627**	**$ 149,793**
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Gains/(Losses) on investments in equity instruments designated as FVTOCI	1,016	**(342)**	**(3,081)**
Total of items that will not be reclassified subsequently to profit or loss	1,016	**(342)**	**(3,081)**
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges	165	**-**	-
Exchange differences on translating foreign operations	10,423	**(3,781)**	**(34,063)**
Total of items that may be reclassified subsequently to profit or loss	10,589	**(3,781)**	**(34,063)**
Other comprehensive income for the period, net of income tax	11,605	**(4,124)**	**(37,153)**
Comprehensive income for the period	20,928	**12,502**	**112,631**
Comprehensive income for the period attributable to:			
Owners of the parent company	20,712	**12,465**	**112,297**
Non-controlling interests	216	**37**	**333**
Comprehensive income for the period	Y 20,928	**Y 12,502**	**$ 112,631**

Consolidated Statement of Changes in Equity

Three months ended June 30, 2017

Millions of yen

	Equity attributable to owners of the parent company										
					Other components of equity						
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Cash flow hedges	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Total	Total	Non-controlling interests	Total equity
Balance as of April 1, 2017	19,209	17,455	407,843	(24,230)	(75,055)	(161)	-	(75,216)	345,061	16,647	361,709
Profit for the period	-	-	9,146	-	-	-	-	-	9,146	175	9,322
Other comprehensive income	-	-	-	-	10,421	165	979	11,565	11,565	40	11,605
Total comprehensive income for the period	-	-	9,146	-	10,421	165	979	11,565	20,712	216	20,928
Acquisition of treasury stock	-	-	-	(4)	-	-	-	-	(4)	-	(4)
Disposal of treasury stock	-	(33)	(10)	43	-	-	-	-	-	-	-
Cancellation of treasury stock	-	(21)	(21,369)	21,391	-	-	-	-	-	-	-
Dividends paid	-	-	(6,239)	-	-	-	-	-	(6,239)	(111)	(6,351)
Change due to stock swap	-	(2)	-	6	-	-	-	-	3	(3)	-
Reclassification to retained earnings	-	-	979	-	-	-	(979)	(979)	-	-	-
Total transactions with owners	-	(56)	(26,640)	21,435	-	-	(979)	(979)	(6,240)	(115)	(6,356)
Balance as of June 30, 2017	19,209	17,398	390,349	(2,794)	(64,634)	3	-	(64,630)	359,533	16,747	376,281

Three months ended June 30, 2018

Millions of yen

	Equity attributable to owners of the parent company									
					Other components of equity					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Total	Total	Non-controlling interests	Total equity
Balance as of March 31, 2018	**19,209**	**17,517**	**427,842**	**(2,800)**	**(66,255)**	**-**	**(66,255)**	**395,514**	**16,980**	**412,494**
Cumulative effect of adoption of the new accounting standards	**-**	**-**	**(393)**	**-**	**-**	**-**	**-**	**(393)**	**-**	**(393)**
Balance as of April 1, 2018	**19,209**	**17,517**	**427,449**	**(2,800)**	**(66,255)**	**-**	**(66,255)**	**395,120**	**16,980**	**412,101**
Profit for the period	**-**	**-**	**16,565**	**-**	**-**	**-**	**-**	**16,565**	**62**	**16,627**
Other comprehensive income	**-**	**-**	**-**	**-**	**(3,777)**	**(322)**	**(4,099)**	**(4,099)**	**(24)**	**(4,124)**
Total comprehensive income for the period	**-**	**-**	**16,565**	**-**	**(3,777)**	**(322)**	**(4,099)**	**12,465**	**37**	**12,502**
Acquisition of treasury stock	**-**	**-**	**-**	**(2)**	**-**	**-**	**-**	**(2)**	**-**	**(2)**
Disposal of treasury stock	**-**	**(17)**	**(7)**	**24**	**-**	**-**	**-**	**0**	**-**	**0**
Dividends paid	**-**	**-**	**(7,800)**	**-**	**-**	**-**	**-**	**(7,800)**	**(133)**	**(7,934)**
Reclassification to retained earnings	**-**	**-**	**(322)**	**-**	**-**	**322**	**322**	**-**	**-**	**-**
Total transactions with owners	**-**	**(17)**	**(8,130)**	**22**	**-**	**322**	**322**	**(7,803)**	**(133)**	**(7,937)**
Balance as of June 30, 2018	**19,209**	**17,500**	**435,883**	**(2,778)**	**(70,032)**	**-**	**(70,032)**	**399,783**	**16,883**	**416,667**

Three months ended June 30, 2018

Thousands of U.S. dollars

	Equity attributable to owners of the parent company									
					Other components of equity					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Total	Total	Non-controlling interests	Total equity
Balance as of March 31, 2018	**173,054**	**157,811**	**3,854,432**	**(25,225)**	**(596,892)**	**-**	**(596,892)**	**3,563,189**	**152,973**	**3,716,162**
Cumulative effect of adoption of the new accounting standards	**-**	**-**	**(3,541)**	**-**	**-**	**-**	**-**	**(3,541)**	**-**	**(3,541)**
Balance as of April 1, 2018	**173,054**	**157,811**	**3,850,892**	**(25,225)**	**(596,892)**	**-**	**(596,892)**	**3,559,640**	**152,973**	**3,712,622**
Profit for the period	**-**	**-**	**149,234**	**-**	**-**	**-**	**-**	**149,234**	**559**	**149,793**
Other comprehensive income	**-**	**-**	**-**	**-**	**(34,027)**	**(2,901)**	**(36,928)**	**(36,928)**	**(216)**	**(37,153)**
Total comprehensive income for the period	**-**	**-**	**149,234**	**-**	**(34,027)**	**(2,901)**	**(36,928)**	**112,297**	**333**	**112,631**
Acquisition of treasury stock	**-**	**-**	**-**	**(18)**	**-**	**-**	**-**	**(18)**	**-**	**(18)**
Disposal of treasury stock	**-**	**(153)**	**(63)**	**216**	**-**	**-**	**-**	**0**	**-**	**0**
Dividends paid	**-**	**-**	**(70,270)**	**-**	**-**	**-**	**-**	**(70,270)**	**(1,198)**	**(71,477)**
Reclassification to retained earnings	**-**	**-**	**(2,901)**	**-**	**-**	**2,901**	**2,901**	**-**	**-**	**-**
Total transactions with owners	**-**	**(153)**	**(73,243)**	**198**	**-**	**2,901**	**2,901**	**(70,297)**	**(1,198)**	**(71,505)**
Balance as of June 30, 2018	**173,054**	**157,658**	**3,926,874**	**(25,027)**	**(630,919)**	**-**	**(630,919)**	**3,601,649**	**152,099**	**3,753,757**

Consolidated Statement of Cash Flows

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30, 2017	**Three months ended June 30, 2018**	**Three months ended June 30, 2018**
Cash flows from operating activities			
Profit before income taxes	Y 12,984	**Y 22,502**	**$ 202,721**
Depreciation and amortization	8,399	**8,422**	**75,874**
Finance expenses/(income)	(310)	**(228)**	**(2,054)**
Share of loss/(profit) of investments accounted for using the equity method	(70)	**(18)**	**(162)**
Losses/(gains) on sale and disposal of fixed assets	98	**159**	**1,432**
Decrease/(increase) in trade and other receivables	184	**3,809**	**34,315**
Decrease/(increase) in inventories	(2,801)	**(6,917)**	**(62,315)**
Increase/(decrease) in trade and other payables	33	**36**	**324**
Decrease/(increase) in retirement benefit assets	331	**(38)**	**(342)**
Increase/(decrease) in retirement benefit liabilities	(275)	**(85)**	**(766)**
Other	376	**(5,764)**	**(51,928)**
Subtotal	18,950	**21,877**	**197,090**
Interest received	241	**257**	**2,315**
Dividends received	206	**236**	**2,126**
Interest paid	(136)	**(127)**	**(1,144)**
Income taxes paid	(6,751)	**(5,643)**	**(50,838)**
Net cash provided by operating activities	Y 12,511	**Y 16,600**	**$ 149,550**
Cash flows from investing activities			
Purchases of property, plant and equipment	(6,341)	**(5,153)**	**(46,423)**
Proceeds from sales of property, plant and equipment	216	**110**	**991**
Purchases of intangible assets	(1,802)	**(1,685)**	**(15,180)**
Purchases of investments in equity instruments	(102)	**(317)**	**(2,856)**
Proceeds from sales of investments in equity instruments	422	**-**	**-**
Purchase of investments in debt instruments	(3,047)	**(1,892)**	**(17,045)**
Proceeds from sales or redemption of investments in debt instruments	1,097	**1,650**	**14,865**
Payments for acquisition of business	(617)	**-**	**-**
Other	23	**(112)**	**(1,009)**
Net cash provided by (used in) investing activities	Y (10,151)	**Y (7,400)**	**$ (66,667)**
Cash flows from financing activities			
Repayment of short-term borrowings	(342)	**(1,112)**	**(10,018)**
Repayment of long-term borrowings	(287)	**(272)**	**(2,450)**
Repayment of lease obligations	(434)	**(390)**	**(3,514)**
Dividends paid	(6,239)	**(7,800)**	**(70,270)**
Dividends paid to non-controlling interests	(111)	**(133)**	**(1,198)**
Other	(2)	**(1)**	**(9)**
Net cash provided by (used in) financing activities	Y (7,418)	**Y (9,711)**	**$ (87,486)**
Effect of exchange rate changes on cash and cash equivalents	2,143	**(782)**	**(7,045)**
Net increase/(decrease) in cash and cash equivalents	(2,915)	**(1,294)**	**(11,658)**
Cash and cash equivalents at the beginning of the period	112,032	**121,384**	**1,093,550**
Cash and cash equivalents at the end of the period	Y 109,117	**Y 120,089**	**$ 1,081,883**

Segment Information

Three months ended June 30, 2017

Millions of yen

	Reportable segments								
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others	Total	Reconciliations	Consolidated
Revenue									
Customers	98,800	9,349	29,056	11,218	16,448	2,855	167,728	-	167,728
Intersegment	-	-	-	-	-	2,640	2,640	(2,640)	-
Total	98,800	9,349	29,056	11,218	16,448	5,495	170,368	(2,640)	167,728
Business segment profit/(loss)	13,361	(163)	2,543	(60)	1,592	236	17,510	(12)	17,497
Other income and expenses	(4,216)	(289)	(31)	(42)	(349)	35	(4,894)	-	(4,894)
Operating profit/(loss)	9,144	(452)	2,511	(102)	1,242	271	12,616	(12)	12,603
Finance income and expenses									310
Share of profit/(loss) of investments accounted for using the equity method									70
Profit before income taxes									12,984

Three months ended June 30, 2018

Millions of yen

	Reportable segments								
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others	Total	Reconciliations	Consolidated
Revenue									
Customers	**99,454**	**8,810**	**31,395**	**11,528**	**17,106**	**2,799**	**171,095**	**-**	**171,095**
Intersegment	**-**	**-**	**-**	**-**	**-**	**2,857**	**2,857**	**(2,857)**	**-**
Total	**99,454**	**8,810**	**31,395**	**11,528**	**17,106**	**5,656**	**173,952**	**(2,857)**	**171,095**
Business segment profit/(loss)	**14,864**	**(145)**	**4,161**	**222**	**1,223**	**171**	**20,497**	**(20)**	**20,477**
Other income and expenses	**1,146**	**75**	**185**	**(47)**	**336**	**81**	**1,778**	**-**	**1,778**
Operating profit/(loss)	**16,011**	**(70)**	**4,346**	**175**	**1,559**	**252**	**22,275**	**(20)**	**22,255**
Finance income and expenses									**228**
Share of profit/(loss) of investments accounted for using the equity method									**18**
Profit before income taxes									**22,502**

Three months ended June 30, 2018

Thousand of U.S. dollars

	Reportable segments								
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others	Total	Reconciliations	Consolidated
Revenue									
Customers	**895,982**	**79,369**	**282,838**	**103,856**	**154,108**	**25,216**	**1,541,396**	**-**	**1,541,396**
Intersegment	**-**	**-**	**-**	**-**	**-**	**25,739**	**25,739**	**(25,739)**	**-**
Total	**895,982**	**79,369**	**282,838**	**103,856**	**154,108**	**50,955**	**1,567,135**	**(25,739)**	**1,541,396**
Business segment profit/(loss)	**133,910**	**(1,306)**	**37,486**	**2,000**	**11,018**	**1,541**	**184,658**	**(180)**	**184,477**
Other income and expenses	**10,324**	**676**	**1,667**	**(423)**	**3,027**	**730**	**16,018**	**-**	**16,018**
Operating profit/(loss)	**144,243**	**(631)**	**39,153**	**1,577**	**14,045**	**2,270**	**200,676**	**(180)**	**200,495**
Finance income and expenses									**2,054**
Share of profit/(loss) of investments accounted for using the equity method									**162**
Profit before income taxes									**202,721**

Notes:

1) Main products in each business segment are as follows:

Printing & Solutions	Printers, All-in-Ones, Labeling Systems, Label Printers, Scanners, etc.
Personal & Home	Home Sewing Machines, Home Cutting Machines, etc.
Machinery	Industrial Sewing Machines, Garment Printers, Machine Tools, Reducers, Gears, etc.
Network & Contents	Online Karaoke Systems, Management of Karaoke Clubs, Content Services, etc.
Domino	Cording & Marking Equipment, Digital Printing Equipment, etc.
Others	Real Estate, etc.

2) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

FY2018 Q1 Results
Supplementary Information

1. Consolidated results
2. Balance sheet
3. Cash flows
4. Sales Revenue by business segment
5. Business Segment profit by business segment
6. Operating profit by business segment
7. Sales revenue by region
8. R&D Expenses / Capex / Depreciation & Amortization
9. Other Financial Data
10. Exchange rates

Brother Industries, Ltd.

Information on this report, other than historical facts, refers to future prospects and performance, and has been prepared by our Management on the basis of information available at the time of the announcement. This covers various risks, including, but not limited to, economic conditions, customer demand, foreign currency exchange rates, tax rules, regulation and other factors. As a result, actual future performance may differ from any forecasts contained on this report.

1. Consolidated results

(Millions of yen)

	2017 1Q Act	2018 1Q Act	Change (w/o fx impact)
Sales Revenue	167,728	171,095	2.0% (+1.4%)
Business Segment profit	17,497	20,477	17.0%
Operating profit	12,603	22,255	76.6%
Net Income	9,146	16,565	81.1%
ROS(Business Segment profit)	10.4%	12.0%	-
ROS(Operating profit)	7.5%	13.0%	-
Yen-USD	111.61	108.71	-
Yen-Euro	123.14	129.39	-

	2017 Full Year Act	2018 Full Year Fct	Change (w/o fx impact)	2018 Previous Forecast	2018 Revised Forecast	Change (w/o fx impact)
Sales Revenue	712,997	690,000	-3.2% (-1.6%)	690,000	690,000	-
Business Segment profit	77,229	71,000	-8.1%	71,000	71,000	-
Operating profit	68,672	70,000	1.9%	70,000	70,000	-
Net Income	50,020	52,000	4.0%	52,000	52,000	-
ROS(Business Segment profit)	10.8%	10.3%	-	10.3%	10.3%	-
ROS(Operating profit)	9.6%	10.1%	-	10.1%	10.1%	-
Yen-USD	110.81	107.00	-	107.00	107.00	-
Yen-Euro	129.45	128.00	-	128.00	128.00	-

2. Balance sheet

(Millions of yen)

	2017 Full Year Act	2018 1Q Act	Change
Current assets	366,633	367,848	1,214
Non-current assets	341,644	336,098	- 5,546
Current liabilities	157,039	149,617	- 7,422
Non-current liabilities	138,743	137,661	- 1,082
Equity attributable to owners of the parent company	395,514	399,783	4,269
Total assets	708,278	703,946	- 4,331
Cash & cash equivalents	121,384	120,089	-1,294
Interest-bearing debt	116,446	117,039	592
DER*	0.29	0.29	—
Equity ratio attritutable to owners of the parent company	55.8%	56.8%	—

* DER = Interest-bearing debt / Equity attributable to owners of the parent company

3. Cash flows

(Millions of yen)

	2017 1Q Act	2018 1Q Act	Change
Net cash provided by operating activities	12,511	16,600	4,088
Net cash used in investing activities	- 10,151	- 7,400	2,751
Net cash used in financing activities	- 7,418	- 9,711	- 2,292
Cash and cash equivalents at end of period	109,117	120,089	10,972

4. Sales Revenue by business segment

(Millions of yen)

	2017 1Q Act	2018 1Q Act	Change (w/o fx impact)
Printing & Solutions	98,800	99,454	0.7% (+0.4%)
Communications and Printing equipment	87,666	87,563	-0.1% (-0.4%)
Electronic stationery	11,134	11,891	6.8% (+7.0%)
Personal & Home	9,349	8,810	-5.8% (-5.3%)
Machinery	29,056	31,395	8.0% (+7.1%)
Industrial sewing machines	6,777	8,659	27.8% (+26.9%)
Machine tools	17,392	17,782	2.2% (+1.0%)
Industrial Parts	4,887	4,953	1.4% (+1.3%)
Network & Contents	11,218	11,528	2.8% (+2.7%)
Domino	16,448	17,106	4.0% (+0.7%)
Others	2,855	2,799	-2.0% (-2.0%)
G. total	167,728	171,095	2.0% (+1.4%)

	2017 Full Year Act	2018 Full Year Fct	Change (w/o fx impact)	2018 Previous Forecast	2018 Revised Forecast	Change (w/o fx impact)
Printing & Solutions	412,165	393,500	-4.5% (-2.2%)	393,500	393,500	-
Communications and Printing equipment	364,903	346,200	-5.1% (-2.8%)	346,200	346,200	-
Electronic stationery	47,262	47,300	0.1% (+2.5%)	47,300	47,300	-
Personal & Home	44,466	44,900	1.0% (+4.4%)	44,900	44,900	-
Machinery	127,299	115,300	-9.4% (-8.3%)	115,300	115,300	-
Industrial sewing machines	31,094	33,000	6.1% (+9.1%)	33,000	33,000	-
Machine tools	76,018	61,300	-19.4% (-19.0%)	61,300	61,300	-
Industrial Parts	20,186	21,000	4.0% (+4.8%)	21,000	21,000	-
Network & Contents	49,052	49,000	-0.1% (-0.1%)	49,000	49,000	-
Domino	68,390	73,500	7.5% (+5.5%)	73,500	73,500	-
Others	11,623	13,800	18.7% (+18.6%)	13,800	13,800	-
G. total	712,997	690,000	-3.2% (-1.6%)	690,000	690,000	-

5. Business Segment profit by business segment

(Millions of yen)

	2017 1Q Act	2018 1Q Act	Change
Printing & Solutions	13,361	14,864	11.3%
Personal & Home	- 163	- 145	-
Machinery	2,543	4,161	63.6%
Network & Contents	- 60	222	-
Domino	1,592	1,223	-23.2%
Others	236	171	-27.4%
Adjustment	- 12	- 20	-
G. total	17,497	20,477	17.0%

	2017 Full Year Act	2018 Full Year Fct	Change	2018 Previous Forecast	2018 Revised Forecast	Change
Printing & Solutions	52,890	49,800	-5.8%	49,800	49,800	-
Personal & Home	1,981	3,000	51.4%	3,000	3,000	-
Machinery	14,426	11,600	-19.6%	11,600	11,600	-
Network & Contents	2,663	2,400	-9.9%	2,400	2,400	-
Domino	4,640	4,000	-13.8%	4,000	4,000	-
Others	736	200	-72.8%	200	200	-
Adjustment	- 107	-	-	-	-	-
G. total	77,229	71,000	-8.1%	71,000	71,000	-

6. Operating profit by business segment

(Millions of yen)

	2017 1Q Act	2018 1Q Act	Change
Printing & Solutions	9,144	16,011	75.1%
Personal & Home	- 452	- 70	-
Machinery	2,511	4,346	73.0%
Network & Contents	- 102	175	-
Domino	1,242	1,559	25.5%
Others	271	252	-7.0%
Adjustment	- 12	- 20	-
G. total	12,603	22,255	76.6%

	2017 Full Year Act	2018 Full Year Fct	Change	2018 Previous Forecast	2018 Revised Forecast	Change
Printing & Solutions	47,353	48,900	3.3%	48,900	48,900	-
Personal & Home	1,051	3,000	185.3%	3,000	3,000	-
Machinery	14,131	11,700	-17.2%	11,700	11,700	-
Network & Contents	1,343	2,100	56.3%	2,100	2,100	-
Domino	3,998	4,000	0.0%	4,000	4,000	-
Others	901	300	-66.7%	300	300	-
Adjustment	- 107	-	-	-	-	-
G. total	68,672	70,000	1.9%	70,000	70,000	-

7. Sales revenue by region

(Millions of yen)

	2016 Full Year Act	2017 Full Year Act	Change
The Americas	202,599	209,602	3.5%
Europe	161,092	181,224	12.5%
Asia & Others	157,968	201,162	27.3%
Japan	119,525	121,008	1.2%
G. total	641,185	712,997	11.2%

8. R&D Expenses / Capex / Depreciation & Amortization

(Millions of yen)

	2017 1Q Act	2018 1Q Act	Change
R&D Expenses	10,729	10,086	- 643
Capex	6,387	5,595	- 791
Depreciation & Amortization	8,399	8,422	22

	2017 Full Year Act	2018 Full Year Fct	Change
R&D Expenses	45,649	45,600	- 49
Capex	33,993	33,600	- 393
Depreciation & Amortization	34,141	35,900	1,758

2018 Previous Forecast	2018 Revised Forecast	Change
45,600	45,600	-
33,600	33,600	-
35,900	35,900	-

9. Other Financial Data

	2016 Full Year Act	2017 Full Year Act
ROE	13.9%	13.5%
ROA	7.0%	7.2%
EPS	181.96	192.63
Dividend per Share	42.0	54.0
Dividend payout ratio	23.1%	28.0%

10. Exchange rates

	2017 1Q Act	2018 1Q Act
Yen-USD	111.61	108.71
Yen-Euro	123.14	129.39
Yen-GBP	142.92	147.54

2016 Full Year Act	2017 Full Year Act	2018 Full Year Fct
109.03	110.81	107.00
119.37	129.45	128.00
143.04	147.27	150.00