



ANALYST GUIDE FY2014

October 2014



(Listed on the 1st Section of the Tokyo Stock Exchange; Code 7447)

<Contact for information on this material: Mr. Ohno,
Administration Headquarters (03-5289-8200)>



1

Achieved the Highest Sales and Operating Profit.

- 6th consecutive years of growth in sales and profit
- Sales: ¥16,214 m
- Operating profit: ¥4,923 m

2

The Change of Business Environment

- Market Condition: Medical treatment fees revised.
Consumption tax raised.
- Production Condition: Appreciation of the dollar against the yen.
Escalating material prices, rising sewing costs.

3

Unusual Event in this term

[Sales, general, and administrative expenses]

- Relocation to New HQ Building:¥47m

[Non-operating income]

- Exchange-rate profit: FY2013 ¥500m
FY2014 ¥87m

[Extraordinary profit]

- Gain on sale of properties(Sold out old HQ Building, Feb. 2014):¥114m



Outline

I Financial Review FY2014

II Market Environment

III Forecast for FY2015

IV Management Goals

V Rewarding shareholder-focused policies



Establish competitive position in medical clothing market

- Approximately 60% market share in domestic medical clothing
- Wide field, planning, manufacturing and marketing
- Competitive product such as extensive products, custom-made program

Strong growing market

Doctor, Dentist, Pharmacist*1	Nursing Staff*1	Care workers*2
690,000 people	1,540,000 people	1,490,000 people
compare with 2010 +13,000people	compare with 2010 +67,000people	compare with 2010 +160,000people

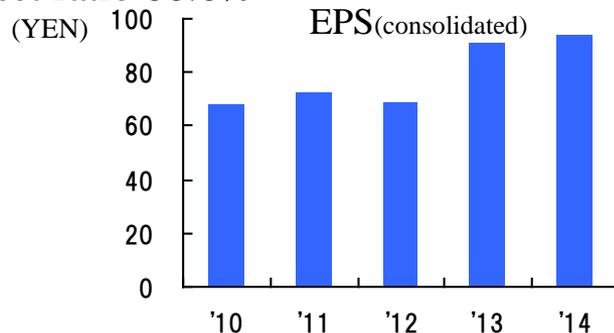
*1 Annual Report on Health, Labour and Welfare 2012, MHLW

*2 Survey of care service facilities and business 2012, MHLW

MHLW: Ministry of Health, Labour and Welfare of Japan

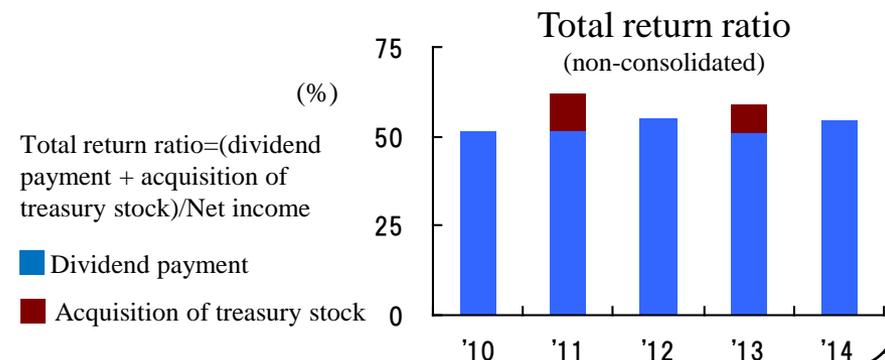
Highly profitability and strong balance sheet

- Gross profit to sales 46.8% (as of FY2014)
- Improve profitability due to overseas production shift
- Capital-to-asset ratio 88.6%



Rewarding shareholder-focused policies

- Continue stable dividend payment with payout ratio of 50%
- Acquisition of treasury stock



I Financial Review FY2014

Financial Highlights <Statements of Income>



(millions of yen,%)	FY2014	% Change	To Forecast %	Composition %	Composition % Change
Net sales	16,214	+3.8	+1.3	100.0	-
Gross profit	7,585	+4.2	+0.9	46.8	-0.2
Sales, general, and administrative expenses	2,662	+7.7	+0.8	16.4	+0.6
Operating income	4,923	+1.0	+0.9	30.4	-0.8
Recurring income	5,142	-5.1	+4.5	31.7	-3.0
Net income	3,224	+3.4	+6.5	19.9	-0.1

[Overview]

-Sales in major markets increased steadily. Growing sales of high functional products and gaining share in central and west Japan contributed to accomplishing the plan. The effect of increasing consumption tax was limited within this term. Though cost and expense raised, increase in revenue brought increase in profit. The highest ever sales continued for 4th consecutive years. Operating income continued for 5th consecutive years.

[Gross profit] y/y +¥239 m(Factor of increase of Net sales: +¥277m, Factor of increase of profit ratio: -¥38m)

Gross profit to sales FY2013 47.0 % → FY2014 46.8 %

Boost of material cost and sewing cost (-¥30m)

Foreign Exchange rate: FY2013 82.5 Yen/dollar → FY2014 88.1 Yen/dollar (-¥98m)

Overseas production ratio FY2013 40.7 % → FY2014 43.1 % (+¥95m)

[Sales, general, and administrative expenses]

- Expenses related with New HQ: ¥134m

(Depreciation:¥87m, Temporal expenses such consumable goods:¥27m, Real estate acquisition tax:¥20m)

[Non-operating income]

- Exchange-rate profit: FY2013 ¥500m FY2014 ¥87m, Profit on securities sold:¥67m

[Extraordinary profit]

-FY2013 Impairment loss(old HQ Building):¥332m, FY2014 Gain on sale of properties(old HQ Building):¥114m

[Capital Expenditure]

-Capital Expenditure: ¥801m (New HQ Building:¥630m, Software:¥11m, Manufacturing equipment:¥29m, Logistic system renewal:¥95m)

-Depreciation: ¥ 335m (New HQ Building:¥87m)

Financial Highlights <Balance Sheet>



Major assets (¥ million %)

Title	Result	Change Result	Change %
Cash on hand at banks	19,054	+1,598	+9.2
Notes and accounts receivable	4,696	+73	+1.6
Securities	1,516	+1,300	+599.9
Inventories	3,835	+311	+8.8
Current assets	29,589	+3,342	+12.7
Buildings and structures	2,570	+924	+56.2
Land	4,480	-212	-4.5
Investments and other assets	1,651	-1,428	-46.4
Fixed assets	9,560	-1,246	-11.5
Total assets	39,150	+2,095	+5.7

Major liabilities and shareholders' equity (¥ million %)

Title	Result	Change Result	Change%
Notes and accounts payable	1,517	+131	+9.5
Accrued income taxes	1,333	-10	-0.7
Current liabilities	4,468	+502	+12.7
Capital reserves	33,569	+1,682	+5.3
Treasury stock	-3,402	0	0.0
Net assets	34,681	+1,593	+4.8
Total liabilities and net assets	39,150	+2,095	+5.7

[Major changes from the previous fiscal year]

Cash and cash equivalents up ¥1,598million

-Cash flows from operating activities up ¥3,271million

-Dividend payout down ¥1,539million

-Acquisition tangible and intangible

fixed assets down ¥731million

- Gain on sale of properties up ¥392million

Fixed assets down ¥1,246million

-Investments and other assets down ¥1,215million

(Cashing out financial assets changed to the same amount of current assets 'securities'.)

-Land down ¥212million

-Buildings and structures up ¥175million

Net assets up ¥1,593million

-Net profit up ¥3,224million

-Dividend payout down ¥1,541million

-Accumulated pension and severance costs down ¥114million

Segments by item



Healthcare wear



Patient wear



Shoes



Doctors' wear



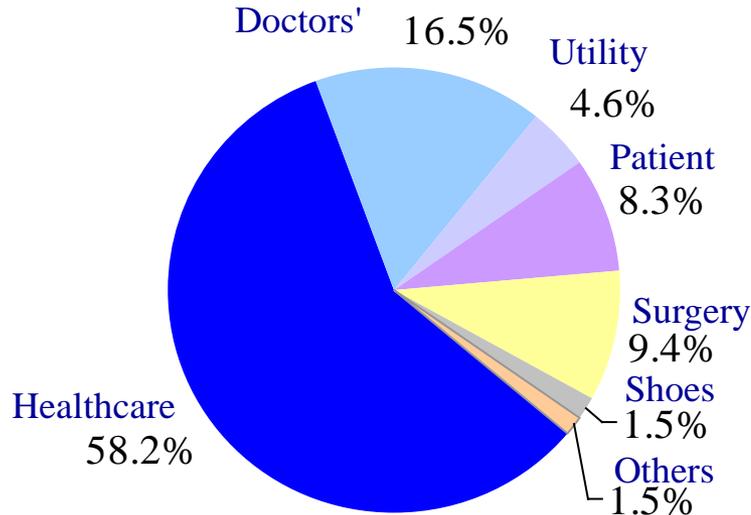
Utility wear



Surgery wear



Sales by Item



Year-on-year change	FY2013	FY2014
Overall	+3.0%	+3.8%
Healthcare wear	+3.1%	+4.4%
Doctors' wear	+3.3%	+4.2%
Utility wear	-7.9%	-6.6%
Patient wear	+4.1%	+6.3%
Surgery wear	+7.7%	+3.2%
Shoes	-7.0%	-5.1%
Others	+14.5%	+9.0%

[Healthcare wear]

-Catching renewal and new contracts smoothly and spreading high functional products in steady, the highest ever sales continued for 5th consecutive years.

[Doctors' wear]

-As new products for team medical care, which related with nurse wears, being received well, steady sales continued.

[Utility wear]

- Sales fell because institutions changed unit of supply from individual to section and tighten the allocation standard.

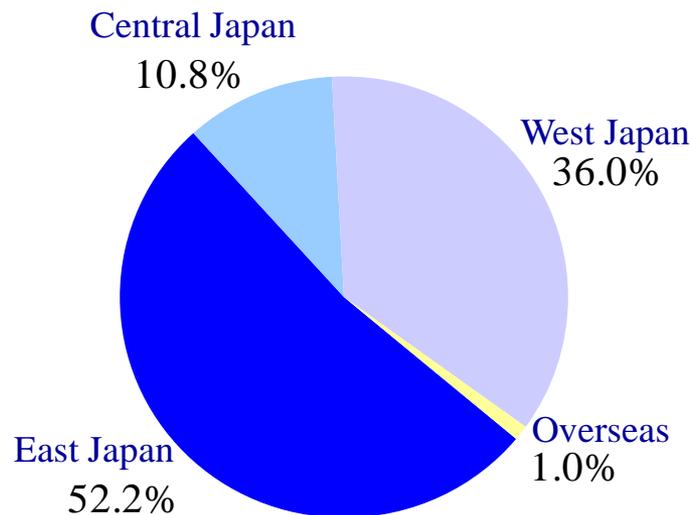
[Patient wear]

-As the demand of health check market expanding, new products contributed to earnings growth.

[Surgery wear]

-As penetrating of surgical underwear(scrub) and COMPELPACK into the market, sales increased continuously.

Sales by Region



Year-on-year change	FY2013	FY2014
Total sales	+3.0%	+3.8%
East Japan	+3.5%	+0.8%
Central Japan	+1.7%	+9.7%
West Japan	+2.3%	+6.0%
Overseas	+13.6%	+24.3%

In FY2013, sales in East Japan achieved robust growth in revenues. In FY2014, sales in Central and West Japan exceeded the previous year and contributed to growth of sales.

[East Japan]

- The growth of FY2012 and FY2013 were high. In this term, focusing on promotion of new products, sale exceeded the previous year.

[Central Japan]

-Market size was not large and there was the influence by the size of contracts. In this term, catching renewal and new contracts, sales grew further.

[West Japan]

-Gaining share by promotion, steady sales continued during the period.

[Overseas]

-Due to the impact of depreciation yen, high-growth sales continued.

II Market Environment



Care Service treatment fees will be revised.(effective Apr. 2015)

The previous revise rate +1.2% (Home+1.0%, Facilities +0.2%)
Supported for Consumption tax raise(Apr. 2014) +0.63%

Forecast of the number of nursing and care staff in 2015

- Nursing staff 1.65m people Increased by 2.57% annually
- Care staff 1.76m people Increased by 5.71% annually

Consumption tax will be raised to 10%.(effective Oct. 2015)

- The impact to market in FY2015 was less.
- It is estimated that raise of tax has less effect on full year sales, because the effective day is far from our high-demand season and 2 months later from our account closing month.

Escalating material prices, rising sewing costs

- The price of polyester increased because of increasing oil price.
- The cost of labor charge around China and Southeast Asia raised due to price escalation.

Effect to the cost of overseas production due to appreciation of the dollar against the yen

-monthly average exchange rate in NY market(as of Aug.)

2010:¥85/dollar, 2011:¥77/dollar, 2012:¥77/dollar, 2013:¥98/dollar, 2014:¥102/dollar

Market Environment

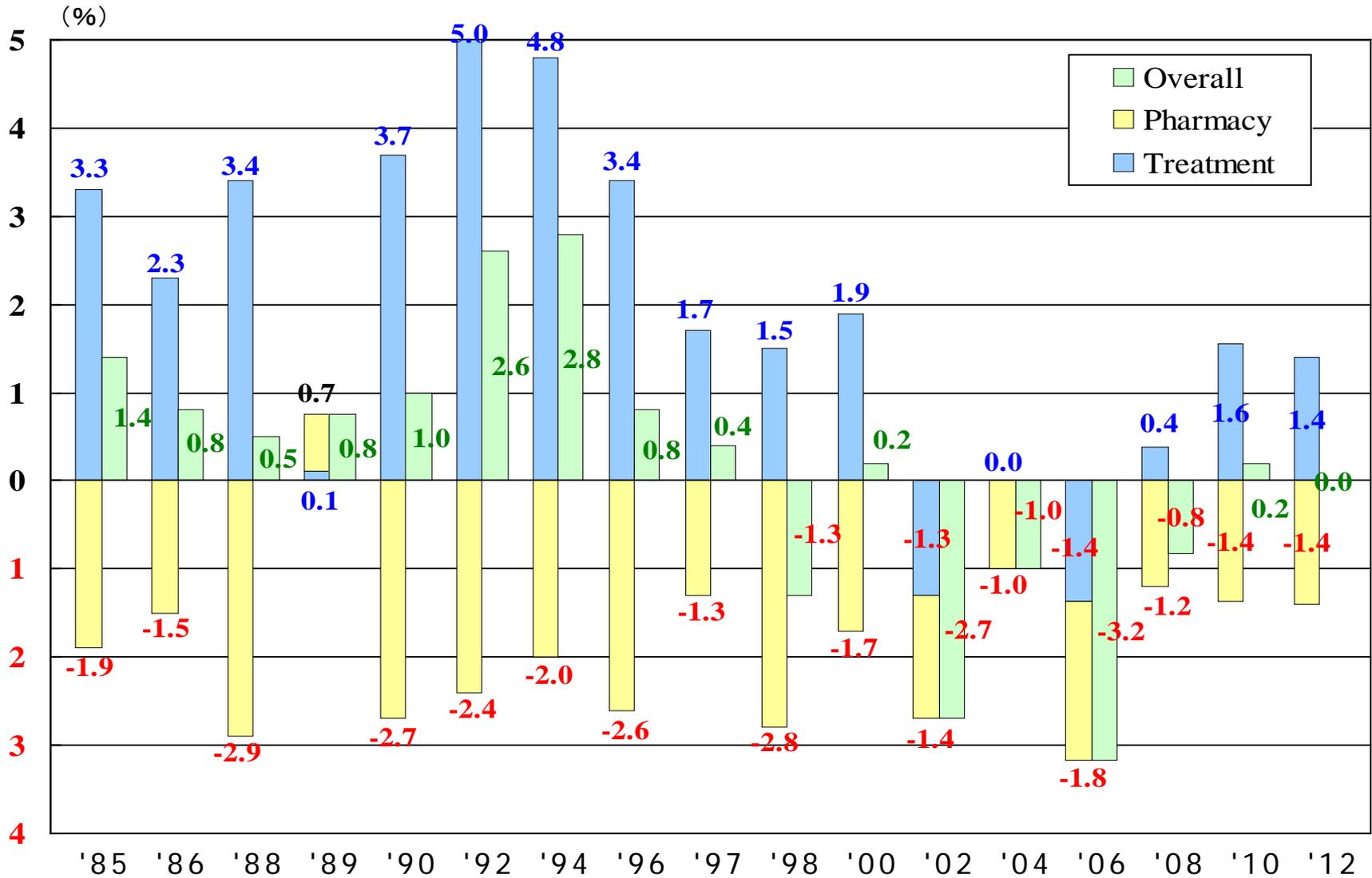


Changes and prospects for medical and care service systems

	Medical System		Care Service System	
	Medical Service Law, Health and Medical Service Law for the Aged, Medical Insurance, etc	Medical treatment fees	Care Service Law, Nursing Care Insurance, etc.	Nursing care fees
'05	Enforcement of Amended Pharmaceutical Affairs Law Release of the 6th prospect for supply and demand of nursing staff			
'06	Proposed draft of reform of medical insurance system submitted. Expansion of DPC to general hospitals.	Total market: -3.16% Service: -1.3% Drug price: -1.8%	Enforcement of Amended Nursing Care Insurance Law 3 rd plan of care insurance system (2006-2008)	Total market: -2.4% Home: -1.0% Facilities: -4.0%
'07	New Health Frontier Strategy announced Social medical corporations instituted by law		Ban lifted on medical corporations from operating private commercial nursing homes. Nursing care type medical facilities to be abolished in 2012	
'08	Medical program for very elderly instituted by law “Metabolic” diagnosis and health guidance specified as mandatory	Total market: -0.83% Service: +0.38% Drug price: -1.2%	Nursing care type elderly health facilities instituted	
'09	Enforcement of Amended Pharmaceutical Affairs Law Local healthcare revival plan		4 th plan of care insurance system (2009-2011)	Total market: +3.0% Home: +1.7% Facilities: +1.3%
'10	Release of the 7th prospect for supply and demand of nursing staff. Legal transformation of national medical highly-advanced center into independent administrative corporations	Total market: +0.19% Service: +1.55% Drug price: -1.36%		
'11	Postponed time limit of abolishing nursing care type medical facilities for 6 year. The interim appraisal of the medical expenses		Disapproval of setting up specialty nursing homes for social medical organization.	
'12	Postponed abolishing of Medical Care System for People Aged 75 and over	Total market: +0.004% Service: +1.38% Drug price: -1.38%	Enforcement of Amended Nursing Care Insurance Law 5 th plan of care insurance system (2012-2014)	Total market: +1.2% Home: +1.0% Facilities: +0.2%
'13	2nd plan of the medical expenses Plan of strategic market creation		Revising of measures against reduction of incidence for nursing care	
'14	Medical Service Act Enforcement of Amended Pharmaceutical Affairs Law	Total market: +0.10% Service: +0.73% Drug price: -0.63%	The law for Medical care synthesis total promotion	
'15		Will be revised by Consumption tax increase		Will be revised



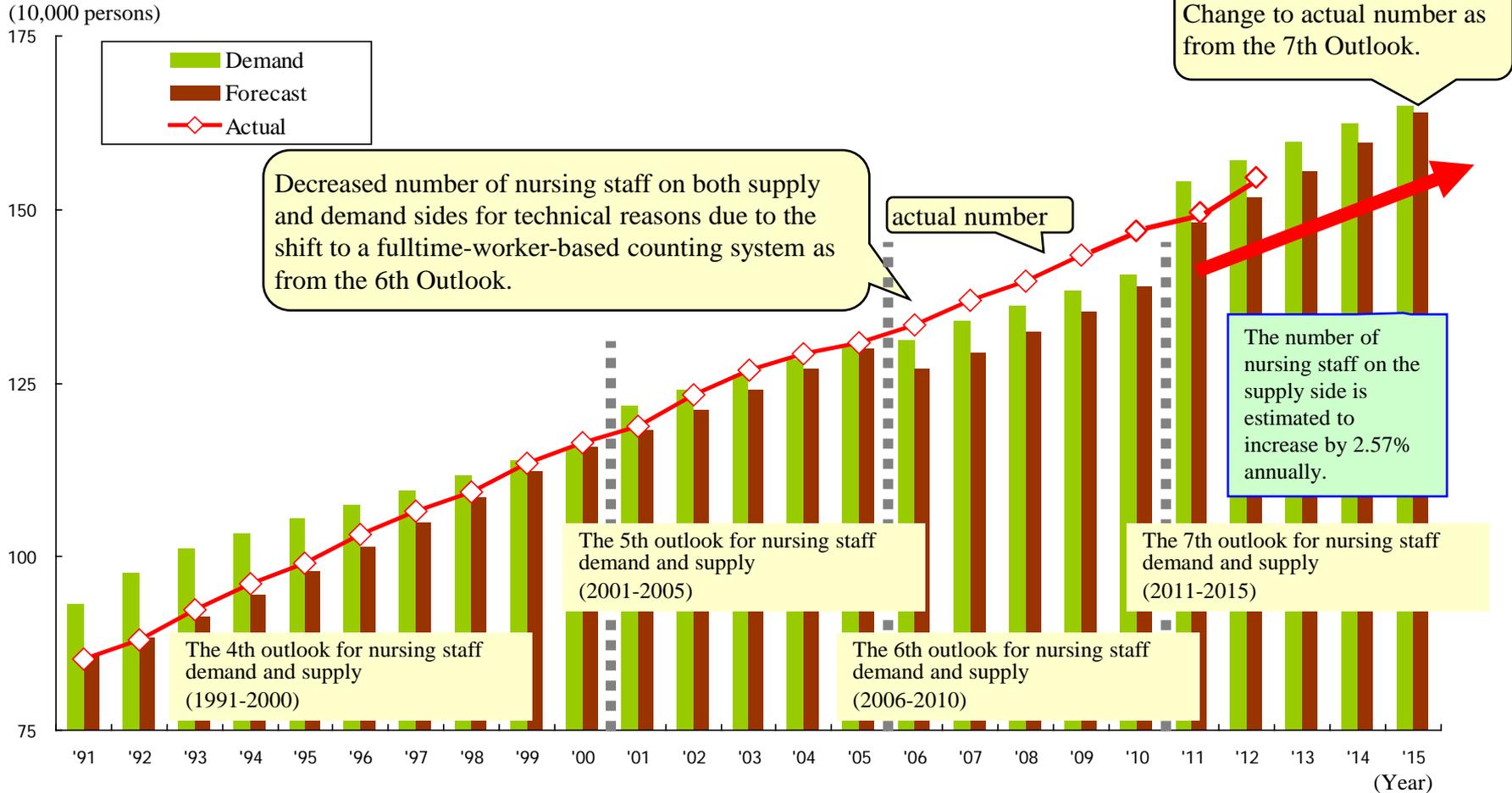
Revisions to medical treatment fees





Supply and Demand of Nursing Staff

(Source: the Ministry of Health, Labor and Welfare (December 2010))



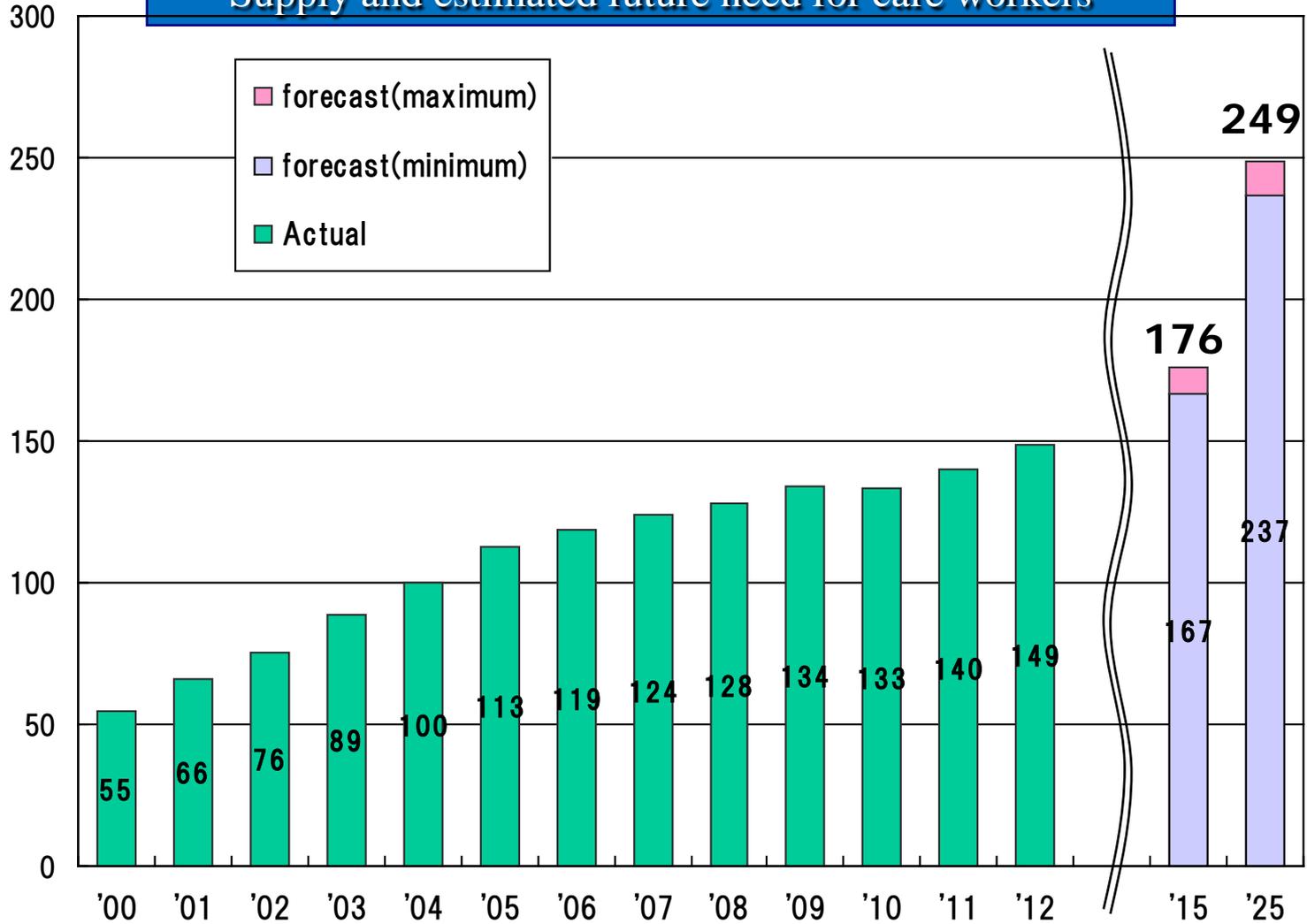
- The 7th outlook for nursing staff demand and supply (five-year plan from 2011 through 2015)
- Change to actual number as from the 7th Outlook.(The 6th is fulltime-worker-based counting system.)
- Outlook for nursing staff supply and demand for all medical and nursing fields

Market Environment



(10,000 persons)

Supply and estimated future need for care workers



Since the number of track records are subject to the influence of change of an examination method, it cannot carry out annual comparison simply after 2010.

Actual record :survey of care service facilities and business, Ministry of Health, Labor and Welfare

Forecast: general politics measurement for the aged society, cabinet

Ⅲ Forecast for FY2015



Marketing strategy to boost sales

- Capture clusters of needs in the healthcare wear market
- Increase peripheral business in products for patients and surgery
- Develop new markets

Production strategy to ensure a steady supply

- Strengthen ties with material makers and trade firms.
- Improve Quick Response production system.
- Develop new production overseas base.

Forecast Statements of Income



(millions of yen,%)	FY2015E	% Change (FY2014)	Composition % Change
Net sales	16,700	+3.0	—
Gross profit	7,757	+2.3	-0.3
Sales, general, and administrative expenses	2,751	+3.3	+0.1
Operating income	5,006	+1.7	-0.4
Recurring income	5,058	-1.6	-1.4
Net income	3,244	+0.6	-0.5

[Overview]

-Net sales is expected 5th consecutive years of growth and best record. Operating income is expected 6th consecutive years of growth and best record. These will be achieved by putting high functional products in healthcare wear and doctor wear, expanding sales healthy in patient/surgery wear and gaining share in Central and West Japan. Increasing in revenue will overcome growing of cost and expense.

[Gross profit] y/y +¥ 172 m(Factor of increase of Net sales +¥226m, Factor of increase of profit ratio -¥ 54 m)

Gross profit to sales FY2014 46.8% → FY2015E 46.5%

Boost of material cost and sewing cost (-¥58m)

Foreign Exchange rate: FY2014 ¥88.1yen/dollar → FY2015E ¥89.2yen/dollar (-¥ 17m)
(85% was reserved, 15% is estimated to110 yen/dollar.)

Overseas production ratio FY2014 43.1% → FY2015E 44.4 % (+¥ 53m)

[Sales, general, and administrative expenses]

- Increase of Depreciation related with New HQ ¥41m, The cost of 100th anniversaries:¥30m

[Non-operating income]

- FY2014 Exchange-rate profit:¥87m , Profit on securities sold;¥67m The impact on forecast is not considered.

[Extraordinary Profit and loss]

-FY2014 Gain on sale of properties(old HQ Building):¥114m

[Capital Expenditure]

-Capital Expenditure: ¥185m (Software:¥65m, Buildings:¥72m, Manufacturing equipment:¥31m)

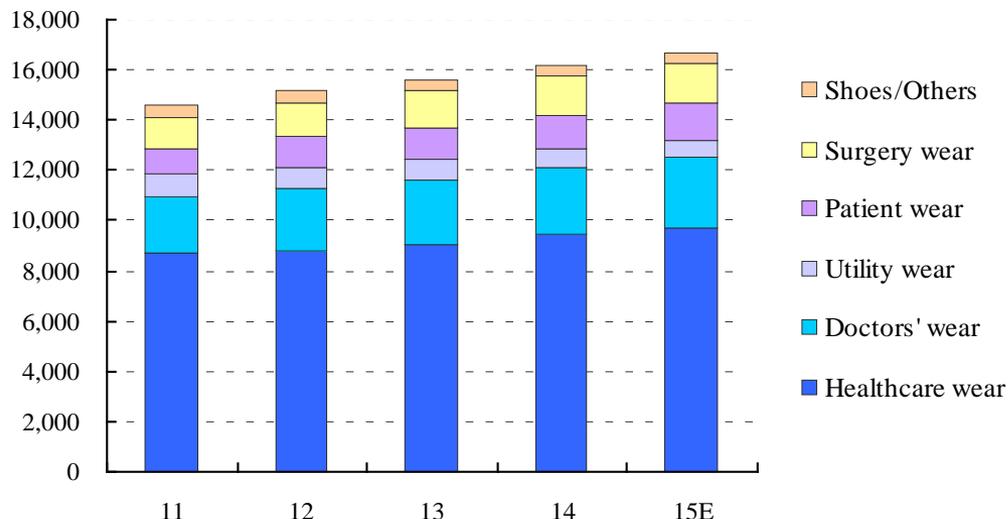
-Depreciation: ¥365m (New HQ Building ¥128m)

Forecast of Sales by Item



Sales by Item

(¥ million)



Year-on-year change	FY2014	FY2015E
Sales	+3.8%	+3.0%
Healthcare wear	+4.4%	+2.8%
Doctors' wear	+4.2%	+4.7%
Utility wear	-6.6%	-5.9%
Patient wear	+6.3%	+7.1%
Surgery wear	+3.2%	+4.9%
Shoes/Others	+1.5%	-5.5%

[Healthcare wear] As renewal demand is stabilized and new products were received well from the market, sales of healthcare wear is expected to increase steadily.

[Utility wear] As the demand being down, the decline in sales of utility wear is expected to continue.

[Patient wear] The increase in sales of patient wear is expected to continue with demand in the health check market.

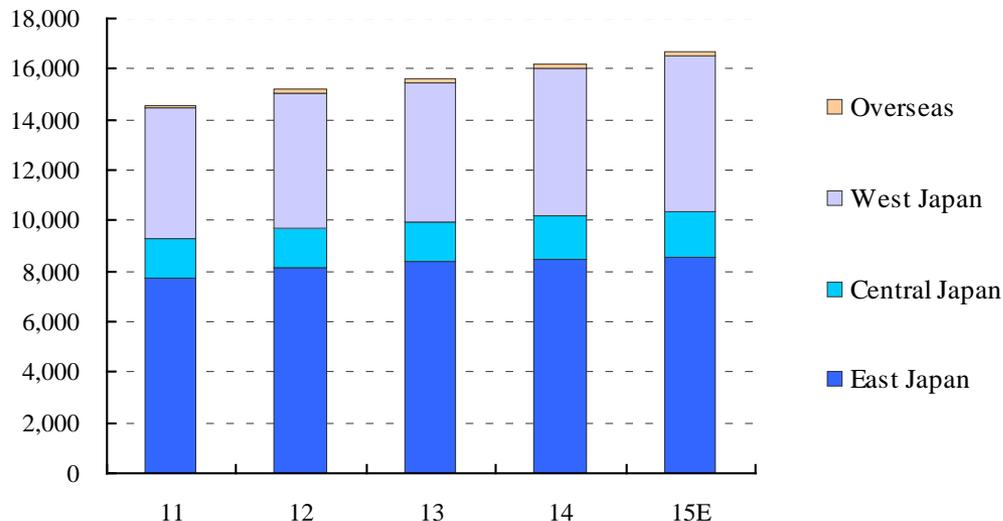
[Surgery wear] As COMPELPACK and surgical underwear (scrub) being steadily permeated, the increase in sales of surgery wear is expected to continue.

Forecast of Sales by Region



Sales by Region

(¥ million)



Year-on-year change	FY2014	FY2015E
Total sales	+3.8%	+3.0%
East Japan	+0.8%	+0.7%
Central Japan	+9.7%	+3.1%
West Japan	+6.0%	+6.2%
Overseas	+24.3%	+7.7%

Each area are expected to increase of sales and continue of the highest ever sales.

[East Japan] Catching renewal orders steadily, the sales in East Japan is expected to increase consistently.

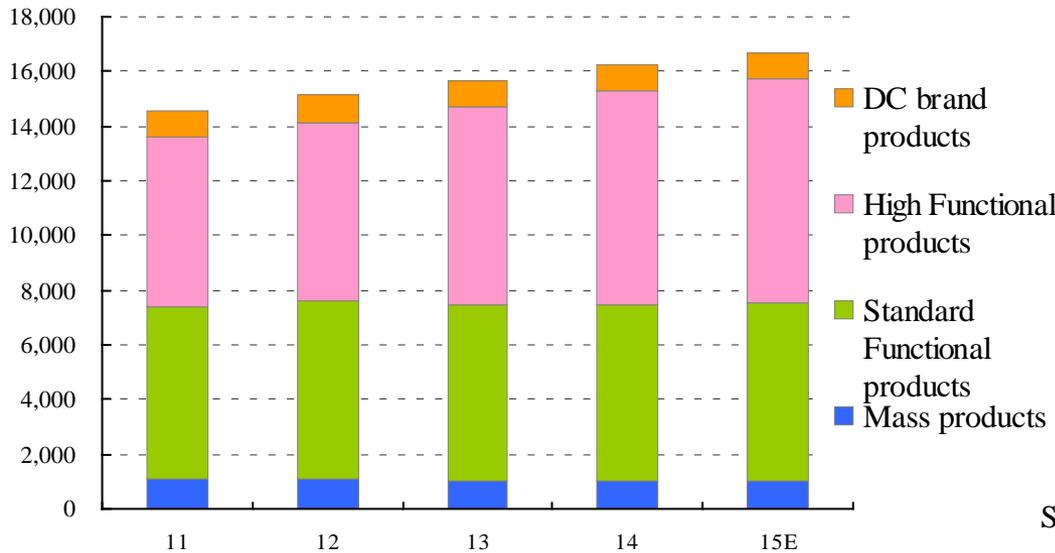
[Central and West Japan] As gaining share by sales promotion, the increase of sales is planned,

[Overseas] Sales is expected to increase as the impact of depreciation yen.

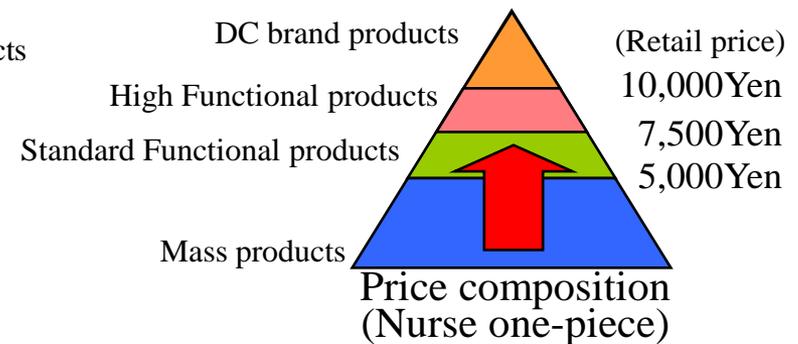


Sales by Product

(¥ million)



Year-on-year change	FY2014	FY2015E
Sales	+3.8%	+3.0%
DC brand products	+0.6%	+0.1%
High Functional products	+8.1%	+5.3%
Standard Functional products	+0.4%	+1.4%
Mass products	-2.7%	-1.7%



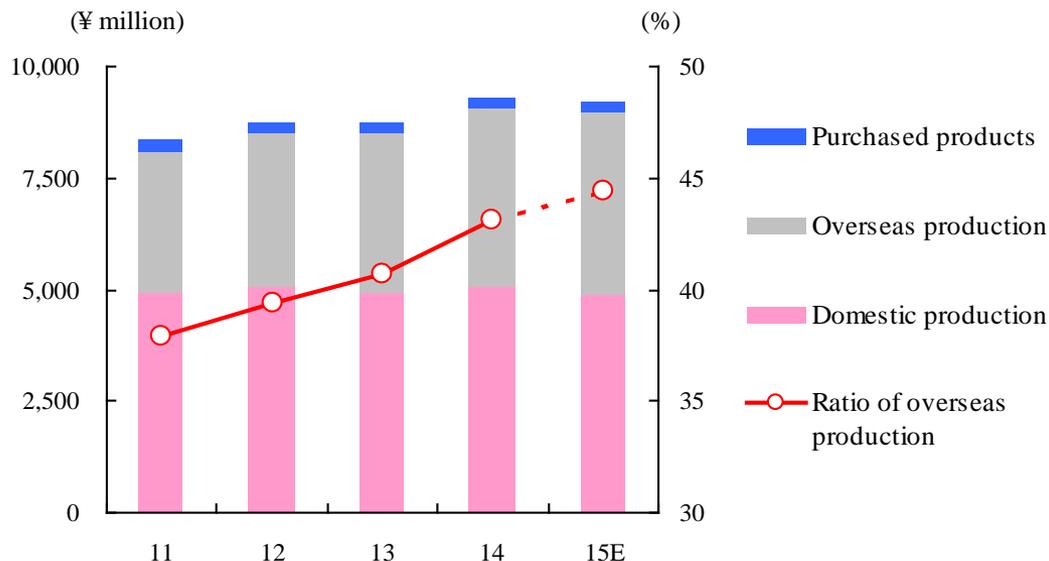
[DC brands] Sales of DC brands is expected to remain same as the previous year. Though existing DC brand products are on the decrease, New brand "Miffy" will contribute to the sale.

[High functional products] As these products being received well from the market, the increase in sales of high functional products is expected to continue by driving the strategy of higher quality and value-added products.

[Mass products] As being on downward trend, the shift from mass products, include other company products, to functional products is expected to continue.



Production(Non-Consolidated)



Composition	FY2014	FY2015E
Domestic production	54.3	53.0
Overseas production	43.1	44.4
Purchased products	2.6	2.6

- To prepare for escalating of material prices and sewing costs, as developing new production infrastructure in overseas, new factory in Java, Indonesia started to operate in February.
- The shift from Jakarta, where is the existing production place, is planned to finish until the end of 2015.

IV Management Goals



Sales Strategy

- Increase peripheral business in products for patients and surgery.
- Gain share In West Japan.
- Develop and Sale of High Functional products.

Profit Strategy

- Driving the strategy of higher quality and value-added products.
- The shift to Overseas production.
- The minimization of exchange risk

Equalization of the fluctuations in foreign exchange rates by reservation of exchange contracts

Defense against depreciation of yen by dollar deposit

Sales Strategy



FY2011
(3 terms ago)

FY2014
(Previous term)

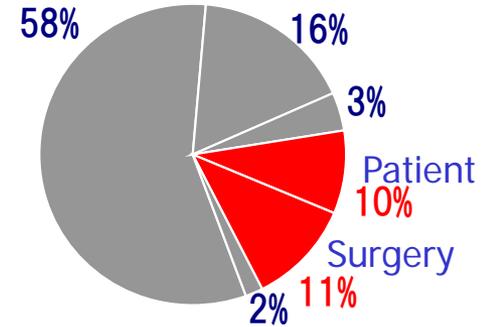
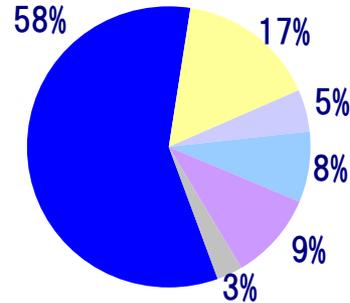
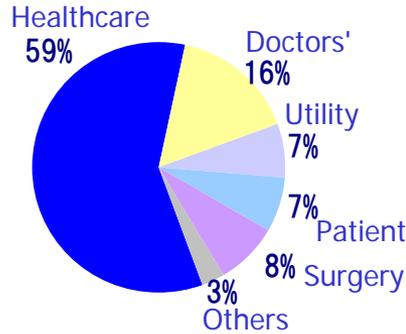
FY2017E
(3 terms later)

net sales ¥14,578 million

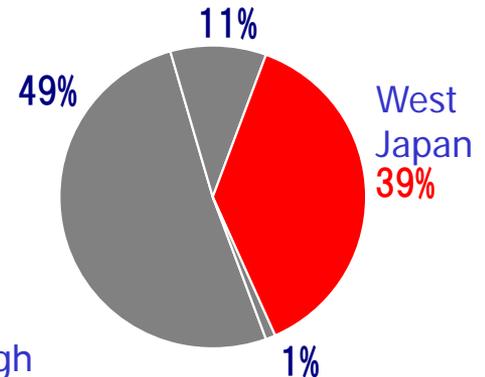
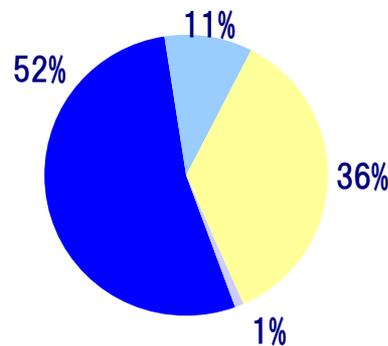
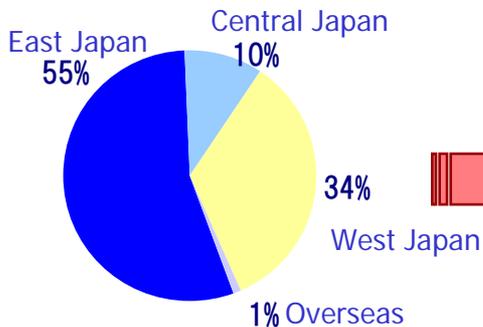
¥16,214 million

¥17,500 million

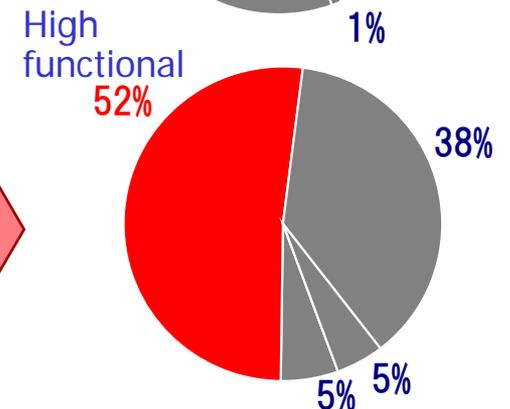
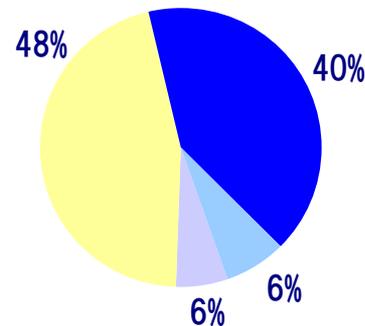
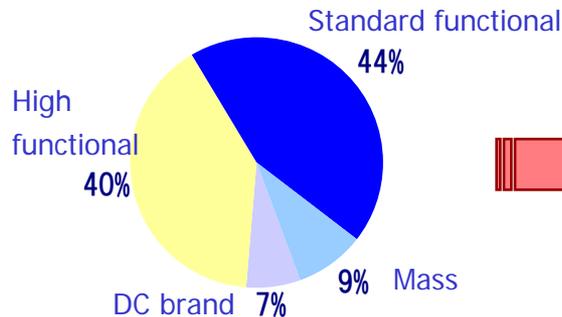
Sales by Item



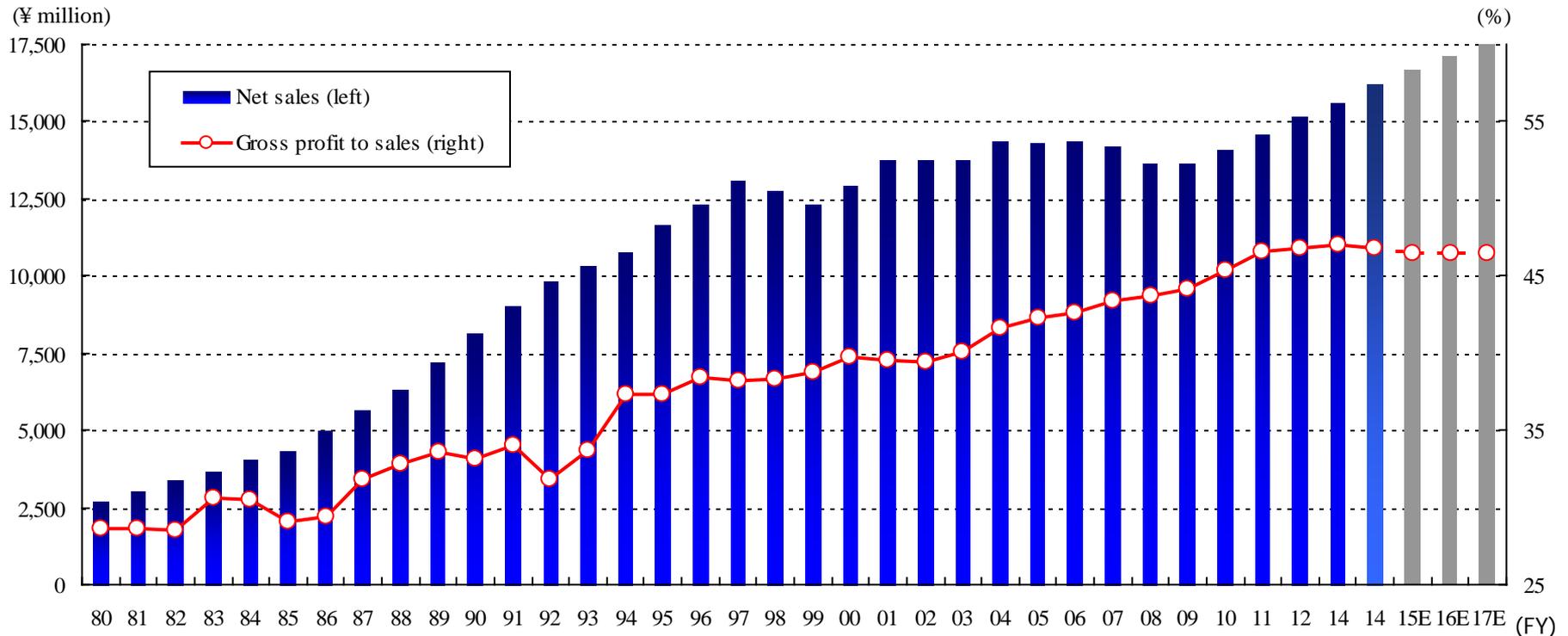
Sales by Region



Sales by Products



Net Sales and Gross Profit to Sales Ratio



Note: Consolidated data since FY1994 are shown. Preceding years represent non-consolidated data.

(¥ million)



FY2017E	
Net Sales	17,500
Operating Income	5,300

V Rewarding shareholder-focused policies



Shareholder-focused policies

- Improvement of transparency by proactive disclosure
- Interactive communication with investors
- Profit reimbursement by high dividends



Dividend policy

- Basic policy is to continue stable dividend payment with payout ratio of 50%

Share buyback

- Acquire expeditiously when our share is undervalued

Actual Dividends Paid



	DPS (yen)	Adjusted DPS (yen)*	Total dividend (Million yen)	Share buyback (Million yen)	Payout ratio (non-c, %)	Total return ratio (non-c, %)
FY2001	25	12.5	475	0	27.6	27.6
FY2002	25	12.5	475	0	29.3	29.3
FY2003	30	15.0	530	1,697	29.7	124.6
FY2004	40	20.0	744	0	36.5	36.5
FY2005	60	30.0	1,117	0	56.9	56.9
FY2006	60	30.0	1,117	0	53.4	53.4
FY2007	60	30.0	1,117	0	53.1	53.1
FY2008	60	30.0	1,083	1,077	56.6	111.2
FY2009	60	30.0	1,040	1,220	57.3	122.2
FY2010	65 (commemorative 5)	32.5	1,127	0	51.4	51.4
FY2011	70	35.0	1,205	226	51.9	61.7
FY2012	35	35.0	1,205	0	55.1	55.1
FY2013	45	45.0	1,541	229	51.1	58.7
FY2014E	E50	E50.0	E1,712	0	E54.4	E54.4

*Two-for-one share split on September 1th, 2011.

*FY2013 is expected.

Management Philosophy

We will provide medical products and services of the highest quality, as the leading company to link "medical services" and "clothing."

- Consistently challenging spirit to lead the industry
- Achievement of contribution to society
- "Respect for Harmony among People" people are our asset



Notes on this material

This material includes forecasts for the future.

These forecasts are based on the judgment of the Company's management concerning currently available information.

These future projections include assumptions or views based on assumptions, and therefore may be different from the actual outcome, depending upon future circumstances.

The expectations for future results stated by the Company or its management in this material do not represent any warranty that these expectations or particular results will be realized.

The Company is not liable to update any of its forecasts, or projections, unless otherwise provided for by law or under the relevant regulations.

Data File

FY2014



(Listed on the 1st Section of the Tokyo Stock Exchange; Code 7447)

<Contact for information on this material: Mr. Ohno, Administration Headquarters (03-5289-8200)>

Index

1	...	Sales by Item
2	...	Sales by Product
3	...	Sales by Region
4	...	Rationalization of the Production System and Our Purchasing Strategy (Non-Consolidated)
5	...	Statements of Income (Consolidated)
6	...	Statements of Income (Non-Consolidated)
7	...	Indices (Consolidated)
8	...	Indices (Non-Consolidated)
9•10	...	Statements of Income (Consolidated•Non-Consolidated)
11•12	...	Balance Sheet (Consolidated•Non-Consolidated)

1. Sales by Item

FY	11/8	12/8	13/8	14/8	15/8E
Sales	14,578	15,175	15,625	16,214	16,700
Healthcare wear	8,675	8,769	9,039	9,440	9,700
Doctors' wear	2,306	2,483	2,566	2,674	2,800
Utility wear	865	864	796	743	700
Patient wear	1,025	1,223	1,273	1,353	1,450
Surgery wear	1,258	1,374	1,479	1,525	1,600
Shoes	271	268	249	237	200
Others	176	191	219	239	250

Change over previous year

Sales	3.6	4.1	3.0	3.8	3.0
Healthcare wear	4.2	1.1	3.1	4.4	2.8
Doctors' wear	3.6	7.7	3.3	4.2	4.7
Utility wear	-7.5	-0.1	-7.9	-6.6	-5.9
Patient wear	6.6	19.3	4.1	6.3	7.1
Surgery wear	7.4	9.2	7.7	3.2	4.9
Shoes	-5.4	-1.0	-7.0	-5.1	-15.6
Others	6.3	8.3	14.5	9.0	4.5

Composition

Sales	100.0	100.0	100.0	100.0	100.0
Healthcare wear	59.5	57.8	57.9	58.2	58.1
Doctors' wear	15.8	16.4	16.4	16.5	16.8
Utility wear	5.9	5.7	5.1	4.6	4.2
Patient wear	7.0	8.1	8.2	8.3	8.7
Surgery wear	8.6	9.0	9.5	9.4	9.6
Shoes	1.9	1.8	1.6	1.5	1.2
Others	1.2	1.2	1.4	1.5	1.5

(¥ million)

First-half 13/8	First-half 14/8
6,463	6,775
3,725	3,914
982	1,064
352	334
580	617
621	641
100	87
100	114

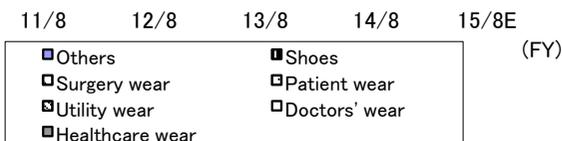
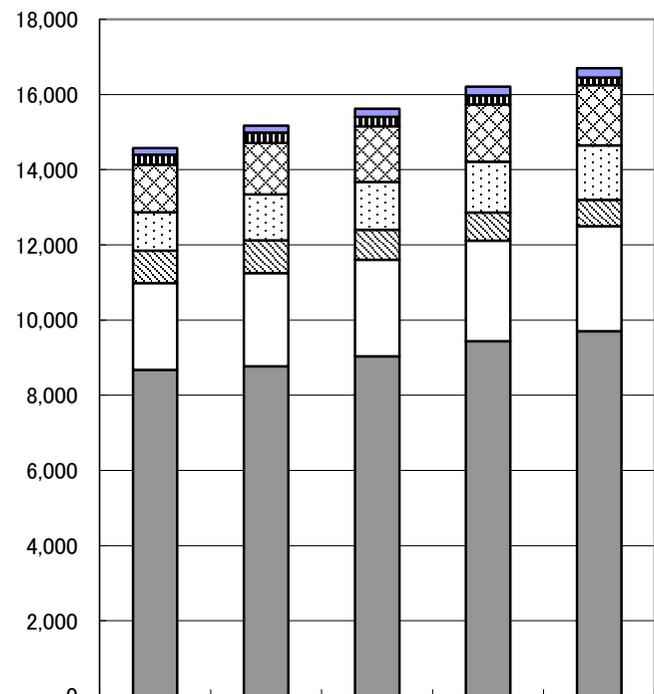
(%)

4.5	4.8
4.9	5.1
6.8	8.4
-4.5	-4.9
1.2	6.3
8.2	3.3
-6.0	-13.0
11.8	14.0

(%)

100.0	100.0
57.6	57.8
15.2	15.7
5.4	4.9
9.0	9.1
9.6	9.5
1.6	1.3
1.6	1.7

(¥ million)



2. Sales by Product

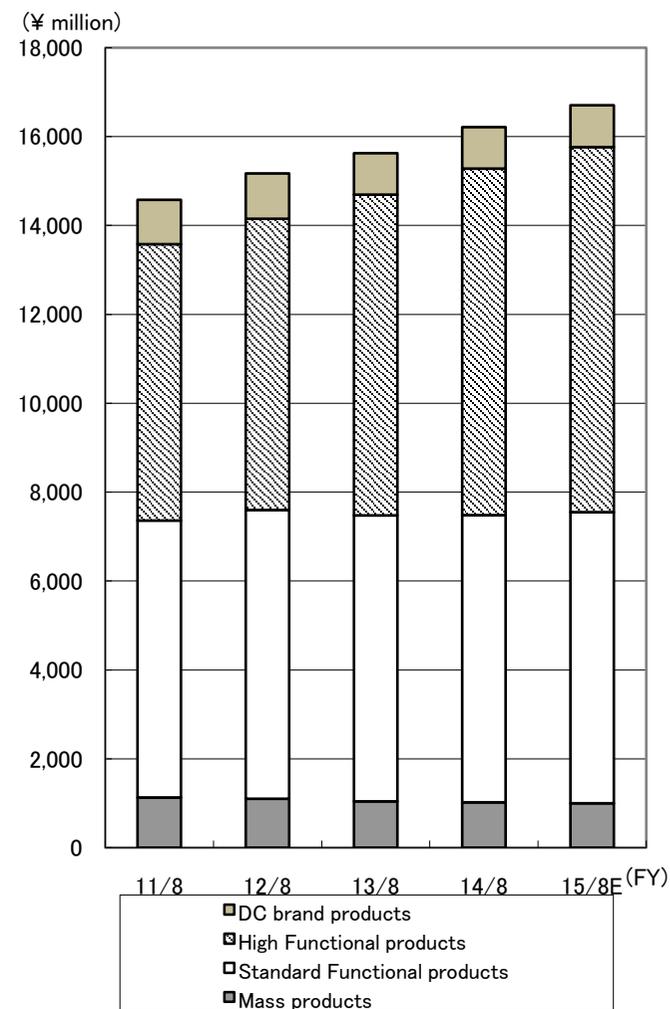
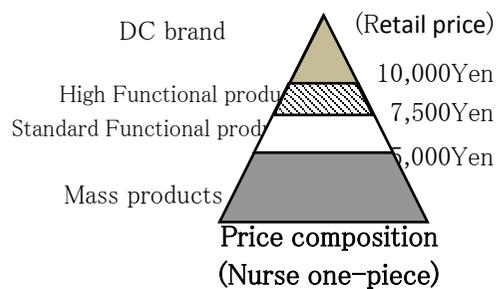
FY						(¥ million)	
	11/8	12/8	13/8	14/8	15/8E	First-half 13/8	First-half 14/8
Sales	14,578	15,175	15,625	16,214	16,700	6,463	6,775
DC brand products	998	1,024	933	938	940	406	394
High Functional products	6,216	6,547	7,212	7,795	8,210	3,009	3,267
Standard Functional products	6,232	6,501	6,433	6,462	6,550	2,623	2,712
Mass products	1,130	1,100	1,045	1,017	1,000	424	400

Change over previous year

						($\%$)	
Sales	3.6	4.1	3.0	3.8	3.0	4.5	4.8
DC brand products	2.5	2.6	-8.9	0.6	0.1	-4.6	-2.9
High Functional products	10.8	5.3	10.1	8.1	5.3	14.9	8.6
Standard Functional products	-0.4	4.3	-1.0	0.4	1.4	-2.8	3.4
Mass products	-8.0	-2.6	-5.1	-2.7	-1.7	-3.6	-5.5

Composition

						($\%$)	
Sales	100.0	100.0	100.0	100.0	100.0	100.0	100.0
DC brand products	6.8	6.8	6.0	5.8	5.6	6.3	5.8
High Functional products	42.6	43.1	46.2	48.1	49.2	46.5	48.2
Standard Functional products	42.7	42.8	41.2	39.9	39.2	40.6	40.1
Mass products	7.8	7.3	6.7	6.3	6.0	6.6	5.9



3. Sales by Region

FY	11/8	12/8	13/8	14/8	15/8E
Sales	14,578	15,175	15,625	16,214	16,700
East Japan	7,739	8,106	8,390	8,461	8,520
Central Japan	1,550	1,564	1,591	1,745	1,800
West Japan	5,168	5,386	5,508	5,839	6,200
Overseas	119	118	134	167	180

(¥ million)

First-half 13/8	First-half 14/8
6,463	6,775
3,423	3,422
623	779
2,359	2,503
57	70

Change over previous year

Sales	3.6	4.1	3.0	3.8	3.0
East Japan	-0.5	4.7	3.5	0.8	0.7
Central Japan	7.1	0.9	1.7	9.7	3.1
West Japan	9.2	4.2	2.3	6.0	6.2
Overseas	1.7	-1.3	13.6	24.3	7.7

(%)

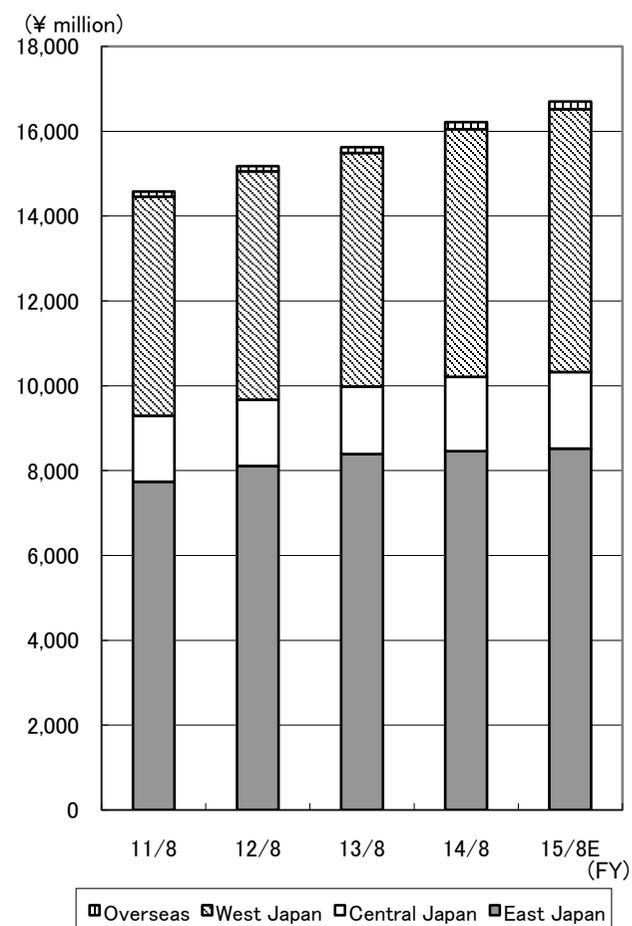
4.5	4.8
7.0	0.0
-2.4	25.1
2.5	6.1
21.2	21.6

Composition

Sales	100.0	100.0	100.0	100.0	100.0
East Japan	53.1	53.4	53.7	52.2	51.0
Central Japan	10.6	10.3	10.2	10.8	10.8
West Japan	35.5	35.5	35.3	36.0	37.1
Overseas	0.8	0.8	0.9	1.0	1.1

(%)

100.0	100.0
53.0	50.5
9.6	11.5
36.5	37.0
0.9	1.0



4. Rationalization of the Production System and Our Purchasing Strategy(Non-Consolidated)

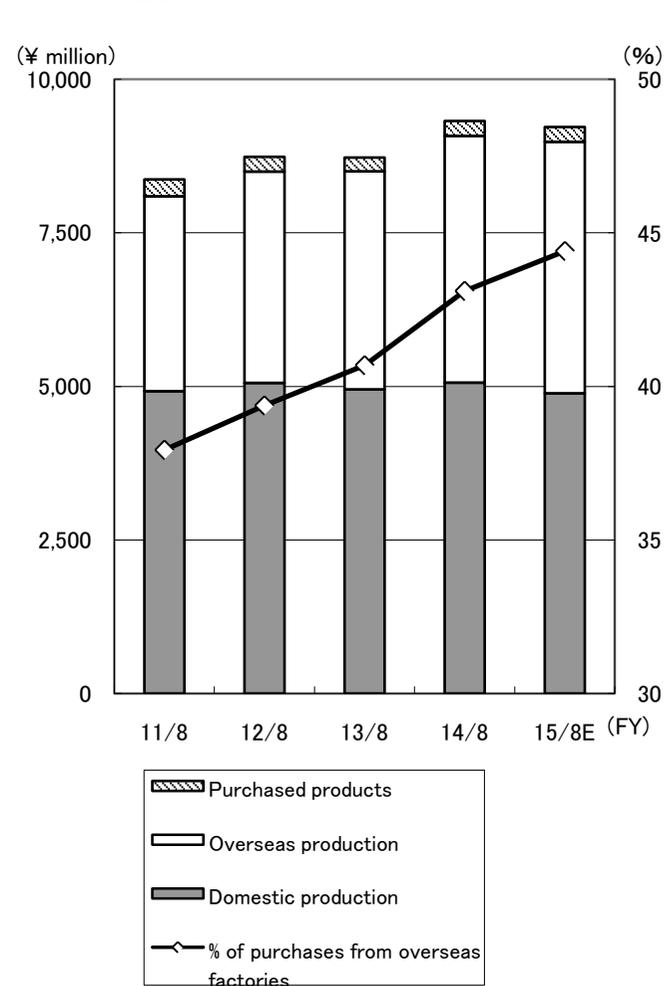
FY	11/8	12/8	13/8	14/8	15/8E	(\yen million)	
						First-half 13/8	First-half 14/8
Domestic production	4,921	5,056	4,951	5,061	4,887	2,494	2,454
Overseas production	3,174	3,441	3,550	4,017	4,095	1,805	1,880
Purchased products	274	240	224	242	240	89	71
Total	8,369	8,737	8,725	9,320	9,222	4,388	4,405

Change over previous year

	11/8	12/8	13/8	14/8	15/8E	(%)	
						13/8	14/8
Domestic production	7.9	2.8	-2.1	2.2	-3.4	-1.3	-1.6
Overseas production	17.6	8.4	3.2	13.2	1.9	3.7	4.2
Purchased products	-2.8	-12.6	-6.5	8.0	-0.8	-31.0	-20.2
Total	11.0	4.4	-0.1	6.8	-1.1	-0.2	0.4

Composition

	11/8	12/8	13/8	14/8	15/8E	(%)	
						13/8	14/8
Domestic production	58.8	57.9	56.7	54.3	53.0	56.8	55.7
Overseas production	37.9	39.4	40.7	43.1	44.4	41.1	42.7
Purchased products	3.3	2.7	2.6	2.6	2.6	2.1	1.6
Total	100.0						



5. Statements of Income (Consolidated)

(¥ million)

FY	11/8	12/8	13/8	14/8	15/8E	First-half 13/8	First-half 14/8
Net Sales	14,578	15,175	15,625	16,214	16,700	6,463	6,775
Gross profit	6,793	7,103	7,346	7,585	7,757	3,034	3,169
Sales, general, and administrative expense	2,434	2,461	2,473	2,662	2,751	1,262	1,337
Operating income	4,358	4,642	4,873	4,923	5,006	1,771	1,831
Recurring income	4,277	4,787	5,418	5,142	5,058	2,157	1,925
Net income	2,493	2,371	3,119	3,224	3,244	1,321	1,264

Change over previous year

(%)

Net Sales	3.6	4.1	3.0	3.8	3.0	4.5	4.8
Gross profit	6.3	4.6	3.4	3.3	2.3	4.6	4.5
Sales, general, and administrative expense	2.2	1.1	0.5	7.7	3.3	-5.3	6.0
Operating income	8.8	6.5	5.0	1.0	1.7	12.9	3.3
Recurring income	7.4	11.9	13.2	-5.1	-1.6	27.2	-10.7
Net income	6.4	-4.9	31.5	3.4	0.6	38.5	-4.3

Composition

(%)

Net Sales	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Gross profit	46.6	46.8	47.0	46.8	46.5	46.9	46.8
Sales, general, and administrative expense	16.7	16.2	15.8	16.4	16.5	19.5	19.8
Operating income	29.9	30.6	31.2	30.4	30.0	27.4	27.0
Recurring income	29.3	31.5	34.7	31.7	30.3	33.4	28.4
Net income	17.1	15.6	20.0	19.9	19.4	20.5	18.7

6. Statements of Income (Non-Consolidated)

FY						(¥ million)	
	11/8	12/8	13/8	14/8	15/8E	First-half 13/8	First-half 14/8
Net Sales	14,574	15,166	15,616	16,199	16,700	6,458	6,767
Gross profit	6,464	6,794	7,031	7,270	7,468	2,899	3,032
Sales, general, and administrative expenses	2,413	2,493	2,482	2,662	2,748	1,255	1,330
Operating income	4,051	4,301	4,549	4,608	4,719	1,644	1,701
Recurring income	3,987	4,458	5,177	4,938	4,874	2,130	1,902
Net income	2,322	2,189	3,014	3,145	3,160	1,345	1,290

Change over previous year

						(%)	
Net Sales	3.6	4.1	3.0	3.7	3.1	4.5	4.8
Gross profit	5.4	5.1	3.5	3.4	2.7	5.4	4.6
Sales, general, and administrative expenses	1.8	3.3	-0.4	7.2	3.3	-4.8	6.0
Operating income	7.6	6.2	5.8	1.3	2.4	14.8	3.5
Recurring income	7.2	11.8	16.1	-4.6	-1.3	36.1	-10.7
Net income	5.9	-5.7	37.7	4.4	0.5	52.2	-4.1

Composition

						(%)	
Net Sales	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Gross profit	44.4	44.8	45.0	44.9	44.7	44.9	44.8
Sales, general, and administrative expenses	16.6	16.4	15.9	16.4	16.5	19.4	19.7
Operating income	27.8	28.4	29.1	28.5	28.2	25.5	25.1
Recurring income	27.4	29.4	33.2	30.5	29.1	33.0	28.1
Net income	15.9	14.4	19.3	19.4	18.9	20.8	19.1

7. Indices (Consolidated)

		(Unit)	10/8	11/8	12/8	13/8	14/8	First-half 13/8	First-half 14/8
Profitability	ROE	(%)	8.4	8.5	7.8	9.7	9.5	-	-
	ROA	(%)	12.5	13.0	14.3	15.0	13.5	-	-
ROE resolution	Return on sales Net income	(%)	16.7	17.1	15.6	20.0	19.9	-	-
	Total Assets Turnover	(Times)	0.4	0.4	0.4	0.4	0.4	-	-
	Leverage	(Times)	1.1	1.1	1.1	1.1	1.1	-	-
Financial stability	Current Ratio	(%)	743.3	799.9	749.1	768.1	802.1	-	-
	Fixed Assets Ratio	(%)	27.1	30.4	32.8	32.1	30.1	-	-
	Fixed Assets Ratio to Total of Shareholders' Equity and Long-term Liabilities	(%)	26.6	29.8	32.2	31.5	29.4	-	-
	Account Receivable Turnover	(Times)	3.3	3.4	3.6	3.5	3.5	-	-
	Inventory Turnover	(Times)	4.7	5.0	4.7	4.5	4.4	-	-
Per share data	BPS	(¥)	1,653.9	1,732.2	902.3	966.2	1,012.7	911.3	959.5
	EPS	(¥)	135.2	144.6	68.9	90.8	94.1	38.4	36.9
	DPS	(¥)	-	-	-	-	-	-	-
	Payout ratio	(%)	48.1	48.4	50.8	49.5	53.1	-	-
Adjusted Per share data	Free issue/Stock split				2011/9/1 2-for-1				-
	Adjusted BPS	(¥)	827.0	866.1	-	-	-	-	-
	Adjusted EPS	(¥)	67.6	72.3	-	-	-	-	-
	Adjusted DPS	(¥)	-	-	-	-	-	-	-
Others	Capital expenditure	(¥ million)	209	2,949	285	925	801	467	697
	Depreciation	(¥ million)	278	280	270	256	335	124	147
	Number of employees	(Persons)	488	490	501	499	501	505	502
	Personnel expense	(¥ million)	2,147	2,190	2,235	2,245	2,305	1,113	1,149

(Note1) Ratio of Fixed Assets to Total of Shareholders' Equity and Long-term Liabilities = Fixed Assets/ (Total shareholders' equity + Long-term Liabilities)

(Note2) Each of the balance sheet items used in the turnover figures is the average of the balances at the beginning and the end of the financial year.

8. Indices (Non-Consolidated)

		(Unit)	10/8	11/8	12/8	13/8	14/8	First-half 13/8	First-half 14/8
Profitability	ROE	(%)	8.4	8.6	7.8	10.3	10.1	-	-
	ROA	(%)	12.7	13.1	14.1	15.7	14.2	-	-
ROE resolution	Return on sales Net income	(%)	15.6	15.9	14.4	19.3	19.4	-	-
	Total Assets Turnover	(Times)	0.5	0.5	0.5	0.5	0.5	-	-
	Leverage	(Times)	1.1	1.1	1.1	1.1	1.1	-	-
Financial stability	Current Ratio	(%)	743.5	716.3	671.0	706.1	735.8	-	-
	Fixed Assets Ratio	(%)	28.7	32.4	35.2	34.4	31.9	-	-
	Fixed Assets Ratio to Total of Shareholders' Equity and Long-term Liabilities	(%)	28.3	31.9	34.8	34.0	31.5	-	-
	Account Receivable Turnover	(Times)	3.3	3.4	3.6	3.5	3.5	-	-
	Inventory Turnover	(Times)	5.6	6.1	5.8	5.6	5.4	-	-
Per share data	BPS	(¥)	1,528.7	1,597.0	828.6	883.7	931.9	833.8	877.7
	EPS	(¥)	126.5	134.6	63.6	87.8	91.9	39.1	37.7
	DPS	(¥)	65.0	70.0	35.0	45.0	50.0	-	-
	Payout ratio	(%)	51.4	52.0	55.1	51.3	54.4	-	-
Adjusted Per share data	Free issue/Stock split				2011/9/1 2-for-1				-
	Adjusted BPS	(¥)	764.3	798.5	-	-	-	-	-
	Adjusted EPS	(¥)	63.2	67.3	-	-	-	-	-
	Adjusted DPS	(¥)	32.5	35.0	-	-	-	-	-
Others	Capital expenditure	(¥ million)	175	2,913	261	846	772	392	671
	Depreciation	(¥ million)	234	233	233	214	295	105	126
	Number of employees	(Persons)	109	108	106	110	112	107	111
	Personnel expense	(¥ million)	980	996	999	1,007	1,051	501	528

(Note1) Ratio of Fixed Assets to Total of Shareholders' Equity and Long-term Liabilities = Fixed Assets / (Total shareholders' equity + Long-term Liabilities)

(Note2) Each of the balance sheet items used in the turnover figures is the average of the balances at the beginning and the end of the financial year.

9. Statements of Income (Consolidated)

(¥ million,%)

FY	13/8		14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Net Sales	15,625	100.0	16,214	100.0	589	3.8
Cost of sales	8,278	53.0	8,628	53.2	349	4.2
Gross profit	7,346	47.0	7,585	46.8	239	3.3
Sales, general, and administrative expenses	2,473	15.8	2,662	16.4	189	7.7
Packing and freight expenses	222		227			
Advertising expenses	235		263			
Personnel expenses	1,178		1,225			
Management commission expense	128		123			
Depreciation expenses	156		237			
Operating income	4,873	31.2	4,923	30.4	49	1.0
Non-operating income	621	4.0	261	1.6	-359	-57.9
Interest income	19		16			
Rent income	59		58			
Others	542		187			
Non-operating expense	76	0.5	42	0.3	-34	-45.0
Fixed assets rent expense	40		39			
Others	36		2			
Recurring income	5,418	34.7	5,142	31.7	-275	-5.1
Extraordinary profit	-	0.0	115	0.7	115	-
Extraordinary loss	344	2.2	26	0.2	-318	-92.3
Income before income taxes	5,073	32.5	5,231	32.3	158	3.1
Income, inhabitant and enterprise taxes	2,074		1,902			
Tax adjustments	-120		104			
Net income	3,119	20.0	3,224	19.9	104	3.4

(¥ million,%)

	First-half 13/8		First-half 14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
	6,463	100.0	6,775	100.0	311	4.8
	3,429	53.1	3,606	53.2	176	5.2
	3,034	46.9	3,169	46.8	135	4.5
	1,262	19.5	1,337	19.8	75	6.0
	100		101			
	187		181			
	588		613			
	60		60			
	76		98			
	1,771	27.4	1,831	27.0	59	3.3
	405	6.3	115	1.7	-289	-71.4
	9		8			
	30		29			
	365		77			
	20	0.3	21	0.3	1	6.4
	20		19			
	0		2			
	2,157	33.4	1,925	28.4	-231	-10.7
	-	-	115	1.7	115	-
	9	0.2	0	0.0	-8	-89.7
	2,147	33.2	2,039	30.1	-107	-5.0
	794		622			
	30		152			
	1,321	20.5	1,264	18.7	-57	-4.3

10. Statements of Income (Non-Consolidated)

FY	13/8		14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Net Sales	15,616	100.0	16,199	100.0	582	3.7
Cost of sales	8,584	55.0	8,928	55.1	343	4.0
Gross profit	7,031	45.0	7,270	44.9	238	3.4
Sales, general, and administrative expenses	2,482	15.9	2,662	16.4	179	7.2
Packing and freight expenses	433		435			
Advertising expenses	234		262			
Personnel expenses	1,007		1,051			
Management commission expenses	130		126			
Depreciation expenses	153		235			
Operating income	4,549	29.1	4,608	28.5	58	1.3
Non-operating income	747	4.8	415	2.5	-332	-44.4
Interest income	17		15			
Dividend income	99		107			
Rent income	128		126			
Others	502		166			
Non-operating expense	119	0.7	86	0.5	-33	-28.3
Fixed assets rent expense	77		77			
Others	42		8			
Recurring income	5,177	33.2	4,938	30.5	-239	-4.6
Extraordinary profit	-	0.0	115	0.7	115	-
Extraordinary loss	343	2.2	26	0.2	-316	-92.3
Income before income taxes	4,834	31.0	5,027	31.0	192	4.0
Income, inhabitant and enterprise taxes	1,951		1,763			
Tax adjustments	-131		117			
Net income	3,014	19.3	3,145	19.4	131	4.4

(¥ million,%)

FY	First-half 13/8		First-half 14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Net Sales	6,458	100.0	6,767	100.0	309	4.8
Cost of sales	3,558	55.1	3,734	55.2	176	5.0
Gross profit	2,899	44.9	3,032	44.8	132	4.6
Sales, general, and administrative expenses	1,255	19.4	1,330	19.7	75	6.0
Packing and freight expenses	199		197			
Advertising expenses	187		181			
Personnel expenses	501		528			
Management commission expenses	62		61			
Depreciation expenses	75		97			
Operating income	1,644	25.5	1,701	25.1	57	3.5
Non-operating income	524	8.1	241	3.6	-283	-54.1
Interest income	8		7			
Dividend income	95		102			
Rent income	64		63			
Others	356		66			
Non-operating expense	38	0.6	40	0.6	1	5.1
Fixed assets rent expense	38		38			
Others	0		2			
Recurring income	2,130	33.0	1,902	28.1	-227	-10.7
Extraordinary profit	-	-	115	1.7	115	-
Extraordinary loss	7	0.1	0	0.0	-7	-88.8
Income before income taxes	2,122	32.9	2,016	29.8	-105	-5.0
Income, inhabitant and enterprise taxes	738		562			
Tax adjustments	38		163			
Net income	1,345	20.8	1,290	19.1	-54	-4.1

(¥ million,%)

11. Balance Sheet (Consolidated)

FY	(¥ million, %)					
	13/8		14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Current assets	26,247	70.8	29,589	75.6	3,342	12.7
Cash on hand and at banks	17,456		19,054			
Trade notes and accounts receivable	4,622		4,696			
Securities	216		1,516			
Inventories	3,524		3,835			
Others	428		488			
Reserve bad debt	0		-1			
Fixed assets	10,807	29.2	9,560	24.4	-1,246	-11.5
Tangible fixed assets	7,639	20.6	7,837	20.0	197	2.6
Buildings and structures	1,645		2,570			
Machinery and equipment	476		594			
Land	4,692		4,480			
Construction in progress	768		-			
Others	57		192			
Intangible fixed asset	88	0.3	71	0.2	-16	-18.5
Investments and other assets	3,079	8.3	1,651	4.2	-1,428	-46.4
Investment securities	1,753		537			
Others	1,327		1,116			
Reserve bad debt	-1		-3			
Total assets	37,054	100.0	39,150	100.0	2,095	5.7

Current liabilities	3,356	9.1	3,605	9.2	248	7.4
Trade notes and accounts payable	1,385		1,517			
Accrued income taxes	1,344		1,333			
Accrued bonus	82		81			
Others	544		671			
Long-term liabilities	610	1.6	863	2.2	253	41.5
Accrued pension and severance costs	343		580			
Directors' retirement allowances	168		180			
Others	98		101			
Total liabilities	3,966	10.7	4,468	11.4	502	12.7
Total shareholders' equity	32,768	88.4	34,450	88.0	1,682	5.1
Capital stock	1,925		1,925			
Capital reserves	2,358		2,358			
Retained earnings	31,886		33,569			
Treasury stock	-3,401		-3,402			
Valuation and translation adjustments	320	0.9	231	0.6	-89	-27.9
Net unrealized gains on investment securities	78		137			
Deferred hedging gains and losses	241		208			
Accumulated pension and severance costs	-		-114			
Total net assets	33,088	89.3	34,681	88.6	1,593	4.8
Total liabilities and total net assets	37,054	100.0	39,150	100.0	2,095	5.7

	(¥ million, %)					
	First-half 13/8		First-half 14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
	24,108	69.8	25,144	69.7	1,035	4.3
	15,134		16,016			
	4,095		4,106			
	216		216			
	4,278		4,330			
	385		474			
	-2		0			
	10,438	30.2	10,951	30.3	512	4.9
	7,651	22.2	7,914	21.9	262	3.4
	1,743		2,647			
	523		577			
	4,962		4,480			
	389		-			
	32		208			
	85	0.2	85	0.2	0	0.0
	2,701	7.8	2,951	8.2	249	9.3
	1,742		1,820			
	960		1,132			
	-1		-1			
	34,546	100.0	36,095	100.0	1,548	4.5

	2,749	8.0	2,585	7.2	-163	-6.0
	1,598		1,570			
	785		610			
	77		77			
	288		327			
	586	1.7	650	1.8	63	10.9
	336		376			
	159		174			
	91		99			
	3,336	9.7	3,236	9.0	-99	-3.0
	30,970	89.6	32,491	90.0	1,520	4.9
	1,925		1,925			
	2,358		2,358			
	30,089		31,609			
	-3,401		-3,401			
	239	0.7	367	1.0	128	53.5
	50		121			
	189		245			
	-		-			
	31,209	90.3	32,858	91.0	1,648	5.3
	34,546	100.0	36,095	100.0	1,548	4.5

12. Balance Sheet(Non-Consolidated)

FY	(¥ million,%)					
	13/8		14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Current assets	23,325	68.8	26,568	74.1	3,242	13.9
Cash on hand and at banks	15,347		16,888			
Trade notes	3,051		2,984			
Accounts receivable	1,570		1,710			
Securities	216		1,516			
Inventories	2,812		3,122			
Others	327		347			
Reserve bad debt	0		-1			
Fixed assets	10,559	31.2	9,286	25.9	-1,273	-12.1
Tangible fixed assets	7,532	22.2	7,740	21.6	207	2.8
Buildings and structures	1,603		2,522			
Machinery and equipment	362		483			
Land	4,692		4,480			
Construction in progress	768		-			
Others	105		253			
Intangible fixed asset	82	0.3	67	0.2	-15	-18.5
Investments and other assets	2,945	8.7	1,479	4.1	-1,466	-49.8
Investment securities	1,753		537			
Others	1,193		944			
Reserve bad debt	-1		-3			
Total assets	33,885	100.0	35,855	100.0	1,969	5.8

Current liabilities	3,245	9.6	3,535	9.9	290	9.0
Trade notes	822		899			
Accounts payable	717		843			
Accrued income taxes	1,273		1,251			
Others	432		541			
Long-term liabilities	377	1.1	404	1.1	27	7.2
Accrued pension and severance costs	134		148			
Directors' retirement allowances	144		154			
Others	98		101			
Total liabilities	3,622	10.7	3,940	11.0	317	8.8
Total shareholders' equity	30,120	88.9	31,725	88.5	1,604	5.3
Capital stock	1,925		1,925			
Capital reserves	2,637		2,637			
Retained earnings	28,959		30,564			
Treasury stock	-3,401		-3,402			
Valuation and translation adjustments	142	0.4	190	0.5	47	33.0
Net unrealized gains on investment securities	78		137			
Deferred hedging gains and losses	64		52			
Total net assets	30,263	89.3	31,915	89.0	1,651	5.5
Total liabilities and total net assets	33,885	100.0	35,855	100.0	1,969	5.8

FY	(¥ million,%)					
	First-half 13/8		First-half 14/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Current assets	21,466	67.8	22,212	67.5	746	3.5
Cash on hand and at banks	13,307		14,085			
Trade notes	1,791		1,836			
Accounts receivable	2,301		2,268			
Securities	216		216			
Inventories	3,536		3,449			
Others	314		356			
Reserve bad debt	-2		0			
Fixed assets	10,182	32.2	10,703	32.5	520	5.1
Tangible fixed assets	7,524	23.8	7,800	23.7	275	3.7
Buildings and structures	1,703		2,596			
Machinery and equipment	389		455			
Land	4,962		4,480			
Construction in progress	389		-			
Others	79		268			
Intangible fixed asset	79	0.3	80	0.2	0	0.8
Investments and other assets	2,578	8.1	2,822	8.6	244	9.5
Investment securities	1,742		1,820			
Others	837		1,003			
Reserve bad debt	-1		-1			
Total assets	31,649	100.0	32,916	100.0	1,266	4.0

Current liabilities	2,734	8.6	2,468	7.5	-265	-9.7
Trade notes	994		919			
Accounts payable	777		755			
Accrued income taxes	729		550			
Others	232		243			
Long-term liabilities	360	1.2	390	1.2	29	8.3
Accrued pension and severance costs	132		141			
Directors' retirement allowances	137		149			
Others	91		99			
Total liabilities	3,094	9.8	2,859	8.7	-235	-7.6
Total shareholders' equity	28,451	89.9	29,870	90.7	1,418	5.0
Capital stock	1,925		1,925			
Capital reserves	2,637		2,637			
Retained earnings	27,290		28,709			
Treasury stock	-3,401		-3,401			
Valuation and translation adjustments	102	0.3	186	0.6	83	81.6
Net unrealized gains on investment securities	50		121			
Deferred hedging gains and losses	52		65			
Total net assets	28,554	90.2	30,056	91.3	1,502	5.3
Total liabilities and total net assets	31,649	100.0	32,916	100.0	1,266	4.0