



Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2015 (U.S. GAAP)

July 29, 2014

OMRON Corporation (6645)

Exchanges Listed:	Tokyo (first section)
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Filing of Quarterly Securities Report (<i>Shihanki hokokusho</i>) (scheduled):	August 8, 2014
Start of Distribution of Dividends (scheduled):	—
Preparation of Supplementary Materials for the Quarterly Financial Results:	Yes
Holding of Presentation of Quarterly Financial Results:	Yes (for investors)

Note: This document has been translated from the Japanese original as a guide to non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.

Note: All amounts are rounded to the nearest million yen.

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2015 (April 1, 2014 – June 30, 2014)

(1) Sales and Income (cumulative)

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Millions of yen - except per share data and percentages			
	Three months ended June 30, 2014		Three months ended June 30, 2013	
		Change (%)		Change (%)
Net sales	197,219	13.0	174,584	16.5
Operating income	19,814	52.3	13,014	59.1
Income before income taxes	21,407	68.5	12,702	86.1
Net income attributable to shareholders	15,493	67.5	9,247	95.9
Net income attributable to shareholders per share, basic (JPY)	70.40		42.01	
Net income attributable to shareholders per share, diluted (JPY)	—		—	

Note: Comprehensive income (loss): Three months ended June 30, 2014: JPY (7,225 million) (63.1% change);
Three months ended June 30, 2013: JPY (19,578 million) (—% change)

(2) Consolidated Financial Position

	Millions of yen - except per share data and percentages	
	As of June 30, 2014	As of March 31, 2014
	Total assets.....	643,041
Net assets.....	439,985	432,778
Shareholders' equity.....	437,655	430,509
Shareholders' equity ratio (%)	68.1	65.8

2. Dividends

		Year ended March 31, 2014	Year ending March 31, 2015	Year ending March 31, 2015 (projected)
Dividends per share	1st quarter dividend (JPY)	—	—	—
	2nd quarter dividend (JPY)	25.00	—	27.00
	3rd quarter dividend (JPY)	—	—	—
	Year-end dividend (JPY)	28.00	—	36.00
	Total dividends for the year (JPY)	53.00	—	63.00

Note: Revisions to projected dividends during the three months ended June 30, 2014: No

3. Projected Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(Percentages represent changes compared with the previous fiscal year or the previous second quarter, as applicable.)

	Millions of yen			
	Second quarter ending September 30, 2014	Change (%)	Full year ending March 31, 2015	Change (%)
Net sales	400,000	11.2	800,000	3.5
Operating income	39,000	26.7	74,000	8.7
Income before income taxes	40,000	33.2	71,000	14.5
Net income attributable to shareholders	29,000	37.0	51,000	10.4
Net income per share attributable to shareholders (JPY)	131.77		231.73	

Note: Revisions to projected results during the three months ended June 30, 2014: Yes

See “OMRON Announces Revision of Consolidated Business Performance Forecast for the Second Quarter of Fiscal 2014,” released today (July 29, 2014) regarding the revision of the performance forecast for the cumulative second quarter. Please note that the performance forecast for the full year is unchanged.

Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation): No
New: – companies (–) Excluded: – companies (–)
- (2) Application of simplified accounting methods and/or special accounting methods: No
- (3) Changes in accounting policy
 - (a) Changes in accounting policy accompanying revision of accounting standards, etc.: No
 - (b) Changes in accounting policy other than (a) above: No
- (4) Number of shares issued and outstanding (common stock)
 - (a) Number of shares at end of period (including treasury stock): June 30, 2014: 227,121,372 shares; March 31, 2014: 227,121,372 shares
 - (b) Treasury stock at end of period: June 30, 2014: 7,036,563 shares; March 31, 2014: 7,032,043 shares
 - (c) Average number of shares during the period (cumulative quarterly period): Three months ended June 30, 2014: 220,086,753 shares; Three months ended June 30, 2013: 220,126,832 shares

Items Regarding the Implementation of Quarterly Review Procedures

This summary of quarterly consolidated results is exempt from the quarterly review procedures based on the Financial Instruments and Exchange Act. Review procedures for the quarterly financial statements based on the Financial Instruments and Exchange Act had not been completed at the time of disclosure of this summary of quarterly consolidated results.

Notes Regarding Use of Projections of Results and Other Matters

1. Projections of results and future developments are based on information available to the Company at the time of writing, as well as certain assumptions judged by the Company to be reasonable. Various factors could cause actual results to differ materially from these projections. Major factors influencing Omron's actual results include, but are not limited to, (i) the economic conditions affecting the Omron Group's businesses in Japan and overseas, (ii) demand trends for the Omron Group's products and services, (iii) the ability of the Omron Group to develop new technologies and new products, (iv) major changes in the fund-raising environment, (v) tie-ups or cooperative relationships with other companies, (vi) movements in currency exchange rates and stock markets, and (vii) accidents, earthquakes, etc.

For the assumptions that form the basis of the projected results, see "1. Qualitative Information on Quarterly Financial Results, (3) Description of Information on Outlook, Including Consolidated Performance Forecast" on page 6.

2. The Company applies the single step method for presentation of its Consolidated Financial Statements based on U.S. GAAP. However, to facilitate comparison with other companies, operating income on the Consolidated Income Statement is presented by subtracting selling, general and administrative expenses and research and development expenses from gross profit.

3. The Company plans to hold a presentation for investors on Tuesday, July 29, 2014. The Company also plans to post an overview and the (voice) content of its explanations, together with financial materials used at the presentation, promptly on its website.

Note: The following abbreviations of business segment names are used in the attached materials.

IAB: Industrial Automation Business

EMC: Electronic and Mechanical Components Business

AEC: Automotive Electronic Components Business

SSB: Social Systems, Solutions and Service Business

HCB: Healthcare Business

Other: Environmental Solutions Business HQ, Electronic Systems & Equipments Division HQ, Micro Devices HQ, Backlight HQ and others

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1. Qualitative Information on Quarterly Financial Results

(1) Description of Results of Operations

General Overview

In the first quarter of fiscal 2014 (April-June 2014), sales and profits of the Omron Group increased substantially compared with the same quarter of the previous fiscal year. Sales increased in all business segments, with particularly strong sales in IAB (Industrial Automation Business), EMC (Electronic and Mechanical Components Business), AEC (Automotive Electronic Components Business) and the Other segment. As for operating income, results were strong in IAB, EMC and the Other segment.

The Omron Group's perception of the economic environment in the first quarter of fiscal 2014 is as follows.

Economic and Market Conditions by Region

- Japan: Although effects of the consumption tax rate increase were evident in some sectors, conditions were firm overall against the backdrop of the government's economic policies and other factors.
- U.S.: Conditions were firm with a rally in the housing market, improvement in the employment and income environment, and expansion of corporate activity, among other factors.
- Europe: There was political instability in some countries, but a gradual recovery trend in business confidence.
- China: There were signs of a rally in the economy against the backdrop of the effects of government policies and increased investment in some industries, among other factors.
- Asia: Despite political instability in some countries, business confidence was firm overall.

Conditions in the Omron Group's Primary Related Markets

- Automotive-related: Capital investment demand was on a recovery track in Japan and overseas, and demand for components was strong overseas.
- Semiconductor-related: Capital investment demand was on a recovery track due to expansion of demand for smartphones and other products.
- Machine tool-related: Capital investment demand was on a recovery track in Japan and overseas.
- Home appliance and electronic component-related: Capital investment demand was on a recovery track, and demand for components was strong in emerging markets and elsewhere.
- Healthcare equipment-related: Although there was political instability in some countries, demand was firm overall.

In addition, the Omron Group has started the EARTH-1 Stage of VG2020, its new medium-term management plan from April 2014, and has set "Start Up EARTH-1: Establishment of a 'self-driven' growth structure" as its policy for fiscal 2014. As its action plan, the Omron Group will prioritize efforts including its existing business strategies, a super-global business strategy, expansion of new businesses for optimization society, profit structure reform and strengthening of global human resources.

Consequently, consolidated results for the first quarter were as follows.

Millions of yen, except exchange rate data and percentages			
	Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Net sales	174,584	197,219	+13.0%
Operating income	13,014	19,814	+52.3%
Income before income taxes	12,702	21,407	+68.5%
Net income attributable to shareholders	9,247	15,493	+67.5%
Average USD exchange rate (JPY)	98.3 JPY	102.0 JPY	+3.7 JPY
Average EUR exchange rate (JPY)	127.6 JPY	139.9 JPY	+12.3 JPY

Results by Business Segment

IAB (Industrial Automation Business)

Millions of yen, except percentages

		Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Sales to external customers	Japan	26,225	28,869	+10.1%
	Overseas	40,543	49,379	+21.8%
	Total	66,768	78,248	+17.2%
Segment profit		7,655	11,907	+55.5%

Sales in Japan

Capital investment demand was strong in the automotive, electronic component-related and other industries, and first quarter sales in Japan increased substantially compared with the same quarter of the previous fiscal year.

Overseas Sales

In the Americas, demand from oil and gas-related businesses was firm. In Europe, demand was firm, supported by a moderate recovery trend in market conditions in main countries and emerging markets. In Asia, demand was weak, with the impact of political instability and currency depreciation. In China, demand was firm in the electronics and automotive industries. As a result, first quarter overseas sales increased substantially compared with the same quarter of the previous fiscal year.

Segment Profit

Segment profit increased substantially compared with the same quarter of the previous fiscal year due to factors including the increase in sales.

EMC (Electronic and Mechanical Components Business)

Millions of yen, except percentages

		Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Sales to external customers	Japan	7,019	6,442	-8.2%
	Overseas	16,674	19,870	+19.2%
	Total	23,693	26,312	+11.1%
Segment profit		1,540	2,382	+54.7%

Sales in Japan

Demand was firm in the consumer and professional-use electric equipment industry, but weak in automotive-related industries and the home appliance industry due to factors including the impact of the increase in the consumption tax rate. As a result, first quarter sales in Japan decreased compared with the same quarter of the previous fiscal year.

Overseas Sales

In the Americas and Europe, demand in the consumer and commerce industry was firm. In Asia, demand in the automotive industry expanded. In China, performance was strong due to factors including expansion of sales in the home appliance industry, in addition to securing new business negotiations in the consumer and professional-use electric equipment industry. As a result, first quarter overseas sales increased substantially compared with the same quarter of the previous fiscal year.

Segment Profit

Segment profit increased substantially compared with the same quarter of the previous fiscal year due to factors including the increase in sales.

AEC (Automotive Electronic Components Business)

Millions of yen, except percentages

		Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Sales to external customers	Japan	6,086	6,791	+11.6%
	Overseas	23,204	25,987	+12.0%
	Total	29,290	32,778	+11.9%
Segment profit		2,210	2,275	+2.9%

Sales in Japan

Despite the effect of the increase in the consumption tax rate, first quarter sales in Japan increased substantially compared with the same quarter of the previous fiscal year due to factors including strong sales of *keijidosha* (a class of small automobiles defined by Japanese standards).

Overseas Sales

In the Americas, demand expanded against the backdrop of a strong economy in the United States. In Europe, demand was weak despite the recovery trend. In China and elsewhere in Asia, demand was strong, with continued market expansion. As a result, first quarter overseas sales increased substantially compared with the same quarter of the previous fiscal year.

Segment Profit

Segment profit increased compared with the same quarter of the previous fiscal year due to factors including the increase in sales.

SSB (Social Systems, Solutions and Service Business)

Millions of yen, except percentages

	Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Sales to external customers	12,774	13,130	+2.8%
Segment profit (loss)	(1,834)	(1,478)	-

Public Transportation Systems Business Sales

Capital investment demand from railway companies for renewal of station equipment remained firm, and first quarter sales increased compared with the same quarter of the previous fiscal year.

Traffic and Road Management Systems Business Sales

Due to a decrease in investment demand for traffic and road management systems and other products, first quarter sales decreased compared with the same quarter of the previous fiscal year.

Environmental Solutions Business Sales

Due to firm demand for solar power generation-related products, first quarter sales increased substantially compared with the same quarter of the previous fiscal year.

Segment Profit

Segment loss decreased compared with the same quarter of the previous fiscal year because of the increase in sales.

HCB (Healthcare Business)

Millions of yen, except percentages

		Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Sales to external customers	Japan	6,806	6,586	-3.2%
	Overseas	14,140	15,489	+9.5%
	Total	20,946	22,075	+5.4%
Segment profit		2,214	1,898	-14.3%

Sales in Japan

Demand for healthcare equipment for household use was impacted by inventory adjustments in the market caused by the effects of the increase in the consumption tax rate, and first quarter sales in Japan decreased compared with the same quarter of the previous fiscal year.

Overseas Sales

In Europe, demand was weak, with the impact of a slowdown in the Russian economy and political instability in Ukraine and other countries. Demand in China and other emerging markets was strong. As a result, first quarter overseas sales increased compared with the same quarter of the previous fiscal year.

Segment Profit

Segment profit decreased compared with the same quarter of the previous fiscal year due to factors including measures to strengthen business overseas.

Other

Millions of yen, except percentages

	Three months ended June 30, 2013	Three months ended June 30, 2014	Change
Sales to external customers	19,533	23,355	+19.6%
Segment profit (loss)	2,166	3,797	+75.3%

Businesses in the "Other" segment are primarily responsible for exploring and nurturing new business fields and nurturing/reinforcing businesses not handled by other internal companies.

Environmental Business Sales

Demand for solar power conditioner continued to expand in the domestic market, driven by growing interest in renewable energy, and first quarter sales increased substantially compared with the same quarter of the previous fiscal year.

Electronic Systems & Equipments Division Sales

Due to factors including expansion of demand for uninterruptible power supplies and recovery in demand for industrial embedded computers, first quarter sales increased compared with the same quarter of the previous fiscal year.

Micro Devices Business Sales

First quarter sales increased compared with the same quarter of the previous fiscal year due to increased demand for microphones.

Backlight Business Sales

Demand for high-performance backlights was strong, backed by the expansion of the smartphone market, and first quarter sales increased compared with the same quarter of the previous fiscal year.

Segment Profit

Segment profit increased substantially compared with the same quarter of the previous fiscal year because of increased sales in each business.

(2) Description of Financial Condition

Total assets as of June 30, 2014 decreased JPY 11,663 million compared with the end of the previous fiscal year to JPY 643,041 million due to a decrease in notes and accounts receivable — trade and other factors. Total liabilities decreased JPY 18,870 million compared with the end of the previous fiscal year to JPY 203,056 million due to a decrease in accrued expenses and other factors. Net assets increased JPY 7,207 million from the end of the previous fiscal year to JPY 439,985 million due to changes in net unrealized gains on available-for-sale securities and other factors, in addition to posting net income attributable to shareholders. The shareholders' equity ratio was 68.1 percent, compared with 65.8 percent at the end of the previous fiscal year.

Net cash provided by operating activities in the first quarter was JPY 21,457 million (an increase of JPY 3,624 million compared with the same period of the previous fiscal year) due to collection of notes and accounts receivable — trade, in addition to net income. In net cash used in investing activities, the OMRON Group conducted proactive investment in production and other facilities. Please note that net cash used in investing activities was JPY 2,584 million (a decrease in cash used of JPY 2,972 million compared with the same period of the previous fiscal year) due in part to an increase in sales of investment securities. Net cash used in financing activities was JPY 6,624 million (an increase in cash outflow of JPY 5,211 million compared with the same period of the previous fiscal year) due to dividends paid, in addition to repayments of short-term debt. As a result, the balance of cash and cash equivalents at June 30, 2014 was JPY 101,957 million, an increase of JPY 11,706 million from the end of the previous fiscal year.

(3) Description of Information on Outlook, Including Consolidated Performance Forecast

During the first quarter of fiscal 2014, all business segments of the OMRON Group performed strongly, with increased sales in every business segment. For the second quarter and beyond, OMRON Group expects demand to stay robust. Based on this understanding of the environment, the consolidated performance forecast for the cumulative second quarter has been revised as follows.

No revision is to be made for the consolidated performance forecast for this fiscal full year announced on April 24, 2014.

The assumed exchange rates for the second quarter onward in the performance forecasts are USD 1 = JPY 100 and EUR 1 = JPY 135.

The performance forecast and other forward-looking statements are based on information available to the Company at the present time, and on certain assumptions judged by the Company to be reasonable. Due to various factors, actual results may differ materially from the forecast.

Revision of Consolidated Performance Forecast for First Two Quarters (Cumulative)

(Millions of yen, except per share data)

	Net sales	Operating income	Income before income taxes	Net income attributable to shareholders	Net income per share attributable to shareholders
Previous forecast (A)	376,000	31,000	30,500	22,000	99.96
New forecast (B)	400,000	39,000	40,000	29,000	131.77
Change (B-A)	+24,000	+8,000	+9,500	+7,000	-
Change (%)	+6.4%	+25.8%	+31.1%	+31.8%	-
(Reference) Actual results for the previous cumulative second quarter (Six months ended September 30, 2013)	359,726	30,786	30,033	21,174	96.19

2. Items Related to Summary Information (Notes)

(1) Changes in significant subsidiaries during the period

None applicable

(2) Application of simplified accounting methods and/or specific accounting methods

None applicable

(3) Changes in accounting policy

None applicable

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014		As of June 30, 2014	
ASSETS				
Current assets:	396,493	60.6%	397,063	61.8%
Cash and cash equivalents	90,251		101,957	
Notes and accounts receivable — trade	174,216		160,373	
Allowance for doubtful receivables	(1,812)		(1,774)	
Inventories	97,677		102,798	
Deferred income taxes	22,688		21,490	
Other current assets	13,473		12,219	
Property, plant and equipment:	135,566	20.7	134,558	20.9
Land	26,344		26,274	
Buildings	140,495		139,955	
Machinery and equipment	171,192		172,956	
Construction in progress	7,126		6,832	
Accumulated depreciation	(209,591)		(211,459)	
Investments and other assets:	122,645	18.7	111,420	17.3
Investments in and advances to associates	21,349		20,982	
Investment securities	51,117		43,216	
Leasehold deposits	6,950		6,935	
Deferred income taxes	20,918		20,305	
Other	22,311		19,982	
Total assets	654,704	100.0%	643,041	100.0%

(Millions of yen)

	As of March 31, 2014		As of June 30, 2014	
LIABILITIES				
Current liabilities:	162,707	24.9%	147,113	22.9%
Short-term debt	488		30	
Notes and accounts payable — trade	85,218		82,029	
Accrued expenses	39,897		30,961	
Income taxes payable	6,340		3,583	
Other current liabilities	30,764		30,510	
Deferred income taxes	2,167	0.3	—	—
Termination and retirement benefits	50,683	7.7	49,055	7.6
Other long-term liabilities	6,369	1.0	6,888	1.1
Total liabilities	221,926	33.9	203,056	31.6
NET ASSETS				
Shareholders' equity	430,509	65.8	437,655	68.1
Common stock	64,100	9.8	64,100	10.0
Capital surplus	99,067	15.1	99,067	15.4
Legal reserve	11,196	1.7	11,207	1.7
Retained earnings	287,853	44.0	303,336	47.2
Accumulated other comprehensive income (loss)	(15,162)	(2.3)	(23,491)	(3.6)
Foreign currency translation adjustments	4,536		1,525	
Minimum pension liability adjustments	(38,029)		(37,676)	
Net unrealized gains on available-for-sale securities	18,466		12,562	
Net gains (losses) on derivative instruments	(135)		98	
Treasury stock	(16,545)	(2.5)	(16,564)	(2.6)
Noncontrolling interests	2,269	0.3	2,330	0.3
Total net assets	432,778	66.1	439,985	68.4
Total liabilities and shareholders' equity	654,704	100.0%	643,041	100.0%

(2) Quarterly Consolidated Statements of Operations and Quarterly Consolidated Statements of Comprehensive Income (Loss)
(Quarterly Consolidated Statements of Operations)
(Three months ended June 30, 2014)

(Millions of yen)

	Three months ended June 30, 2013		Three months ended June 30, 2014	
Net sales	174,584	100.0%	197,219	100.0%
Cost of sales	108,916	62.4	118,946	60.3
Gross profit	65,668	37.6	78,273	39.7
Selling, general and administrative expenses	41,666	23.8	46,957	23.9
Research and development expenses	10,988	6.3	11,502	5.8
Operating income	13,014	7.5	19,814	10.0
Other expenses, net	312	0.2	(1,593)	(0.9)
Income before income taxes	12,702	7.3	21,407	10.9
Income taxes	3,989	2.3	6,422	3.3
Equity in net losses (gains) of affiliates	(594)	(0.3)	(604)	(0.3)
Net income	9,307	5.3	15,589	7.9
Net income (loss) attributable to noncontrolling interests	60	0.0	96	0.0
Net income attributable to shareholders	9,247	5.3	15,493	7.9

(Quarterly Consolidated Statements of Comprehensive Income (Loss))
(Three months ended June 30, 2014)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014
Net income	9,307	15,589
Other comprehensive income (loss), net of tax		
Foreign currency translation adjustments	8,791	(3,046)
Pension liability adjustments	288	353
Net unrealized gains (losses) on available-for-sale securities	1,394	(5,904)
Net gains (losses) on derivative instruments	(202)	233
Other comprehensive income (loss)	10,271	(8,364)
Comprehensive income	19,578	7,225
(Breakdown)		
Comprehensive income attributable to noncontrolling interests	137	61
Comprehensive income attributable to shareholders	19,441	7,164

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014
I. Operating Activities:		
1. Net income	9,307	15,589
2. Adjustments to reconcile net income to net cash provided by operating activities:		
(1) Depreciation and amortization	5,720	6,464
(2) Net loss on sales and disposals of property, plant and equipment	160	2,576
(3) Net gain on sales of investment securities	(1,122)	(3,976)
(4) Termination and retirement benefits	(1,187)	(1,067)
(5) Deferred income taxes	(134)	930
(6) Equity in loss (gain) of affiliates	(594)	(604)
(7) Changes in assets and liabilities:		
(i) Decrease in notes and accounts receivable — trade, net	11,439	12,593
(ii) Increase in inventories	(5,459)	(6,123)
(iii) Decrease in other assets	1,189	1,549
(iv) Increase (decrease) in notes and accounts payable — trade	1,785	(1,986)
(v) Decrease in income taxes payable	(896)	(2,714)
(vi) Decrease in accrued expenses and other current liabilities	(2,829)	(2,001)
(8) Other, net	454	227
Total adjustments	8,526	5,868
Net cash provided by operating activities	17,833	21,457
II. Investing Activities:		
1. Proceeds from sales or maturities of investment securities	1,909	4,418
2. Purchase of investments securities	(2,010)	(15)
3. Capital expenditures	(5,809)	(7,148)
4. Decrease in leasehold deposits, net	74	19
5. Proceeds from sales of property, plant and equipment	224	172
6. Decrease (increase) in investment in and loans to affiliates	56	(30)
Net cash used in investing activities	(5,556)	(2,584)
III. Financing Activities:		
1. Net proceeds of short-term debt	3,827	(457)
2. Dividends paid by the Company	(5,063)	(6,163)
3. Other, net	(177)	(4)
Net cash used in financing activities	(1,413)	(6,624)
IV. Effect of Exchange Rate Changes	1,184	(543)
Net Increase in Cash and Cash Equivalents	12,048	11,706
Cash and Cash Equivalents at Beginning of the Period	55,708	90,251
Cash and Cash Equivalents at End of the Period	67,756	101,957
Notes to cash flows from operating activities:		
1. Interest paid	80	53
2. Taxes paid	5,014	8,248
Notes to investing and financing activities not involving cash flow:		
Debt related to capital expenditures	218	494

(4) Notes Regarding Consolidated Financial Statements
(Notes Regarding Assumptions of Continuing Operations)
None applicable

(Notes in the Event of Significant Changes in Shareholders' Equity)
None applicable

(Segment Information)

Business Segment Information

Three months ended June 30, 2013 (April 1, 2013 – June 30, 2013)

(Millions of yen)

	IAB	EMC	AEC	SSB	HCB	Other	Total	Eliminations and others	Consolidated
Net sales:									
(1) Sales to external customers	66,768	23,693	29,290	12,774	20,946	19,533	173,004	1,580	174,584
(2) Intersegment sales	1,778	11,494	34	884	2	6,582	20,774	(20,774)	—
Total	68,546	35,187	29,324	13,658	20,948	26,115	193,778	(19,194)	174,584
Operating expenses	60,891	33,647	27,114	15,492	18,734	23,949	179,827	(18,257)	161,570
Segment profit (loss)	7,655	1,540	2,210	(1,834)	2,214	2,166	13,951	(937)	13,014

Three months ended June 30, 2014 (April 1, 2014 – June 30, 2014)

(Millions of yen)

	IAB	EMC	AEC	SSB	HCB	Other	Total	Eliminations and others	Consolidated
Net sales:									
(1) Sales to external customers	78,248	26,312	32,778	13,130	22,075	23,355	195,898	1,321	197,219
(2) Intersegment sales	1,398	11,818	293	994	37	6,078	20,618	(20,618)	—
Total	79,646	38,130	33,071	14,124	22,112	29,433	216,516	(19,297)	197,219
Operating expenses	67,739	35,748	30,796	15,602	20,214	25,636	195,735	(18,330)	177,405
Segment profit (loss)	11,907	2,382	2,275	(1,478)	1,898	3,797	20,781	(967)	19,814

Geographical Segment Information

Three months ended June 30, 2013 (April 1, 2013 – June 30, 2013)

(Millions of yen)

	Japan	Americas	Europe	Greater China	Southeast Asia and Others	Total	Eliminations and others	Consolidated
Net sales:								
(1) Sales to external customers	76,520	22,211	23,850	33,335	18,668	174,584	—	174,584
(2) Intersegment sales	38,527	679	358	22,842	5,086	67,492	(67,492)	—
Total	115,047	22,890	24,208	56,177	23,754	242,076	(67,492)	174,584
Operating expenses	107,864	23,174	23,568	51,347	21,533	227,486	(65,916)	161,570
Segment profit (loss)	7,183	(284)	640	4,830	2,221	14,590	(1,576)	13,014

Three months ended June 30, 2014 (April 1, 2014 – June 30, 2014)

(Millions of yen)

	Japan	Americas	Europe	Greater China	Southeast Asia and Others	Total	Eliminations and others	Consolidated
Net sales:								
(1) Sales to external customers	78,838	27,528	26,316	45,025	19,512	197,219	—	197,219
(2) Intersegment sales	42,648	791	432	20,420	5,673	69,964	(69,964)	—
Total	121,486	28,319	26,748	65,445	25,185	267,183	(69,964)	197,219
Operating expenses	109,658	27,728	25,978	59,795	22,720	245,879	(68,474)	177,405
Segment profit (loss)	11,828	591	770	5,650	2,465	21,304	(1,490)	19,814

Notes: Major countries or regions belonging to segments other than Japan are as follows:

- (1) Americas United States of America, Canada, Brazil
- (2) Europe Netherlands, Great Britain, Germany, France, Italy, Spain
- (3) Greater China China, Hong Kong, Taiwan
- (4) Southeast Asia and Others Singapore, Republic of Korea, India, Australia

Overseas Sales

Three months ended June 30, 2013 (April 1, 2013 – June 30, 2013)

(Millions of yen)

	Americas	Europe	Greater China	Southeast Asia and Others	Total
I Overseas sales	22,605	25,216	33,397	19,629	100,847
II Consolidated net sales					174,584
III Overseas sales as a percentage of consolidated net sales (%)	13.0	14.5	19.1	11.2	57.8

Three months ended June 30, 2014 (April 1, 2014 – June 30, 2014)

(Millions of yen)

	Americas	Europe	Greater China	Southeast Asia and Others	Total
I Overseas sales	28,199	27,280	45,195	20,285	120,959
II Consolidated net sales					197,219
III Overseas sales as a percentage of consolidated net sales (%)	14.3	13.8	22.9	10.3	61.3

Note: Major countries or regions belonging to segments other than Japan are as follows:

- | | |
|-------------------------------|---|
| (1) Americas | United States of America, Canada, Brazil |
| (2) Europe | Netherlands, Great Britain, Germany, France, Italy, Spain |
| (3) Greater China | China, Hong Kong, Taiwan |
| (4) Southeast Asia and Others | Singapore, Republic of Korea, India, Australia |

4. Supplementary Information
(1) Summary of Consolidated Financial Results

(Millions of yen, %)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Year-on- year change	Year ended March 31, 2014	Year ending March 31, 2015 (projected)	Year-on- year change
Net sales	174,584	197,219	+13.0%	772,966	800,000	+3.5%
Operating income [% of net sales]	13,014 [7.5%]	19,814 [10.0%]	+52.3% [+2.5P]	68,055 [8.8%]	74,000 [9.3%]	+8.7% [+0.5P]
Income before income taxes [% of net sales]	12,702 [7.3%]	21,407 [10.9%]	+68.5% [+3.6P]	62,007 [8.0%]	71,000 [8.9%]	+14.5% [+0.9P]
Net income attributable to shareholders	9,247	15,493	+67.5%	46,185	51,000	+10.4%
Net income per share attributable to shareholders (basic) (¥)	42.01	70.40	+28.39	209.82	231.73	+21.91
Net income per share attributable to shareholders (diluted) (¥)	—	—	—	—	—	—
Total assets	591,153	643,041	+8.8%	654,704		
Shareholders' equity [Shareholders' equity ratio (%)]	386,394 [65.4%]	437,655 [68.1%]	+13.3% [+2.7P]	430,509 [65.8%]		
Shareholders' equity per share (¥)	1,755.34	1,988.57	+233.23	1,956.06		
Net cash provided by operating activities	17,833	21,457	+3,624	79,044		
Net cash used in investing activities	(5,556)	(2,584)	+2,972	(31,125)		
Net cash provided by (used in) financing activities	(1,413)	(6,624)	-5,211	(16,298)		
Cash and cash equivalents at end of period	67,756	101,957	+34,201	90,251		

Note: The number of consolidated subsidiaries is 154, and the number of companies accounted for by the equity method is 11.

(2) Consolidated Net Sales by Business Segment

(Billions of yen)

		Three months ended June 30, 2013	Three months ended June 30, 2014	Period-on-period change (%)
IAB	Domestic	26.3	28.8	+10.1
	Overseas	40.5	49.4	+21.8
	Total	66.8	78.2	+17.2
EMC	Domestic	7.0	6.4	-8.2
	Overseas	16.7	19.9	+19.2
	Total	23.7	26.3	+11.1
AEC	Domestic	6.1	6.8	+11.6
	Overseas	23.2	26.0	+12.0
	Total	29.3	32.8	+11.9
SSB	Domestic	12.7	13.1	+3.1
	Overseas	0.1	0.0	-62.1
	Total	12.8	13.1	+2.8
HCB	Domestic	6.8	6.6	-3.2
	Overseas	14.1	15.5	+9.5
	Total	20.9	22.1	+5.4
Other	Domestic	13.5	13.3	-2.2
	Overseas	6.0	10.1	+68.8
	Total	19.5	23.4	+19.6
Eliminations and others	Domestic	1.4	1.2	-9.3
	Overseas	0.2	0.1	-55.1
	Total	1.6	1.3	-16.4
Total	Domestic	73.8	76.2	+3.4
	Overseas	100.8	121.0	+19.9
	[% of total]	[57.8%]	[61.3%]	[+3.5P]
	Total	174.6	197.2	+13.0

(3) Consolidated Operating Income (Loss) by Business Segment

(Billions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Year-on-year change (%)
IAB	7.7	11.9	+55.5
EMC	1.5	2.4	+54.7
AEC	2.2	2.3	+2.9
SSB	(1.8)	(1.5)	—
HCB	2.2	1.9	-14.3
Other	2.2	3.8	+75.3
Eliminations and others	(1.0)	(1.0)	—
Total	13.0	19.8	+52.3

(4) Average Currency Exchange Rate

(One unit of currency, in yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Period-on- period change
USD	98.3	102.0	+3.7
EUR	127.6	139.9	+12.3

(5) Projected Consolidated Net Sales by Business Segment

(Billions of yen)

		Year ended March 31, 2014	Year ending March 31, 2015 (est.)	Year-on-year change (%)
IAB	Domestic	119.4	123.0	+3.0
	Overseas	172.3	177.0	+2.7
	Total	291.7	300.0	+2.8
EMC	Domestic	28.1	26.0	-7.5
	Overseas	69.6	75.0	+7.8
	Total	97.7	101.0	+3.4
AEC	Domestic	28.4	25.0	-12.0
	Overseas	98.2	103.5	+5.4
	Total	126.6	128.5	+1.5
SSB	Domestic	82.4	84.5	+2.6
	Overseas	0.3	1.0	+221.5
	Total	82.7	85.5	+3.4
HCB	Domestic	30.8	32.5	+5.5
	Overseas	58.5	66.0	+12.9
	Total	89.3	98.5	+10.3
Other	Domestic	51.0	50.0	-2.0
	Overseas	27.9	33.0	+18.2
	Total	78.9	83.0	+5.1
Eliminations, etc.	Domestic	4.7	3.5	-23.9
	Overseas	1.4	0.0	0.0
	Total	6.1	3.5	-42.6
Total	Domestic	344.8	344.5	-0.1
	Overseas	428.2	455.5	+6.4
	[% of total]	[55.4%]	[56.9%]	[+1.5P]
	Total	773.0	800.0	+3.5

(6) Projected Consolidated Operating Income by Business Segment

(Billions of yen)

	Year ended March 31, 2014	Year ending March 31, 2015 (est.)	Year-on-year change (%)
IAB	38.8	40.0	+3.2
EMC	8.7	9.2	+6.3
AEC	9.1	9.2	+1.3
SSB	5.6	6.5	+17.1
HCB	7.5	8.0	+6.0
Other	8.7	9.5	+9.5
Eliminations, etc.	(10.3)	(8.4)	—
Total	68.1	74.0	+8.7

(7) Projected Average Currency Exchange Rate

(One unit of currency, in yen)

	Year ended March 31, 2014	Year ending March 31, 2015 (est.)	Year-on-year change
USD	100.1	100.6	+0.5
EUR	134.0	136.5	+2.5