

Financial Report for the Third Quarter of the Fiscal Year Ending March 31, 2010 (Consolidated)

January 22, 2010

Company Name: MAX CO., LTD.
 Stock Listing: First Section of the Tokyo Stock Exchange
 Stock Code: 6454
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Scheduled Date to Submit
 Quarterly Securities Report: February 13, 2010
 Date on which Dividend
 Payments to Commence —

1. Results for the Third Quarter of the Fiscal Year Ending March 31, 2010 (April 1, 2009 to December 31, 2009)

(1) Consolidated Operating Results (Nine Months)

(Millions of yen, % denotes year-on-year change)

	Nine months ended December 31, 2009		Nine months ended December 31, 2008	
	Yen	%	Yen	%
Net sales	¥35,326	(22.9)%	¥45,806	—%
Operating income	1,052	(75.1)	4,230	—
Ordinary income	1,365	(65.2)	3,926	—
Net income	757	(67.8)	2,352	—
Net income per share (yen)	¥15.02	—	¥46.63	—
Net income per share after full dilution (yen)	—	—	—	—

(2) Consolidated Financial Position

(Millions of yen)

	At December 31, 2009	At March 31, 2009
Total assets	¥75,740	¥75,866
Net assets	61,137	61,812
Shareholders' equity ratio (%)	80.6%	81.4%
Shareholders' equity per share (yen)	¥1,210.92	¥1,224.16

For reference: Shareholders' equity: ¥61,058 million (as of December 31, 2009); ¥61,736 million (as of March 31, 2009)

2. Dividends

Base date	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total dividends
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2009	¥—	¥—	¥—	¥36.00	¥36.00
Year ending March 31, 2010	—	—	—		
Year ending March 31, 2010 (Est.)				36.00	36.00

Note: Whether the dividend forecast has been revised during the quarter under review: No

3. Forecast of Consolidated Operating Results for the Fiscal Year Ending March 31, 2010 (April 1, 2009 to March 31, 2010)

(Millions of yen, % denotes year-on-year change)

	Year ending March 31, 2010	
Net sales	¥47,800	(19.4)%
Operating income	1,450	(67.4)
Ordinary income	1,810	(58.5)
Net income	1,020	(60.4)
Net income per share (yen)	¥20.23	—

Note: Whether the forecasts for consolidated earnings have been revised during the quarter under review: No

4. Others

- (1) Changes in important subsidiaries during the period (changes in special consolidated subsidiaries attendant with change in scope of consolidation): No
- (2) Application of simplified accounting procedures, or application of special accounting procedures in creating consolidated quarterly financial statements for the quarter under review: Yes
- (3) Changes in principles, procedures, and presentation method of accounting related to the compilation of consolidated quarterly financial statements (Description of changes in important items that comprise the basic foundation in the compilation of consolidated quarterly financial statements)
 1. Changes attendant with revisions in accounting principles: No
 2. Other changes aside from "1." above: Yes
- (4) Number of shares outstanding (common stock)
 1. Period-end number of shares outstanding (including treasury stock): 50,500,626 (as of December 31, 2009); 50,500,626 (as of March 31, 2009)
 2. Period-end number of treasury stock: 77,531 (as of December 31, 2009); 69,105 (as of March 31, 2009)
 3. Average number of outstanding common shares: 50,426,114 (as of December 31, 2009); 50,445,044 (as of December 31, 2008)

*Explanation on the appropriate use of earnings forecasts and other notices

Forecasts shown on this page are based on information available on the date of publication. Actual performance may differ from forecasts due to various subsequent factors.

Qualitative Information / Financial Statements

1. Consolidated Operating Results

(1) Consolidated Operating Results for the Third Quarter (Nine Months)

(Millions of yen, %)

	Nine months ended December 31, 2009	Nine months ended December 31, 2008	(Decrease) year-on-year	
Net sales	¥35,326	¥45,806	¥(10,480)	(22.9)%
Operating income	1,052	4,230	(3,177)	(75.1)
Ordinary income	1,365	3,926	(2,561)	(65.2)
Net income	757	2,352	(1,594)	(67.8)
Net income per share (yen)	¥15.02	¥46.63	¥(31.61)	—
Operating margin	3.0%	9.2%	(6.2)pp	

	Three months ended December 31, 2009	Three months ended September 30, 2009	Increase (decrease) from the previous quarter	
Net sales	¥11,868	¥11,866	¥ 1	0.0%
Operating income	358	447	(88)	(19.8)
Ordinary income	516	452	64	14.2
Net income	278	78	200	254.8
Net income per share (yen)	¥5.53	¥1.56	¥3.97	—
Operating margin	3.0%	3.8%	(0.8)pp	

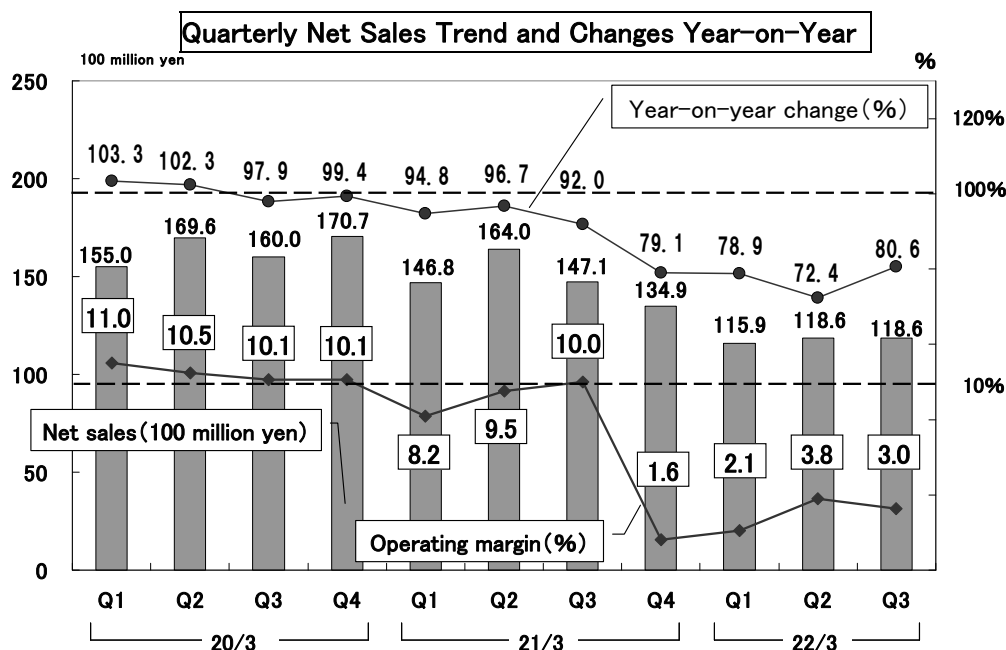
During the first nine months of the fiscal year (accumulated from April 1, 2009 to December 31, 2009), concerns remained in the world economy regarding the sustainability of the expansionary trend following the full implementation of economic stimulus policies. However, the emergency economic policies adopted by governments around the world, including inputs of public funds, easing of monetary policy, and measures to stimulate personal consumption, served to put the brakes on the deterioration in the economy.

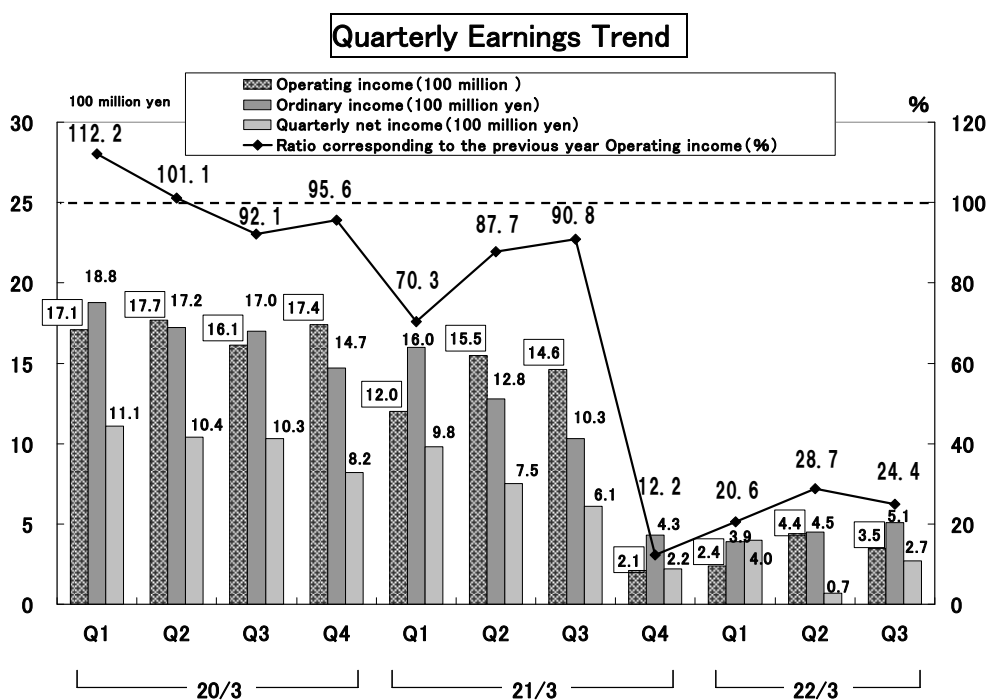
In Japan also, private capital investment and the number of new housing starts remained at a low level, but, as a result of the reduction in inventories and implementation of economic policies, signs of expansion in domestic demand and exports emerged in certain sectors, including automobiles and household appliances, during the latter half of the period under review.

In this economic environment, the Company maintained its management policy of “forming deeper links with customers and, thereby, gaining increased client confidence” and implemented management policies aimed at maintaining and securing its performance by drawing on its full resources. These policies included strengthening the Company’s customer relationship management (CRM) systems and devoting Companywide efforts to rebuilding its profit structure through the closure and consolidation of production centers and sales offices in Japan and overseas as well as reducing fixed costs.

Despite these initiatives, both sales and income declined, compared with the same period of the previous year. Net sales decreased 22.9%, to ¥35,326 million, and operating income declined 75.1%, to ¥1,052 million.

Net sales for the first nine months of the fiscal year (accumulated) decreased from the same period of the previous fiscal year, but sales for the third quarter (three months from October 1, 2009 to December 31, 2009) were at the same level as in the previous quarter. Although there are concerns about further appreciation of the yen and deflationary trends, signs of a moderate recovery have emerged.





(2) Earnings for the Third Quarter (Nine Months) by Division

Office Equipment Division

(Millions of yen, %)

	Nine months ended December 31, 2009	Nine months ended December 31, 2008	(Decrease) year-on-year	
Net sales	¥14,083	¥17,342	¥(3,258)	(18.8)%
Operating income	3,090	4,380	(1,289)	(29.4)
Operating margin	21.9%	25.3%	(3.4)pp	

	Three months ended December 31, 2009	Three months ended September 30, 2009	Increase (decrease) from the previous quarter	
Net sales	¥4,749	¥4,736	¥12	0.3%
Operating income	1,008	1,012	(4)	(0.4)
Operating margin	21.2%	21.4%	(0.2)pp	

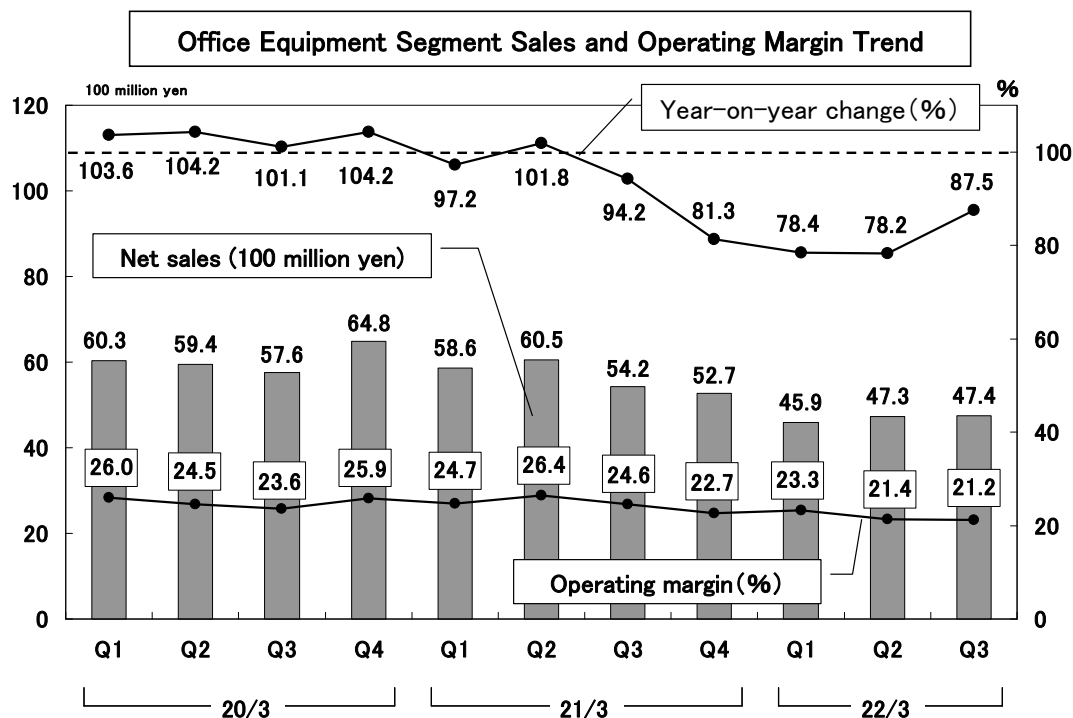
In the office equipment division, both sales and operating income declined during the first nine months of the fiscal year in comparison with the same period of the previous fiscal year. Sales decreased 18.8%, to ¥14,083 million, and operating income declined 29.4%, to ¥3,090 million.

In the domestic office equipment business, next-generation “Vaimo 11” compact staplers, which were launched during the previous fiscal year, came into wider use. Additional print labelers for use in the food products industry were purchased by customers, leading to an increase in the number of units in operation and expansion in sales of blank labels and other consumables. However, as a result of reductions in corporate expenses and capital investment, demand from corporations decreased, leading to lower sales in the domestic office equipment business.

In the overseas office equipment business, sales declined because of a slowdown in the Company’s principal markets in Asia and reductions in inventories in the distribution channels in overseas areas.

In the autostapler business, the Company provides autostaplers and related consumables, including staples, to virtually all manufacturers of copiers and printers in Japan and overseas.

Accompanying the deterioration in the world economy, shipments of copiers decreased, and sales for the first nine months of the fiscal year (accumulated) declined in comparison with the same period of the previous fiscal year. However, the declining trend has abated and a gradual recovery is in progress.



Industrial Equipment Division

(Millions of yen, %)

	Nine months ended December 31, 2009	Nine months ended December 31, 2008	(Decrease) year-on-year	
Net sales	¥21,242	¥28,464	¥(7,221)	(25.4)%
Operating income	(2,037)	(149)	(1,888)	—
Operating margin	(9.6)%	(0.5)%	(9.1)pp	

	Three months ended December 31, 2009	Three months ended September 30, 2009	(Decrease) from the previous quarter	
Net sales	¥7,118	¥7,129	¥(11)	(0.2)%
Operating income	(649)	(565)	(84)	—
Operating margin	(9.1)%	(7.9)%	(1.2)pp	

In the industrial equipment division, both sales and operating income decreased during the first nine months of the fiscal year (accumulated), compared with the same period of the previous fiscal year, because of major declines in domestic and European/U.S. housing and construction markets. Sales of this division were down 25.4%, to ¥21,242 million, and an operating loss of ¥2,037 million was reported. However, sales for the third quarter (three months) were at the same level as in the previous quarter.

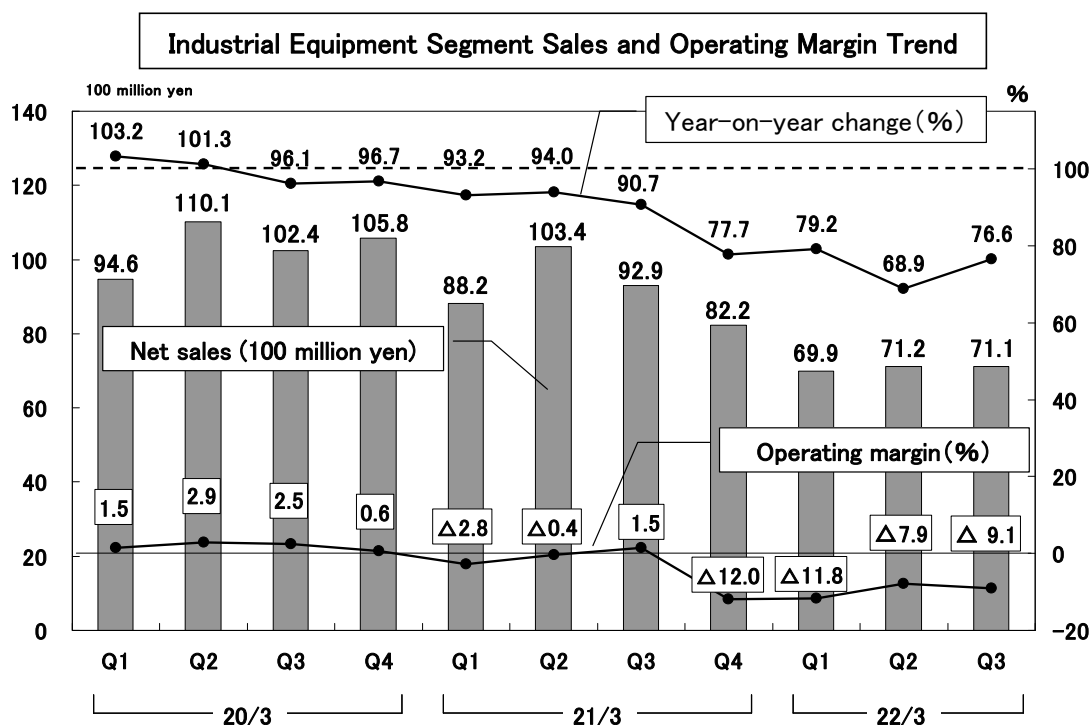
As a consequence of the large decline in the unit volume of sales and the appreciation of the yen, this division reported an operating loss as in the same quarter of the previous year. To rebuild its profit structure, the industrial equipment division undertook the closure and consolidation of production centers and sales offices as well as reducing fixed costs.

In the domestic industrial equipment business, sales of electric power tools equipped with lithium-ion rechargeable batteries, including new circular saws and hammer drills as well as dry, quiet drills, contributed to sales. However, the level of new housing starts in the domestic market has fallen to approximately the level prevailing 40 years ago. As a result, the principal housing manufacturers and carpenters restrained their purchases of nailers and compressors. Shipments of consumables, including nails, also declined, thus bringing an overall drop in sales of this business.

The housing environmental equipment business supplies products that contribute to making living environments more pleasant to construction companies and housing manufacturers. These include bathroom heater-ventilator-dryers, ventilating systems, floor heating systems, and disposal systems.

In the floor heating systems business, sales of the Company's existing products rose, and sales received a further boost as a result of the acquisition of all the shares of Sunshiny Industry Co., Ltd. (a company specializing in manufacturing floor heating systems) and the consolidation of that company's sales with the Company in August last year. However, because of the decline in the number of new housing starts, sales of bathroom heater-ventilator-dryers and ventilating systems dropped, leading to an overall decrease in sales of the housing environmental equipment business.

In the overseas industrial equipment business, along with the bursting of the housing and construction bubble in Europe and the United States and the economic downturn, sales declined because of the steep drop in demand for housing and construction. In response, the Company sought to secure its performance in this business by implementing measures to promote sales of rebar-tying tools, nailers, and other products. As a result of these initiatives to expand sales, inventories held by local subsidiaries and in the distribution channels decreased, and signs of recovery emerged.



2. Qualitative Information Pertaining to the Consolidated Financial Position

(Millions of yen, %)

	At December 31, 2009	Change from March 31, 2009	
Total assets	¥75,740	(0.2)%	¥(125)
Net assets	61,137	(1.1)	(675)
Shareholders' equity ratio	80.6%	(0.8) pp	—

Among assets, current assets decreased ¥928 million, despite a rise of ¥2,202 million in marketable securities, as notes and accounts receivable—trade declined ¥1,028 million, and finished merchandise and finished products decreased ¥1,603 million. Fixed assets increased ¥802 million, in spite of a decline in tangible fixed assets of ¥814 million, as investment securities rose ¥1,768 million; however, total assets decreased ¥125 million.

Among liabilities, current liabilities increased ¥14 million, despite a decline of ¥194 million in notes and accounts payable—trade, because of a rise in income taxes payable of ¥303 million and other factors. Long-term liabilities increased ¥535 million as a result of an increase of ¥682 million in the reserve for retirement benefits to employees. As a consequence, total liabilities rose ¥550 million.

Among net assets, total revaluations and adjustments increased ¥388 million, owing to an increase in the revaluation difference on other securities. On the other hand, shareholders' equity declined ¥1,066 million, despite an increase in net income for the quarter, due to dividend payments of ¥1,815 million. As a result, net assets decreased ¥675 million.

3. Qualitative Information on Consolidated Earnings Forecasts

(1) Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2010 (April 1, 2009 to March 31, 2010)

(Millions of yen, %)

	Fiscal year ending March 31, 2010	Fiscal year ended March 31, 2009	(Decrease) year-on-year	
Net sales	¥47,800	¥59,301	¥(11,501)	(19.4)%
Operating income	1,450	4,443	(2,993)	(67.4)%
Ordinary income	1,810	4,359	(2,549)	(58.5)%
Net income	1,020	2,575	(1,555)	(60.4)%
Net income per share (yen)	¥20.23	¥51.05	¥(30.82)	—
Operating margin	3.0%	7.5%	(4.5)pp	

In the world economy, because of improvements resulting from emergency economic policies in various countries and progress toward inventory adjustments in Japan and overseas, the economies of the emerging countries, led by China, are expanding, and, although economic activity remains at a relatively low level, a gradual recovery is in progress. Nevertheless, there are concerns about rising unemployment, declines in personal consumption as economic policies run their course, and other factors. As a consequence, developments will continue to require careful monitoring.

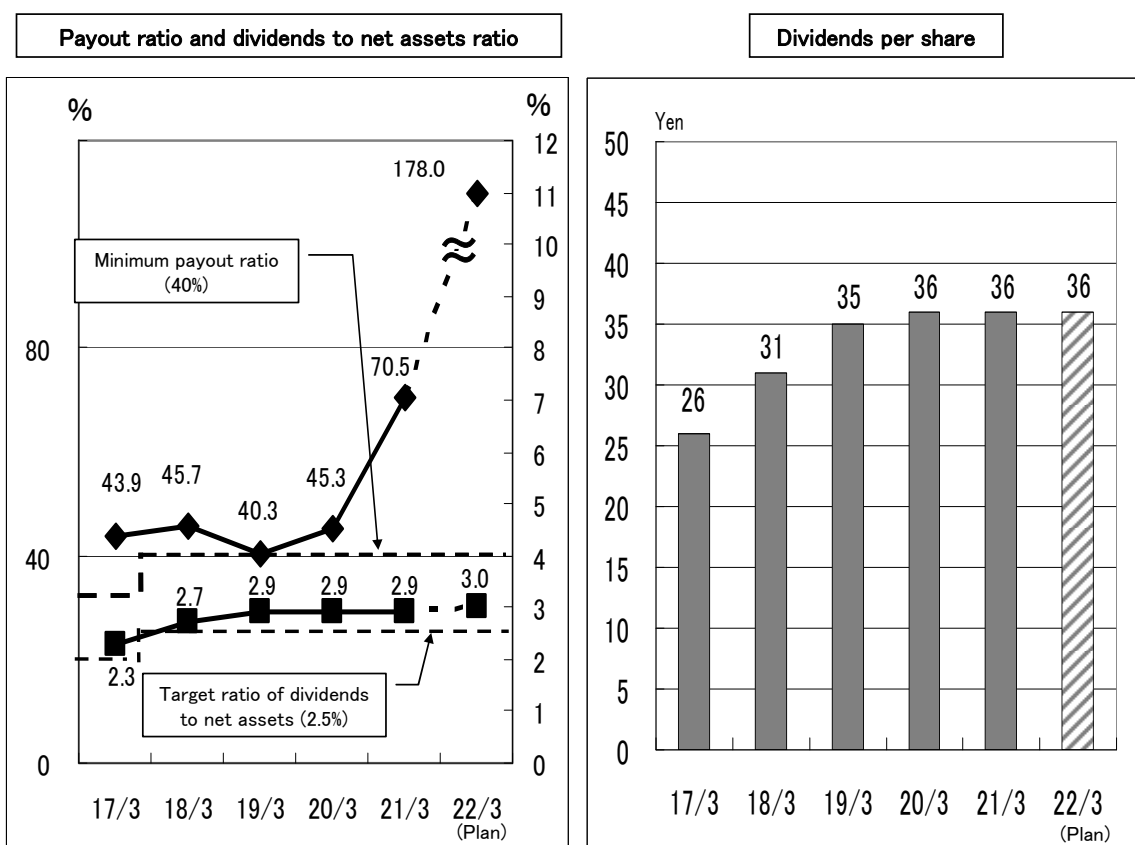
In Japan also, there are signs of improvement as evidenced by increases in exports, principally to other countries in Asia, the bottoming out of consumption, and other developments. However, capital investment and new housing starts remain at relatively low levels.

The business environment for the Company's operations is forecast to remain challenging because of the low level of new housing starts in Japan and overseas, uncertainty about the future course of the economic recovery, and other factors. Despite these circumstances, the Company's performance on a quarterly basis is bottoming out, and there are signs of a gradual recovery, as the Company moves toward the forecast level of performance for the full fiscal year.

(2) Dividends

The Company's basic dividend policy is to maintain a minimum dividend payout ratio of 40% and a target dividend to net assets ratio of 2.5%, based on consolidated accounts.

The outlook for the current fiscal year as a whole calls for declines in net sales and income; however, after taking account of the medium- to long-term trends in performance and the Company's financial position, the Company is scheduled to pay an annual dividend of ¥36 per share, the same as for the previous fiscal year.



4. Others

- (1) Changes in important subsidiaries during the period (changes in special consolidated subsidiaries attendant with change in scope of consolidation): None
- (2) Application of simplified accounting procedures, or application of special accounting procedures in creating consolidated quarterly financial statements for the quarter under review: Yes
 1. Calculation of depreciation of fixed assets
Depreciation of fixed assets computed by the declining balance method is calculated on a quarterly basis by allocating the amount of depreciation on a consolidated basis applicable to the full fiscal year proportionately to each quarter.
 2. Calculation of deferred and accrued accounts
Regarding the "Other" item under Current liabilities, the Company calculates the estimated amount based on reasonable methods.
 3. Calculation of income tax expenses
The Company estimates the amount of income tax applicable to the quarter by making a reasonable estimate of the effective tax rate, taking account of tax-effect accounting, on consolidated income before income taxes for the fiscal year, then multiplies the income before income taxes for the quarter by this estimated effective tax rate. Please note that "income tax-deferred" is included within the accounting item "Income taxes."
 4. Offsets and eliminations of assets, liabilities, and transactions among consolidated companies

Offsets and eliminations of assets and liabilities among consolidated companies
When there are differences between the amounts of assets and liabilities, these differences are offset and eliminated without making adjustments for such differences within a reasonable scope.

Offsets and eliminations of transactions among consolidated companies
When there are differences between the amounts of transactions, when such differences are deemed to have little material effect, such differences are offset and eliminated, making them consistent with those of the parent company.
- (3) Changes in principles, procedures, and presentation method of accounting related to the compilation of consolidated quarterly financial statements
 1. Changes in matters related to fiscal years of consolidated subsidiaries
Among consolidated companies the following close their accounts on December 31: MAX USA CORP., MAX EUROPE GmbH, and MAX EUROPE B.V. Previously, in preparing the consolidated financial statements, the Company used financial statements as of that date. For those transactions that made a material difference from the date of closing of the consolidated financial statements, necessary adjustments were made. However, to improve the accuracy of the disclosure of information in the financial statements, beginning with the first quarter of the current fiscal year, provisional settlements of accounts on the closing date of December 31 were prepared, and changes were made in the method of consolidation. As a result of the preparation of provisional settlements of accounts, the three companies previously mentioned are now consolidated for the 12-month period from January 1, 2009, through December 31, 2010.

Quarterly Consolidated Financial Statements

1. Abbreviated Consolidated Balance Sheet

(Millions of yen)

	At December 31, 2009	At March 31, 2009
ASSETS		
Current assets		
Cash and cash deposits	¥ 6,907	¥ 6,533
Notes and accounts receivable—trade	10,404	11,433
Marketable securities	3,203	1,000
Finished merchandise and finished products	4,136	5,739
Work in progress	718	616
Raw materials	1,558	1,553
Other	1,030	2,011
Allowance for doubtful accounts	(3)	(4)
Total current assets	<u>27,955</u>	<u>28,883</u>
Fixed assets		
Tangible fixed assets	16,334	17,149
Intangible fixed assets	282	180
Goodwill	129	—
Other	153	180
Investments and other assets		
Investment securities	24,969	23,201
Other	6,210	6,458
Allowance for doubtful accounts	(11)	(7)
Total investments and other assets	<u>31,168</u>	<u>29,652</u>
Total fixed assets	<u>47,785</u>	<u>46,982</u>
Total assets	<u>75,740</u>	<u>75,866</u>
LIABILITIES		
Current liabilities		
Notes and accounts payable—trade	3,193	3,388
Short-term loans	2,055	1,972
Income taxes payable	384	81
Accrued bonuses to employees	329	492
Accrued bonuses to directors and corporate auditors	18	44
Other	2,534	2,522
Total current liabilities	<u>8,516</u>	<u>8,501</u>
Long-term liabilities		
Long-term loans	150	150
Reserve for retirement benefits to employees	4,509	3,827
Reserve for retirement benefits to directors and corporate auditors	171	279
Negative goodwill	70	75
Other	1,186	1,219
Total long-term liabilities	<u>6,087</u>	<u>5,552</u>
Total liabilities	<u>¥14,603</u>	<u>¥14,053</u>

(Millions of yen)

	At December 31, 2009	At March 31, 2009
NET ASSETS		
Shareholders' equity		
Common stock	¥12,367	¥12,367
Capital surplus	10,518	10,518
Retained earnings	41,853	42,911
Treasury stock	(78)	(70)
Total shareholders' equity	<u>64,660</u>	<u>65,727</u>
Revaluations and adjustments		
Revaluation difference on other securities	(157)	(519)
Land revaluation difference	(2,804)	(2,804)
Foreign currency translation adjustment	(639)	(666)
Total revaluations and adjustments	<u>(3,602)</u>	<u>(3,991)</u>
Minority interests		
	<u>78</u>	<u>76</u>
Total net assets	<u>61,137</u>	<u>61,812</u>
Total liabilities and net assets	<u>¥75,740</u>	<u>¥75,866</u>

2. Abbreviated Consolidated Statement of Income

(Millions of yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2008
Net sales	¥35,326	¥45,806
Cost of sales	22,960	28,795
Gross profit	12,365	17,011
Selling, general and administrative expenses		
Employee compensation	3,709	3,819
Provision for accrued bonuses to employees	201	131
Provision for accrued bonuses to directors and corporate auditors	18	36
Retirement benefits to employees	1,141	692
Provision to reserve for retirement benefits to directors and corporate auditors	33	37
Packing and shipping costs	930	1,150
Sales promotion expenses	832	1,246
Depreciation and amortization	399	447
Provision of allowance for doubtful accounts	4	4
Other	4,041	5,213
Total selling, general and administrative expenses	11,312	12,780
Operating income	1,052	4,230
Non-operating income		
Interest income	225	195
Dividend income	96	139
Amortization of negative goodwill	5	5
Other	158	119
Total non-operating income	486	459
Non-operating expenses		
Interest expenses	34	45
Taxes and duties	15	23
Effect of exchange rate change	76	669
Other	47	25
Total non-operating expenses	173	763
Ordinary income	1,365	3,926
Special losses		
Losses on the disposal of fixed assets	15	106
Losses on the revaluation of inventories	—	144
Losses on the revaluation of investment securities	—	237
Retirement benefit expenses applicable to previous period	—	54
Losses on business restructuring	259	—
Total special losses	275	542
Income before income taxes and minority interests	1,089	3,384
Income taxes	516	1,020
Income taxes applicable to previous years	(190)	—
Minority interests	6	11
Net income	¥757	¥2,352

(Millions of yen)

	Three months ended December 31, 2009	Three months ended December 31, 2008
Net sales	¥11,868	¥14,717
Cost of sales	7,687	9,202
Gross profit	4,180	5,514
Selling, general and administrative expenses		
Employee compensation	1,240	1,244
Provision for accrued bonuses to employees	201	131
Provision for accrued bonuses to directors and corporate auditors	7	5
Retirement benefits to employees	391	240
Provision to reserve for retirement benefits to directors and corporate auditors	10	12
Packing and shipping costs	333	365
Sales promotion expenses	264	411
Depreciation and amortization	132	148
Other	1,240	1,484
Total selling, general and administrative expenses	3,821	4,044
Operating income	358	1,469
Non-operating income		
Interest income	79	67
Dividend income	28	40
Amortization of negative goodwill	1	1
Effect of exchange rate change	31	—
Other	43	50
Total non-operating income	185	159
Non-operating expenses		
Interest expenses	11	17
Taxes and duties	0	9
Effect of exchange rate change	—	564
Other	15	1
Total non-operating expenses	28	592
Ordinary income	516	1,036
Special losses		
Losses on the disposal of fixed assets	2	93
Losses on the revaluation of investment securities	—	111
Total special losses	2	204
Income before income taxes and minority interests	513	831
Income taxes	233	215
Minority interests	1	3
Net income	¥ 278	¥ 612

3. Abbreviated Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2008
I. Cash flows from operating activities		
Income before income taxes and minority interests	¥ 1,089	¥ 3,384
Depreciation expenses	1,597	2,080
Amortization of negative goodwill	(5)	(5)
Increase in allowance for doubtful accounts	3	2
Increase (decrease) in accrued bonuses to employees	(185)	(1,295)
Decrease in accrued bonuses to directors and corporate auditors	(25)	(31)
Increase in reserve for retirement benefits for employees, directors and corporate auditors	562	192
Interest and dividend income	(321)	(334)
Interest expenses	34	45
Effect of exchange rate changes	(11)	9
Losses on the disposal of fixed assets	15	18
Losses on the revaluation of investment securities	—	236
Decrease in notes and accounts receivable—trade	1,355	2,293
Decrease(increase) in inventory assets	1,657	(916)
Decrease(increase) in notes and accounts payable—trade	(379)	636
Increase (decrease) in consumption tax payable	81	(27)
Decrease (increase) in other assets	36	(856)
(Decrease) increase in other liabilities	(128)	251
Subtotal	<u>5,355</u>	<u>5,683</u>
Interest and dividends received	313	332
Interest expenses paid	(34)	(46)
Corporate income taxes refund (paid)	978	(1,487)
Net cash provided by operating activities	<u>6,612</u>	<u>4,482</u>
II. Cash flows from investing activities		
Expenditures for the acquisition of marketable and investment securities	(4,359)	(4,249)
Proceeds from the sales or redemption of marketable and investment securities	1,000	3,706
Expenditures for the acquisition of stocks of subsidiaries accompanying changes in the scope of consolidation	(361)	—
Acquisition of tangible fixed assets	(582)	(1,271)
Proceeds from the sales of tangible fixed assets	1	6
Expenditures for the acquisition of intangible fixed assets	(20)	—
Disbursement of loans	(132)	(72)
Recovery of loans	137	109
Net cash used in investing activities	<u>(4,318)</u>	<u>(1,772)</u>
III. Cash flows from financing activities		
Proceeds from loans	100	50
Expenditure for the repayment of loans	—	(170)
Expenditure for the repayment of long-term loans	(17)	—
Expenditure for the acquisition of treasury stock	(9)	(27)
Proceeds from the sale of treasury stock	0	8
Amount paid for dividend payments	(1,814)	(1,814)
Expenditure for repayment of lease obligations	(192)	(182)
Net cash used in financing activities	<u>(1,933)</u>	<u>(2,136)</u>
IV. Effect of exchange rate changes on cash and cash equivalents	<u>12</u>	<u>(128)</u>
V. increase in cash and cash equivalents	<u>373</u>	<u>444</u>
VI. Cash and cash equivalents at beginning of period	<u>6,533</u>	<u>6,236</u>
VII. Balance of cash and cash equivalents at end of period	<u>¥ 6,907</u>	<u>¥ 6,680</u>

(4) Notes on Assumptions Underlying the Definition of Ongoing Businesses
No related items

(5) Segment Data

Consolidated Business Operations by Segment

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

(Millions of yen)

	Office Equipment	Industrial Equipment	Total	Elimination/ Corporate	Consolidated
Net sales	¥14,083	¥21,242	¥35,326	—	¥35,326
Operating expenses	10,992	23,280	34,273	—	34,273
Operating income (loss)	3,090	(2,037)	1,052	—	1,052
Operating margin (%)	21.9%	(9.6)%	3.0%	—	3.0%

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Millions of yen)

	Office Equipment	Industrial Equipment	Total	Elimination/ Corporate	Consolidated
Net sales	¥17,342	¥28,464	¥45,806	—	¥45,806
Operating expenses	12,961	28,614	41,575	—	41,575
Operating income (loss)	4,380	(149)	4,230	—	4,230
Operating margin (%)	25.3%	(0.5)%	9.2%	—	9.2%

(6) Notes on Significant Changes to Shareholders' Capital
No related items