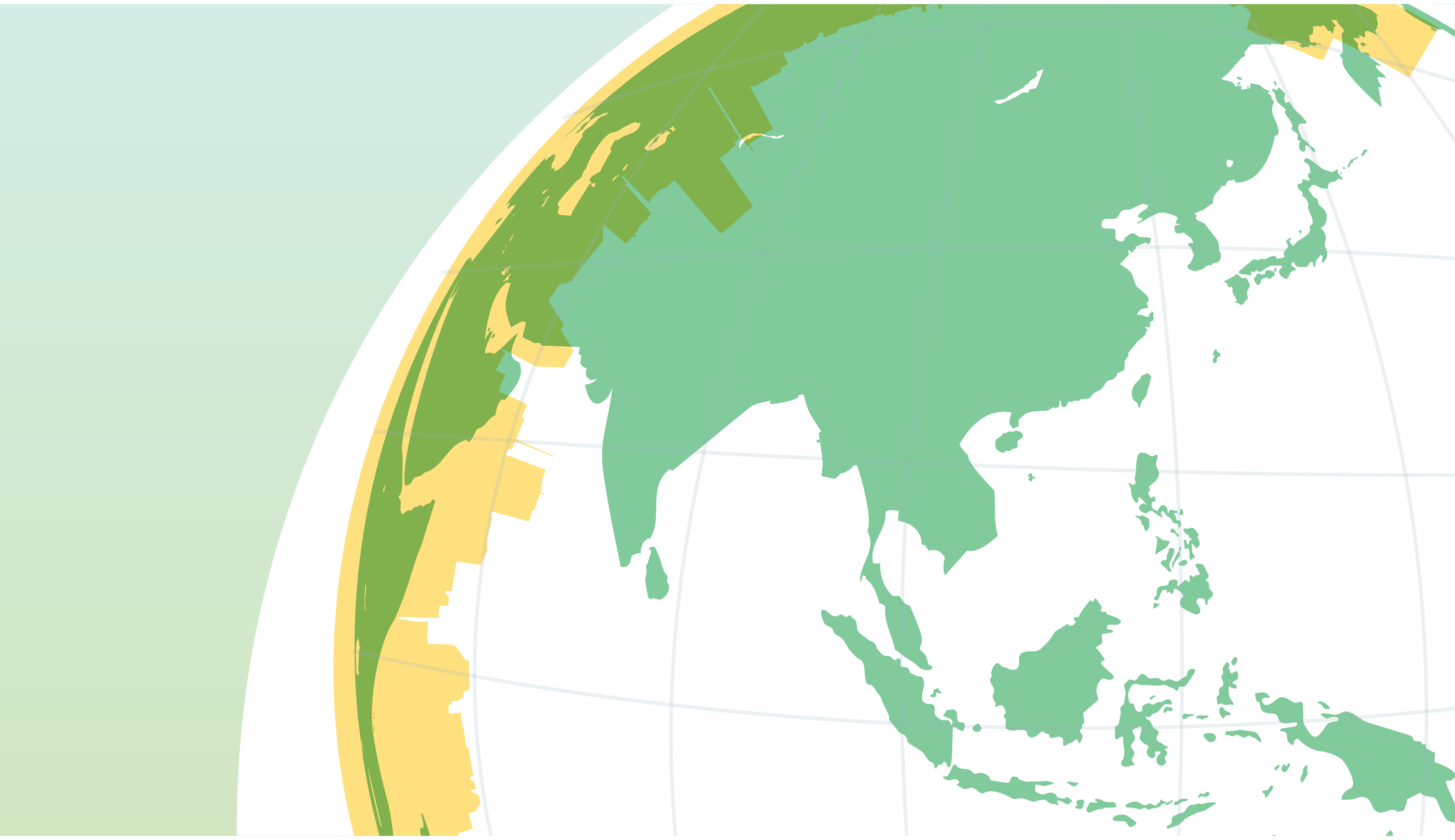


ANNUAL REPORT 2013

Year ended March 31, 2013

DAIICHI JITSUGYO CO., LTD.

New mid-term management plan

Previous mid-term management plan ACT2012

Active Challenges for the Global Business Creator with Trust

Under the mid-term management plan, of which the final year was the fiscal year ended March 31, 2013, we extended our "geographic axis" for overseas business development under the vision of "Active Challenges for the Global Business Creator with Trust." Given unfavorable conditions in the Japanese economy due to market turmoil caused by the negative effects of natural disasters such as the Great East Japan Earthquake and the resulting accident at the Fukushima Daiichi Nuclear Power Plant, which occurred in the second year of the plan, as well as the flooding in Thailand, and the prolonged appreciation of the yen, the DJK Group promoted proactive sales activities and steadily achieved the targets in the plan.

New mid-term management plan AIM2015

Aggressive Innovation for Multi-functional Global Business

In the new mid-term management plan, "AIM2015," starting from April 2013, under the vision of "Aggressive Innovation for Multi-functional Global Business," the DJK Group will conduct structural reforms with five core businesses as pillars and shift to a flexible and agile "business axis" system. We intend to ensure speedy decision making on a global perspective and the optimization of management resources to expand business and strengthen profit-earning capacity. We will also reinforce the foundations of the group management in terms of improving operating efficiency, internal control and risk management by implementing a new backbone system.

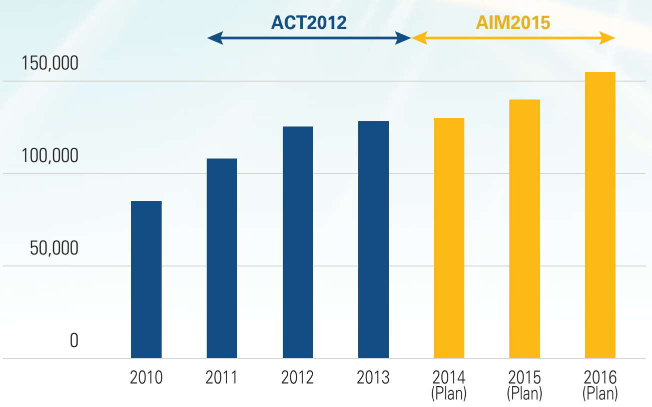
Contents

Disclaimer regarding forward-looking statements

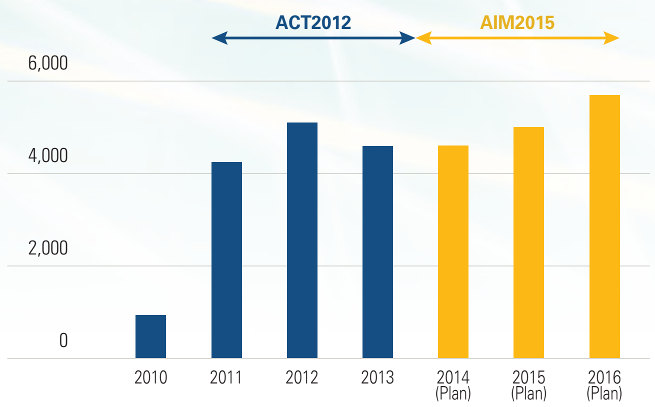
Statements made in this annual report with respect to DJK's forecasts and business targets that are not historical facts, are forward-looking statements about the future performance of DJK and its consolidated subsidiaries and are based on information currently available. Readers are cautioned that for a variety of reasons actual results could differ significantly from the projections presented in this report.

SELECTED FINANCIAL DATA

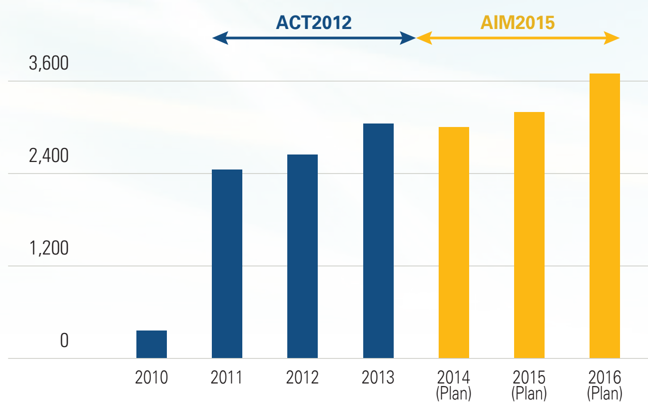
Net sales (Millions of yen)



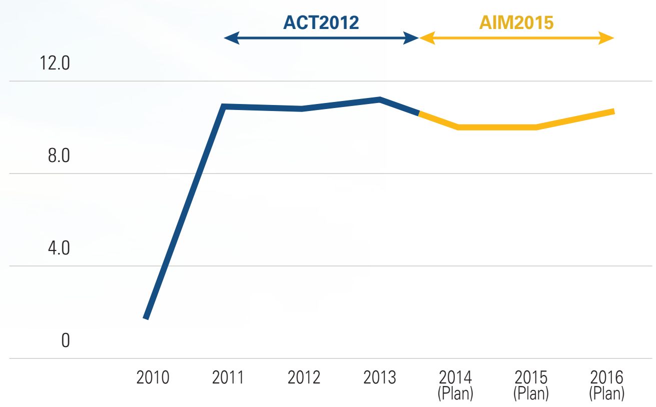
Operating income (Millions of yen)



Net income (Millions of yen)

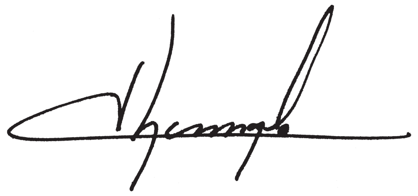


Return on equity (%)



I would like to take this opportunity to thank our stakeholders for their support over the past fiscal year.

Having completed the fiscal year from April 1, 2012, to March 31, 2013, we are pleased to report the overview of the business performance of the DJK Group.



Koji Yamagata
President & CEO

Please provide a summary of the operating results for the fiscal year under review.

We maintained almost the same business scale as the previous fiscal year and made strategic moves toward further business expansion despite sluggish markets across the board.

For the fiscal year ended March 31, 2013, the willingness to invest in production equipment was weak at the global level against a backdrop of the lingering slump of the global economy, which was triggered by the debt crisis in Europe, and the aggravated conflict between Japan and China, as well as the saturation of demand for restoration at production facilities that had been damaged by the Great East Japan Earthquake or the flooding in Thailand.

Although consolidated net sales increased 2.2% year on year to ¥128.2 billion, operating income decreased 10.0% to ¥4.59 billion. Net income increased 15.5% year on year to ¥3.05 billion mainly due to a gain on negative goodwill from the capital increase of a consolidated subsidiary in Thailand.

Given the overall sluggish markets, the most significant slump was in the electronics business. In this business segment, demand for equipment for mounting electronic parts, circuit board printers and various testing equipment to manufacturers of IT and digital devices in China, South Korea and Thailand, which had early recovered after the Lehman Shock and maintained good performance thereafter, declined, leading to an approximately 30% year on year decrease in both net sales and operating income. In the electronics market, share competition is intensifying in production equipment for smartphones and tablet devices. During the fiscal year under review, the DJK Group endeavored to make strategic moves through active sales activities for various equipment and devices including proposal for trial use of our production equipment, recording sufficient delivery performance. In the subsequent fiscal year ending March 31, 2014, the DJK Group projects not only capital investment for a production increase but also rising demand for equipment/device replacement.

Meanwhile, in the plant and energy business, sales increased steadily, thanks to large sales recorded from major projects, including LNG refining plant facilities overseas through leading engineering companies and superabsorbent polymer plants for chemical companies, for which orders had already been received. In the industrial machinery business, vigorous demand was seen primarily overseas for injection molding machines for automobile/motorcycle manufacturing, as well as for automated assembly lines, automated processing equipment and painting robots for automobile-related industries.

CONSOLIDATED FINANCIAL HIGHLIGHTS

DAIICHI JITSUGYO CO., LTD. AND CONSOLIDATED SUBSIDIARIES
Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of U.S. Dollars (Note)
	2013	2012	2013
For the year:			
Net sales	¥ 128,229	¥ 125,502	$ 1,363,418
Operating income	4,590	5,098	48,808
Net income	3,051	2,643	32,444
At the year-end:			
Total assets	81,478	83,759	866,332
Total equity	29,013	26,167	308,493
	Yen		U.S. Dollars (Note)
	2013	2012	2013
Per share data:			
Cash dividends	¥ 15.00	¥ 14.00	$ 0.16

Note: U.S. dollar figures have been converted from Japanese yen, for convenience only, at the rate of ¥94.05 to U.S.$1.

REVIEW OF PREVIOUS MID-TERM MANAGEMENT PLAN "ACT2012"

QUANTITATIVE TARGET

	2013 Plan (Millions of yen)	2013 Results (Millions of yen)
Net sales	127,000	128,229
Operating income	5,100	4,590
Net income	2,900	3,051

QUALITATIVE TARGET

Strengthening and Expanding the Business Earnings Base
- Further pursue global business development
- Buttress efforts in new business fields
- Thorough strengthening of core businesses

Promote More Advanced and Efficient Consolidated Management
- Strengthen financial systems
- Develop and nurture organizational innovation and personnel
- Establish and strengthen management system

Demand also grew for medical equipment and food/packaging-related manufacturing equipment. In the overseas company, sales performed favorably for various manufacturing equipment and painting equipment for automobile-related industries in emerging countries including Asia and Latin America.

As described above, the DJK Group demonstrated the strength of its overall performance by covering sluggish results in certain business fields with favorable results in other business fields.

From around the second quarter of the year ended March 2013, some critics mentioned that the "China Plus One" risk-avoidance investment strategy would be accelerated among Japanese companies. What was the impact of this perspective?

After the Lunar New Year, such movements began to be seen, although a recovery in investment was observed in China, and we are now enhancing our business support capabilities in wider areas.

At the end of the second quarter of the fiscal year under review, we had concerns about the considerable impact on full-year performance from the increased uncertainty in both orders received and net sales with regard to China-related transactions. However, we experienced no clear changes in the food/packaging-related equipment and medical equipment industries and demand sharply regained after the Lunar New Year in the automobile-related industries, which were temporarily affected significantly. Therefore the impact on our consolidated performance was minimal.

On the other hand, the China Plus One policy has been spreading with production bases shifting to countries other than China in several industries. Regarding the automobile/motorcycle-related industries, business has become vigorous mainly in such countries as India, Indonesia, Thailand and Mexico. For other manufacturing industries, similar movements are seen especially in Vietnam, the Philippines and other regions. Accompanying this ongoing trend, the DJK Group is increasingly required to develop its business to cover wider areas, and I am confident that we have stepped up to the phase where we can demonstrate our global support capabilities.

How do you evaluate the results of the ACT2012, the completed mid-term management plan?

I believe successful results have been steadily achieved by making effective investments and addressing our business strategies.

One of the basic policies in the ACT2012 was "reinforcing and expanding our operating revenue base." As for this target, the number of customers increased globally and I feel that both orders received and net sales are likely to increase gradually, leading to steady results.

In particular, as for the basic policy of "promoting further global development," we emphasized new openings of overseas bases as part of our presence in emerging nations where demand is brisk. Consequently, as of March 31, 2013, the DJK Group managed 35 overseas offices and the proportion of overseas sales accounted for more than 50% of consolidated net sales. In addition, through the enhanced conversion of representative offices into locally affiliated corporations, self-contained businesses with local enterprises sharply increased partly due to DJK's capital infusion into locally incorporated companies.

As for "strengthening initiatives in new growth fields," satisfactory results were achieved in the touch panel-, LED- and secondary battery-related manufacturing fields with regard to the acquisition of patents, scouting business partners for equipment manufacturing and the development of new equipment, as well as good sales performance. I personally feel that future growth can be expected via this basic policy. Furthermore, new proposal-type projects have been under way with the accumulated know-how through the operation of our own facilities, such as the start of electricity-selling business with mega solar systems installed in Kasama, Ibaraki Prefecture. As for "reinforcing core businesses," we shifted our focus from the single-item sale of various manufacturing equipment and devices to solution-focused sales including proposals for systems tailored to each customer's needs at its production plants.

As described above, I believe satisfactory results have been steadily achieved by making effective investments and addressing the business strategies that were set forth in the ACT2012. I am also confident that appropriate preparations were made through the execution of the ACT2012 to formulate the new mid-term management plan.

"AIM2015" TARGET

(Millions of yen)

	2013 (Results)	2014 (Plan)	2015 (Plan)	2016 (Plan)
Net sales	**128,229**	130,000	140,000	155,000
Operating income	**4,590**	4,600	5,000	5,700
Net income	**3,051**	3,000	3,200	3,700
Total assets	**81,478**	84,000	88,000	92,000
Shareholders' equity	**28,861**	31,000	33,000	36,000
Interest-bearing debt	**7,486**	8,000	8,000	8,000
Return on equity(%)	**11.2**	10.0	10.0	10.7

"AIM2015" BASIC CONCEPT

1. Expanding Business through the Shift to Business Axis Management

1) Thoroughly pursue and seize global business opportunities
 i) Optimize management resources and conduct strategic investments
 ii) Increase profits by reinforcing core businesses
 iii) Establish a foothold in new growth markets
2) Create a wide range of sales/marketing capabilities, engineering-based group strengths and high added value
 i) Cultivate new energy-related businesses and ensure superiority in them
 ii) Provide optimum production systems by combining newly developed products/materials with existing ones
 iii) Invest proactively in growth fields and in the development of original products

2. Shifting to Business Axis Management and Strengthening as well as Increasing Efficiency of Corporate Management

1) Streamlining and transformation of the business axis management system
 i) Improve internal foundations associated with the shift to business axis management
 ii) Improve the information infrastructure
 iii) Respond to diversifying logistics, upgrade risk management and reduce costs
2) Raise awareness and develop human resources
 i) Design relevant policies/rules/manuals and ensure their through utilization
 ii) Take a thorough risk approach and provide in-depth education on governance
 iii) Reinforce CSR/environment-related initiatives
3) Strengthen financial position
 i) Improve the equity ratio and maintain ROE at 10% or more
 ii) Utilize interest-bearing debt effectively
 iii) Enhance risk management on the collection of receivables accompanying the global development of business activities

Please explain the basic policy of the new mid-term management plan, AIM2015, and the outlook for the first fiscal year.

We intend to shift our focus to “business axis” management for further business expansion and to reinforce our operations and make them more efficient.

The basic policy of the AIM2015 is to conduct structural reforms with an eye to the future expansion of business fields toward the next growth stage and strengthen and improve the efficiency of management systems with the aim of achieving consolidated net sales of ¥200.0 billion.

A specific goal of the AIM2015 is the shift from the previous “geographic axis” system, which focused on business development by business base/area, to a flexible and agile “business axis” system that draws on original, area-focused strategies. The complete shift to the “business axis” system will take some time as we streamline our business operations. I believe speedy decision making on a global perspective and the optimization of management resources will be ensured with these initiatives, and we will actively promote them to expand business and strengthen profit-earning capacity.

In the first year of the management plan, we intend to strengthen our global support capabilities in especially favorable businesses and areas and open new operating bases in areas with high potential. We will thus make concerted efforts at the group level to receive orders so that we can fulfill our performance targets while further reinforcing DJK’s global structure.

Finally, what message would you like to send to your stakeholders?

We aim for further corporate growth with steady steps to become an enterprise with net sales of ¥200.0 billion.

Unlike consumer goods, the materials and products that the DJK Group handles cannot be expected for explosive expansion or growth. However, I am confident that we can achieve a sustainable growth trajectory, as our operating system to advance steps to become an enterprise with net sales of ¥200.0 billion has been steadily streamlined. In addition, we intend to promote the sophistication of the DJK Group’s consolidated management so that we can ensure stable returns to stakeholders, including overseas profits that are increasing every year.

We ask that our stakeholders continue to support us in our endeavors in view of the DJK Group’s underlying growth potential.

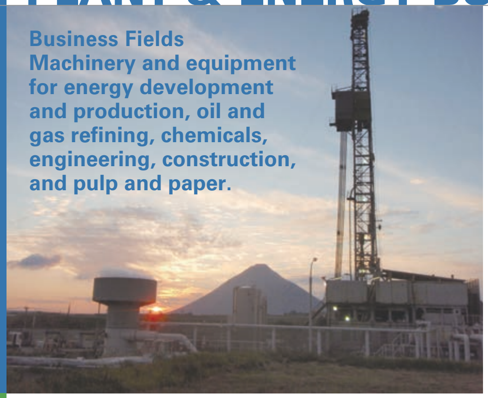
Kasama Photovoltaic Power Plant

In the photovoltaic power generation business that had been promoted in Kasama, Ibaraki Prefecture, we completed the installation of solar panels in March 2013 and the facility soon commenced commercial operation as DJK Kasama Photovoltaic Power Plant.

We rented the plant site in the Kasama-Higashi Industrial Park from Kasama development bureau and installed 7,154 solar panel sheets on the premises of 21,176 m^2. This large-scale facility produces energy of 1,780 thousand kWh annually with an approximate output scale of 1.5MW. This annual energy production corresponds to power consumption at 500 ordinary households. We plans to sell surplus electricity to a power company by taking advantage of the fixed price purchase scheme of renewable energy.

As a top global supplier of various industrial machineries, the DJK Group aims to be a general machinery trading company that contributes to society in the aspect of reducing environmental load by promoting the dissemination of environmentally-friendly products such as equipment related to renewable energy and equipment for environmental measures.

PLANT & ENERGY BUSINESS

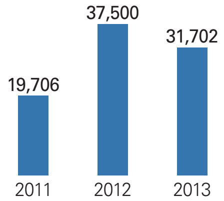


Business Fields
Machinery and equipment for energy development and production, oil and gas refining, chemicals, engineering, construction, and pulp and paper.

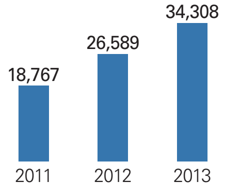
Demand remained steady although orders received for plant facilities overseas declined.

Net sales increased considerably, as sales were recorded for projects including LNG refining plant facilities and facilities and equipment for fertilizer plants overseas through leading engineering companies, and superabsorbent polymer plants for chemical companies, for which orders had already been received, in addition to the delivery of exploratory equipment for oil and natural gas development such as methane hydrate. Demand in this segment is expected to increase steadily although orders received declined due to fewer orders for various types of plant equipment to overseas destinations.

Orders received
31,702
(Millions of yen)



Net sales
34,308
(Millions of yen)

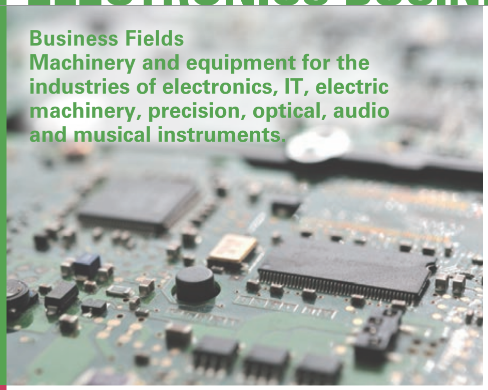


Description of Business

Against the backdrop of its rich experience and solid technologies accumulated over the years, DJK has actively addressed diverse tasks and achieved considerable results in such business fields as energy conservation, petroleum substitute energy and new energy. In addition, DJK has provided fine-tuned services for its customers from gas and petroleum refining plants, petrochemical plants, construction and maintenance, to consulting services for soil remediation.

In the fields related to paper and pulp manufacturing, we handle a wide range of equipment by manufacturing process and provide various types of machinery including environment-related equipment.

ELECTRONICS BUSINESS

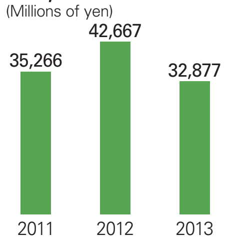


Business Fields
Machinery and equipment for the industries of electronics, IT, electric machinery, precision, optical, audio and musical instruments.

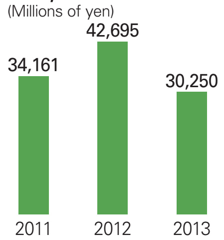
Sluggish performance due to decreasing demand for equipment to manufacturers of IT and digital devices.

Demand for equipment mounted with electronic parts, circuit board printers and various testing equipment to manufacturers of IT and digital devices in China, South Korea and Thailand, which had early recovered after the Lehman Shock and maintained good performance thereafter, declined. Consequently, both orders received and net sales decreased. We will continue to focus on sales activities in response to the rising demand accompanying the production increase for smartphone, vehicle equipment, and device-related equipment in Asia.

Orders received
32,877
(Millions of yen)

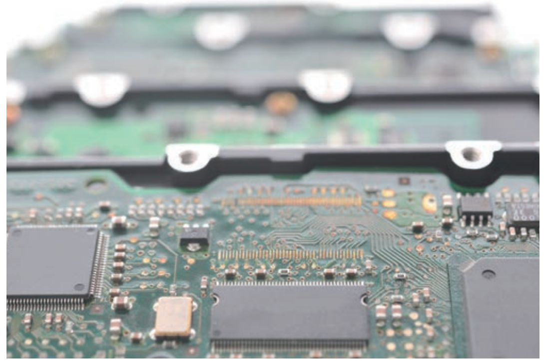


Net sales
30,250
(Millions of yen)



Description of Business

In the fields of surface mounting technology (SMT) and semiconductor/LC module assembly, DJK comprehensively provides various types of PCB inspection equipment, peripheral equipment and electronic parts around its core circuit formation technology through the reform of production processes. DJK proposes new business models adapted to the times by fully demonstrating its originally developed domestic and global networks.



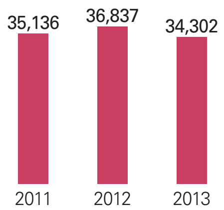
INDUSTRIAL MACHINERY BUSINESS

Business Fields
Machinery and equipment for plastics, rubber, automobiles, steel, pharmaceuticals, food, and aviation industries.

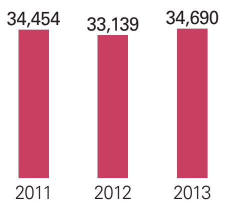
Strong demand overseas for equipment intended for automobile-related industries.

Net sales increased as demand was vigorous primarily overseas for injection molding machines for manufacturing automobile parts, as well as for automated assembly lines, automated processing equipment and painting robots for automobile-related industries. Firm orders are expected to be received in this segment, reflecting strong demand for plastic product manufacturing equipment intended for automobile-related industries accompanying the production increase for consumer electronics and automobile components mainly in emerging countries.

Orders received
34,302
(Millions of yen)



Net sales
34,690
(Millions of yen)



Description of Business

DJK's FA systems, flexible manufacturing systems (FMSs), and various automated assembly lines have been highly acclaimed by many customers in the field where they seek enhanced efficiency, labor-saving, and streamlining. DJK handles plastic/rubber molding machines, metal processing machines, and ceramic processing machines in the automobile and consumer electronics-related fields. Meanwhile, as for pharmaceutical and food manufacturing, DJK handles a variety of equipment and products including pharmaceutical filling devices, various types of inspection equipment, and the latest packaging production lines.

As for LIB manufacturing, DJK handles the incinerators and drying furnaces that are indispensable in manufacturing the raw materials of secondary batteries. DJK also supplies ground-support equipment and other airport facility-related equipment for the aviation industry.

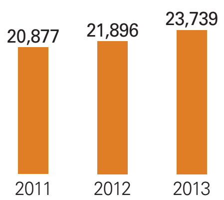
OVERSEAS COMPANY

Business Fields
Machinery and equipment sold by overseas branches and subsidiaries.

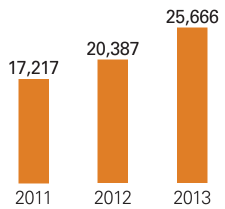
Expectation for rise in demand due to continuous capital investments in emerging nations.

Although demand for manufacturing equipment to manufacturers of IT and digital devices decreased in Asia, sales performed favorably for various manufacturing equipment and painting equipment for automobile-related industries. Consequently, both orders received and net sales advanced. We intend to address the rising demand in different regions in view of the expanding consumption that will likely continue in emerging nations.

Orders received
23,739
(Millions of yen)



Net sales
25,666
(Millions of yen)



Description of Business

DJK manages its overseas offices in 35 cities in 18 countries around the world. The DJK headquarters in each area of the 4-axis network (China, Southeast Asia, the Americas, and Europe) coordinates with each other to implement business activities. In addition to sales of various kinds of machinery and equipment handled by the DJK Group in the respective areas, each headquarters sells merchandise that it directly purchases locally.

DJK NETWORK
(As of August 13, 2013)

OVERSEAS

OFFICES

- Seoul Branch
  TEL: +82-2-528-1400
- Singapore Branch
  TEL: +65-6659-0720
- Qatar Representative Office
  TEL: +974-4410-1674
- Malaysia Regional Office
  TEL: +60-086-339-124

SIGNIFICANT SUBSIDIARIES

DJK EUROPE GMBH
Consolidated subsidiary
- Headquarters (Frankfurt)
  TEL: +49-6196-776-14-18
- Prague Branch
  TEL: +420-233-320-090
- Budapest Branch
  TEL: +36-1-235-0323

DAIICHI JITSUGYO ASIA PTE. LTD.
Consolidated subsidiary
TEL: +65-6338-3732

DAIICHI JITSUGYO (THAILAND) CO., LTD.
Consolidated subsidiary
- Headquarters (Bangkok)
  TEL: +66-2-643-8118
- New Delhi Branch
  TEL: +91-12-4426-6080
- Bangalore Branch
  TEL: +91-80-4919-1515
- Ho Chi Minh Office
  TEL: +84-8-3925-6900

DAI-ICHI JITSUGYO (MALAYSIA) SDN. BHD.
Consolidated subsidiary
TEL: +60-3-2070-6913

DAIICHI JITSUGYO (PHILIPPINES), INC.
Consolidated subsidiary
TEL: +63-2-759-6944

DJK FACTORY SOLUTIONS (PHILIPPINES), INC.
TEL: +63-49-544-0229

DAIICHI JITSUGYO (VIETNAM) CO., LTD.
Consolidated subsidiary
TEL: +84-4-3766-5990

PT. DJK INDONESIA
Consolidated subsidiary
TEL: +62-21-390-4930

SHANGHAI YISHI TRADING CO., LTD.
Consolidated subsidiary
- Headquarters (Shanghai)
  TEL: +86-21-6237-5800
- Tianjin Office
  TEL: +86-22-2840-8723
- Suzhou Office
  TEL: +86-512-6802-6128
- Chongqing Office
  TEL: +86-23-6779-7543
- Changchun Office
  TEL: +86-431-8468-5578
- Wuhan Office
  TEL: +86-27-8757-2857

DAIICHI JITSUGYO (HONG KONG) LIMITED
Consolidated subsidiary
TEL: +852-2802-8233

DAIICHI JITSUGYO (GUANGZHOU) TRADING CO., LTD.
Consolidated subsidiary
- Headquarters (Guangzhou)
  TEL: +86-20-3877-2405
- Shenzhen Office
  TEL: +86-755-2669-2515

DJK (TAIWAN) CORP.
TEL: +886-2-2327-8831

DAIICHI JITSUGYO (AMERICA), INC.
Consolidated subsidiary
- Headquarters (Chicago)
  TEL: +1-630-875-0101
- Houston Office
  TEL: +1-713-682-1571
- Knoxville Office
  TEL: +1-865-983-7042

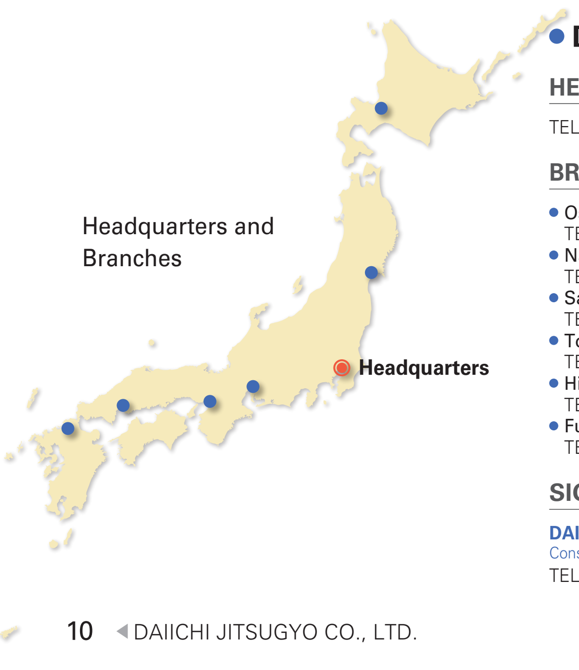
DAIICHI JITSUGYO PUERTO RICO, INC.
TEL: +1-787-746-5396

DJK GLOBAL MEXICO, S.A. DE C.V.
- Headquarters (Queretaro)
  TEL: +52-442-217-4975
- Monterrey Office
  TEL: +52-81-8864-5125
- Tijuana Office
  TEL: +52-664-647-8471

DAIICHI JITSUGYO DO BRASIL COMERCIO DE MAQUINAS LTDA.
- Headquarters (Sao paulo)
  TEL: +55-11-3284-1500
- Manaus Office
  TEL: +55-92-3302-2045

SIGNIFICANT AFFILIATE

SHIRAGANE PLATING TECHNOLOGY (CHANGZHOU) CO., LTD.
TEL: +86-519-8899-8882



DOMESTIC

HEADQUARTERS(Tokyo)

TEL: +81-3-5214-8500 (Information desk)

BRANCHES

- Osaka Branch
  TEL: +81-6-6366-2800
- Nagoya Branch
  TEL: +81-52-201-5471
- Sapporo Branch
  TEL: +81-11-241-2435
- Tohoku Branch
  TEL: +81-22-266-2366
- Hiroshima Branch
  TEL: +81-82-248-0295
- Fukuoka Branch
  TEL: +81-92-441-1565

SIGNIFICANT SUBSIDIARIES

DAIICHI MECHA-TECH CORPORATION
Consolidated subsidiary
TEL: +81-48-222-1692

DJTECH CO., LTD.
Consolidated subsidiary
TEL: +81-49-295-4975

DAIICHI JITSUGYO VISWILL CO., LTD.
Consolidated subsidiary
TEL: +81-6-6378-6115

DAIICHI ENGINEERING CO., LTD.
TEL: +81-3-3288-1951

FLOW DYNAMICS, INC.
TEL: +81-3-5214-8638

SIGNIFICANT AFFILIATES

SULZER DAIICHI K.K.
TEL: +81-3-3664-5721

CAMERON JAPAN LTD.
TEL: +81-3-3288-1901

ASANO LABORATORIES CO., LTD.
TEL: +81-561-38-1211

CORPORATE GOVERNANCE

BASIC CORPORATE GOVERNANCE POLICY

From the perspective of reinforcing our corporate capabilities to survive global competition, we place high priority on promoting accurate and speedy business decision-making, while at the same time, enhancing our management oversight function to ensure the transparency of our business.

CORPORATE GOVERNANCE ORGANIZATION

Our Board of Directors comprises six directors and meets in principle once a month or as necessary. The board determines basic business policies and other important matters through vigorous exchanges of opinions while also fulfilling its function as an oversight body for business execution. The board also places directors at consolidated subsidiaries in Japan and abroad to be in charge of those companies and to manage and oversee their business execution. According to the Company's Articles of Incorporation, the Board of Directors shall comprise seven members or less, who shall be elected by a general meeting of shareholders. To elect directors, one third or more of the shareholders holding voting rights must be in attendance, of which half or more must vote for said directors. The Articles of Incorporation also stipulate that cumulative voting shall not be used in resolutions for electing directors thereof.

Moreover, in an effort to further enhance its corporate value, the Company has adopted the executive officer system to conduct flexible and efficient business operations by reinforcing the business decision-making and supervising functions, as well as separating the business execution function. The Company dispatches certain executive officers to be in charge of its consolidated subsidiaries in Japan and overseas and to manage their business execution.

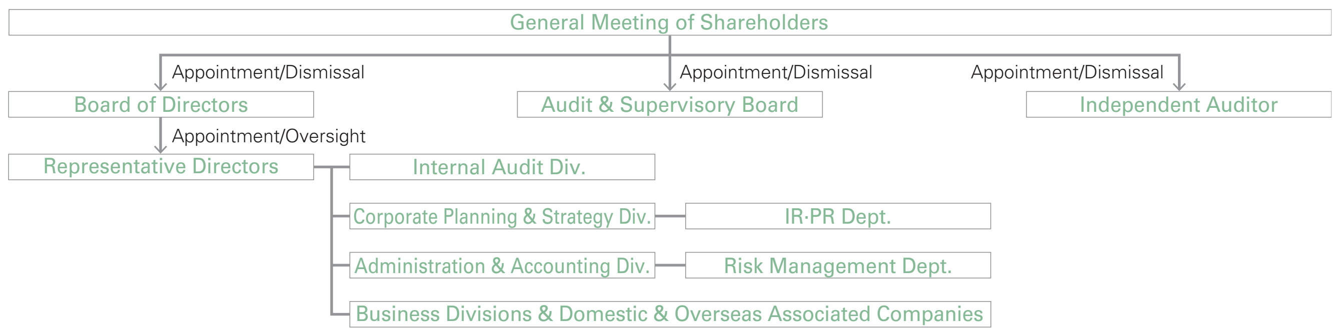
Currently, the Company does not appoint outside directors. However, the Company does appoint people external to its organization as outside audit & supervisory board members and the audit process is carried from an objective point of view based on the common sense, experience, and insight of these outside audit & supervisory board members. Based on this audit system, the Company believes that it has established an adequate system in terms of management oversight.

The Company uses an Audit & Supervisory Board system comprised of four audit & supervisory board members, two of whom are outside audit & supervisory board members. In addition to attending every Board of Directors meeting, these audit & supervisory board members attend other important internal meetings to monitor the business execution performance of directors from an objective perspective. Audit & supervisory board members work to ensure the effective implementation of the audit by receiving reports on and explanations of the audit plan and results from independent auditor; exchanging opinions on the areas to be covered by the audit, the audit methods, and the audit results; sharing information; and taking other measures. According to the Articles of Incorporation, the Company shall have five audit & supervisory board members or less, who shall be elected by a general meeting of shareholders. To elect audit & supervisory board members, one third or more of the shareholders holding voting rights must be in attendance, of which half or more must vote for said audit & supervisory board members.

The Company has concluded an auditing agreement with the certified public accounting firm Deloitte Touche Tohmatsu LLC to act as its independent auditor. In addition to providing accounting auditing services in a fair and unbiased manner, the auditing firm provides advice on accounting matters as appropriate.

As for the internal audit system of which the central organ is the Internal Audit Division, the job execution of employees is checked and assessed as to whether it is in accordance with laws and regulations and the Articles of Incorporation, as well as

CORPORATE GOVERNANCE SYSTEM



with the basic internal control policy and the code of conduct.

The Company has also concluded advisory agreements with several law offices to act as its legal advisors, from which the Company receives advice as necessary, including not only for legal consulting on business affairs but also regarding the maintenance of its compliance system.

To increase the transparency of its business, the Company proactively discloses information through its IR·PR Department. In addition, as one of its IR activities, the Company holds results briefing meetings every fiscal year and information meetings for individual shareholders. In these meetings, the Company reports on and explains business conditions and the future direction of the Company Group to shareholders and investors. In conjunction with these meetings, the Company makes timely and appropriate disclosure of business information through its website.

ESTABLISHING AN INTERNAL CONTROL SYSTEM

As a necessary tool to ensure that directors execute their business duties and conduct their business practices in accordance with laws and regulations and the Articles of Incorporation and other methods necessary to ensure proper company operations, the Company has formulated a "basic internal control policy," the details of which are as follows.

1. Systems to ensure that directors comply with laws and regulations and Articles of Incorporation in the execution of their business duties

(1) In accordance with our business practices policy and code of conduct, the representative director shall ensure that business activities are premised on compliance with laws and regulations, the Articles of Corporation, and corporate ethics by repeatedly reminding the officers and employees of the Company of this policy.

(2) To ensure that the business execution of the Company is carried out in an overall appropriate and sound manner, the directors shall endeavor to establish a practical internal control system and an overall legal compliance system from the perspective of further strengthening the Company's corporate governance. Furthermore, audit & supervisory board members shall audit the effectiveness and functional capability of the internal control system, and if necessary report recommendations on improvements for the system to directors.

(3) To deal with antisocial forces, the Company shall thoroughly manage information on the elimination and the eradication of such influences in a unified manner. External pressure applied by such antisocial forces shall be reported to the risk management committee for assessment of its importance and investigation.

2. System to store and manage information on business execution by directors

Information on business execution by directors shall be recorded in written form or electronic media (Hereinafter referred to as "written, etc. records") based on the Company's filings rules. These records shall be stored and managed so that they can be easily searched in an appropriate and accurate manner.

Directors and audit & supervisory board members shall have free access to view these written, etc. records.

3. Systems providing rules to manage possible losses and other matters

As a foundation for the risk management system, the Company will determine risk management rules, assign managers to be in charge of the different types of risk, and establish a risk management system based on those rules.

When a management crisis occurs as determined by said rules, the Company shall set up a task force with the re-presentative director as its head as well as an information liaison team and an outside advisory team including legal counsels. Based on these actions, the Company shall establish on organization to minimize damages and prevent them from growing through quick response.

4. Systems to ensure that directors carry out job execution effectively

(1) In the Company's mid-term management and annual business plans that are built around its corporate principles, each operating section shall work toward achieving the goals of the plan. In addition, each operating section shall check whether the business plan is proceeding on schedule on a monthly basis based on performance reports.

(2) In executing their duties, directors shall comply with all of the obligations of the Board of Directors regarding business decisions as set out in the rules of the Board of Directors. Based on the principles of business decision-making, the Company will set up a system that distributes adequate information on items prior to their discussion to all directors and audit & supervisory board members.

(3) As the foundation of the system to ensure that directors carry out the execution of their duties effectively, in principle, the Board of Directors will meet regularly once a month and as otherwise necessary. Important matters regarding the business policy and strategy of the Company will first be discussed by an Executive Committee comprising directors with a ranking of managing director or above, and passed on for approval by the Board of Directors before execution.

(4) The business execution of decisions made by the Board of Directors shall be carried out by directors and executive officers in accordance with the division of duties decided at the start of each fiscal year, with assignments, responsibilities, and execution procedures determined in detail.

5. Systems for ensuring that directors, executive officers, and employees execute their business duties in accordance with laws and regulations and the Articles of Incorporation

(1) As a foundation for the compliance system, employees will be made thoroughly aware of the code of conduct.

(2) An Internal Audit Division will be established under the supervision of the representative director and will determine internal audit rules and establish, maintain, and improve an internal control system. As necessary, the Division shall carry out audits and training sessions in all business sections.

(3) When a major legal violation or other significant incident regarding compliance has been discovered, directors shall promptly report it to the representative director and to audit & supervisory board members.

(4) As an in-house information system to report legal violations or other incidents regarding compliance, the manager of the Internal Audit Division will promptly establish an internal communication system where information can be directly reported and operate it in accordance with the internal communications rules.

(5) When audit & supervisory board members recognize that there is a problem with the operation of the Company's legal compliance system or internal communication system, they may give their opinion and require that improvement measures be formulated.

6. System to ensure the fairness of operations of the corporate group comprising the parent company and its subsidiaries

(1) To ensure the appropriate and fair conduct of the Group companies, each Group company will create a code of conduct and formulate its own related rules based on it.

(2) The Company will appoint a director in charge of business administration of the Group companies, which will managed based on prior consultation meetings and a reporting system. If necessary the director in charge will undertake monitoring.

(3) If a director recognizes that a Group company has violated some aspect of the business management or business guidance systems or if a compliance problem is discovered, the director shall report it to the representative director.

7. System for requesting staff to aid audit & supervisory board members and the independence of those staff members from the influence of directors

(1) Audit & supervisory board members may instruct the Internal Audit Division manager to provide assistance in matters necessary to the auditing process. The staff of the Internal Audit Division who have been instructed by audit & supervisory board members to provide assistance regarding matters necessary to the auditing process may not receive other instructions regarding those matters from directors.

(2) Based on meetings with the Audit & Supervisory Board, the Internal Audit Division manager will perform internal audits on items requested by audit & supervisory board members and report the results to the Audit & Supervisory Board.

8. System for directors, executive officers, and employees to report to audit & supervisory board members, system for making other reports to audit & supervisory board members, and system to enable audit & supervisory board members to do an effective audit

(1) Directors, executive officers, and employees shall report the following important items regarding the Company's business or influence on business performance on a case-by-case basis.

- Activities of the sections related to the establishment of the Company's internal control system.
- The Company's principal accounting policies and standards and any changes in them.
- Details of announcements on business performance or business forecasts, details of important disclosure items.
- Details of operations and communications of internal communications system.
- Internal management approval (Ringi) documents, applications for different types of transactions, and keeping minutes of meetings as required by audit & supervisory board members.

(2) As necessary, audit & supervisory board members may request reports on preceding issues from directors, executive officers, and employees.

(3) The Audit & Supervisory Board and the representative director shall establish regular meetings to exchange opinions.

(4) The Company will ensure an appropriate system for reporting to audit & supervisory board members on legal violations and other compliance issues by maintaining the proper application of the in-house communication rules.

(5) Audit & supervisory board members will check the objectivity of the work of the Company's independent certified public accounting firm, and will request reports and explanations of the details of the independent certified public accounting firm's audit and collaborate with the audit firm through periodic exchanges of information and other activities.

	Millions of yen					Thousands of U.S. Dollars (Note 1)
	2013	2012	2011	2010	2009	**2013**
For the year:						
Net sales:	**¥128,229**	¥125,502	¥108,079	¥ 85,058	¥127,285	**$ 1,363,418**
Gross profit	**16,710**	16,813	15,224	11,104	14,287	**177,674**
Operating income:	**4,590**	5,098	4,243	941	2,893	**48,808**
Net income	**3,051**	2,643	2,448	363	1,384	**32,444**
Comprehensive income	**4,485**	3,008	2,159	600		**47,695**
Overseas sales:	**67,441**	65,310	44,819	23,380	47,951	**717,086**
Asia	**58,839**	52,646	36,706	19,284	39,625	**625,623**
Europe	**2,289**	2,551	1,886	1,656	2,571	**24,346**
North and Central America	**5,197**	5,511	4,546	1,423	3,646	**55,265**
Other	**1,114**	4,600	1,678	1,017	2,109	**11,850**
Depreciation and amortization	**316**	353	356	326	357	**3,360**
Capital expenditures	**1,065**	427	381	443	263	**11,331**
At year-end:						
Total assets	**¥ 81,478**	¥ 83,759	¥ 73,322	¥ 55,096	¥ 64,066	**$ 866,332**
Working capital	**20,322**	18,855	17,180	15,590	15,463	**216,085**
Interest-bearing debt	**7,486**	14,942	10,560	5,489	5,567	**79,599**
Total equity	**29,013**	26,167	23,777	22,082	21,694	**308,493**
Per share of common stock (in yen and U.S. dollars):						
Net income	**¥ 57.97**	¥ 50.55	¥ 46.90	¥ 6.97	¥ 25.76	**$ 0.62**
Cash dividends	**15**	14	13	7	11	**0.16**
Shareholders' equity	**545.78**	485.23	445.88	416.63	410.63	**5.80**
Other statistics:						
Number of shares of common stock outstanding (in thousands)	**52,811**	52,565	52,213	52,119	52,099	
Number of employees	**1,043**	1,008	992	974	942	
Key ratio (%):						
Gross profit margin	**13.0**	13.4	14.1	13.1	11.2	
Operating income margin	**3.6**	4.1	3.9	1.1	2.3	
Return on sales	**2.4**	2.1	2.3	0.4	1.1	
Return on assets	**3.7**	3.4	3.8	0.6	1.9	
Return on equity	**11.2**	10.8	10.9	1.7	6.1	
Asset turnover (times)	**1.55**	1.6	1.68	1.43	1.7	
Current ratio	**139.8**	133.1	135.3	148.5	137.3	
Equity ratio	**35.4**	30.5	31.8	39.4	33.4	
Debt to equity ratio (times)	**0.26**	0.59	0.45	0.25	0.26	

Notes: 1. U.S. dollar figures have been converted from Japanese yen, for convenience only, at the rate of ¥94.05 to U.S.$1.
2. Minority interests in equity have been excluded from equity when key ratio is calculated.

PERFORMANCE

The Japanese economy during the fiscal year under review saw a gradual undertone of recovery against a backdrop of demand for reconstruction from the Great East Japan Earthquake and showed several promising signs such as a recovery of stock prices and a correction of the yen appreciation deriving from expectations of revised economic policies due to the change of government at the end of last year. However, uncertainty continued with such concerns as the lingering debt crisis in Europe and economic stagnation due to economic deceleration in emerging nations.

Under such circumstances, through concerted sales activities conducted by directors, executive officers and employees of the DJK Group companies, orders received decreased 11.4% to ¥125,662 million, consolidated net sales increased 2.2% to ¥128,229 million and operating income decreased ¥507 million, or 10.0%, to ¥4,590 million. Net income increased ¥408 million, or 15.5%, to ¥3,051 million, mainly due to a gain on negative goodwill from the capital increase of a consolidated subsidiary in Thailand.

Performance by business segment was as follows.

(1) Plant & Energy Business

As large sales from major projects, including LNG refining plant facilities overseas through leading engineering companies and superabsorbent polymer plants for chemical companies were recorded, net sales increased ¥7,719 million, or 29.0% year on year, to ¥34,308 million and segment income (operating income) increased ¥249 million, or 19.7% year on year, to ¥1,520 million.

(2) Electronics Business

Demand for equipment mounted with electronic parts, circuit board printers and various testing equipment to manufacturers of IT and digital devices in China, South Korea and Thailand, which had early recovered after the Lehman Shock and maintained good performance thereafter, declined. As a result, net sales decreased ¥12,444 million, or 29.1% year on year, to ¥30,250 million and segment income (operating income) decreased ¥719 million, or 29.8% year on year, to ¥1,697 million.

(3) Industrial Machinery Business

Demand was vigorous primarily overseas for injection molding machines for manufacturing automobile parts, as well as for automated assembly lines, automated processing equipment and others for automobile-related industries. As a result, net sales increased ¥1,550 million, or 4.7% year on year, to ¥34,690 million and segment income (operating income) increased ¥99 million, or 4.5%, to ¥2,297 million.

(4) Overseas Company

Although demand for manufacturing equipment to manufacturers of IT and digital devices decreased in Asia, sales performed favorably for various manufacturing equipment and painting equipment for automobile-related industries. Consequently, net sales increased ¥5,278 million, or 25.9% year on year, to ¥25,666 million. Segment income (operating income) decreased ¥315 million, or 22.5% year on year, to ¥1,089 million, reflecting the decrease in commission income due to the fallen demand for manufacturing equipment to manufacturers of IT and digital devices.

FINANCIAL POSITION

As of March 31, 2013, total assets amounted to ¥81,478 million, decreasing ¥2,280 million, or 2.7% year on year. Current assets decreased ¥4,375 million, or 5.8% year on year, to ¥71,445 million, whereas fixed assets increased ¥2,095 million, or 26.4% year on year, to ¥10,033 million.

The decrease in current assets was mainly attributable to the decrease in notes and accounts receivable due to the collection of accounts receivable. The increase in fixed assets was mainly attributable to the increase in the book value of investment securities, which resulted from rise of stock prices, and the acquisition of the business assets relating to the photovoltaic power generation business that was newly started.

Total liabilities amounted to ¥52,464 million, decreasing ¥5,126 million, or 8.9%, from the previous year. Current liabilities decreased ¥5,843 million, or 10.3%, to ¥51,122 million, whereas long-term liabilities increased ¥716 million, or 114.5%, to ¥1,342 million.

The main factor of the decrease in current liabilities was the repayment of short-term loans due to the collection of accounts receivable. The main factors of the increase in long-term liabilities were new long-term loans for the acquisition of the business assets relating to the photovoltaic power generation business and the increase in long-term deferred tax liabilities resulting from the valuation of fair market value of investment securities accompanying the rise in stock prices.

Total equity amounted to ¥29,013 million, increasing ¥2,845 million, or 10.9%, from the previous year. The main factor of this increase was the reporting of net income of ¥3,051 million despite the payment of dividends. As a result, the equity ratio became 35.4%, which is 4.9 percentage points higher than the 30.5% of the previous fiscal year.

Interest-bearing debt amounted to ¥7,486 million, decreasing ¥7,455 million, or 49.9%, year on year. The debt-to-equity ratio (DER) at the end of the fiscal year under review was 0.26 times, considerably dropping from 0.59 times at the end of the previous fiscal year.

In the near future, we intend to reinforce our financial structure by effectively utilizing group-wide funds at a global level while steadily carrying out the execution plans in accordance with the vision and basic policies of the AIM2015.

Operating Activities

Net cash provided by operating activities totaled ¥8,781 million, an increase of ¥10,443 million from net cash used in operating activities in the previous fiscal year. This is mainly attributable to the recording of income before income taxes and minority interests and the decrease in notes and accounts receivable due to the collection of accounts receivable.

Investing Activities

Net cash used in investing activities totaled ¥1,509 million, decreasing ¥1,235 million from the previous fiscal year. The principal cash outflows were the acquisition of property, plant and equipment and the acquisition of investment securities.

Financing Activities

Net cash used in financing activities totaled ¥8,321 million, decreasing ¥12,013 million from the previous fiscal year. The principal cash outflows were the repayment of short-term bank loans and the payment of dividends.

BUSINESS RISKS

The following section indicates matters that could have a significant bearing on the investment decision of those considering investment in DJK with regard to the business conditions and accounting procedures stated in this annual report. However, it does not represent in any way an exhaustive description of business risks.

Risk of change in the macroeconomic environment

The DJK Group's major business involves the sale of various types of machinery, fixtures, parts, and lease services of various types of machinery and fixtures, which it sells domestically, imports, and exports. Overseas, under the new mid-term management plan, AIM2015, which began in April 2013, the DJK Group is accelerating its business development based on its global 4-axis network, which has been pursued, to strengthen its profit-earning capacity. Therefore, the DJK Group's business performance may be affected by changes not only in economic trends in Japan but also on a global scale. Especially with the economic growth in China and the Asian region as well as in the North, Central, and South Americas and Europe, while these conditions provide the possibility of expanded business opportunities for the DJK Group, a slowdown in economic activity in these regions could have a negative impact on the business results of the DJK Group.

Risk of increased in proportion of overseas sales

Japanese companies continued to enter overseas markets and transferred their production bases overseas. In response, the DJK Group also is proceeding with the globalization of its operations by expanding its overseas network and other activities, aiming to expand its business opportunities. The proportion of overseas sales to the consolidated net sales in the fiscal year under review was 52.6%, accounting for over half of the total, and up from 52.0% in the previous fiscal year. With the steady implementation of the new mid-term management plan AIM2015, it is expected that the overseas sales in net sales will continue to swing upwards. As a result, there is a possibility that the international financial environment, exchange rate trends, international trends in crude oil and raw material prices, and capital investment trends for customers' production bases could affect the business results of the DJK Group. In addition, DJK's overseas business activities are exposed to the risk of unexpected changes in political systems or economic environments and social disturbances based on legal and regulatory changes.

Risk of increases in interest rates

DJK has signed trade commitment agreements with five banks and is progressing with the reduction of interest-bearing debt. The interest-bearing debt of the DJK Group at March 31, 2013 amounted to ¥7,486 million. Going forward, DJK will aim to systematically and stably procure working capital and to reduce interest expenses. However, should the balance of the DJK Group's financial income and expenses deteriorate because of the trend in net sales or in interest rates, it could impact negatively on the DJK Group's business results and financial position. In addition, if substantial turmoil occurs in major financial markets in Japan or overseas, financing costs could increase.

Credit risk

At March 31, 2013, the total sales receivables of the DJK Group amounted to ¥38,536 million, or 47.3% of total assets. As a result, DJK is exposed to the risk of losses due to the credit of its clients worsening or their businesses failing. For that reason, DJK acts in accordance with its rules regarding trading rights and risk management, setting maximum credit and transaction amounts in its required transaction approval procedures, requires collateral or guarantees depending on the credit rating of the debtor, and puts in place risk hedges, such as the factoring or securitization of debt. Despite these measures, if the client experiences a liquidity crisis or a chain reaction bankruptcy due to a worsening of the business environment or a specific major debtor experiences business problems resulting in it becoming impossible to recover credit extended, it could have a negative influence on the business results and financial position of the DJK Group.

Business development risk related to mid-term management plan

Under the AIM2015, a new mid-term management plan which began in April 2013, the DJK Group's basic policy is to shift its focus to "business axis" management for further business expansion and to reinforce its operations and make them more efficient. Nevertheless, depending on the cost required for strategic business development and whether or not the timing and scale of the effective allocation of business resources based on the progress of business development is appropriate, the DJK Group could lose earnings opportunities and increase its financial burden, resulting in a negative impact on its business results and financial position.

Risk of disaster

Should a disaster, such as an earthquake, typhoon, fire or infectious disease epidemic occur, the DJK Group's offices; factories; computer systems; directors, executive officers, and employees; or other related assets may suffer damages or interruptions may occur in the DJK Group's business or production activities. To be able to determine whether or not its directors, executive officers, and employees are safe and to implement its business continuity plan (BCP), DJK has produced risk management manuals for the different possible disasters and established such measures as backup systems for computer system data and emergency fire drills, and implemented other disaster-related activities. Nevertheless, there is no guarantee that these measures will allow the DJK Group to completely avoid any damages from disasters, and should major damages occur, they could impact negatively on the business results and financial position of the DJK Group.

Furthermore, should one of the DJK Group's major customers or vendors suffer substantial damages from a disaster, the suspension of the business and production activities of the customer or vendor could have a negative effect on the performance of the DJK Group.

CONSOLIDATED BALANCE SHEET

DAIICHI JITSUGYO CO., LTD. AND CONSOLIDATED SUBSIDIARIES
March 31, 2013

	Millions of yen		Thousands of U.S. Dollars (Note 1)
ASSETS	**2013**	2012	**2013**
Current assets:			
Cash and cash equivalents (Note 14)	**¥ 12,894**	¥13,604	**$ 137,198**
Time deposits (Note 14)	**80**		**851**
Receivables (Note 14):			
Notes receivable	**4,161**	3,596	**44,246**
Accounts receivable	**34,163**	39,097	**363,251**
Unconsolidated subsidiaries and associated companies	**160**	165	**1,708**
Other	**1,548**	1,883	**16,461**
Lease investment assets (Note 13)	**145**	227	**1,546**
Inventories (Note 4)	**8,850**	9,157	**94,099**
Deferred tax assets (Note 10)	**538**	715	**5,723**
Accounts prepaid	**7,009**	7,056	**74,526**
Other current assets	**1,950**	428	**20,740**
Allowance for doubtful accounts	**(56)**	(112)	**(602)**
Total current assets	**71,445**	75,821	**759,651**
Property, plant and equipment (Note 5):			
Land	**610**	610	**6,495**
Buildings and structures	**1,143**	1,093	**12,154**
Machinery and equipment	**1,009**	491	**10,734**
Furniture and fixtures	**834**	723	**8,871**
Leased assets (Note 13)	**636**	709	**6,768**
Construction in progress	**220**	1	**2,346**
Total	**4,455**	3,629	**47,370**
Accumulated depreciation	**(1,911)**	(1,844)	**(20,319)**
Net property, plant and equipment	**2,544**	1,784	**27,050**
Investment and other assets:			
Investment securities (Notes 3 and 14)	**4,613**	3,866	**49,057**
Investment in and advances to unconsolidated subsidiaries and associated companies	**1,529**	1,279	**16,266**
Long-term deposits	**946**	535	**10,067**
Deferred tax assets (Note 10)	**83**	75	**883**
Other assets	**539**	728	**5,733**
Allowance for doubtful accounts	**(223)**	(333)	**(2,378)**
Total investment and other assets	**7,489**	6,153	**79,630**
TOTAL	**¥ 81,478**	¥83,759	**$ 866,332**

See notes to consolidated financial statements.

	Millions of yen		Thousands of U.S. Dollars (Note 1)
LIABILITIES AND EQUITY	**2013**	2012	**2013**
Current liabilities:			
Short-term bank loans (Notes 6 and 14)	**¥ 6,939**	¥14,731	**$ 73,786**
Current portion of long-term debt (Notes 6 and 14)	**60**	152	**637**
Payables (Note 14):			
Notes payable	**735**	931	**7,815**
Accounts payable	**30,296**	28,292	**322,127**
Unconsolidated subsidiaries and associated companies	**1,197**	969	**12,731**
Other	**26**	24	**286**
Income taxes payable	**1,244**	1,702	**13,232**
Accrued expenses	**1,157**	1,219	**12,310**
Advances received	**8,574**	7,891	**91,173**
Allowance for after-sales service	**213**	579	**2,272**
Other current liabilities	**676**	471	**7,190**
Total current liabilities	**51,122**	56,965	**543,565**
Long-term liabilities:			
Long-term debt (Notes 6 and 14)	**350**		**3,721**
Liability for retirement benefits (Note 7)	**245**	283	**2,605**
Deferred tax liabilities (Note 10)	**381**	67	**4,055**
Other long-term liabilities	**365**	274	**3,891**
Total long-term liabilities	**1,342**	625	**14,273**
Commitments and contingent liabilities (Notes 13, 15 and 16)			
Equity (Notes 8, 9 and 20)			
Common stock, authorized, 160,000,000 shares; issued, 55,432,000 shares in 2013 and 2012	**5,105**	5,105	**54,279**
Capital surplus	**3,786**	3,786	**40,257**
Stock acquisition rights	**96**	100	**1,025**
Retained earnings	**20,258**	18,063	**215,401**
Treasury stock — at cost, 2,550,240 shares in 2013 and 2,866,941 shares in 2012	**(1,079)**	(1,214)	**(11,479)**
Accumulated other comprehensive income (loss):			
Unrealized gain on available-for-sale securities	**844**	343	**8,974**
Deferred gain (loss) on derivatives under hedge accounting	**20**	(0)	**215**
Foreign currency translation adjustments	**(72)**	(577)	**(772)**
Total	**28,958**	25,607	**307,902**
Minority interests	**55**	560	**590**
Total equity	**29,013**	26,167	**308,493**
TOTAL	**¥ 81,478**	¥83,759	**$ 886,332**

CONSOLIDATED STATEMENT OF INCOME

DAIICHI JITSUGYO CO., LTD. AND CONSOLIDATED SUBSIDIARIES
Year ended March 31, 2013

	Millions of yen		Thousands of U.S. Dollars (Note 1)
	2013	2012	**2013**
Net sales	**¥128,229**	¥125,502	**$1,363,418**
Cost of sales	**111,519**	108,689	**1,185,744**
Gross profit	**16,710**	16,813	**177,674**
Selling, general and administrative expenses (Notes 11 and 12)	**12,119**	11,714	**128,865**
Operating income	**4,590**	5,098	**48,808**
Other income (expenses):			
Interest and dividend income	**165**	149	**1,756**
Interest expense	**(77)**	(91)	**(828)**
Purchase discount	**175**	238	**1,863**
Amortization of negative goodwill	**841**		**8,952**
Loss on sales on property, plant and equipment	**(2)**	(2)	**(27)**
Valuation loss on investment securities		(227)	
Loss on liquidation of subsidiaries and affiliates		(246)	
Other – net	**67**	43	**717**
Other income (expenses) – net	**1,169**	(136)	**12,433**
Income before income taxes and minority interests	**5,759**	4,961	**61,242**
Income taxes (Note 10):			
Current	**1,814**	2,252	**19,296**
Prior periods	**353**	18	**3,762**
Deferred	**277**	(134)	**2,951**
Total income taxes	**2,466**	2,135	**26,010**
Net income before minority interests	**3,313**	2,826	**35,231**
Minority interests in net income	**262**	183	**2,787**
Net income	**¥ 3,051**	¥ 2,643	**$ 32,444**
	Yen		U.S. Dollars (Note 1)
Per share of common stock (Notes 2.s and 18)			
Basic net income	**¥ 57.97**	¥ 50.55	**$ 0.62**
Diluted net income	**57.60**	50.33	**0.61**
Cash dividends applicable to the year	**15.00**	14.00	**0.16**

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DAIICHI JITSUGYO CO., LTD. AND CONSOLIDATED SUBSIDIARIES
Year ended March 31, 2013

	Millions of yen		Thousands of U.S. Dollars (Note 1)
	2013	2012	**2013**
Net income before minority interests	**¥ 3,313**	¥2,826	**$ 35,231**
Other comprehensive income (Note 17):			
Unrealized gain on available-for-sale securities	**500**	254	**5,320**
Deferred gain (loss) on derivatives under hedge accounting	**20**	(26)	**220**
Foreign currency translation adjustments	**632**	(46)	**6,724**
Share of other comprehensive income in associates	**18**		**197**
Total other comprehensive income	**1,172**	182	**12,464**
Comprehensive income (Note 17)	**¥ 4,485**	¥3,008	**$ 47,695**
Total comprehensive income attributable to (Note 17):			
Owners of the parent	**¥ 4,077**	¥2,849	**$ 43,355**
Minority interests	**408**	158	**4,340**

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DAIICHI JITSUGYO CO., LTD. AND CONSOLIDATED SUBSIDIARIES
Year ended March 31, 2013

	Thousands	Millions of yen										
							Accumulated other comprehensive income (loss)					
	Number of shares of common stock outstanding	Common stock	Capital surplus	Stock acquisition rights	Retained earnings	Treasury stock	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Total	Minority interests	Total equity
BALANCE, APRIL 1, 2011	52,213	¥ 5,105	¥ 3,789	¥ 94	¥17,013	¥(2,210)	¥ 89	¥ 25	¥(531)	¥23,375	¥401	¥23,777
Net income					2,643					2,643		2,643
Cash dividends, ¥14.00 per share					(732)					(732)		(732)
Purchase of treasury stock	(8)					(3)				(3)		(3)
Disposal of treasury stock	360		(3)		(13)	152				135		135
Retirement of treasury stock					(847)	847						
Net change in the year				6			254	(26)	(46)	188	158	347
BALANCE, MARCH 31, 2012	52,595	5,105	3,786	100	18,063	(1,214)	343	(0)	(577)	25,607	560	26,167
Net income					3,051					3,051		3,051
Cash dividends, ¥16.00 per share					(841)					(841)		(841)
Purchase of treasury stock	(10)					(3)				(3)		(3)
Disposal of treasury stock	326				(15)	138				123		123
Net change in the year				(4)			500	20	505	1,021	(505)	516
BALANCE, MARCH 31, 2013	**52,881**	**¥ 5,105**	**¥ 3,786**	**¥ 96**	**¥20,258**	**¥(1,079)**	**¥844**	**¥20**	**¥ (72)**	**¥28,958**	**¥ 55**	**¥29,013**

	Thousands of U.S. Dollars (Note 1)										
						Accumulated other comprehensive income (loss)					
	Common stock	Capital surplus	Stock acquisition rights	Retained earnings	Treasury stock	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Total	Minority interests	Total equity
BALANCE, MARCH 31, 2012	$54,279	$40,257	$1,072	$192,063	$(12,908)	$3,653	$ (4)	$(6,141)	$272,271	$5,961	$278,282
Net income				32,444					32,444		32,444
Cash dividends, $0.17 per share				(8,945)					(8,945)		(8,945)
Purchase of treasury stock					(42)				(42)		(42)
Disposal of treasury stock				(160)	1,470				1,309		1,309
Net change in the year			(46)			5,321	220	5,369	10,864	(5,371)	5,493
BALANCE, MARCH 31, 2013	**$54,279**	**$40,257**	**$1,025**	**$215,401**	**$(11,479)**	**$8,974**	**$215**	**$ (772)**	**$307,902**	**$ 590**	**$308,493**

See notes to consolidated financial statements.

	Millions of yen 2013	Millions of yen 2012	Thousands of U.S. Dollars (Note 1) 2013
Operating activities:			
Income before income taxes and minority interests	¥ **5,759**	¥ 4,961	$ **61,242**
Adjustments for:			
Income taxes – paid	**(2,640)**	(2,011)	**(28,076)**
Depreciation and amortization	**316**	353	**3,360**
Amortization of negative goodwill	**(841)**		**(8,952)**
Changes in operating assets and liabilities:			
(Decrease) increase in allowance for after-sales service	**(365)**	579	**(3,883)**
Loss on liquidation of subsidiaries and affiliates		246	
Decrease (increase) in notes and accounts receivable – trade	**5,220**	(4,754)	**55,504**
Decrease (increase) in advance payments to suppliers	**150**	(2,925)	**1,597**
Decrease (increase) in inventories	**483**	(228)	**5,138**
Increase in notes and accounts payable – trade	**1,614**	1,632	**17,170**
Increase in advances from customers	**511**	1,073	**5,438**
Other – net	**(1,426)**	(588)	**(15,167)**
Total adjustments	**3,021**	(6,623)	**32,130**
Net cash provided by (used in) operating activities	**8,781**	(1,661)	**93,372**
Investing activities:			
Acquisition of property, plant and equipment	**(802)**	(352)	**(8,530)**
Proceeds from sales of property, plant and equipment	**19**	6	**207**
Acquisition of marketable and investment securities	**(164)**	(350)	**(1,753)**
Proceeds from sales of marketable and investment securities	**3**		**40**
Payments of loans receivable	**(59)**	(20)	**(632)**
Collection of loans receivable	**11**	12	**124**
Payments of long-term deposits	**(391)**	(26)	**(4,157)**
Other – net	**(127)**	457	**(1,353)**
Net cash used in investing activities	**(1,509)**	(274)	**(16,055)**
Financing activities:			
(Decrease) increase in short-term bank loans – net	**(7,818)**	4,480	**(83,132)**
Proceeds from issuance of long-term debt	**440**		**4,678**
Repayment of long-term debt	**(182)**	(151)	**(1,939)**
Dividends paid	**(838)**	(731)	**(8,917)**
Other – net	**78**	95	**830**
Net cash (used in) provided by financing activities	**(8,321)**	3,692	**(88,480)**
Foreign currency translation adjustments on cash and cash equivalents	**339**	(30)	**3,609**
Net (decrease) increase in cash and cash equivalents	**(710)**	1,726	**(7,553)**
Cash and cash equivalents, beginning of year	**13,604**	11,878	**144,651**
Cash and cash equivalents, end of year	¥ **12,894**	¥ 13,604	$ **137,098**

See notes to consolidated financial statements.

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2012 consolidated financial statements to conform to the classifications used in 2013.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which DAIICHI JITSUGYO CO., LTD. (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥94.05 to $1, the approximate rate of exchange at March 31, 2013. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Amounts of less than one million yen and one thousand U.S. dollars have been rounded down to the nearest million and thousand in the presentation of the accompanying consolidated financial statements. As a result, the totals in yen and U.S. dollars do not necessarily agree with the sum of the individual amounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Consolidation

The consolidated financial statements as of March 31, 2013, include the accounts of the Company and its 13 significant (13 in 2012) subsidiaries (together, the "Group"). Consolidation of the remaining unconsolidated subsidiaries would not have a material effect on the accompanying consolidated financial statements.

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has ability to exercise significant influence are accounted for by the equity method.

An investment in 2 (2 in 2012) associated companies is accounted for by the equity method.

Investments in the remaining unconsolidated subsidiaries and other associated companies are stated at cost. If the equity method of accounting had been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would not be material.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is also eliminated.

b. Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements

In May 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Practical Issues Task Force (PITF) No.18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements". PITF No.18 prescribes that the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements. However, financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States of America tentatively may be used for the consolidation process, except for the following items which should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant and equipment and investment properties and incorporation of the cost model accounting; and 5) exclusion of minority interests from net income, if contained.

c. Unification of Accounting Policies Applied to Foreign Associated Companies for the Equity Method

In March 2008, the ASBJ issued ASBJ Statement No. 16, "Accounting Standard for Equity Method of Accounting for Investments." The new standard requires adjustments to be made to conform the associate's accounting policies for similar transactions and events under similar circumstances to those of the parent company when the associate's financial statements are used in applying the equity method unless it is impracticable to determine such adjustments. In addition, financial statements prepared by foreign associated companies in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States of America tentatively may be used in applying the equity method if the following items are adjusted so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: (1) amortization of goodwill; (2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in equity; (3) expensing capitalized development costs of R&D; (4) cancellation of the fair value model accounting for property, plant and equipment and investment properties and incorporation of the cost model accounting; and (5) exclusion of minority interests from net income, if contained in net income.

d. Cash Equivalents

Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include time deposits, certificates of deposit, commercial paper and bond funds, all of which mature or become due within three months of the date of acquisition.

e. Inventories

Inventories are stated at the lower of cost, determined by the average cost method for finished products and work in process, and by the first-in, first-out method for raw materials, or net selling value.

f. Marketable and Investment Securities

Marketable and investment securities are classified and accounted for, depending on management's intent, as follows:
i) held-to-maturity debt securities, for which there is the positive intent and ability to hold to maturity are reported at amortized cost; and
ii) available-for-sale securities are reported at their fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity. Nonmarketable available-for-sale securities are stated at cost determined by the moving-average method. For other than temporary declines in fair value, marketable and investment securities are reduced to net realizable value by a charge to income.

g. Property, Plant and Equipment

Property, plant and equipment are stated at cost.

Depreciation of property, plant and equipment of the Company and its consolidated domestic subsidiaries is computed substantially by the declining-balance method based on the estimated useful lives of the assets, while the straight-line method is principally applied to the property, plant and equipment of consolidated foreign subsidiaries. Depreciation of leased assets is computed by the straight-line method based on the lease term of the respective assets. The range of useful lives is principally from 2 to 50 years for buildings, from 2 to 17 years for machinery, equipment and vehicles, and from 2 to 23 years for furniture and fixtures.

h. Long-Lived Assets

The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss is recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group.

The impairment loss is measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

i. Retirement and Pension Plans

The Company and certain domestic consolidated subsidiaries have non-contributory and contributory funded defined benefit pension plans for employees which cover their benefits. Other consolidated subsidiaries have unfunded retirement benefit plans.

The Group accounts for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date.

Effective June 23, 2011, the Company terminated its unfunded retirement allowance plan for all directors and Audit & Supervisory Board Members. The outstanding balance of retirement allowances for directors and Audit & Supervisory Board Members as of March 31, 2011, was reclassified to the long-term liabilities in the year ended March 31, 2012.

Retirement benefits for directors and Audit & Supervisory Board Members of certain domestic consolidated subsidiaries are provided at the amount which would be required if all directors and Audit & Supervisory Board Members retired at the balance sheet date.

j. Asset Retirement Obligations

In March 2008, the ASBJ published ASBJ Statement No. 18, "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21, "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of the asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an adjustment to the carrying amount of the liability and the capitalized amount of the related asset retirement cost.

k. Stock Options

In December 2005, the ASBJ issued ASBJ Statement No. 8, "Accounting Standard for Stock Options" and related guidance. The new standard and guidance are applicable to stock options newly granted on and after May 1, 2006. This standard requires companies to measure the cost of employee stock options based on the fair value at the date of grant and recognize compensation expense over the vesting period as consideration for receiving goods or services. The standard also requires companies to account for stock options granted to non-employees based on the fair value of either the stock option or the goods or services received. In the balance sheet, the stock option is presented as a stock acquisition right as a separate component of equity until exercised. The standard covers equity-settled, share-based payment transactions, but does not cover cash-settled, share-based payment transactions. In addition, the standard allows unlisted companies to measure options at their intrinsic value if they cannot reliably estimate fair value.

l. Research and Development Costs

Research and development costs are charged to income as incurred.

m. Leases

(Lessee)

In March 2007, the ASBJ issued ASBJ Statement No.13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions. The revised accounting standard for lease transactions was effective for fiscal years beginning on or after April 1, 2008.

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were capitalized. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the note to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the balance sheet. In addition, the revised accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to continue to be accounted for as operating lease transactions.

The Company applied the revised accounting standard effective April 1, 2008. In addition, the Company continues to account for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions.

(Lessor)

In March 2007, the ASBJ issued ASBJ Statement No.13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993.

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were treated as sales. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if sold" information was disclosed in the note to the lessor's financial statements. The revised accounting standard requires that all finance leases that are deemed to transfer ownership of the leased property to the lessee be recognized as lease receivables, and that all finance leases that are not deemed to transfer ownership of the leased property to the lessee be recognized as investments in lease.

n. Bonuses to Directors and Audit & Supervisory Board Members

Bonuses to directors and Audit & Supervisory Board Members are accrued at the end of the years to which such bonuses are attributable.

o. Income Taxes

The provision for income taxes is computed based on the pretax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

p. Foreign Currency Transactions

All short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the consolidated statement of income to the extent that they are not hedged by forward exchange contracts.

q. Foreign Currency Financial Statements

The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation are shown as "Foreign currency translation adjustments" under accumulated other comprehensive income in a separate component of equity.

Revenue and expense accounts of consolidated foreign subsidiaries are translated into yen at the average exchange rate.

r. Derivatives and Hedging Activities

The Group uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange and interest rates. Foreign exchange forward contracts and interest rate swaps are utilized by the Group to reduce foreign currency exchange and interest rate risks. The Group does not enter into derivatives for trading or speculative purposes.

Derivative financial instruments are classified and accounted for as follows : (1) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the consolidated statement of income and (2) for derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

Foreign currency forward contracts employed to hedge foreign exchange exposures for export sales and import purchases are measured at fair value and the unrealized gains/losses are deferred until maturity of the hedged transaction. Forward contracts applied for forecasted (or committed) transactions are also measured at fair value but the unrealized gains/losses are deferred until the underlying transactions are completed.

Foreign currency forward contracts are utilized to hedge foreign currency exposures in procurement of machinery from overseas customers/suppliers. Trade account receivables/payables denominated in foreign currencies are translated at the contracted rates if the forward contracts qualify for hedge accounting.

Interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not measured at market value but the differential paid or received under the swap agreement is recognized and included in interest expense or income.

s. Per Share Information

Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full exercise of outstanding warrants.

Cash dividends per share presented in the accompanying consolidated statement of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

t. Accounting Changes and Error Corrections

In December 2009, the ASBJ issued ASBJ Statement No. 24, "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No. 24, "Guidance on Accounting Standard for Accounting Changes and Error Corrections". Accounting treatments under this standard and guidance are as follows:

(1) Changes in Accounting Policies:
When a new accounting policy is applied following revision of an accounting standard, the new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions in which case the entity shall comply with the specific transitional provisions.

(2) Changes in Presentation
When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation.

(3) Changes in Accounting Estimates
A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.

(4) Corrections of Prior-Period Errors
When an error in prior-period financial statements is discovered, those statements are restated.

u. Reclassification of Prior Year's Consolidated Financial Statements

The Company has made reclassifications of amounts in the consolidated statement of income and the consolidated statement of cash flows for the year ended March 31, 2013. In order to conform with the presentation for the year ended March 31, 2013, the Company has reclassified the related amounts in the consolidated statement of income and the consolidated statement of cash flows for the year ended March 31, 2012, respectively, as stated below.

The Company has reclassified the "Current" in the Income taxes section of the consolidated statement of income for the year ended March 31, 2012, to "Prior periods" among the Income taxes section of the consolidated statement of income for the year ended March 31, 2013. The amount included in the "Current" as of March 31, 2012, was ¥18 million.

The Company has reclassified the "Other-net" in the Investing activities section of the consolidated statement of cash flows for the year ended March 31, 2012, to "Payments of long-term deposits" among the Investing activities section of the consolidated statement of cash flows for the year ended March 31, 2013. The amount included in the "Other-net" as of March 31, 2012, was ¥(26) million.

v. New Accounting Pronouncements

Accounting Standard for Retirement Benefits — On May 17, 2012, the ASBJ issued ASBJ Statement No. 26, "Accounting Standard for Retirement Benefits" and ASBJ Guidance No. 25, "Guidance on Accounting Standard for Retirement Benefits," which replaced the Accounting Standard for Retirement Benefits that had been issued by the Business Accounting Council in 1998 with an effective date of April 1, 2000, and the other related practical guidance, and followed by partial amendments from time to time through 2009.

Major changes are as follows:

(a) *Treatment in the balance sheet*
Under the current requirements, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are not recognized in the balance sheet, and the difference between retirement benefit obligations and plan assets (hereinafter, "deficit or surplus"), adjusted by such unrecognized amounts, is recognized as a liability or asset.
Under the revised accounting standard, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss shall be recognized within equity (accumulated other comprehensive income), after adjusting for tax effects, and any resulting deficit or surplus shall be recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits).

(b) *Treatment in the statement of income and the statement of comprehensive income*
The revised accounting standard does not change how to recognize actuarial gains and losses and past service costs in profit or loss. Those amounts would be recognized in profit or loss over a certain period no longer than the expected average remaining working lives of the employees. However, actuarial gains and losses and past service costs that arose in the current period and have not yet been recognized in profit or loss shall be included in other comprehensive income and actuarial gains and losses and past service costs that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period shall be treated as reclassification adjustments.

(c) *Amendments relating to the method of attributing expected benefit to periods and relating to the discount rate and expected future salary increases*
The revised accounting standard also made certain amendments relating to the method of attributing expected benefit to periods and relating to the discount rate and expected future salary increases.

This accounting standard and the guidance for (a) and (b) above are effective for the end of annual periods beginning on or after April 1, 2013, and for (c) above are effective for the beginning of annual periods beginning on or after April 1, 2014, or for the beginning of annual periods beginning on or after April 1, 2015, subject to certain disclosure in March 2015, both with earlier application being permitted from the beginning of annual periods beginning on or after April 1, 2013. However, no retrospective application of this accounting standard to consolidated financial statements in prior periods is required.

The Company expects to apply the revised accounting standard for (a) and (b) above from the end of the annual period beginning on April 1, 2013, and for (c) above from the beginning of the annual period beginning on April 1, 2014, and is in the process of measuring the effects of applying the revised accounting standard in future applicable periods.

3. MARKETABLE AND INVESTMENT SECURITIES

Marketable and investment securities as of March 31, 2013 and 2012, consisted of the following:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Current:			
Government and corporate bonds	**¥ 14**		**$ 158**
Total	**¥ 14**		**$ 158**

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Non-current:			
Marketable equity securities	**¥ 4,197**	¥ 3,462	**$ 44,626**
Government and corporate bonds		14	
Other	**416**	389	**4,431**
Total	**¥ 4,613**	¥ 3,866	**$ 49,057**

The 14 million yen of government bonds are a mortgage for guarantee of dealings.

The costs and aggregate fair values of investment securities at March 31, 2013 and 2012, were as follows:

	Millions of yen			
March 31, 2013	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale: Equity securities	**¥2,948**	**¥1,590**	**¥ 341**	**¥4,197**
Held-to-Maturity	**14**	**0**		**14**
March 31, 2012				
Securities classified as:				
Available-for-sale: Equity securities	¥2,928	¥ 994	¥ 460	¥3,462
Held-to-Maturity	14	0		15

	Thousands of U.S. Dollars			
March 31, 2013	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale: Equity securities	**$ 31,345**	**$ 16,913**	**$ 3,633**	**$ 44,626**
Held-to-Maturity	**158**	**1**		**159**

4. INVENTORIES

Inventories at March 31, 2013 and 2012, consisted of the following:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Merchandise and finished products	**¥7,652**	¥7,951	**$ 81,361**
Work in process	**925**	905	**9,844**
Raw materials and supplies	**272**	300	**2,893**
Total	**¥8,850**	¥9,157	**$ 94,099**

5. LONG-LIVED ASSETS

The Group reviewed its long-lived assets for impairment for the years ended March 31, 2013 and 2012.
No impairment loss was recognized in the years ended March 31, 2013 and 2012.

6. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

Short-term bank loans at March 31, 2013 and 2012, consisted of notes to bank and bank overdrafts. The annual interest rates applicable to the short-term bank loans ranged from 0.61% to 5.04% and 0.63% to 1.50% at March 31, 2013 and 2012, respectively.

Long-term debt at March 31, 2013 and 2012, consisted of the following:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Loan from financial institution, due serially to 2020, with interest rates ranging 0.92% (2013).			
Loans from banks and other financial institutions, due serially to 2013, with interest rates ranging from 1.53% to 1.75% (2012).			
Unsecured	**¥ 410**	¥ 152	**$ 4,359**
Less current portion	**(60)**	(152)	**(637)**
Long-term debt, less current portion	**¥ 350**		**$ 3,721**

Annual maturities of long-term debt as of March 31, 2013, were as follows:

Year ending March 31:	Millions of yen	Thousands of U.S. Dollars
2014	**¥ 60**	**$ 637**
2015	**60**	**637**
2016	**60**	**637**
2017	**60**	**637**
2018	**60**	**637**
2019 and there after	**110**	**1,169**
Total	**¥410**	**$ 4,359**

In order to procure operating funds efficiently and stably, loan commitments were signed on July 25, 2005, with five banks. The unused credit balance under those loans as of March 31, 2013, were as follows:

	Millions of yen	Thousands of U.S. Dollars
Maximum amount of the loan commitment	**¥10,000**	**$106,326**
Amount loaned	**6,000**	**63,795**
Unused credit balance	**¥ 4,000**	**$ 42,530**

7. RETIREMENT AND PENSION PLANS

The Company and certain domestic consolidated subsidiaries have severance payment plans for employees, directors and Audit & Supervisory Board Members.

Under most circumstances, employees terminating their employment are entitled to retirement benefits determined based on the rate of pay at the time of termination, years of service and certain other factors. Such retirement benefits are made in the form of a lump-sum severance payment from the Company or from certain consolidated subsidiaries and annuity payments from a trustee. In certain circumstances, the Company might pay the severance premium on termination of employment.

The Company and certain domestic consolidated subsidiaries have non-contributory and contributory funded defined benefit pension plans for employees which cover their benefits. Other consolidated subsidiaries have unfunded retirement benefit plans.

The contributory funded defined benefit pension plan, which was established under the Japanese Welfare Pension Insurance Law, covers a substitutional portion of the governmental pension program managed by the Company on behalf of the government and a corporate portion established at the discretion of the Company.

The liability for retirement benefits for directors and Audit & Supervisory Board Members was ¥33 million ($354 thousand) and ¥32 million at March 31, 2013 and 2012, respectively. The retirement benefits for directors and Audit & Supervisory Board Members are paid subject to the approval of the shareholders.

The liability for employees' retirement benefits at March 31, 2013 and 2012, consisted of the following:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Projected benefit obligation	**¥(2,878)**	¥(2,843)	**$(30,605)**
Fair value of plan assets	**1,942**	1,495	**20,655**
Unrecognized actuarial gain	**473**	774	**5,034**
Unrecognized prior service cost	**296**	321	**3,153**
Prepaid pension cost	**46**		**489**
Net liability	**¥ (211)**	¥ (251)	**$ (2,250)**

The components of net periodic benefit costs for the years ended March 31, 2013 and 2012, are as follows:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Service cost	**¥238**	¥206	**$2,538**
Interest cost	**40**	51	**426**
Expected return on plan assets	**(22)**	(32)	**(238)**
Amortization of prior service cost	**24**	24	**264**
Recognized actuarial loss	**102**	88	**1,087**
Premium severance pay	**33**	32	**354**
Net periodic benefit costs	**¥416**	¥371	**$4,433**

Assumptions used for the years ended March 31, 2013 and 2012, are set forth as follows:

	2013	2012
Discount rate	**1.5%**	1.5%
Expected rate of return on plan assets	**1.5%**	1.5%
Amortization period of prior service cost	**14 years**	14 years
Recognition period of actuarial gain/loss	**14 years**	14 years

8. EQUITY

Since May 1, 2006, Japanese companies have been subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

a. Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria such as (1) having a Board of Directors, (2) having independent auditors, (3) having an Audit & Supervisory Board, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends-in-kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Company meets all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (noncash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

b. Increases/Decreases and Transfer of Common Stock, Reserve and Surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

c. Treasury Stock and Treasury Stock Acquisition Rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders, which is determined by specific formula.

Under the Companies Act, stock acquisition rights are presented as a separate component of equity.

The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

9. STOCK OPTIONS

The stock options outstanding as of March 31, 2013, are as follows:

Stock Options	Persons Granted	Number of Options Granted	Date of Grant	Exercise Price	Exercise Period
2009 Stock Options	320 Persons	1,819,000 Shares	September 1, 2009	¥313 ($3.33)	From August 1, 2011 To July 31, 2016
2011 Stock Options	18 Persons	87,000 Shares	September 2, 2011	¥1 ($0.01)	From September 2, 2011 To September 1, 2041

The stock option activity is as follows:

For the year ended March 31, 2012	2009 Stock Options (Shares)	2011 Stock Options (Shares)
Non-vested		
March 31, 2011 — Outstanding	1,784,000	
Granted		87,000
Canceled		
Vested	(1,784,000)	(87,000)
March 31, 2012 — Outstanding		
Vested		
March 31, 2011 — Outstanding	1,784,000	87,000
Vested		
Exercised	(360,000)	
Canceled	(2,000)	
March 31, 2012 — Outstanding	1,422,000	87,000
Exercise price	¥313	¥ 1
	($3.80)	($0.01)
Average stock price at exercise	¥373	
	($4.53)	
Fair value price at grant date	¥ 64	¥333
	($0.77)	($4.05)

For the year ended March 31, 2013	2009 Stock Options (Shares)	2011 Stock Options (Shares)
Non-vested		
March 31, 2012 — Outstanding		
Granted		
Canceled		
Vested		
March 31, 2013 — Outstanding		
Vested		
March 31, 2012 — Outstanding	1,422,000	87,000
Vested		
Exercised	(326,000)	
Canceled	(7,000)	
March 31, 2013 — Outstanding	1,089,000	87,000
Exercise price	¥313	¥ 1
	($3.33)	($0.01)
Average stock price at exercise	¥401	
	($4.26)	
Fair value price at grant date	¥ 64	¥333
	($0.68)	($3.54)

10. INCOME TAXES

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes, which, in the aggregate, resulted in a normal effective statutory tax rates of approximately 38.0% for the year ended March 31, 2013, and 40.7% for the year ended March 31, 2012. Foreign consolidated subsidiaries are subject to income taxes of the countries in which they operate.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at March 31, 2013 and 2012, were as follows:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Deferred tax assets:			
Allowance for doubtful accounts	**¥ 77**	¥ 132	**$ 823**
Allowance for bonus payable	**220**	251	**2,343**
Pension and severance costs	**164**	173	**1,744**
Evaluation loss on investment securities	**85**	109	**910**
Allowance for after-sales service	**81**	220	**863**
Investment in and advances to unconsolidated subsidiaries and associated companies	**219**		**2,331**
Tax loss carry forwards	**183**	163	**1,951**
Other	**503**	380	**5,349**
Less valuation allowance	**(743)**	(465)	**(7,902)**
Total	**791**	964	**8,415**
Deferred tax liabilities:			
Deferred gain on sales of property	**(18)**	(19)	**(195)**
Unrealized gain on available-for-sale securities	**(413)**	(190)	**(4,394)**
Prepaid pension cost	**(24)**		**(255)**
Other	**(119)**	(31)	**(1,271)**
Total	**(575)**	(241)	**(6,115)**
Net deferred tax assets	**¥ 216**	¥ 722	**$ 2,299**

A reconciliation between the normal effective statutory tax rates and the actual effective tax rates reflected in the accompanying consolidated statements of income for the years ended March 31, 2013 and 2012, is as follows:

	2013	2012
Normal effective statutory tax rate	**38.0%**	40.7%
Expenses not deductible for income tax purposes	**3.5**	3.8
Exclusion from charges against revenue	**(0.9)**	(1.1)
Lower income tax rates applicable to income in certain foreign countries	**(2.1)**	(3.5)
Overseas income deductible for enterprise tax	**(0.1)**	(0.2)
Less valuation allowance	**4.7**	1.2
Decrease of deferred tax assets relating to the effective tax rate change		1.3
Amortization of negative goodwill	**(5.6)**	
Income taxes for prior periods	**5.8**	0.4
Other-net	**(0.8)**	0.4
Actual effective tax rate	**42.5%**	43.0%

On December 2, 2011, new tax reform laws were enacted in Japan, which changed the normal effective statutory tax rate from approximately 40.7% to 38.0% effective for the fiscal years beginning on or after April 1, 2012 through March 31, 2015, and to 35% afterwards.

11. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses for the fiscal years ended March 31, 2013 and 2012, principally consisted of the following:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Salaries and fees	**¥4,845**	¥4,451	**$51,523**
Retirement benefit costs	**361**	325	**3,847**
Depreciation and amortization	**178**	165	**1,893**
Research and development costs	**186**	180	**1,988**
Rental expense	**1,019**	975	**10,844**

12. RESEARCH AND DEVELOPMENT COSTS

Research and development costs charged to income for the years ended March 31, 2013 and 2012, were ¥186 million ($1,988 thousand) and ¥180 million, respectively.

13. LEASES

(1) As Lessee

Total rental expenses including lease payments under finance leases for the years ended March 31, 2013 and 2012, were ¥679 million ($7,220 thousand) and ¥670 million, respectively.

Obligations under finance leases and future minimum payments under noncancelable operating leases were as follows:

	Millions of yen		Thousands of U.S. Dollars	
	2013		**2013**	
	Finance Leases	Operating Leases	Finance Leases	Operating Leases
Due within one year	**¥ 25**	**¥ 38**	**$ 268**	**$ 409**
Due after one year	**111**	**81**	**1,185**	**869**
Total	**¥136**	**¥120**	**$1,453**	**$1,279**

Pro forma information of leased property whose lease inception was before March 31, 2008

ASBJ Statement No.13, "Accounting Standard for Lease Transactions" requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the balance sheet. However, ASBJ Statement No. 13 permits leases without ownership transfer of the leased property to the lessee and whose lease inception was before March 31, 2008, to continue to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the note to the financial statements. The Company applied ASBJ Statement No. 13 effective April 1, 2008, and accounted for such leases as operating lease transactions. Pro forma information of leased property whose lease inception was before March 31, 2008, was as follows:

	Millions of yen					
	2013			2012		
	Furniture and Fixtures	Others	Total	Furniture and Fixtures	Others	Total
Acquisition cost	**¥ 3**		**¥ 3**	¥12	¥ 8	¥20
Accumulated depreciation	**3**		**3**	10	7	18
Net leased property				¥ 1	¥ 0	¥ 1

	Thousands of U.S. Dollars		
	2013		
	Furniture and Fixtures	Others	Total
Acquisition cost	**$ 38**		**$ 38**
Accumulated depreciation	**38**		**38**
Net leased property			

Obligations under finance leases:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Due within one year	**¥0**	¥ 2	**$ 0**
Due after one year		0	
Total	**¥0**	¥ 2	**$ 0**

Depreciation expense, interest expense and other information under finance leases:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Depreciation expense	**¥1**	¥9	**$ 16**
Interest expense	**0**	0	**0**
Total	**¥1**	¥9	**$ 17**

Depreciation expense and interest expense, which are not reflected in the accompanying consolidated statement of income, are computed by the straight-line method and the interest method, respectively.

(2) As Lessor

The Group leases machinery, equipment and other assets.

Total rental revenues for the years ended March 31, 2013 and 2012, were ¥167 million ($1,776 thousand) and ¥247 million, respectively.

The net investments in lease are summarized as follows:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Gross lease receivables	**¥ 161**	¥ 252	**$1,717**
Unguaranteed residual values	**2**	8	**28**
Unearned interest income	**(18)**	(32)	**(199)**
Investments in lease, current	**¥ 145**	¥ 227	**$1,546**

Maturities of investment in lease for finance leases that were deemed not to transfer ownership of the leased property to the lessee are as follows:

year ending March 31	Millions of yen	Thousands of U.S. Dollars
2014	¥ 67	$ 712
2015	56	605
2016	37	399
Total	¥161	$1,717

The minimum rental commitments under noncancellable operating leases at March 31, 2013, were as follows:

	Millions of yen	Thousands of U.S. Dollars
	2013	**2013**
Due within one year	**¥ 56**	**$ 601**
Due after one year	**55**	**587**
Total	**¥111**	**$1,189**

14. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(1) Group Policy for Financial Instruments

The Group uses financial instruments, mainly short-term debt including bank loans, based on its capital financing plan. Cash surpluses, if any, are invested in low-risk financial assets. Short-term bank loans are used to fund the Group's ongoing operations. Derivatives are used, not for speculative purposes, but to manage exposure to financial risks as described in (2) below.

(2) Nature and Extent of Risks Arising from Financial Instruments

Receivables, such as trade notes and trade accounts, are exposed to customer credit risk. Although receivables in foreign currencies are exposed to the market risk of fluctuation in foreign currency exchange rates, those risks are hedged by using forward foreign currency contracts.

Marketable and investment securities, mainly held-to-maturity securities and equity instruments of customers and suppliers of the Group, are exposed to the risk of market price fluctuations. Payment terms of payables, such as trade notes and trade accounts, are mainly less than one year. Although payables in foreign currencies are exposed to the market risk of fluctuation in foreign currency exchange rates, those risks are hedged by using forward foreign currency contracts.

Maturities of bank loans are less than four years after the balance sheet date. Although a part of such bank loans is exposed to market risks from changes in variable interest rates, those risks are mitigated by using derivatives of interest rate swaps.

Derivatives mainly include forward foreign currency contracts and interest rate swaps, which are used to manage exposure to market risks from changes in foreign currency exchange rates of receivables and payables, and from changes in interest rates of bank loans. Please see Note 15 for more detail about derivatives.

(3) Risk Management for Financial Instruments

Credit risk management

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. The Group manages its credit risk from receivables on the basis of internal guidelines, which include monitoring of payment term and balances of major customers by each business administration department to identify the default risk of customers in early stage. With respect to held-to-maturity financial investment, the Group manages its exposure to credit risk by limiting its funding to high credit rated bonds in accordance with its internal guidelines. Please see Note 15 for the detail about derivatives.

The maximum credit risk exposure of financial assets is limited to their carrying amounts as of March 31, 2013.

Market risk management (foreign exchange risk and interest rate risk)

Foreign currency trade receivables and payables are exposed to market risk resulting from fluctuations in foreign currency exchange rates. Such foreign exchange risk is hedged principally by forward foreign currency contracts.

Interest rate swaps are used to manage exposure to market risks from changes in interest rates of loan payables.

Marketable and investment securities are managed by monitoring market values and financial position of issuers on a regular basis.

Liquidity risk management

Liquidity risk comprises the risk that the Group cannot meet its contractual obligations in full on maturity dates. The Group manages its liquidity risk by holding adequate volumes of liquid assets at the level of one month's sales volume, along with adequate financial planning by the corporate treasury department.

(4) Concentration of Credit Risk

There are no significant account receivables from any major customer of the Group as of March 31, 2013.

(5) Fair Values of Financial Instruments

Fair values of financial instruments are based on quoted price in active markets. If quoted price is not available, other rational valuation techniques are used instead. Also please see Note 15 for the detail of fair value for derivatives.

(a) Fair value of financial instruments

	Millions of yen		
At March 31, 2013	Carrying Amount	Fair Value	Unrealized Gain (Loss)
Cash and cash equivalents	**¥12,894**	**¥12,894**	
Time deposits	**80**	**80**	
Receivables	**40,034**	**40,033**	**¥(0)**
Marketable and investment securities			
Held-to-maturity	**14**	**14**	**0**
Equity securities	**4,197**	**4,197**	
Total	**¥57,220**	**¥57,219**	**¥(0)**
Payables	**¥32,255**	**¥32,254**	**¥ 1**
Short-term bank loans	**6,939**	**6,939**	
Long-term debt	**410**	**407**	**2**
Total	**¥39,605**	**¥39,601**	**¥ 3**

	Millions of yen		
At March 31, 2012	Carrying Amount	Fair Value	Unrealized Gain (Loss)
Cash and cash equivalents	¥13,604	¥13,604	
Receivables	44,743	44,741	¥ (1)
Marketable and investment securities			
Held-to-maturity	14	15	0
Equity securities	3,462	3,462	
Total	¥61,824	¥61,823	¥ (1)
Payables	¥30,217	¥30,217	¥ 0
Short-term bank loans	14,731	14,731	
Long-term debt	152	152	
Total	¥45,102	¥45,101	¥ 0

	Thousands of U.S. Dollars		
At March 31, 2013	Carrying Amount	Fair Value	Unrealized Gain (Loss)
Cash and cash equivalents	**$137,098**	**$137,098**	
Time deposits	**851**	**851**	
Receivables	**425,668**	**425,659**	**$ (8)**
Marketable and investment securities			
Held-to-maturity	**158**	**159**	**1**
Equity securities	**44,626**	**44,626**	
Total	**$608,401**	**$608,394**	**$ (7)**
Payables	**$342,960**	**$342,946**	**$ 14**
Short-term bank loans	**73,786**	**73,786**	
Long-term debt	**4,359**	**4,335**	**23**
Total	**$421,107**	**$421,069**	**$ 38**

Cash and cash equivalents

The carrying values of cash and cash equivalents approximate fair value because of their short maturities.

Marketable and investment securities

The fair values of marketable and investment securities are measured at the quoted market price of the stock exchange for the equity instruments, and at the quoted price obtained from the financial institution for certain debt instruments. Fair value information for marketable and investment securities by classification is included in Note 3.

Receivables and payables

The fair values of receivables and payables are measured at the amount to be received or paid at maturity discounted at the Group's assumed corporate discount rate. The foreign currency forward contracts are utilized to hedge foreign currency exposures in the procurement of raw machinery from overseas customers/suppliers. Trade account receivables/payables denominated in foreign currencies are translated at the contracted rates if the forward contracts qualify for hedge accounting.

Short-term bank loans and long-term debt

The fair values of short-term bank loans approximate fair value because of their short maturities. The fair values of long-term debt are determined by discounting the cash flows related to the debt at the Group's assumed corporate borrowing rate.

Derivatives

The information of the fair value for derivatives is included in Note 15.

(b) Carrying amount of financial instruments whose fair value cannot be reliably determined

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Investments in equity instruments that do not have a quoted market price in an active market	**¥1,946**	¥1,669	**$20,698**

(6) Maturity Analysis for Financial Assets and Securities with Contractual Maturities

	Millions of yen	
At March 31, 2013	Due in 1 year or less	Due after 1 year through 5 years
Cash and cash equivalents	**¥ 12,974**	
Receivables	**39,994**	**¥ 39**
Marketable and investment securities		
Government bonds	**15**	
Total	**¥ 52,983**	**¥ 39**

	Thousands of U.S. Dollars	
At March 31, 2013	Due in 1 year or less	Due after 1 year through 5 years
Cash and cash equivalents	**$ 137,949**	
Receivables	**425,243**	**$ 424**
Marketable and investment securities		
Government bonds	**159**	
Total	**$ 563,352**	**$ 424**

Please see Note 6 for annual maturities of long-term debt and Note 13 (1) for obligations under finance leases, respectively.

15. DERIVATIVES

The Group enters into foreign currency forward contracts to hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies. The Group also enters into interest rate swap contracts to manage its interest rate exposures on certain liabilities.

All derivative transactions are entered into hedge interest and foreign currency exposures incorporated within its business. Accordingly, market risk in these derivatives is basically offset by opposite movements in the value of hedged assets or liabilities.

Because the counterparties to these derivatives are limited to major international financial institutions, the Group does not anticipate any losses arising from credit risk.

Derivative transactions entered into by the Group have been made in accordance with internal policies which regulate the authorization.

Derivative Transactions to Which Hedge Accounting Is Not Applied

	Millions of yen			
At March 31, 2013	Contract Amount	Contract Amount Due after One Year	Fair Value	Unrealized Gain (Loss)
Foreign currency forward contracts:				
Selling				
U.S.$	**¥ 910**		**¥ (16)**	**¥ (16)**
S$	**282**	**¥ 8**	**(40)**	**(40)**
HK$	**12**		**(2)**	**(2)**
JP¥	**12**		**1**	**1**
Buying				
JP¥	**3,943**		**(249)**	**(249)**
S$	**21**		**2**	**2**
U.S.$	**15**		**(0)**	**(0)**

	Millions of yen			
At March 31, 2012	Contract Amount	Contract Amount Due after One Year	Fair Value	Unrealized Gain (Loss)
Foreign currency forward contracts:				
Selling				
U.S.$	¥ 1,039		¥ (9)	¥ (9)
S$	64		(2)	(2)
JP¥	52		3	3
THB	0		(0)	(0)
Buying				
JP¥	1,491		(74)	(74)
U.S.$	52		1	1
S$	6		0	0

	Thousands of U.S. Dollars			
At March 31, 2013	Contract Amount	Contract Amount Due after One Year	Fair Value	Unrealized Gain (Loss)
Foreign currency forward contracts:				
Selling				
U.S.$	**$ 9,681**		**$ (176)**	**$ (176)**
S$	**3,006**	**$ 93**	**(434)**	**(434)**
HK$	**137**		**(24)**	**(24)**
JP¥	**136**		**12**	**12**
Buying				
JP¥	**37,146**		**(2,647)**	**(2,647)**
S$	**225**		**25**	**25**
U.S.$	**160**		**(1)**	**(1)**

Derivative Transactions to Which Hedge Accounting Is Applied

		Millions of yen		
At March 31, 2013	Hedged Item	Contract Amount	Contract Amount Due after One Year	Fair Value
Forecasted transactions				
Foreign currency forward contracts:				
Selling				
U.S.$	Receivables	**¥ 1,555**	**¥ 422**	**¥ (102)**
EURO	〃	**38**		**(1)**
JP¥	〃	**15**		**(0)**
THB	〃	**1**		**(0)**
Buying				
U.S.$	Payables	**2,500**	**46**	**94**
EURO	〃	**329**		**13**
DKK	〃	**281**		**28**
Assigned transactions				
Foreign currency forward contracts:				
Selling				
U.S.$	Receivables	**¥ 1,067**		Note2
EURO	〃	**8**		Note2
THB	〃	**6**		Note2
JP¥	〃	**5**		Note2
Buying				
U.S.$	Payables	**228**		Note2
EURO	〃	**38**		Note2
A$	〃	**26**		Note2
JP¥	〃	**19**		Note2

		Millions of yen		
At March 31, 2012	Hedged Item	Contract Amount	Contract Amount Due after One Year	Fair Value
Forecasted transactions				
Foreign currency forward contracts:				
Selling				
U.S.$	Receivables	**¥ 816**	**¥42**	**¥ (32)**
THB	〃	**73**		**(0)**
CHF	〃	**30**		**(0)**
EURO	〃	**22**		**(0)**
JP¥	〃	**10**		**0**
S$	〃	**4**		**(0)**
Buying				
EURO	Payables	**750**		**8**
U.S.$	〃	**469**		**15**
DKK	〃	**173**		**11**
STG	〃	**103**		**(1)**
JP¥	〃	**60**		**(2)**
THB	〃	**41**		**2**
CHF	〃	**28**		**(0)**
SEK	〃	**11**		**(0)**
Assigned transactions				
Foreign currency forward contracts:				
Selling				
U.S.$	Receivables	**¥ 578**	**¥81**	Note2
EURO	〃	**45**		Note2
THB	〃	**36**		Note2
JP¥	〃	**26**		Note2
STG	〃	**3**		Note2
Buying				
U.S.$	Payables	**121**		Note2
SEK	〃	**12**		Note2
EURO	〃	**3**		Note2
DKK	〃	**1**		Note2

		Thousands of U.S. Dollars		
At March 31, 2013	Hedged Item	Contract Amount	Contract Amount Due after One Year	Fair Value
Forecasted transactions				
Foreign currency forward contracts:				
Selling				
U.S.$	Receivables	**$ 16,536**	**$ 4,497**	**$ (1,087)**
EURO	〃	**412**		**(16)**
JP¥	〃	**163**		**(6)**
THB	〃	**13**		**(2)**
Buying				
U.S.$	Payables	**26,584**	**498**	**1,000**
EURO	〃	**3,502**		**148**
DKK	〃	**2,988**		**304**
Assigned transactions				
Foreign currency forward contracts:				
Selling				
U.S.$	Receivables	**$ 11,352**		
EURO	〃	**94**		
THB	〃	**69**		
JP¥	〃	**63**		
Buying				
U.S.$	Payables	**2,434**		
EURO	〃	**405**		
A$	〃	**285**		
JP¥	〃	**205**		

Notes: 1. The fair value of derivative transactions is measured at the quoted price obtained from the financial institution.
2. Fair value of the Foreign currency forward contracts assigned for receivables and payables is included in the fair value of receivables and payables disclosed at Note14. (5) (a).

16. CONTINGENT LIABILITIES

At March 31, 2013, the Group had the following contingent liabilities:

	Millions of yen	Thousands of U.S. Dollars
Guarantees and similar items of bank loans	¥40	$432

17. COMPREHENSIVE INCOME

The components of other comprehensive income for the year ended March 31, 2013 and 2012, were as follows:

	Millions of yen		Thousands of U.S. Dollars
	2013	2012	**2013**
Unrealized gain on available-for-sale securities:			
Gains arising during the year	**¥ 722**	¥ 156	**$ 7,684**
Reclassification adjustments to profit or loss		227	
Amount before income tax effect	**722**	383	**7,684**
Income tax effect	**(222)**	(129)	**(2,363)**
Total	**¥ 500**	¥ 254	**$ 5,320**
Deferred gain (loss) on derivatives under hedge accounting:			
Gains arising during the year	**¥ 31**	¥ (15)	**$ 336**
Reclassification adjustments to profit or loss		(20)	
Amount before income tax effect	**31**	(36)	**336**
Income tax effect	**(10)**	10	**(115)**
Total	**¥ 20**	¥ (26)	**$ 220**
Foreign currency translation adjustments:			
Adjustments arising during the year	**¥ 632**	¥ (46)	**$ 6,724**
Total	**¥ 632**	¥ (46)	**$ 6,724**
Share of other comprehensive income in associates:			
Gains arising during the year	**¥ 18**		**$ 197**
Reclassification adjustments to profit or loss	**0**		**0**
Total	**¥ 18**		**$ 197**
Total other comprehensive income	**¥1,172**	¥ 182	**$12,464**

18. NET INCOME PER SHARE

A reconciliation of the differences between basic and diluted net income per share ("EPS") for the years ended March 31, 2013 and 2012, is as follows:

	Millions of yen	Thousands of Shares	Yen	U.S. Dollars
Year ended March 31,2013	Net Income	Weighted-Average Shares	EPS	
Basic EPS				
Net income available to common shareholders	**¥3,051**	**52,637**	**¥57.97**	**$ 0.62**
Effect of dilutive securities				
Warrants		**337**		
Diluted EPS				
Net income for computation	**¥3,051**	**52,974**	**¥57.60**	**$ 0.61**
Year ended March 31,2012				
Basic EPS				
Net income available to common shareholders	¥2,643	52,284	¥50.55	$ 0.62
Effect of dilutive securities				
Warrants		229		
Diluted EPS				
Net income for computation	¥2,643	52,514	¥50.33	$ 0.61

19. RELATED PARTY DISCLOSURES

Transactions of the Company with subsidiaries and associated companies for the year ended March 31, 2013, were as follows:

	Millions of yen	Thousands of U.S. Dollars
	2013	2013
Purchases	¥3,747	$39,842

The balances due to or from these subsidiaries and associated companies at March 31, 2013, were as follows:

	Millions of yen	Thousands of U.S. Dollars
	2013	2013
Purchases	¥1,040	$11,068

20. SUBSEQUENT EVENTS

The following appropriations of retained earnings at March 31, 2013, were approved at the shareholders' meeting of the Company held on June 25, 2013:

	Millions of yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥7.00 ($0.07) per share	¥370	$3,935

21. SEGMENT INFORMATION

Under ASBJ Statement No. 17, "Accounting Standard for Segment Information, Disclosures" and ASBJ Guidance No.20, "Guidance on Accounting Standard for Segment Information Disclosures", an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

(1) Description of Reportable Segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the Company's management is being performed in order to decide how resources are allocated among the Group. Therefore, the Group consists of the Plant & Energy Business, Electronics Business, Industrial Machinery Business and Overseas Company.

- Plant & Energy Business: Energy development production, gas oil refining, chemical, engineering, construction, paper & pulp-related machinery and equipment
- Electronics Business: Electron, information and communication, electric, precise, optics, sound, musical instrument-related machinery and equipment
- Industrial Machinery Business: Plastics, rubber, automobile, steel, pharmaceutical, food-related machinery and equipment
- Overseas Company: Machinery and equipment which overseas branches and overseas subsidiaries handle

(2) Methods of Measurement for the Amounts of Sales, Profit (Loss), Assets, Liabilities and Other Items for Each Reportable Segment

The accounting policies of each reportable segment are consistent with those disclosed in Note 2, "Summary of Significant Accounting Policies".

(3) Information about Sales, Profit (Loss), Assets, Liabilities and Other Items

	Millions of yen								
	2013								
	Reportable segment								
	Plant & Energy Business	Electronics Business	Industrial Machinery Business	Overseas Company	Subtotal	Other	Total	Reconciliations	Consolidated
Sales									
Sales to external customers	**¥34,308**	**¥30,250**	**¥34,690**	**¥25,666**	**¥124,915**	**¥3,314**	**¥128,229**		**¥128,229**
Intersegment sales or transfers	**904**	**3,691**	**2,353**	**7,176**	**14,125**	**2,397**	**16,523**	**¥(16,523)**	
Total	**35,213**	**33,941**	**37,043**	**32,842**	**139,041**	**5,712**	**144,753**	**(16,523)**	**128,229**
Segment profit	**1,520**	**1,697**	**2,297**	**1,089**	**6,604**	**555**	**7,160**	**(2,569)**	**4,590**
Segment assets	**20,974**	**16,682**	**18,717**	**13,409**	**69,783**	**3,555**	**73,339**	**8,139**	**81,478**
Other:									
Depreciation	**25**	**31**	**69**	**56**	**183**	**115**	**298**	**17**	**316**
Investment in an equity method company			**433**	**240**	**674**		**674**		**674**
Increase in property, plant and equipment and intangible assets	**516**	**287**	**109**	**105**	**1,019**	**21**	**1,041**	**24**	**1,065**

Millions of yen — 2012

	Plant & Energy Business	Electronics Business	Industrial Machinery Business	Overseas Company	Subtotal	Other	Total	Reconciliations	Consolidated
	Reportable segment								
Sales									
Sales to external customers	¥26,589	¥42,695	¥33,139	¥20,387	¥122,812	¥2,690	¥125,502		¥125,502
Intersegment sales or transfers	1,641	2,933	3,674	8,447	16,697	2,610	19,307	¥(19,307)	
Total	28,230	45,628	36,814	28,835	139,509	5,300	144,809	(19,307)	125,502
Segment profit	1,270	2,417	2,198	1,405	7,290	603	7,893	(2,795)	5,098
Segment assets	17,697	24,217	17,079	11,061	70,056	3,204	73,261	10,497	83,759
Other:									
Depreciation	19	32	70	51	174	166	340	13	353
Investment in an equity method company			332	227	560		560		560
Increase in property, plant and equipment and intangible assets	3	248	116	44	412	11	423	3	427

Thousands of U.S. Dollars — 2013

	Plant & Energy Business	Electronics Business	Industrial Machinery Business	Overseas Company	Subtotal	Other	Total	Reconciliations	Consolidated
	Reportable segment								
Sales									
Sales to external customers	**$364,789**	**$321,645**	**$368,847**	**$272,889**	**$1,328,181**	**$35,237**	**$1,363,418**		**$1,363,418**
Intersegment sales or transfers	**9,621**	**39,245**	**25,023**	**76,301**	**150,192**	**25,496**	**175,688**	**$(175,688)**	
Total	**374,411**	**360,890**	**393,871**	**349,200**	**1,478,373**	**60,734**	**1,539,107**	**(175,688)**	**1,363,418**
Segment profit	**16,164**	**18,053**	**24,425**	**11,580**	**70,224**	**5,906**	**76,131**	**(27,322)**	**48,808**
Segment assets	**223,016**	**177,379**	**199,014**	**142,573**	**741,984**	**37,808**	**779,792**	**86,539**	**366,332**
Other:									
Depreciation	**269**	**337**	**741**	**598**	**1,946**	**1,225**	**3,172**	**187**	**3,660**
Investment in an equity method company			**4,613**	**2,554**	**7,167**		**7,167**		**7,167**
Increase in property, plant and equipment and intangible assets	**5,493**	**3,060**	**1,168**	**1,116**	**10,839**	**231**	**11,071**	**260**	**11,331**

Notes: 1) Transfers between segments are made at arm's-length prices.
2) Segment profit is adjusted to ensure consistency with the operating income set forth in the consolidated statements of income.

1. Information about products and services

Information about products and services is omitted as it is presented in the description of reportable segments.

2. Information about geographical areas

(1) Sales

Millions of Yen — 2013

Japan	China	Asia	North America	Europe	Other	Total
¥60,787	**¥18,780**	**¥40,059**	**¥5,197**	**¥2,289**	**¥1,114**	**¥128,229**

Millions of Yen — 2012

Japan	China	Asia	North America	Europe	Other	Total
¥60,191	¥16,707	¥35,939	¥5,511	¥2,551	¥4,600	¥125,502

Thousands of U.S. Dollars — 2013

Japan	China	Asia	North America	Europe	Other	Total
$646,332	**$199,687**	**$425,935**	**$55,265**	**$24,346**	**$11,850**	**$1,363,418**

Notes: Sales are classified in countries or regions based on the location of customers.

(2) Property, plant and equipment

Millions of Yen — 2013

Japan	Asia	Other	Total
¥2,373	**¥139**	**¥31**	**¥2,544**

Millions of Yen — 2012

Japan	Asia	Other	Total
¥1,655	¥85	¥43	¥1,784

Thousands of U.S. Dollars — 2013

Japan	Asia	Other	Total
$25,239	**$1,478**	**$332**	**$27,050**

3. Information about major customers

Information about major customers is omitted as no single external customer accounts for 10% or more of net sales in the consolidated statements of income.

Deloitte Touche Tohmatsu LLC
MS Shibaura Building
4-13-23, Shibaura
Minato-ku, Tokyo 108-8530
Japan

Tel:+81 (3) 3457 7321
Fax:+81 (3) 3457 1694
www.deloitte.com/jp

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Daiichi Jitsugyo Co., Ltd.:

We have audited the accompanying consolidated balance sheet of Daiichi Jitsugyo Co., Ltd. and its consolidated subsidiaries as of March 31, 2013, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Daiichi Jitsugyo Co., Ltd. and its consolidated subsidiaries as of March 31, 2013, and the consolidated results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

June 25, 2013

Member of
Deloitte Touche Tohmatsu Limited

(As of March 31, 2013)

DAIICHI JITSUGYO CO., LTD.

Date of Establishment
August 12, 1948

Paid-in Capital
¥5,105 million

Stock Exchange Listing
Tokyo Stock Exchange, First Section

Number of Employees
416 (Non-consolidated)
1,043 (Consolidated)

Transfer Agent and Registrar
Tokyo Securities Transfer Agent Co., Ltd.

Major Shareholders

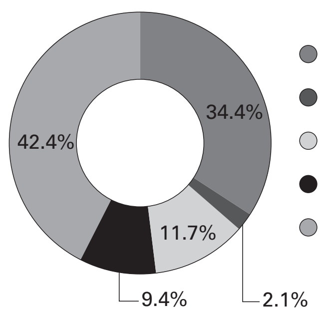
	(% of total)
Mizuho Corporate Bank, Ltd.	4.84
Sumitomo Mitsui Banking Corporation	4.83
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3.52
Resona Bank, Limited.	3.20
Japan Trustee Services Bank, Ltd. (Trust Account)	3.10
Nipponkoa Insurance Co., Ltd.	2.88
Mitsubishi Heavy Industries, Ltd.	2.75

* Percentages of total shares issued are calculated based on the total number of shares issued excluding treasury stock.

Common Stock

Authorized:	160,000,000 shares
Issued:	55,432,000 shares
Number of shareholders:	7,769

Distribution of Ownership among Shareholders



Directors and Audit & Supervisory Board Members (As of June 25, 2013)

President & CEO
Koji Yamagata*

Senior Managing Director & CFO
Tohru Tsuda*

Managing Directors
Yoshihide Yamanaka
Michiaki Sugiura
Junzo Takai
Shigeki Terakawa

Standing Audit & Supervisory Board Member
Masakazu Fujinaga

Audit & Supervisory Board Member
Isao Takesue

Outside Audit & Supervisory Board Members
Tsuyoshi Terui
Toshihiko Matsumiya

Executive Officers (As of June 25, 2013)

Managing Executive Officers
Takanori Ogura
DAIICHI MECHA-TECH CORPORATION
Toru Takata
Plant & Energy Business Div.
Hiroshi Yoshida
SHANGHAI YISHI TRADING CO., LTD.
Mitsuru Yoshida
DAIICHI JITSUGYO VISWILL CO., LTD.
Hajime Kimoto
DAIICHI JITSUGYO (AMERICA), INC.
Akira Kasamatsu
DAIICHI JITSUGYO ASIA PTE. LTD.

Executive Officers
Muneo Yamano
Plant & Energy Business Div.
Hitoshi Takasaki
DAIICHI JITSUGYO ASIA PTE. LTD.
Ryuichi Ninomiya
Nagoya Business Div.
Itaru Kage
Administration & Accounting Div.
Ichiro Uno
Osaka Business Div.
Masatoshi Ueno
Electronics Systems Business Div.
Daisuke Ozono
Aviation & Industrial Machinery Business Div.

* Representative Director

Top commitment

The DJK Group is committed to fulfilling its social responsibilities globally in accordance with its management philosophy of contributing to social prosperity. The DJK Group aims for corporate growth and the development of a sustainable society by focusing on environmental considerations, thorough legal compliance, and enhanced relations with stakeholders, while maintaining its role as part of the worldwide distribution channel of economic society.

A management outlook based on a keen awareness of social responsibility

1. Improving customer satisfaction through safe, high-quality products and services
2. Enhancing corporate governance; building and strengthening internal corporate systems
3. Promoting sales of eco-friendly products
4. Improving shareholder value
5. Disclosing information to stakeholders
6. Contributing to community activities

Example of Human Resources Development: Diversity Management

The DJK Group has more than 1,000 employees, and a wealth of human resources supports our business activities. DJK regularly offers training opportunities to local staff overseas to aggressively promote superior human resources regardless of gender, nationality, or social background. We are confident that a sense of group-wide unity and commitment to a corporate organization can be solidified by helping every local staffer understand his or her interests in DJK's corporate culture and the direction of its activities. For the DJK Group, which aims for further global development, the development of talented human resources represents an important issue and management intends to continuously address this essential task.

Example of Social Contribution Program: Co-sponsoring Robot Contests

As a general machinery trading company, DJK co-sponsors robot contests to help children understand Monozukuri technology. The contests offer occasions to become familiar with scientific technologies and serve as a venue for cultivating creativity and problem-solving abilities. Many DJK employees participate in the competition as volunteer staff to support such future-oriented children.

WRO™ World Robot Olympiad

DAIICHI JITSUGYO CO., LTD.

Headquarters:
Kowa Nibancho Bldg. 11–19 Nibancho, Chiyoda-ku, Tokyo 102-0084, Japan
TEL : +81-3-5214-8500　FAX : +81-3-5214-8501
http://www.djk.co.jp/

Printed in Japan on recycled paper
2013. 8 Ⓟ