



FINANCIAL STATEMENTS

From April 1, 2012 to March 31, 2013

Consolidated Subsidiaries

Domestic:

Adtek Fuji Co., Ltd.

Edeclinsey System Co., Ltd.

Overseas:

Fuji America Corporation

Fuji Machine America Corporation

Fuji Machine Mfg. (Europe) GmbH

Fuji Machine China Co., Ltd.

Kunshan Fuji Machine Mfg Co., Ltd.

FUJII MACHINE MFG. CO., LTD.

19 Chausuyama, Yamamachi, Chiryu, Aichi 472-8686, Japan

Contents

1.	Operating Results/Financial Condition Analysis	3
1.1.	Analysis of operating results.....	3
1.2.	Analysis of financial condition	5
1.3.	Basic policy for profit sharing & dividends in the current and next fiscal years	6
1.4.	Business risks	6
2.	Management policies	7
2.1.	Basic management policy of the Company	7
2.2.	Mid- and long-term management strategies of the Company	7
2.3.	Issues we need to solve	7
3.	Consolidated financial statements	8
3.1.	Consolidated balance sheets	8
3.2.	Consolidated income statement	10
3.3.	Consolidated statement of comprehensive income	11
3.4.	Consolidated statement of shareholders' equity	12
3.5.	Consolidated cash flow statement	14
3.6.	Notes related to consolidated financial statements	15
4.	Unconsolidated financial statements	22
4.1.	Balance Sheets.....	22
4.2.	Income statement.....	25
4.3.	Statement of shareholders' equity.....	27
4.4.	Notes related to unconsolidated financial statements.....	28
5.	Others.....	29
5.1.	Situation of orders and sales	29

1. Operating Results/Financial Condition Analysis

1.1. Analysis of operating results

1. Outline of fiscal year

Expectations for growth from economic policies in the current consolidated fiscal year in Japan are increasing, with the economy showing signs of recovery as the yen weakens and stock prices rise. However, the long period of a strong yen and continued deflation will probably keep corporate earnings sluggish. In terms of the global economy, difficult conditions continue with prolonged concerns over the European debt crisis and slower growth from emerging countries such as China.

Against this backdrop, our group has promoted the development of competitive products and the exploration of next-generation technologies through the promotion of speedy management, and introduced to market the new product "AIMEX IIS (Fuji Flexible Placement Platform)", which features enhanced scalability and flexibility for high-mix, low-volume production. We have also worked to expand market share and improve customer satisfaction by strengthening our sales and service networks in Japan and overseas, mainly in the Southeast Asia region. In addition, we have developed high quality products and have aimed to reduce costs by strengthening procurement ability, developing our Chinese production base and cutting costs to be able to respond to fast turnarounds and rapid changes in production volume.

However, due to the impact of the global economic downturn, sales in the current consolidated fiscal year totaled 64,349 million yen, a decrease of 21,900 million yen (25.4%) compared with the previous consolidated fiscal year. In addition, operating income was 3,913 million yen (75.0% down from the previous period), ordinary income was 4,406 million yen (71.9% down from the previous period), and net income totaled 2,698 million yen (68.3% down from the previous period).

Business results by segment

1) Electronics Assembly Equipment

Regarding our electronic component assembly machine business, the market for smartphones and tablets remained strong, but against the backdrop of a global economic downturn, the group's major customers, leading electronics manufacturers and leading EMS (Electronic Manufacturing Services), continued their cautious stance in regard to capital investment. As a result, net sales were at 52,973 million yen, a decrease of 23,839 million yen (31.0%) compared with the previous consolidated fiscal year, with an operating income of 6,423 million yen (66.1% down from the previous period).

2) Machine Tools

With regard to our machine tool business, despite the impact of the slowdown in the Chinese economy, the US market remained strong, and demand was firm for the group's major domestic customers in the automotive industry. As a result, net sales totaled 10,664 million yen, an increase of 1,774 million yen (20.0%) compared with the previous consolidated fiscal year, and operating income was 1,007 million yen (148.5% up from the previous period).

2. Outlook for the next fiscal year

Regarding the environment surrounding the group, despite signs of recovery in the US economy, uncertainty over a downturn in the European economy and the slowdown in economic growth in China and other emerging countries is expected to continue. At the same time, although there are also downside risks for the Japanese economy due to influences from external environments, it is expected to gradually recover due to the improvement of the export environment from a weaker yen and capital investments due to taxation policy.

The electronic component assembly machine business is expected to remain strong, thanks to growth in the smartphone and tablet market. With signs of recovery in major market China, gradual recovery is expected in demand for capital investment from the group's major customers, leading electronics manufacturers and leading EMS companies.

Regarding the machine tool business, demand from the automobile industry, mainly in North America, remains strong, and it is expected that capital investment will gradually recover with growth in China and other emerging countries and the updating of aging equipment in Japan and overseas.

The forecast for the upcoming periods is as follows:

(Millions of yen)

Consolidated	Sales	Operating income	Ordinary income	Net income
6 months ending September 30, 2013	40,000	3,800	4,000	2,700
12 months ending March 31, 2014	73,000	6,200	6,500	4,300

1.2. Analysis of financial condition

Regarding the financial condition of our group, total consolidated assets and accounts receivable were down at 131,089 million yen, a reduction of 2,812 million yen compared to the end of the previous fiscal year. Also, a decrease in bonds resulted in total consolidated liabilities decreasing by 7,967 million yen compared to the end of the previous fiscal year to 15,351 million yen.

For cash flow, cash and cash equivalents as of the end of the fiscal year were down 2,987 million yen compared to the end of the previous fiscal year, to 47,877 million yen.

Cash flow from operating activities was 7,330 million yen in revenue (previous fiscal year: 10,421 million yen in revenue). This was mainly due to the positive impact of a decrease in trade receivables exceeding the negative impact of payments such as corporate tax, etc.

Cash flow from investing activities was 7,371 million yen in expenditure (previous fiscal year: 4,758 million yen in expenditure). This was mainly due to expenditures on tangible fixed assets.

Cash flow from financing activities was 4,116 million yen in expenditure (previous fiscal year: 4,801 million yen in expenditure). This was mainly due to the redemption of corporate bonds.

Furthermore, trends in the cash flow index were as follows:

	Consolidated Accounting Period (March 31 st 2009)	Consolidated Accounting Period (March 31 st 2010)	Consolidated Accounting Period (March 31 st 2011)	Consolidated Accounting Period (March 31 st 2012)	Consolidated Accounting Period (March 31 st 2013)
Shareholder's Equity Ratio (%)	78.6	77.3	76.6	82.5	87.9
Shareholder's Equity Ratio (based on market price) (%)	31.6	67.9	67.7	60.4	57.3
The number of years of debt redemption (Years)	1.9	1.5	1.1	0.7	0.6
Interest Coverage Ratio	65.3	46.7	47.4	93.1	96.1

Notes:

1. The indexes above are calculated using the following formulas:

Shareholders' Equity Ratio: shareholders' equity/total assets.

Shareholders' Equity Ratio (based on market price): total sum of the market price for stock/total assets.

The number of years of debt redemption: liabilities with interest/cash flow from operating activities.

Interest Coverage Ratio: cash flow from operating activities/interest payments

2. Each index is calculated according to the consolidated financial value.

3. The total sum of the market price for stock is calculated as the closing price of the end of term stocks X the number of stocks issued at the end of term (after deduction of treasury stocks).

4. "Cash flow from operating activities" refers to the cash flow from operating activities in the statement of consolidated cash flow. "Liabilities with interest" refers to all interest paying debts on the consolidated balance sheet. "Interest Payments" refers to the interest payments in the statement of consolidated cash flow.

1.3. Basic policy for profit sharing & dividends in the current and next fiscal years

The company's basic policy on the distribution of profits is to both return profits to shareholders while also strengthening our financial base, and we work to strengthen management practices to improve profitability as well as to maintain stable dividends and continued profits.

Retained earnings are intended to improve and strengthen the structure of the business, and to provide product development and capital investments to ensure that we can respond to the needs of the market.

We propose a 5 yen per share year-end dividend for the fiscal year, based on our policy of profit distribution. As a result, the annual dividend for the fiscal year, including the interim dividend, will be 22.50 yen per share. It should be noted that on January first, 2013, a share split of two for one common shares was implemented, and based on the impact of this stock split, annual dividends for the fiscal year will be 13.75 yen per share.

Regarding dividends for the next fiscal year, interim and year-end dividends are expected to be 6 yen per share, for a total of 12 yen for the year.

1.4. Business risks

Since no new risks have been identified since the latest financial statement report (released on May 10, 2012), disclosure of business risk is omitted.

2. Management policies

2.1. Basic management policy of the Company

2.2. Mid- and long-term management strategies of the Company

As there is no material change in the contents from the accounts settlement report of March 2012 (released on May 10, 2012), its disclosure is omitted.

The applicable Fiscal 2012 Financial Statements report may be found from the following URL.

Fuji Machine Mfg.Co.,Ltd

<http://www.fuji.co.jp/e/>

2.3. Issues we need to solve

Regarding the environment surrounding the group, despite signs of recovery in the US economy, uncertainty over a downturn in the European economy and the slowdown in economic growth in China and other emerging countries is expected to continue. At the same time, although there are also downside risks for the Japanese economy due to influences from external factors, it is expected to gradually recover due to the improvement of the export environment from a weaker yen and capital investments due to taxation policy.

Under these circumstances, our group will continue to release unique, leading products into the market, and will promote the development of competitive products in response to market needs, through the promotion of speedy management. In addition, we also aim to improve customer satisfaction and increase market share through the promotion of business solutions and the strengthening of our sales network. We will also endeavor to reduce costs and improve profitability through collaboration on manufacturing within the group, as well as in the development of improved products and services, and the strengthening of global procurement.

We also plan to begin operation in March 2014 of a production base in China with Kunshan Fuji Machine Mfg. Co., Ltd. (Kunshan city, Jiangsu province, China), where we will seek to supply high quality, cost competitive products with the construction of a supply chain and the development of production systems.

We are also working to strengthen management control systems for the entire group, and to strengthen our corporate structure through structural reforms, and are committed to active social responsibility activities for the continued development of corporate value.

3. Consolidated financial statements

3.1. Consolidated balance sheets

Fuji Machine Mfg. Co., Ltd. and subsidiaries

ASSETS	Millions of yen	
	2012	2013
Current assets		
Cash on hand and in bank	47,537	44,433
Notes and accounts receivable – trade	18,665	14,334
Marketable securities	4,000	4,000
Merchandise	3,887	4,879
Work in process	15,367	13,917
Raw materials and supplies	7,771	7,350
Other inventories	31	22
Deferred tax assets	2,622	2,128
Other current assets	2,071	3,264
Less - Allowance for doubtful receivable	△236	△239
Total current assets	101,719	94,091
Fixed assets		
Property, plant and equipment:		
Building and structures	18,988	20,330
Accumulated depreciation and impairment loss	△11,623	△11,979
Buildings and structures, net	7,364	8,350
Machinery/equipment and vehicles	12,673	13,800
Accumulated depreciation and impairment loss	△9,967	△10,191
Machinery/equipment and vehicles, net	2,705	3,608
Tools, furniture and fixtures	5,651	6,047
Accumulated depreciation and impairment loss	△5,035	△5,271
Tools, furniture and fixtures, net	615	775
Land	3,956	3,983
Construction in progress	559	856
Total property, plant and equipment	15,201	17,574
Intangible assets:		
Software	4,899	5,673
Other intangible assets	18	18
Total intangible assets	4,917	5,692
Investments and other assets:		
Investment securities	11,089	13,152
Deferred taxes	568	8
Others	405	570
Total investments and other assets	12,063	13,731
Total fixed assets	32,183	36,998
Total assets	133,902	131,089

LIABILITIES AND NET ASSETS	Millions of yen	
	2012	2013
Liabilities		
Current liabilities:		
Notes and accounts payable	3,944	2,554
Current portion of bonds	2,938	2,924
Accrued income tax	1,654	16
Accrued warranty	1,131	767
Others	6,646	4,488
Total current liabilities	16,315	10,750
Long term liabilities:		
Bonds	4,124	1,200
Deferred tax liabilities	-	159
Accrued retirement benefits	2,814	3,175
Asset retirement obligations	64	65
Total long term liabilities	7,003	4,600
Total liabilities	23,319	15,351
Net assets		
Shareholders' equity		
Capital stock	5,878	5,878
Capital surplus	5,413	5,413
Earnings surplus	100,802	101,912
Treasury stock	△47	△48
Total shareholders' equity	112,047	113,156
Other comprehensive income		
Valuation difference on available-for-sale securities	1,107	2,876
Foreign currency translation adjustment	△2,669	△807
Total other comprehensive income	△1,561	2,069
Minority interests	98	513
Total net assets	110,583	115,738
Total liabilities and net assets	133,902	131,089

3.2. Consolidated income statement

Fuji Machine Mfg. Co., Ltd. and subsidiaries

	Millions of yen	
	2012	2013
Net sales	86,249	64,349
Cost of sales	50,704	40,772
Gross Profit	35,545	23,576
Selling, general and administrative expenses	19,872	19,663
Operating Income	15,672	3,913
Non-operating income:		
Interest income	88	90
Dividends income	222	221
Rent income	54	22
Foreign exchange gains	-	204
Others	109	87
Total Non-operating income	475	626
Non-operating expenses:		
Interest expense	103	67
Commission fee	94	34
Foreign exchange losses	261	-
Others	27	30
Total Non-operating expenses	486	133
Ordinary Income	15,661	4,406
Extraordinary income:		
Gain on disposal of fixed assets	53	29
Subsidy	-	143
Others	-	0
Total extraordinary income	53	173
Extraordinary loss:		
Loss on disposal of fixed assets	303	302
Loss on sales of investment securities	0	47
Loss on valuation of investment securities	1,238	65
Others	11	30
Total extraordinary loss	1,554	446
Income before income taxes	14,160	4,133
Income taxes:		
Corporate, inhabitant's and enterprise taxes	4,689	936
Adjustment for corporate taxes	955	469
Total income taxes	5,645	1,405
Income before minority interests	8,515	2,727
Minority interests in income (loss)	△0	28
Net Income	8,516	2,698

3.3. Consolidated statement of comprehensive income

Fuji Machine Mfg. Co., Ltd. and subsidiaries

	Millions of yen	
	2012	2013
Income before minority interests	8,515	2,727
Other comprehensive income		
Valuation difference on available for sale securities	442	1,768
Foreign currency translation adjustment	△226	1,837
Total other comprehensive income	216	3,605
Comprehensive income	8,731	6,333
(Details)		
Comprehensive income attributable to owners of the parent	8,725	6,329
Comprehensive income attributable to minority interests	5	3

3.4. Consolidated statement of shareholders' equity

Fuji Machine Mfg. Co., Ltd. and subsidiaries

Previous consolidated accounting period (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital Surplus	Earnings surplus	Treasury stock	Total shareholders' equity
Beginning balance	5,878	5,413	94,241	△46	105,487
Increase(decrease)during the term:					
Cash dividends	-	-	△1,955	-	△1,955
Net income	-	-	8,516	-	8,516
Acquisition of treasury stocks	-	-	-	△1	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-
Total	-	-	6,560	△1	6,559
Ending balance	5,878	5,413	100,802	△47	112,047

	The amount of total other comprehensive income			Minority interests	Total net assets
	Unrealized gain on available for-sale securities, net of taxes	Foreign currency translation adjustment	Total other comprehensive income		
Beginning balance	665	△2,436	△1,771	-	103,716
Increase(decrease)during the term:					
Cash dividends	-	-	-	-	△1,955
Net income	-	-	-	-	8,516
Acquisition of treasury stocks	-	-	-	-	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	442	△232	209	98	307
Total	442	△232	209	98	6,867
Ending balance	1,107	△2,669	△1,561	98	110,583

This consolidated accounting period (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital Surplus	Earnings surplus	Treasury stock	Total shareholders' equity
Beginning balance	5,878	5,413	100,802	△47	112,047
Increase(decrease)during the term:					
Cash dividends	-	-	△1,588	-	△1,588
Net income	-	-	2,698	-	2,698
Acquisition of treasury stocks	-	-	-	△1	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-
Total	-	-	1,110	△1	1,109
Ending balance	5,878	5,413	101,912	△48	113,156

	The amount of total other comprehensive income			Minority interests	Total net assets
	Unrealized gain on available for-sale securities, net of taxes	Foreign currency translation adjustment	Total other comprehensive income		
Beginning balance	1,107	△2,669	△1,561	98	110,583
Increase(decrease)during the term:					
Cash dividends	-	-	-	-	△1,588
Net income	-	-	-	-	2,698
Acquisition of treasury stocks	-	-	-	-	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	1,768	1,862	3,630	415	4,045
Total	1,768	1,862	3,630	415	5,154
Ending balance	2,876	△807	2,069	513	115,738

3.5. Consolidated cash flow statement

Fuji Machine Mfg. Co., Ltd. and subsidiaries

	Millions of yen	
	2012	2013
Operating activities		
Income before income taxes	14,160	4,133
Depreciation and amortization	3,035	3,921
Increase or decrease in provision for product warranties	50	△375
Increase in accrued retirement benefits	66	360
Interest and dividend income	△311	△311
Interest expense	103	67
Loss on disposal of noncurrent assets	250	272
Loss on sales of investment securities	0	47
Loss on valuation of investment securities	1,238	65
Decrease in accounts receivable	1,151	4,541
Decrease in inventories	226	1,395
Decrease in trade payable	△1,453	△1,674
Others	405	△1,541
Sub total	18,922	10,904
Interest and dividend received	311	311
Interest paid	△111	△76
Payment of income taxes	△8,701	△3,809
Net cash provided by operating activities	10,421	7,330
Investing activities		
Additions of tangible and intangible fixed assets	△4,760	△7,671
Proceeds from sales of tangible and intangible fixed assets	74	59
Proceeds from sales of investment securities	0	402
Investment in time deposit	△114	△114
Proceeds on maturity of time deposit	197	230
Purchase of long-term prepaid expenses	△153	△233
Others	△2	△44
Net cash used in investing activities	△4,758	△7,371
Financing activities		
Redemption of bonds	△2,938	△2,938
Dividends paid	△1,954	△1,588
Proceeds from stock issuance to minority shareholders	92	411
Others	△1	△1
Net cash used in financing activities	△4,801	△4,116
Effect of exchange rate changes on cash and cash equivalents	△177	1,169
Increase or decrease in cash and cash equivalents	683	△2,987
Cash and cash equivalents at beginning of year	50,181	50,865
Cash and cash equivalents at end of the period	* 50,865	* 47,877

**3.6. Notes related to consolidated financial statements
(Notes to assumption of going concern)**

Not applicable.

**(Changes in Accounting Estimates and Accounting Policies which are Difficult to Distinguish)
(Change in Depreciation Method)**

With the revision of the Corporate Tax Act, this company and its domestic consolidated subsidiaries has changed its depreciation method from this fiscal year for tangible fixed assets obtained after April 1st, 2012.

As a result, in comparison with the previous method, operating income, ordinary income and income before taxes and minority interests each increased by 73 million yen respectively.

(Data relating to the calculation of fluctuations in consolidated stockholders' equity etc.)

Previous consolidated accounting period (April 1, 2011 - March 31, 2012)

1. Matters relating to the kinds and total number of issued stocks & kinds and number of treasury stocks

	Number of shares at beginning of current consolidated fiscal year (Unit: 1,000 stocks)	Increased stocks in the current consolidated period (Unit: 1,000 stocks)	Decreased stocks in the current consolidated period (Unit: 1,000 stocks)	Stocks at the end of the current consolidated period (Unit: 1,000 stocks)
Issued stocks				
Common stocks	48,911	-	-	48,911
Total	48,911	-	-	48,911
Treasury stocks				
Common stocks (*Note)	30	0	-	31
Total	30	0	-	31

Note:

Increased stocks due to purchases of stock less than one unit are rounded down to the nearest unit (1 unit: 1,000 stocks).

2. Matters relating to dividends

(1) Amount of dividends paid

Resolution	Kind of stock	Dividend total (Unit: mil. yen)	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 29, 2011 Annual Meeting of Shareholders	Common stock	977	20.00	Mar. 31, 2011	Jun. 30, 2011
Nov. 10, 2011 Board of Directors Meeting	Common stock	977	20.00	Sep. 30, 2011	Dec. 9, 2011

(2) Of the dividends for which the reference dates fall upon this consolidated period, those which will become effective after the end of this period

Resolution	Kind of stock	Dividend total (Unit: mill. yen)	Dividend resource	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 28, 2012 Annual Meeting of Shareholders	Common stock	733	Earnings surplus	15.00	Mar. 31, 2012	Jun. 29, 2012

Current consolidated accounting period (April 1, 2012 - March 31, 2013)

1. Matters relating to the kinds and total number of issued stocks & kinds and number of treasury stocks

	Number of shares at beginning of current consolidated fiscal year (Unit: 1,000 stocks)	Increased stocks in the current consolidated period (Unit: 1,000 stocks)	Decreased stocks in the current consolidated period (Unit: 1,000 stocks)	Stocks at the end of the current consolidated period (Unit: 1,000 stocks)
Issued stocks				
Common stocks	48,911	48,911	-	97,823
Total	48,911	48,911	-	97,823
Treasury stocks				
Common stocks (*Note)	31	32	-	63
Total	31	32	-	63

Notes:

- The increase of 48.911 million shares of outstanding common stock was due to the January 1st 2013 stock split.
- The increase of 32,000 shares of common share treasury stock are an increase of 31,000 shares from the January 1st 2013 stock split, and a purchase of 0 thousand fractional shares.

2. Matters relating to dividends

(1) Amount of dividends paid

Resolution	Kind of stock	Dividend total (Unit: mil. yen)	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 28, 2012 Annual Meeting of Shareholders	Common stock	733	15.00	Mar. 31, 2012	Jun. 29, 2012
Nov. 8, 2012 Board of Directors Meeting	Common stock	855	17.50	Sep. 30, 2012	Dec.10, 2012

(2) Of the dividends for which the reference dates fall upon this consolidated period, those which will become effective after the end of this period

Resolution	Kind of stock	Dividend total (Unit: mill. yen)	Dividend resource	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 27, 2013 Annual Meeting of Shareholders	Common stock	488	Earnings surplus	5.00	Mar. 31, 2013	Jun. 28, 2013

(On consolidated cash flow statements)

*The relation between the term-end balance of cash and cash-equivalents, and the sums of the items listed on the consolidated balance sheet

	(Millions of yen)	
	March 31, 2012	March 31, 2013
Cash and deposit accounts	47,537	44,433
Marketable securities (Negotiable Certificates of Deposit)	4,000	4,000
Time deposits whose deposit terms exceed three months	△ 672	△ 556
Cash and cash equivalents at end of the period	50,865	47,877

(On consolidated segment information)

a. Segment information

1) Outline of reportable segments

Of the units that comprise our group, financial information is available for each segment and is subject to periodic reviews by the company's board of directors for determination of the allocation of management resources and for evaluation of operating performance.

Our group operates separate divisions based on the type of product or service provided, and each of the division's plans comprehensive domestic and international strategies for its products and services and is engaged in developing its respective business activities.

Thus, our group has two reportable segments based on the two main types of products and services offered – the electronic assembly equipment division and the machine tool division.

In the electronic assembly equipment division, we mainly produce automatic mounters for electronic parts. For the machine tool business, we are focused on producing automatic lathes and other specialized machines.

2) Methods for Calculating Value of Sales, Profit/Loss, Assets & Liabilities, and Other Items by reportable segment

The accounting method for the reported business segments is the same as that for preparation of consolidated financial statements.

Profit figures in reportable segments are based on operating profits.

Intersegment internal sales/transferred amount are based on current market prices.

3) Information on the amounts of sales, profit or loss, assets, liabilities, and other items by reportable segment

Previous consolidated accounting period (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable Segments			Others	Total
	Electronics assembly equipment	Machine tools	Subtotal		
Sales					
Sales to third parties	76,813	8,890	85,703	546	86,249
Inter-segment sales or transfers	0	-	0	602	603
Total	76,814	8,890	85,704	1,148	86,853
Segment income or loss	18,949	405	19,354	△50	19,304
Segment assets	71,014	12,535	83,550	965	84,516
Other items					
Depreciation	2,405	359	2,764	71	2,835
Accrual of property, plant and equipment and Intangible assets	4,607	180	4,788	35	4,823

Note:

“Others” include business activities that do not fit into the main two reportable segments. This includes the manufacture of control equipment, PCB contract manufacturing, and software development.

This consolidated accounting period (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reportable Segments			Others	Total
	Electronics assembly equipment	Machine tools	Subtotal		
Sales					
Sales to third parties	52,973	10,664	63,638	710	64,349
Inter-segment sales or transfers	0	-	0	908	909
Total	52,974	10,664	63,639	1,619	65,258
Segment income or loss	6,423	1,007	7,430	△173	7,256
Segment assets	63,278	12,710	75,988	1,040	77,029
Other items					
Depreciation	3,249	405	3,654	50	3,704
Accrual of property, plant and equipment and Intangible assets	5,679	778	6,457	68	6,526

Note:

“Others” include business activities that do not fit into the main two reportable segments. This includes the manufacture of control equipment, PCB contract manufacturing, and software development.

4) Difference between the aggregate amount of a reportable segment and consolidated financial statement appropriation frame and major descriptions of the said difference (difference adjustments and related matters)

(Millions of yen)

Income	Previous consolidated accounting period	This consolidated accounting period
Reportable segments total	19,354	7,430
Other losses	△50	△173
Inter-segment elimination	26	25
Overall company expenditures	△3,657	△3,368
Operating income	15,672	3,913

Note:

Overall company expenditure mainly consists of the administration expenses and engineering research expenses not attributable to the reportable segments.

(Millions of yen)

assets	Previous consolidated accounting period	This consolidated accounting period
Reportable segments total	83,550	75,988
Other assets	965	1,040
Inter-segment elimination	△23	△23
Overall company expenditures	49,410	54,084
Total assets of consolidated balance sheets	133,902	131,089

Note:

Corporate assets are those assets etc. which do not belong to any reportable segment, under the including surplus funds (cash), long term investments (investment securities) and R&D or Management Division assets etc.

(Millions of yen)

Others	Amount of a reportable segment		Others		The amount of adjustment		Consolidated financial statement	
	Previous consolidated accounting period	This consolidated accounting period	Previous consolidated accounting period	This consolidated accounting period	Previous consolidated accounting period	This consolidated accounting period	Previous consolidated accounting period	This consolidated accounting period
Depreciation	2,764	3,654	71	50	200	217	3,035	3,921
Increase of property, plant and equipment and Intangible assets	4,788	6,457	35	68	868	726	5,692	7,253

Note:

Adjustments are attributable to technological research and management department related items.

b. Related information

I Previous consolidated accounting period (April 1, 2011 to March 31, 2012)

1) Information by Product and Service

This is the same as the segment information, so it is omitted here.

2) Information about sales territories

1. Sales

	Japan	China	Other Asia	US	Other North America	Europe	Others	Total
Sales (Millions of yen)	9,833	32,639	20,641	7,667	3,552	6,897	5,017	86,249
Composition ratio (%)	11.4	37.9	23.9	8.9	4.1	8.0	5.8	100.0

Note:

Sales are based on the location of the customer, and are classified by country and region.

2. Property, plant and equipment

As the value of tangible fixed assets in Japan makes up more than 90% of the total value of tangible fixed assets in the Consolidated Balance Sheet, they have been omitted here.

3) Information about major customers

(Millions of yen)

Customer	Sales	Segment
Ascentek International Co., Ltd.(China)	14,206	Electronics Assembly Equipment
Samsung Japan Corporation	13,035	Electronics Assembly Equipment

II This consolidated accounting period (April 1, 2012 to March 31, 2013)

1) Information by Product and Service

This is the same as the segment information, so it is omitted here.

2) Information about sales territories

1. Sales

	Japan	China	Other Asia	US	Other North America	Europe	Others	Total
Sales (Millions of yen)	8,466	25,710	12,904	7,059	2,451	5,134	2,622	64,349
Composition ratio (%)	13.2	39.9	20.0	11.0	3.8	8.0	4.1	100.0

Note:

Sales are based on the location of the customer, and are classified by country and region.

2. Property, plant and equipment

As the value of tangible fixed assets in Japan makes up more than 90% of the total value of tangible fixed assets in the Consolidated Balance Sheet, they have been omitted here.

3) Information about major customers

(Millions of yen)

Customer	Sales	Segment
Ascentek International Co., Ltd.(China)	8,594	Electronics Assembly Equipment

(Per share information)

Item		2012	2013
Net assets worth per share	(Unit: yen)	1,131.15	1,183.90
Current net income per share	(Unit: yen)	87.11	27.60

Notes:

1: The diluted current net income per share is not shown due to absence of residual shares.

2: As of January 1st, 2013, a share split was implemented at a rate of two for one share of common stock. Therefore, with regard to net assets per share and net income per share, these were calculated on the assumption that the stock split was made at the beginning of the previous fiscal year.

3: The bases for calculation of the current net income or loss per share are as follows:

Item		2012	2013
Current net income	(Unit: million yen)	8,516	2,698
Amounts not attributable to common shares	(Unit: million yen)	-	-
Current net income attributable to common shares	(Unit: million yen)	8,516	2,698
Average number of common shares during the year	(Unit: stocks)	97,762,497	97,760,821

(Important subsequent events)

Not applicable.

4. Unconsolidated financial statements

4.1. Balance Sheets

Fuji Machine Mfg. Co., Ltd.

ASSETS	Millions of yen	
	2012	2013
Current assets		
Cash on hand and in bank	37,301	30,918
Notes receivable	1,319	570
Accounts receivable	15,979	14,103
Marketable securities	4,000	4,000
Merchandise and finished goods	1,220	1,649
Work in process	15,086	13,693
Raw materials and supplies	6,976	6,587
Prepaid expenses	51	38
Deferred taxes	1,586	1,178
Accounts receivable-other	1,054	1,625
Income taxes receivable	-	1,346
Other current assets	30	25
Allowance for doubtful accounts	△21	△18
Total current assets	84,585	75,719
Fixed assets		
Property, plant and equipment:		
Building	15,162	16,344
Accumulated depreciation and impairment loss	△9,433	△9,673
Buildings, net	5,728	6,671
Structures	1,602	1,648
Accumulated depreciation and impairment loss	△1,040	△1,095
Structures, net	561	553
Machinery and equipment	11,363	12,467
Accumulated depreciation and impairment loss	△9,005	△9,168
Machinery and equipment, net	2,358	3,298
Vehicles	439	424
Accumulated depreciation	△376	△380
Vehicles, net	63	43
Tools, furniture and fixtures	4,903	5,239
Accumulated depreciation and impairment loss	△4,417	△4,576
Tools, furniture and fixtures, net	485	662
Land	3,037	3,037
Construction in progress	547	0
Total property, plant and equipment	12,782	14,267

ASSETS	Millions of yen	
	2012	2013
Intangible assets:		
Leasehold right	5	5
Software	4,870	5,574
Telephone subscription right	10	10
Other intangible assets	0	0
Total intangible assets	4,887	5,591
Investments, etc.:		
Investment securities	10,963	13,009
Investment in related parties	1,115	1,115
Sundry investments	39	8
Sundry investments in related parties	589	1,206
Long-term prepaid expenses	148	94
Deferred taxes	548	-
Other investments	49	41
Total investments	13,454	15,475
Total fixed assets	31,124	35,334
Total assets	115,709	111,053

LIABILITIES AND NET ASSETS	Millions of yen	
	2012	2013
Liabilities		
Current liabilities:		
Accounts payable-trade	3,998	2,597
Current portion of bonds	2,938	2,924
Accounts payable-other	781	322
Accrued expenses	2,752	2,118
Income taxes payable	1,650	-
Advances received	26	44
Deposits received	581	399
Accrued warranty	999	680
Equipment notes payable	616	223
Total current liabilities	14,345	9,311
Long term liabilities:		
Bonds	4,124	1,200
Deferred tax liabilities	-	159
Accrued retirement benefits	2,774	3,137
Asset retirement obligations	32	32
Others	23	23
Total long term liabilities	6,954	4,552
Total liabilities	21,299	13,863
Net assets		
Shareholder's equity		
Capital stock	5,878	5,878
Capital surplus:		
Capital reserves	5,413	5,413
Total capital surplus	5,413	5,413
Earnings surplus:		
Earnings reserve	1,450	1,450
Other earnings surplus:		
General reserve	54,900	54,900
Carry over	25,757	26,776
Total earnings surplus	82,107	83,126
Treasury stock	△47	△48
Total shareholders' equity	93,351	94,370
Valuation and translation adjustments		
Unrealized gain on available for-sale securities, net of taxes	1,058	2,819
Total valuation and translation adjustments	1,058	2,819
Total net assets	94,410	97,189
Total liabilities and net assets	115,709	111,053

4.2. Income statement

Fuji Machine Mfg. Co., Ltd.

	Millions of yen	
	2012	2013
Net sales	80,194	59,776
Cost of sales		
Beginning finished goods	1,559	1,220
Cost of products manufactured	48,754	40,025
Total	50,313	41,246
Ending finished goods	1,220	1,649
Cost of finished goods sold	49,092	39,596
Gross profit	31,101	20,179
Selling, general and administrative expenses		
Sales commission	583	2
Packing and transportation expenses	1,120	927
Advertising expenses	251	232
Product Warranty Expenses	1,716	476
Directors' compensations	372	328
Employees' salaries and allowances	2,921	2,686
Retirement benefit expenses	313	376
Traveling and transportation expenses	271	264
Depreciation	1,000	1,696
Research and development expenses	6,643	7,816
Others	1,615	1,888
Total selling, general and administrative expenses	16,810	16,696
Operating Income	14,291	3,482
Non-operating revenue:		
Interest income	44	42
Interest on securities	7	10
Dividends income	221	216
Rent income	80	51
Foreign exchange gains	-	281
Miscellaneous income	76	63
Total Non-operating income	430	665

	Millions of yen	
	2012	2013
Non-operating expenses:		
Interest expenses	0	0
Interest on bonds	103	67
Commission fee	94	34
Foreign exchange losses	268	-
Miscellaneous expenses	25	14
Total Non-operating expenses	491	117
Ordinary Income	14,230	4,031
Extraordinary income		
Gain on disposal of fixed assets	22	26
Others	-	0
Total extraordinary income	22	26
Extraordinary loss		
Loss on disposal of fixed assets	292	269
Loss on sales of investment securities	0	47
Loss on valuation of investments in securities	1,238	65
Others	-	30
Total extraordinary loss	1,530	413
Income before income taxes	12,722	3,644
Income taxes:		
Corporate, inhabitant's and enterprise taxes	4,330	720
Adjustment for corporate taxes	886	316
Total income taxes	5,216	1,036
Net Income	7,506	2,607

4.3. Statement of shareholders' equity

Fuji Machine Mfg. Co., Ltd.

Previous accounting period (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus	Earnings surplus				Treasury stock	Total shareholder's equity
		Capital reserves	Earnings reserve	Other earnings surplus		Total earnings surplus		
				General reserve	Carry over			
Beginning balance	5,878	5,413	1,450	54,900	20,206	76,556	△46	87,802
Increase(decrease)during the term:								
Cash dividends	-	-	-	-	△1,955	△1,955	-	△1,955
Net income	-	-	-	-	7,506	7,506	-	7,506
Acquisition of treasury stocks	-	-	-	-	-	-	△1	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-	-	-	-
Total	-	-	-	-	5,550	5,550	△1	5,549
Ending balance	5,878	5,413	1,450	54,900	25,757	82,107	△47	93,351

	Valuation and translation adjustments	Total net assets
	Unrealized gain on available-for-sale securities, net of taxes	
Beginning balance	639	88,442
Increase(decrease)during the term:		
Cash dividends	-	△1,955
Net income	-	7,506
Acquisition of treasury stocks	-	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	418	418
Total	418	5,968
Ending balance	1,058	94,410

This accounting period (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus	Earnings surplus				Treasury stock	Total shareholder's equity
		Capital reserves	Earnings reserve	Other earnings surplus		Total earnings surplus		
				General reserve	Carry over			
Beginning balance	5,878	5,413	1,450	54,900	25,757	82,107	△47	93,351
Increase(decrease)during the term:								
Cash dividends	-	-	-	-	△1,588	△1,588	-	△1,588
Net income	-	-	-	-	2,607	2,607	-	2,607
Acquisition of treasury stocks	-	-	-	-	-	-	△1	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-	-	-	-
Total	-	-	-	-	1,019	1,019	△1	1,018
Ending balance	5,878	5,413	1,450	54,900	26,776	83,126	△48	94,370

	Valuation and translation adjustments	Total net assets
	Unrealized gain on available for-sale securities, net of taxes	
Beginning balance	1,058	94,410
Increase(decrease)during the term:		
Cash dividends	-	△1,588
Net income	-	2,607
Acquisition of treasury stocks	-	△1
Net increase(decrease) during the term, except for items under Shareholders' equity	1,761	1,761
Total	1,761	2,779
Ending balance	2,819	97,189

4.4. Notes related to unconsolidated financial statements (Notes to assumption of going concern)

Not applicable.

5. Others

5.1. Situation of orders and sales

Previous consolidated accounting period (April 1, 2011 to March 31, 2012)

Name of segment	Orders (Millions of yen)	Ratio (%)	Sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Electronics Assembly Equipment	71,745	86.4	76,813	89.1	6,901	55.4
Machine Tools	10,937	13.2	8,890	10.3	5,467	43.9
Others	365	0.4	546	0.6	81	0.7
Total	83,048	100.0	86,249	100.0	12,450	100.0

This consolidated accounting period (April 1, 2012 to March 31, 2013)

Name of segment	Orders (Millions of yen)	Ratio (%)	Sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Electronics Assembly Equipment	52,816	84.1	52,973	82.3	6,743	62.0
Machine Tools	9,283	14.8	10,664	16.6	4,085	37.5
Others	683	1.1	710	1.1	54	0.5
Total	62,783	100.0	64,349	100.0	10,884	100.0

Previous accounting period (April 1, 2011 to March 31, 2012)

Name of segment	Orders (Millions of yen)	Ratio (%)	Sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Electronics Assembly Equipment (Exports)	69,878 (64,969)	87.7 (81.5)	72,285 (67,219)	90.1 (83.8)	6,475 (6,128)	60.0 (56.8)
Machine Tools (Exports)	9,798 (5,005)	12.3 (6.3)	7,909 (3,813)	9.9 (4.8)	4,322 (2,413)	40.0 (22.3)
Total (Exports)	79,677 (69,974)	100.0 (87.8)	80,194 (71,033)	100.0 (88.6)	10,798 (8,541)	100.0 (79.1)

This accounting period (April 1, 2012 to March 31, 2013)

Name of segment	Orders (Millions of yen)	Ratio (%)	Sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Electronics Assembly Equipment (Exports)	49,893 (45,535)	86.3 (78.8)	50,137 (46,589)	83.9 (77.9)	6,231 (5,074)	70.6 (57.5)
Machine Tools (Exports)	7,913 (5,175)	13.7 (8.9)	9,638 (5,481)	16.1 (9.2)	2,597 (2,107)	29.4 (23.8)
Total (Exports)	57,807 (50,710)	100.0 (87.7)	59,776 (52,070)	100.0 (87.1)	8,828 (7,182)	100.0 (81.3)

Reference Doc.1

1. Consolidated earnings forecasts for March 2014 (Apr 1, 2013 – Mar 31, 2014)

(Millions of yen)

	Sales	Operating income	Ordinary income	Net income
6 months ending September 30,2013	40,000 (△1.4%)	3,800 (△14.9%)	4,000 (△9.9%)	2,700 (△7.6%)
12 months ending March 31,2014	73,000 (13.4%)	6,200 (58.4%)	6,500 (47.5%)	4,300 (59.3%)

Note: Figures given in brackets indicate the percentage change from the respective period last year (first two quarters and total period).

2. Changes in consolidated sales and revenues for past 6 years

(Millions of yen)

	Sales	Operating income	Ordinary income	Net income
Year ending March 31,2013	64,349	3,913	4,406	2,698
Year ending March 31,2012	86,249	15,672	15,661	8,516
Year ending March 31,2011	92,893	20,694	20,289	12,914
Year ending March 31,2010	41,747	△6,212	△5,842	△4,828
Year ending March 31,2009	69,485	5,229	6,118	1,001
Year ending March 31,2008	106,665	21,917	21,830	12,953

3. Consolidated orders and sales forecasts for March 2014 (Apr 1, 2013 – Mar 31, 2014)

(Millions of yen)

Name of segment	Orders		Sales	
	6 months ending September 30,2013	12 months ending March 31,2014	6 months ending September 30,2013	12 months ending March 31,2014
Electronics Assembly Equipment	34,300	59,200	34,100	59,200
Machine Tools	6,300	14,500	5,500	13,000
Others	400	800	400	800
Total	41,000	74,500	40,000	73,000

4. Consolidated forecasts for major items for March 2014 (Apr 1, 2013 – Mar 31, 2014)

(Millions of yen)

Item	2013 (Results)		2014 (Forecasts)	
	6 months ending September 30,2012	12 months ending March 31,2013	6 months ending September 30,2013	12 months ending March 31,2014
Investment in plant and equipment	3,425	7,253	2,900	5,700
Depreciation	1,684	3,921	2,300	4,800
Research and development expenses	4,335	7,884	4,000	7,000

Reference Doc.2

1. Earnings forecasts for March 2014 (Apr 1, 2013 – Mar 31, 2014)

(Millions of yen)

	Sales	Operating income	Ordinary income	Net income
6 months ending September 30,2013	37,000 (△2.9%)	3,500 (△8.5%)	3,700 (△2.5%)	2,500 (△2.6%)
12 months ending March 31,2014	67,000 (12.1%)	5,700 (63.7%)	6,000 (48.8%)	4,000 (53.4%)

Note: Figures given in brackets indicate the percentage change from the respective period last year (first two quarters and total period).

2. Changes in sales and revenues for past 6 years

(Millions of yen)

	Sales	Operating income	Ordinary income	Net income
Year ending March 31,2013	59,776	3,482	4,031	2,607
Year ending March 31,2012	80,194	14,291	14,230	7,506
Year ending March 31,2011	88,883	19,946	19,682	12,069
Year ending March 31,2010	38,891	△5,766	△5,358	△3,892
Year ending March 31,2009	63,134	4,510	4,671	273
Year ending March 31,2008	99,531	19,789	19,181	11,236

3. Orders and sales forecasts for March 2014 (Apr 1, 2013 – Mar 31, 2014)

(Millions of yen)

Name of segment	Orders		Sales	
	6 months ending September 30,2013	12 months ending March 31,2014	6 months ending September 30,2013	12 months ending March 31,2014
Electronics Assembly Equipment (Exports)	32,000 (29,600)	56,000 (51,800)	32,000 (29,600)	56,000 (51,800)
Machine Tools (Exports)	6,000 (4,600)	12,500 (8,700)	5,000 (3,400)	11,000 (7,600)
Total (Exports)	38,000 (34,200)	68,500 (60,500)	37,000 (33,000)	67,000 (59,400)

4. Forecasts for major items for March 2014 (Apr 1, 2013 – Mar 31, 2014)

(Millions of yen)

Item	2013 (Results)		2014 (Forecasts)	
	6 months ending September 30,2012	12 months ending March 31,2013	6 months ending September 30,2013	12 months ending March 31,2014
Investment in plant and equipment	3,138	6,184	2,700	4,800
Depreciation	1,582	3,707	2,200	4,600
Research and development expenses	4,293	7,816	4,000	7,000