



FACT BOOK 2016

System Creation Company



President
Representative Director
Masataka Hatori

[Business Overview]

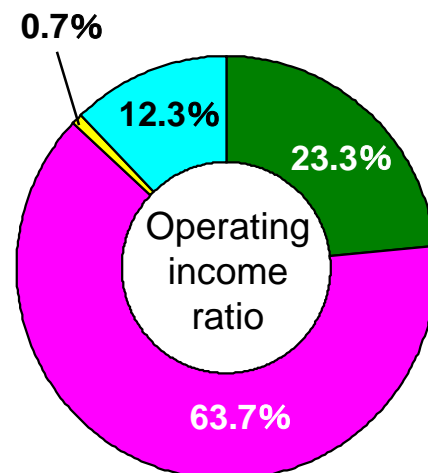
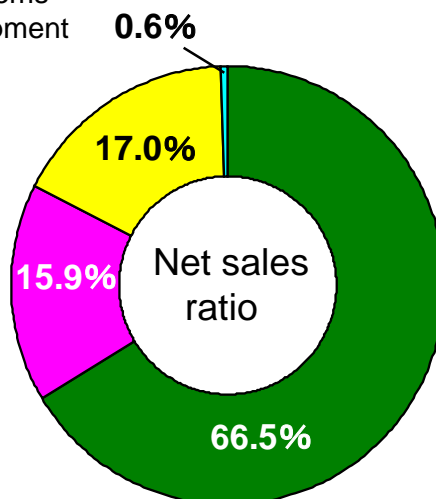
(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Net Sales	38,126	37,856	36,412	37,252	35,709
Operating Income	795	1,603	1,204	1,420	925

Business Segment

Average ratio per 5 years by Business Segment (2012/3-2016/3)

- Information Systems, Printing Systems and Industrial X-ray Systems Equipment
- Cash handling Equipment, Election Systems Equipment
- Paper and Processed Paper Products
- Leasing and others



Information Systems, Printing Systems and Industrial X-ray Systems Equipment

[Information/Industrial Systems Equipment]

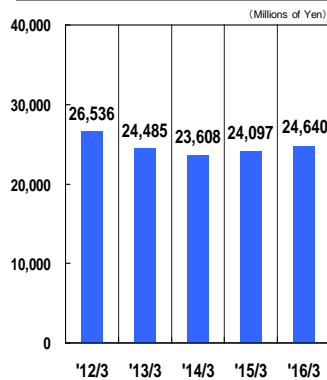
- Media conversion services to digitalize documents/microfilms, and to microfilm; data entry services;
- Consultation and sales of scanners, electronic archive systems as FUJIFILM Corporation's sole distributor in the Japanese market;
- Development and sales of image processing software;
- Consultation and sales of industrial non-destructive inspection systems by X-ray for buildings and manufactured products.
- Maintenance services for equipment.

[Printing Systems Equipment]

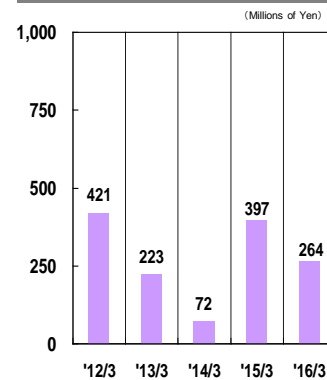
- Consultation and sales of printing equipment, materials and software for digital pre-press systems and print-on-demand systems as FUJIFILM Corporation's distributor in the Japanese market;
- Development and sales of a compact print-on-demand system for fine-printed business cards and cards;
- Maintenance services for equipment.



Segment Net Sales



Segment Operating Income



Cash Handling Equipment, Election Systems Equipment

(Original products developed and manufactured by the MUSASHI Group)

[Cash Handling Equipment]

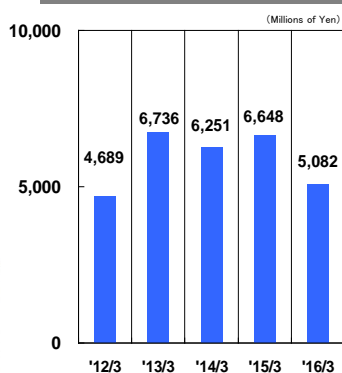
- Cash handling machines that improve operational efficiency across various industries including finance, retail, courier, transport, and amusement;
- Administrative products for keys;
- Security products including digital surveillance cameras;
- Maintenance services for the above products.
- Export of cash handling machines including bill counters and bill binding machines to Europe and other overseas markets.

[Election Systems Equipment]

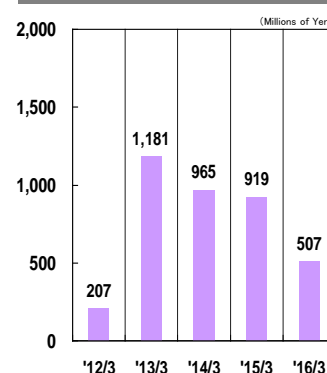
- Consultation and sales of support products for elections including ballot paper dispensers, counters, reader sorters, self-opening ballot papers, administrative software, promotional items and other tools;
- Maintenance services for equipment.



Segment Net Sales



Segment Operating Income

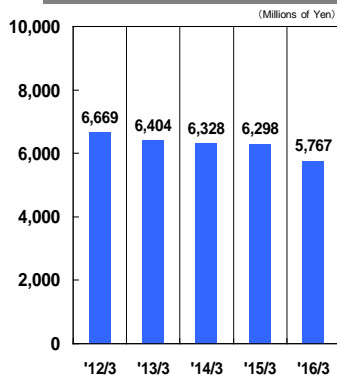


Paper and Processed Paper Products

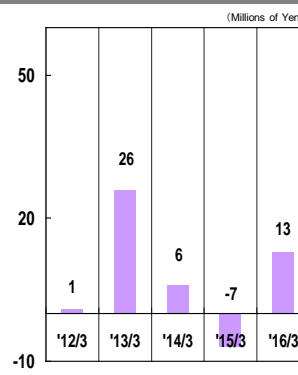
- Various types of paper and paperboards for printing, publishing, information, administration and other special applications; processed paper products.



Segment Net Sales



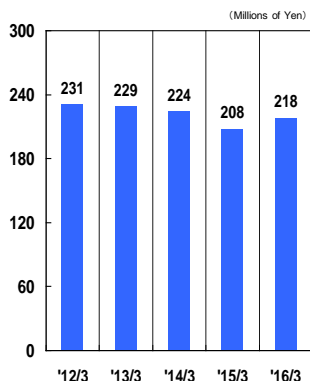
Segment Operating Income



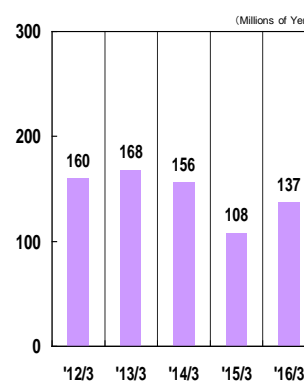
Leasing and others

- Real-estate leasing
- Auto leasing
- Insurance brokerage

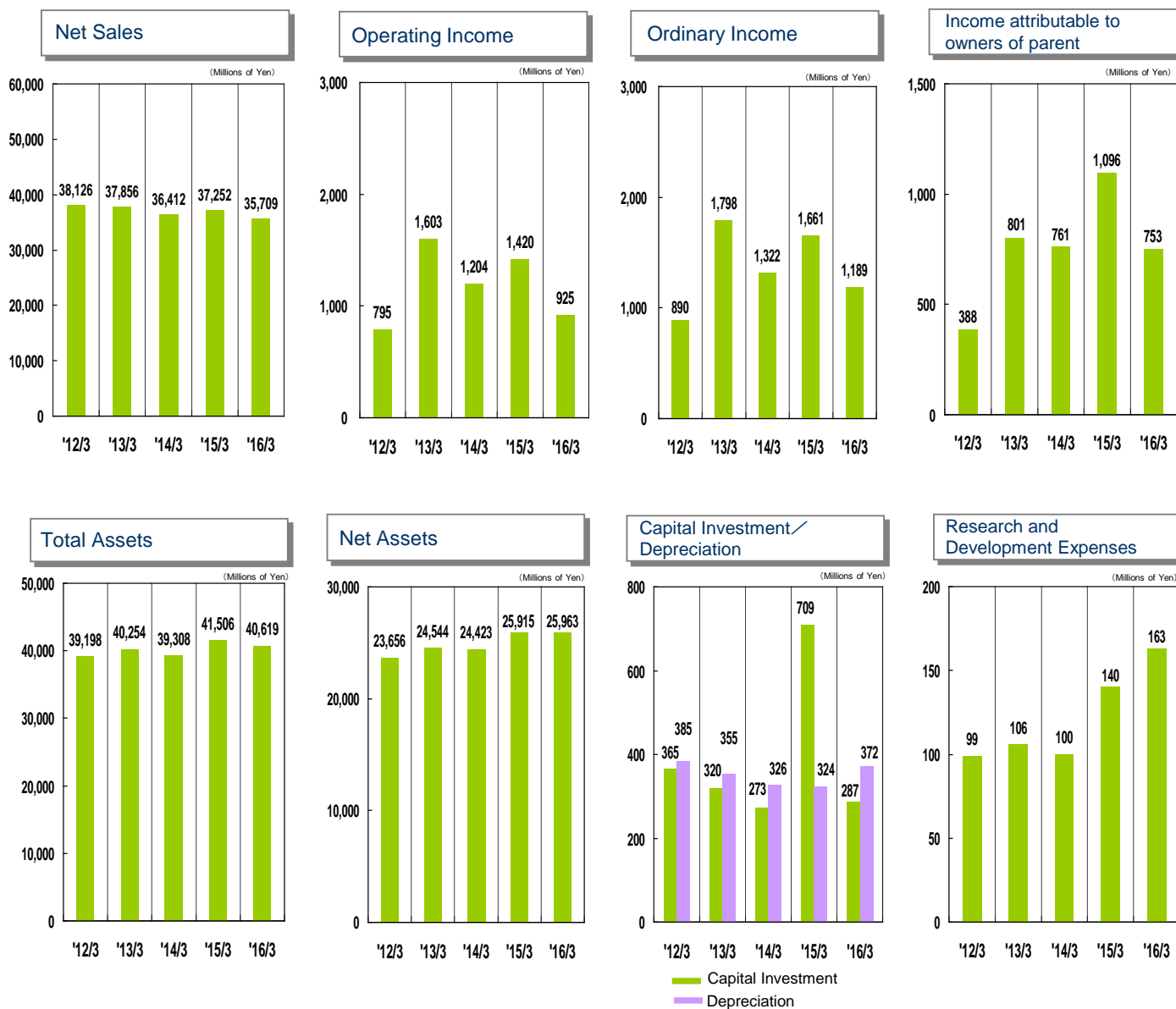
Segment Net Sales



Segment Operating Income



[Consolidated Financial Highlights]



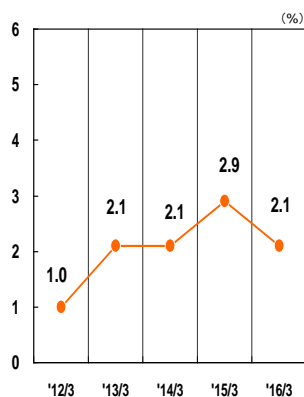
(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Net Sales	38,126	37,856	36,412	37,252	35,709
Operating Income	795	1,603	1,204	1,420	925
Ordinary Income	890	1,798	1,322	1,661	1,189
Income attributable to owners of parent	388	801	761	1,096	753
Total Assets	39,198	40,254	39,308	41,506	40,619
Net Assets	23,656	24,544	24,423	25,915	25,963
Capital Investment	365	320	273	709	287
Depreciation	385	355	326	324	372
Research and Development Expenses	99	106	100	140	163

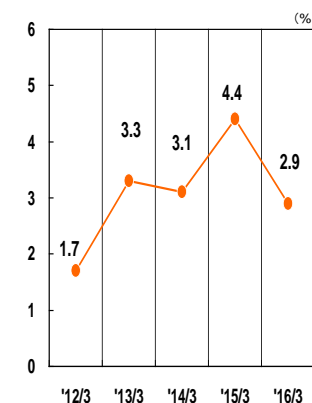
[Consolidated Financial Data]

Profitability

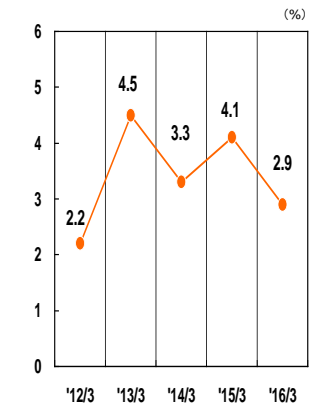
Return on Sales



Return on Equity [ROE]

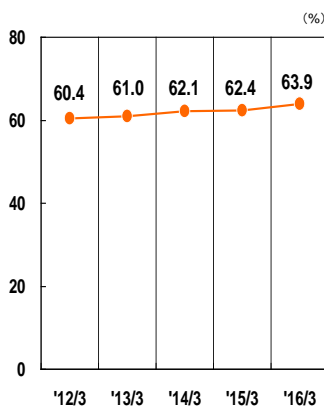


Return on Assets [ROA]

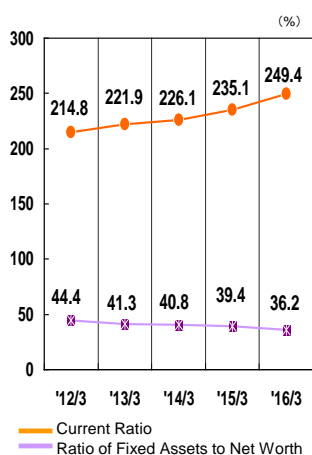


Stability

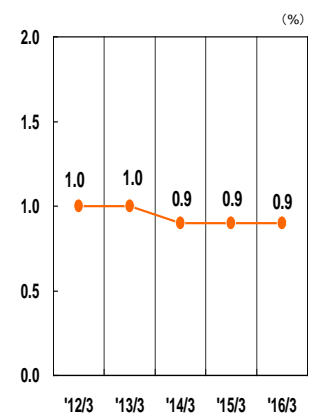
Shareholders' Equity Ratio



Current Ratio / Ratio of Fixed Assets to Net Worth

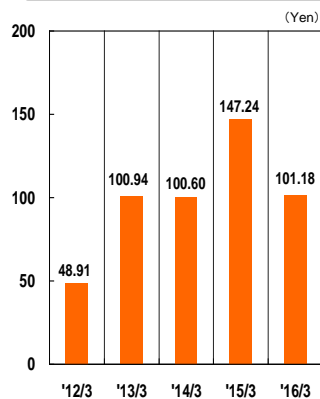


Assets Turnover

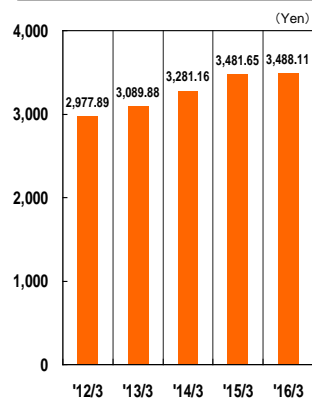


Investment Data

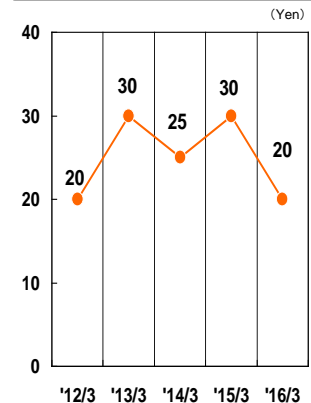
Net Income per Share [EPS]



Shareholders' Equity per Share [BPS]



Cash Dividends per Share



• Return on Assets=Ordinary Income/Total Assets(Yearly Average) × 100

• Assets Turnover=Net Sales/Total Assets(Yearly Average)

[Consolidated Balance Sheets]

(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Assets					
Current Assets:	28,683	30,108	29,335	31,302	31,229
Cash and Deposits	14,343	16,935	16,439	17,795	17,553
Notes and Accounts Receivable - Trade	11,388	10,436	9,945	10,528	10,351
Short-term Investment Securities	299	—	—	—	—
Merchandise and Finished Goods	1,509	1,394	1,771	1,653	1,624
Work in Process	79	55	49	62	81
Raw Materials and Supplies	288	578	397	664	959
Deferred Tax Assets	367	411	370	239	237
Others	456	324	373	383	442
Allowance for Doubtful Accounts	-48	-28	-10	-24	-20
Fixed Assets:	10,514	10,145	9,972	10,203	9,389
Property, Plant and Equipment	3,782	3,529	3,442	3,404	3,339
Buildings and Structures	1,115	1,111	1,038	1,192	1,125
Machinery, Equipment and Vehicles	108	93	79	72	66
Land	2,238	1,991	1,991	1,800	1,800
Construction in Progress	-	-	-	33	33
Others	320	333	333	304	313
Intangible Assets	136	97	113	198	165
Software	116	77	92	178	145
Others	20	20	20	20	20
Investments and Other Assets	6,595	6,518	6,416	6,600	5,884
Investment Securities	1,361	1,673	1,794	1,962	1,659
Stocks of Subsidiaries and Affiliates	428	397	404	419	418
Deferred Tax Assets	120	57	141	52	54
Net defined benefit asset	-	-	666	1,299	902
Guarantee Deposits	2,566	2,567	2,569	2,545	2,546
Others	2,184	1,889	916	377	366
Allowance for Doubtful Accounts	-66	-67	-75	-56	-64
Total Assets:	39,198	40,254	39,308	41,506	40,619
Liabilities					
Current Liabilities:	13,352	13,569	12,972	13,316	12,522
Notes and Accounts Payable - Trade	8,359	8,225	7,821	8,265	7,868
Short - term Loans Payable	3,532	3,512	3,521	3,521	3,521
Income Taxes Payable	47	459	205	299	254
Deferred tax liabilities	-	-	0	-	-
Provision for Bonuses	406	386	377	369	368
Provision for Product Warranties	150	45	-	-	-
Provision for loss on order received	-	34	11	-	-
Others	857	906	1,036	860	509
Non - current Liabilities:	2,189	2,139	1,912	2,274	2,132
Deferred Tax Liabilities	34	213	301	527	277
Provision for Retirement Benefits	211	201	-	-	-
Net defined benefit liability	-	-	179	187	189
Provision for Directors' and Corporate Auditors' Retirement Benefit	863	934	939	1,025	1,094
Others	1,079	789	492	533	571
Total Liabilities:	15,542	15,709	14,884	15,590	14,655
Net Assets					
Shareholders' Equity:	23,624	24,266	24,189	25,275	25,805
Capital Stock	1,208	1,208	1,208	1,208	1,208
Capital Surplus	2,005	2,005	2,005	2,005	2,005
Retained Earnings	20,418	21,061	21,552	22,638	23,168
Treasury Stock	-8	-8	-576	-576	-576
Valuation and Translation Adjustments:	32	278	234	640	158
Valuation Difference on Available - for - sale Securities	32	278	352	494	295
Remeasurements of defined benefit plans	-	-	-118	145	-136
Total Net Assets:	23,656	24,544	24,423	25,915	25,963
Total Liabilities and Net Assets:	39,198	40,254	39,308	41,506	40,619

[Consolidated Statements of Income]

(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Net Sales:	38,126	37,856	36,412	37,252	35,709
Cost of Sales	30,675	29,736	28,892	29,474	28,562
Gross Profit	7,450	8,119	7,520	7,778	7,146
Selling, General and Administrative Expenses	6,655	6,516	6,315	6,357	6,220
Operating Income:	795	1,603	1,204	1,420	925
Non - operating Income	165	267	180	281	304
Interest Income	56	44	39	37	36
Dividends Income	44	41	49	49	55
Equity in Earnings of Affiliates	-	-	5	11	4
Reversal of allowance for doubtful accounts	-	24	-	1	-
Surrender value of insurance	-	77	20	33	5
Compensation Income	-	-	-	83	155
Miscellaneous Income	64	79	65	64	46
Non - operating Expenses	69	72	62	40	39
Interest Expenses	40	39	38	37	37
Loss on Sales of Notes Payable	-	-	22	-	-
Equity in Losses of Affiliates	26	29	-	-	-
Miscellaneous Loss	2	3	0	2	2
Ordinary Income:	890	1,798	1,322	1,661	1,189
Extraordinary Income	22	1	-	122	-
Gain on sales of noncurrent assets	-	1	-	-	-
Gain on Sales of Land	-	-	-	121	-
Gain on Sales of Investment Securities	-	-	-	1	-
Gain on Extinguishment of Asset Retirement Obligations	22	-	-	-	-
Extraordinary Loss	45	301	12	14	5
Loss on Retirement of Property, Plant and Equipment	2	2	12	-	-
Loss on Sales of Investment Securities	-	1	-	-	-
Loss on Valuation of Investment Securities	36	42	-	9	5
Loss on Sale of Membership	1	1	0	-	-
Loss on Valuation of Membership	5	7	-	4	-
Impairment loss	-	247	-	-	-
Income before Income Taxes	867	1,498	1,309	1,770	1,184
Income Taxes - Current	315	615	476	474	444
Income Taxes - Deferred	162	81	71	199	△12
Total Income Taxes	478	696	547	674	431
Net Income	388	801	761	1,096	753
Income attributable to non-controlling interests	-	-	-	-	-
Income attributable to owners of parent	388	801	761	1,096	753

[Consolidated Statements of Comprehensive Income]

(Millions of Yen)

Fiscal Year Ended	2012/3	2013/3	2014/3	2015/3	2016/3
Net Income	388	801	761	1,096	753
Other Comprehensive Income	71	245	74	406	-481
Valuation Difference on Available-for-sale Securities, net of tax	71	247	73	137	-199
Remeasurements of defined benefit plans, net of tax	-	-	-	264	-282
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	0	-1	1	4	-0
Comprehensive Income	459	1,047	836	1,502	271

[Consolidated Statements of Changes in Net Assets]

(April 1, 2015 - March 31, 2016)

(Millions of Yen)

	Shareholders' Equity					Total Valuation and translation adjustments			Total Net Assets
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity	Valuation Difference on Available - for - sale Securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at March 31, 2015	1,208	2,005	22,638	-576	25,275	494	145	640	25,915
Changes of Items during the period									
Dividends from Surplus			-223		-223				-223
Income attributable to owners of parent			753		753				753
Purchase of Treasury Stock				-0	-0				-0
Net Changes of Items other than Shareholders' Equity						-199	-282	-481	-481
Total Changes of Items during the period	-	-	529	-0	529	-199	-282	-481	48
Balance at March 31, 2016	1,208	2,005	23,168	-576	25,805	295	-136	158	25,963

[Consolidated Statements of Cash Flows]

(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Net Cash Provided by Operating Activities	1,052	2,508	450	1,238	256
Net Cash Used in Investment Activities	-337	-570	-720	666	-171
Net Cash Used in Financing Activities	-192	-182	-831	-149	-225
Effect of Exchange Rate Change on Cash and Cash Equivalents	-1	6	4	0	-1
Increase (Decrease) in Cash and Cash Equivalents	521	1,762	-1,096	1,756	-141
Cash and Cash Equivalents at Beginning of Period	13,961	14,483	16,245	15,149	16,905
Cash and Cash Equivalents at End of Period	14,483	16,245	15,149	16,905	16,763

[Non - Consolidated Balance Sheets]

(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Assets					
Current Assets:	26,135	26,400	25,829	26,954	26,346
Cash and Deposits	12,150	13,916	13,236	14,061	13,508
Notes and Accounts Receivable - Trade	11,023	10,059	9,693	10,304	10,163
Merchandise and Finished Goods	1,581	1,387	1,849	1,674	1,678
Others	1,428	1,065	1,077	940	1,017
Allowance for Doubtful Accounts	-49	-28	-27	-26	-22
Fixed Assets:	8,348	8,469	8,300	8,344	8,000
Property, Plant and Equipment	2,131	2,068	2,050	1,999	1,953
Buildings	590	548	513	474	440
Land	1,444	1,444	1,444	1,444	1,444
Others	96	75	92	80	68
Intangible Assets	96	73	66	140	119
Investments and Other Assets	6,120	6,327	6,183	6,204	5,927
Total Assets:	34,484	34,870	34,130	35,298	34,346
Liabilities					
Current Liabilities:	12,888	12,637	12,387	12,755	11,822
Notes and Accounts Payable - Trade	8,506	8,169	8,029	8,419	7,775
Short - term Loans Payable	3,482	3,462	3,471	3,471	3,471
Others	899	1,005	886	865	576
Non - current Liabilities	1,403	1,403	1,430	1,594	1,563
Provision for Directors' and Corporate Auditors' Retirement Benefit	702	752	822	880	927
Long Term Accounts Payable-other	461	216	—	—	—
Deferred tax liabilities	—	149	270	341	227
Others	240	284	336	372	408
Total Liabilities:	14,291	14,041	13,817	14,350	13,386
Net Assets					
Shareholders' Equity	20,153	20,547	19,957	20,468	20,673
Capital Stock	1,208	1,208	1,208	1,208	1,208
Capital Surplus	2,005	2,005	2,005	2,005	2,005
Retained Earnings	16,947	17,342	17,320	17,831	18,036
Treasury Stock	-8	-8	-576	-576	-576
Valuation and Translation Adjustments:	39	281	354	479	285
Valuation Difference on Available - for - sale Securities	39	281	354	479	285
Total Net Assets:	20,192	20,828	20,312	20,947	20,959
Total Liabilities and Net Assets:	34,484	34,870	34,130	35,298	34,346

[Non - Consolidated Statements of Income]

(Millions of Yen)

Fiscal Year Ended:	2012/3	2013/3	2014/3	2015/3	2016/3
Net Sales	35,909	35,769	34,545	35,224	33,715
Operating Income	503	824	589	678	370
Non - operating Income	241	245	225	268	350
Non - operating Expenses	41	39	76	39	37
Ordinary Income	703	1,030	737	907	683
Extraordinary Income	22	—	—	1	—
Extraordinary Loss	43	49	143	14	5
Income before Income Taxes	682	980	593	894	678
Income Taxes - Current	224	316	217	301	245
Income Taxes - Deferred	92	110	127	48	3
Total Income Taxes	317	427	344	349	249
Net Income	365	553	249	544	428

[Non - Consolidated Statements of Changes in Net Assets]

(April 1, 2015 - March 31, 2016)

(Millions of Yen)

	Shareholders' Equity							Valuation and Translation Adjustments	Total Net Assets	
	Capital Stock	Capital Surplus	Retained Earnings			Treasury Stock	Total Shareholders' Equity	Valuation Difference on Available - for - sale Securities		
		Legal Capital Surplus	Legal Retained Earnings	Other Retained Earnings						Total Retained Earnings
				General Reserve	Retained Earnings Brought Forward					
Balance at March 31, 2015	1,208	2,005	197	15,000	2,634	17,831	-576	20,468	479	20,947
Changes of Items during the period										
Dividends from Surplus					-223	-223		-223		-223
Net Income					428	428		428		428
Purchase of Treasury Stock							-0	-0		-0
Net Changes of Items other than Shareholders' Equity									-193	-193
Total Changes of Items during the period	-	-	-	-	205	205	-0	205	-193	12
Balance at March 31, 2016	1,208	2,005	197	15,000	2,839	18,036	-576	20,673	285	20,959

[Stock Information] (As of March 31, 2016)

Stock Exchange Listing	Jasdaq Securities Exchange (Code:7521)
Transfer Agent of the Shares	Mizuho Trust & Banking Co., Ltd.
Fiscal Year-end	March 31
General Meeting of Shareholders	Convened in June Each Year
Dividends	
Record Date for Payment of Final Dividend	March 31
Record Date for Payment of Interim Dividend	September 30
Number of Common Stock Issued	7,950,000
Number of Shareholders	1,258

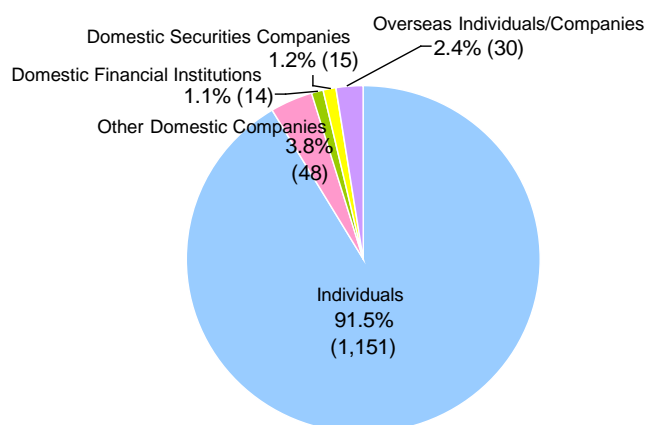
【Major Shareholders】

Name	Number of Stock Held	Stock Holding Ratio
Jyomou Jitsugyou Co., Ltd.	1,388,600	18.7%
Shourin Shouji Co., Ltd.	897,400	12.1%
Employees' Stockholding	483,300	6.5%
Mizuho Bank, Ltd.	360,000	4.8%
Company's Gojokai Association	299,100	4.0%
Japan Trustee Services Bank, Ltd.(trust account)	263,600	3.5%
Hirokazu Kobayashi	237,700	3.2%
MSCO CUSTOMER SECURITIES	234,000	3.1%
Sumitomo Mitsui Banking Corporation	190,000	2.6%
The Master Trust Bank of Japan, Ltd.(trust account)	174,200	2.3%
Masataka Hatori	137,200	1.8%

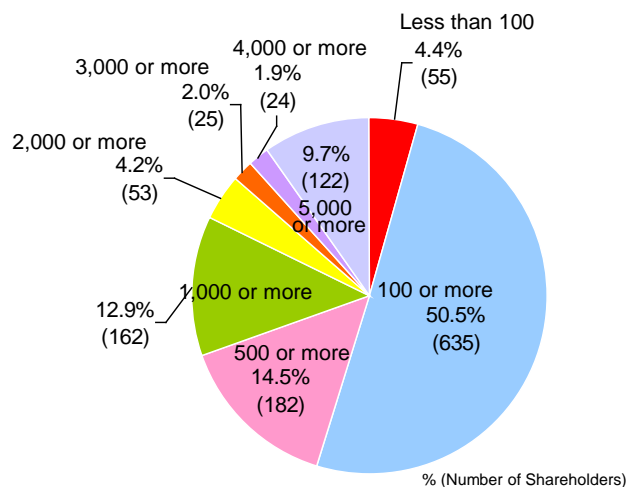
※excluding treasury shares(506,463)

【Breakdown of Shareholders】

■ Type of Shareholders



■ Number of Shares



[Company Profile]

Company Name	MUSASHI CO., LTD.
Established	December, 1946
Head Office	8-20-36 Ginza Chuo-ku Tokyo, Japan
Paid-in Capital	¥ 1,208,500,000
Employees	541(Group) 240 (Musashi) (As of March 31, 2016)
Banks	The Mizuho Bank, Limited. The Mitsui Sumitomo Bank, Limited. The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Branch	Tokyo Sapporo Sendai Saitama Chiba Yokohama Nagoya Osaka Hiroshima Fukuoka and other 7 sales offices



[Musashi Group]

■ **MUSASHI FIELD SUPPORT CO.,LTD.**
8-20-36 Ginza Chuo-ku Tokyo
TEL.03-3546-7779
Technical Support

■ **MUSASHI-IMAGE JOHO CO.,LTD.**
1-7-12 Shinonome Koto-ku Tokyo
TEL.03-6228-4056
Microfilming, Digitalizing Image
Information, Data-Entry Services

■ **MUSASHI KOUSAN CO.,LTD.**
7-2-4 Ginza Chuo-ku Tokyo
TEL.03-3572-8461
Real Estate Rental

■ **Musashi Engineering CO.,LTD.**
3-11-7 Nishishimbashi Minato-ku Tokyo
TEL.03-3437-2911
Development and Production of Cash
Handling Equipment, Election Systems
Equipment

■ **MUSASHI I TECHNO CO.,LTD.**
3-6-1 Nagatanaka Higashiosaka-shi
Osaka
TEL.06-6744-6311
Microfilming, Digitalizing Image
Information, Data-Entry Services

■ **MUSASHI ENTERPRISE CO.,LTD.**
8-20-36 Ginza Chuo-ku Tokyo
TEL.03-3437-2925
Automobile Leasing and Insurance Agency

■ **MUSASHI ABC CO.,LTD.**
2-11-26 Tsukiji Chuo-ku Tokyo
TEL.03-5565-8301
Microfilming, Digitalizing Image
Information, Data-Entry Services

■ **FBM CO.,LTD.**
4-7 Shinogawa-machi Shinjuku-ku Tokyo
TEL.03-3269-5821
Sales of Printing Systems Equipment

□ **JIM CORPORATION**
3-1-1 Iidabashi Chiyoda-ku Tokyo
TEL.03-5212-6001
Microfilming, Digitalizing Image
Information, Data-Entry Services

■ Subsidiaries
□ Equity-method affiliate