

SEIKO

FY2010 Consolidated Results

(Fiscal year ended March 31, 2011)

May 13, 2011

SEIKO HOLDINGS CORPORATION

- ◆ *The forecasted results which appear in this report have been prepared based solely on the information which was available to us as of the date on which the report was released. As a result, actual results may differ from the forecasted figures due to a number of factors, such as changes in the business environment in the future.*

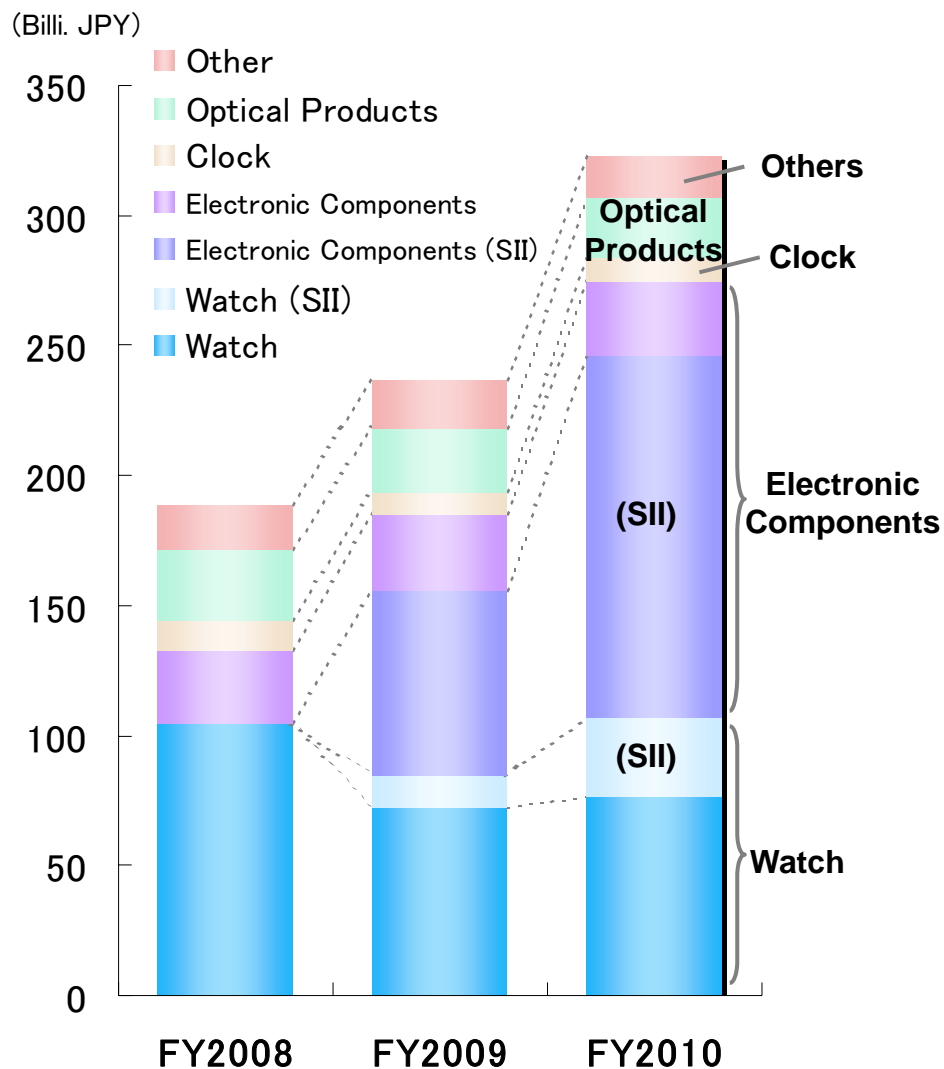
Consolidated Results -Full Year-

(Billions of yen)		FY2009	FY2010	Change	
Sales		230.8	313.9	+83.1	Sales: over the previous year +83.1 SII 1 st Half +85.1 Foreign Exchange Impact -6.0 Real Change +4.0
Gross Profit		76.3	96.6	+20.3	
Operating Income		2.0	11.7	+9.7	Operating Income: over the previous year +9.7 SII 1 st Half +3.5 Cost Reduction etc. +6.2
%		0.9%	3.7%	+2.8%	
Ordinary Income		-1.9	6.6	+8.5	Ordinary Income: over the previous year -1.1 Interest etc. -2.1 Equity Method Income +2.2 Exchange Gain and Loss -1.2
%		—	2.1%	—	
Income before income taxes		-2.4	5.1	+7.5	Extraordinary Income/Loss: over the previous year -1.0 Extraordinary Income -5.6 Extraordinary Loss +4.6
Net Income		-3.6	2.2	+5.8	
%		—	0.7%	—	
Exchange Rate (JPY)	USD	92.9	85.7	-7.2	
	EUR	131.2	113.2	-18.0	

Consolidated Results -4th Quarter-

(Billions of yen)		FY2009 Q4	FY2010 Q4	Change			
Sales		79.5	77.3	-2.2	Sales & Operating Income same level as in the previous fiscal year		
Gross Profit		24.4	22.8	-1.7			
Operating Income		2.0	2.3	+0.3			
	%	2.5%	2.9%	+0.5%	Extraordinary Income/Loss : -3.1		
Ordinary Income		0.8	1.7	+0.8			
	%	1.1%	2.2%	+1.1%			
Income before income taxes		2.0	-1.4	-3.4			
Net Income		1.9	-2.1	-3.9			
	%	2.3%	—	—			
Exchange Rate (JPY)	USD	90.7	82.3	-8.4			
	EUR	125.5	112.7	-12.8			
						Extraordinary Income	0.3
						Extraordinary Loss	3.4
					Loss on disaster*	1.5	
					Loss on change equity	0.7	
					Loss on retirement of noncurrent assets etc.	1.2	
					*Loss or damage of noncurrent Equipments and Inventories	0.1	
					Restitution of Disaster Assets	0.6	
					Shutdown loss	0.8	
					Total	1.5	

Sales by Reported Segments

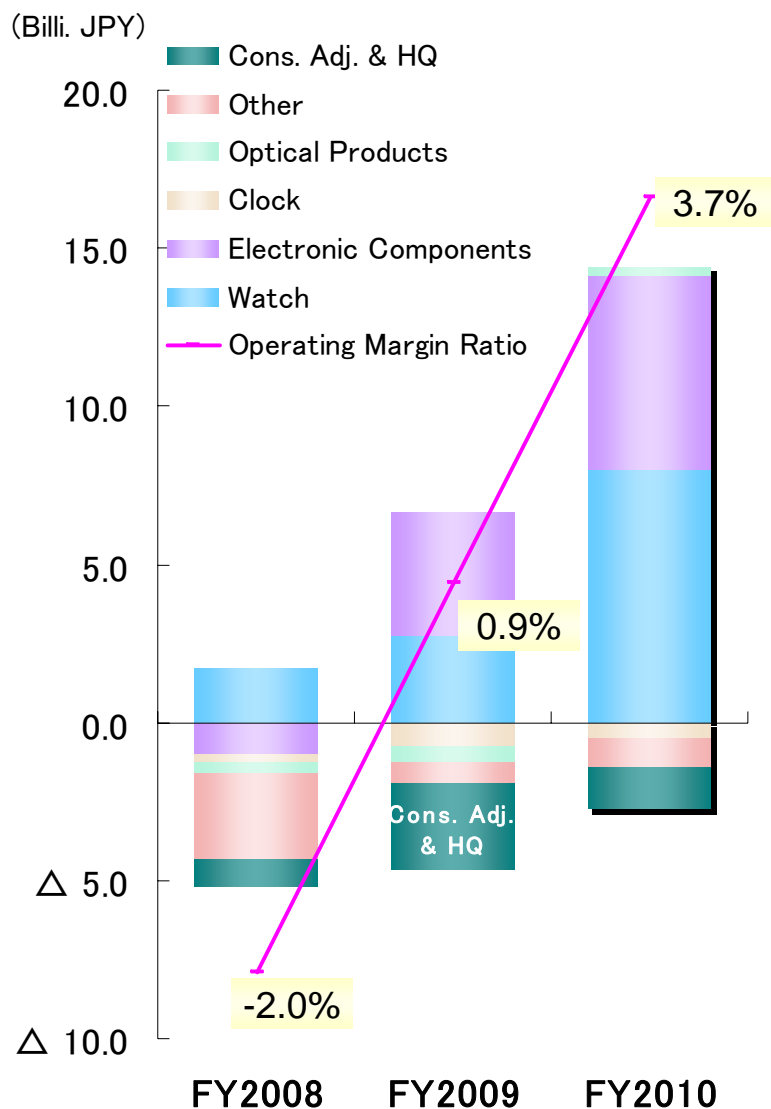


(Billions of yen)	FY2008 (Full Year)	FY2009 (Full Year)	FY2010 (Full Year)	
Watch *1	93.6	87.0	107.0	
Electronic Components	28.5	100.2	167.5	
Clock	11.4	9.1	9.4	
Optical Products	26.7	24.4	22.9	
Other Business*2	20.3	18.3	16.0	
Cons. Total	174.0	230.8	313.9	
Exc. Rate (JPY)	USD	100.6	92.9	85.7
	EUR	143.7	131.2	113.2

*1 : Including whole CRONOS Sales.

*2 : Excluding whole CRONOS Sales.

Operating Income by Reported Segments



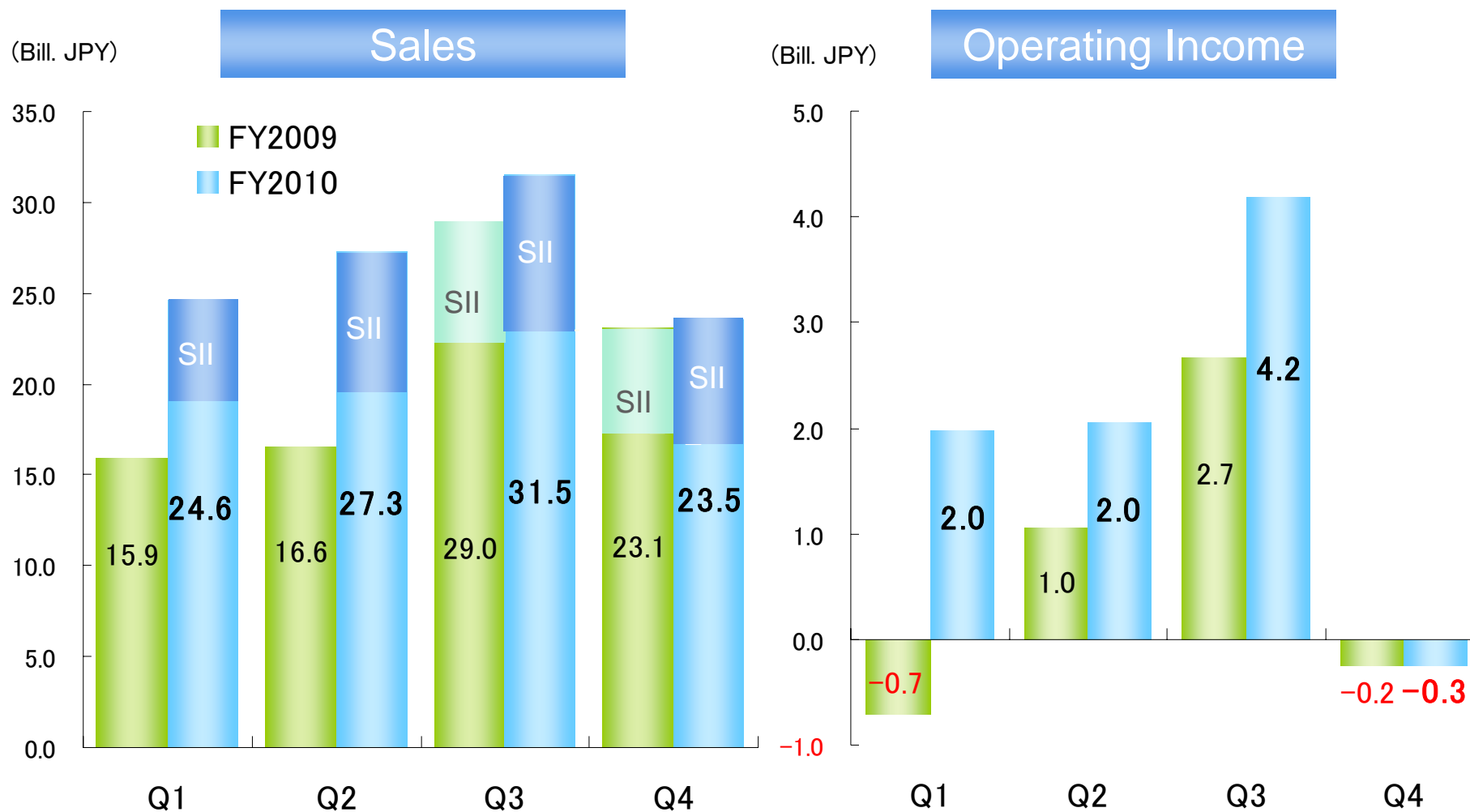
(Billions of yen)	FY2008 (Full Year)	FY2009 (Full Year)	FY2010 (Full Year)
Watch *1	1.7	2.8	8.0
Electronic Components	-1.0	3.9	6.2
Clock	-0.2	-0.8	-0.5
Optical Products	-0.4	-0.5	0.2
Other Business*2	-2.6	-0.7	-0.9
Segments Total	-2.5	4.7	12.9
Cons. Adj. & HQ	-1.0	-2.7	-1.3
Cons. Total	-3.5	2.0	11.7

*1 : Including whole CRONOS Sales.

*2 : Excluding whole CRONOS Sales.

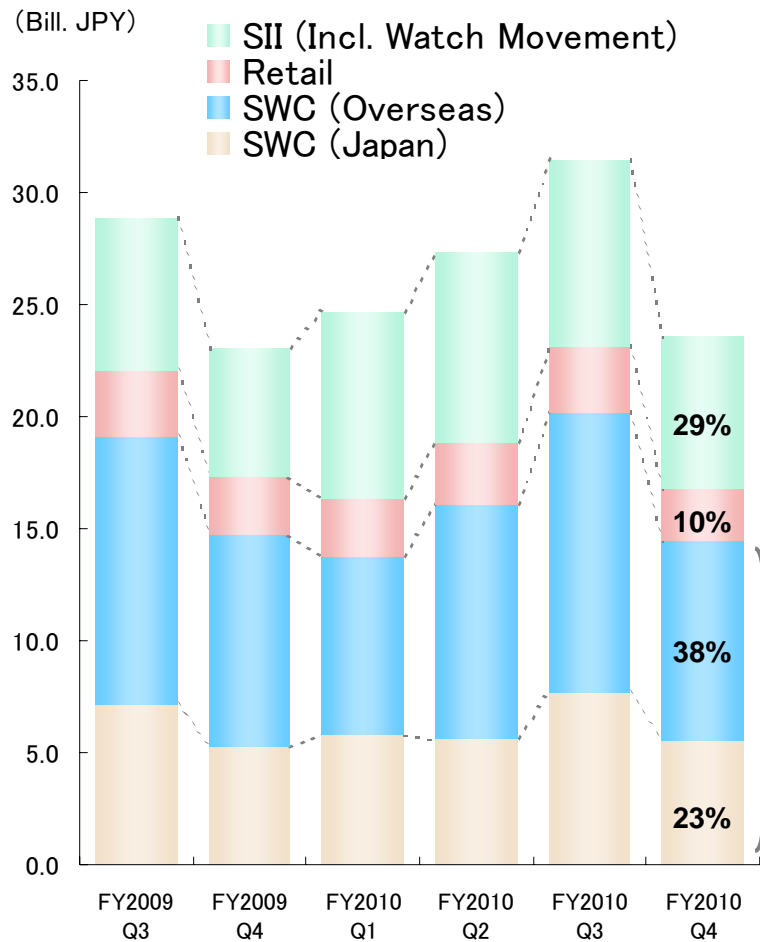
Information of Reported Segments

Watch Business

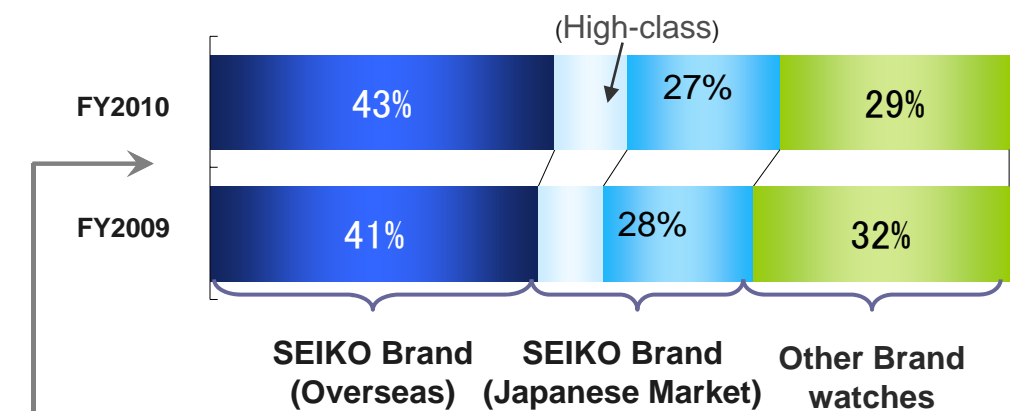


* Included whole CRONOS and 2nd half data of SII Sales.

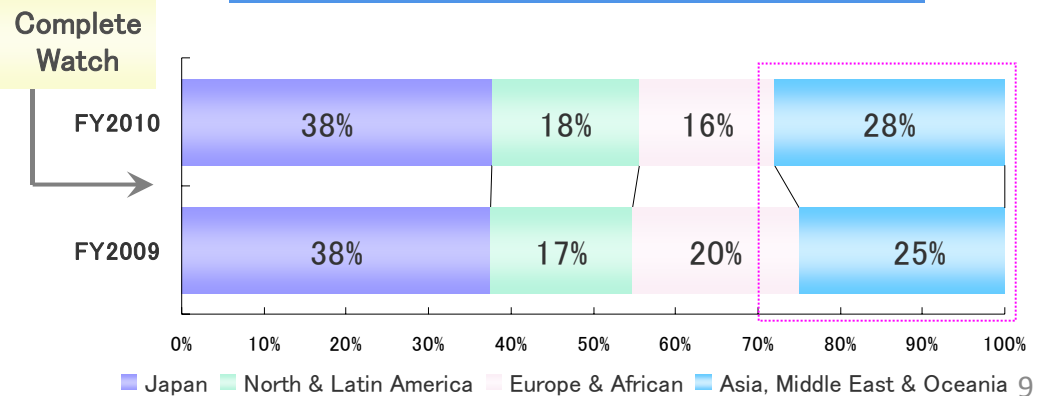
Watch Business



Composition Ratio of Sales of SWC Complete Watch by Brand



Composition Ratio of Sales of SWC Complete Watch by Area



Watch Business

Brand Business - Overseas -

North America : In the US market, thanks to a favorable sales of newly introduced low to mid-priced Solar Models at department stores and other large distribution outlets, the SEIKO brand registered increased sales over the previous year.

Europe : In countries such as the UK, despite performing better than other competitor brands, SEIKO brand recorded decreased yen based sales due to the impact of the strong yen.

Asia : In Asia, brands performed well overall. In particular, although the figures are still not very large, sales in China and India increased significantly over the previous year due to expansion into new retail outlets.

Watch Business

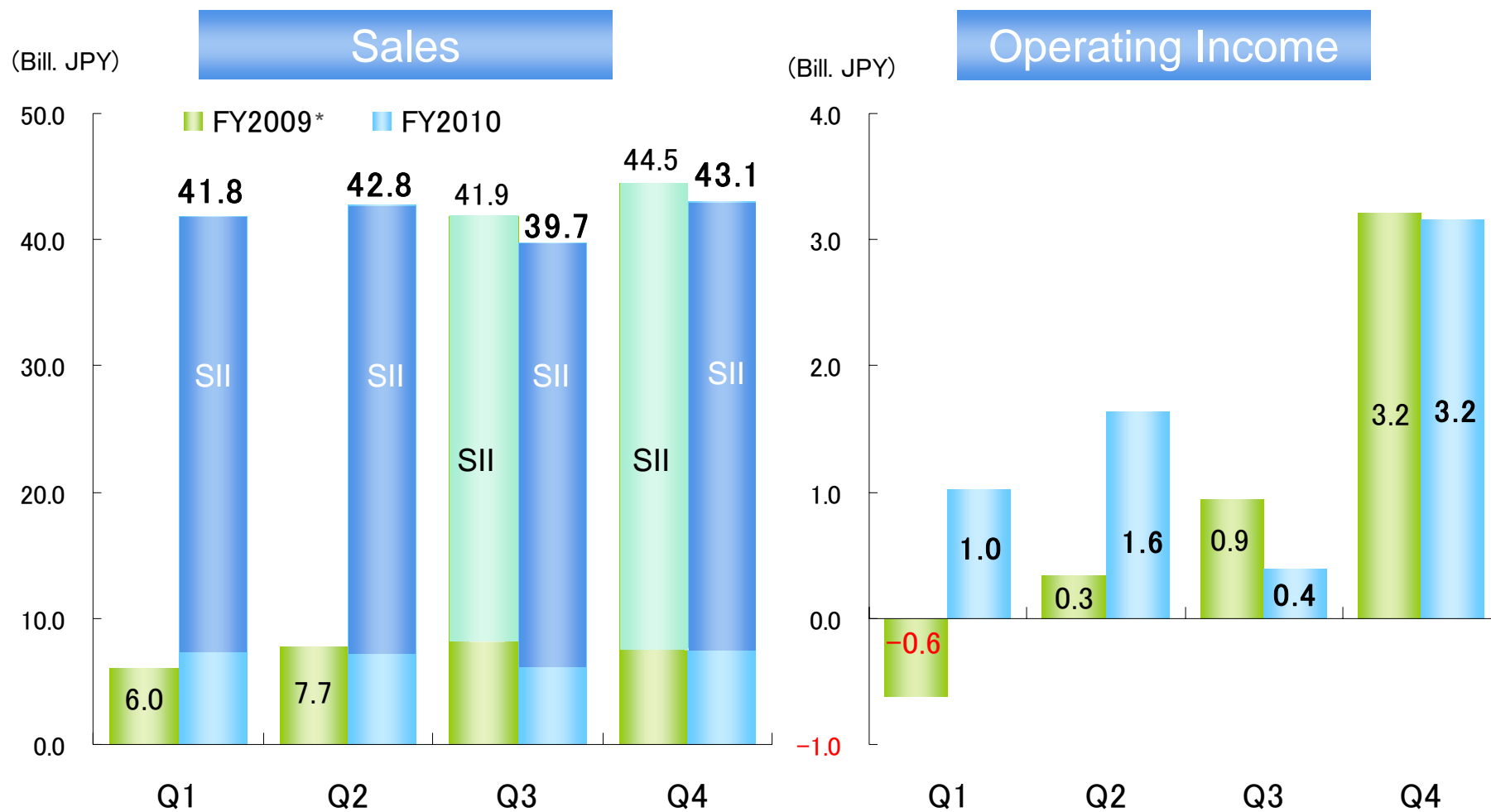
Brand Business - Japan -

- The 50th anniversary limited edition model of GRAND SEIKO sold well, becoming the driving force behind the sale of high-priced products.
- In the SEIKO brand, the key men's BRIGHTZ line registered increased sales, centered on new radio-wave controlled solar models.
- As for ladies, the TISSÉ line continued to sell well thanks to high appraisal of its reasonable price setting and varied product lineup.

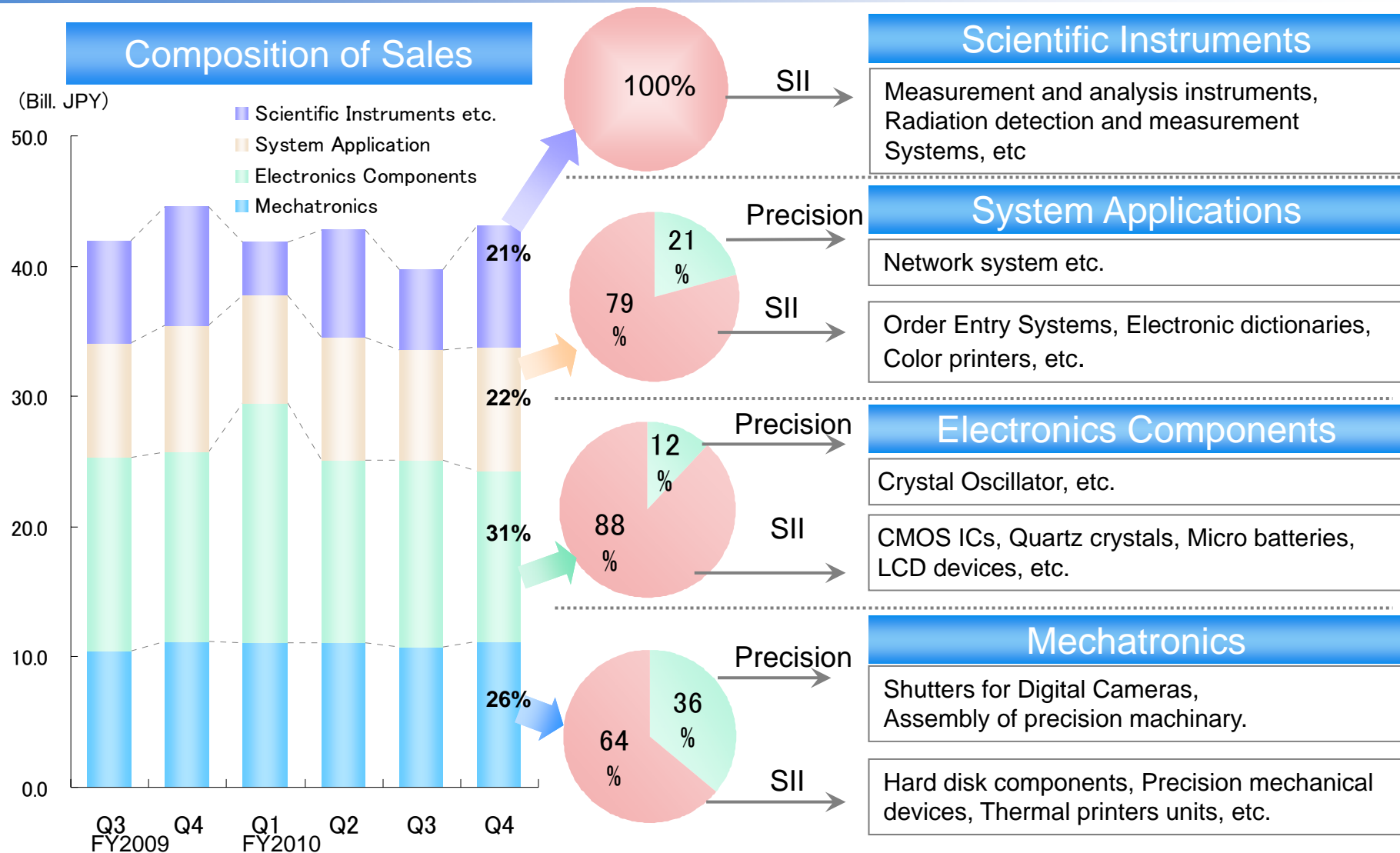
Watch Movement Business

In addition to key standard movement, increased demand for high-added-value models, centered on chronographs, also contributed to better sales and profits.

Electronic Components Business



Electronic Components Business



Electronic Components Business

Mechatronics

- Pivots parts performed well, but sales of motor parts declined.
- F/P shutters for digital single-lens reflex cameras and mirror-less camera systems were bullish, and sales expanded.
- Due to growing demand for small thermal printers, especially in Asia, sales increased steadily.

Electronics Components

- Thanks to the recovery of orders from Asia, VRs for flat-panel TVs and E2PROM memory for automobiles performed well. However, sales remained at the same level as the previous year due to the impact of the suspension of operations following the Great East Japan Earthquake.
- The timing IC field, such as oscillator ICs and RTCs, entered a period of adjustment in the second half of the year, and sales remained sluggish.
- Sales of quartz oscillators increased thanks to rise in demand from China.
- Sales of micro batteries and other battery products were slightly down from the previous term due to the impact of the suspension of operations following the Great East Japan Earthquake and other factors.

Electronic Components Business

System Applications

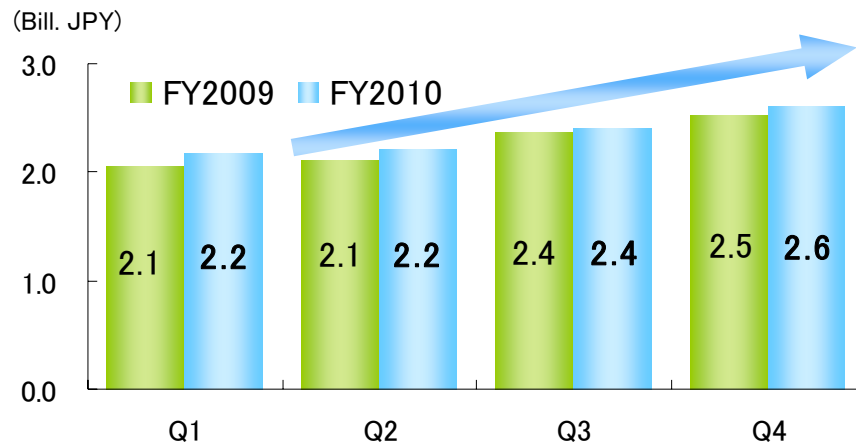
- Mobile communications modules for the domestic security market performed well.
- Sales of large inkjet printers for overseas were sluggish due mainly to worldwide restraints on capital investment, as well as the impact of the strong yen.
- Sales of order entry systems did not increase due to the cooling of domestic capital investment.

Scientific Instruments

Thanks to the launch of new products, such as a thermal analysis device and X-ray coating thickness gauge, and discovery of customers in China, where expansion of the analysis and measurement market is striking, sales of analysis and measurement devices were buoyant.

Clock Business

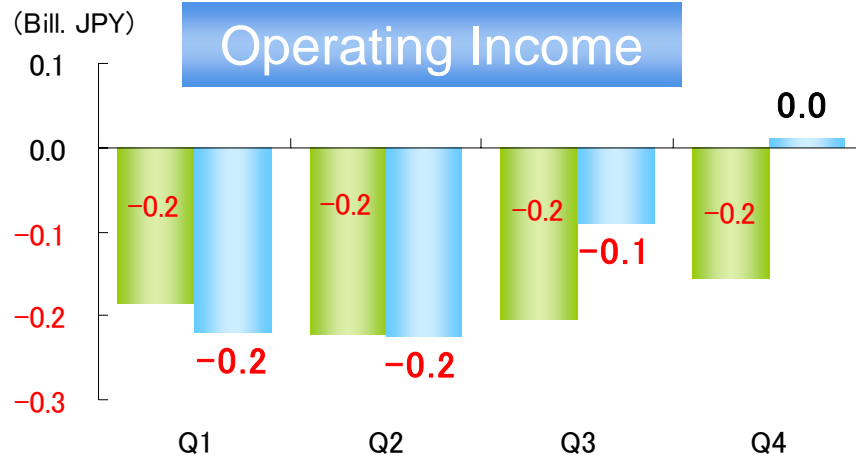
Sales



Japan

- High-priced items remained sluggish, however, low to mid-priced models including Digital models performed well and the overall sales remained the same level as previous year.
- On the other hand, due to decline in unit price, product profitability fell.

Operating Income

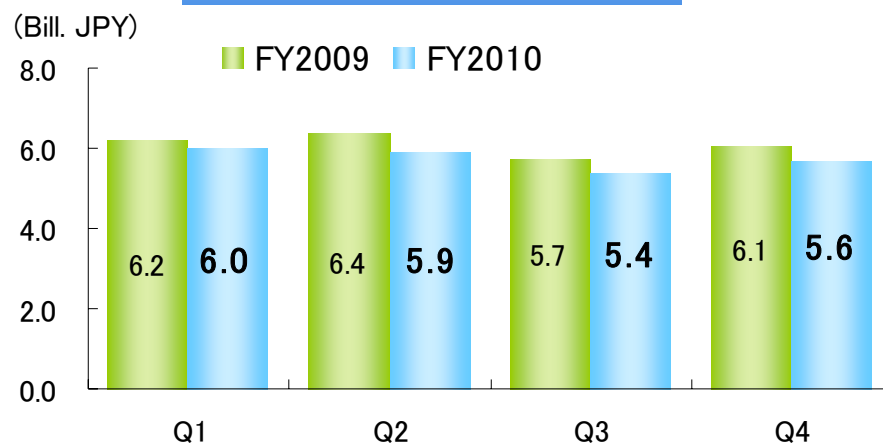


Overseas

- In North America, online sales and mail-order sales increased.
- In Europe, new distribution channels were opened, and sales increased.

Optical Products Business

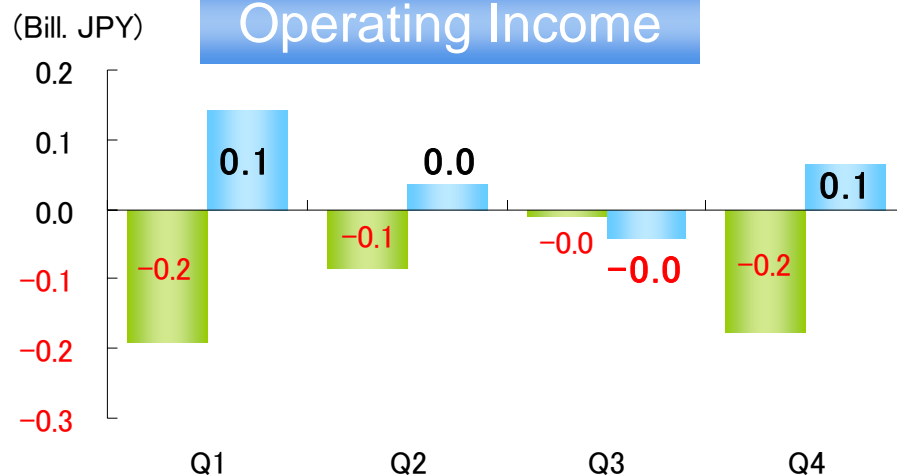
Sales



Japan

- Due to a fall in retail prices, the domestic market continued to contract.
- Sales continued to decline due to a fall in average unit prices, and conditions remained severe.

Operating Income

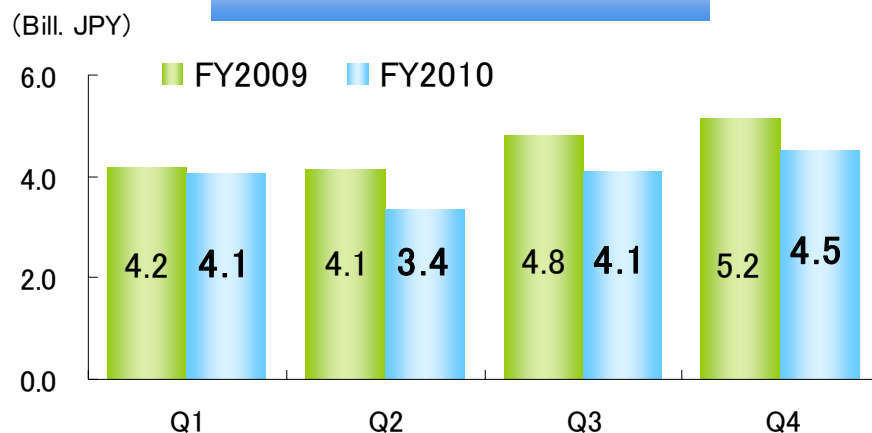


Overseas

- In both North American and European markets, sales in large retail stores and large eyeglass stores were favorable, surpassing the previous year on a local currency basis. However, yen base sales declined due to strong yen.

Other Businesses

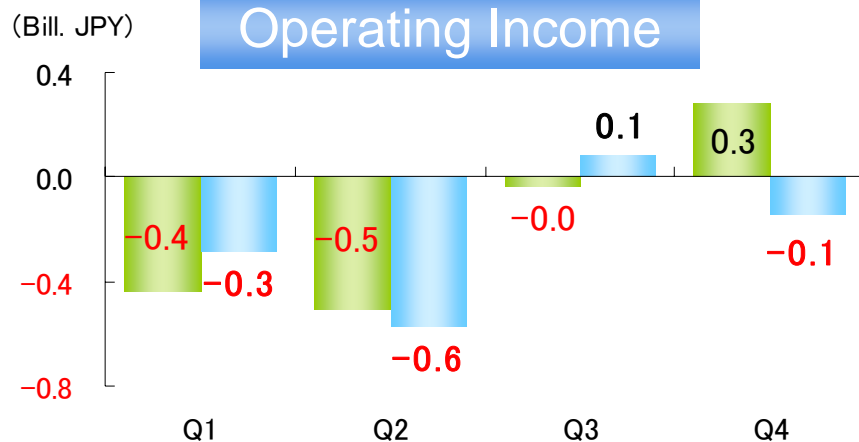
Sales



Retail Business

- After May we began implementing such reforms as starting business on Sundays and national holidays and withdrawing from the unprofitable restaurant business.
- Fourth-quarter sales and profits declined due to the impact of the Great East Japan Earthquake.

Operating Income

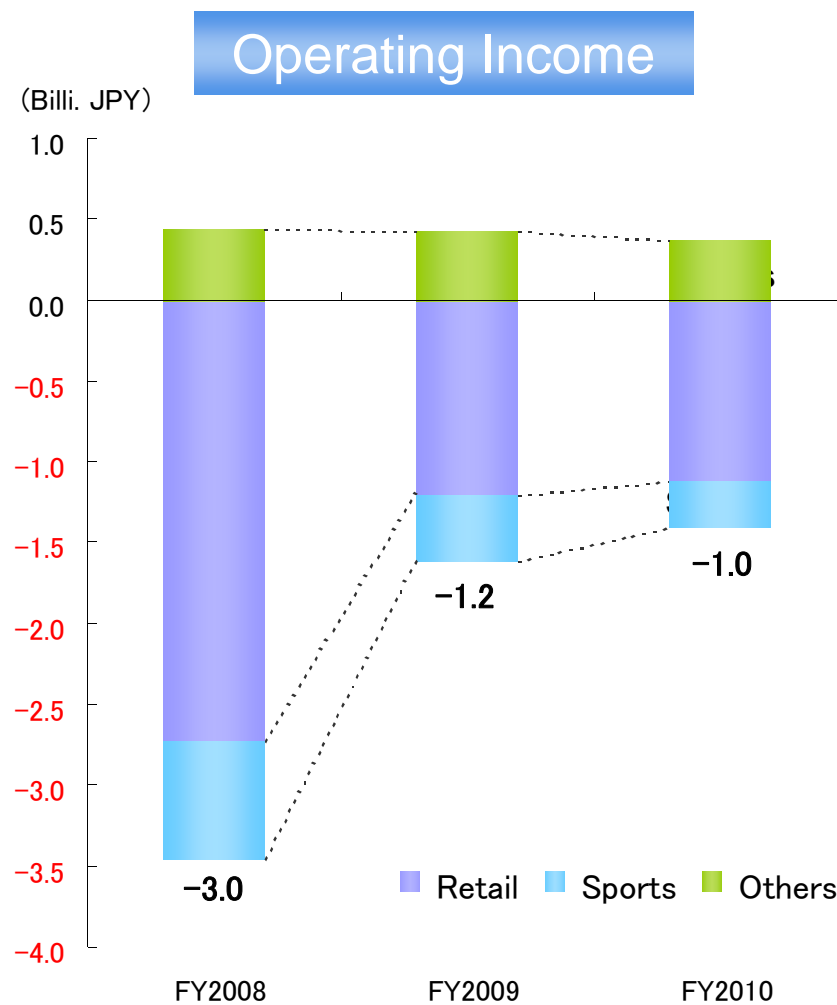
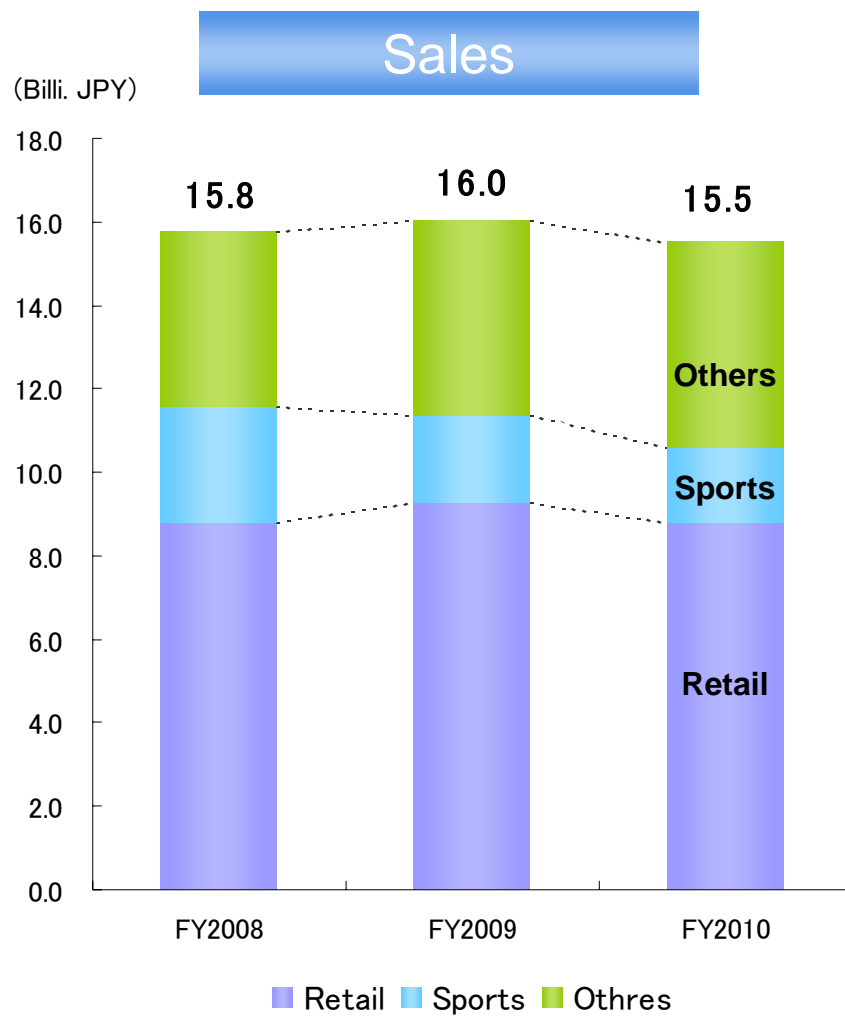


Other Business

- In Sporting Goods area, the slump in golf equipment continued, and both sales and profits were sluggish.
- On the other hand, Facility Clock business performed well.

*Excluded whole CRONOS.

Other Businesses

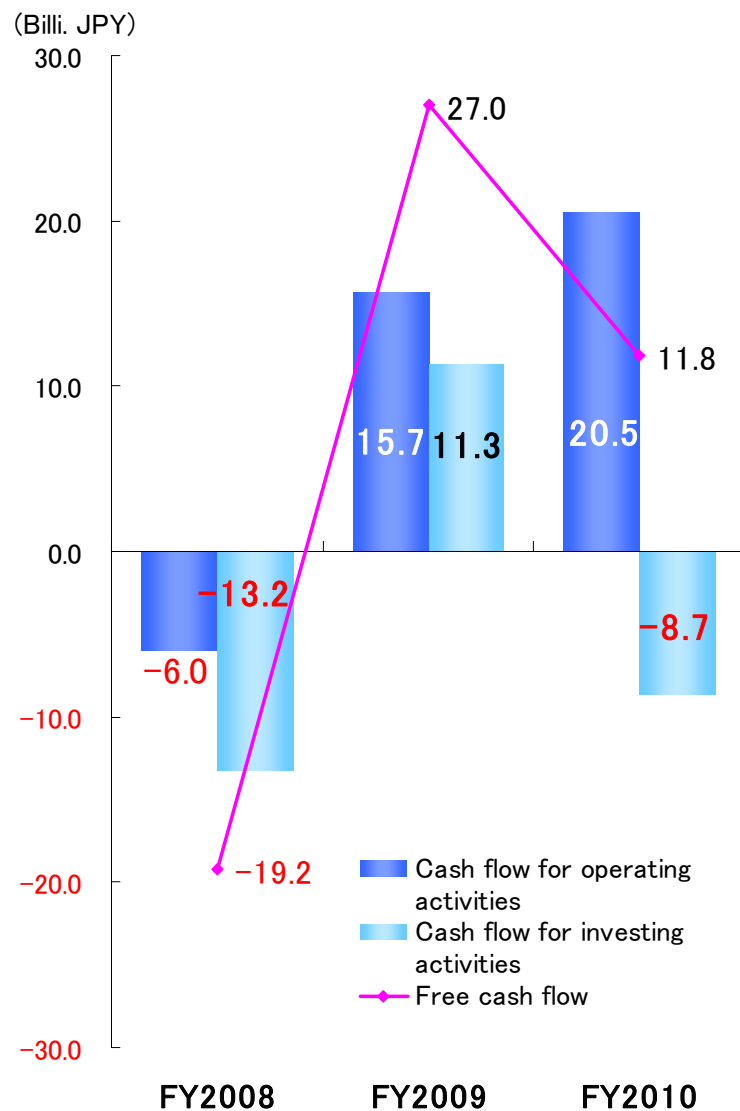


*Excluded whole CRONOS.

Balance Sheet

(Billions of yen)	31 March 2009	31 March 2010 (a)	31 March 2011 (b)	Change (b) – (a)
A/R	26.0	50.9	50.9	-0
Inventories	34.5	57.8	61.0	+3.2
Tangible Fixed assets	85.5	163.2	162.9	-0.4
Loan Payable	142.0	255.1	237.9	-17.2
Net Assets	32.5	42.6	46.3	+3.7
Total Assets	226.7	406.0	400.5	-5.5
Equity Capital Ratio	12.6%	8.7%	9.3%	+0.6%
Debt Equity Ratio	4.3	4.7	4.1	-0.6
Employee Number	7,291	18,639	18,442	-197

Cash Flow



(Billions of yen)

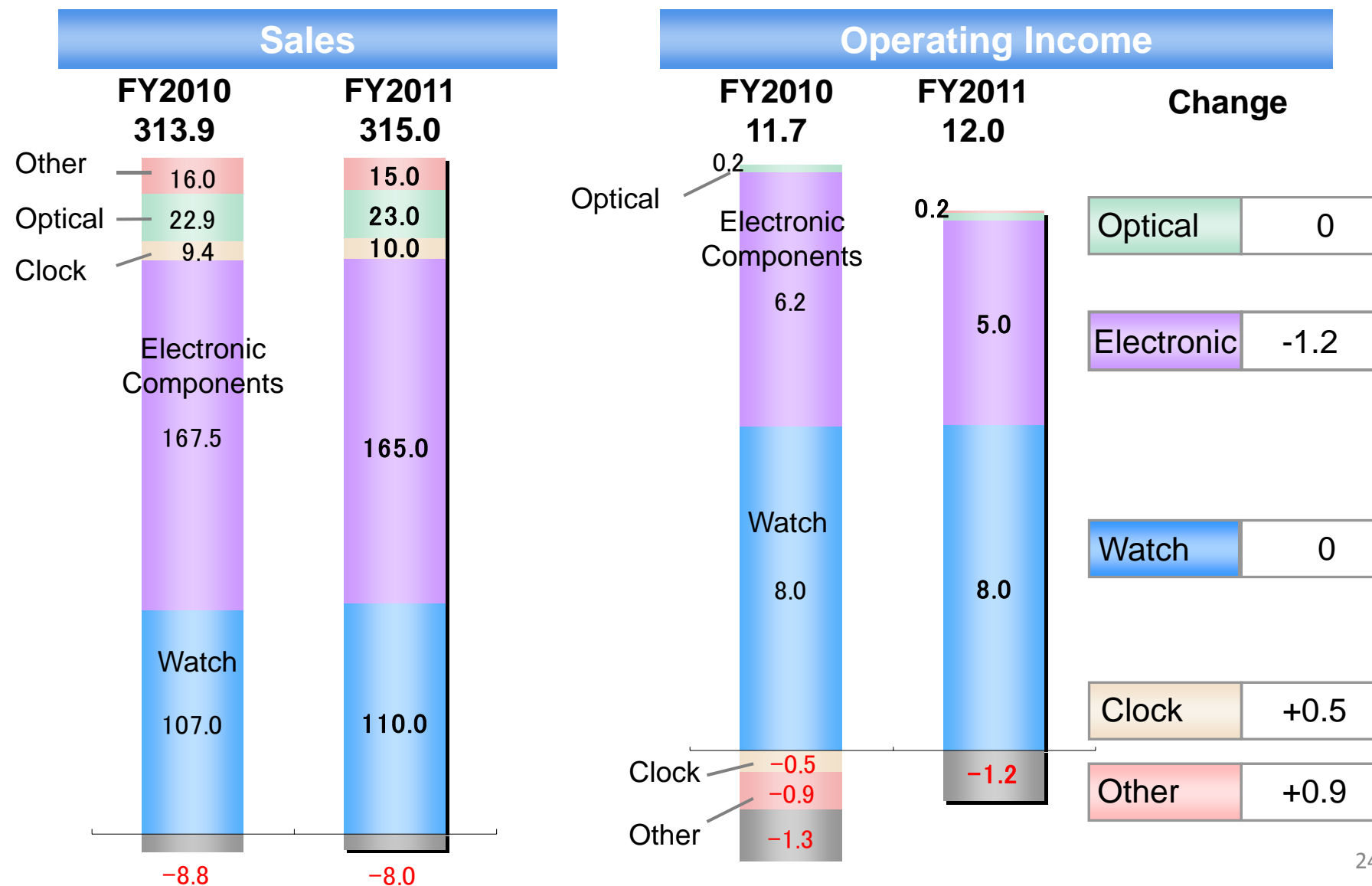
	FY2008	FY2009	FY2010
Income before income tax and minority interests	-3.7	-2.4	5.1
Depreciation and amortization	5.7	11.6	16.8
Others	-7.9	6.5	-1.4
Net cash provided by (used in) operating activities	-6.0	15.7	20.5
Purchase of property, plant and equipment	-10.3	-4.2	-13.3
Others	-3.0	15.5	4.7
Net cash provided by (used in) investing activities	-13.2	11.3	-8.7
Net loans	23.5	-13.5	-16.6
Others	-1.7	-0.6	2.2
Net cash provided by (used in) financing activities	21.8	-14.1	-14.4
Cash and cash equivalents at end of period	16.8	55.3	51.9
Free cash flow	-19.2	27.0	11.8

Financial Forecast for FY2011

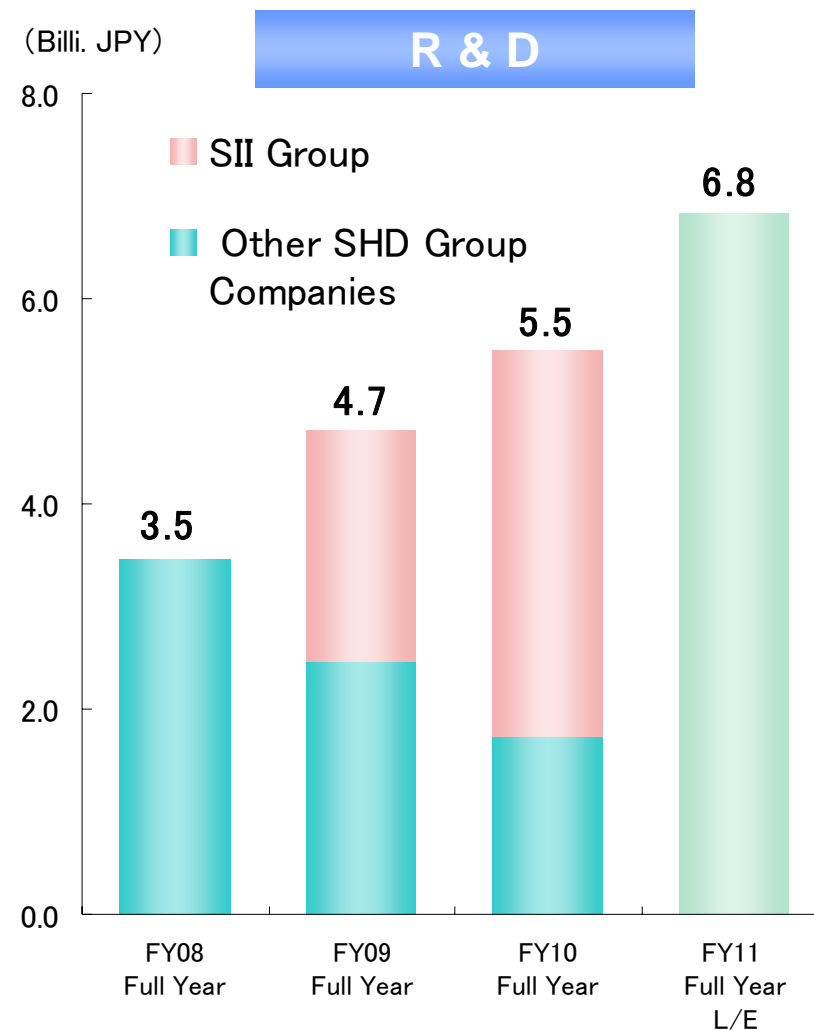
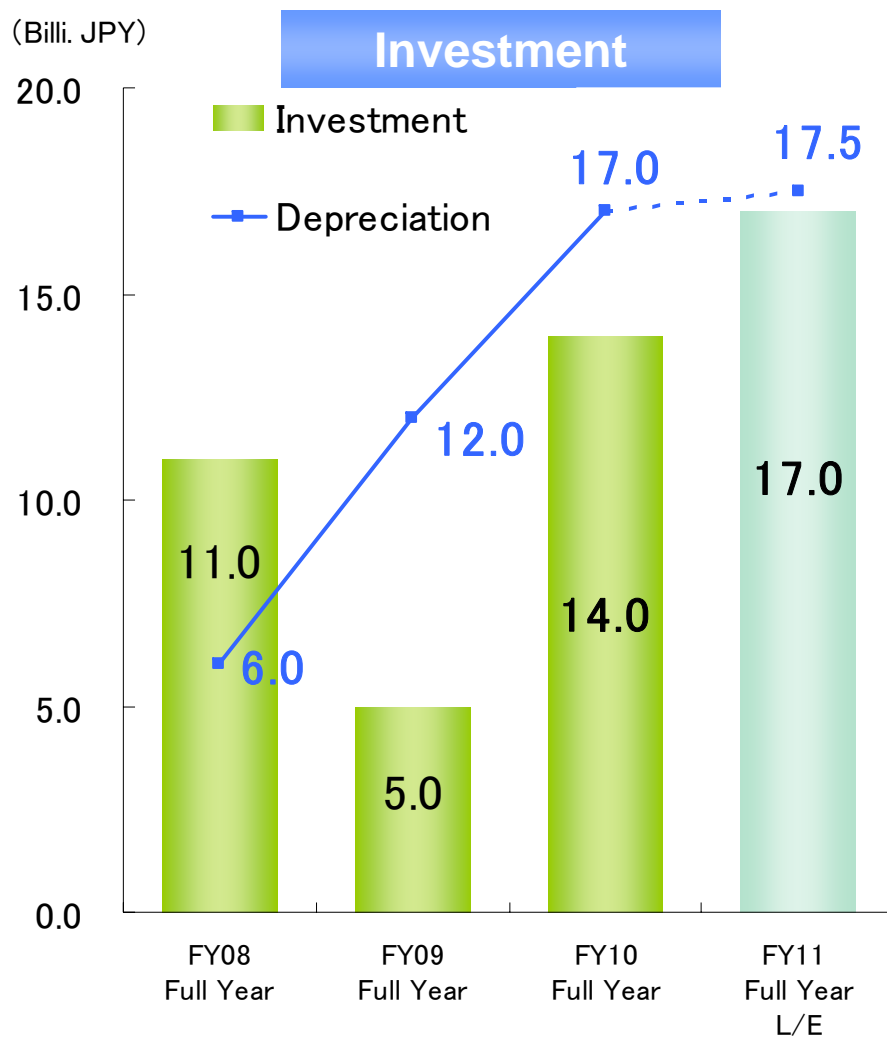
Summary of Financial Forecast for FY2011

(Billions of yen)	FY2010 Actual	FY2011 1st Half	FY2011 Full Year	Mid Term Plan (2nd Year)
Sales	313.9	150.0	315.0	380.0
Operating Income	11.7	4.0	12.0	15.5
%	3.7%	2.7%	3.8%	4.1%
Ordinary Income	6.6	2.0	8.0	11.5
%	2.1%	1.3%	2.5%	3.0%
Net Income	2.2	0.5	4.0	7.5
%	0.7%	0.3%	1.3%	2.0%

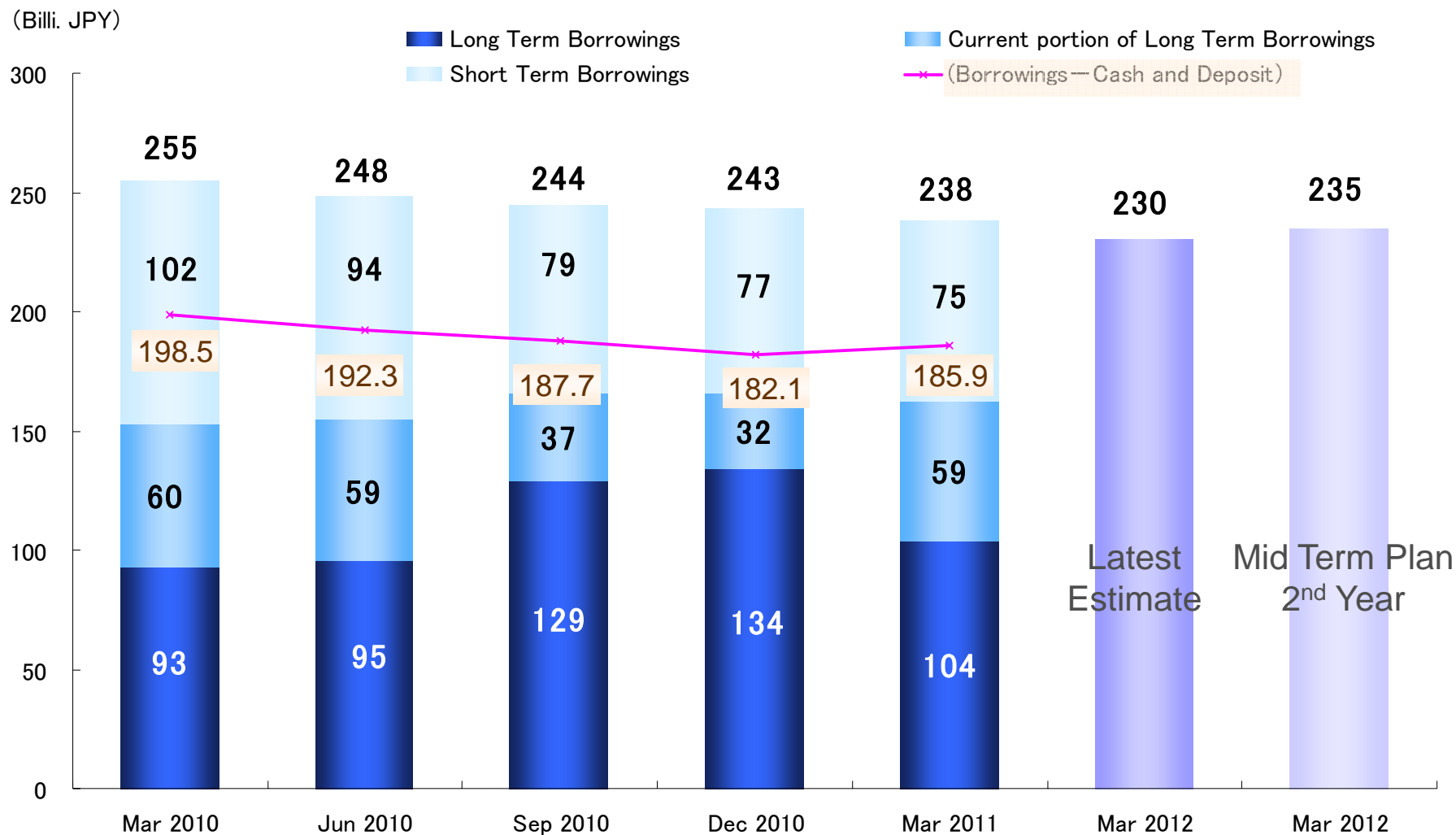
Financial Forecasts for FY2011 by Segment



Investment / Research and Development Cost

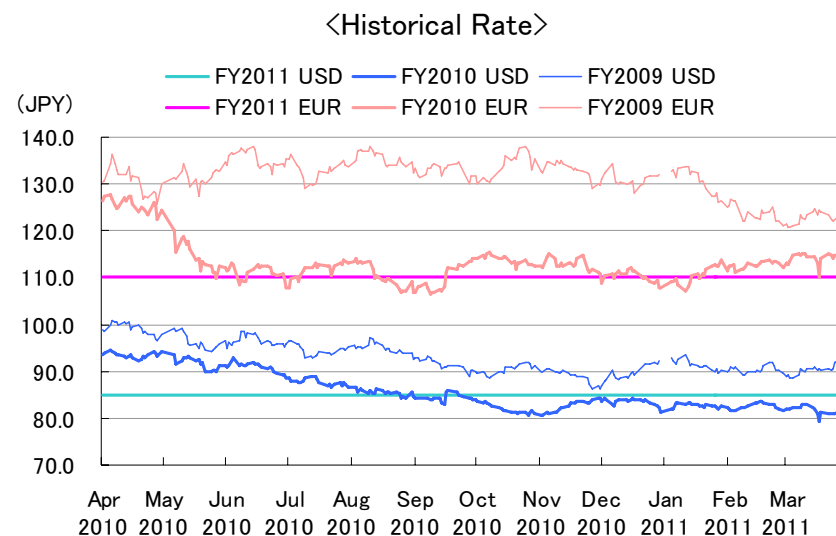


Borrowings Balance

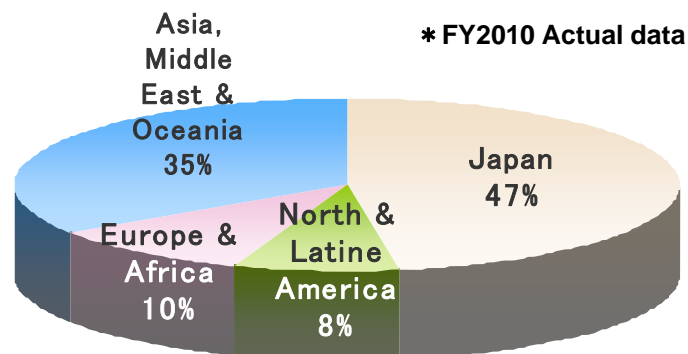


Exchange Rate

-Index of sensitivity by exchange rate		
(Bill. JPY)	USD	EUR
Sales	approx 2.2	approx 0.2
Op. Income	approx 0.8	approx 0.1



— Sales by Aria —



		FY2009		FY2010		FY2011
Exc. Rate		Q4	(Q1-Q4) Average	Q4	(Q1-Q4) Average	Forecast
Average	USD	90.7	92.9	82.3	85.7	85.0
	EUR	125.5	131.2	112.7	113.2	110.0
Closing date	USD	93.0	—	83.2	—	—
	EUR	124.9	—	117.5	—	—