A large, light blue, horizontally-oriented oval with a gradient from light to dark blue, centered on the page. It is overlaid with several thin, dark blue, hand-drawn style lines that loop around it, creating a dynamic, abstract background for the text.

**Performance
Forecast for
Fiscal Year Ending
March 31, 2018**

Revised consolidated results forecast for fiscal year ending March 31, 2018

(millions of yen)

	Original forecasts (announced May 12)		Revised forecasts (announced Nov. 9)		Vs. original forecasts	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	49,500	100.0	53,000	100.0	3,500	7.1
Operating income	12,000	24.2	13,000	24.5	1,000	8.3
Ordinary income	12,000	24.2	12,800	24.2	800	6.7
Net income ^{*1}	7,300	14.7	7,800	14.7	500	6.8

*1 Assumed exchange rate for FY18/3 forecasts 1USD = ¥110.00 1EUR = ¥125.00 1CNY = ¥16.00

*2 Net income refers to net income attributable to owners of parent.

Revised non-consolidated results forecast for fiscal year ending March 31, 2018

(millions of yen)

	Original forecasts (announced May 12)		Revised forecasts (announced Nov. 9)		Vs. original forecasts	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	36,000	100.0	38,000	100.0	2,000	5.6
Operating income	9,300	25.8	10,400	27.4	1,100	11.8
Ordinary income	9,300	25.8	10,500	27.6	1,200	12.9
Net income	6,500	18.1	7,300	19.2	800	12.3

※Assumed exchange rate for FY18/3 forecasts 1USD = ¥110.00 1EUR = ¥125.00 1CNY = ¥16.00

Consolidated performance forecast for fiscal year ending March 31, 2018

(millions of yen)

	FY ended Mar. 31, 2017		Forecasts FY ending Mar. 31, 2018		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	30,069	100.0	53,000	100.0	22,930	76.3
Operating income	7,813	26.0	13,000	24.5	5,186	66.4
Ordinary income	7,958	26.5	12,800	24.2	4,841	60.8
Net income ^{*1}	19,732	65.6	7,800	14.7	▲11,932	▲60.5
EPS (yen)	215.42	—	85.16	—	▲130.27	▲60.5
Capital investment	4,576	—	9,500	—	4,923	107.6
Depreciation costs	1,774	—	2,850	—	1,075	60.6
R&D costs	1,383	—	1,650	—	266	19.3

*1 Net income refers to net income attributable to owners of parent.

*2 Assumed exchange rate for FY ending Mar.31, 2018 forecasts 1US\$ = ¥110.00 1€ = ¥125.00 1CNY=¥16.00

Forecasts of main group companies for fiscal year ending March 31, 2018

(millions of yen)

	Equity stake	Net sales		Net income	
		Amount	Year-on-year change (%)	Amount	Year-on-year change (%)
Harmonic Drive Systems Inc.	—	38,000	42.1	7,300	40.2
*2 *5 HD Systems, Inc. (Harmonic Drive L.L.C) (U.S.A)	100% (51%)	5,400	18.0	265	9.2
Harmonic AD, Inc.	100%	2,700	13.6	200	40.8
*3 Harmonic Drive Systems (Shanghai) Co., Ltd.	100%	5,000	121.5	280	—
*4 *6 Harmonic Drive AG (Germany)	74.7%	13,700	34.2	2,250	111.4

Percent change(%) indicates increase or decrease from same period of previous fiscal year.

*1 For overseas subsidiaries and affiliates, the fiscal year ends December 31.

*2 Exchange rates: Jan. – Dec., 2016 1USD = 108.84 yen, Jan. – Dec., 2017 forecast 1USD = 110.00 yen

*3 Exchange rates: Jan. – Dec., 2016 1CHY = 16.37 yen, Jan. – Dec., 2017 forecast 1CYN = 16.00 yen

*4 Exchange rates: Jan. – Dec., 2016 1EUR = 120.33 yen, Jan. – Dec., 2017 forecast 1EUR = 125.00 yen

*5 Net income of US subsidiaries (consolidated) is after excluding minority interests.

*6 Net Sales and net income of Harmonic Drive AG are consolidated

Non-Consolidated performance forecast for fiscal year ending March 31, 2018

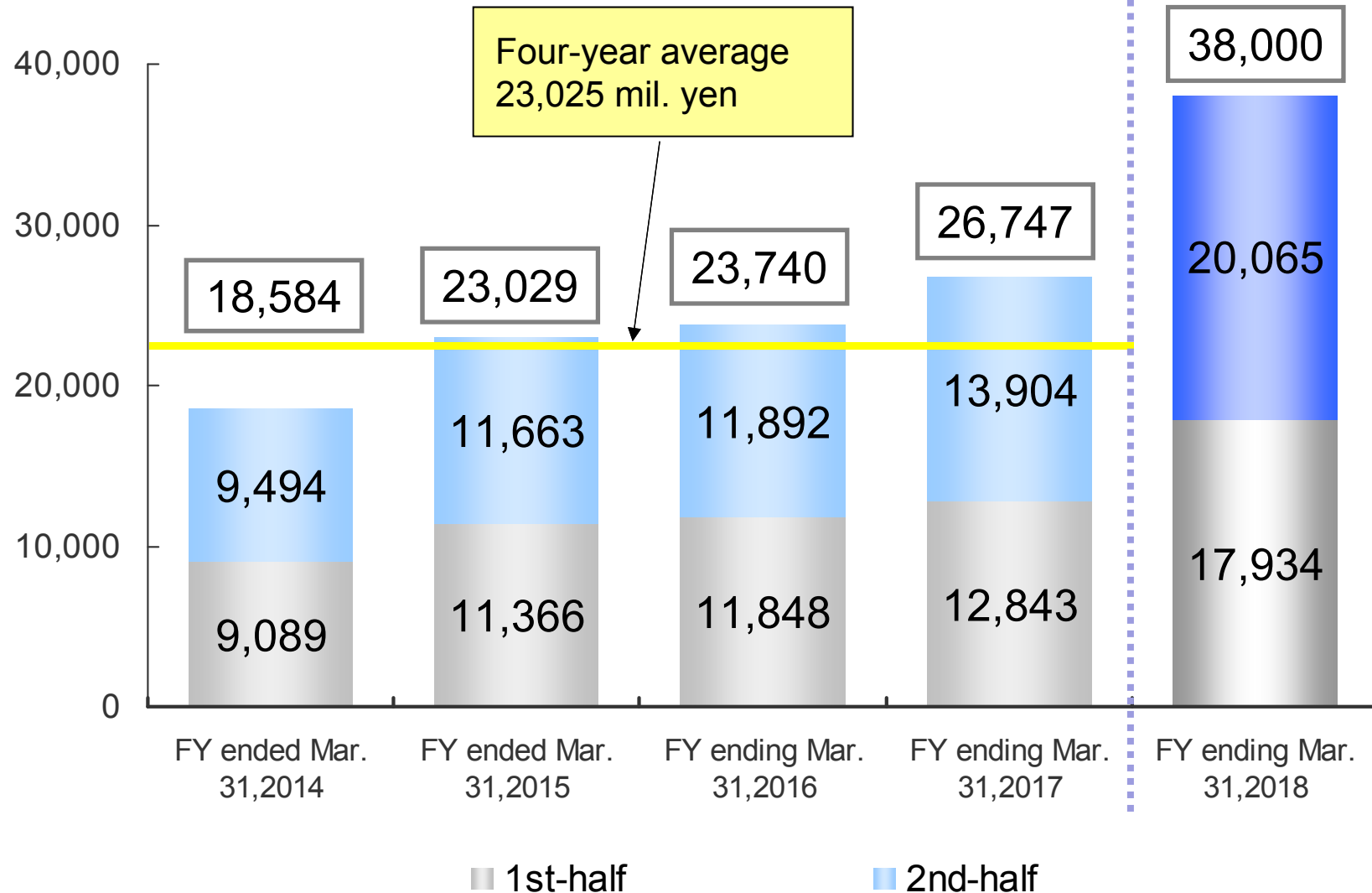
(millions of yen)

	FY2017/3		FY2018/3 forecasts		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	26,747	100.0	38,000	100.0	11,252	42.1
Operating income	6,568	24.6	10,400	27.4	3,831	58.3
Ordinary income	7,233	27.0	10,500	27.6	3,266	45.2
Net income	5,206	19.5	7,300	19.2	2,093	40.2
EPS (yen)	56.85	—	79.70	—	22.85	40.2
Capital investment	3,453	—	7,000	—	3,546	102.7
Depreciation costs	1,181	—	1,700	—	518	43.8
R&D costs	1,355	—	1,550	—	194	14.4

Assumed exchange rate for FY18/3 forecasts 1USD = ¥110.00 1EUR = ¥125.00 1CNY = ¥16.00

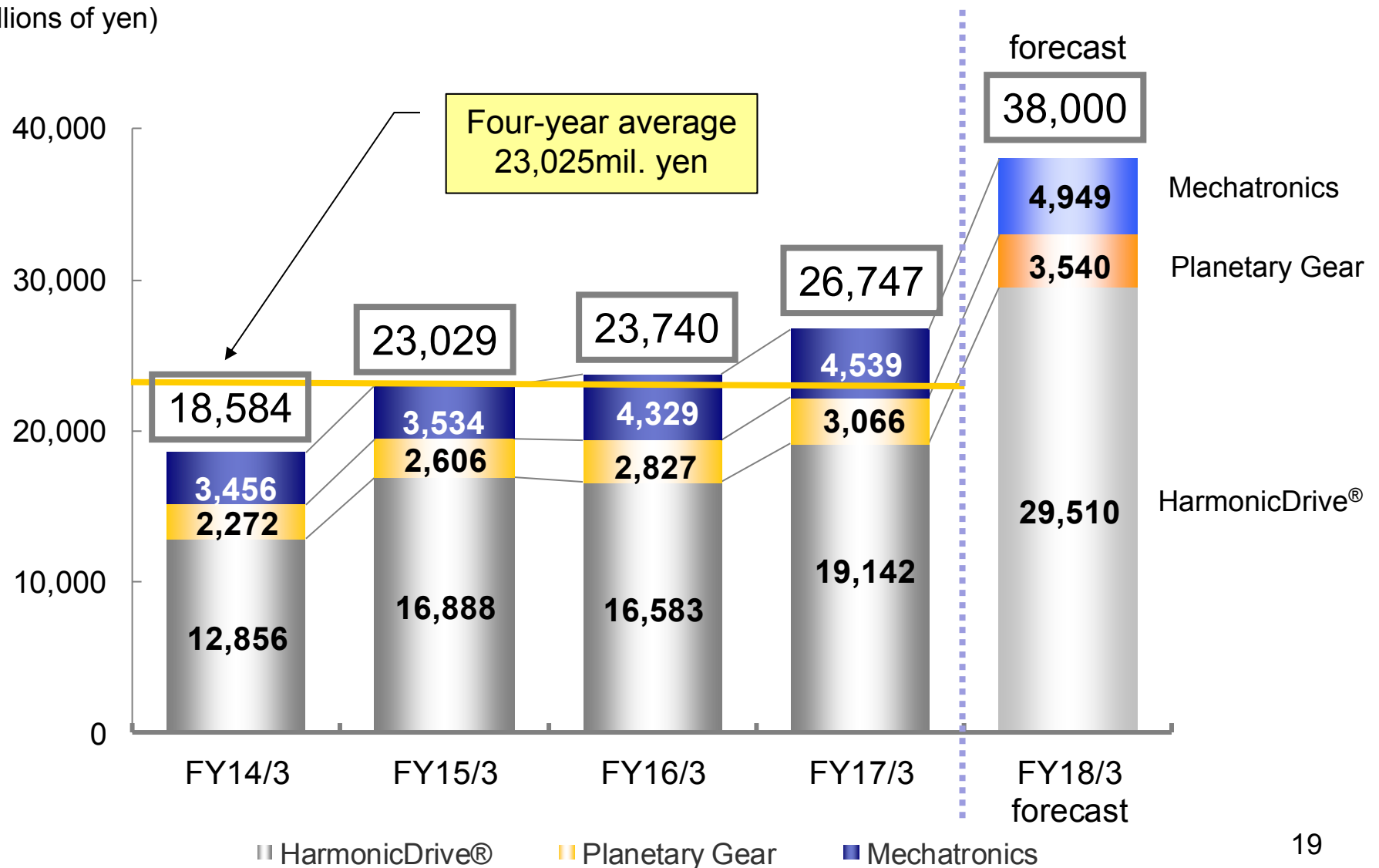
Sales trend line (non-consolidated)

(millions of yen)



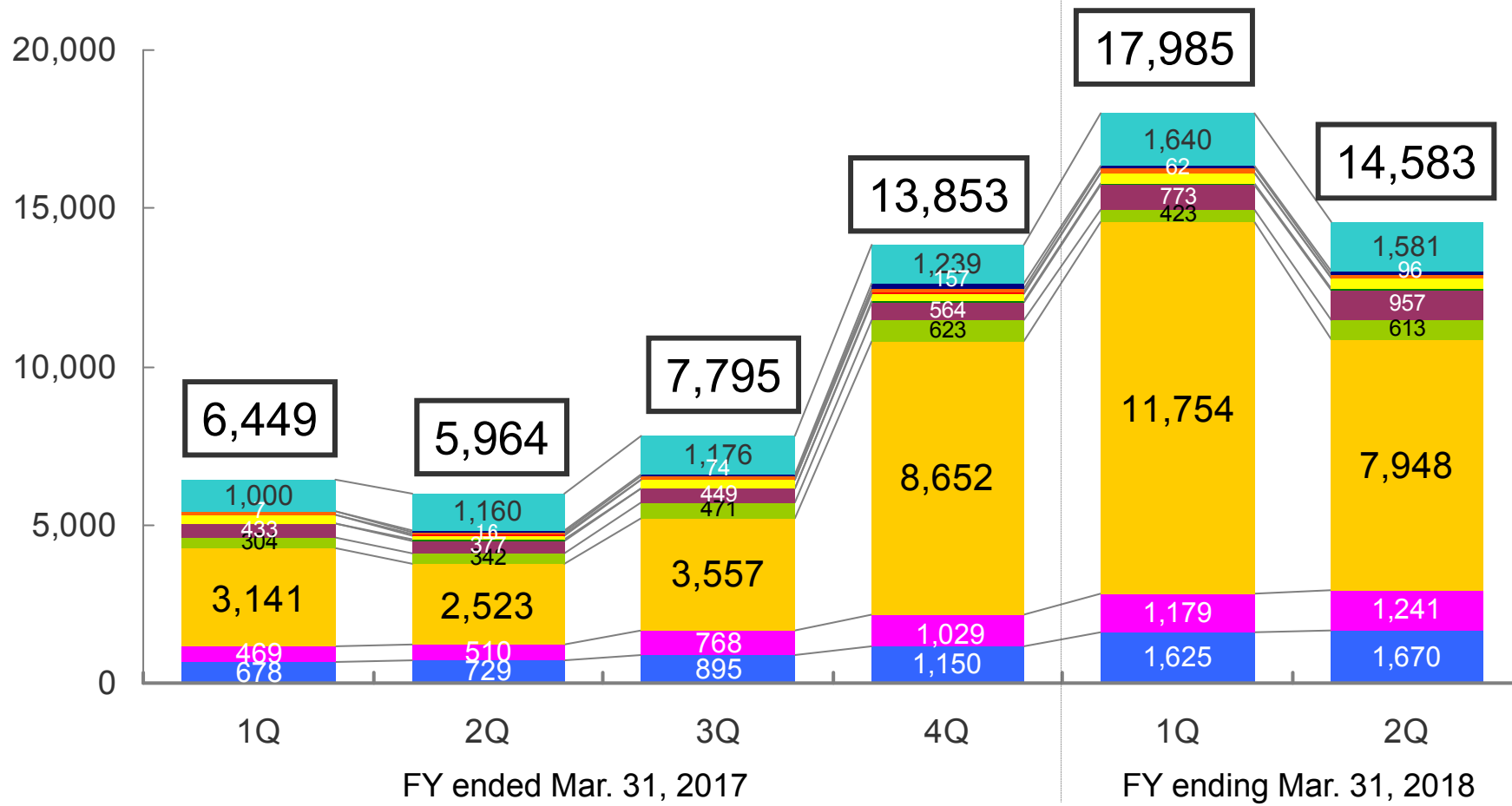
Sales trend line by product (non-consolidated)

(millions of yen)



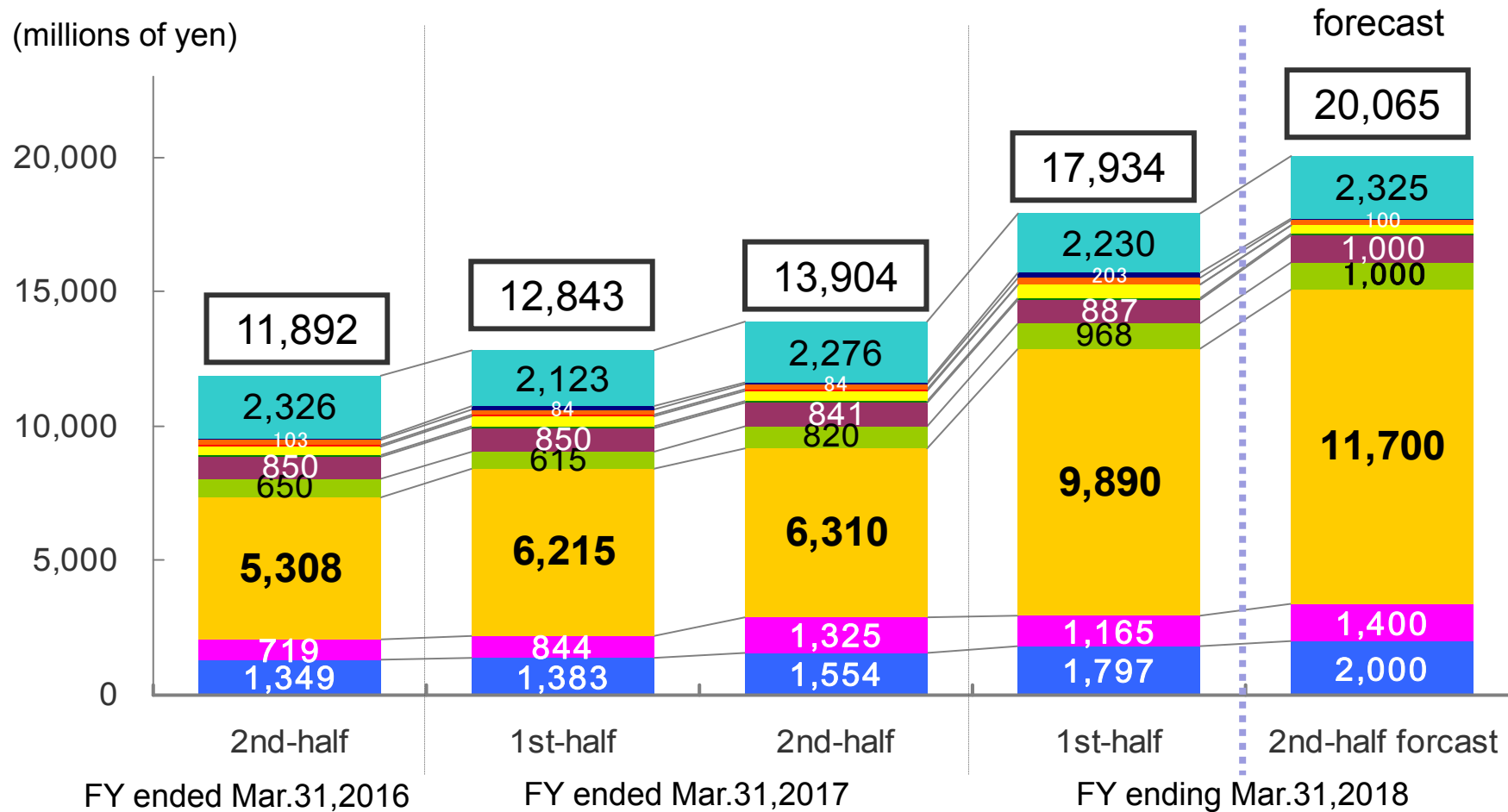
Non-consolidated bookings by application (quarterly)

(millions of yen)



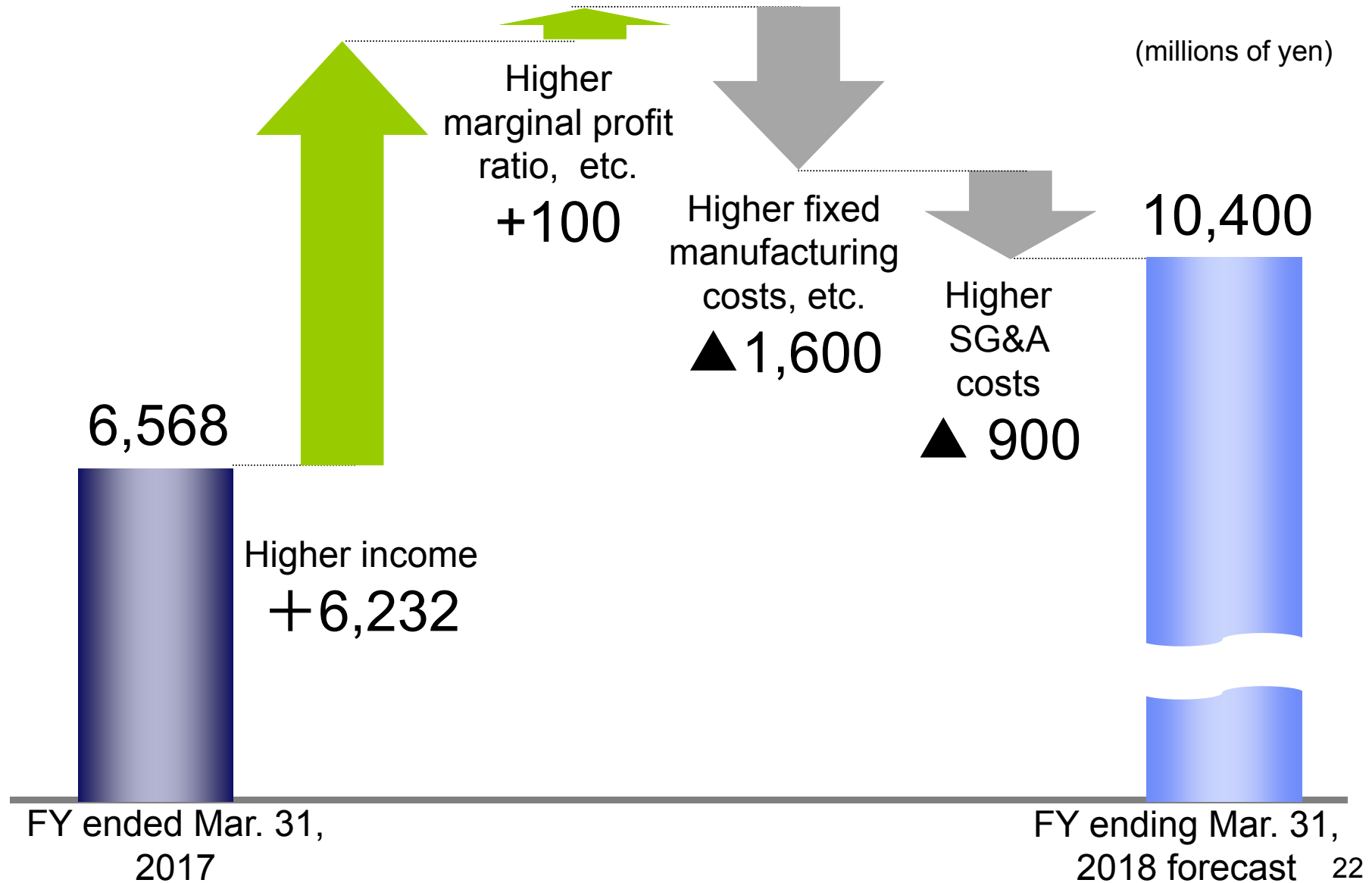
- Semiconductor equipment
- Flat panel equipment
- Robotics
- Gearbox for motor manufactures
- Machine tools
- Printing machines
- Optical devices
- Transporter
- Measuring machines
- Excavation systems for the oil, etc.
- Others

Non-consolidated net sales by application (premise for 2nd-half forecasts)



- Semiconductor equipment
- Flat panel equipment
- Robotics
- Gearbox for motor manufactures
- Machine tools
- Printing machines
- Optical devices
- Transporter
- Measuring machines
- Excavation system for the oil, etc.
- Others

Factors in year-on-year change in non-consolidated operating income (fiscal year ending March 31, 2018 forecast)



Trends in operating income (non-consolidated)

