The title is centered on a light blue gradient oval. Four blue, hand-drawn style scribbles of varying lengths and curves surround the oval, creating a dynamic, artistic frame.

Performance Summary

1st-half consolidated results (versus original forecasts for the period)

(millions of yen)

	Original forecasts (announced May 13)		1st-half FY ending Mar.31,2017		Vs. original forecasts for the period	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate(%)
Net sales	14,700	100.0	14,550	100.0	▲ 149	▲ 1.0
Operating income	4,000	27.2	3,978	27.3	▲ 21	▲ 0.5
Ordinary income	4,300	29.3	4,163	28.6	▲ 136	▲ 3.2
Net income	2,850	19.4	2,752	18.9	▲ 97	▲ 3.4

※ Net Income refers to net income attributable to owners of parent.

1st-half consolidated results (year-on-year change)

(millions of yen)

	1st-half FY ended Mar.31,2016		1st-half FY ending Mar.31,2017		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	13,919	100.0	14,550	100.0	631	4.5
Gross profit	6,793	48.8	6,896	47.4	103	1.5
Operating income	4,005	28.8	3,978	27.3	▲26	▲0.7
Ordinary income	4,034	29.0	4,163	28.6	129	3.2
Net income ^{*1}	2,594	18.6	2,752	18.9	158	6.1
EPS (yen)	28.32		30.05		1.73	6.1
Capital investment ^{*2}	1,599		1,671		72	4.5
Depreciation costs	698		817		118	17.0
R&D costs	691		671		▲19	▲2.8

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

*2 Capital investment amounts are the amounts of tangible and intangible fixed assets acquired in the term.

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Performance of main group companies for 1st-half of fiscal year ending March 31, 2017

(millions of yen)

	Equity stake	Net sales		Net income	
		Amount	Change(%)	Amount	Change(%)
Harmonic Drive Systems Inc.	—	12,843	8.4	2,486	0.3
*2 HD Systems, Inc. (Harmonic Drive L.L.C.) (U.S.A)	100% (51%)	2,301	▲4.3	123	▲18.9
Harmonic AD, Inc.	100%	1,150	▲0.1	66	▲27.2
*3 Harmonic Drive Systems (Shanghai) Co., Ltd.	100%	921	▲30.6	▲17	—
*4 Harmonic Drive AG (Germany)	36.8%	5,590	7.9	932	804.9

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. – Jun., 2015 1US\$ = 120.23 yen, Jan. – Jun., 2016 1US\$ = 111.81 yen

*3 Exchange rates: Jan. – Jun., 2015 1CNY = 19.32 yen, Jan. – Jun., 2016 1US\$ = 17.07 yen

*4 Exchange rates: Jan. – Jun., 2015 1€ = 134.17 yen, Jan. – Jun., 2016 1€ = 124.62 yen

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

1st-half non-consolidated results

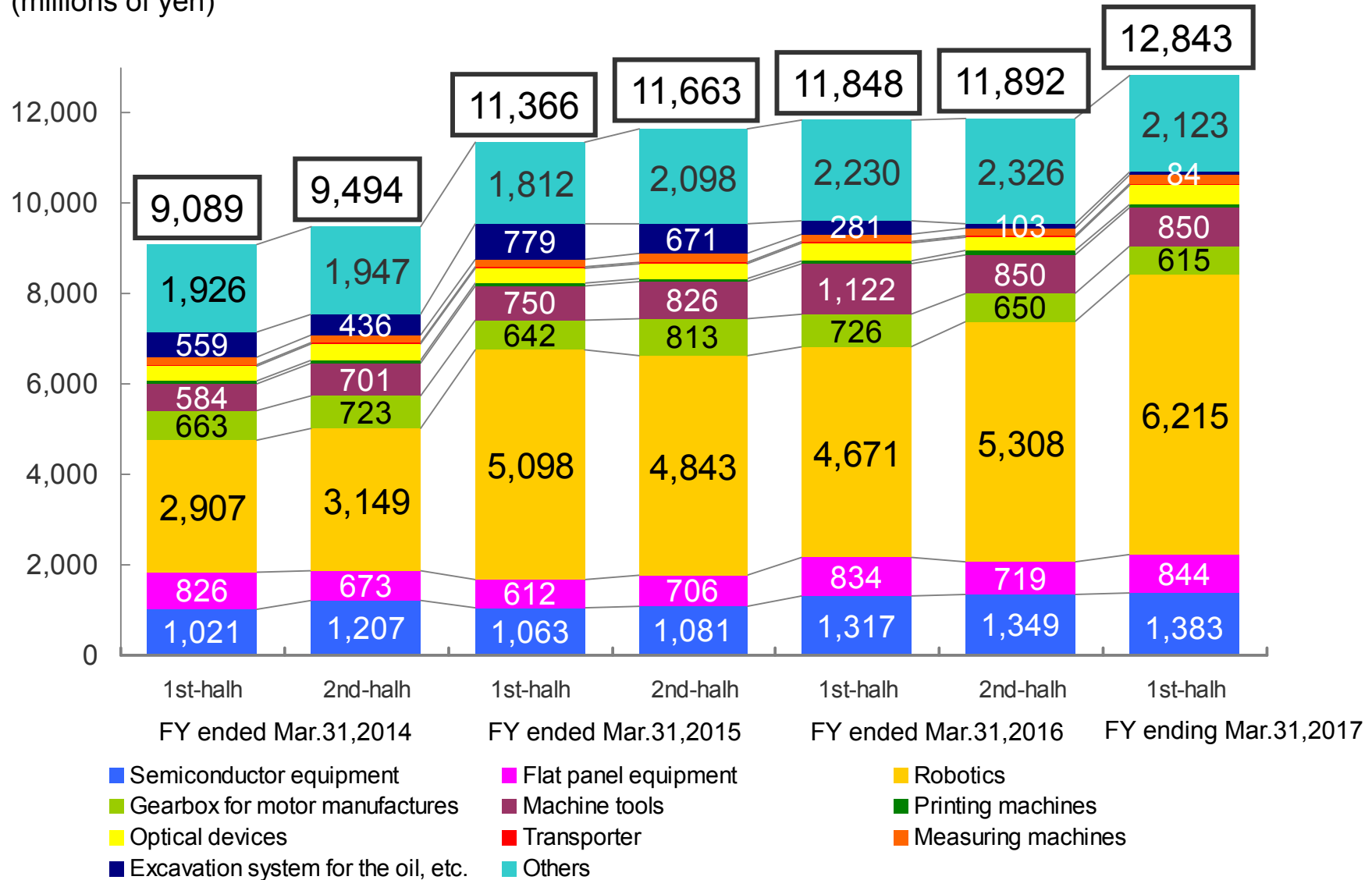
(millions of yen)

	1st-half FY ended Mar.31.2016		1st-half FY ending Mar.31.2017		Year-on-year change	
	Amount	Percent(%)	Amount	Percent(%)	Change	Rate(%)
Net sales	11,848	100.0	12,843	100.0	994	8.4
Gross profit	5,090	43.0	5,365	41.8	274	5.4
Operating income	2,988	25.2	3,180	24.8	191	6.4
Ordinary income	3,550	30.0	3,521	27.4	▲28	▲0.8
Net income	2,478	20.9	2,486	19.4	8	0.3
EPS (yen)	27.06		27.15		0.09	0.3
Capital investment ^{*1}	1,153		1,418		265	23.03
Depreciation costs	405		526		121	29.9
R&D costs	685		657		▲28	▲4.2

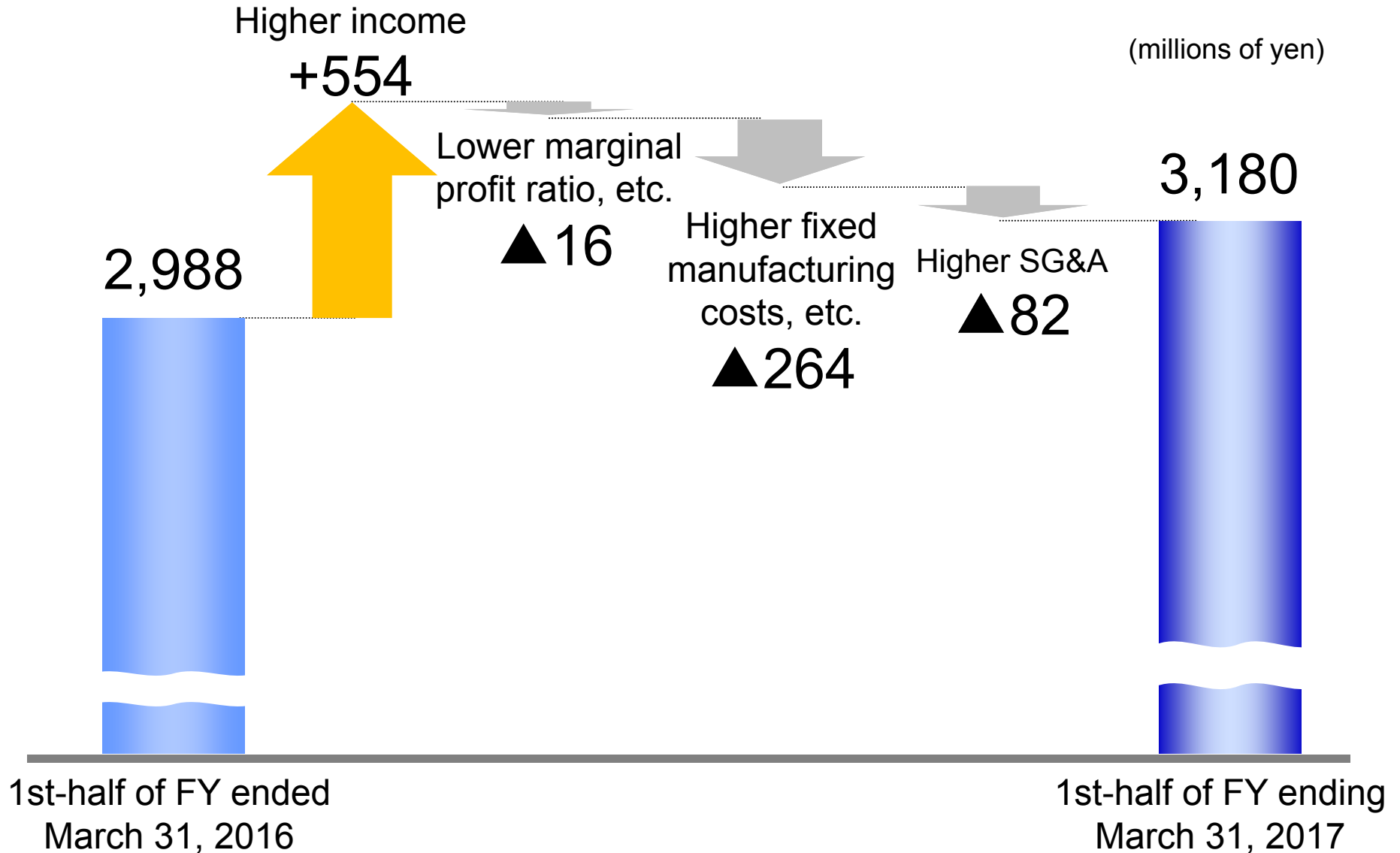
*1 Capital investment amounts are the amounts of tangible and intangible fixed assets acquired in the term. 6

Net sales by application (non-consolidated)

(millions of yen)

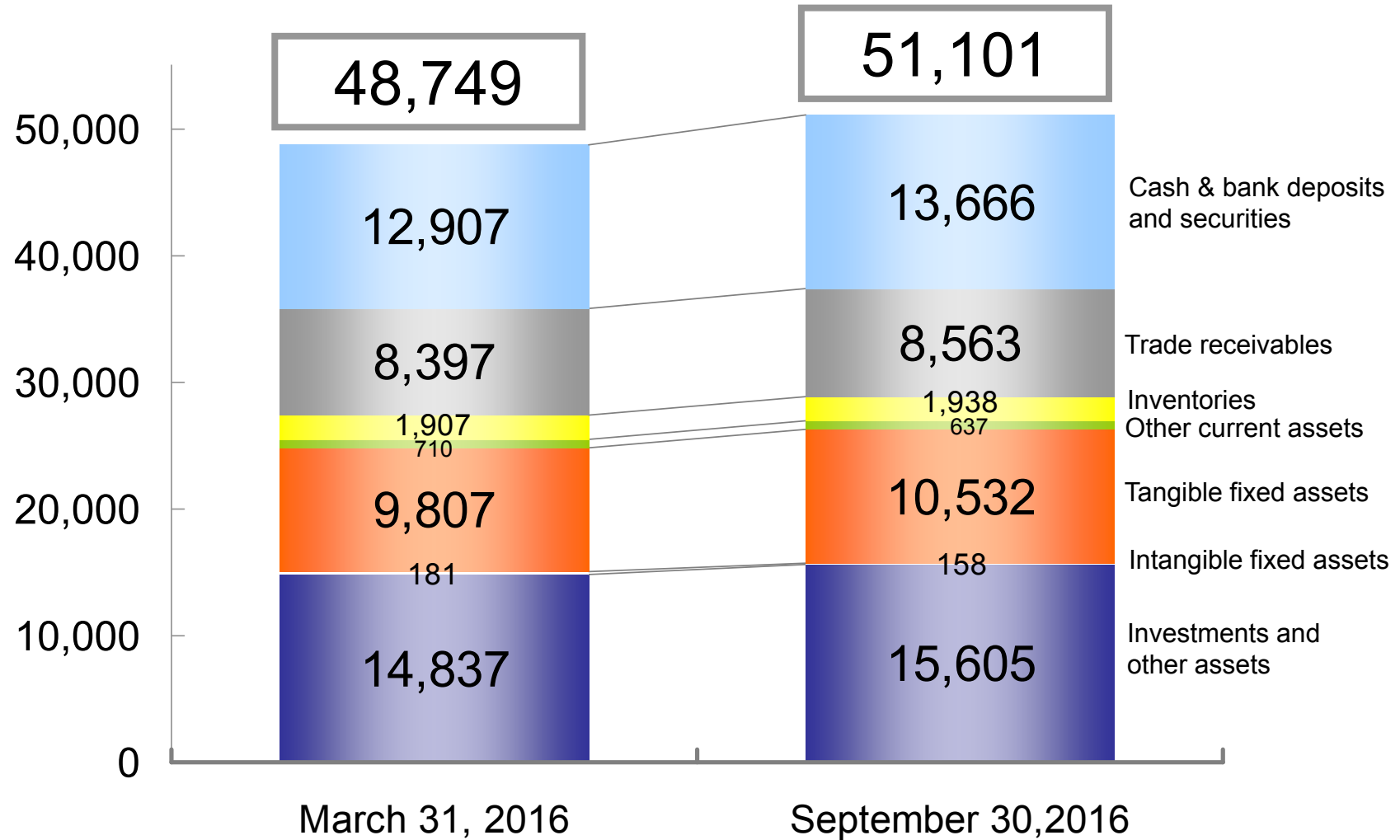


Factors in year-on-year change in 1st-half non-consolidated operating income

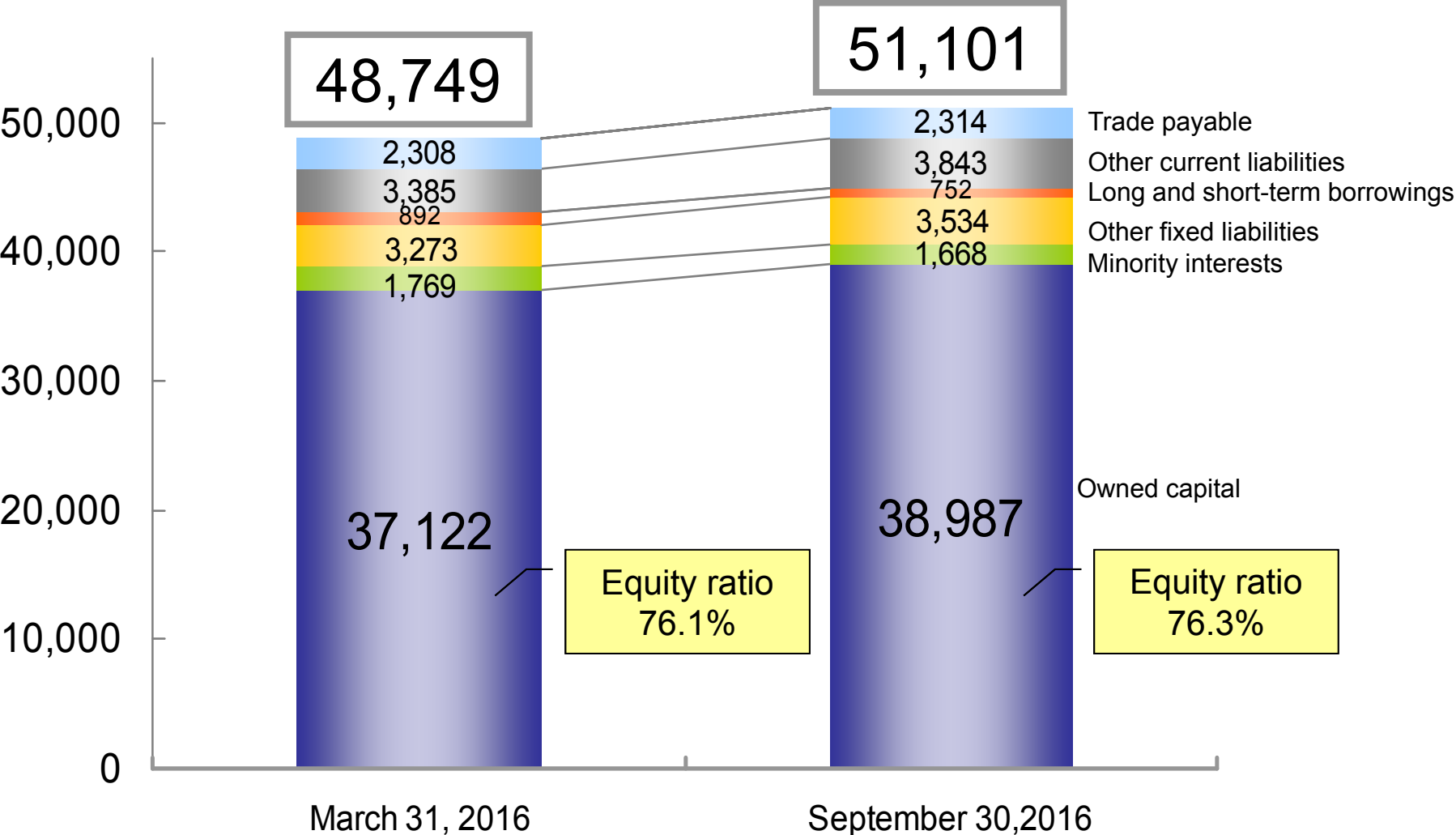


Status of consolidated assets

(millions of yen)



Status of consolidated liabilities and net assets



Status of consolidated cash flows

(millions of yen)	1st-half of FY ended Mar.31,2016	1st-half of FY ending Mar.31,2017
Cash flow from operating activities	2,938	3,382
Cash flow from investing activities	▲ 1,795	▲ 1,033
Cash flow from financing activities	▲ 290	▲ 991
Effect of exchange rate changes on cash and cash equivalents	62	▲ 400
Net increase (decrease) in cash and cash equivalents	915	957
Cash and cash equivalents at end of year	10,645	11,396