

**Performance
Forecast for
Fiscal Year Ending
March 31, 2014**

Revised consolidated results forecast for fiscal year ending March 31, 2014

(millions of yen)

	Original forecasts (announced May 14)		Revised forecasts (announced Nov. 12)		Vs. original forecasts	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	21,000	100.0	21,400	100.0	400	1.9
Operating income	4,700	22.4	4,930	23.0	230	4.9
Ordinary income	4,930	23.5	5,130	24.0	200	4.1
Net income	2,900	13.8	3,200	15.0	300	10.3

Consolidated performance forecast for fiscal year ending March 31, 2014

(millions of yen)

	FY ended Mar. 31, 2013		Forecasts FY ending Mar. 31, 2014		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	18,130	100.0	21,400	100.0	3,269	18.0
Operating income	3,436	19.0	4,930	23.0	1,493	43.5
Ordinary income	3,576	19.7	5,130	24.0	1,553	43.5
Net income	1,960	10.8	3,200	15.0	1,239	63.2
EPS (yen)	64.22		104.81		40.59	63.2
Capital investment	1,377		1,050		▲327	▲23.7
Depreciation costs	1,119		1,130		11	1.0
R&D costs	1,146		1,200		54	4.7

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

Assumed exchange rate for FY ending Mar.31, 2014 forecasts 1US\$ = ¥97.00 1€ = ¥130.00

Forecasts of main group companies for fiscal year ending March 31, 2014

(millions of yen)

	Equity stake	Net sales		Net income	
		Amount	Year-on-year change (%)	Amount	Year-on-year change (%)
Harmonic Drive Systems Inc.	—	18,800	16.3	2,820	48.9
*1 *4 HD Systems, Inc. (Harmonic Drive L.L.C) (U.S.A)	100% (51%)	3,200	15.6	*3 130	20.4
Harmonic AD, Inc.	100%	1,850	7.1	60	46.0
*2 *4 Harmonic Drive AG (Germany)	35%	8,000	26.0	1,050	11.1

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

*1 Exchange rates: Jan. – Dec., 2012 1US\$ = 79.82 yen, Jan. – Dec., 2013 1US\$ = 97.00 yen

*2 Exchange rates: Jan. – Dec., 2012 1€ = 102.63 yen, Jan. – Dec., 2013 1€ = 130.00 yen

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

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

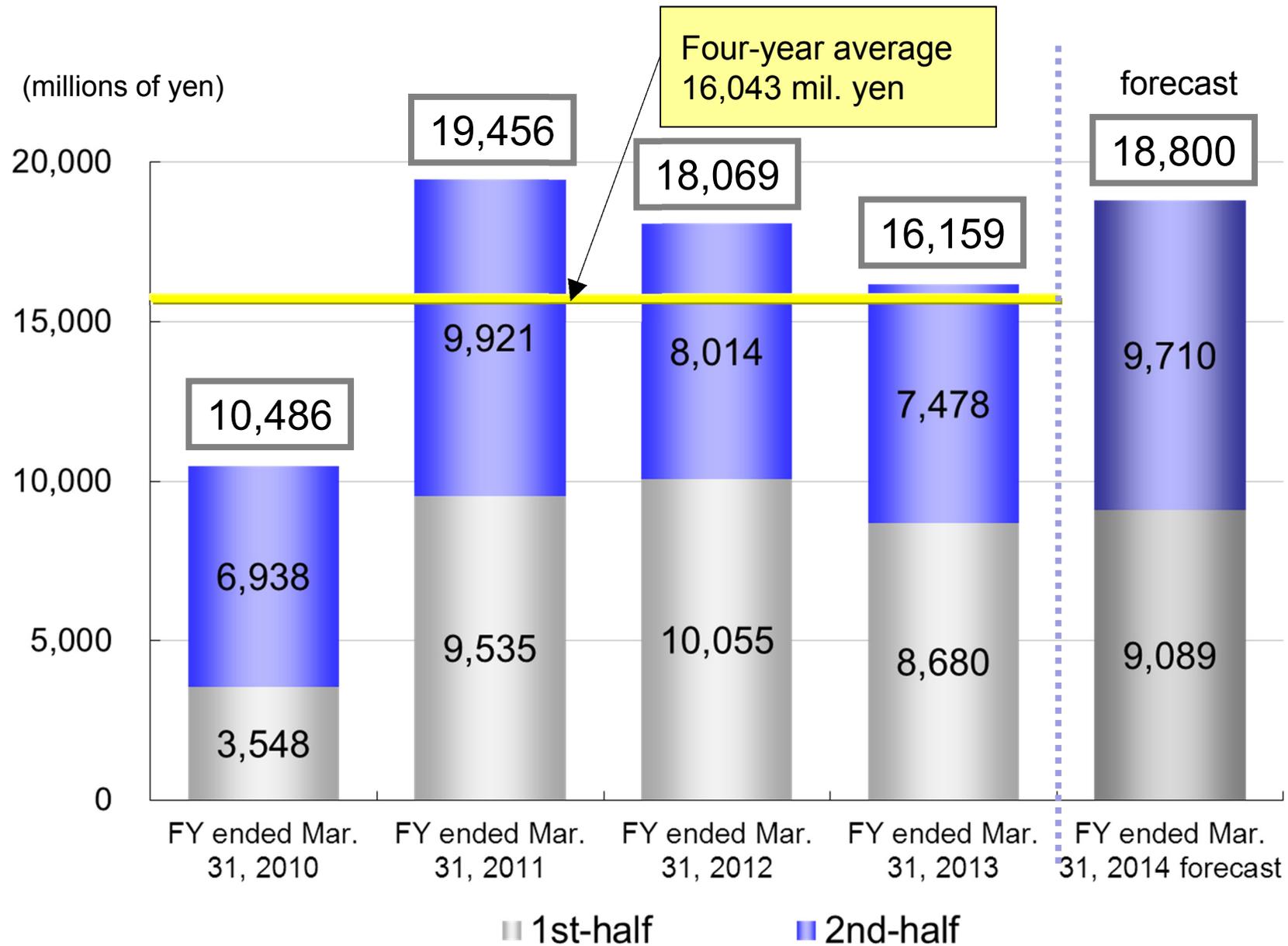
Non-consolidated performance forecast for fiscal year ending March 31, 2014

(millions of yen)

	FY ended Mar. 31, 2013		Forecasts FY ending Mar. 31, 2014		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	16,159	100.0	18,800	100.0	2,640	16.3
Operating income	2,955	18.3	4,200	22.3	1,244	42.1
Ordinary income	3,173	19.6	4,380	23.3	1,206	38.0
Net income	1,894	11.7	2,820	15.0	925	48.9
EPS (yen)	62.04		92.36		30.33	48.9
Capital investment	803		620		▲183	▲22.8
Depreciation costs	711		730		19	2.7
R&D costs	1,129		1,180		50	4.4

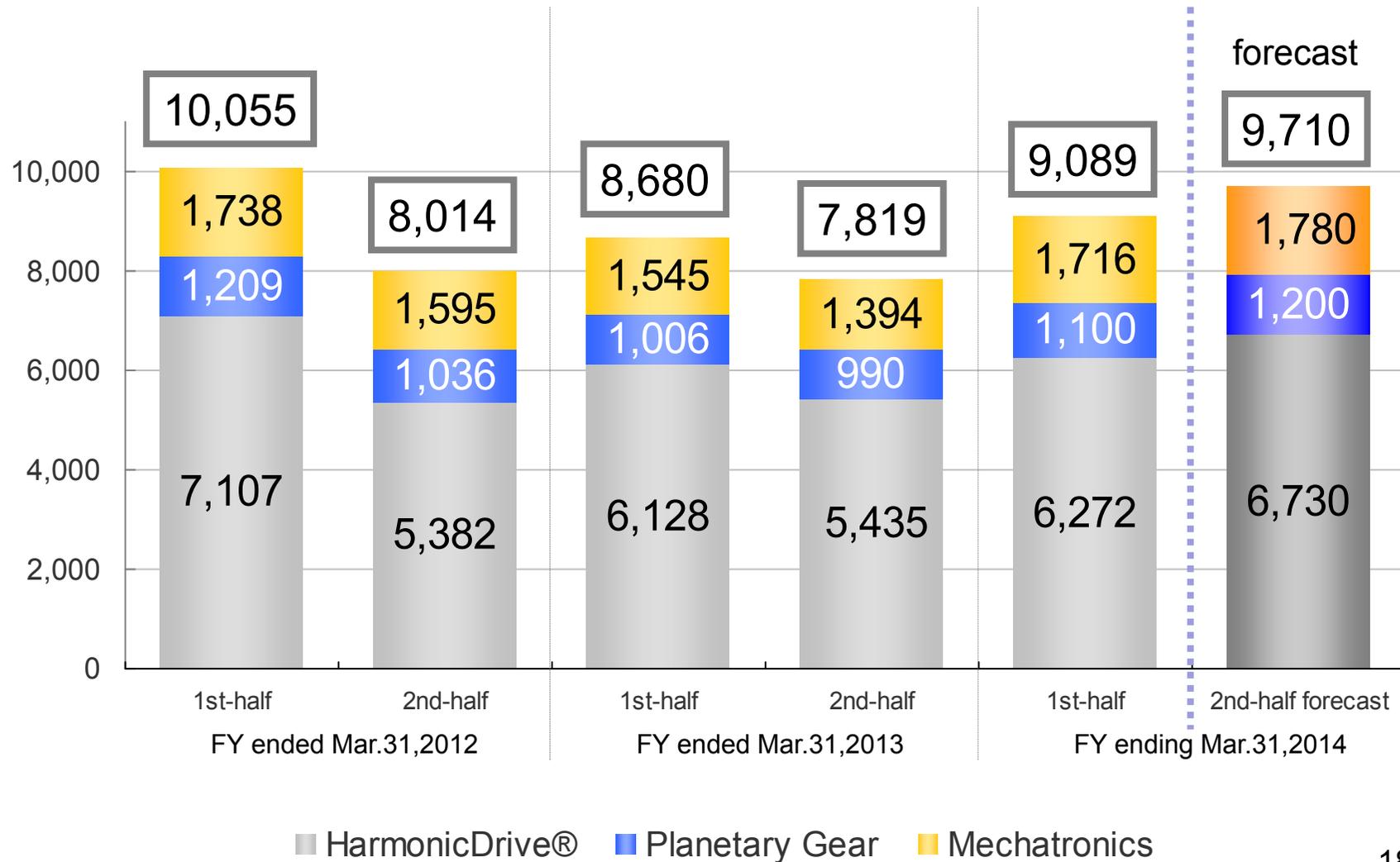
Capital investment amount are the amounts of tangible and intangible fixed assets acquired in the term.
 Assumed exchange rate for FY ending Mar.31, 2014 forecasts 1US\$ = ¥97.00 1€ = ¥130.00

Sales trend line (non-consolidated)



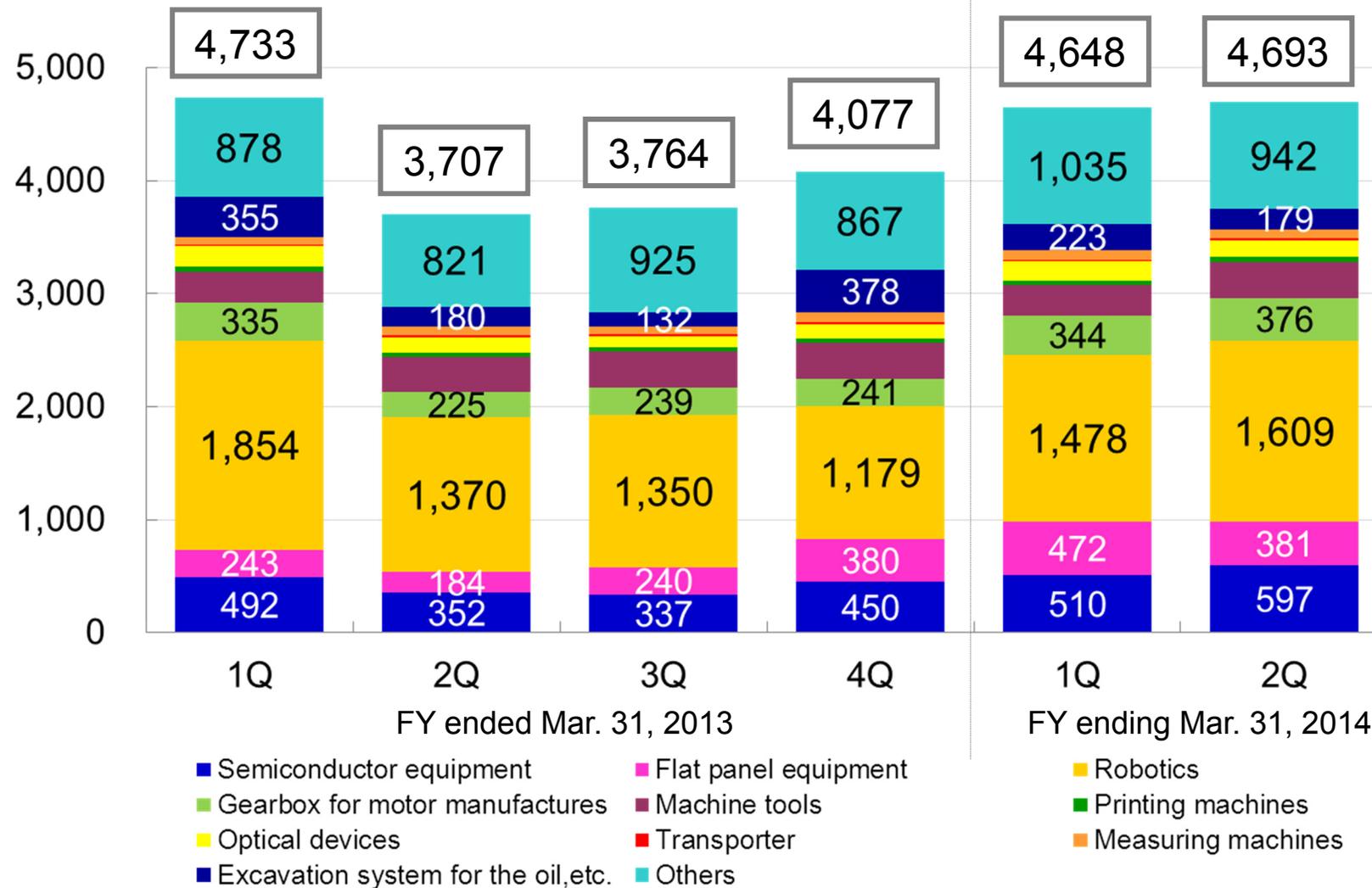
Sales trend line by product (non-consolidated)

(millions of yen)



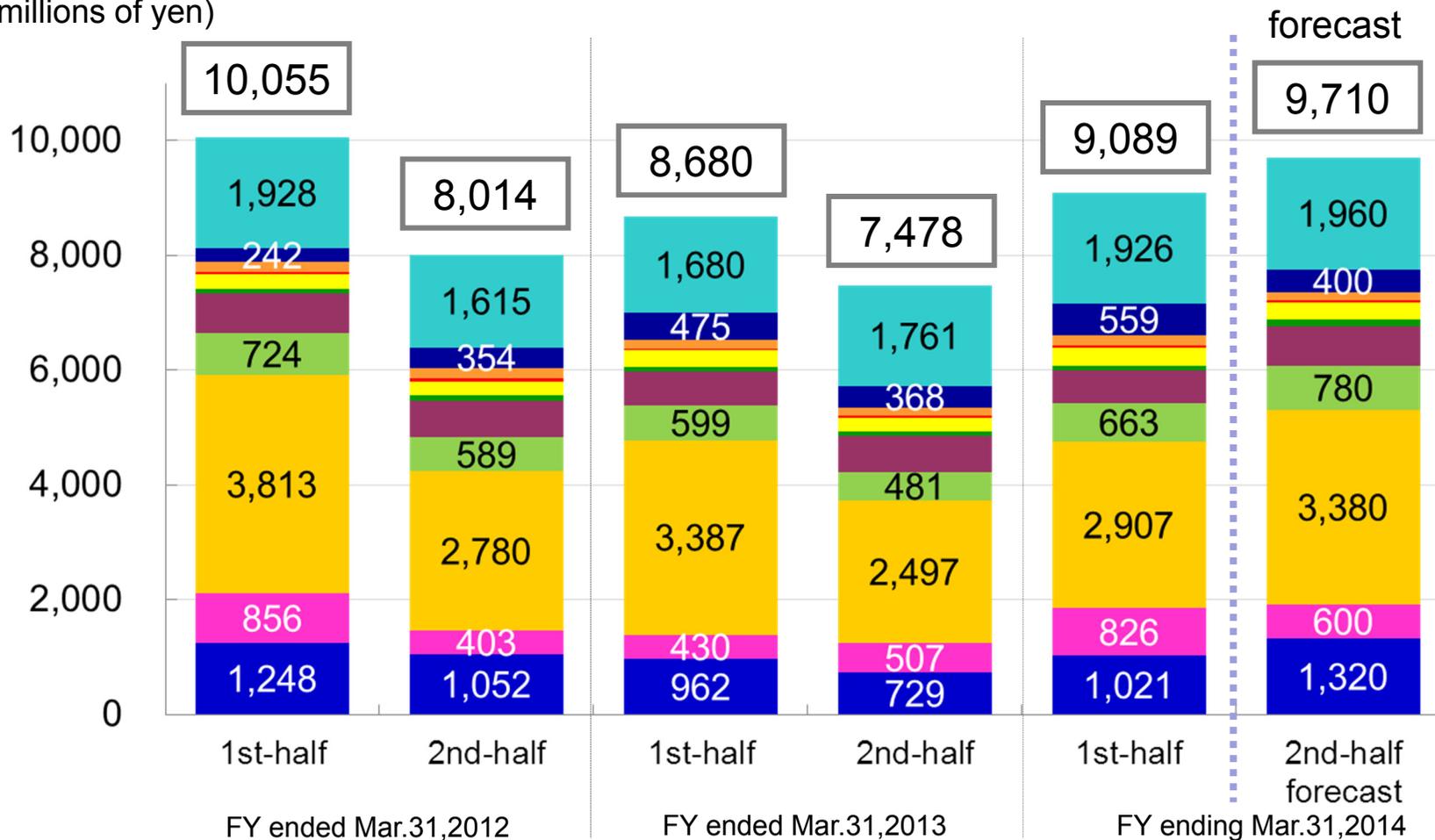
Non-consolidated bookings by application (quarterly)

(millions of yen)



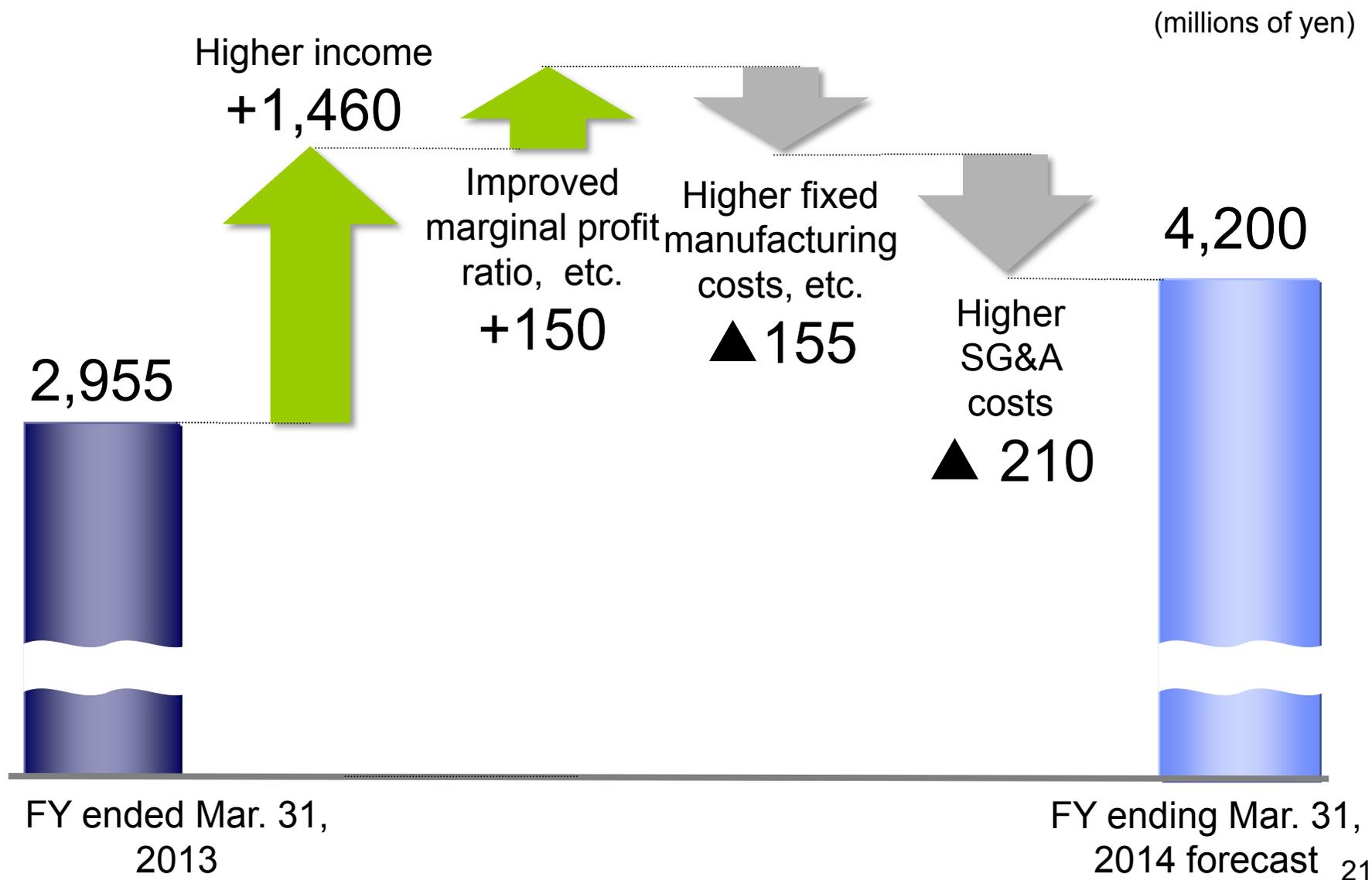
Non-consolidated net sales by application (premise for 2nd-half forecasts)

(millions of yen)



- 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, 2014 forecast)



Trends in operating income (non-consolidated)

