A large, light blue, horizontally-oriented oval with a gradient from white to blue, centered on the page. It is overlaid with several thin, dark blue, hand-drawn style lines that loop around it in a circular pattern.

**Performance  
Forecast for  
Fiscal Year Ending  
March 31, 2017**

# Revised consolidated results forecast for fiscal year ending March 31, 2017

(millions of yen)

	Original forecasts (announced May 13)		Revised forecasts (announced Nov. 4)		Vs. original forecasts	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	30,000	100.0	30,000	100.0	-	-
Operating income	8,200	27.3	8,100	27.0	▲100	▲1.2
Ordinary income	8,900	29.7	8,400	28.0	▲500	▲5.6
Net income <sup>*1</sup>	6,000	20.0	5,800	19.3	▲200	▲3.3

\*1 Assumed exchange rate for FY17/3 forecasts 1USD = ¥104.00 1EUR = ¥115.00 1CNY = ¥15.50

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

# Revised non-consolidated results forecast for fiscal year ending March 31, 2017

(millions of yen)

	Original forecasts (announced May 13)		Revised forecasts (announced Nov. 4)		Vs. original forecasts	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	25,500	100.0	26,300	100.0	800	3.1
Operating income	6,200	24.3	6,550	24.9	350	5.6
Ordinary income	6,650	26.1	6,950	26.4	300	4.5
Net income	4,700	18.4	4,950	18.8	250	5.3

※Assumed exchange rate for FY17/3 forecasts 1USD = ¥104.00 1EUR = ¥115.00 1CNY = ¥15.50

# Consolidated performance forecast for fiscal year ending March 31, 2017

(millions of yen)

	FY ended Mar. 31, 2016		Forecasts FY ending Mar. 31, 2017		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	28,278	100.0	30,000	100.0	1,721	6.1
Operating income	7,618	26.9	8,100	27.0	481	6.3
Ordinary income	7,829	27.7	8,400	28.0	570	7.3
Net income <sup>*1</sup>	5,001	17.7	5,800	19.3	798	16.0
EPS (yen)	54.60	—	63.32	—	8.72	16.0
Capital investment	4,296	—	4,200	—	▲96	▲2.2
Depreciation costs	1,524	—	1,780	—	255	16.8
R&D costs	1,404	—	1,450	—	45	3.2

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

\*2 Assumed exchange rate for FY ending Mar.31, 2017 forecasts 1US\$ = ¥104.00 1€ = ¥115.00 1CNY=¥15.50

# Forecasts of main group companies for fiscal year ending March 31, 2017

(millions of yen)

	Equity stake	Net sales		Net income	
		Amount	Year-on-year change (%)	Amount	Year-on-year change (%)
Harmonic Drive Systems Inc.	—	26,300	10.8	4,950	7.4
HD Systems, Inc. (Harmonic Drive L.L.C) (U.S.A)	100% (51%)	4,600	▲5.2	250	▲7.1
Harmonic AD, Inc.	100%	2,350	4.8	150	6.2
Harmonic Drive Systems (Shanghai) Co., Ltd.	100%	2,300	▲10.9	▲40	—
Harmonic Drive AG (Germany)	36.8%	10,500	5.7	1,600	110.1

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

\*1 Exchange rates: Jan. – Dec., 2015 1US\$ = 121.05 yen, Jan. – Dec., 2016 forecast 1US\$ = 107.00 yen

\*2 Exchange rates: Jan. – Dec., 2015 1CHY = 19.22 yen, Jan. – Dec., 2016 forecast 1CYN = 16.00 yen

\*3 Exchange rates: Jan. – Dec., 2015 1€ = 134.31 yen, Jan. – Dec., 2016 forecast 1€ = 119.00 yen

\*4 Net income of US subsidiaries (consolidated) is after excluding minority interests.

\*5 For overseas subsidiaries and affiliates, the fiscal year ends December 31.

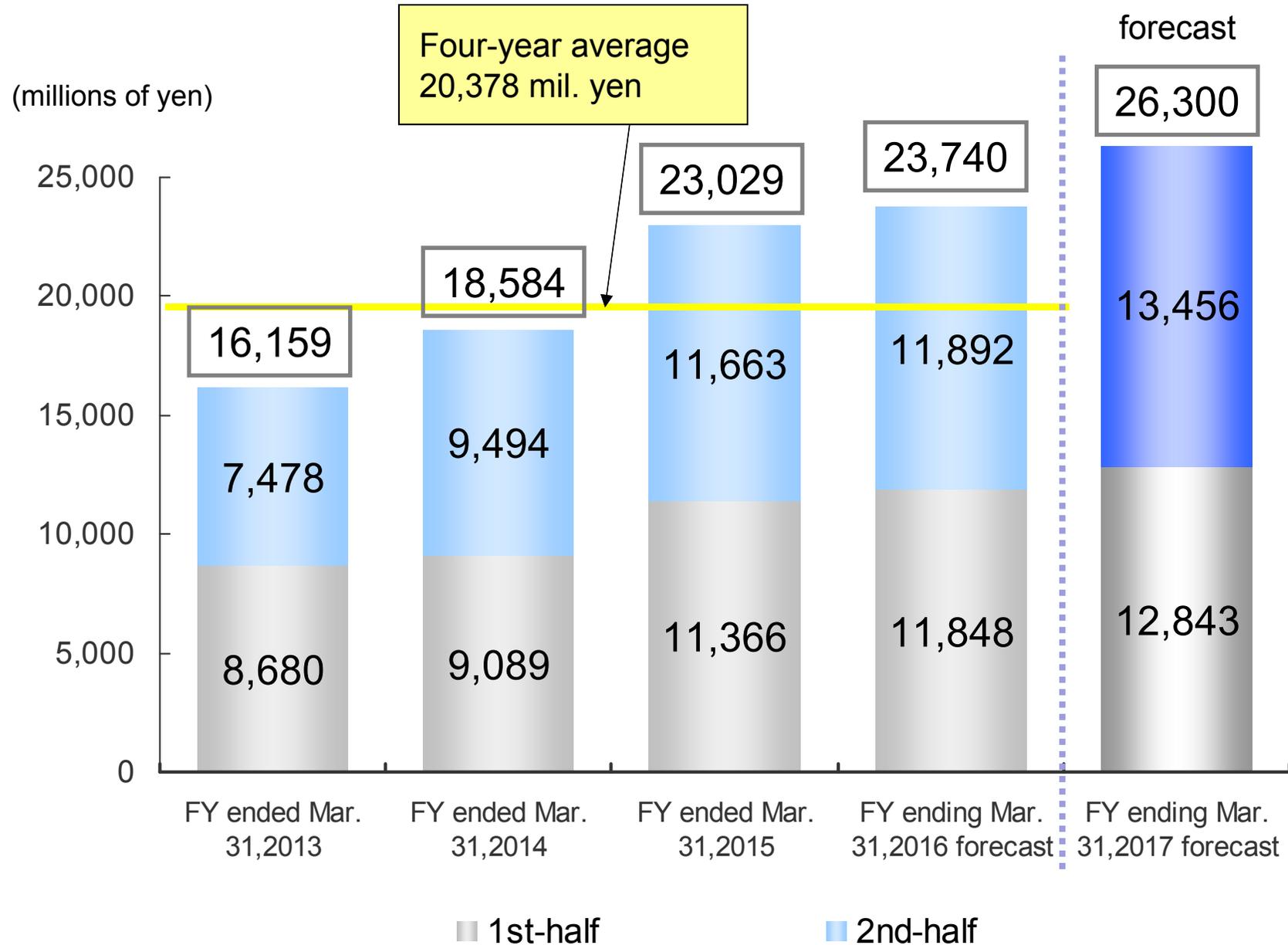
# Non-Consolidated performance forecast for fiscal year ending March 31, 2017

(millions of yen)

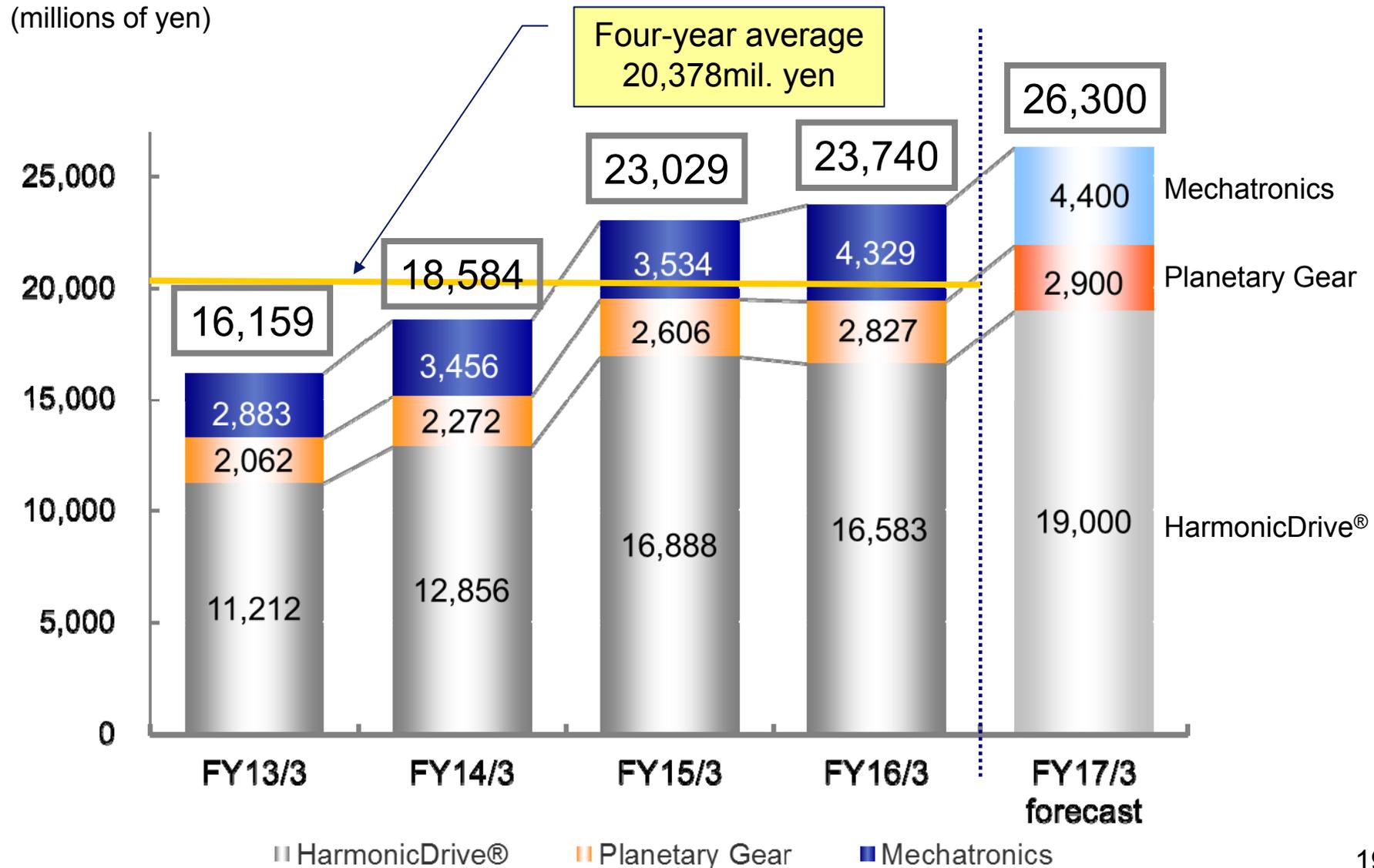
	FY2016/3		FY2017/3 forecasts		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	23,740	100.0	26,300	100.0	2,559	10.8
Operating income	5,913	24.9	6,550	24.9	636	10.8
Ordinary income	6,625	27.9	6,950	26.4	324	4.9
Net income	4,608	19.4	4,950	18.8	341	7.4
EPS (yen)	50.31	—	54.04	—	3.73	7.4
Capital investment	3,462	—	3,600	—	137	4.0
Depreciation costs	898	—	1,150	—	251	28.0
R&D costs	1,395	—	1,430	—	34	2.5

Assumed exchange rate for FY17/3 forecasts 1USD = ¥104.00 1EUR = ¥115.00 1CNY = ¥15.50

# Sales trend line (non-consolidated)

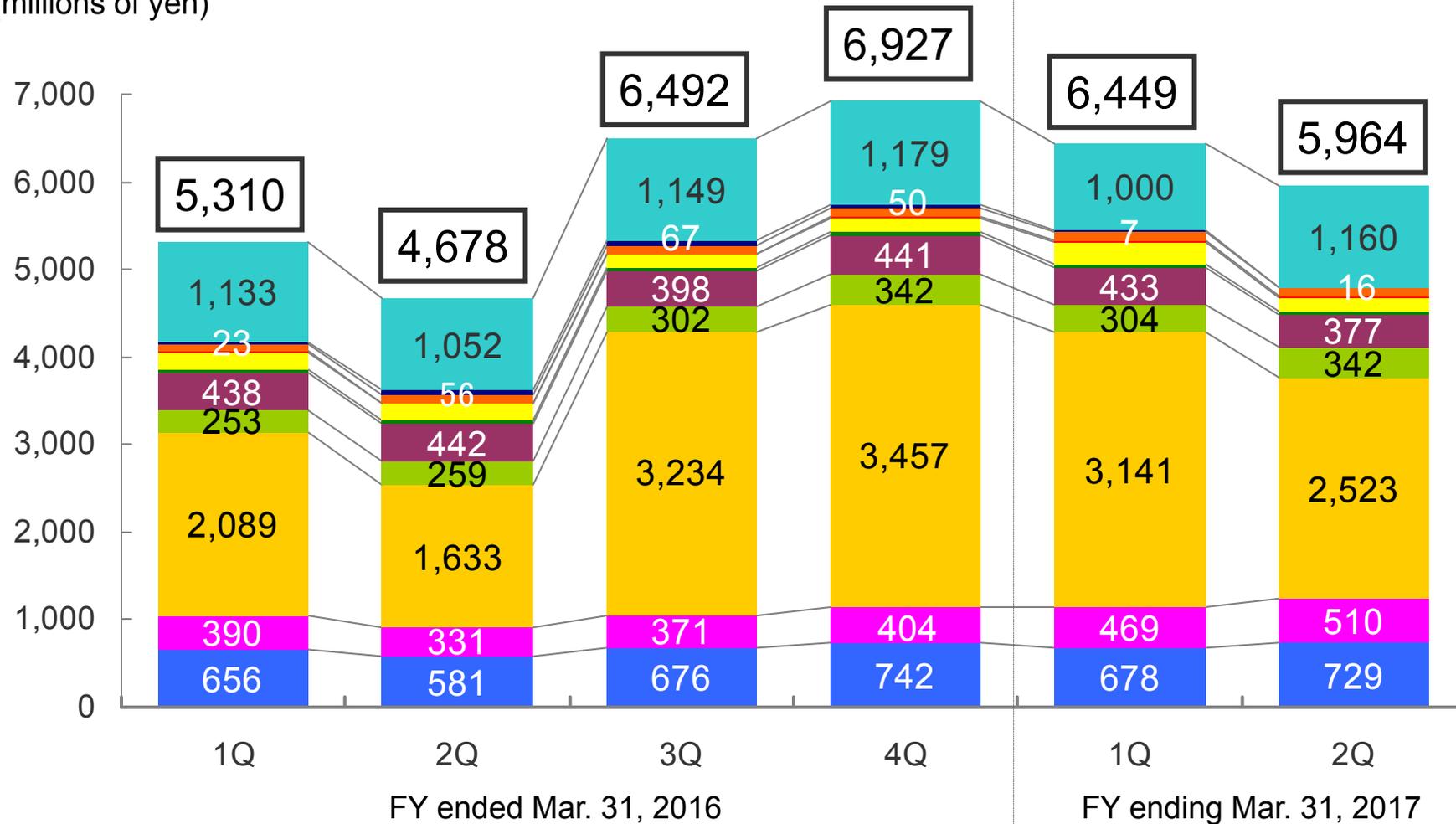


# Sales trend line by product (non-consolidated)



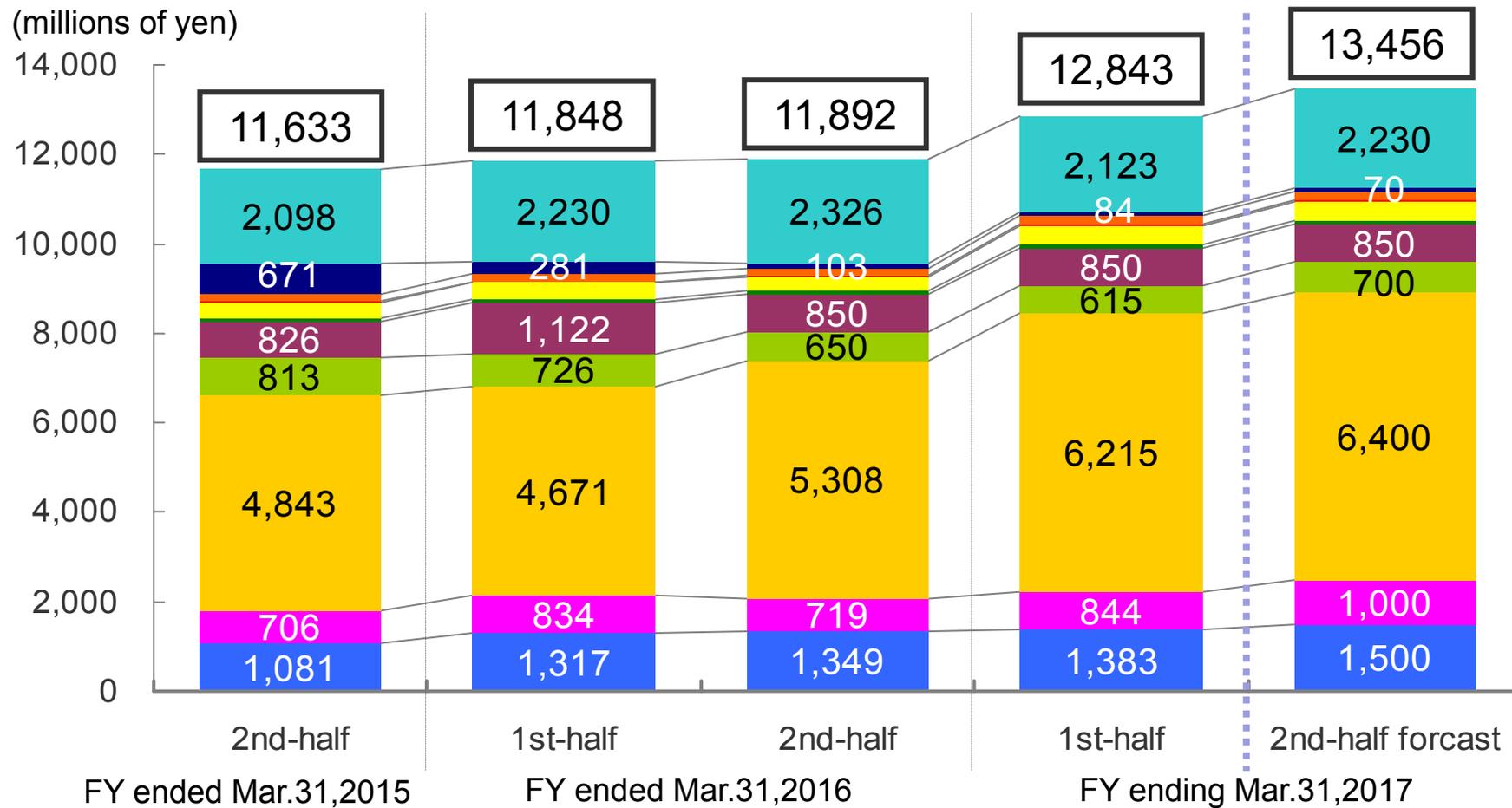
# Non-consolidated bookings by application (quarterly)

(millions of yen)



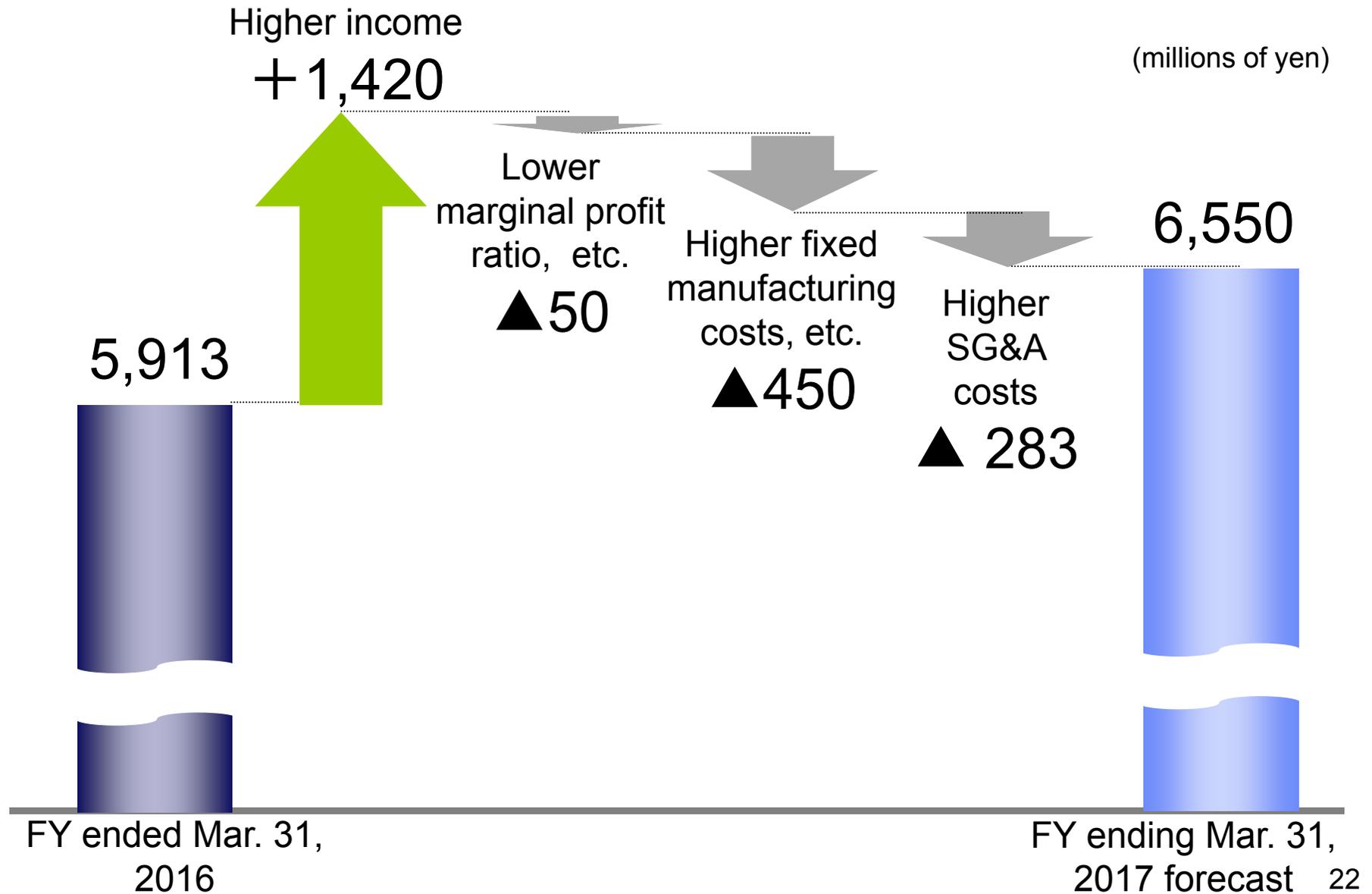
- Semiconductor equipment
- Flat panel equipment
- Robotics
- Gearbox for motor manufactures
- Machine tools
- Printing machines
- Optical devices
- Transporter
- Measuring machines
- Excavation systems for the oil, etc.
- Others

# 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, 2016 forecast)



# Trends in operating income (non-consolidated)

