



*Performance Forecasts
for FY 2018/3*

Consolidated performance forecasts for FY 2018/3

(millions of yen)

	FY2017/3		FY2018/3 forecasts		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	30,069	100.0	49,500	100.0	19,430	64.6
Operating income	7,813	26.0	12,000	24.2	4,186	53.6
Ordinary income	7,958	26.5	12,000	24.2	4,041	50.8
Net income	19,732	65.6	7,300	14.7	▲12,432	▲63.0
EPS (yen)	215.42	—	79.70	—	▲135.73	▲63.0
Capital investment	4,576	—	8,500	—	3,923	85.7
Depreciation costs	1,774	—	2,950	—	1,175	66.2
R&D costs	1,383	—	1,700	—	316	22.9

Assumed exchange rate for FY18/3 forecasts 1USD = ¥110.00 1EUR = ¥120.00 1CNY=¥16.00

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

FY 2018/3 forecasts for main group firms

(millions of yen)

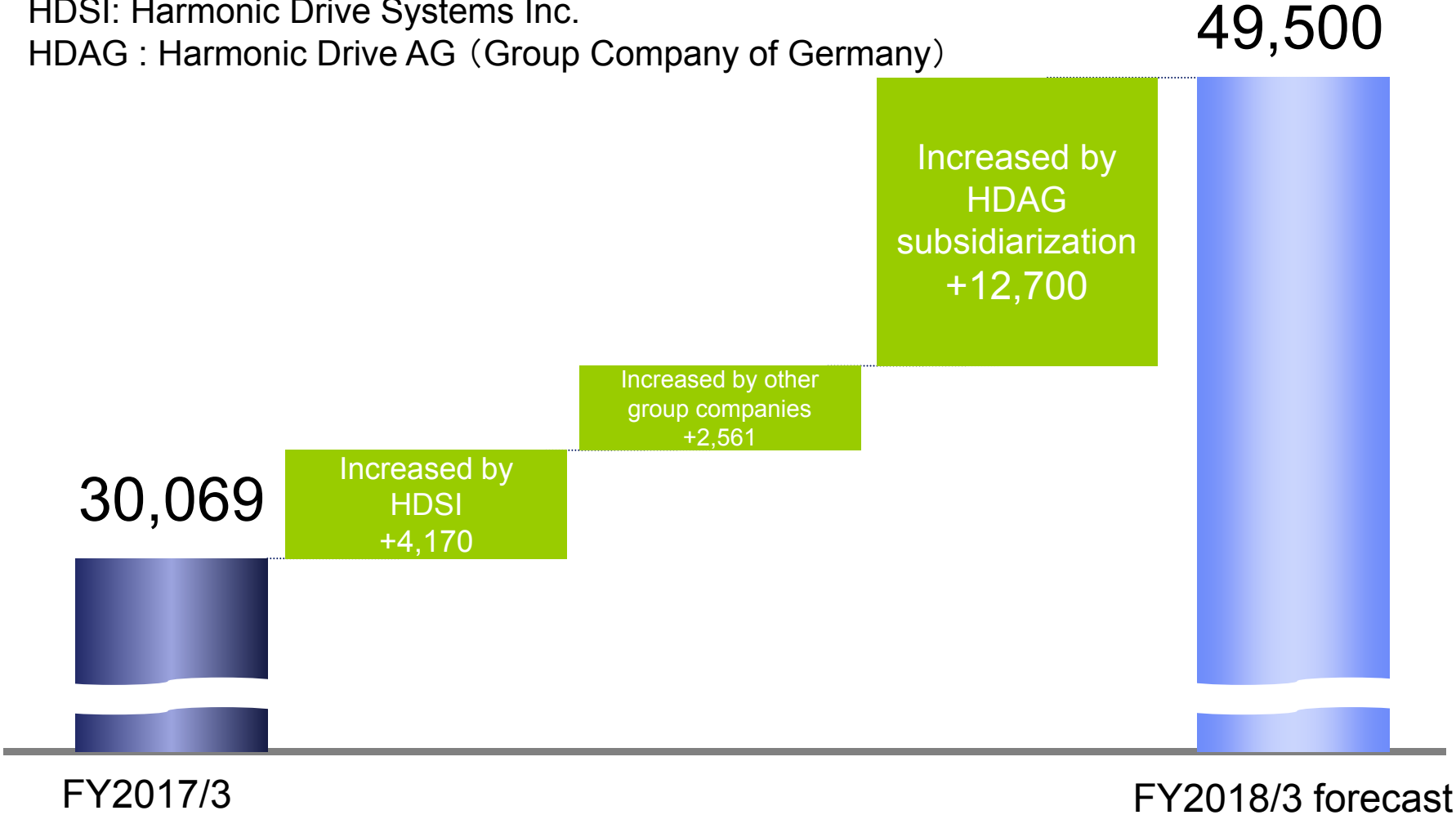
	Equity stake	Net sales		Net income	
		Amount	Year-on-year change (%)	Amount	Year-on-year change (%)
Harmonic Drive Systems Inc.	—	36,000	34.6	6,500	24.8
*2 *5 HD Systems, Inc. (Harmonic Drive L.L.C.) (U.S.A)	100% (51%)	5,100	11.5	245	1.0
Harmonic AD, Inc.	100%	2,700	13.6	200	40.8
*3 Harmonic Drive Systems (Shanghai) Co., Ltd.	100%	4,250	88.2	250	—
*4 *6 Harmonic Drive AG (Germany)	74.7%	12,700	11.3	2,200	98.3

- *1 For overseas subsidiaries and affiliates, the fiscal year ends December 31.
- *2 Exchange rates: FY16/12 1USD = 108.84yen, FY17/12 (forecast) 1USD = 110.00yen
- *3 Exchange rates: FY16/12 1CNY = 16.37yen, FY17/12 (forecast) 1CNY = 16.00yen
- *4 Exchange rates: FY16/12 1EUR = 120.33yen, FY17/12 (forecast) 1EUR = 120.00yen
- *5 Net income of US subsidiaries (consolidated) is after excluding minority interests.
- *6 Net Sales and net income of Harmonic Drive AG are consolidated.

Factors in the increase in consolidated sales (FY2018/3 forecast)

(millions of yen)

HDSI: Harmonic Drive Systems Inc.
 HDAG : Harmonic Drive AG (Group Company of Germany)



※Increased by HDSI represents the amounts after eliminating the inter-company transactions.

Non-consolidated performance forecasts for FY 2018/3

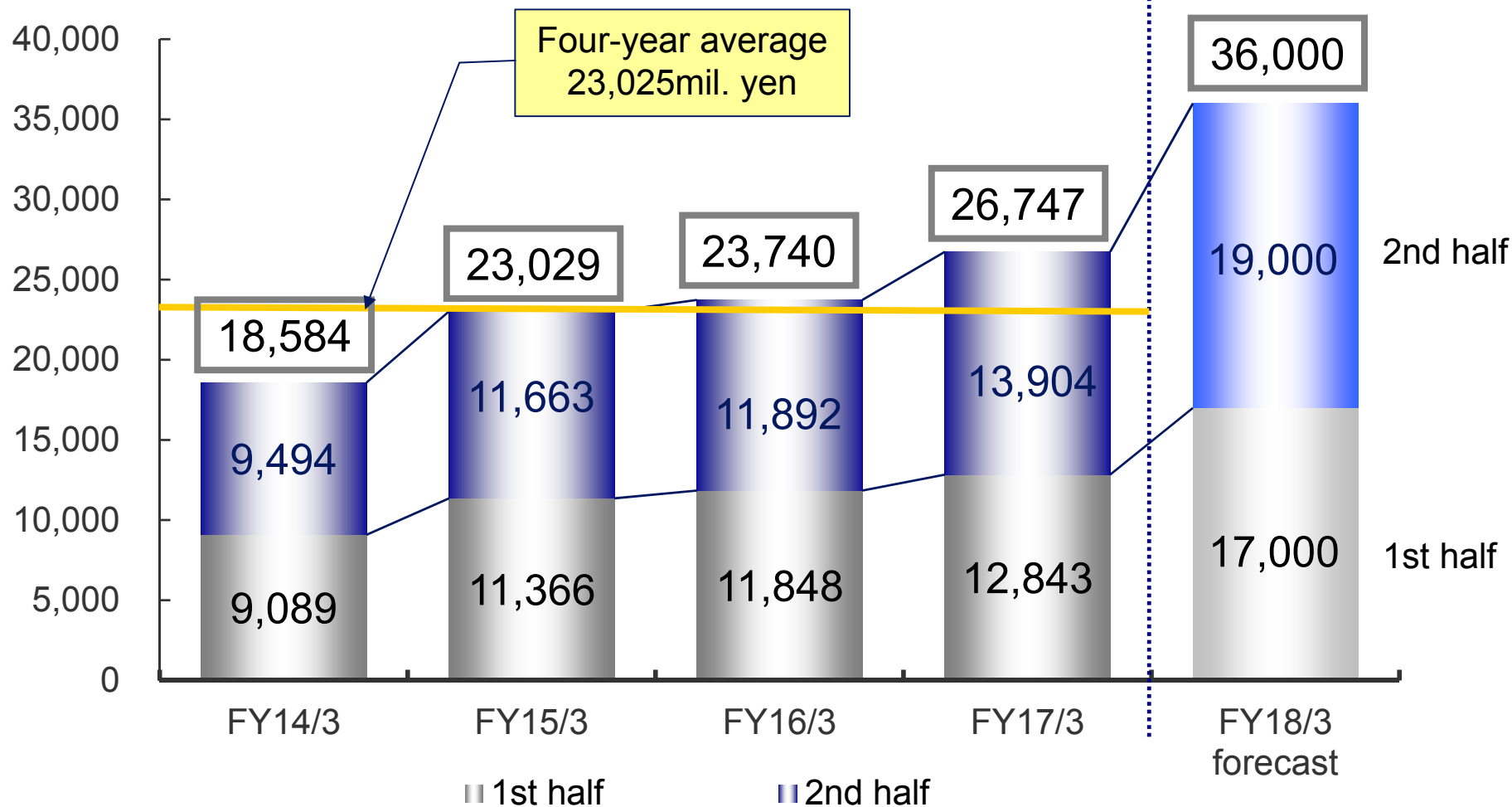
(millions of yen)

	FY2017/3		FY2018/3 forecasts		Year-on-year change	
	Amount	Percent (%)	Amount	Percent (%)	Change	Rate (%)
Net sales	26,747	100.0	36,000	100.0	9,252	34.6
Operating income	6,568	24.6	9,300	25.8	2,731	41.6
Ordinary income	7,233	27.0	9,300	25.8	2,066	28.6
Net income	5,206	19.5	6,500	18.1	1,293	24.8
EPS (yen)	56.85	—	70.96	—	14.11	24.8
Capital investment	3,453	—	6,000	—	2,546	73.7
Depreciation costs	1,181	—	1,800	—	618	52.3
R&D costs	1,355	—	1,600	—	244	18.1

Assumed exchange rate for FY18/3 forecasts 1USD = ¥110.00 1EUR = ¥120.00 1CNY = ¥16.00

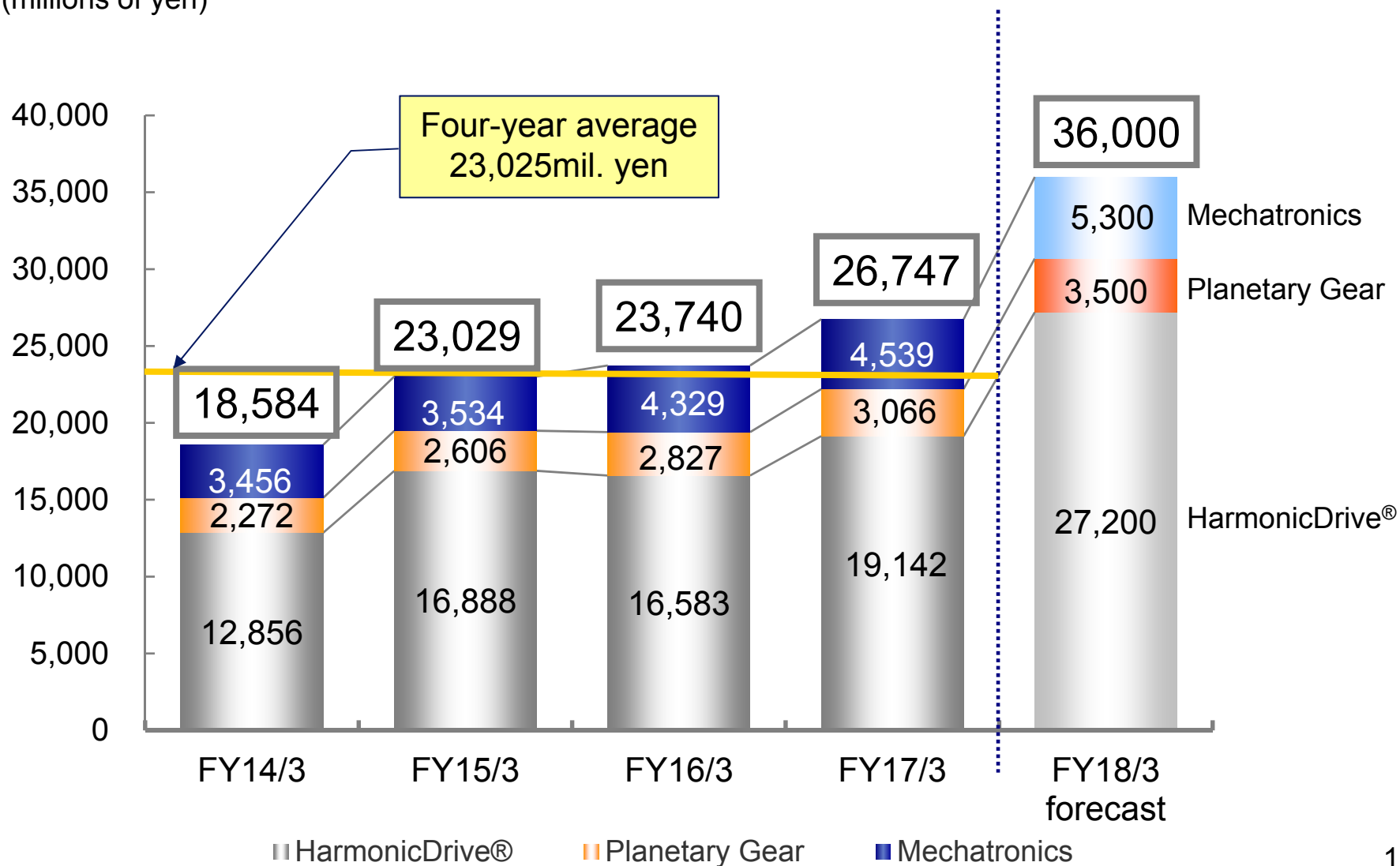
Sales trend line (non-consolidated)

(millions of yen)



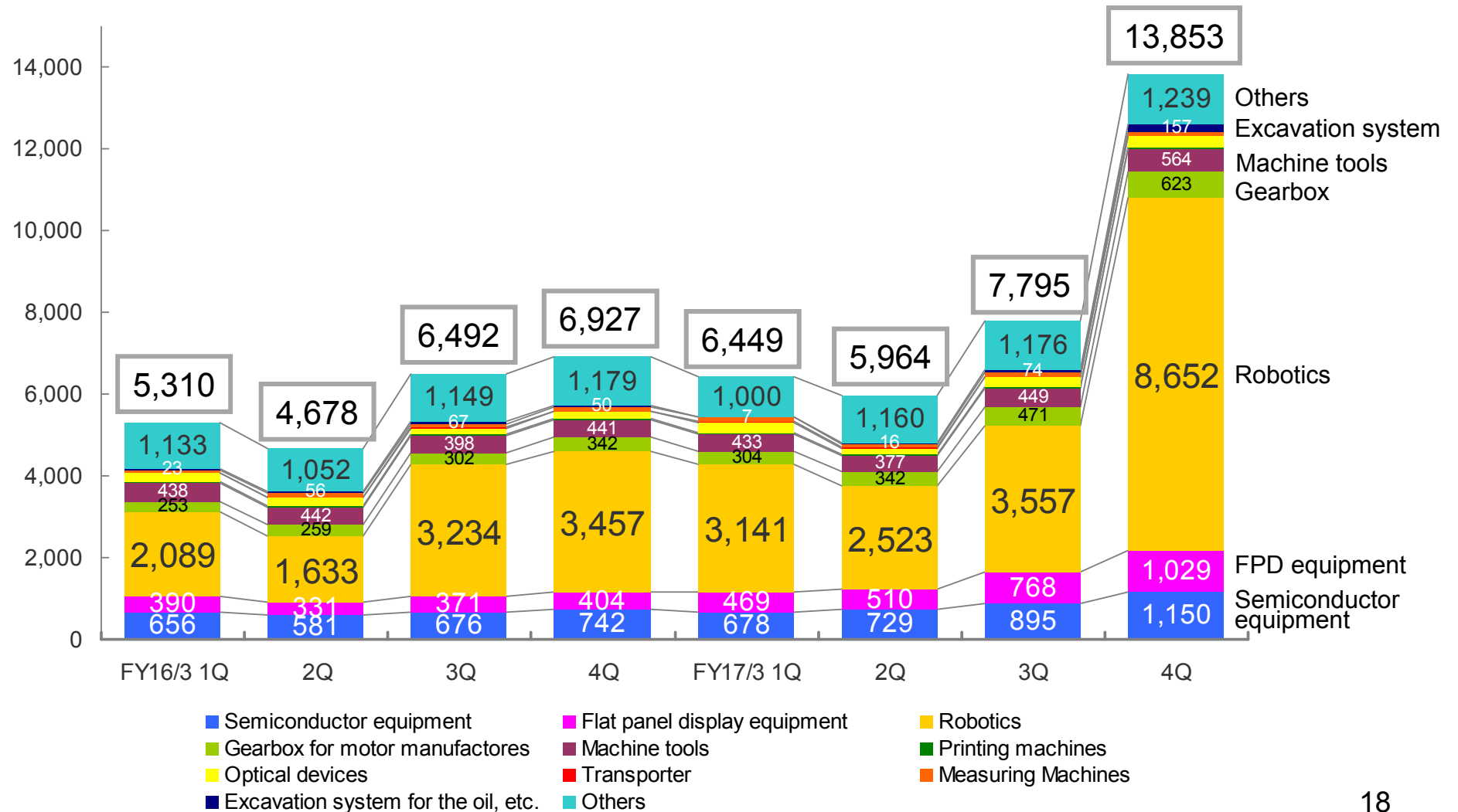
Sales trend line by product (non-consolidated)

(millions of yen)

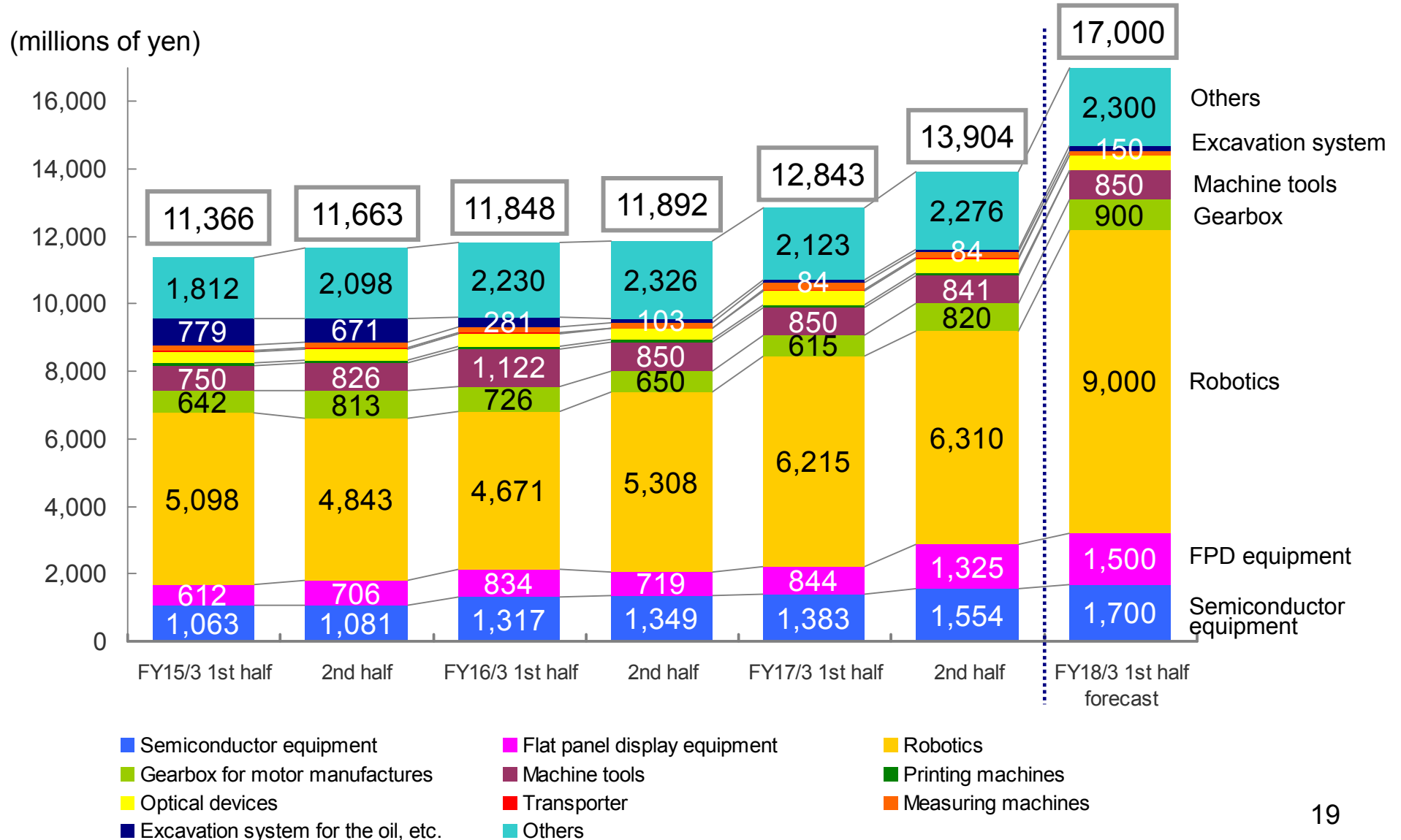


Non-consolidated bookings by application (quarterly)

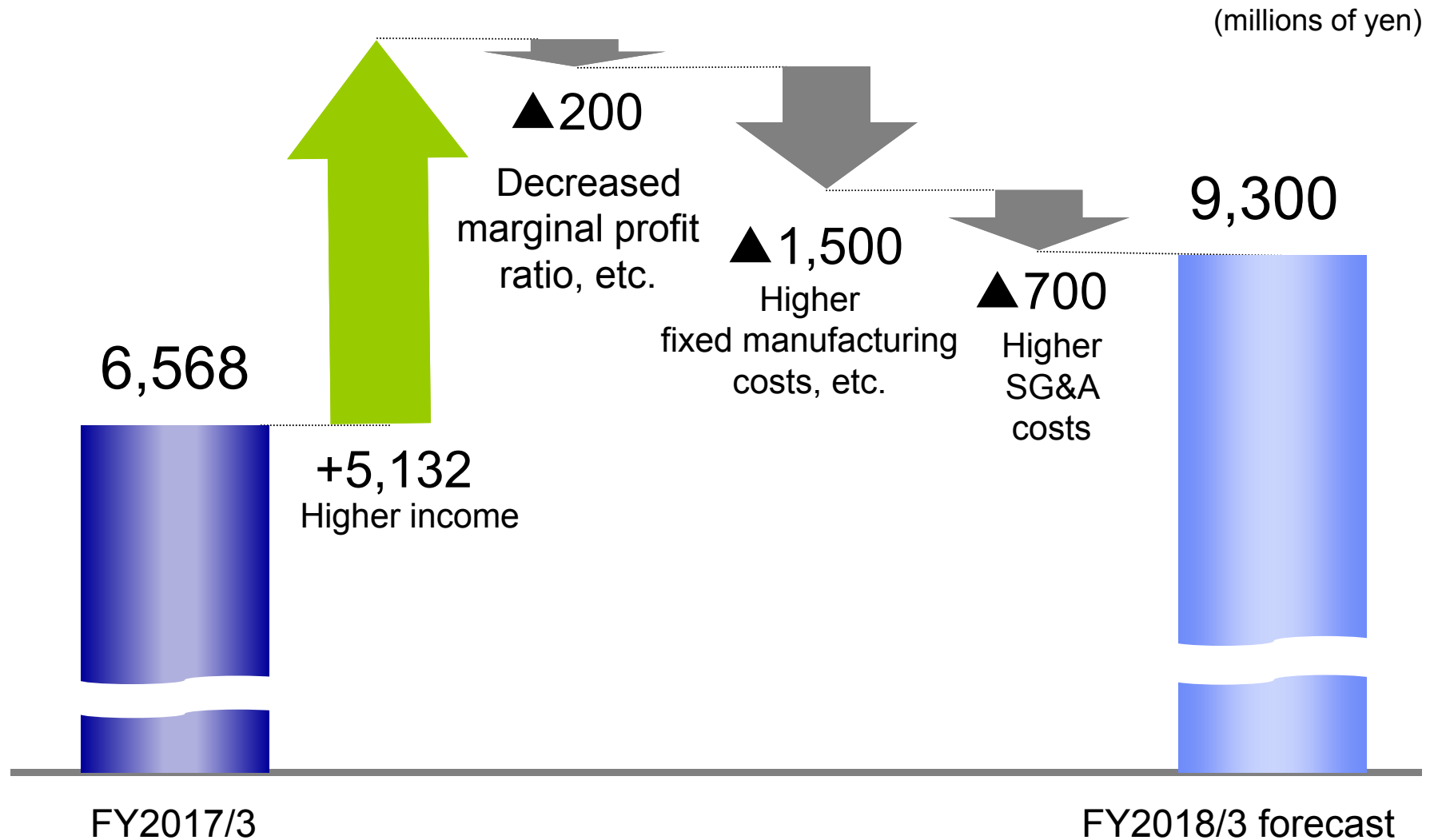
(millions of yen)



Non-consolidated Sales by application (by half-year)



Factors in year-on-year change in non-consolidated operating income (FY 2018/3 forecast)



Trends in operating income (non-consolidated)

