Original forecasts (announced May 12) | Revised forecasts (announced Nov. 11) | Vs. original forecasts
--- | --- | ---
Net sales | 29,000 | 100.0 | 27,200 | 100.0 | ▲1,800 | ▲6.2%
Operating income | 7,800 | 26.9 | 7,100 | 26.1 | ▲700 | ▲9.0%
Ordinary income | 8,400 | 29.0 | 7,400 | 27.2 | ▲1,000 | ▲11.9%
Net income | 5,500 | 19.0 | 4,700 | 17.3 | ▲800 | ▲14.5%

(millions of yen)

Revised consolidated results forecast for fiscal year ending March 31, 2016

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## Consolidated performance forecast for fiscal year ending March 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>FY ended Mar. 31, 2015</th>
<th>Forecasts FY ending Mar. 31, 2016</th>
<th>Year-on-year change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Percent (%)</td>
<td>Amount</td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>25,951</td>
<td>100.0</td>
<td>27,200</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>7,066</td>
<td>27.2</td>
<td>7,100</td>
</tr>
<tr>
<td><strong>Ordinary income</strong></td>
<td>7,525</td>
<td>29.0</td>
<td>7,400</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>4,833</td>
<td>18.6</td>
<td>4,700</td>
</tr>
<tr>
<td><strong>EPS (yen)</strong> *2</td>
<td>52.77</td>
<td></td>
<td>51.31</td>
</tr>
<tr>
<td><strong>Capital investment</strong></td>
<td>2,475</td>
<td></td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Depreciation costs</strong></td>
<td>1,305</td>
<td></td>
<td>1,650</td>
</tr>
<tr>
<td><strong>R&amp;D costs</strong></td>
<td>1,309</td>
<td></td>
<td>1,450</td>
</tr>
</tbody>
</table>

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

*2 EPS calculated as if the October 1, 2014 share split (1:3) took place at the beginning of the previous fiscal year.

*3 Assumed exchange rate for FY ending Mar.31, 2016 forecasts 1US$ = ¥120.00  € = ¥134.00
Forecasts of main group companies for fiscal year ending March 31, 2016

<table>
<thead>
<tr>
<th>Company</th>
<th>Equity stake</th>
<th>Net sales</th>
<th>Net income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Amount</td>
<td>Year-on-year change (%)</td>
</tr>
<tr>
<td>Harmonic Drive Systems Inc.</td>
<td>100%</td>
<td>23,000</td>
<td>▲0.1</td>
</tr>
<tr>
<td>*1</td>
<td>100% (51%)</td>
<td>4,800</td>
<td>40.5</td>
</tr>
<tr>
<td>*4 HD Systems, Inc. (Harmonic Drive L.L.C) (U.S.A)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harmonic AD, Inc.</td>
<td>100%</td>
<td>2,250</td>
<td>7.0</td>
</tr>
<tr>
<td>*2</td>
<td>36.8%</td>
<td>10,400</td>
<td>3.7</td>
</tr>
<tr>
<td>*4 Harmonic Drive AG (Germany)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

*2 Exchange rates: Jan. – Dec., 2014 1€ = 140.42 yen, Jan. – Dec., 2015 forecast 1€ = 134.00 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, 2016

<table>
<thead>
<tr>
<th></th>
<th>FY ended Mar. 31, 2015</th>
<th></th>
<th>Forecasts FY ending Mar. 31, 2016</th>
<th></th>
<th>Year-on-year change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Percent (%)</td>
<td>Amount</td>
<td>Percent (%)</td>
<td>Amount</td>
</tr>
<tr>
<td>Net sales</td>
<td>23,029</td>
<td>100.0</td>
<td>23,000</td>
<td>100.0</td>
<td>▲29</td>
</tr>
<tr>
<td>Operating income</td>
<td>5,975</td>
<td>25.9</td>
<td>5,300</td>
<td>23.0</td>
<td>▲675</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>6,340</td>
<td>27.5</td>
<td>6,000</td>
<td>26.1</td>
<td>▲340</td>
</tr>
<tr>
<td>Net income</td>
<td>4,063</td>
<td>17.6</td>
<td>4,100</td>
<td>17.8</td>
<td>36</td>
</tr>
<tr>
<td>EPS (yen) *2</td>
<td>44.37</td>
<td></td>
<td>44.76</td>
<td></td>
<td>0.39</td>
</tr>
<tr>
<td>Capital investment *1</td>
<td>1,456</td>
<td></td>
<td>4,200</td>
<td></td>
<td>2,743</td>
</tr>
<tr>
<td>Depreciation costs</td>
<td>756</td>
<td></td>
<td>1,000</td>
<td></td>
<td>243</td>
</tr>
<tr>
<td>R&amp;D costs</td>
<td>1,296</td>
<td></td>
<td>1,430</td>
<td></td>
<td>133</td>
</tr>
</tbody>
</table>

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

*2 EPS calculated as if the October 1, 2014 share split (1:3) took place at the beginning of the previous fiscal year.
Sales trend line (non-consolidated)

(millions of yen)


8,014  7,478  9,494  11,663  11,151
10,555  8,680  9,089  11,366  11,511

Four-year average 18,960 mil. yen

1st-half  2nd-half

18,069  16,159  18,584  23,029  23,000

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Sales trend line by product (non-consolidated)

(millions of yen)

Four-year average 18,960mil. yen

forecast

Forecasted sales trend line for the fiscal years ending March 31, 2016:
- HarmonicDrive®: 16,100 million yen
- Planetary Gear: 2,800 million yen
- Mechatronics: 4,100 million yen

Historical sales trend line for the fiscal years ended March 31:
- HarmonicDrive®: 18,069 million yen
- Planetary Gear: 16,159 million yen
- Mechatronics: 18,584 million yen

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Non-consolidated bookings by application (quarterly)

(millions of yen)

FY ended Mar. 31, 2015

1Q | 2Q | 3Q | 4Q
---|---|---|---
Semiconductor equipment | 965 | 902 | 1,002 | 1,184
Gearbox for motor manufactures | 397 | 495 | 363 | 170
Flat panel equipment | 401 | 424 | 372 | 709
Robotics | 340 | 344 | 607 | 1,133
Optical devices | 656 | 656 | 698 | 438
Transporter | 253 | 253 | 567 | 442
Measuring machines | 231 | 231 | 231 | 56
Excavation systems for the oil, etc. | 902 | 438 | 438 | 438
Others | 510 | 521 | 521 | 521

FY ending Mar. 31, 2016

1Q | 2Q
---|---
Semiconductor equipment | 5,247
Gearbox for motor manufactures | 2,854
Flat panel equipment | 5,815
Robotics | 1,184
Optical devices | 1,133
Transporter | 1,633
Measuring machines | 698
Excavation systems for the oil, etc. | 2,722
Others | 709

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Factors in year-on-year change in non-consolidated operating income (fiscal year ending March 31, 2016 forecast)

FY ended Mar. 31, 2015

- Lower income ▲ 17
- Lower marginal profit ratio, etc. ▲ 100

FY ending Mar. 31, 2016 forecast

- Higher fixed manufacturing costs, etc. ▲ 200
- Higher SG&A costs ▲ 358

(5,975 - 5,300) = 5,300 (millions of yen)
Trends in operating income (non-consolidated)

(millions of yen)

FY ended Mar. 31,2012: 3,576
FY ended Mar. 31,2013: 2,955
FY ended Mar. 31,2014: 4,180
FY ended Mar. 31,2015: 5,975
FY ending Mar. 31,2016 forecast: 5,300

Operating income margin (%)

FY ended Mar. 31,2012: 19.8%
FY ended Mar. 31,2013: 18.3%
FY ended Mar. 31,2014: 22.5%
FY ended Mar. 31,2015: 25.9%
FY ending Mar. 31,2016 forecast: 23.0%