

# Interim Financial Statements Briefing Session for 2017/03 Term

( From April 1, 2016 to September 30, 2016 )



November 15, 2016

- I. Overview of Interim Financial Results for  
2017/03 Term
  
- II. Forecast of Consolidated Financial Results  
for 2017/03 Term

# I. Overview of Interim Financial Results for 2017/03 Term

## II. Forecast of Consolidated Financial Results for 2017/03 Term

# Interim Consolidated Financial Results for 2017/03

## Term Highlights (Part1)

(¥ Million)	2017/03 Term (Interim)	2016/03 Term (Interim)	Year-on-year percentage change	Estimated value of business results (May 13, 2016)
Sales Amount	6,260	5,904	6.0%	6,170
Optical Disc Mold Group	3,854	3,476	10.9%	3,750
Optical Communicati ons Group	2,405	2,428	(0.9%)	2,420
Operating Profit	656	433	51.4%	480
Ordinary Profit	666	462	44.3%	510
Net Profit	425	252	68.5%	300

# Interim Consolidated Financial Results for 2017/03

## Term Highlights (Part2)

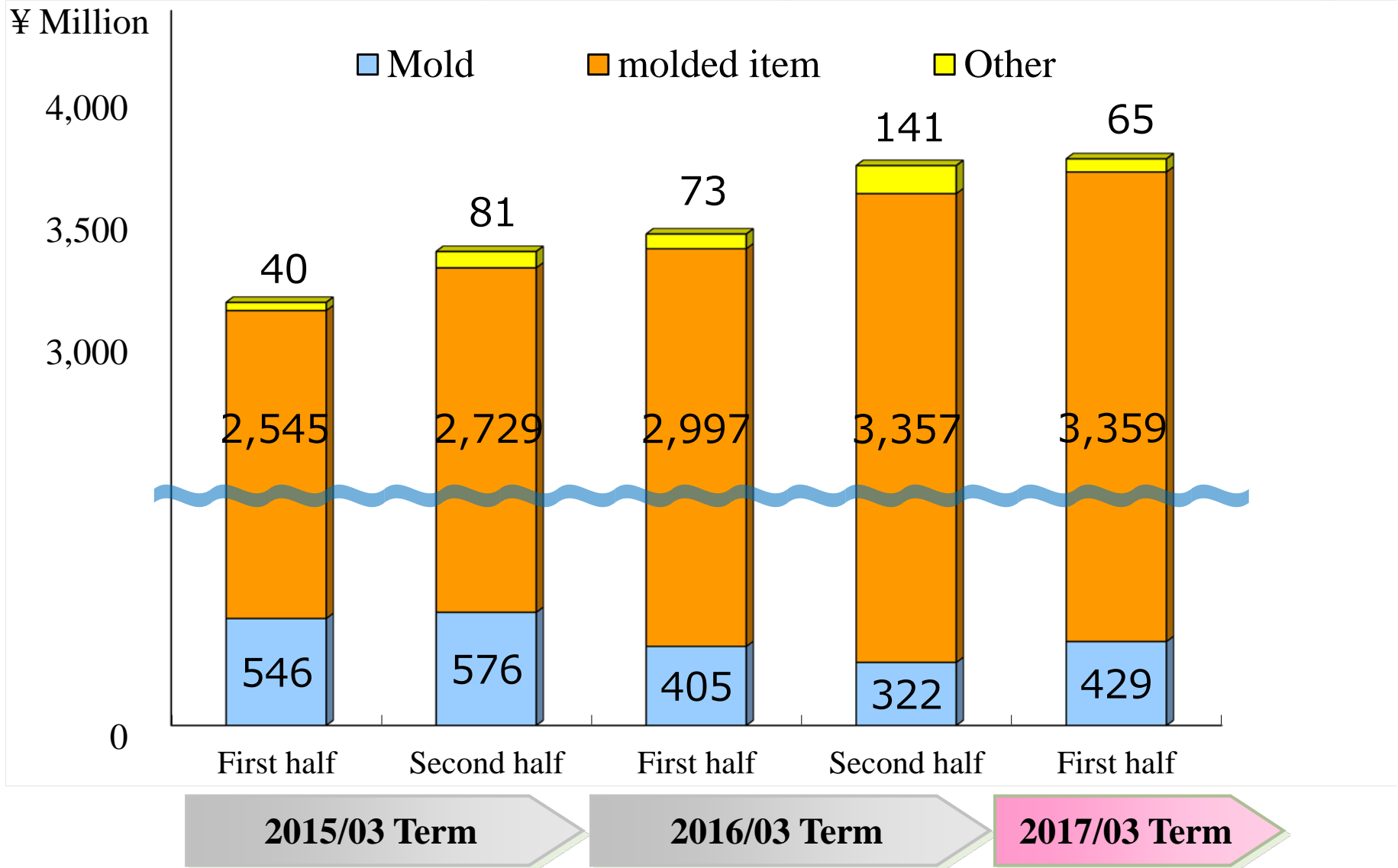
(¥ Million)	2017/03 Term (Interim)	2016/03 Term (Interim)	Year-on-year percentage Change
Orders Received	6,340	6,140	3.2%
Orders Backlog	1,492	1,292	15.5%
Equipment Investment	372	593	(37.3%)
Depreciation Expenses	536	446	20.2%
R & D Expenses	179	173	3.0%

# Business Results by Segment Optical Disc Mold Group

(¥ Million)	2017/03 Term (Interim)	2016/03 Term (Interim)	Year-on-year percentage change
Sales Amount	3,854	3,476	10.9%
Operating Profit	436	361	20.6%
Operating Profit Ratio	11.3%	10.4%	—



# Sales Amounts by Product Optical Disc Mold Group



# Business Results by Segment Optical Communications Group

(¥ Million)	2017/03 Term (Interim)	2016/03 Term (Interim)	Year-on-year Percentage change
Sales Amount	2,405	2,428	(0.9%)
Operating Profit	220	72	202.6%
Operating Profit Ratio	9.1%	3.0%	—



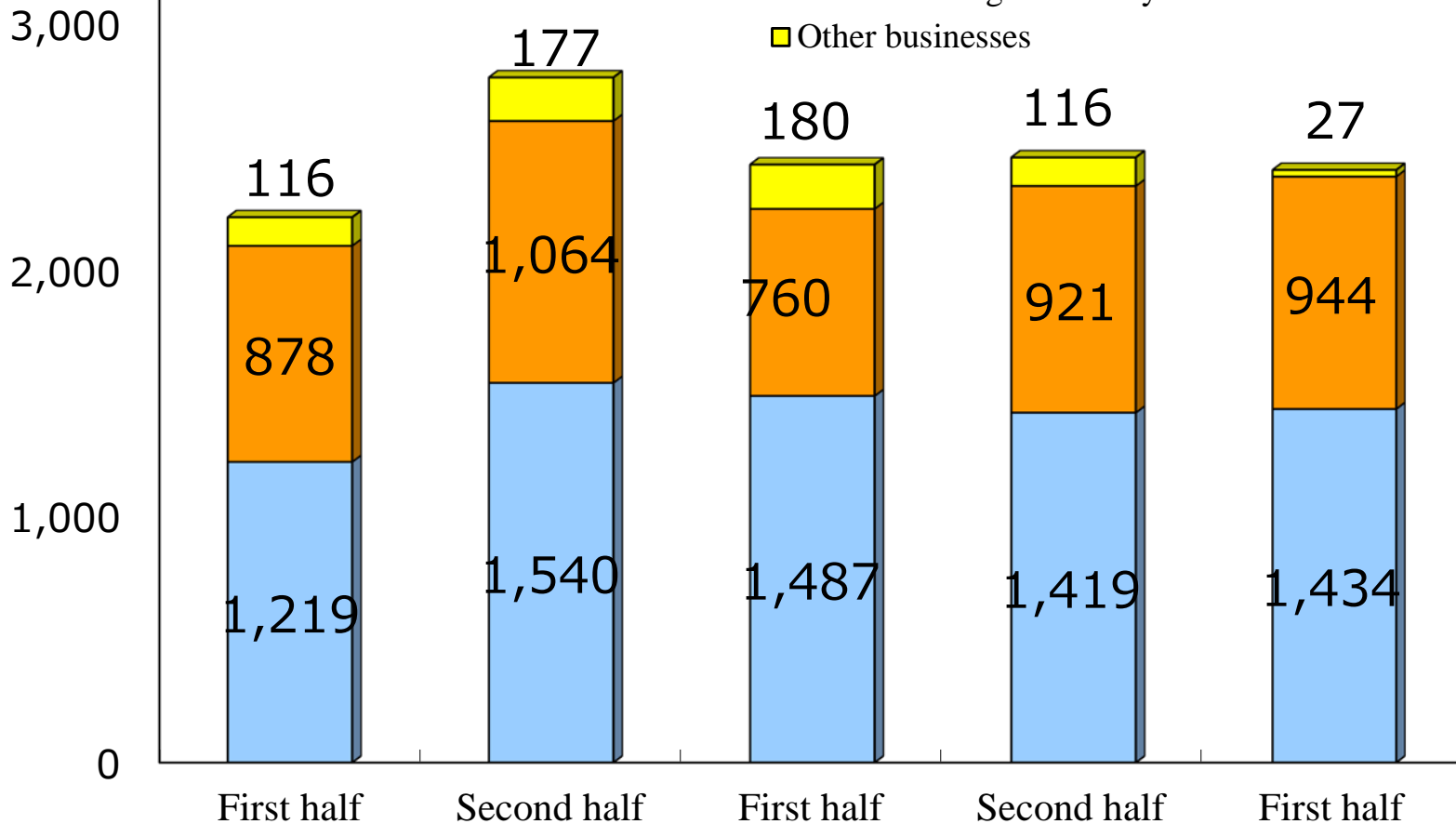


# Sales Amounts by Product

## Optical Communications Group

¥ Million

- Components for optical communication components
- Manufacturing machinery and devices
- Other businesses



2015/03 Term

2016/03 Term

2017/03 Term

# Consolidated Balance Sheet

(¥ Million)

[Assets]	2017/03 Term	2016/03 Term	Amount (Increase/Decrease)
Current Assets	14,418	14,417	1
Fixed Assets	10,024	10,422	(398)
<b>Total Assets</b>	<b>24,442</b>	<b>24,840</b>	<b>(397)</b>
<b>[Liabilities and Net Assets]</b>			
Current Liabilities	2,529	2,591	(62)
Fixed Liabilities	1,046	1,058	(11)
Net Assets	20,866	21,190	(323)
<b>Total Liabilities/Net Assets</b>	<b>24,442</b>	<b>24,840</b>	<b>(397)</b>

# Consolidated Cash Flow Statement

(¥ Million)	2017/03 Term	2016/03 Term
CF - Operating	854	460
CF - Investing	(843)	(840)
CF- Financing	(122)	(77)
Increase in Cash	(272)	(449)
Balance at the beginning of term	2,828	2,526
Balance at the end of term	2,555	2,076

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**II. Forecast of Consolidated Financial Results  
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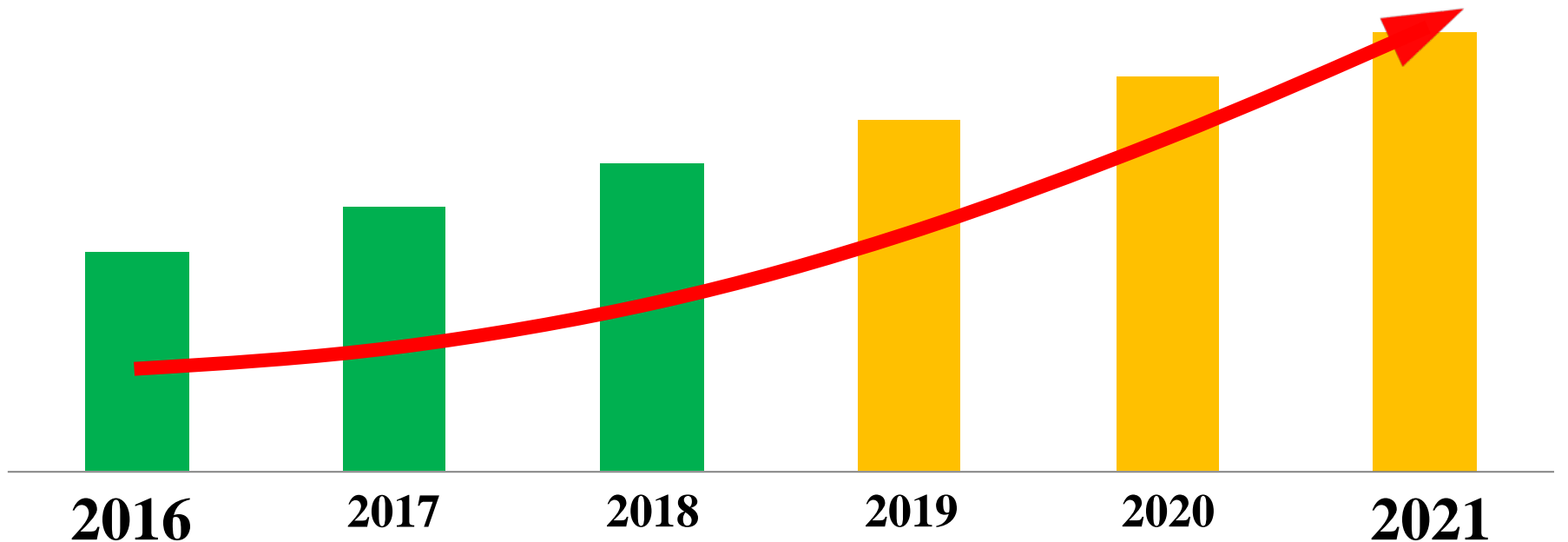
# Objectives of the Master Plan 2016

Master Plan 2016

FY2016 - FY2021

**1st phase**  
2016 - 2018

**2nd phase**  
2019 - 2021



**2016**

**2017**

**2018**

**2019**

**2020**

**2021**

**50th  
Business year**

# Objectives of the Master Plan 2016



# Fundamental Strategies for the 1st Phase

## 1. Strengthen earnings of existing businesses

- Strengthen sales capabilities
- Raise price-competitive strength
- Accelerate new product development and new technology development

## 2. Optimize business portfolio

- Create next generation businesses
- Streamline loss-making businesses

## 3. Strengthen business foundations

- Strengthen human resources capabilities
- Implement growth promoting investments
- Strengthen management administration

# Forecast of Consolidated Business Results for 2017./03 Term

(¥ Million)	Results for the first half	Forecast of the second half	Forecast of the 2017/03 Term	Results for the 2016/03 Term
Sales Amount	6,260	6,239	12,500	12,182
Operating Profit	656	243	900	930
Ordinary Profit	666	283	950	967
Net profit	425	124	550	550
Equipment Investment			1,024	1,541
Depreciation Expenses			1,172	961
R & D Expenses			389	350



# Plan for the 2nd half by division

## (Precision machinery related products)

(¥ Million)	Results for the first half	Forecast of the second half	Forecast of the 2017/03 Term	Results for the 2016/03 Term
<b>Sales Amount</b>	<b>3,854</b>	<b>3,646</b>	<b>7,500</b>	<b>7,298</b>
<b>Operating Profit</b>	<b>436</b>	<b>84</b>	<b>520</b>	<b>738</b>

### Expansion of the molded products business

Development of new markets and customers through thin-wall micro molding technology

Further enhancement of ornamental molding technology

Flawless start-up of the new Chitose factory



# Plan for the 2nd half by division

## (Optical related products)

(¥ Million)	Results for the first half	Forecast of the second half	Forecast of the 2017/03 Term	Results for the 2016/03 Term
<b>Sales Amount</b>	<b>2,405</b>	<b>2,595</b>	<b>5,000</b>	<b>4,884</b>
<b>Operating Profit</b>	<b>220</b>	<b>160</b>	<b>380</b>	<b>192</b>

Strengthening of marketing capabilities and price competitiveness in relation to growth markets

Strengthening of marketing capabilities in relation to data centers and China offshore markets, etc.

Development of new products and technologies such as multi-fiber and fiber-optic link applications, etc.

Reductions in manufacturing cost and procurement cost



