

Interim Financial Statements Briefing Session for 2018/03 Term

(From April 1, 2017 to September 30, 2017)



November 14, 2017

- I. Overview of Interim Financial Results for
2018/03 Term

- II. Plan for consolidated performance for
2018/03 Term

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Interim Consolidated Financial Results for 2018/03

Term Highlights (Part1)

(¥ Million)	2018/03 Term (Interim)	2017/03 Term (Interim)	Year-on-year percentage change	Plan performance values (May 12, 2017)
Sales Amount	6,721	6,260	7.4%	6,250
Optical Disc Mold Group	3,744	3,854	(2.9%)	3,620
Optical Communicati ons Group	2,977	2,405	23.8%	2,630
Operating Profit	450	656	(31.4%)	350
Ordinary Profit	484	666	(27.3%)	450
Net Profit	540	425	27.2%	500

Interim Consolidated Financial Results for 2018/03 Term Highlights (Part2)

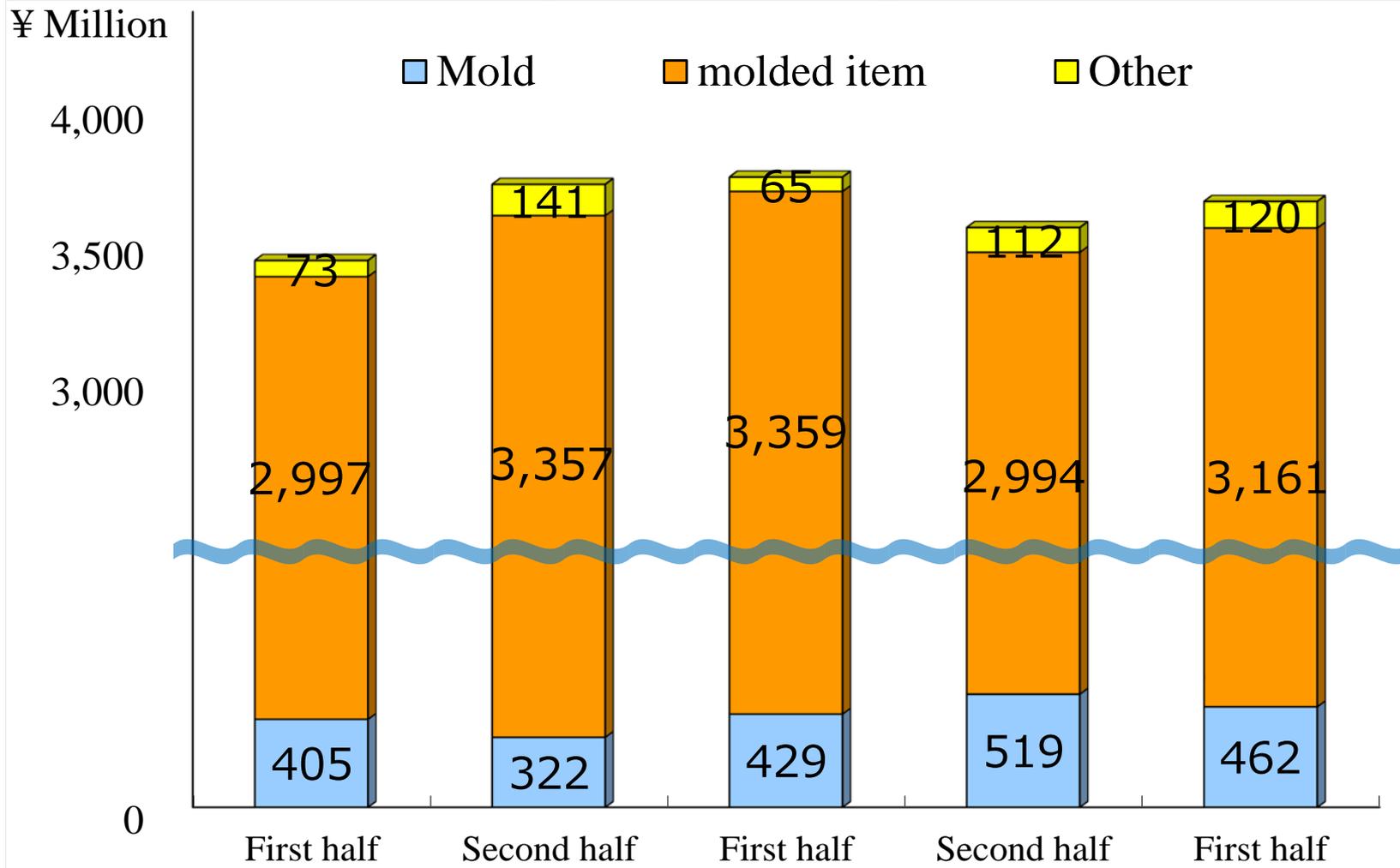
(¥ Million)	2018/03 Term (Interim)	2017/03 Term (Interim)	Year-on-year percentage Change
Orders Received	6,861	6,340	8.2%
Orders Backlog	1,784	1,492	19.5%
Equipment Investment	565	372	52.0%
Depreciation Expenses	552	536	2.9%
R & D Expenses	203	179	13.6%

Business Results by Segment Optical Disc Mold Group

(¥ Million)	2018/03 Term (Interim)	2017/03 Term (Interim)	Year-on-year percentage change
Sales Amount	3,744	3,854	(2.9%)
Operating Profit	235	436	(46.1%)
Operating Profit Ratio	6.3%	11.3%	—



Sales Amounts by Product Optical Disc Mold Group



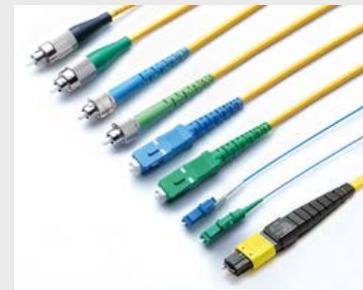
2016/03 Term

2017/03 Term

2018/03 Term

Business Results by Segment Optical Communications Group

(¥ Million)	2018/03 Term (Interim)	2017/03 Term (Interim)	Year-on-year Percentage change
Sales Amount	2,977	2,405	23.8%
Operating Profit	215	220	(2.3%)
Operating Profit Ratio	7.2%	9.1%	—

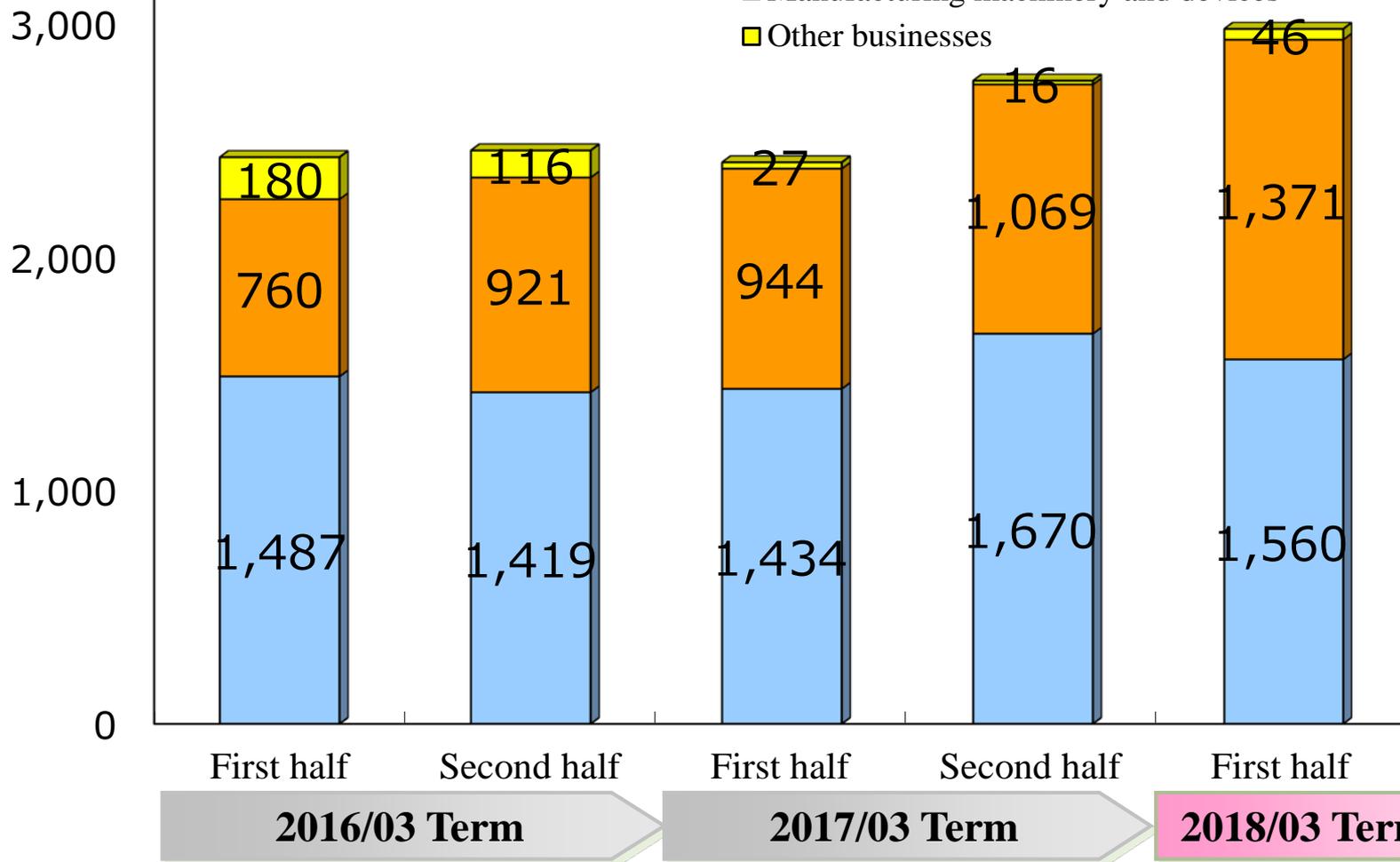


Sales Amounts by Product

Optical Communications Group

¥ Million

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



Consolidated Balance Sheet

(¥ Million)

[Assets]	2018/03 Term (Interim)	2017/03 Term	Amount (Increase/Decrease)
Current Assets	15,321	14,954	367
Fixed Assets	10,310	10,071	238
Total Assets	25,631	25,026	605
[Liabilities and Net Assets]			
Current Liabilities	2,710	2,425	285
Fixed Liabilities	1,060	1,033	27
Net Assets	21,860	21,567	292
Total Liabilities/Net Assets	25,631	25,026	605

Consolidated Cash Flow Statement

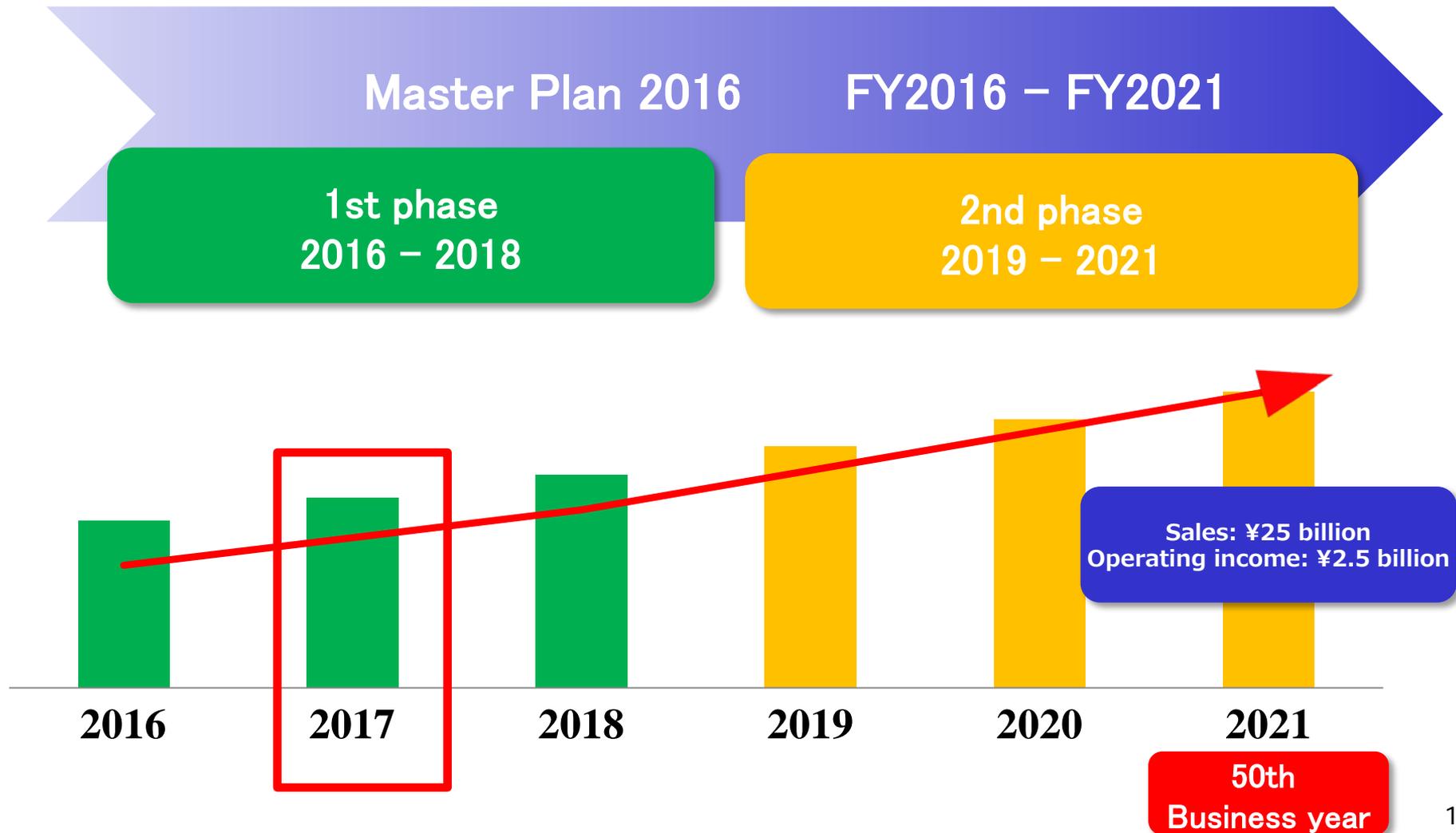
(¥ Million)	2018/03 Term (Interim)	2017/03 Term (Interim)
CF - Operating	901	854
CF - Investing	(1,756)	(843)
CF- Financing	(185)	(122)
Increase in Cash	(1,053)	(272)
Balance at the beginning of term	4,066	2,828
Balance at the end of term	3,012	2,555

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Medium-Term Management Plan Master Plan 2016

- Six-year medium-term plan ending in FY 2021, the 50th business year of the Company



Fundamental Strategies for the 1st Phase

■ Fundamental strategies for FY 2016 - FY 2018

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

Plan for consolidated performance for 2018/03 Term

(¥ Million)	Results for the first half	Forecast of the second half	Forecast of the 2018/03 Term	Results for the 2017/03 Term
Sales Amount	6,721	6,379	13,100	12,644
Operating Profit	450	490	940	1,065
Ordinary Profit	484	566	1,050	1,164
Net profit	540	380	920	800
Equipment Investment	565	589	1,154	957
Depreciation Expenses	552	674	1,226	1,158
R & D Expenses	203	180	383	374

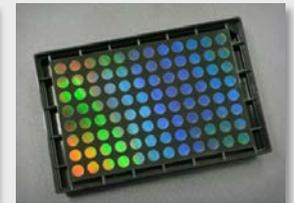
Plan for the 2nd half by division

(Precision machinery related products)

(¥ Million)	Results for the first half	Forecast of the second half	Forecast of the 2018/03 Term	Results for the 2017/03 Term
Sales Amount	3,744	3,706	7,450	7,481
Operating Profit	235	280	515	558

Transformation into a business for high added-value molded products with precision molds and manufacturing technology at the core

- Accelerate volume production at the Chitose plant
- Strengthen relationships with existing customers
- Develop new customers for precision molded products
- Further enhance precision molding technology



Plan for the 2nd half by division (Optical related products)

(¥ Million)	Results for the first half	Forecast of the second half	Forecast of the 2018/03 Term	Results for the 2017/03 Term
Sales Amount	2,977	2,673	5,650	5,162
Operating Profit	215	210	425	506

Increase market share through alliances in new projects

- Strengthening of sales promotion for new products geared at multi-core applications
- Capture data center demand
- Reduce cost of sales by shifting to in-house production and automation, etc.
- Strengthen the cooperation with DATA PIXEL

