## FY2018.3 Performance Outline

Overseas Sales     269.8     (66.1%)     299.9     (69.7%)     299.2     (69.1%)     305.7     (69.2%)       Operating Income     44.3     (10.9%)     50.0     (11.6%)     44.8.8     (11.3%)     55.0     (12.4%)       Ordinary Income     44.9     (11.0%)     57.0     (13.2%)     54.4     (12.8%)     40.0     (9.0%)       Net Income (*)     46.7     (11.4%)     57.0     (13.2%)     54.4     (12.8%)     40.0     (9.0%)       Currency Exchange Rate (8ettement Rate) (*yen)     108/US\$     110/US\$     111/US\$     105/US\$     100.0%     7.1%     100.0%     7.1%     100.0%     7.1%     100.0%     7.1%     100.0%     7.1%     100.0%     7.1%     100.0%     10.0%     7.1%     100.0%     7.1%     100.0%     10.0% <t< th=""><th>r</th><th></th><th>·</th><th></th><th>(billions of yen)</th></t<>	r		·		(billions of yen)
Net Sales     408.2     432.0     433.0     442.0       Japan Sales     138.4     (3.9.%)     135.1     (a1.3%)     299.2     (60.1%)     305.7     (60.2%)       Overseas Sales     269.8     (60.1%)     296.9     (60.7%)     299.2     (60.1%)     305.7     (60.2%)       Operating Income     44.3     (10.9%)     50.0     (11.6%)     448.8     (11.3%)     55.0     (12.4%)       Ordinary Income     44.9     (11.0%)     57.0     (11.2%)     54.4     (12.9%)     40.0     (9.8%)       Currency Exchange Rate     108/USS     110/USS     110/USS     1105/USS     105/USS       Currency Exchange Rate     121/EUR     126/EUR     126/EUR     126/EUR     126/EUR     126/EUR     126/EUR     126/EUR     120/USS     100.0%     7.1%     220.0yen     220.0yen     220.0yen     220.0yen     220.0yen     220.0yen     220.0yen     220.0yen     224.4     25.2     24.8     27.1     22.4     25.0     111.6     21.6     25.3     10.0				Results	-
Japan Sales     138.4     (33.96)     135.1     (31.36)     133.7     (30.96)     305.7     (90.96)       Overseas Sales     269.8     (66.1%)     296.9     (68.7%)     299.2     (66.1%)     305.7     (90.9%)       Operating Income     44.3     (10.9%)     50.0     (11.6%)     448.8     (11.3%)     55.0     (12.4%)       Ordinary Income     44.9     (11.9%)     57.0     (13.8%)     54.4     (12.9%)     40.0     (0.9%)       Currency Exchange Rate     108/USS     110/US\$     110/US\$     105/US\$     100/%     7.1%       ROE (2)     14.0%     14.8%     14.5%     10.0%     7.1%       Earnings per Share     249.2yen     305.8yen     291.8yen     220.0yen       Capital Expenditure     17.5     25.3     24.6     25.0     (11.6)       RAB Expenses     24.4     25.2     24.8     25.0     10.0       Investing Activities     -9.7     3.0     4.8     -25.0     10.0       Investing Activities     -9.7 <td></td> <td>FY2017.3</td> <td>FY2018.3</td> <td>FY2018.3</td> <td>FY2019.3</td>		FY2017.3	FY2018.3	FY2018.3	FY2019.3
Overseas Sales     269.8     (#6.1%)     296.9     (#8.7%)     299.2     (#9.1%)     305.7     (#9.2%)       Operating Income     44.3     (10.0%)     50.0     (11.0%)     48.8     (11.3%)     55.0     (12.4%)       Ordinary Income     44.9     (11.0%)     57.0     (13.2%)     54.4     (12.4%)     40.0     (9.0%)       Net Income (**)     46.7     (14.4%)     57.0     (13.2%)     54.4     (12.4%)     40.0     (9.0%)       Currency Exchange Rate (settement Rate)     108/US\$     1110/US\$     1111/US\$     105/US\$     125/EUR     125/EUR     125/EUR     125/EUR       ROE (*2)     14.8%     14.5%     10.0%     7.1%     220.0yen	Net Sales	408.2	432.0	433.0	442.0
Operating Income     44.3     (15.95)     50.0     (11.85)     48.8     (11.33)     55.0     (12.45)       Ordinary Income     44.9     (11.06)     50.0     (11.85)     49.2     (11.45)     55.0     (12.45)       Net Income (**)     46.7     (11.45)     57.0     (13.26)     54.4     (12.65)     40.0     (9.06)       Currency Exchange Rate     108/US\$     110/US\$     1111/US\$     105/US\$     125/EUR     125/EUR     125/EUR     125/EUR     125/EUR     125/EUR     126/EUR	Japan Sales	<b>138.4</b> (33.9%)	<b>135.1</b> (31.3%)	<b>133.7</b> (30.9%)	136.2 (30.8%)
Ordinary Income     44.9     (11.0%)     50.0     (11.0%)     49.2     (11.4%)     55.0     (12.4%)       Net Income (**)     46.7     (11.4%)     57.0     (13.2%)     54.4     (12.6%)     40.0     (8.0%)       Currency Exchange Rate (settement Rate)     108/US\$     110/US\$     111/US\$     105/US\$     125/EUR       ROE (*2)     14.0%     14.8%     14.5%     10.0%     7.1%       ROA (*3)     9.4%     10.3%     10.0%     7.1%       Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     0     30.     4.8     -25.0       Operating Activities     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Number of Employees     -     <	Overseas Sales	269.8 (66.1%)	296.9 (68.7%)	299.2 (69.1%)	305.7 (69.2%)
Net Income (**)     46.7 (11.4%)     57.0 (13.2%)     54.4 (12.6%)     40.0 (6.0%)       Currency Exchange Rate (Settlement Rate) (-yon)     108/US\$ 121/EUR     110/US\$ 126/EUR     111/US\$ 126/EUR     125/EUR       ROE (*2)     14.0%     14.8%     14.5%     100.0%       ROA (*3)     9.4%     10.3%     10.0%     7.1%       Earnings per Share     249.2yen     305.8yen     291.8yen     220.0yen       Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     -     -     -     -       Operating Activities     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Number of Employees     -     -     -     -       Japan     5,937     5,900     5,845	Operating Income	44.3 (10.9%)	50.0 (11.6%)	48.8 (11.3%)	55.0 (12.4%)
Currency Exchange Rate     108/US\$     110/US\$     111/US\$     105/US\$       (Settlement Rate) (syen)     121/EUR     126/EUR     126/EUR     125/EUR       ROE (2)     14.0%     14.8%     14.5%     10.0%       ROA (3)     9.4%     10.3%     10.0%     7.1%       Earnings per Share     249.2yen     305.8yen     291.8yen     220.0yen       Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     0     47.5     35.0     10.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Investing Activities     -9.7     3.0     4.8     -25.0	Ordinary Income	44.9 (11.0%)	50.0 (11.6%)	49.2 (11.4%)	55.0 (12.4%)
Statusment Rate)     121/EUR     126/EUR     126/EUR     125/EUR       ROE     (2)     14.0%     14.8%     14.5%     10.0%       ROA (3)     9.4%     10.3%     10.0%     7.1%       Earnings per Share     249.2yen     305.8yen     291.8yen     220.0yen       Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     99.7     3.0     4.8     -25.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     14.238     14.800     14.383     15,400       Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400	Net Income (*1)	46.7 (11.4%)	57.0 (13.2%)	54.4 (12.6%)	40.0 (9.0%)
ROE (*2)     12/100K     120/E0K     10.0%     R0.0%     R0.0% <t< td=""><td>Currency Exchange Rate</td><td>108/US\$</td><td>110/US\$</td><td>111/US\$</td><td>105/US\$</td></t<>	Currency Exchange Rate	108/US\$	110/US\$	111/US\$	105/US\$
ROA (*3)     9.4%     10.3%     10.0%     7.1%       Earnings per Share     249.2yen     305.8yen     291.8yen     220.0yen       Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     0     47.5     35.0     35.0       Operating Activities     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     5,937     5,900     5,845     5,900       Japan     5,937     20,700     20,228     21,300       'Changes train techniques in	(Settlement Rate) (=yen)	121/EUR	126/EUR	126/EUR	125/EUR
Earnings per Share     249.2yen     305.8yen     291.8yen     220.0yen       Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     -     -     -     -       Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total <sup>(*)</sup> 20,175     20,700     20,228     21,300       (Camage durin the aterge in the darges in the d	ROE (*2)	14.0%	14.8%	14.5%	10.0%
Capital Expenditure     17.5     25.3     24.6     25.4       (Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Number of Employees     9     94.1     91.0       Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total (*0     20,175     20,700     20,228     21,300       Change of consolidation     7,938     7,500     7,558     7,700       Sales by Business     257.7     (63.1%)     122.5     (28.4%)     125.5     26.4%)       Others     3	ROA (*3)	9.4%	10.3%	10.0%	7.1%
(Depreciation Expenses)     (11.1)     (10.7)     (10.8)     (11.6)       R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     Operating Activities     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400     -       Total (*4)     20,175     20,700     20,228     21,300     -       (Charges form the changes in the period)     7,938     7,500     7,558     7,700     -       Sales by Business Segment     35.1     (8.6%)     36.0     (8.3%)     277.5     (62.8%)       Others     35.1     (8.6%)     36.0     (8.3%)     39.0     (8.8%)       Operating Income by Business Segme	Earnings per Share	249.2yen	305.8yen	291.8yen	220.0yen
R&D Expenses     24.4     25.2     24.8     27.1       Cash Flows     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total <sup>(*4)</sup> 20,175     20,700     20,228     21,300       (Charage drom the period)     7,938     7,500     7,558     7,700       Sales by Business     Segment     115.5     (28.3%)     122.5     (28.4%)       Audio Equipment     115.5     (28.3%)     36.0     (8.3%)     36.7     (8.5%)     39.0     (8.8%)       Operatin	Capital Expenditure	17.5	25.3	24.6	25.4
Cash Flows     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400     14,383     15,400       Total <sup>(4)</sup> 20,175     20,700     20,228     21,300     (Changes from the changes in the exceed considered on)     122.5     (28.4%)     121.8     (28.1%)     125.5     (28.4%)       Audio Equipment     115.5     (28.3%)     36.0     (8.3%)     36.7     (8.5%)     39.0     (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5     (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5     (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5	(Depreciation Expenses)	(11.1)	(10.7)	(10.8)	(11.6)
Operating Activities     39.1     51.0     47.5     35.0       Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     94.1     91.0     91.0       Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total (*4)     20,175     20,700     20,228     21,300       (Change from the changes in the change in the changes in the changes in the change in the change in the changes in the cha	R&D Expenses	24.4	25.2	24.8	27.1
Investing Activities     -9.7     3.0     4.8     -25.0       Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees	Cash Flows				
Free Cash Flow     29.4     54.0     52.3     10.0       Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees     Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total (*4)     20,175     20,700     20,228     21,300       (Changes from the changes in the scope of consolidation)     -     -     -     -       Temporary Staff     7,938     7,500     7,558     7,700     2273.5     (63.3%)     274.5     (63.4%)     2277.5     (62.8%)       Audio Equipment     115.5     (28.3%)     122.5     (28.4%)     36.7     (8.5%)     39.0     (8.8%)       Operating Income by Business Segment     35.1     (8.6%)     36.0     (8.3%)     36.7     (8.5%)     39.0     (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5     39.5       Audio Equipment     10.4     12.0     10.7     12.0     12.0 </td <td>Operating Activities</td> <td>39.1</td> <td>51.0</td> <td>47.5</td> <td>35.0</td>	Operating Activities	39.1	51.0	47.5	35.0
Inventories at End of Period     93.1     96.9     94.1     91.0       Number of Employees Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total (*4)     20,175     20,700     20,228     21,300               Temporary Staff     7,938     7,500     7,558     7,700       Sales by Business            Musical Instruments     257.7 (63.1%)     273.5 (63.3%)     274.5 (63.4%)     277.5 (62.8%)       Others     35.1 (8.6%)     36.0 (8.3%)     36.7 (8.5%)     39.0 (8.8%)       Objecting Income by Business Segment           Musical Instruments     32.1     35.5     34.6     39.5        Audio Equipment     10.4     12.0     10.7     12.0	Investing Activities	-9.7	3.0	4.8	-25.0
Number of Employees Japan     5,937     5,900     5,845     5,900       Overseas     14,238     14,800     14,383     15,400       Total (*4)     20,175     20,700     20,228     21,300       (Charges from the charges in the scope of consolidation)     -     -     -     -       Temporary Staff     7,938     7,500     7,558     7,700       Sales by Business Segment     257.7 (63.1%)     273.5 (63.3%)     274.5 (63.4%)     277.5 (62.8%)       Audio Equipment     115.5 (28.3%)     122.5 (28.4%)     121.8 (28.1%)     125.5 (28.4%)       Others     35.1 (8.6%)     36.0 (8.3%)     36.7 (8.5%)     39.0 (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5       Audio Equipment     10.4     12.0     10.7     12.0	Free Cash Flow	29.4	54.0	52.3	10.0
Japan   5,937   5,900   5,845   5,900     Overseas   14,238   14,800   14,383   15,400     Total (4)   20,175   20,700   20,228   21,300     Charges from the changes in the scope of consolidation?   7,938   7,500   7,558   7,700     Temporary Staff   7,938   7,500   7,558   7,700     Sales by Business   257.7   (63.1%)   273.5   (63.3%)   274.5   (63.4%)   277.5   (62.8%)     Audio Equipment   115.5   (28.3%)   122.5   (28.4%)   121.8   (28.1%)   125.5   (28.4%)     Others   35.1   (8.6%)   36.0   (8.3%)   36.7   (8.5%)   39.0   (8.8%)     Musical Instruments   32.1   35.5   34.6   39.5   39.5     Audio Equipment   10.4   12.0   10.7   12.0   12.0	Inventories at End of Period	93.1	96.9	94.1	91.0
Overseas     14,238     14,800     14,383     15,400       Total (*)     20,175     20,700     20,228     21,300       (Charges from the charges in the scope of consolidation)     7,938     7,500     7,558     7,700       Temporary Staff (Average during the period)     7,938     7,500     7,558     7,700       Sales by Business Segment     257.7 (63.1%)     273.5 (63.3%)     274.5 (63.4%)     277.5 (62.8%)       Audio Equipment     115.5 (28.3%)     122.5 (28.4%)     121.8 (28.1%)     125.5 (28.4%)       Others     35.1 (8.6%)     36.0 (8.3%)     36.7 (8.5%)     39.0 (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5       Audio Equipment     10.4     12.0     10.7     12.0	Number of Employees				
Total (*4) (Changes from the changes in the scope of consolidation)     20,175     20,700     20,228     21,300       Temporary Staff (Average during the period)     7,938     7,500     7,558     7,700       Sales by Business Segment     257.7 (63.1%)     273.5 (63.3%)     274.5 (63.4%)     277.5 (62.8%)       Musical Instruments     257.7 (63.1%)     273.5 (28.4%)     121.8 (28.1%)     125.5 (28.4%)       Others     35.1 (8.6%)     36.0 (8.3%)     36.7 (8.5%)     39.0 (8.8%)       Operating Income by Business Segment     32.1     35.5     34.6     39.5       Audio Equipment     10.4     12.0     10.7     12.0	Japan	5,937	5,900	5,845	5,900
(Changes from the changes in the scope of consolidation)     Image: Consolidation (Changes in the scope of consolidation) <th< td=""><td>Overseas</td><td>14,238</td><td>14,800</td><td>14,383</td><td>15,400</td></th<>	Overseas	14,238	14,800	14,383	15,400
the scope of consolidation)     Image: Construct of consolidation)     Image: Construct of consolidation)     Image: Construct of consolidation)     Image: Construct of construc	Total (*4)	20,175	20,700	20,228	21,300
Interface during the period)     17,938     17,500     17,538     17,700       Sales by Business Segment     Sales by Business     Image: Constraint of the period)     Image: Constraint of the period) </td <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>		-	-	-	-
Sales by Business Segment     Image: Mail of the segment     Image: Mail of the segment <thi< td=""><td></td><td>7,938</td><td>7,500</td><td>7,558</td><td>7,700</td></thi<>		7,938	7,500	7,558	7,700
Musical Instruments   257.7   (63.1%)   273.5   (63.3%)   274.5   (63.4%)   277.5   (62.8%)     Audio Equipment   115.5   (28.3%)   122.5   (28.4%)   121.8   (28.1%)   125.5   (28.4%)     Others   35.1   (8.6%)   36.0   (8.3%)   36.7   (8.5%)   39.0   (8.8%)     Operating Income by Business Segment   32.1   35.5   34.6   39.5   39.5     Audio Equipment   10.4   12.0   10.7   12.0   12.0	Sales by Business				
Audio Equipment   115.5   (28.3%)   122.5   (28.4%)   121.8   (28.1%)   125.5   (28.4%)     Others   35.1   (8.6%)   36.0   (8.3%)   36.7   (8.5%)   39.0   (8.8%)     Operating Income by Business Segment   32.1   35.5   34.6   39.5   39.5     Audio Equipment   10.4   12.0   10.7   12.0		057.7	070 5	0745	077.5
Others     35.1     (8.6%)     36.0     (8.3%)     36.7     (8.5%)     39.0     (8.8%)       Operating Income by Business Segment     T     Image: Comparison of the second seco		· · ` `		, a c a c c c c c c c c c c c c c c c c	
Operating Income by Business SegmentAudio Equipment32.135.534.639.5Audio Equipment10.412.010.712.0		· · ·	, , ,		. ,
Business SegmentHerein StructureBusical Instruments32.135.534.639.5Audio Equipment10.412.010.712.0		35.1 (8.6%)	36.0 (8.3%)	36.7 (8.5%)	39.0 (8.8%)
Audio Equipment     10.4     12.0     10.7     12.0	Business Segment				
	Musical Instruments	32.1	35.5	34.6	39.5
Others 1.7 2.5 3.5 3.5	Audio Equipment	10.4	12.0	10.7	12.0
	Others	1.7	2.5	3.5	3.5

Net Sales	215.8	
Operating Income	15.6	(7.2%)
Ordinary Income	26.6	(12.3%)
Net Income	34.0	(15.7%)

231.1	
26.0	(11.3%)
36.7	(15.9%)
47.5	(20.6%)

\*1 Net income is presented as net income attributable to owners of parent on the consolidate financial statements.

\* 2, 3 The ROE and ROA for the interim period are calculated on an annually adjusted basis.

\*4 Number of employees = Number of full-time staff at end of the period

Consolidated financial forecasts were prepared based on information available at the time of the announcement and do not represent promises by the Company or its management that these performance figures will be attained. Actual consolidated results may differ from forecasts owing to a wide range of factors.