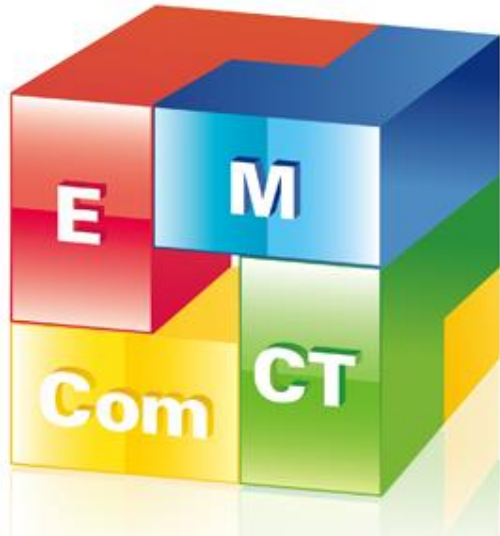


# Financial Result Presentation

For FY2017 (From April 2017 to March 2018)

*Our **T**echnologies **R**ealize **Y**our Dreams*

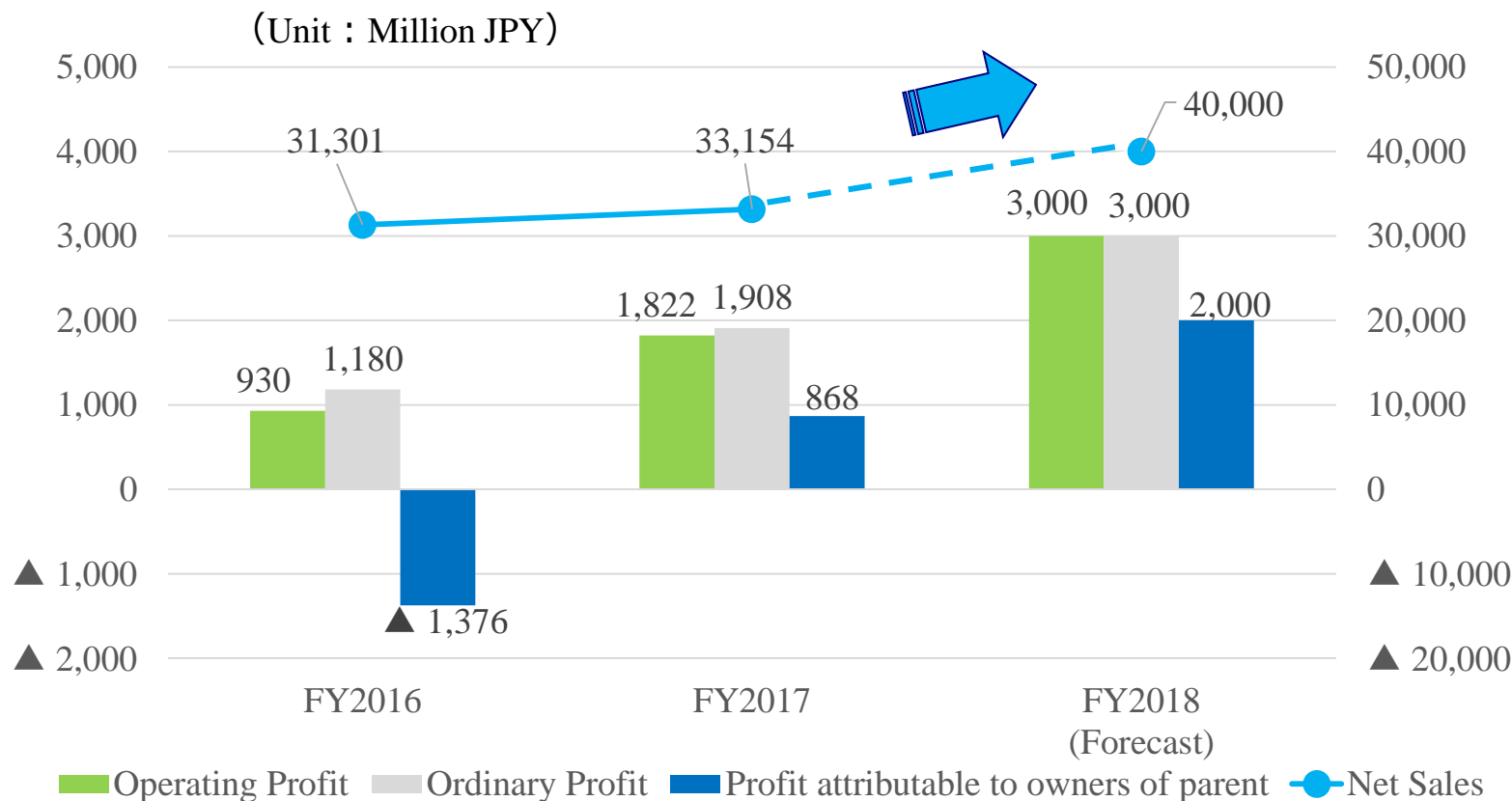


*80<sup>th</sup> Anniversary*

May 25<sup>th</sup>, 2018  
Origin Electric Co., Ltd.

NOTE: Fiscal Year, denoted as “FY”, defined in this document is from April in the specified year to March in the next year.

# Consolidated Business Performances



➤ Regarding FY2017, the net sales increased. Although there was a large sales drop in Mechatronics business, the other three businesses segments achieved enough for compensation. The profits also increased as results of cost reduction efforts.

➤ Regarding FY2018, since the orders of “MDB (Mobile Display Bonder)”, which is main product in Mechatronics business, were recognized, the net sales and profits are expected to increase.

# Principal Strategies in FY2018

## ➤ **Introducing new products in new business field**

- Chemitronics Business : **“Heat dissipation paints”** for industrial instruments  
**“Quick-setting paints”** for optical instruments and information appliances
- Components Business : **“Small-Type High-torque limiter”** for automotive and home appliances  
**“SiC modules”** for industrial instruments
- Mechatronics Business : Display Bonding system **“DB”** for automotive and industrial applications  
Vacuum Soldering Machine **“VSM”** for LED and power device applications
- Electronics Business : **“Energy storage system”** for renewable energy applications

## ➤ **Enhancing “Monozukuri” capability**

- Chemitronics Business : Re-organizing business sites
- Components Business : Enhancing mass production system and outsourced production system
- Mechatronics Business : Raising multi-skilled engineers
- Electronics Business : Improving competitiveness of main products by cost reductions

*Create the future with world-class technology*

# Consolidated Business Performances

(Unit : Million JPY)

	FY2016	FY2017	Increasing Rate
Net Sales	31,301	33,154	5.9%
Operating Profit	930	1,822	95.9%
Ordinary Profit	1,180	1,908	61.7%
Profit attributable to owners of parent	▲ 1,376	868	—
		(Unit : JPY)	
Earning per Share (Yen)	▲ 206.58	130.62	

- Operating and Ordinary profits increased considerably compared to FY2016 as results of business composition changes in the net sales and cost reduction efforts among Origin group companies around the world.
- The impairment loss in Mechatronics Business of JPY267 Million was reported due from low sales of the main product, “MDB”, by reduction of the book value in the fixed asset.

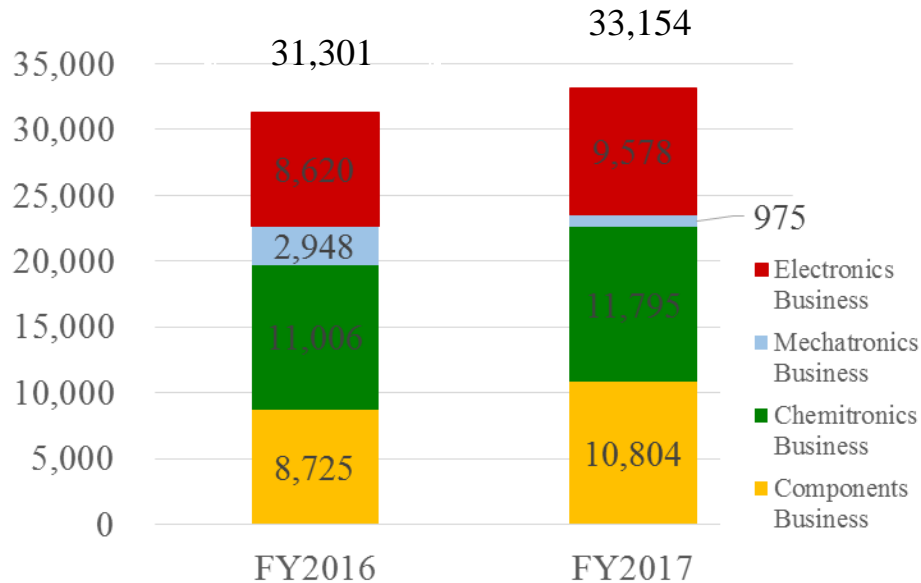
# Consolidated Sales and Profit by Business Segment

(Excluding common expense allocation)



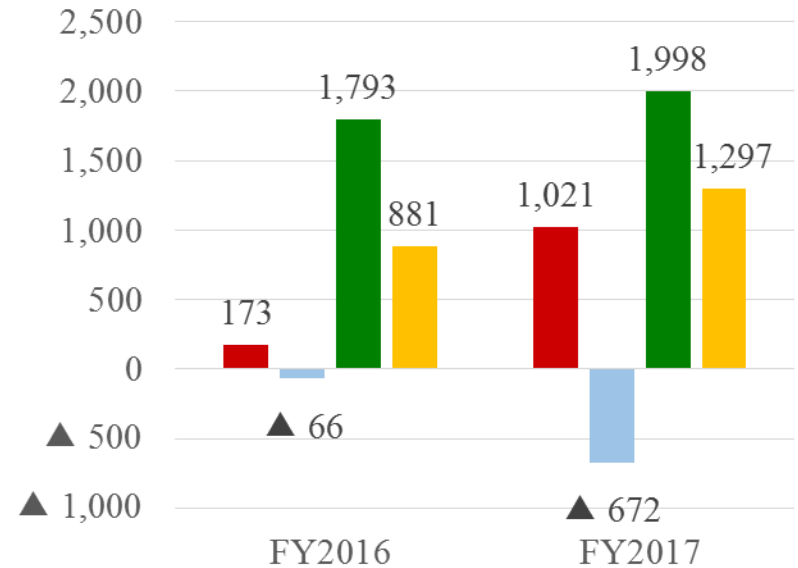
## Consolidated Sales

(Unit : Million JPY)



## Consolidated Profit

(Unit : Million JPY)

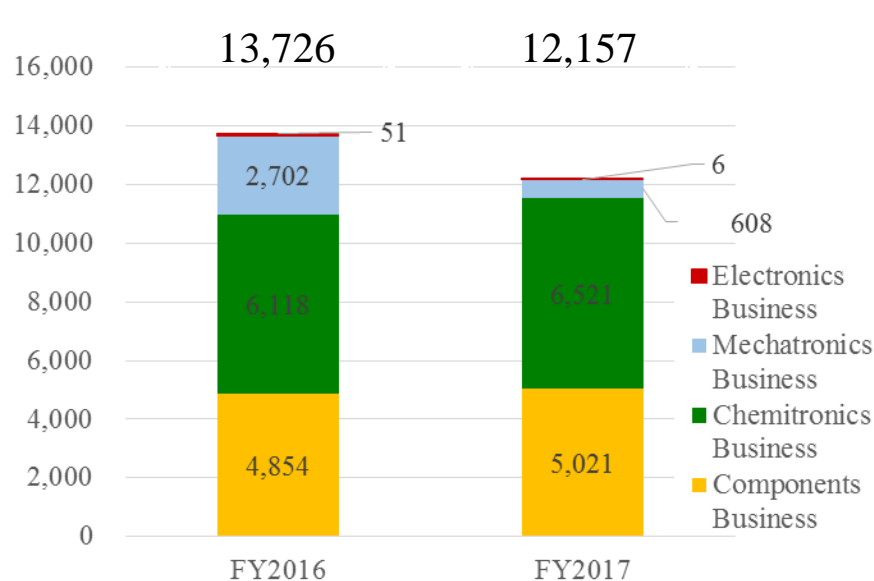


- Electronics Business: Increases in sales and profits due to sales growth of power supply units for wireless base stations in the domestic market, etc.
- Mechatronics Business: Decrease in sales and profits due to extraordinary low sales of MDB.
- Chemitronics Business: Increases in sales and profits due to steady sales growth of the paints for automobiles.
- Components Business: Increases in sales and profits due to relatively high sales in the automotive field and significant sales growth in the office automation machine field.

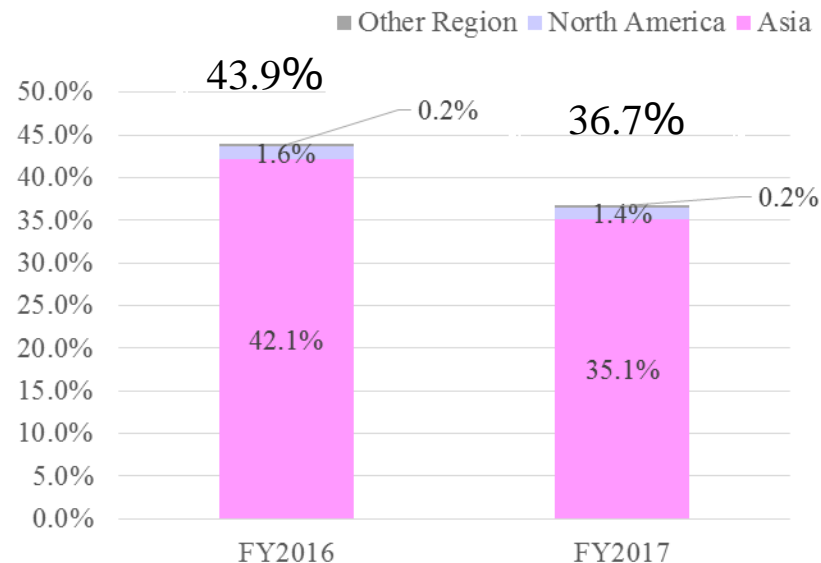
# Consolidated Overseas Sales (By Business Segment and By Region)

## By Business Segment

(Unit: Million JPY)



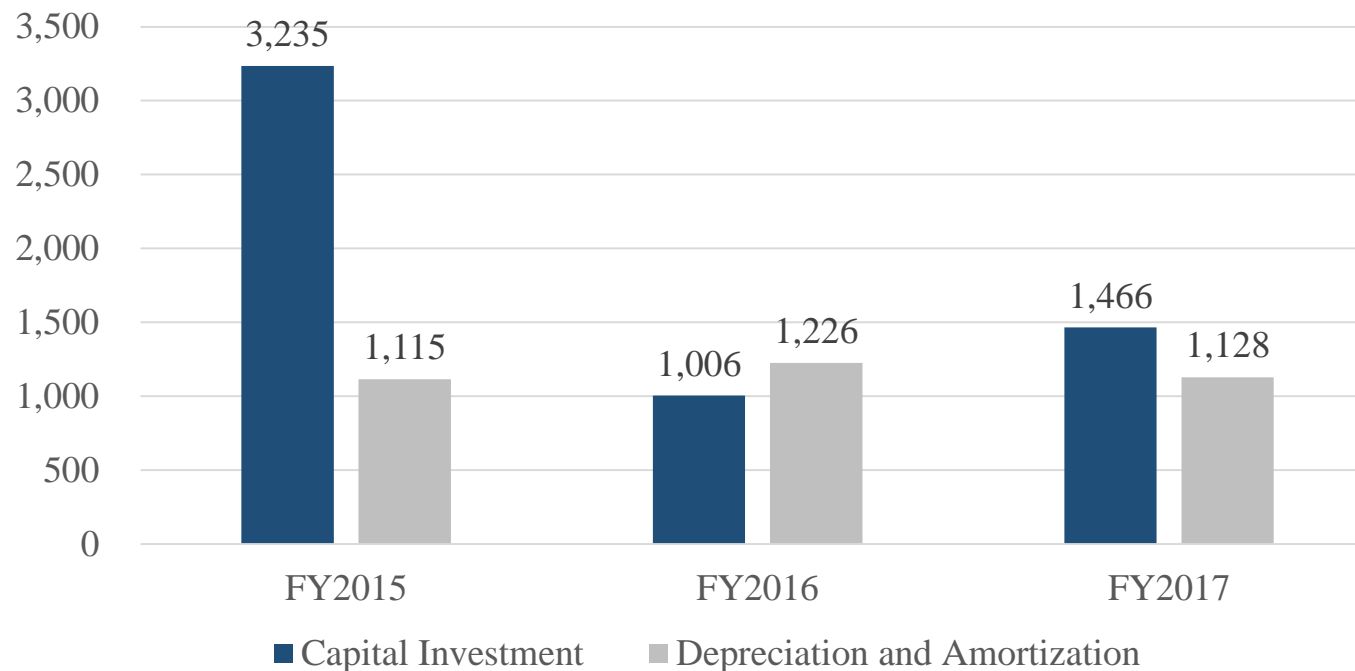
## By Region



- The total overseas sales dropped due from weak sales of the main product in Mechatronics business, “MDB”, although the overseas sales in Chemitronics and Components businesses increased.

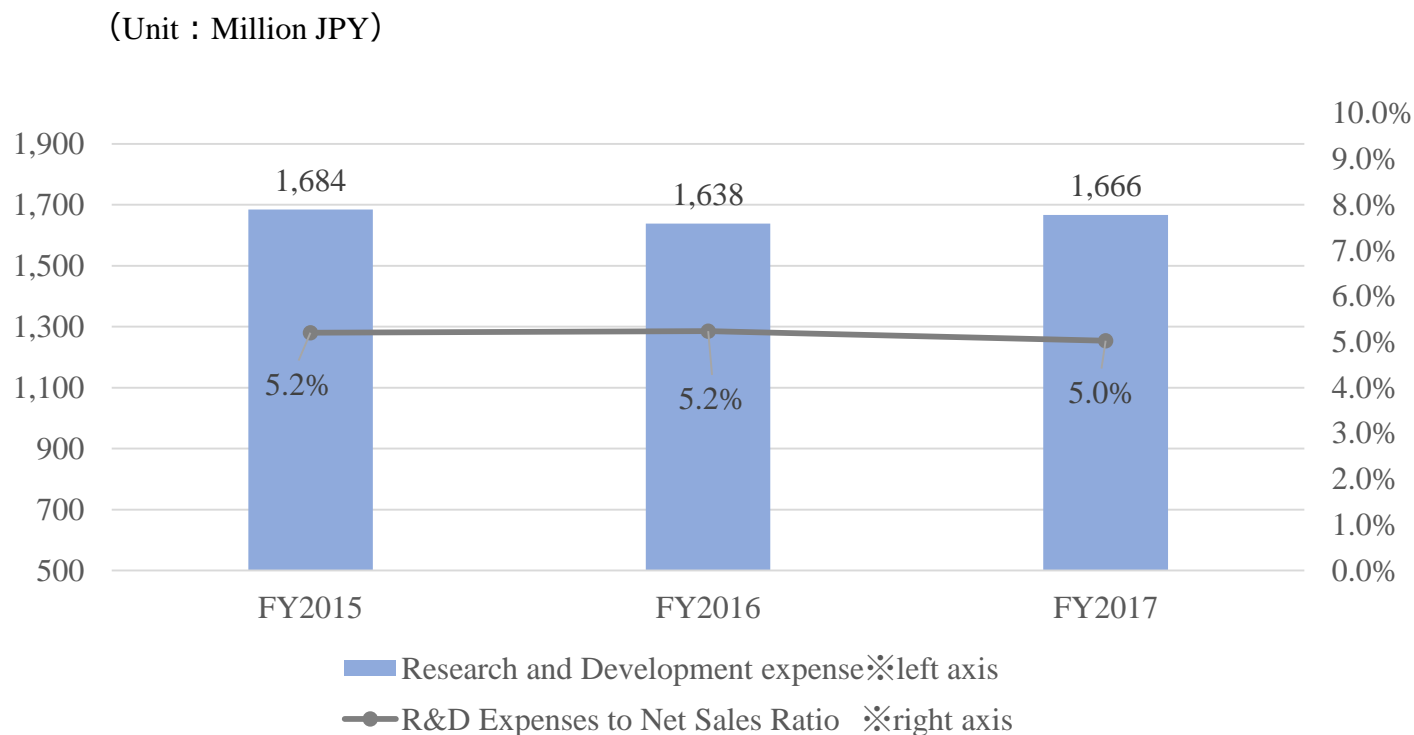
# Consolidated Business Investment and Depreciation

(Unit: Million JPY)



- Main Factor(s) of the amount in Business Investment in FY2015
  - Due to constructions of the new buildings for the relocation of the headquarters.
- Main Factor(s) of the increases in Business Investment in FY2017
  - Due to constructions of the new buildings of our consolidated subsidiary, Toho Kaken Kogyo, for the relocation of its headquarters.
  - Due to introducing the production equipment in Component business.

# Consolidated R&D Expenses



- R&D Expenses in FY2017 show similar trend to that in FY2016.
- As the total sales increased, R&D expenses to net sales ratio decreased by 0.2%.



# Summary of Consolidated Balance Sheet

(Unit: Million JPY)

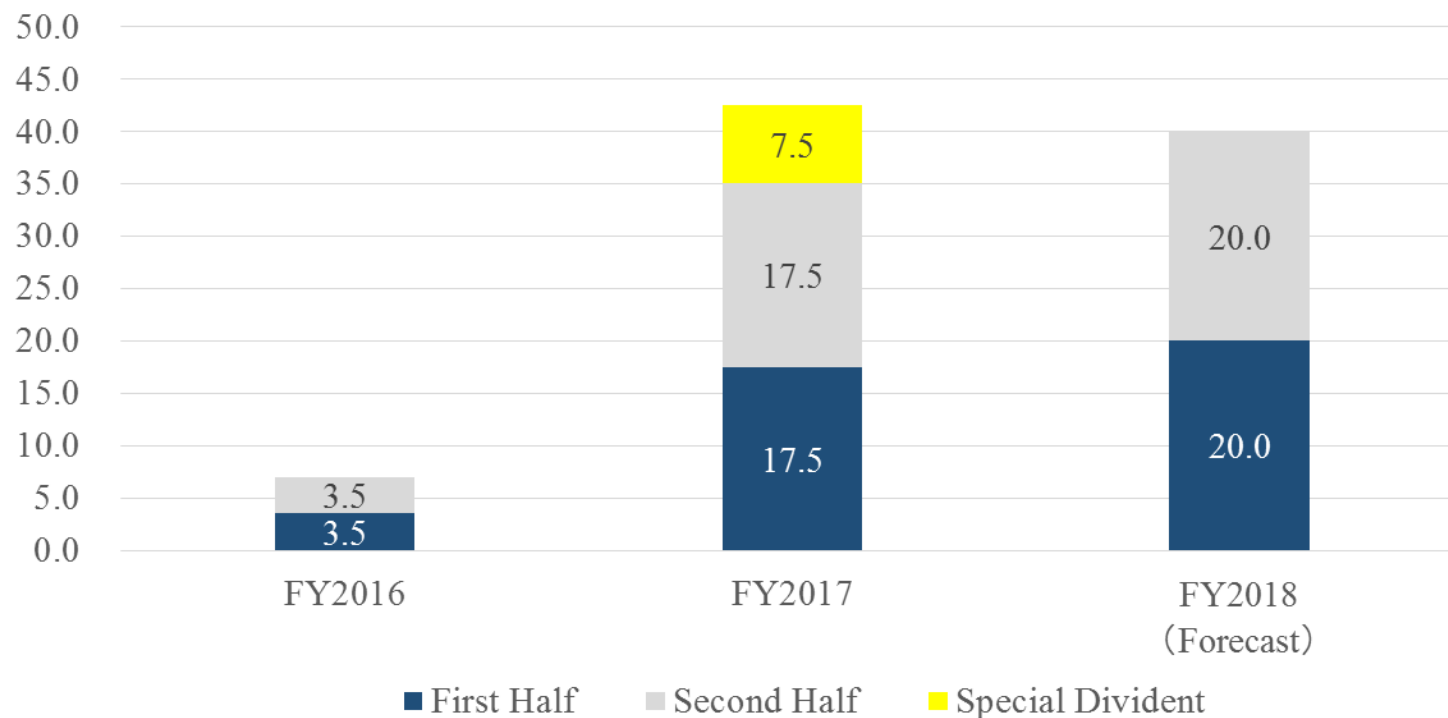
	FY2016	FY2017	Difference
Current Assets	25,427	27,274	1,846
Non-Current Assets	16,830	18,246	1,416
Total Assets	42,258	45,520	3,262
Current Liabilities	13,496	15,869	2,373
Non-Current Liabilities	5,069	4,329	▲ 740
Total Liabilities	18,565	20,198	1,632
Net Assets	23,692	25,322	1,629
Liabilities and Net Assets	42,258	45,520	3,262
Capital Adequacy Ratio	50.2%	49.7%	▲ 0.5%

# Summary of Consolidated Cash Flow Statement

(Unit: Million JPY)

	FY2016	FY2017	Difference
Cash flows from operating activities	1,200	992	▲ 208
Cash flows from investing activities	▲ 1,206	▲ 2,075	▲ 868
Cash flows from financing activities	▲ 191	491	682
Increase or decrease of amount of Cash and Cash Equivalent (▲: decrease)	▲ 456	▲ 502	▲ 46
Balance of Cash and Cash Equivalent at the end of FY	5,578	5,075	▲ 502

# Summary of Dividends Paid



- Share consolidation on a basis of one (1) for every five (5) shares was conducted on October 1<sup>st</sup>, 2017.
- The amount of the dividends paid in FY2017 and FY2018 are estimated taking the share consolidation into account.
- The amount of the Dividends Paid in FY2017 of JPY25 was composed of the followings; ordinary dividend of JPY17.5 and special dividend of JPY7.5.

# Consolidated Financial Results Forecast For FY2018

(Unit : Million JPY)

	FY2017	FY2018 (Forecast)	Increasing Rate
Net Sales	33,154	40,000	20.6%
Operating Profit	1,822	3,000	64.6%
Ordinary Profit	1,908	3,000	57.2%
Profit attributable to owners of parent	868	2,000	130.3%

※The forecasts presented in this document are based on available information at the present. Since various uncertain factors would affect the forecast, results may be different from expectation.

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◇The information in this document is for the purpose of offering the consolidated financial statement as well as financial results for FY2017; however, we are not in the position to guarantee the contents.

◇The forecasts presented in this document are based on available information at the present. Since various uncertain factors would affect the forecast, results may be different from expectation.

◇This document is not for the purpose to recommend the possession of stocks or bonds issued by us currently or possibly in the future.

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