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Official Announcement Regarding Differences between Financial Results Forecasts and Actual Results for the First Half of the Fiscal Year Ending March 31, 2018, and Revisions to Financial Results Forecasts for the Fiscal Year Ending March 31, 2018

We hereby announce, as follows, the differences between the consolidated financial results forecasts and actual results for the first half of the fiscal year ending March 31, 2018, which were released on July 27, 2017.

We also announce revisions to the consolidated financial results forecasts for the fiscal year ending March 31, 2018 as follows, in consideration of recent earnings trends.

1. Revisions to financial results

(1) Differences between consolidated financial results forecasts and actual results for the first half of the fiscal year ending March 31, 2018 (April 1, 2017 to September 30, 2017)

(Unit: "Millions of yen" except information of per share, %)

	(A) Forecast (Jul. 27, 2017)	(B) Results (Oct. 30, 2017)	(B) - (A)	(B) / (A)	Ref. FY2016 (Apr. 16 - Sep. 16)
Net Sales	395,000	410,143	15,143	3.8%	354,041
Operating Income	25,000	30,563	5,563	22.3%	14,023
Ordinary Income	23,000	30,046	7,046	30.6%	11,009
Profit attributable to owners of parent	17,000	24,856	7,856	46.2%	8,894
Net Income per Share	86.78	126.88	---	---	45.40

(2) Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(Unit: "Millions of yen" except information of per share, %)

	(A) Forecast (Jul. 27, 2017)	(B) Forecast (Oct. 30, 2017)	(B) - (A)	(B) / (A)	Ref. FY2016 (Apr. 16 - Mar. 17)
Net Sales	802,000	820,700	18,700	2.3%	753,262
Operating Income	61,000	67,300	6,300	10.3%	44,373
Ordinary Income	57,000	64,500	7,500	13.2%	42,725
Profit attributable to owners of parent	41,000	49,000	8,000	19.5%	34,920
Net Income per Share	209.29	250.12	---	---	178.25

2. Reasons for revisions

During the first half of the fiscal year ending March 31, 2018, the performance of products for the automotive and smartphone markets in our Electronic Components segment was solid. In addition, the business environment improved as the yen weakened more than anticipated (US\$1 = ¥108 and EUR1 = ¥116). As a result, both net sales and profits are expected to be higher than previously forecasted.

In the Automotive Infotainment segment (Alpine Electronics, Inc.; listed on the first section of the Tokyo Stock Exchange), sales of genuine products for European automakers were strong, and reductions in fixed costs and other expenses began to have an effect. In addition, with the weakening of the yen, both net sales and profits are expected to be higher than previously forecasted.

In consideration of the Group's earnings in the first half of the fiscal year and the environment from the third quarter onward, the Company has revised its consolidated financial results forecasts for the fiscal year ending March 31, 2018, that was announced on July 27, 2017, in terms of net sales, operating profit, ordinary profit, and profit attributable to owners of parent.

We assume exchange rates of US\$1 = ¥108 and EUR1 = ¥127 from the third quarter onward.

Note: The above forecasts are based on information available as of the date this announcement was released.

Actual results may differ from the forecasted figures due to various factors arising in the future.

<<Reference>>

Segment information regarding net sales and operating profit

Consolidated financial results forecasts for the fiscal year ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(Millions of yen, %)

Net Sales	(A) Forecast (Jul. 27, 2017)	(B) Forecast (Oct. 30, 2017)	(B) - (A)	(B) / (A)
Electronic Components	483,000	493,300	10,300	2.1%
Automotive Infotainment	242,800	251,900	9,100	3.7%
Logistics	63,000	63,000	0	0.0%
Others	13,200	12,400	-800	-6.1%
Total	802,000	820,700	18,700	2.3%

(Millions of yen, %)

Operating Income	(A) Forecast (Jul. 27, 2017)	(B) Forecast (Oct. 30, 2017)	(B) - (A)	(B) / (A)
Electronic Components	50,000	52,800	2,800	5.6%
Automotive Infotainment	6,500	9,000	2,500	38.5%
Logistics	5,200	5,200	0	0.0%
Others/ Segment adjustment	-700	300	1,000	---
Total	61,000	67,300	6,300	10.3%

Note: Net sales represent sales to external customers, with intersegment sales and transfers eliminated.