



May 13, 2016

Presentation Materials

FY2015 Consolidated Results

Sanwa Global Vision 2020

Second Three Year Plan (2016-2018)



SANWA HOLDINGS CORPORATION
www.sanwa-hldgs.co.jp

■ Introduction

1. Appreciate 60th anniversary 3
2. First Three Year Plan (FY2013-2015)
& Consolidated Results 4

■ FY2015 Consolidated Results

3. Business Results Highlight.....6
4. Net Sales (by sector) 7
5. Operating Income (by Sector) 8
6. Operating income reconciliation (by sector).....9

■ Second Three Year Plan (FY2016-2018)

7. Major Initiates for Second Three Year Plan.....11
8. Business Environment 12
9. Numerical targets in FY2018.....13
10. Second Three Year Plan:
Net Sales (by sector) 14
11. Second Three Year Plan:
Operating Income(by sector) 15
12. Major Initiates ①—⑤.....16

■ FY2016 Consolidated Forecast

13. FY2016 Forecast Highlight.....24
14. Net Sales (by sector) 25
15. Operating Income (by Sector) 26
16. Operating income reconciliation (by sector).....27

■ Financial Information Highlight

17. Financial Information Highlight 29

◆ Appendix

1. Outline of Consolidated Results by Sector 32
2. Sales Trend of Main Products
(Japan, USA, Europe).....33
3. Japan : Order Intake & Net Sales by Products
(Sanwa Shutter) 34
4. USA : Net Sales by products (ODC) 35
5. Europe : Net Sales by products (NF) 36
6. Key Figures & Ratios 37
7. Capital Expenditure & Depreciation.....38
8. Topics 39

Foot-note on Forecast

Any contents in this brochure are based on various assumptions, and neither promise nor guarantee the indicated results of forecast or realization of any management issue.

1. Appreciate 60th anniversary

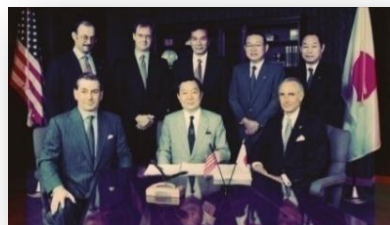


We as Sanwa Group celebrated 60th anniversary of the founding in April 2016.

As an expression of gratitude to the customers and the shareholders, the company plans to pay a yearend dividend of 13 yen per share, including 3 yen commemorative dividend.



At (FTS) 24-hour service opening ceremony in 1982



At acquisition ODC in 1996



Headquarters (relocated to Tokyo in 1963)

1986

Established the first overseas subsidiary in Hong Kong and Singapore

1970

Listed on the First Section of both the Tokyo and Osaka stock exchanges

1963

Relocated headquarters to Tokyo

1956

Established Sanwa Shutter Manufacturing Co.,Ltd in Amagasaki Hyogo



2003

Acquired Novoferm(Europe)



At acquisition NF in 2003

2007

Shift to the holding company

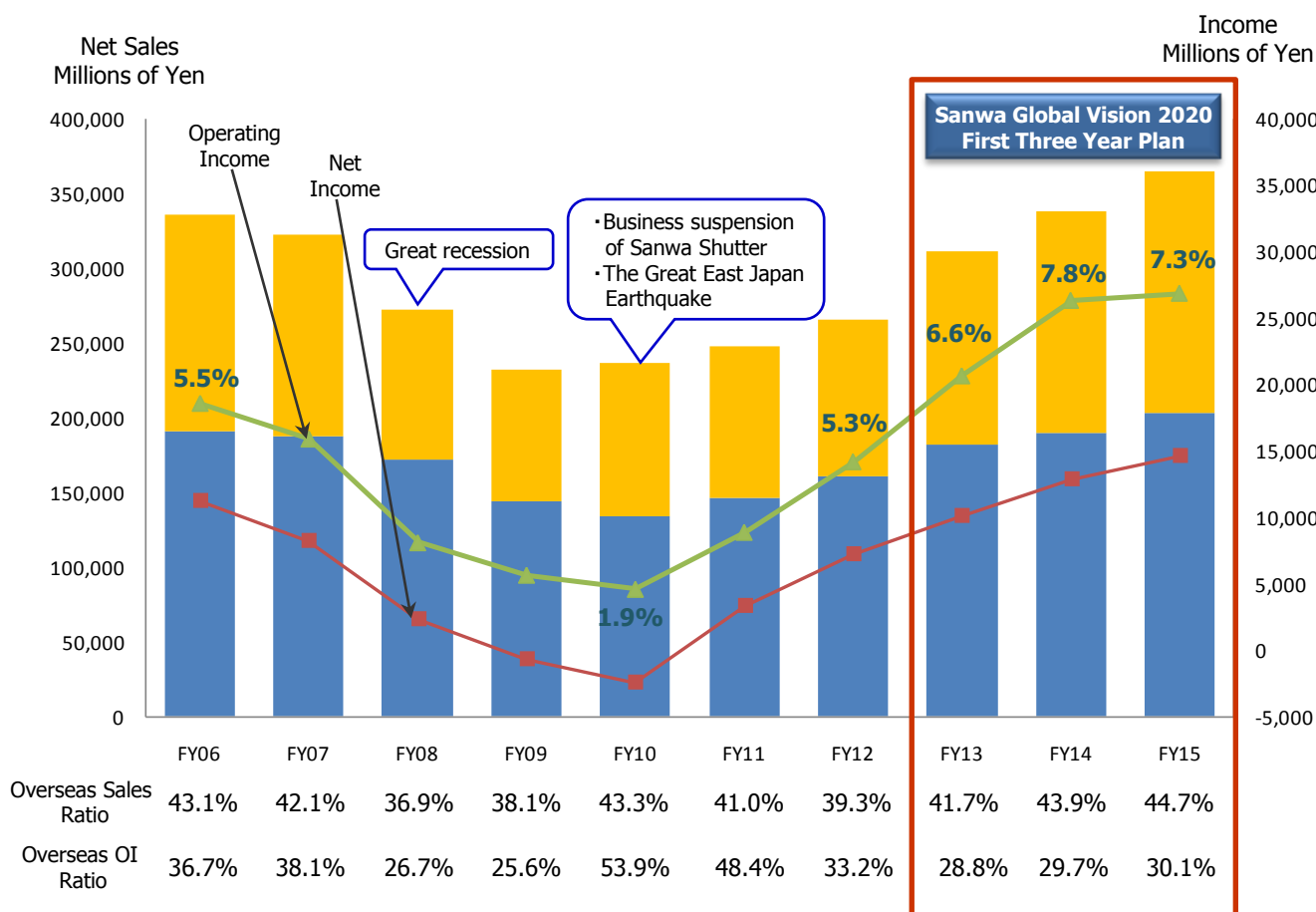
	FY1966 <u>10th</u> anniversary	FY1976 <u>20th</u> anniversary	FY1986 <u>30th</u> anniversary	FY1996 <u>40th</u> anniversary	FY2006 <u>50th</u> anniversary	FY2016(F) <u>60th</u> anniversary
Net Sales	3,543	44,871	113,617	224,426	336,277	367,000
Current Income	249	1,973	7,529	16,343	19,006	27,500
Number of employees	1,026	2,768	3,498	3,810	8,416	9,207

(Mill Yen)

2. First Three Year Plan (FY2013-2015) & Consolidated Results

■ The first 3 year plan (FY2013 – FY2015), under Sanwa Global Vision 2020, was generally satisfactory.

1. Japanese business, Sanwa Shutter in particular, led the consolidated financial results driven mainly by the effect of multi-product sales initiatives.
2. Important strategies of US business (ODC) such as Forward integration strategy were delayed due to new ERP implementation troubles.
3. The market condition of EU business (Novoferm) was very tough during the first 3 year plan period but finally confirmed the sign of recovery
4. Achieve the surplus of Asian business, one of the first 3 year plan objectives, is carried over to the next (second) 3 year plan.



	FY2015 Actual	The first three-year plan	marks
Net Sales	¥ 365.6Bln	¥ 325.0Bln	○
Operating Income	¥ 26.87Bln	¥ 23.0Bln	○
Operating Income Ratio	7.3%	7.1%	○
ROE	11.4%	11.7%	△
D/E Ratio	0.54	0.61	○
SVA	¥ 8.3Bln	¥ 5.0Bln	○

Forex Rate*	USD	EUR
2013	97.99	130.56
2014	106.46	140.35
2015	121.03	133.69
2016 (F)	110.00	125.00
2018 (F)	110.00	125.00

*Applying yearly average exchange rates for our consolidated figures.

■ **FY2015 Consolidated Results**
April,2015 - March,2016

《Consolidated Results》

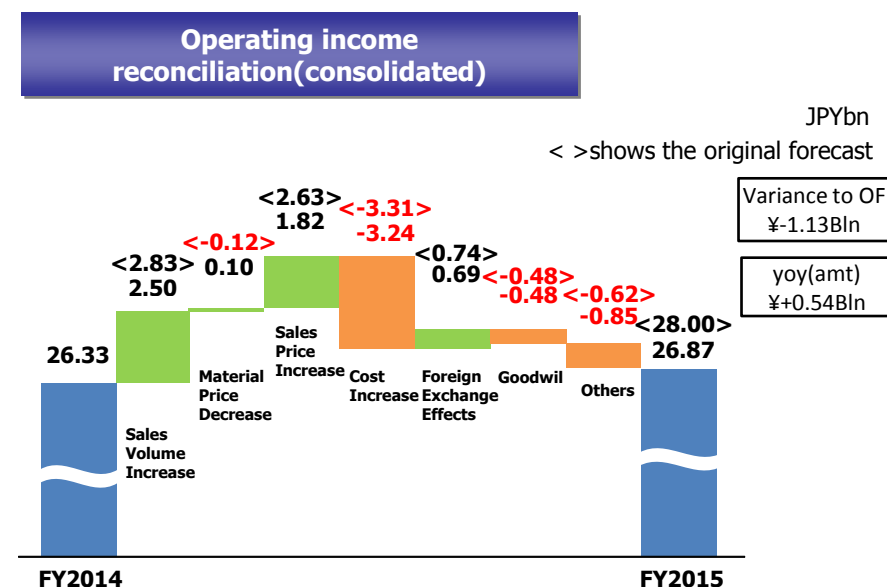
【assumed forex rate same as FY2014】

	FY2015 Actual	FY2015 Revised Forecast	Variance vs. Revised Forecast	FY2014 Actual	Variance vs. FY2014 (amt)	(%)
Net Sales	¥365.6Bln 【¥355.0Bln】	¥366.0Bln	¥-0.4Bln -0.1%	¥339.0Bln	¥+26.6Bln 【¥+16.0Bln】	+7.8% 【+4.7%】
Operating Income	¥26.87Bln 【¥26.19Bln】	¥28.00Bln	¥-1.13Bln -4.0%	¥26.33Bln	¥+0.54Bln 【¥-0.14Bln】	+2.0% 【-0.6%】
Current Income	¥26.16Bln 【¥25.51Bln】	¥27.40Bln	¥-1.24Bln -4.5%	¥25.98Bln	¥+0.19Bln 【¥-0.47Bln】	+0.7% 【-1.8%】
Profit attributable to owners of the parent	¥14.63Bln 【¥14.22Bln】	¥14.00Bln	¥+0.63Bln +4.5%	¥12.86Bln	¥+1.77Bln 【¥+1.36Bln】	+13.8% 【+10.6%】

《Key points of FY2015 Result》

《Summery》	Both net sales and profits hit the record high and net income exceeded the revised forecast. Net sales and operating income were unfavorable to the revised forecast due mainly to a slump in US business.
Net Sales	Nearly flat vs. the revised forecast on consolidated basis. Vs. the revised forecast, Overhead Door Corporation (USA)'s sales was unfavorable but Novoferm (EU)'s sales was favorable partly thanks to the consolidation of Novoferm Alsal (Spain).
Operating Income	Sanwa Shutter and Novoferm (EU) were slightly higher than the revised forecast. Overhead Door Corporation (USA), however, was unfavorable to the revised forecast due to volume decrease affected by production troubles at some plants, and cost increase.
Current Income	Non-operating profit/loss decreased by 0.35 billion yen due mainly to the absence of special factors generated in FY 2014 and foreign exchange loss resulting from weak Canadian dollar. Profit on Asian equity method affiliate companies improved by 0.04 billion yen.
Profit attributable to owners of the parent	Net income was higher than the revised forecast and last year driven mainly by improving one-time profit of 1.37 billion yen (vs. LY).

FX	2014	2015	2016(F)
1USD	106.46	121.03	110.00
1EUR	140.35	133.69	125.00



Net Sales

【assumed forex rate same as FY2014】

	FY2014 Actual	FY2015 Actual	Variance vs. FY2014 (amt)	(%)	Key Points
Consolidated	¥339.0Bln	¥365.6Bln 【¥355.0Bln】	¥+26.6Bln 【¥+16.0Bln】	+7.8 【+4.7】	Foreign exchange impact: +10.6 billion yen
Sanwa Shutter	¥169.4Bln	¥180.2Bln	¥+10.7Bln	+6.3	① Lightweight shutters increased 6.7% thanks to the recovery of residential market condition. ② Heavy-duty shutters increased 7.4% thanks to robust construction demand such as factories, distribution centers etc. ③ Building and condominium doors decreased 0.8% due to decrease in doors for medical and condominium industries. ④ Maintenance service increased 6.1% driven by enhancing sales activities for corporate customers. ⑤ Partitions increased 15.9% driven by increase in steel partition sales. ※refer to page 34
Japanese Subsidiaries	¥29.1Bln	¥30.8Bln	¥+1.7Bln	+5.9	① Showa Front increased 3.4% ② Okinawa Sanwa Shutter increased 7.6% ③ Sanwa Tajima increased 11.0% ④ Venix increased 9.0% ⑤ Sanwa EX Niigata decreased 6.4%
ODC (USA)	¥98.5Bln <i>\$925M</i>	¥110.1Bln <i>\$910M</i>	¥+11.6Bln <i>-\$15M</i>	+11.8 <i>-1.7</i>	① Doors decreased 0.8% due mainly to the impact of production troubles and unfavorable Canadian business. ② Operators decreased 1.6% due mainly to the absence of special promotion implemented in FY2014. ③ Automatic doors increased only by 3.5% due to delay in recovery of new ERP implementation troubles occurred in FY2014. ④ Truck doors decreased significantly by 23.0% due to the absence of large order received in FY2014. ※ refer to page 35
<i>FX (\$)</i>	<i>¥106.46</i>	<i>¥121.03</i>			
Novoferm (EU)	¥50.0Bln <i>€356M</i>	¥53.3Bln <i>€399M</i>	¥+3.3Bln <i>+€43M</i>	+6.7 <i>+12.0</i>	① Hinge doors decreased 2.5% due to production troubles occurred in 1H 2015. ② Garage doors increased 5.6% thanks to the recovery of several markets such as Germany, France and Netherland. ③ Industrial doors increased significantly by 33.8% driven by the addition of Alpha Deuren. ※ refer to page 36
<i>FX (€)</i>	<i>¥140.35</i>	<i>¥133.69</i>			

Operating Income

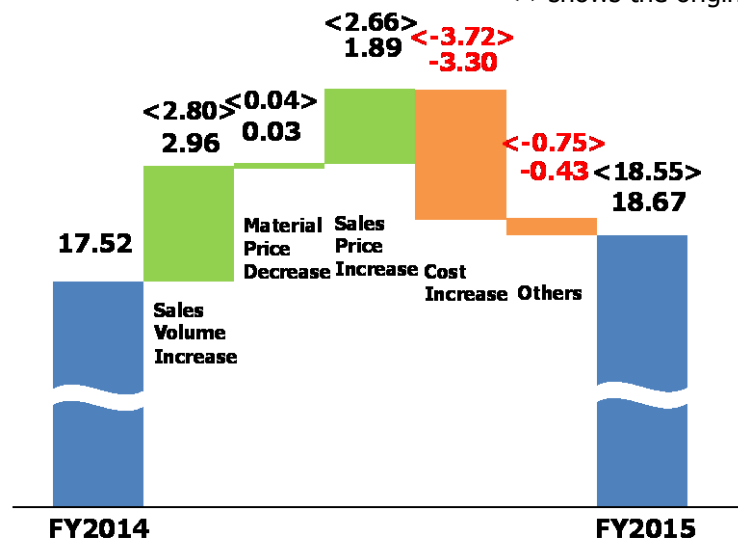
【assumed forex rate same as FY2014】

	FY2014 Actual	FY2015 Actual	Profit ratio (%)	Variance vs. FY2014 (amt)	(%)	Key Points
Consolidated	¥26.33Bln	¥26.87Bln 【¥26.19Bln】	7.3	¥+0.54Bln	+2.0	Foreign exchange impact: +0.68 billion yen
Sanwa Shutter	¥17.52Bln	¥18.67Bln	10.4	¥+1.16Bln	+6.6	Increased vs. LY driven by volume increase and price adjustment realization partially offset by cost increase (mainly personnel costs). Operating income ratio of 10.4% was higher than LY.
Japanese Subsidiaries	¥1.68Bln	¥1.76Bln	5.7	¥+0.08Bln	+4.5	Increased vs. LY but 0.14 billion yen unfavorable to the revised forecast due mainly to decrease in volume.
ODC (USA)	¥6.30Bln <i>\$59.2M</i>	¥6.38Bln <i>\$52.7M</i>	5.8	¥+0.08Bln <i>-\$6.4M</i>	+1.3 <i>-10.9</i>	Slightly increased vs. LY in Japanese yen basis but decreased significantly in the local currency basis due mainly to cost increase caused by production troubles at several plants. Material costs negatively affected to 1H 2015 profitability but finally switched to plus in FY 2015.
<i>FX (\$)</i>	<i>¥106.46</i>	<i>¥121.03</i>				
Novoform (EU)	¥1.50Bln <i>€10.7M</i>	¥1.68Bln <i>€12.6M</i>	3.1	¥+0.18Bln <i>€1.8M</i>	+11.6 <i>+17.2</i>	Increased vs. LY driven mainly by cost reduction efforts and the consolidation of Alpha Deuren partially offset by sales price decline. As to the euro-yen exchange rate, euro was weaker than FY 2014 and negatively impacted to FY2015 consolidated operating profit.
<i>FX (€)</i>	<i>¥140.35</i>	<i>¥133.69</i>				

Sanwa Shutter

JPYbn

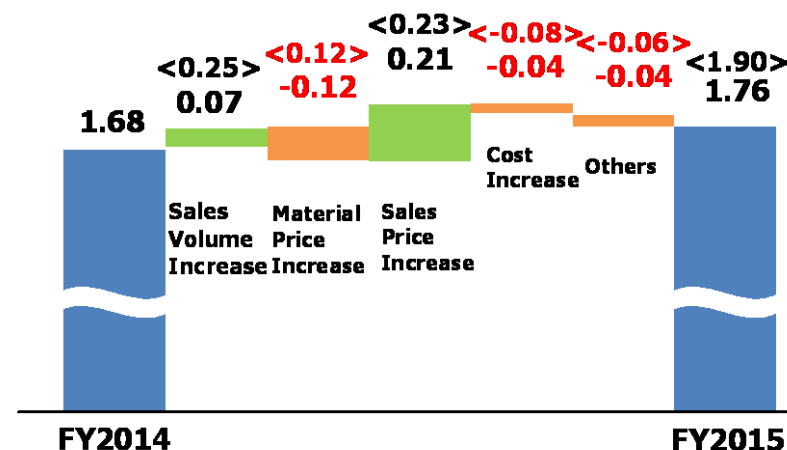
< > shows the original forecast



Japanese Subsidiaries

JPYbn

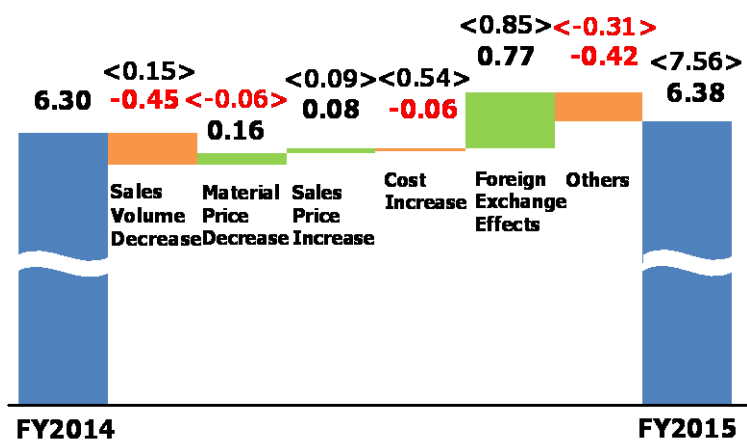
< > shows the original forecast



ODC

JPYbn

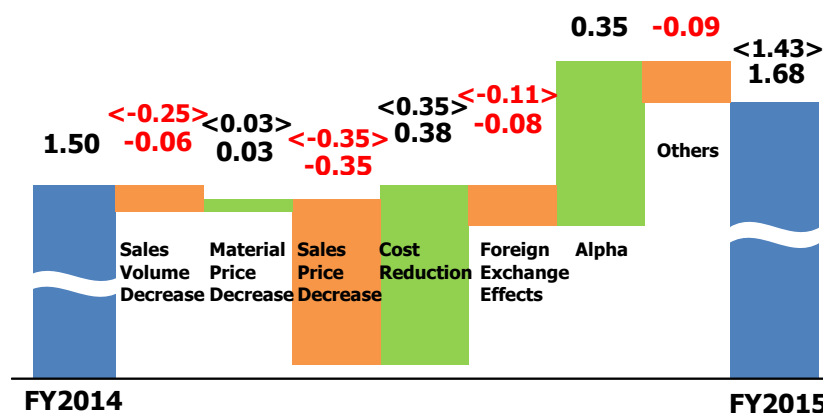
< > shows the original forecast



Novoform

JPYbn

< > shows the original forecast

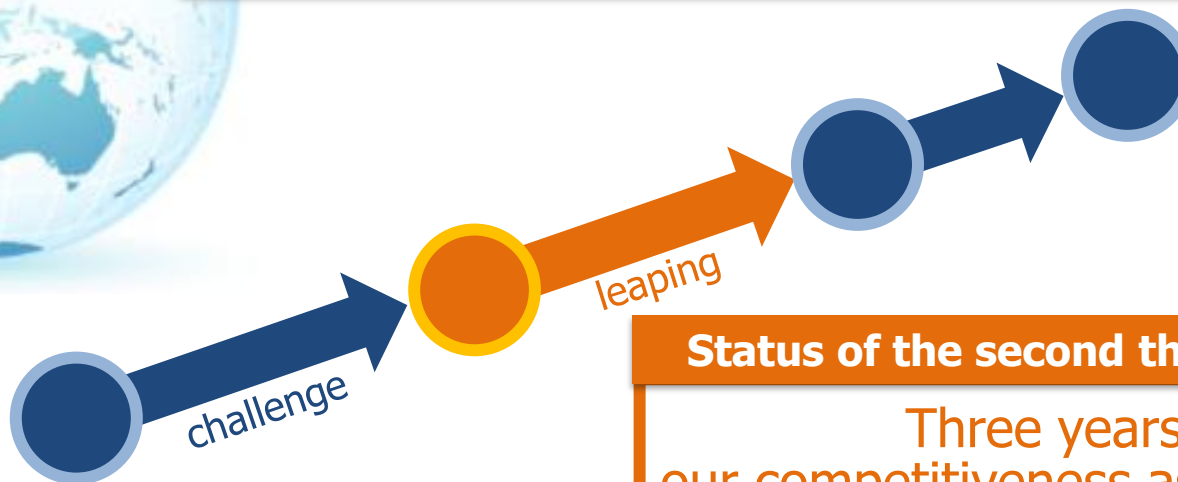


Sanwa Global Vision 2020

■ Second Three Year Plan

“Sanwa Global Vision 2020”

To offer products and services that provide safety, security and convenience as a “Major Global Player” in the access systems industry.



Status of the first three year plan
(2013-2015)

Three years to establish basis for
“Major Global Major.”

Status of the second three year plan(2016-2018)

Three years to strengthen
our competitiveness as a “Major Global Player.”

1. Strengthen our competitiveness and establish top brands in Japan, US and EU
2. Strengthen our service segments and expand our business model
3. Strengthen Asian business base
4. Realize competitive advantage through our global undertaking
5. Maintain and improve our corporate culture to be trusted by the society



1956-

Business Environment

			2013		2014		2015				2016		2017		2018	
							Current Result		Revised Forecast		Forecast		Forecast		Forecast	
Japan	Housing Starts	k units	987	10.6%	880	-10.8%	921	4.6%	923	4.8%	949	3.1%	914	-3.7%	935	2.3%
	Non-res construction areas	k m ²	47,679	7.0%	45,013	-5.6%	44,278	-1.6%	45,498	1.1%	44,940	1.5%	45,524	1.3%	46,981	3.2%
	Private-sector capital investment	JPY bn	70,679	3.0%	70,717	0.1%	72,273	2.2%	74,133	4.8%	75,020	3.8%	76,070	1.4%	78,504	3.2%
USA	Housing starts	k units	925	18.5%	1,003	8.4%	1,112	10.8%	1,130	12.7%	1,210	8.8%	1,340	10.7%	1,407	5.0%
	Existing Home Sales	k units	5,090	9.2%	4,940	-2.9%	5,250	6.3%	5,284	7.0%	5,375	2.4%	5,560	3.4%	5,894	6.0%
	Non-res construction areas	m sq ft	811	12.4%	915	12.8%	855	-6.5%	930	1.6%	913	6.8%	1,017	11.4%	1,100	8.2%
	Capital investment	USD bn	2,024	3.0%	2,148	6.2%	2,209	2.8%	2,215	3.1%	2,260	2.3%	2,341	3.6%	2,407	2.8%
EU	Housing completions(4 countries)	k units	793	2.1%	777	-2.1%	740	-4.7%	731	-5.9%	769	3.9%	804	4.7%	820	2.0%
	Non-res investment(4 countries)	EUR m	86,515	-3.5%	83,108	-3.9%	81,781	-1.6%	82,711	-0.5%	84,172	2.9%	85,601	1.7%	86,308	0.8%
Germany	Housing completions	k units	188	6.7%	216	14.7%	230	6.4%	225	4.1%	255	10.9%	270	5.9%	275	1.9%
	Non-res investment	EUR m	31,081	1.5%	30,428	-2.1%	29,515	-3.0%	30,367	-0.2%	29,958	1.5%	30,257	1.0%	30,106	-0.5%

※EU(4 countries) include Germany, France, Italy and the Netherlands.

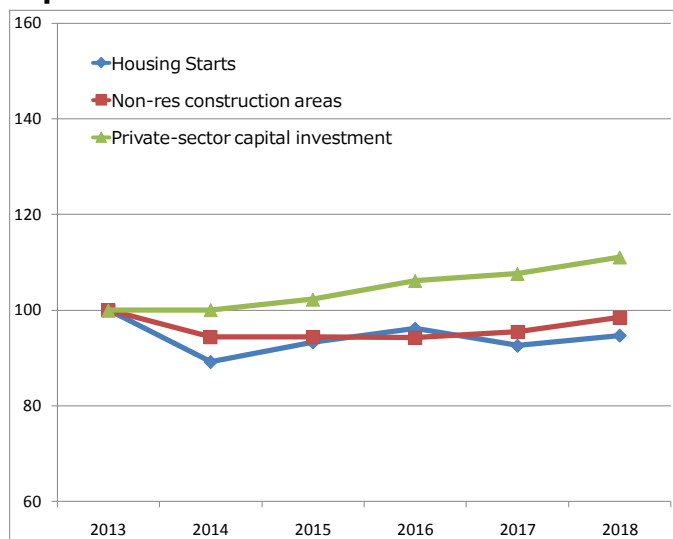
※Ref:(JPN) MLIT Apr 2016, R.I.C.E. Apr 2016, (US) Blue Chip Economic Indicators May 2016, National Association of Realtors Mar 2016, McGraw Hill Mar 2016, (EU)Euroconstruct Dec 2015.

Capital investment in JPN/US from NLI Research Institute.

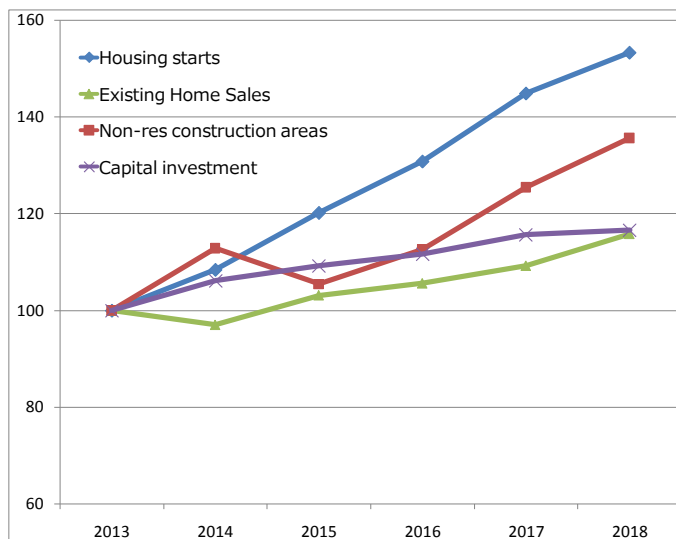
※FY basis in JPN(Apr-March), US/EU on CY basis(Jan-Dec)

Change in Business Environment (2013=100)

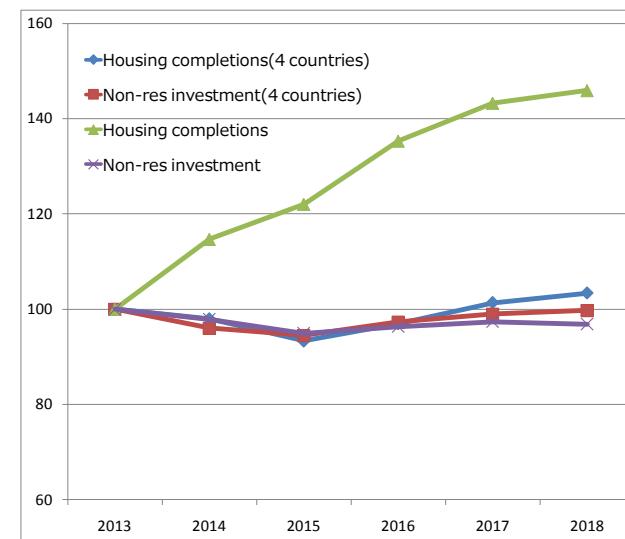
Japan



USA

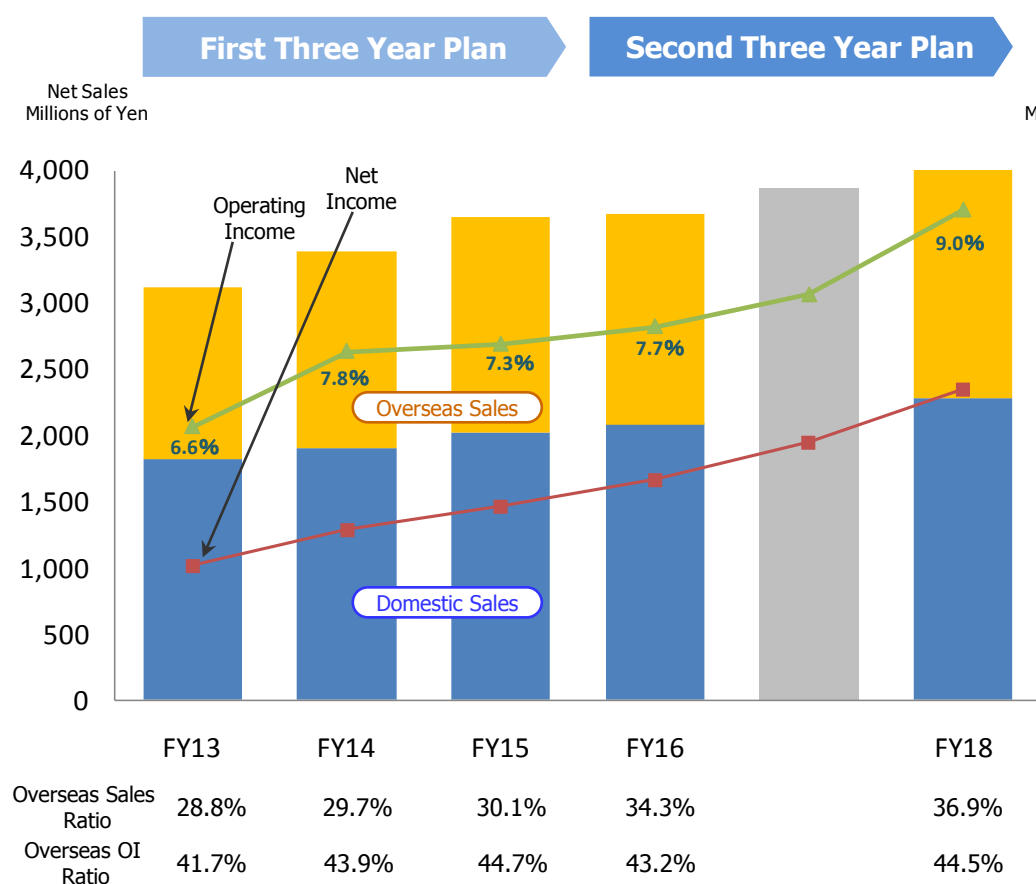


EU



■ Main objective of the second 3 year plan (FY2016 – FY2018) is to enhance the industrial competitiveness as a major global player in the access systems industry.

1. Both sales and profits expected to continue to hit the record high.
2. Set the operating income ratio target of 9% and improve the earnings base to reach 10% in FY2020.
3. Set the ROE target of 15% while maintaining stable financial base such as D/E ratio of 0.4.



	FY2015 Actual	FY2018 Plan	Variance FY2015 vs. FY2018 (%)
Net Sales	¥365.6Bln	¥410.0Bln	+12.1%
Operating Income	¥26.87Bln	¥37.0Bln	+37.7%
Profit ratio	7.3%	9.0%	+1.7%
ROE	11.4%	^{*1} 15.0%	+3.6%
SVA	¥8.3Bln	^{*2} ¥12.8Bln	¥+4.5Bln
Shareholders' Equity Ratio	41.7%	42.0%	—
Debt-Equity Ratio	0.54	0.40	—

*1 Shareholder's equity cost assumed to be around 8%

*2 Calculated the weighted average cost of capital 6% and corporate tax rate 40%

Net Sales

	FY2015 Actual	FY2018 Plan	Variance FY2015 vs. FY2018 (amt)	Variance FY2015 vs. FY2018 (%)	Key Points
Consolidated	¥365.6Bln	¥410.0Bln	¥+44.4Bln	+12.1	
Sanwa Shutter	¥180.2Bln	¥203.0Bln	¥+22.8Bln	+12.7	- Expected to increase commercial construction demand such as office buildings, distribution centers, hotels etc. - Further strengthen multi-product sales initiatives - Improve in-house infrastructure - Response to legal inspection of doors/shutters
Japanese Subsidiaries	¥30.8Bln	¥36.1Bln	¥+5.3Bln	+17.2	- Strengthen cooperation among Japanese companies - Expand unique and differentiated products in each company
ODC (USA)	¥110.1Bln <i>\$910M</i>	¥121.0Bln <i>\$1,100M</i>	¥+10.9Bln <i>+\$190M</i>	+9.9 <i>+20.9</i>	- Both residential and commercial markets expected to recover steadily - Gain market share by increasing core product sales under such market condition - Expand forward integration business
<i>FX (\$)</i>	<i>¥121.03</i>	<i>¥110.00</i>			
Novoferm (EU)	¥53.3Bln <i>€399M</i>	¥61.3Bln <i>€490M</i>	¥+8.0Bln <i>+€91M</i>	+14.9 <i>+22.8</i>	- Focus on growing segment - Gain market share for industrial doors and hinge doors
<i>FX (€)</i>	<i>¥133.69</i>	<i>¥125.00</i>			

Operating Income

	FY2015 Actual	Profit ratio (%)	FY2018 Plan	Profit ratio (%)	Variance FY2015 vs. FY2018 (amt)	Variance FY2015 vs. FY2018 (%)	Key Points
Consolidated	¥26.87Bln	7.3	¥37.00Bln	9.0	¥+10.13Bln	+37.7	
Sanwa Shutter	¥18.67Bln	10.4	¥22.50Bln	11.1	¥+3.83Bln	+20.5	• Volume increase effect • Price adjustment realization • Cost increase due to improvement of in-house infrastructures
Japanese Subsidiaries	¥1.76Bln	5.7	¥2.60Bln	7.2	¥+0.84Bln	+47.9	• Improvement of logistics control • Group cooperation initiatives such as cooperative procurement etc.
ODC (USA)	¥6.38Bln <i>\$52.7M</i>	5.8	¥9.90Bln <i>\$90.0M</i>	8.2	¥+3.52Bln <i>\$37.3M</i>	+55.1 <i>+70.6</i>	• Gain market share of core products • Progress of forward integration strategy • New ERP system functioning smoothly
<i>FX (\$)</i>	<i>¥121.03</i>		<i>¥110.00</i>				
Novoferm (EU)	¥1.68Bln <i>€12.6M</i>	3.1	¥3.75Bln <i>€30.0M</i>	6.1	¥+2.07Bln <i>€17.4M</i>	+123.3 <i>+138.8</i>	• Business structural reform • Synergy effects with Alpha Deuren
<i>FX (€)</i>	<i>¥133.69</i>		<i>¥125.00</i>				

Maintain the profitability of core products and progress multi-product sales initiatives

1. Strengthen existing business

- Develop in-house infrastructure for improving manufacturing capability in each company.
- Develop door supply system for expanding its market share
- Revise distribution/logistics network
- Promote cooperative procurement initiatives

2. Grow the business by enhancing multi-product sales

- Expand partition business
- Tap new sales channels for residential products including exterior home products
- Expand water-proof product line-up
- Expand high speed shutter sales

3. Business enhancement/expansion through group cooperative activities

- Expand entrance related product business through strengthening group cooperative initiatives
 - Sanwa Shutter established entrance related product business division and that division will take leadership to expand the business with group companies (mainly Showa Front, Sanwa Tajima and Tajima Metalwork).
Product: Stainless steel building materials, Aluminum front doors, Automatic doors, Mail box etc.

4. Response to legal inspection of doors/shutters

- Legal inspection of fire prevention equipment will be introduced in June, 2016.
 - Already developed sales organization and inspection worker network nationwide.
 - Increase installation technicians and enhance installation capabilities.

Resolve remaining issues and grow the business by strengthening profit base

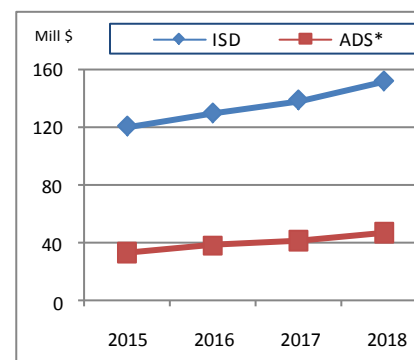
1. Grow and strengthen its core business

- ASD (Doors)
 - ① Improve customer services and operational efficiency by introducing new ERP system
 - ② Implement residential product strategy in response to market needs diversification
 - ③ Increase market share in under-served markets, where the company's presence is not strong, by working together with new distributors and/or establishing company-owned sales centers.
- Genie (Operators)
 - ① Develop new professional sales channel
 - ② Introduce new operators in response to diversification of market needs
- Horton (Automatic doors)

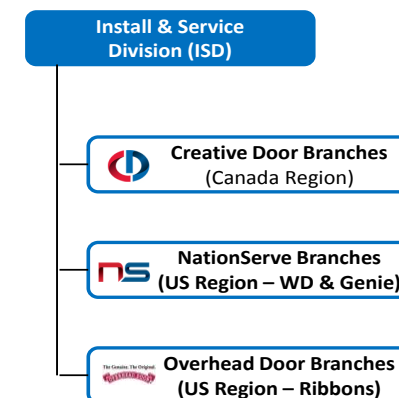
Increase market share driven by introduction of new Platform Screen doors
- TODCO (Truck doors)
 - ① Increase market share driven by acquisition of new end-users and new OEMs.
 - ② Strengthen sales and marketing organization

2. Forward Integration Strategy

- Established Install & Service Division (ISD), consolidated Creative Door Services (Canada) with ASD's service and install locations
- Expand automatic door's service business with rebuilding operational base



*Automatic Door Service



3. Expand international business

- Horton to increase international sales volume driven by ensuring Platform Screen doors projects

Establish foundation for profitable growth by implementing “NF3.0”

1. Improve NF corporate management

- Enhance Pan-European management and strategies by united efforts in each NF group company.
 - Enhance Pan-European management
 - Focus on strategic products
 - Strengthen sales force for strategic customers segments
 - Optimize its business process (order to delivery/install)

2. Expand fire proof doors into all EU markets

- Strengthen fire-proof door business with taking an opportunity of standardization of fire-resistance code in EU area
 - Expand door product line-up by means of developing common platform doors
 - Strengthen professionalized architect support and sales activities for key customers
 - Optimize production network at European level

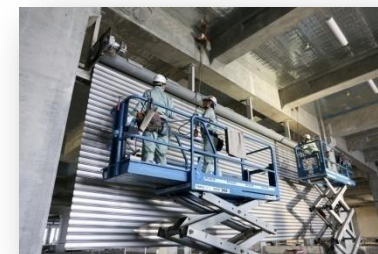
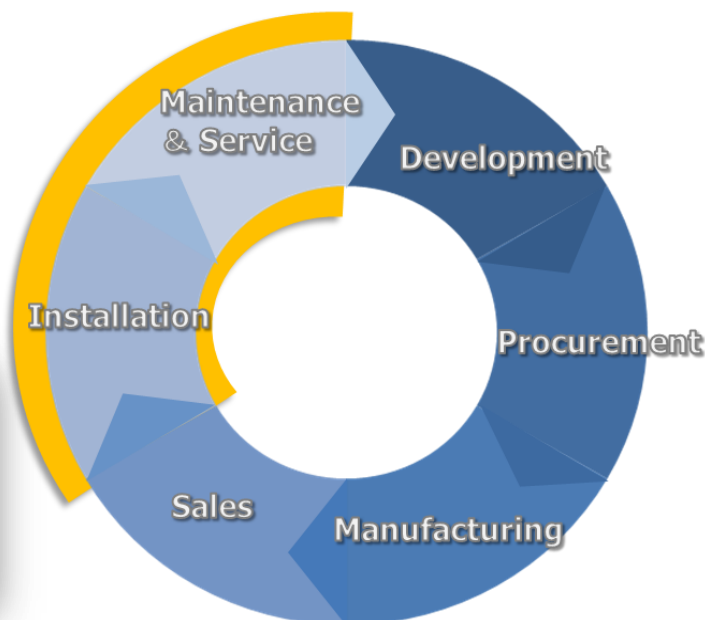
3. Expand industrial door business

- Expand industrial door business with Alpha products, as its core products.
 - Integrate industrial sectional door production into Alpha location
 - Strengthen competitiveness for high-performance door and dock equipment
 - Strengthen professionalized architect support and sales activities for key customers
 - Build service and install network for major countries

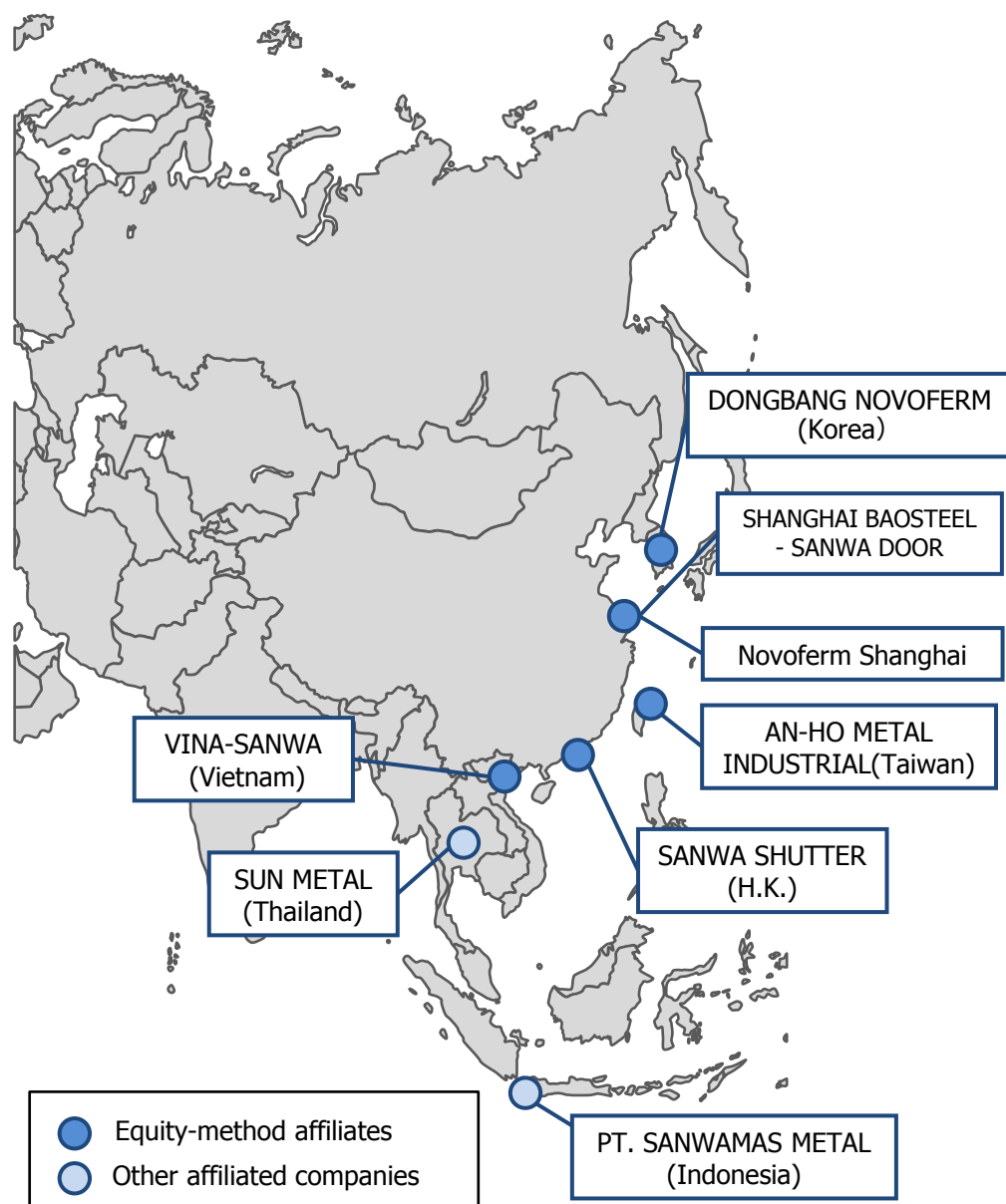
4. Gain market share of sectional garage doors

- Gain market share with implementing differentiation measures for product & customer services
 - Develop new products with improved product design
 - Enhance professional channel support by utilizing internet website
 - Differentiate customer services by changing the process of order entry and delivery system

To expand install & service business by acquiring new customers with providing services meeting customer needs in each market



Japanese business	U.S. business	EU business
- Strengthen maintenance & service business - Strengthen maintenance business organization (install capabilities & response to legal inspection) - Improve sales support system/back office organization for complementing sales organization	- Established ISD (service & install) integrated CDS with ASDs' service & install locations - Expand automatic door business by improving profitability and M&A	- Rebuild service & install network in all EU countries - Expand spare parts sales in all EU countries by utilizing website for professional users



	FY2015 Actual	FY2016 Forecast	FY2018 Plan
Net Sales	¥7.3Bln	¥8.3Bln	¥9.7Bln
Operating Income	¥-0.17Bln	¥0.29Bln	¥0.46Bln

Main strategies for Asian business

1. Aim to become top share maker in some key markets
 - Develop differentiation strategy utilizing our strong points
 - Expand product line-up meeting market needs and then penetrate under-served markets
2. Further promote localization
 - Acquire/expand local customers by strengthening corporate sales activities and professionalized architect support
 - Implement training program in accordance with employees and recruit local personnel
3. Strengthen synergy activities among group companies
 - Parts standardization (standardization of quality control criteria, centralizing procurement)
 - Development of strategic product for several key markets
4. Increase sales opportunities by cross-border cooperation
 - Increase export business using existing locations in Asia
 - Establish business base in ASEAN countries

Expand group procurement activities

Promote procurement activities in Low Cost Countries region, China in particular, by utilizing a company specialized in procurement activities called SGPC (Sanwa Global Procurement Center).

<What to do>

- ① Strengthen quality control process
- ② Promote cooperative procurement initiatives

<SGPC's procurement \$ target>

FY2018 Plan	
Amount	\$67 M

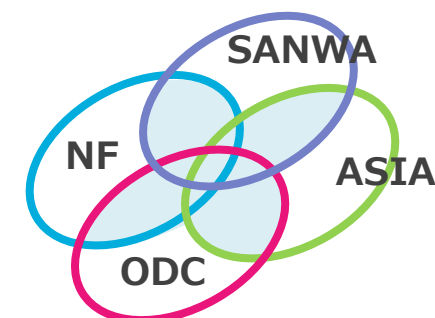
Global sales network

Focusing on emerging countries

- ① Work on ensuring big projects such as airport, harbor facilities, Olympic related etc, with group companies
- ② Acquire new sales channel by offering service & install expertise

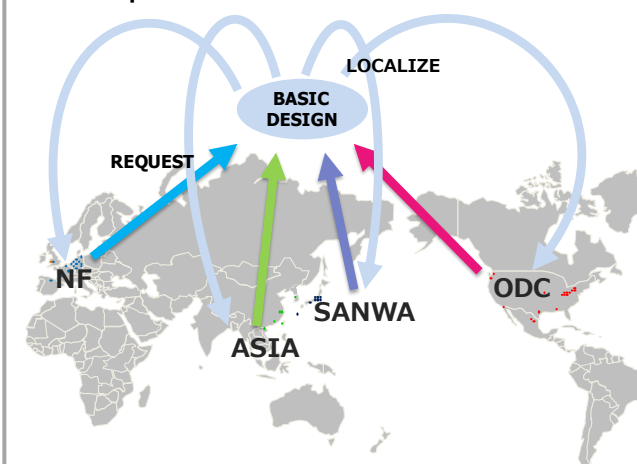


Product development targeting to a global market



Try to enhance the efficiency of product development by utilizing R&D resources within a group

... Focus on operators, electric parts



Conduct corporate management with integrity being eligible for addressing to become a major global player

Strengthen corporate governance

1. Transition to "Company with Audit & Supervisory Committee"

Company with Board of Corporate Auditors

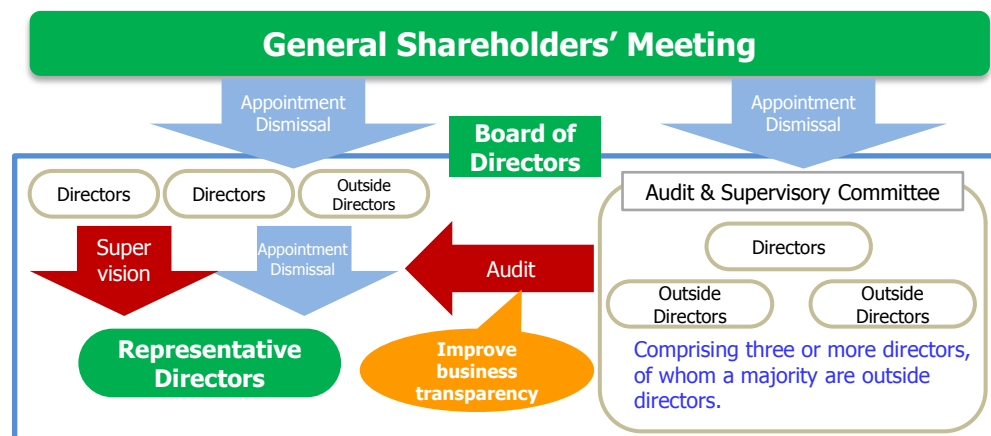


Company with Audit & Supervisory Committee

Matter to be resolved at the 81st Ordinary General Meeting, held in June 2016

Objectives

① Improve the supervisory function



② Comprising two or more outside directors

→ Improve business transparency

③ Faster management decision

→ Establishment of Advisory council

④ Global standard

→ Promote understanding of foreign investors

2. Strengthen internal audit function

Strengthen internal audit function in each group company due to rapidly progressing of its business globalization

Promote compliance and improvement of quality and safety

Enhance compliance system in order to offer our mission "The Sanwa Group is committed to offering products and services that provide safety, security and convenience to further contribute to the prosperity of society."

1. Promote compliance with laws

- Familiarize employees with the company's codes of conduct including compliance
- Check revision of labor and/or related regulations systematically
- Review in-house rules regularly basis and quickly communicate to all group companies
- Add compliance item into personnel evaluation system
- Implement training program regarding labor standards act and compliance

2. Secure customer satisfaction and reliability by improving product quality and safety control

【The target of quality level】

Improve the level of customer satisfaction by emphasizing on-site works and developing effective quality management system

1. Improve safety of products: setting and soaking in the special month of safety & quality inspection
2. Improve the quality of product & services



■ FY2016 Consolidated Forecast
April,2016-March,2017

《Consolidated Results》

【 assumed forex rate same as the previous year 】

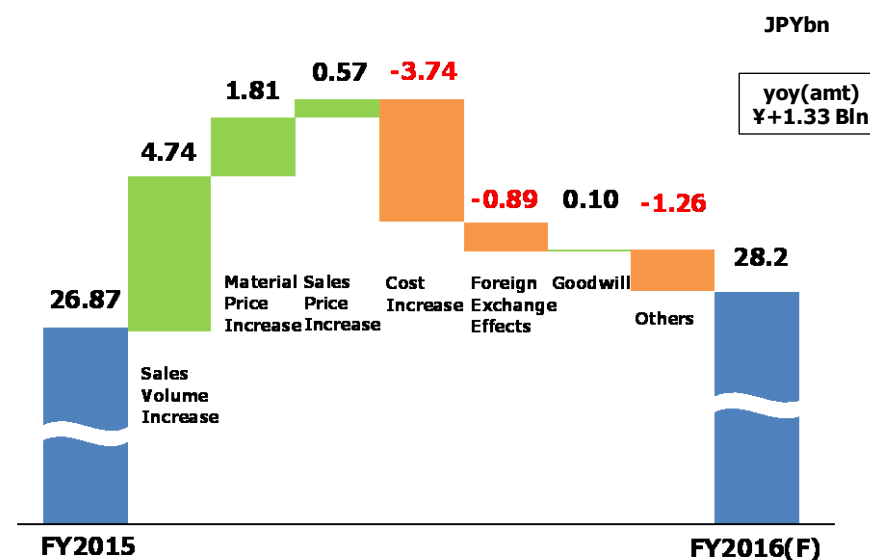
	FY2016 Forecast	1H	2H	FY2015 Actual	Variance vs. FY2015 (amt)	(%)
Net Sales	¥367.0Bln 【¥381.3Bln】	¥164.0Bln	¥203.0Bln	¥365.6Bln	¥+1.4Bln 【¥+15.7Bln】	+0.4% 【+4.3%】
Operating Income	¥28.20Bln 【¥29.09Bln】	¥7.00Bln	¥21.20Bln	¥26.87Bln	¥+1.33Bln 【¥+2.22Bln】	+4.9% 【+8.3%】
Current Income	¥27.50Bln 【¥28.33Bln】	¥6.35Bln	¥21.15Bln	¥26.16Bln	¥+1.34Bln 【¥+2.17Bln】	+5.1% 【+8.3%】
Profit attributable to owners of the parent	¥16.70Bln 【¥17.20Bln】	¥3.10Bln	¥13.60Bln	¥14.63Bln	¥+2.07Bln 【¥+2.57Bln】	+14.2% 【+17.6%】

《Key Points of FY Forecast 》

〈Summery〉	Both net sales and profits expected to hit record high driven mainly by the recovery of U.S. business, overcoming Japanese yen appreciation impact.
Net Sales	Consolidated net sales expected to be same level vs. LY. Japanese business sales expected to increase but overseas sales expected to decrease due mainly to yen appreciation.
Operating Income	Each business division expected to increase driven mainly by volume increase. U.S. business, in particular, expected to increase significantly driven mainly by the effect of steel price decline in 1H 2016.
Current Income	Profit of equity method affiliate companies expected to improve whereas non-operating income/loss expected to be slightly down.
Profit attributable to owners of the parent	Expected to increase significantly due mainly to substantial decrease in one-time costs.

Operating income reconciliation(consolidated)

ForexRate	2014	2015	2016(F)
1USD	106.46	121.03	110.00
1EUR	140.35	133.69	125.00



Net Sales

【 assumed forex rate same as FY2015 】

	FY2015 Actual	FY2016 Forecast	Variance vs. FY2015 (amt)	(%)	Key Point
Consolidated	¥365.6Bln	¥367.0Bln 【¥381.3Bln】	¥+1.4Bln 【¥+15.7Bln】	+0.4 【+4.3】	Foreign exchange impact: -14.3 billion yen
Sanwa Shutter	¥180.2Bln	¥187.0Bln	¥+6.8Bln	+3.8	① Lightweight shutters to grow shower by 2.6% ② Heavy-duty shutters to be up 6.5% thanks to favorable non-residential market condition ③ Building & condominium doors to be up 4.5% thanks to increase in office building demand ④ Maintenance & services to be up 10.9% driven by enhancement of sales activities for corporate customers ⑤ Partitions to be up only by 1.0% due to the reaction of significant volume increase in FY2015. ※refer to page 34
Japanese Subsidiaries	¥30.8Bln	¥32.5Bln	¥+1.7Bln	+5.6	Most of the companies expected to increase but Sanwa Tajima expected to be down slightly due to decrease in order backlog as of April 2016.
ODC (USA)	¥110.1Bln <i>\$910M</i>	¥107.3Bln <i>\$975M</i>	¥-2.8Bln <i>+\$65M</i>	-2.6 <i>+7.2</i>	① Doors to be up 5.6% thanks to the recovery of market condition as well as the resolution of production troubles. ② Operators to be up 6.7% driven mainly by sales increase at pro-channel. ③ Install & service to be up 6.9% driven mainly by the sales recovery of commercial doors & spare parts ④ Automatic doors to be up 19.5% driven mainly by sales increase in Door Services ensuring PSD door projects ⑤ Truck doors to be up 7.9% driven by sales increase in OEM doors ※ refer to page 35
<i>FX (\$)</i>	<i>¥121.03</i>	<i>¥110.00</i>			
Novoform (EU)	¥53.3Bln <i>€399M</i>	¥51.3Bln <i>€410M</i>	¥-2.0Bln <i>€11M</i>	-3.9 <i>+2.8</i>	① Hinge doors to be up 7.9% due to the sales recovery from 2015. ② Garage doors to be up 1.1% driven by the effect of new product introduction. ③ Industrial doors to be up 0.2% only in spite of generating cross-selling effect with Alpha Deuren. ※ refer to page 36
<i>FX (€)</i>	<i>¥133.69</i>	<i>¥125.00</i>			

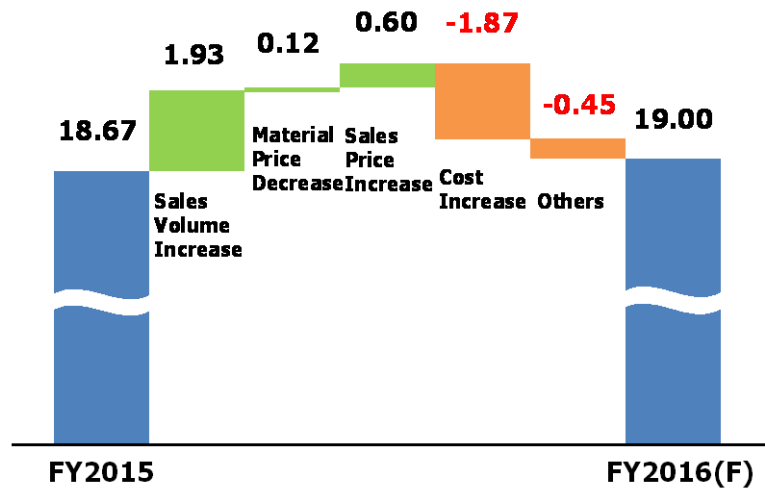
Operating Income

【 assumed forex rate same as FY2015 】

	FY2015 Actual	Profit ratio (%)	FY2016 Forecast	Profit ratio (%)	Variance vs. FY2015 (amt)	Variance vs. FY2015 (%)	Key Point
Consolidated	¥26.87Bln	7.3	¥28.20Bln 【¥29.09Bln】	7.7	¥+1.33Bln 【¥+2.22Bln】	+4.9 【+8.3】	Foreign exchange impact: -0.89 billion yen
Sanwa Shutter	¥18.67Bln	10.4	¥19.00Bln	10.2	¥+0.33Bln	+1.7	• Volume increase effect to continue to contribute. • Price adjustment to be realized gradually • Cost increase items to decrease but personnel costs to continue to increase
Japanese Subsidiaries	¥1.76Bln	5.7	¥1.97Bln	6.1	¥+0.21Bln	+12.0	• Volume increase effect to be a big contributor • Cost increase items such as personnel costs to increase
ODC (USA)	¥6.38Bln <i>\$52.7M</i>	5.8	¥7.59Bln <i>\$69.0M</i>	7.1	¥+1.21Bln <i>\$16.3M</i>	+18.9 <i>+30.8</i>	• Volume increase effect in each business • Material costs decline effect to be realized at Door business • Selling price to decline slightly • Production troubles at door plants to be resolved
<i>FX (\$)</i>	<i>¥121.03</i>		<i>¥110.00</i>				
Novoferm (EU)	¥1.68Bln <i>€12.6M</i>	3.1	¥1.88Bln <i>€15.0M</i>	3.7	¥+0.20Bln <i>€2.4M</i>	+11.7 <i>+19.4</i>	• Volume increase effect in each business • Synergy effect with Alpha to be realized
<i>FX (€)</i>	<i>¥133.69</i>		<i>¥125.00</i>				

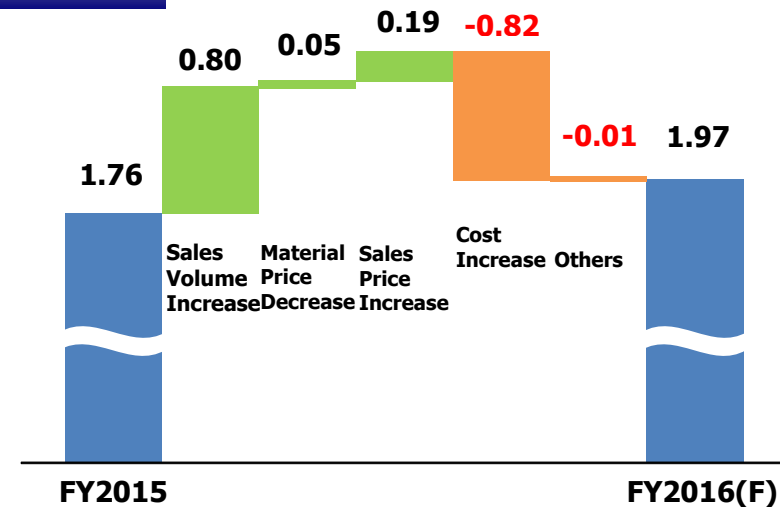
Sanwa Shutter

JPYbn



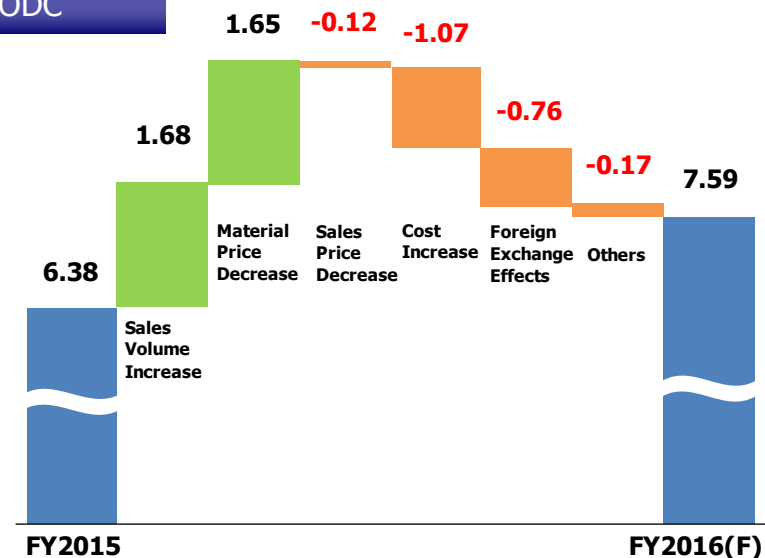
Japanese Subsidiaries

JPYbn



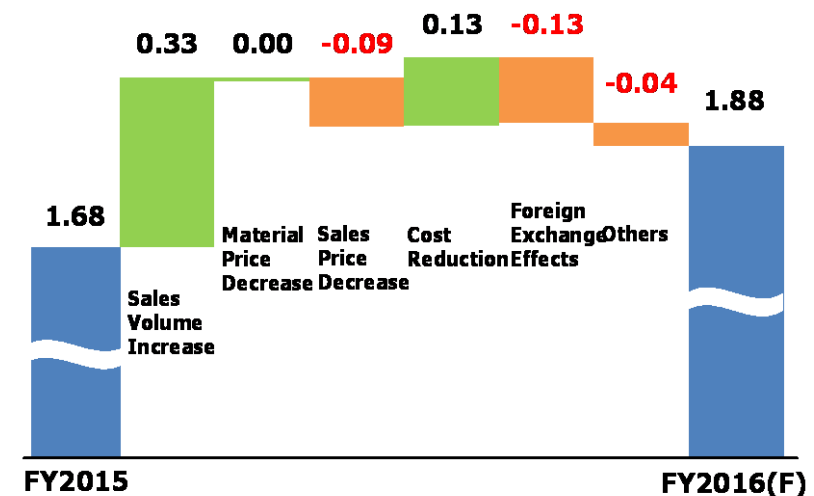
ODC

JPYbn



Novoferm

JPYbn



■ Financial Information Highlight

17. Financial Information Highlight ①

1. Balance Sheet

Mill Yen

	FY2015		FY2016		
	Mar.	% to total	Mar.	% to total	Y/Y(amt)
Current Assets	197,958	61.2%	188,575	60.8%	-9,382
Cash & Cashables	58,605	18.1%	41,516	13.4%	-17,089
AR s. & Inventories	125,358	38.8%	130,087	41.9%	4,729
Fixed Assets	125,368	38.8%	121,693	39.2%	-3,675
Financial Investments	17,145	5.3%	21,314	6.9%	4,169
Total Assets	323,327		310,269		-13,057
Financial Debts	88,483	27.4%	70,797	22.8%	-17,686
(Debt/Equity Ratio)	0.70		0.54		
Other Liabilities	108,096	33.4%	109,138	35.2%	1,042
Equities	126,748	39.2%	130,334	42.0%	3,586
currency exchange adjustment	16,043		13,649		-2,394

■ Debts to be paid by cash-on-hand.

■ Increased of low-risk securities

■ Redemption of bonds 10B yen

2. Extraordinary gain & loss

Mill Yen

	FY2015		FY2016 Forecast
	Actual	Revised Forecast	
Fixed asset disposal	-74	-100	-100
Fixed asset impairment	-1,880	0	0
Write-down of securities	-77	-100	-100
restructuring expenses of subsidiaries	-253	-1,200	-1,000
Others	-161	-1,010	0
Extraordinary loss (total)	-2,445	-2,410	-1,200
Extraordinary gain (total)	24	10	0
Extraordinary gain & loss	-2,421	-2,400	-1,200

■ Mainly NF's one-time costs

3. Free cash flow

Mill Yen

	FY2014	FY2015	yoy	FY2016(F)	yoy
Net income before income taxes and minority interests	22,179	23,740	1,561	26,300	2,560
Depreciation & Amortization	7,189	8,022	833	7,832	-190
Amortization of goodwill	935	1,414	479	1,318	-96
Income taxes paid	-8,301	-7,806	495	-8,680	-874
Working Capital	-4,730	-4,291	439	-4,145	146
Other	5,032	3,299	-1,733	2,856	-443
Net cash provided by operating activities	22,304	24,378	2,074	25,481	1,103
Net cash provided by investing activities	-27,080	-15,641	11,439	-6,535	9,106
FCF① (Operating CF+Investing CF)	-4,776	8,737	13,513	18,946	10,209
FCF② (FCF① except investments in securities)	1,859	16,318	14,459	19,050	2,732
Net cash provided by financing activities	10,625	-25,702	-36,327	-9,668	16,034

The policy for cash flow allocation

■ Strategic investment is the highest priority in order to challenge to become a major global player

1. Investment

- Capital expenditure: within depreciation costs
- M&A: focusing on our core business and/or the business having potential to become our core business in the future

2. Shareholder return

- Payout ratio: 35% is the target
- Share buyback: Strategic investment such as M&A is the highest priority but consider share buyback if there is no opportunity to cash-out.

4. Stock buyback

① Dividend

■ FY2015 Year-end dividend

Plans to pay 3 yen commemorative dividend of 60th anniversary

Ordinary dividend of 10 yen + Commemorative dividend of 3 yen = Annual dividend of 23 yen

■ FY 2016 Annual dividend forecast

Expect to be 25 yen, 5 yen higher than FY2015 ordinary dividend of 20 yen

② Treasury stock

■ Cancellation of treasury stocks

The company retired its 4.9 million treasury stocks in February 2016.

■ Consider acquisition of treasury stocks by taking into account the status of cash position

■ Appendix

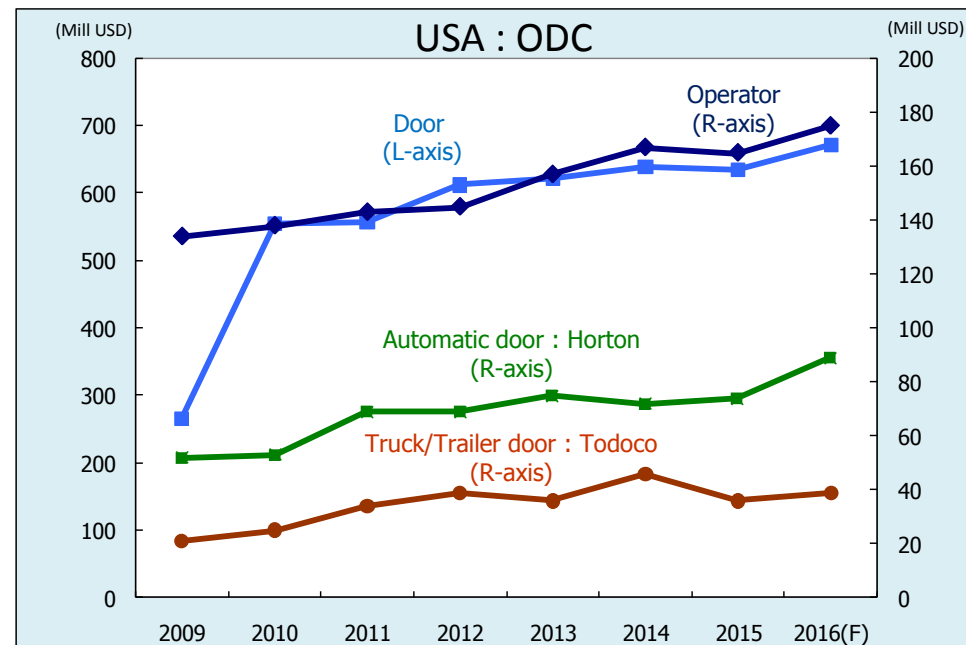
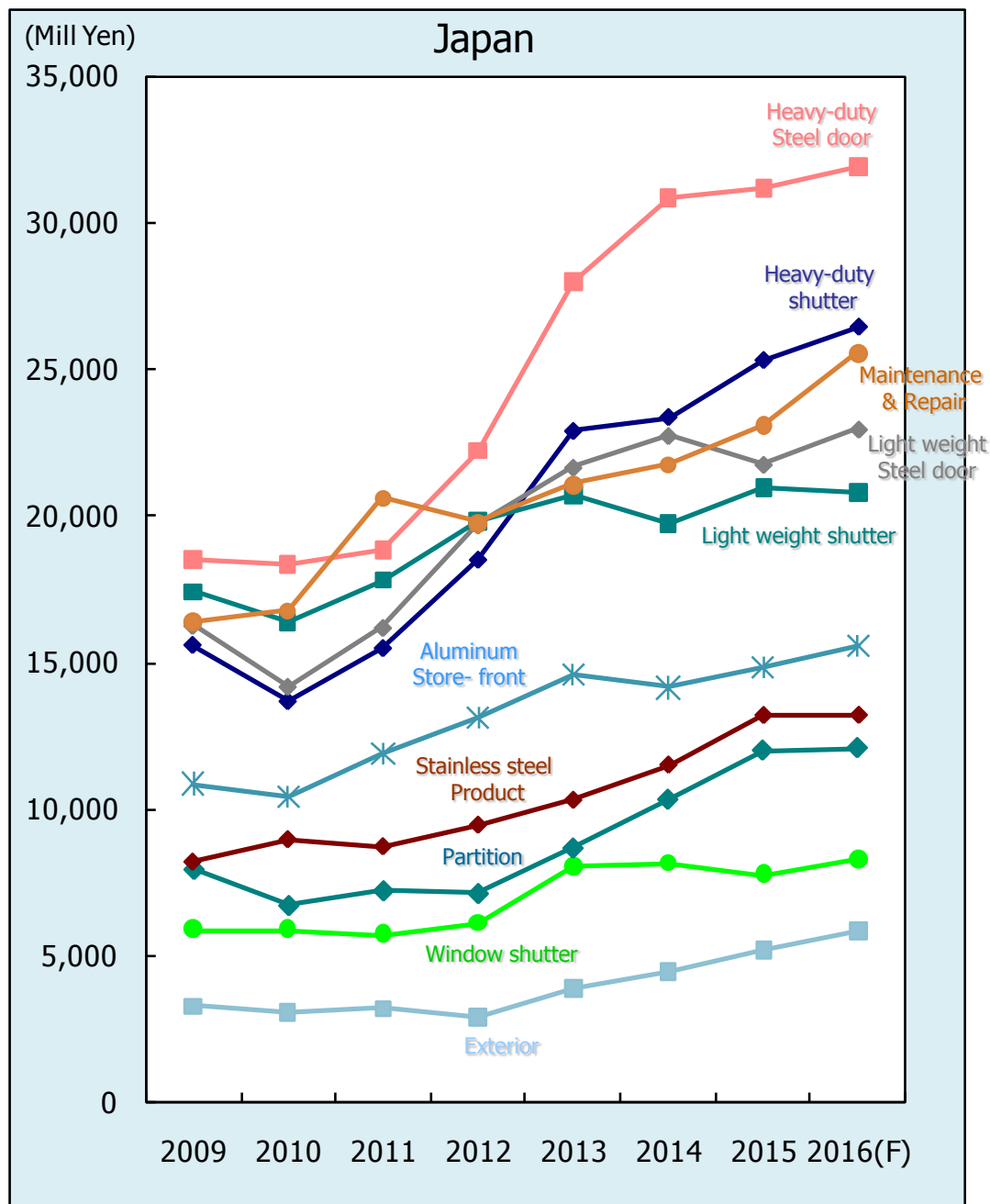
1. Outline of Consolidated Results by Sector

(JPYm・USDk・EURk)

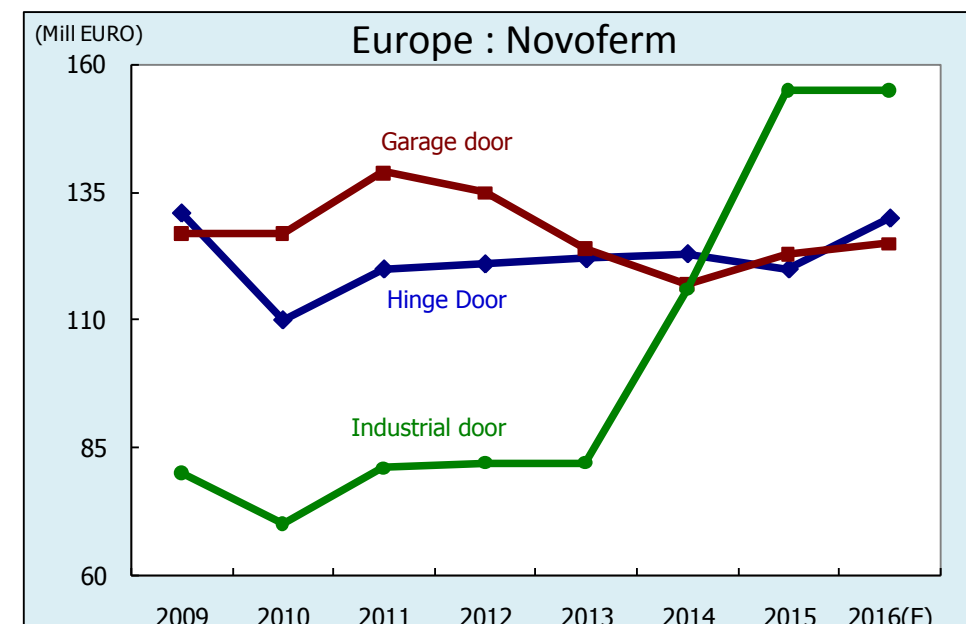
	FY2014					FY2015						FY2016(F)				
	1H		Full Year			1H		Full Year				1H		Full Year		
	(\$ 102.23 €139.87)	Y/Y	(\$ 106.46 €140.35)	profit ratio	Y/Y	(\$ 120.48 €133.83)	Y/Y	Revised F (\$ 120.00 €130.00)	(\$ 121.03 €133.69)	profit ratio	Y/Y	(\$ 110.00 €125.00)	Y/Y	(\$ 110.00 €125.00)	profit ratio	Y/Y
Net Sales	146,406	8.9	339,045		8.7	160,926	9.9	366,000	365,615		7.8	164,000	1.9	367,000		0.4
[assumed forex rate same as the previous year]						[154,249]	5.4		[355,019]		4.7	[170,534]	6.0	[381,317]		4.3
Sanwa Shutter	71,942	10.3	169,419		5.5	75,928	5.5	180,000	180,157		6.3	79,100	4.2	187,000		3.8
Japanese Subsidiaries	12,258	2.6	29,108		1.8	12,984	5.9	31,000	30,822		5.9	13,970	7.6	32,540		5.6
ODC (U.S.A.)	\$425,869	1.8	\$925,271		3.9	\$426,234	0.1	\$930,000	\$909,573		-1.7	\$455,000	6.7	\$975,000		7.2
	43,536	8.5	98,504		12.9	51,352	18.0	111,600	110,085		11.8	50,050	-2.5	107,250		-2.6
Novoferm (Europe)	€ 157,735	-1.6	€356,178		8.5	€ 182,355	15.6	€ 390,000	€398,902		12.0	€ 200,000	9.7	€410,000		2.8
	22,062	9.5	49,989		16.7	24,404	10.6	50,700	53,329		6.7	25,000	2.4	51,250		-3.9
Operating Income	7,140	58.2	26,334	7.8	27.5	6,051	-15.3	28,000	26,870	7.3	2.0	7,000	15.7	28,200	7.7	4.9
[assumed forex rate same as the previous year]						[5,900]	-17.4		[26,185]		-0.6	[7,226]	19.4	[29,091]		8.3
Sanwa Shutter	5,239	45.1	17,517	10.3	30.0	5,601	6.9	18,550	18,674	10.4	6.6	5,300	-5.4	19,000	10.2	1.7
Japanese Subsidiaries	447	52.8	1,682	5.8	27.1	392	-12.5	1,900	1,758	5.7	4.5	365	-6.9	1,970	6.1	12.0
ODC (U.S.A.)	\$15,483	48.2	\$59,183		19.1	\$7,960	-48.6	\$63,000	\$52,747		-10.9	\$18,000	126.1	\$69,000		30.8
	1,582	57.9	6,300	6.4	29.4	959	-39.4	7,560	6,383	5.8	1.3	1,980	106.4	7,590	7.1	18.9
Novoferm (Europe)	-€493	<+>	€10,718		30.0	-€901	<->	€ 11,000	€12,561		17.2	€ 4,200	<+>	€15,000		19.4
	-68	<+>	1,504	3.0	39.7	-120	<->	1,430	1,679	3.1	11.6	525	<+>	1,875	3.7	11.7
Current Income	6,826	58.8	25,975	7.7	27.9	5,640	-17.4	27,400	26,161	7.2	0.7	6,350	12.6	27,500	7.5	5.1
[assumed forex rate same as the previous year]						[5,517]	-19.2		[25,512]		-1.8	[6,543]	16.0	[28,329]		8.3
Sanwa Shutter	5,432	44.1	18,251	10.8	32.6	5,688	4.7	18,700	18,852	10.5	3.3	5,400	-5.1	19,150	10.2	1.6
Japanese Subsidiaries	474	52.3	1,738	6.0	27.8	405	-14.5	1,920	1,803	5.9	3.7	385	-5.0	2,010	6.2	11.4
ODC (U.S.A.)	\$15,205	58.7	\$57,476		17.9	\$6,196	-59.2	\$60,100	\$49,605		-13.7	\$15,800	155.0	\$64,500		30.0
	1,554	69.1	6,118	6.2	28.0	746	-52.0	7,212	6,003	5.5	-1.9	1,738	132.8	7,095	6.6	18.2
Novoferm (Europe)	-€701	<+>	€10,446		90.6	-€1,595	<->	€ 10,000	€11,053		5.8	€ 3,100	<+>	€13,500		22.1
	-98	<+>	1,466	2.9	104.9	-213	<->	1,300	1,477	2.8	0.8	387	<+>	1,687	3.3	14.2
Other Affiliates	-207	<->	-220		<->	-91	<+>	75	-176		<+>	-301	<->	0		<+>
Profit attributable to owners of the parent	3,286	258.8	12,857	3.8	26.5	3,226	-1.8	14,000	14,627	4.0	13.8	3,100	-3.9	16,700	4.6	14.2
[assumed forex rate same as the previous year]						[3,147]	-4.2		[14,217]		10.6	[3,184]	-1.3	[17,199]		17.6
Sanwa Shutter	3,416	201.4	11,745	6.9	62.8	3,786	10.8	12,300	12,808	7.1	9.1	3,580	-5.5	12,840	6.9	0.2
Japanese Subsidiaries	273	46.6	979	3.4	44.8	275	0.5	1,250	1,203	3.9	22.9	205	-25.5	1,315	4.0	9.2
ODC (U.S.A.)	\$9,767	301.4	\$36,263		75.8	\$3,733	-61.8	\$35,850	\$30,857		-14.9	\$8,500	127.7	\$41,000		32.9
	998	327.9	3,860	3.9	90.9	449	-55.0	4,302	3,734	3.4	-3.3	935	107.9	4,510	4.2	20.8
Novoferm (Europe)	-€2,132	<->	€3,775		54.0	-€1,729	<+>	€4,960	€5,961		57.9	-€600	<+>	€5,400		-9.4
	-298	<->	529	1.1	65.6	-231	<+>	644	796	1.5	50.4	-75	<+>	675	1.3	-15.3
Other Affiliates	-207	<->	-220		<->	-91	<+>	75	-176		<+>	-301	<->	0		<+>

- 1) The relevant financial periods for each entity are as follows:
- 2) Figures are round off. <+> is for increase, <-> is for decrease from the previous year.
- 3) Each figure by entities is before consolidation adjustment.
- 4) Forex rate is changed from end of the term to term average.

2. Sales Trend of Main Products (Japan, USA, Europe)



Door sales include Installation & Service (ISD) sales.



3. Japan: Order Intake of Net Sales by Products (Sanwa Shutter)

JPYm・%

		FY2015										FY2016(F)									
		1H			2H			Full Year				1H			2H			Full Year			
		Order Intake	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total	Order Intake	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total
Rolling Shutters	Lightweight	<4.6> 14,185	<3.0> 13,471	17.7	<4.2> 14,215	<10.2> 15,085	14.5	<4.4> 28,401	15.1	<6.7> 28,556	15.9	<2.2> 14,500	<5.4> 14,200	18.0	<4.8> 14,900	<0.1> 15,100	14.0	<3.5> 29,400	14.7	<2.6> 29,300	15.7
	Heavy-duty	<2.5> 17,324	<5.6> 14,496	19.1	<-1.8> 18,030	<8.8> 19,781	19.0	<0.3> 35,354	18.8	<7.4> 34,278	19.0	<3.3> 17,900	<3.5> 15,000	19.0	<13.7> 20,500	<8.7> 21,500	19.9	<8.6> 38,400	19.2	<6.5> 36,500	19.5
	Sub Total	<3.5> 31,510	<4.3> 27,967	36.8	<0.7> 32,245	<9.4> 34,867	33.5	<2.1> 63,756	34.0	<7.1> 62,834	34.9	<2.8> 32,400	<4.4> 29,200	36.9	<9.8> 35,400	<5.0> 36,600	33.9	<6.3> 67,800	33.8	<4.7> 65,800	35.2
Shutter-related Products	Overhead Doors	<7.9> 3,170	<-0.5> 2,687	3.5	<6.7> 3,365	<11.4> 3,644	3.5	<7.3> 6,536	3.5	<6.0> 6,332	3.5	<0.9> 3,200	<7.9> 2,900	3.7	<7.0> 3,600	<1.5> 3,700	3.4	<4.0> 6,800	3.4	<4.2> 6,600	3.5
	Others	6,038	4,706	6.2	6,093	7,071	6.8	12,132	6.5	11,777	6.5	6,200	5,200	6.6	6,000	6,800	6.3	12,200	6.1	12,000	6.4
	Sub Total	<10.9> 9,209	<3.3> 7,394	9.7	<2.9> 9,459	<14.0> 10,715	10.3	<6.7> 18,668	9.9	<9.4> 18,110	10.1	<2.1> 9,400	<9.5> 8,100	10.2	<1.5> 9,600	<-2.0> 10,500	9.7	<1.8> 19,000	9.5	<2.7> 18,600	9.9
Doors	Comm. Bldgs/ Condominiums	<1.6> 29,213	<1.3> 20,534	27.0	<7.5> 30,515	<-2.1> 33,170	31.8	<4.5> 59,728	31.8	<-0.8> 53,704	29.8	<4.4> 30,500	<1.8> 20,900	26.4	<11.1> 33,900	<6.1> 35,200	32.6	<7.8> 64,400	32.2	<4.5> 56,100	30.0
	Residential	<15.5> 1,868	<15.6> 1,868	2.5	<13.3> 2,039	<13.3> 2,040	2.0	<14.3> 3,908	2.1	<14.4> 3,909	2.2	<1.7> 1,900	<1.7> 1,900	2.4	<3.0> 2,100	<2.9> 2,100	1.9	<2.3> 4,000	2.0	<2.3> 4,000	2.1
	Sub Total	<2.3> 31,082	<2.4> 22,403	29.5	<7.8> 32,554	<-1.3> 35,210	33.8	<5.0> 63,637	33.9	<0.1> 57,613	32.0	<4.2> 32,400	<1.8> 22,800	28.8	<10.6> 36,000	<5.9> 37,300	34.6	<7.5> 68,400	34.1	<4.3> 60,100	32.1
Window-related Products		<-6.1> 4,091	<-5.3> 4,091	5.4	<-4.0> 4,202	<-3.8> 4,226	4.1	<-5.0> 8,293	4.4	<-4.5> 8,318	4.6	<5.1> 4,300	<5.1> 4,300	5.4	<9.5> 4,600	<8.8> 4,600	4.3	<7.3> 8,900	4.4	<7.0> 8,900	4.8
Exterior Fittings		<16.8> 2,331	<13.7> 2,117	2.8	<15.5> 2,459	<19.9> 2,541	2.4	<16.2> 4,791	2.6	<17.0> 4,658	2.6	<8.1> 2,520	<19.5> 2,530	3.2	<6.5> 2,620	<3.1> 2,620	2.4	<7.3> 5,140	2.6	<10.6> 5,150	2.8
Others	Partitions	<10.4> 6,276	<10.6> 4,381	5.8	<7.5> 6,198	<19.2> 7,502	7.2	<9.0> 12,474	6.6	<15.9> 11,884	6.6	<8.3> 6,800	<5.0> 4,600	5.8	<16.2> 7,200	<-1.4> 7,400	6.9	<12.2> 14,000	7.0	<1.0> 12,000	6.4
	Stainless-Steel Entrances	<-27.7> 2,652	<16.0> 2,236	2.9	<6.9> 3,553	<6.5> 3,858	3.7	<-11.2> 6,206	3.3	<9.8> 6,094	3.4	<5.6> 2,800	<11.8> 2,500	3.2	<1.3> 3,600	<-4.1> 3,700	3.4	<3.1> 6,400	3.2	<1.7> 6,200	3.3
	Aluminum Fronts	<79.2> 818	<129.6> 827	1.1	<27.5> 892	<50.6> 900	0.9	<47.9> 1,711	0.9	<80.3> 1,728	1.0	<10.0> 900	<8.7> 900	1.1	<12.0> 1,000	<11.1> 1,000	0.9	<11.0> 1,900	0.9	<9.9> 1,900	1.0
	Automatic door oprators	1,324	1,297	1.7	1,430	1,530	1.5	2,754	1.5	2,827	1.6	1,440	1,390	1.8	1,510	1,490	1.4	2,950	1.5	2,880	1.5
	Others	2,652	3,210	4.2	2,826	2,875	2.8	5,478	2.9	6,086	3.4	2,540	2,780	3.5	3,270	2,690	2.5	5,810	2.9	5,470	2.9
	Sub Total	<5.4> 13,723	<20.6> 11,954	15.7	<8.6> 14,901	<19.0> 16,667	16.0	<7.1> 28,624	15.2	<19.7> 28,621	15.9	<5.5> 14,480	<1.8> 12,170	15.4	<11.3> 16,580	<-2.3> 16,280	15.1	<8.5> 31,060	15.5	<-0.6> 28,450	15.2
Total		<3.9> 91,948	<5.5> 75,928	100.0	<4.6> 95,823	<6.9> 104,228	100.0	<4.2> 187,771	100.0	<6.3> 180,157	100.0	<3.9> 95,500	<4.2> 79,100	100.0	<9.4> 104,800	<3.5> 107,900	100.0	<6.7> 200,300	100.0	<3.8> 187,000	100.0
Commercial Building Materials		<2.7> 59,189	<5.8> 44,145	58.1	<4.9> 61,350	<5.5> 68,122	65.4	<3.8> 120,539	64.2	<5.6> 112,268	62.3	<4.2> 61,700	<3.3> 45,600	57.6	<9.7> 67,300	<3.6> 70,600	65.4	<7.0> 129,000	64.4	<3.5> 116,200	62.1
Shop-related Materials		<7.5> 11,614	<6.2> 10,873	14.3	<4.1> 11,549	<13.1> 12,436	11.9	<5.8> 23,163	12.3	<9.8> 23,310	12.9	<0.7> 11,700	<4.8> 11,400	14.4	<1.3> 11,700	<-3.5> 12,000	11.1	<1.0> 23,400	11.7	<0.4> 23,400	12.5
Residential Housing Materials		<3.9> 8,670	<3.4> 8,453	11.1	<4.8> 9,134	<5.8> 9,240	8.9	<4.4> 17,805	9.5	<4.7> 17,693	9.8	<3.8> 9,000	<6.5> 9,000	11.4	<6.2> 9,700	<5.0> 9,700	9.0	<5.0> 18,700	9.3	<5.7> 18,700	10.0
Maintenance & Repair		<5.0> 10,843	<3.2> 10,208	13.4	<6.9> 12,202	<8.5> 12,696	12.2	<6.0> 23,046	12.3	<6.1> 22,904	12.7	<6.1> 11,500	<10.7> 11,300	14.3	<15.5> 14,100	<11.1> 14,100	13.1	<11.1> 25,600	12.8	<10.9> 25,400	13.6
Others		1,629	2,246	3.0	1,586	1,733	1.7	3,216	1.7	3,979	2.2	1,600	1,800	2.3	2,000	1,500	1.4	3,600	1.8	3,300	1.8
		Amount			Amount			Y/Y			Amount			Amount			Y/Y				
Outstanding Order Intake		86,265			78,172			8.057			94,372			91,272			13.100				
Work-in-process		21,527			15,129			277			23,500			18,500			3.370				

1) <>=Δ% year on year 2) Outstanding Order Intake = Unordered, unpurchased and work-in-process

4. USA: Net Sales by Products (ODC)

USDk, <Δ%yoy>

		FY2015						FY2016(F)					
		1H		2H		Full Year		1H		2H		Full Year	
			%to total		%to total		%to total		%to total		%to total		%to total
Sales breakdown by Products													
	Door	<0.4> 236,408	55.5	<-1.8> 277,792	57.5	<-0.8> 514,200	56.5	<5.4> 249,100	54.7	<5.8> 293,900	56.5	<5.6> 543,000	55.7
	Install & Service	— 56,132	13.2	— 64,312	13.3	— 120,444	13.2	<4.9> 58,900	12.9	<8.5> 69,800	13.4	<6.9> 128,700	13.2
	Operator	<-3.5> 78,411	18.4	<0.2> 86,366	17.9	<-1.6> 164,777	18.1	<6.6> 83,600	18.4	<6.8> 92,200	17.7	<6.7> 175,800	18.0
	Automatic Door	<14.7> 36,401	8.5	<-5.4> 37,984	7.9	<3.5> 74,385	8.2	<19.2> 43,400	9.5	<19.8> 45,500	8.8	<19.5> 88,900	9.1
	Truck & Trailer Door	<-12.8> 18,882	4.4	<-31.9> 16,885	3.4	<-23.0> 35,767	4.0	<5.9> 20,000	4.4	<10.2> 18,600	3.6	<7.9> 38,600	4.0
Net Sales		<0.1> 426,234	100.0	<-3.2> 483,339	100.0	<-1.7> 909,573	100.0	<6.7> 455,000	100.0	<7.6> 520,000	100.0	<7.2> 975,000	100.0
Operating Income		<-48.6> 7,960	1.9	<2.5> 44,786	9.3	<-10.9> 52,747	5.8	<126.1> 18,000	4.0	<13.9> 51,000	9.8	<30.8> 69,000	7.1
Current Income		<-59.2> 6,196	1.5	<2.7> 43,409	9.0	<-13.7> 49,605	5.5	<155.0> 15,800	3.5	<12.2> 48,700	9.4	<30.0> 64,500	6.6
Profit attributable to owners of the parent		<-61.8> 3,733	0.9	<2.4> 27,124	5.6	<-14.9> 30,857	3.4	<127.7> 8,500	1.9	<19.8> 32,500	6.3	<32.9> 41,000	4.2

From FY2016 "install & service " is separated out from "Door".

Percentage change shown above in FY 2015 those before the separation.

5. Europe: Net Sales by Products (NF)

EURk, <Δ%yoy>

		FY2015						FY2016 (F)					
		1H		2H		Full Year		1H		2H		Full Year	
			%to total		%to total		%to total		%to total		%to total		%to total
Sales breakdown by Products													
	Hinge Door	<-9.1> 53,754	29.5	<3.6> 66,485	30.7	<-2.5> 120,239	30.1	<17.0> 62,900	31.5	<0.5> 66,800	31.8	<7.9> 129,700	31.6
	Garage Door	<-1.5> 57,053	31.3	<12.7> 66,295	30.6	<5.6> 123,348	30.9	<8.1> 61,700	30.9	<-5.0> 63,000	30.0	<1.1> 124,700	30.4
	Industrial Door	<75.9> 71,548	39.2	<11.1> 83,766	38.7	<33.8> 155,315	38.9	<5.4> 75,400	37.7	<-4.3> 80,200	38.2	<0.2> 155,600	38.0
Net Sales		<15.6> 182,355	100.0	<9.1> 216,546	100.0	<12.0> 398,902	100.0	<9.7> 200,000	100.0	<-3.0> 210,000	100.0	<2.8> 410,000	100.0
Operating Income		<-> -901	-0.5	<20.1> 13,463	6.2	<17.2> 12,561	3.1	<+> 4,200	2.1	<-19.8> 10,800	5.1	<19.4> 15,000	3.7
Current Income		<-> -1,595	-0.9	<13.5> 12,648	5.8	<5.8> 11,053	2.8	<+> 3,100	1.6	<-17.8> 10,400	5.0	<22.1> 13,500	3.3
Profit attributable to owners of the parent		<+> -1,729	-0.9	<30.2> 7,690	3.6	<57.9> 5,961	1.5	<+> -600	Δ 0.3	<-22.0> 6,000	2.9	<-9.4> 5,400	1.3

6. Key Figures & Ratios

Key Figures & Ratios (Consolidated)		FY10	FY11	FY12	FY13	FY14	FY15	FY16
		Actual	Actual	Actual	Actual	Actual	Actual	Forecast
Net Sales	(JPYm)	237,295	248,214	265,913	311,957	339,045	365,615	367,000
Operating Income	(JPYm)	4,562	8,855	14,174	20,649	26,334	26,870	28,200
(Before goodwill amortization))		(6,078)						
Net Income	(JPYm)	-2,443	3,297	7,182	10,161	12,857	14,627	16,700
(Before goodwill amortization)		(1,887)						
Operating Income Ratio	(JPYm)	1.9%	3.6%	5.3%	6.6%	7.8%	7.3%	7.7%
(Before goodwill amortization)		(2.6%)						
ROE : Net Income/Shareholders' Equity		-2.7%	3.8%	7.9%	9.6%	10.7%	11.4%	12.3%
(Before goodwill amortization)		(2.1%)						
Shareholders' Equity Ratio (term end)		39.3%	37.7%	40.1%	40.4%	39.1%	41.7%	42.0%
Net Assets (term end)	(JPYm)	86,012	85,522	97,134	113,956	126,748	130,334	141,315
Total Assets (term end)	(JPYm)	218,933	226,580	241,771	281,917	323,327	310,269	336,450
Interest Bearing Liabilities (term end)	(JPYm)	59,892	61,607	60,799	69,153	88,483	70,797	66,354
Debt-Equity Ratio:	(times)	0.70	0.72	0.63	0.61	0.70	0.54	0.47
Interest Bearing Liabilities / Shareholders' Equity								
SVA(Sanwa Value Added)	(JPYm)	-2,661	-1,201	1,870	5,410	7,770	8,290	8,700
EPS : Earnings per share	(JPY)	-10.2	13.7	29.9	42.4	54.1	63.1	73.0
(Before goodwill amortization)		(7.9)						
Number of shares issued (term avg.)	(K shares)	240,321	240,306	239,961	239,768	237,694	231,923	228,752

1. SVA refers to Sanwa's original indicator, following EVA concept.

2. FY2010 Net Income (Before depreciation and amortization) excluded depreciation of goodwill and surcharge ordered by JapanFair Trade Commission.

7. Capital Expenditure & Depreciation

JPYm

	FY2014		FY2015		FY2016(F)	
	1H	Full Year	1H	Full Year	1H	Full Year
Capital Expenditures	3,199	7,727	4,073	8,127	4,216	8,220
Sanwa Shutter	942	1,934	1,037	2,039	1,155	2,186
Sanwa Holdings	122	492	129	456	156	530
Forex rate <USD k>	102.23	106.46	120.48	121.03	110.00	110.00
ODC (U.S.A.)	<\$15,180> 1,551	<\$32,216> 3,429	<\$14,396> 1,734	<\$25,213> 3,051	<\$15,164> 1,668	<\$28,200> 3,102
Forex rate <EUR k>	139.87	140.35	133.83	133.69	125.00	125.00
Novoform (Europe)	<€3,861> 540	<€12,205> 1,712	<€5,294> 708	<€12,989> 1,736	<€6,801> 850	<€13,800> 1,725
Japanese Subsidiaries	42	157	463	843	386	677
Depreciation & Amortization	3,536	8,123	4,520	9,436	4,412	9,150
Sanwa Shutter	1,231	2,612	1,229	2,621	987	2,204
Sanwa Holdings	228	466	242	495	237	475
Forex rate <USD k>	<\$11,003>	<\$22,604>	<\$11,659>	<\$24,729>	<\$14,350>	<\$29,200>
ODC (U.S.A.)	1,124	2,406	1,404	2,993	1,578	3,212
Forex rate <EUR k>	<€4,743>	<€11,331>	<€6,383>	<€13,214>	<€6,960>	<€13,960>
Novoform (Europe)	663	1,590	854	1,766	870	1,745
Japanese Subsidiaries	52	113	65	146	79	195
Amortization of goodwill	235	935	724	1,414	659	1,318
Property, Plant and Equipment	2,025	4,495	2,423	5,124	2,689	5,605
Sanwa Shutter	425	972	490	1,118	600	1,340
Sanwa Holdings	228	464	241	493	237	474
Forex rate <USD k>	<\$7,210>	<\$15,524>	<\$8,131>	<\$17,084>	<\$10,150>	<\$20,800>
ODC (U.S.A.)	737	1,652	979	2,067	1,116	2,288
Forex rate <EUR k>	<€4,205>	<€9,320>	<€4,987>	<€10,047>	<€5,440>	<€10,850>
Novoform (Europe)	588	1,308	667	1,343	680	1,356
Japanese Subsidiaries	46	96	43	101	55	147
Intangibles	1,510	3,628	2,097	4,312	1,722	3,544
Sanwa Shutter	805	1,639	739	1,503	387	864
Sanwa Holdings	0	1	0	1	0	1
Forex rate <USD k>	<\$3,792>	<\$7,079>	<\$3,528>	<\$7,644>	<\$4,200>	<\$8,400>
ODC (U.S.A.)	387	753	425	925	462	924
Forex rate <EUR k>	<€538>	<€2,010>	<€1,395>	<€3,167>	<€1,520>	<€3,110>
Novoform (Europe)	75	282	186	423	190	388
Japanese Subsidiaries	5	16	21	44	23	48
Amortization of goodwill	235	935	724	1,414	659	1,318



Sanwa Shutter added "Waterguard S Tight Door" line-up with electric lock type and window type.



Sanwa Shutter launched new types of water-proof door "Waterguard S Tight Door", which being able to prevent water leakage in buildings without any special operations, including electric lock type and window type in October 2015. New type doors improve safety in regular operation and convenience at emergency timing.



Sanwa Shutter's "Waterguard Water-proof Shutter" were successfully adopted and installed at landmark office buildings.



Office buildings in Tokyo area called "COREDO Nihonbashi/Nihonbashi 1-chome Mitsui Building" and "SMBC Corporate Building" (both owned by Mitsui Fudosan Co., Ltd.) adopted Sanwa Shutter's "Waterguard Water-proof Shutter" and installed successfully in March 2016.



Showa Front launched curtain wall for low-rise to medium-rise buildings.



Showa Front launched curtain wall for low-rise buildings called "Low-rise X" and for medium-rise buildings called "MCA-60" in April 2016. It was first time to launch medium-rise curtain wall. Good design and high airtightness are big advantages for both products.

The Genuine. The Original.



Overhead Door Corporation (ODC) celebrated 95th anniversary of its founding.



Since its founding in 1921, ODC celebrated 95th anniversary. In this year, ODC also celebrated 20th anniversary of merge with Sanwa Group.

The Genuine. The Original.



Overhead Door Corporation (ODC) launched lightweight shutter "Allura".



ODC launched lightweight shutter called "Allura" in October 2015. 197 different colors and 6 different woodgrain patterns are available.



Novoferm Group opened new showroom.



Showroom was opened at Tormatic's Dortmund Plant in April 2016. Exhibits many Novoferms' products including garage doors, commercial sectional doors, hinge doors etc.